

Kanabec County Board of Commissioners

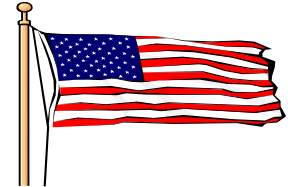
Regular Meeting Agenda December 15, 2020

- The Meeting will be in-person and via WebEx (video / phone conference)
- The public may join the meeting via WebEx or in person at the meeting room.
- If joining the meeting in person, the total number of persons (including commissioners) will be limited and social distancing/safety protocol will be in effect.

To be held via WebEx telephone call or video meeting:

Telephone call-in number for public access: 1-408-418-9388

Access Code: 146 005 8616



Video Meeting link:

<https://kanabecounty.webex.com/kanabecounty/j.php?MTID=me460b4fb7a9cbd2f0b5d0f9296a8a083>

Meeting number: 146 005 8616

Password: 8CJxE9zEsB9

To be held at: Kanabec County Courthouse
Basement Training Rooms 3 & 4
18 North Vine Street
Mora, MN 55051

Please use the Maple Ave Entrance. Stairs and an elevator to the basement level are accessible through the entrance lobby.

The audience is invited to join the board in pledging allegiance:

I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands: one nation under God, indivisible, with Liberty and Justice for all

Scheduled Appointments: Times are approximate and time allotted to each subject will vary. Appointment times may be changed at the discretion of the board.

9:00am a. Call the Meeting to Order

b. Pledge of Allegiance

c. Agenda approval

9:05am Recess county board to a time immediately following the FSB.

Family Services Board

9:30am Tina Von Eschen, Assessor – Request status change from Trainee to Appraiser

9:40am Kim Christenson, HR Specialist-

a. 2021 Non-Union Employee Wages

b. 2021 Homemaker Wages

c. 2021 Commissioner Wages

9:50am Barbara McFadden, County Attorney- Prosecution Contracts

a. City of Mora

b. City of Ogilvie

c. City of Braham

10:00am Resolution for Privatization of Kanabec County Hospital

10:15am Land Sale Bid Results- 330 Forest Ave E, Mora, MN 55051

10:25am Denise Snyder, Auditor/Treasurer- Timber Sale Permit

10:30am Public Comment Call-in number for Public Comment 1-408-418-9388 Access Code: 146 005 8616

10:45am No Net Gain Resolution Discussion

11:00am Chad Gramentz, Public Works

Other business to be conducted as time is available:

1. Minutes

a. Regular Meeting 12/1/2020

b. Truth in Taxation Public Hearing 12/3/2020

2. Paid Bills
3. Regular Bills
 - a. Revenue Fund
 - b. Road & Bridge
 - c. COVID/Cares Act
4. SCORE Claims
5. 2021 Maximum Levy and Budget Approval
6. Items required for withdrawal from Merit System
 - a. Political Activity Policy
 - b. Training & Development Policy
 - c. Merit System Certification
7. Renew existing lease agreements for 2022
 - a. Nemeth Orthodontics
 - b. Rise, Inc.
8. Discuss Commissioner per diems
9. Board of Commissioner Operating Guidelines Draft
10. Discuss having an extra meeting in December for year end bills
11. Future Agenda Items
12. Discuss any other matters that may come before the County Board

ADJOURN

Kanabec County Family Services

905 East Forest Avenue, Suite 150
Mora, MN 55051
Phone: 320-679-6350
Fax: 320-679-6351

Kanabec County Family Services Board Agenda December 15, 2020 9:05 a.m.

- 1. Agenda Approval** **Pg. 1**
- 2. Katie Heacock an update on Chemical Dependency transition**
- 3. Director's Report** **Pg. 2**
 - Staffing**
 - Update on waiver for Programs**
 - Ongoing Number of Children in Placement**
- 4. Merit System Withdrawal** **Pg. 2-4**
- 5. MH Services Agreement with Pine County** **Pg. 5-10**
 - Action requested**
 - See attached resolution**
- 6. MH Services Agreement with Mille Lacs Community & Veteran's Services** **Pg. 11-16**
 - Action requested**
 - See attached resolution**
- 7. GRH List** **Pg. 17**
- 8. Welfare Fund Report** **Pg. 18**
 - See attached report**
- 9. Financial Report** **Pg. 19-20**
 - See attached report**
- 10. Abstract Approval** **Pg. 21-24**
 - See attached abstract and board vendor paid list**
- 11. Other Business**
- 12. Adjourn**

Staffing – nothing to report

Update on Program Waivers

All waivers of rules for Food Assistance, Medical, and Social Services remain in effect. Most will continue for 60 days past the Emergency Order. Federal stimulus will impact us as to when these will expire. We have not seen a dramatic influx of new assistance clients at this point. We will see more when unemployment ends but it is hard to know the amount of new clients we will get. Social Service areas are at usual numbers of cases currently. It is expected that cases in Chemical Dependency, Child and Adult Protection and Mental Health will increase as things open up and more individuals seek help or issues come to light.

Ongoing Update on Number of Children in Placement

Last month we had 14 children in our care in out of home placements. We still have 14 children in care this month compared to 9 last year for the same month.

Merit System

In consultation with the Coordinators office, we propose withdrawal from the Minnesota Merit System. We have found the benefit of the service is not cost effective. Cost to the agency having gone from a fee of \$9,784 in 2018 to an expected cost of \$14,456 for 2021. Our HR department is able to meet all the required tasks and responsibilities that we have received from the Merit System. We have around two staff positions that we fill a year. The vast majority of openings are retirements.

KANABEC COUNTY FAMILY SERVICE AGENCY

PUBLIC SERVICE BUILDING

905 Forest Avenue East Suite 150
MORA, MINNESOTA 55051

FAMILY SERVICE: 320/679-6350
FAX: 320/679-6351

December 15, 2020

Minnesota Department of Human Services
Merit System
P.O. Box 64997
St. Paul, MN 55164-0997
Attention: Jessica Page

Re: Intent to Operate Own County Personnel System

Dear Jessica,

After much thought and consideration, Kanabec County is requesting withdrawal from the Minnesota Merit System as set forth under Minn. Stat. Sec. 256.012, Subd. 2b. effective January 1, 2022. This decision was not an easy one but after careful review, we are in a position where we have the capacity to operate our own merit-based personnel system.

Included in this request are some of the required documents to demonstrate our positioning to successfully withdraw, but is not a complete application and we will forward additional documents, including the completed survey, in the coming months.

Questions regarding this withdrawal request can be directed to Kris McNally, Coordinator. She can be reached at Kris.McNally@co.kanabec.mn.us or 320-679-6445.

We look forward to working with you and your staff during this transition for our county.

Sincerely,

Kathi Ellis
Chair of Kanabec County Board

Resolution # FS ____ 12/15/2020
Minnesota Merit System Withdrawal

WHEREAS, Kanabec County Family Service Agency and Coordinators Office have evaluated services for employment done by the Minnesota Merit System for many years, and

WHEREAS, this service is found not to be the most cost effective service available to meet requirements for staffing in Family Services, and

WHEREAS, the county Human Resource department is able to meet the requirements and responsibility of this service through its established personnel system, and

WHEREAS, said Personnel system was established in 1995 in compliance with MN 375.56-375.71 (County Personnel Act), and

WHEREAS, Notice must be given one calendar year in advance of withdrawal from the Merit System

THEREFORE, the Coordinator and Family Services Director are recommending to give notice of withdrawal from the Merit System and to complete withdrawal by January 1, 2022.

THEREFORE BE IT RESOLVED the Kanabec County Family Services Board authorizes the Chair of the Board to sign the withdrawal letter and give notice to withdraw from the Minnesota Merit System effective January 1, 2022.

2021 Agreement between Pine County Health & Human Services and Kanabec County Family Services
Period of Agreement: January 1, 2021 through December 31, 2021

This Agreement is made and entered into by and between Pine County Health & Human Services, with the address of 315 Main St. S., Ste 200, Pine City, MN 55063 (hereinafter the "County") and Kanabec County Family Services, with the address of 905 Forest Avenue E., Suite 150, Mora, MN 55051 (hereinafter "Kanabec County").

WITNESSETH

WHEREAS, Minn. Stat. §§245.461 through 245.486 and Minn. Stat. §§ 245.487 through 245.488 establish the Minnesota Comprehensive Adult Mental Health Act and the Minnesota Comprehensive Children's Mental Health Act, respectively;

WHEREAS, the County wishes to secure the provision of Psychiatric services; and

WHEREAS, Kanabec County is suitably structured to provide Psychiatric services, and

WHEREAS, pursuant to Minn. Statute Ch. 402, the County wishes to purchase such services from Kanabec County; and

WHEREAS, Pine County Health & Human Services wishes to serve as the Contracting Entity with Kanabec County for its provision of Psychiatric services.

NOW, THEREFORE, in consideration of the mutual understanding and agreements set forth, the County and Kanabec County agree as follows:

SECTION 1. OBLIGATIONS OF KANABEC COUNTY

- 1.1 **PROVISION OF SERVICES:** Kanabec County shall provide uninsured or underinsured residents of Pine County with Psychiatric services per host county agreement; Client's eligibility to receive such services will be mutually agreed upon by the County and Kanabec County prior to providing such service; services shall not be provided to clients who are not determined to be eligible; Determine fee for clients that have no third-party insurance, including public programs on the sliding fee schedule. Clients will be eligible for sliding fee schedule when the applicable health plans including Medical Assistance, Medicare, Minnesota Care (or its successor program), PMAP or third party payers have denied payments or reached limitations.
- 1.2 **STANDARD OF PERFORMANCE:** Kanabec County shall provide services in conformance with applicable laws and regulations and within accepted standards of professional practice; specifically, services shall conform to standards set forth in the MHCP Provider Manual as applicable to services.
- 1.3 **CAPACITY:** Kanabec County agrees to provide Psychiatric services per Agreement approved by the Pine County Board. This request is hereby incorporated in to this Agreement by this reference.
- 1.4 **PROGRAM LICENSURE:** Kanabec County shall operate as a contracted vendor in compliance with Minnesota Department of Human Services Rules.
- 1.5 **HIPAA COMPLIANCE:** Kanabec County shall provide and execute services in conformance with applicable regulations and standards.
- 1.6 **REPORTING:** Kanabec County will provide reports on a quarterly basis of services rendered as requested by the County.

- 1.7 INSURANCE: Kanabec County shall maintain general and professional liability insurance in amounts mutually acceptable to Kanabec County and the County. Kanabec County shall provide evidence of such coverage to the County upon request and shall notify the County of any proposed change or cancellation in such coverage.
- 1.8 ACCESS TO RECORDS: Consistent with federal and state requirements, Kanabec County agrees to provide access to books and records related to the Services provided under this Agreement for at least ten (10) years after the Services have been provided, upon request by the Secretary, U.S. Department of Health and Human Services, and U.S. Controller General or their representatives.
- 1.9 DISPOSITION OF ASSETS: All supplies purchased through the AMHI for this program will be for the exclusive use of this program. The intellectual rights to processes, procedures, protocols, written materials, and other products developed during this project will be held by AMHI subject to relevant state and federal laws governing such matters.
- 1.10 REQUIRED AUDITS: Regular audits will be conducted as applicable to said agency with access as requested by the County.

SECTION 2. OBLIGATIONS OF THE COUNTY

- 2.1 PAYMENT FOR SERVICES: For Psychiatric services, the payments will be based on actual expenditures not to exceed current payment rate as indicated in Appendix A. Payments for services are on a cash basis.
- 2.2 INVOICES: Upon receipt of the invoice, the County will make payment to Kanabec County within 30 days, not to exceed the current approved and authorized rate.

SECTION 3. DUTIES AND OBLIGATIONS OF BOTH PARTIES

- 3.1 DATA EXCHANGE: Both Parties acknowledge and agree that in order to deliver the Services, various types of data and confidential information will be shared between the Parties.
- 3.2 COMPLIANCE WITH LAW: Both Parties agree to take reasonable steps necessary to provide Services in accordance with all relevant federal, state and local laws and regulations including those federal and state laws and regulations relating to individuals that receive mental health services.
- 3.3 NON-DISCRIMINATION: Kanabec County will provide Services without discrimination on the basis of sex, race, creed, age, sexual orientation or nation origin.

SECTION 4. TERMINATION

- 4.1 TERMINATION WITH CAUSE: Either Party may terminate this Agreement for material breach, by written notice to the breaching Party; provided that such breach remains uncured for a period of thirty (30) days after receipt of written notice thereof from the non-breaching Party.
- 4.2 TERMINAATION DUE TO CHANGE IN FUNDING: In the event funding from the State is less than expected, decreased or terminated, the County reserves the right to give a 30-day notice of decrease or termination of this Agreement.
- 4.3 TERMINAATION WIATHOUT CAUSE: Either Party may terminate this Agreement without cause upon ninety (90) days written notice to the other Party.

- 4.4 **CONDITIONS OF THE PARTIES OBLIGATIONS:** It is understood and agreed that in the event the funding to the County from state and federal sources is not obtained and continued at an aggregate level sufficient to allow for the purchase of the indicated services, the obligations of each Party hereunder shall be terminated. Contractor shall neither assign nor transfer any rights or obligations under this Contract without the written consent of Pine County.
- 4.5 **OBLIGATIONS UPON TERMINATION:** Both Parties shall cooperate in any transition process necessary should the duties to be performed by Kanabec County under this Agreement be transferred to another entity.
- 4.6 **NO DISSOLUTION ASSUMED:** Termination of this Agreement, for any reason and at anytime, shall not be construed to terminate or in any way alter the relationship of the County with Kanabec County.

SECTION 5. CONFIDENTIAL INFORMATION

- 5.1 **DEFINITION:** “Confidential Information” means all proprietary or confidential information of any kind disclosed by either Party or its representatives or agents including but not limited to, any technical data or know-how, business plans, product plans or designs, products, services, client lists, provider lists, market strategies, clinical protocols, marketing information and strategies, or financial information.
- 5.2 **EXCEPTIONS:** Information will not be deemed to be Confidential Information hereunder if such information (i) becomes known, independently of disclosure by the receiving Party from a source other than one having an obligation of confidentiality toward the Confidential Information; (ii) becomes publicly known or otherwise ceases to be secret or confidential, except through a breach of this Agreement by the receiving Party; (iii) is in the possession of the receiving Party at the time of disclosure prior to disclosure by the disclosing Party (iv) become part of the public knowledge or literature, not as a result of any inaction or action of the receiving Party; or (v) is independently developed by the receiving Party without reference to the disclosing Party’s Confidential Information.
- 5.3 **NONDISCLOSURE OF CONFIDENTIAL INFORMATION:** Each Party agrees that it will maintain and preserve the confidentiality of the other Party’s Confidential Information, including, without limitation, taking such steps to preserve the confidentiality of the Confidential Information as it takes to preserve the confidentiality of its own Confidential Information. A receiving Party will immediately notify the disclosing Party if it is aware of any unauthorized use or disclosure of any Confidential Information by the receiving Party, its employees or agents, or any other entity.
- 5.4 **MANDATORY DISCLOSURE:** In the event that any Party or its employees or Agents are required by legal process to disclose any of the Confidential Information of the other Party, the receiving Party shall give prompt notice to the other Party so that it may seek a protective order or other appropriate relief. In the event that such protective order is not obtained, the receiving Party shall disclose only that portion of the Confidential Information which its Counsel advises that it is legally required to disclose.
- 5.5 **NO LICENSE GRANTED:** Nothing in this Agreement is intended to grant any rights to either Party under any patent, copyright, trade secret or other intellectual property right, nor shall this Agreement grant to any Party any rights in or to the other Party’s Confidential Information, except as provided herein.

SECTION 6. INDEMNIFICATION

- 6.1 **BY KANABEC COUNTY:** Kanabec County will indemnify, defend and hold the County, its director, agents, officer, and employees and assigns harmless from and against any and all costs, liabilities, losses and expenses (including , but not limited to, reasonable attorney's fees) resulting herein any claim, suit, action or proceeding against the County or its affiliates resulting from (i) a breach by Kanabec County of this Agreement; or (ii) the provision of Services by Kanabec County hereunder, including claims relating to patient care plans, protocols or standards, or (iii) violations by Kanabec County of any applicable federal, state, or local laws or regulations and any applicable terms and conditions of any contract between Kanabec County and agencies of the State of Minnesota and/or the United States of America.
- 6.2 **BY THE COUNTY:** The County will indemnify, defend a d hold Kanabec County, its directors, agents, officers, and employees and assigns harmless from and against any and all costs, liabilities, losses, and expenses (including, but not limited to, reasonable attorney's fees) resulting from any claim. Suit, action, or proceeding against Kanabec County or its affiliates resulting from: (i) breach by the County of this Agreement, (ii) the provision of services, (iii) violations by the County of any applicable federal. State, or local laws or regulations and any applicable terms and conditions of any contract between the Counties and agencies of the State of Minnesota and/or the United States of America.
- 6.3 **NOTICE:** Each Party's indemnification obligations hereunder will be subject to (i) receiving prompt written notice of the existence of any potential claim, suit or action; (ii) being able to at its option, control the defense of any claim, suite or action; (iii) permitting the indemnified Party to participate in the defense of any claim, suite or action; and (iv) receiving full cooperation of the indemnified Party in the defense thereof in regards to Enhanced Psychiatric Services.

SECTION 7. MISCELLANEOUS

- 7.1 **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Minnesota without giving effect to the conflicts of laws principles thereof.
- 7.2 **Assignment of Responsibilities.** Neither Party shall assign, transfer, or delegate its responsibilities herein to any third party without the prior written consent of the other Party hereto.
- 7.3 **Amendments.** Neither this Agreement nor any of the terms or conditions hereof may be amended, or modified except by means of a written instrument duly executed by both Parties.
- 7.4 **Entire Agreement.** This Agreement, including the exhibits, constitutes the entire understanding between the Parties as to the subject matter hereof, and supersedes all prior discussions, agreements, and understandings of every kind between them as to such subject matter.
- 7.5 **Independent Contractor.** Notwithstanding Kanabec County and the County are independent contractors of each other. Nothing contained herein shall create or be deemed to create an employment, partnership or joint venture relationship between the Parties.
- 7.6 **Assignment of rights.** Neither Party shall assign, transfer or otherwise dispose of any of its rights, title or interest in, to, or under this Agreement without the prior written consent of the other Party.
- 7.7 **Severability.** If any provision of this Agreement is held to unenforceable for any reason, it will be modified rather than voided, if possible, in order to achieve the intent of the Parties to this Agreement to the extent possible.
- 7.8 **Waiver.** Any waiver will be limited to the provision hereof and the circumstance or event specifically made subject thereto and will not be deemed a waiver of any other term hereof or of

the same circumstance or event upon any recurrence thereof.

7.9 Survival. Notwithstanding termination of this Agreement, for any reason and at any time, Sections 1.7, 6 & 7 shall survive termination.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed intending to be bound thereby.

APPROVED:

COUNTY OF KANABEC

COUNTY OF PINE

Dated: _____
Dated: _____

Kanabec County Chairperson

Pine County Chairperson

ATTEST:

Dated: _____
Dated: _____

Director, Health & Human Services

Pine County Administrator

APPROVED AS TO FORM AND EXECUTION:

Dated: _____

By: _____
Pine County Attorney

Appendix A: Service Description and Payment Rate per Service:

Psychiatry Services (Mental Health Medication Management) reimbursed

Pine County will pay for (7) hours of this service per month to Kanabec County at a rate of \$128.64 per hour. Kanabec County will bill quarterly for these services.

Mental Health Medication Management

Medication management is a service to determine a recipient's needs for a prescribed drug, or to evaluate the effectiveness of the prescribed drug as noted in the recipient's written individual treatment plan. (ITP).

Medication Monitoring is a brief, face-to-face service to monitor a recipient's drug dosage or prescription.

Resolution #FS – 12/15/20

Pine County Psychiatric Services Resolution

WHEREAS, Minn. Stat. §§235.461 through 235.486 and Minn. Stat. §§235.487 through 235.488 establishes the Minnesota Comprehensive Adult Mental Health Act and the Minnesota Comprehensive Children's Mental Health Act, respectively; and

WHEREAS, Pine County Community and Veterans Services wishes to secure the provision of Psychiatric Services from Kanabec County Family Services, and

WHEREAS, Kanabec County Family Services is suitably qualified and desires to provide Psychiatric services for Pine County.

NOW, THEREFORE BE IT RESOLVED that the Kanabec County Human Services Board approves Kanabec County Family Services entering into an agreement for Psychiatric Services to commence January 1, 2020 through December 31, 2020 with Pine County.

Agreement between Mille Lacs County Community and Veterans Services and Kanabec County Family Services

Period of Agreement: January 1, 2021 through December 31, 2021

This Agreement is made and entered into by and between Mille Lacs County Community and Veterans Services, with the address of 525 2nd Street SE, Milaca, MN 56353 (hereinafter the “County”) and Kanabec County Family Services, with the address of 905 Forest Avenue East – Suite 150, Mora, MN 55051 (hereinafter “Kanabec County”).

WITNESSETH

WHEREAS, Minn. Stat. §§245.461 through 245.486 and Minn. Stat. §§245.487 through 245.488 establish the Minnesota Comprehensive Adult Mental Health Act and the Minnesota Comprehensive Children’s Mental Health Act, respectively;

WHEREAS, the County wishes to secure the provision of Psychiatric services; and

WHEREAS, Kanabec County is suitably structured to provide Psychiatric services; and

WHEREAS, pursuant to Minn. Statute Ch. 402, the County wishes to purchase such services from Kanabec County; and

WHEREAS, Mille Lacs County Community and Veterans Services wishes to serve as the Contracting Entity with Kanabec County for its provision of Psychiatric services.

NOW, THEREFORE, in consideration of the mutual understanding and agreements set forth, the County and Kanabec County agree as follows:

SECTION 1. OBLIGATIONS OF KANABEC COUNTY

- 1.1** PROVISION OF SERVICES: Kanabec County shall provide uninsured or underinsured residents of Mille Lacs County with Psychiatric services per host county agreement; Client’s eligibility to receive such services will be mutually agreed upon by the County and Kanabec County prior to providing such service; services shall not be provided to clients who are not determined to be eligible; Determine fee for clients that have no third party insurance, including public programs on the sliding fee schedule. Clients will be eligible for sliding fee schedule when the applicable health plans including Medical Assistance, Medicare, Minnesota Care (or its successor program), PMAP or third party payers have denied payments or reached limitations. Appendix B is titled “Sliding Fee Schedule” and is based upon no fee for persons below the poverty level and full fee for person who earn 200% of poverty.
- 1.2** STANDARD OF PERFORMANCE: Kanabec County shall provide services in conformance with applicable laws and regulations and within accepted standards of professional practice; specifically, services shall conform to standards set forth in the MHCP Provider Manual as applicable to services
- 1.3** CAPACITY: Kanabec County agrees to provide Psychiatric services per Agreement approved by the Mille Lacs County Board. This request is hereby incorporated into this agreement by this reference.
- 1.4** PROGRAM LICENSURE: Kanabec County shall operate as a contracted vendor in compliance with Minnesota Department of Human Services Rules.
- 1.5** HIPAA COMPLIANCE: Kanabec County shall provide and execute services in conformance with applicable regulations and standards.

- 1.6** **REPORTING:** Kanabec County will provide reports on a quarterly basis of services rendered as requested by the County.
- 1.7** **INSURANCE:** Kanabec County shall maintain general and professional liability insurance in amounts mutually acceptable to Kanabec County and the County. Kanabec County shall provide evidence of such coverage to the County upon request and shall notify the County of any proposed change or cancellation in such coverage.
- 1.8** **ACCESS TO RECORDS:** Consistent with federal and state requirements, Kanabec County agrees to provide access to books and records related to the Services provided under this Agreement for at least ten (10) years after the Services have been provided, upon request by the Secretary, U.S. Department of Health and Human Services, and U.S. Controller General or their representatives.
- 1.9** **DISPOSITION OF ASSETS:** All supplies purchased through the AMHI for this program will be for the exclusive use of this program. The intellectual rights to processes, procedures, protocols, written materials, and other products developed during this project will be held by AMHI subject to relevant state and federal laws governing such matters.
- 1.10** **REQUIRED AUDITS:** Regular audits will be conducted as applicable to said agency with access as requested by the County.

SECTION 2. OBLIGATIONS OF THE COUNTY

- 2.1** **PAYMENT FOR SERVICES:** For Psychiatric services, the payments will be based on actual expenditures not to exceed current payment rate as indicated in the Appendix A. Payments for services are on a cash basis.
- 2.2** **INVOICES:** Upon receipt of the invoice, the County will make payment to Kanabec County within 30 days, not to exceed the current approved and authorized rate.

SECTION 3. DUTIES AND OBLIGATIONS OF BOTH PARTIES

- 3.1** **DATA EXCHANGE:** Both Parties acknowledge and agree that in order to deliver the Services, various types of data and confidential information will be shared between the Parties.
- 3.2** **COMPLIANCE WITH LAW:** Both Parties agree to take reasonable steps necessary to provide Services in accordance with all relevant federal, state and local laws and regulations including those federal and state laws and regulations relating to individuals that receive mental health services.
- 3.3** **NON-DISCRIMINATION:** Kanabec County will provide Services without discrimination on the basis of sex, race, creed, age, sexual orientation or national origin. The County will not discriminate on the basis of sex, race, creed, age, sexual orientation or national origin.

SECTION 4. TERMINATION

- 4.1** **TERMINATION WITH CAUSE:** Either Party may terminate this Agreement for material breach, by written notice to the breaching Party; provided that such breach remains uncured for a period of thirty (30) days after receipt of written notice thereof from the non-breaching Party.

- 4.2** **TERMINATION DUE TO CHANGE IN FUNDING:** In the event funding from the State is less than expected, decreased or terminated, the County reserves the right to give a 30-day notice of decrease or termination of this agreement.
- 4.3** **TERMINATION WITHOUT CAUSE:** Either Party may terminate this Agreement without cause upon ninety (90) days written notice to the other Party.
- 4.4** **CONDITIONS OF THE PARTIES OBLIGATIONS:** It is understood and agreed that in the event the funding to the County from state and federal sources is not obtained and continued at an aggregate level sufficient to allow for the purchase of the indicated services, the obligations of each party hereunder shall be terminated. Contractor shall neither assign nor transfer any rights or obligations under this Contract without the written consent of Mille Lacs County.
- 4.5** **OBLIGATIONS UPON TERMINATION:** Both Parties shall cooperate in any transition process necessary should the duties to be performed by Kanabec County under this Agreement be transferred to another entity.
- 4.6** **NO DISSOLUTION ASSUMED:** Termination of this Agreement, for any reason and at anytime, shall not be construed to terminate or in any way alter the relationship of the County with Kanabec County.

SECTION 5. CONFIDENTIAL INFORMATION

- 5.1** **DEFINITION:** "Confidential Information" means all proprietary or confidential information of any kind disclosed by either Party or its representatives or agents including but not limited to, any technical data or know-how, business plans, product plans or designs, products, services, client lists, provider lists, market strategies, clinical protocols, marketing information and strategies, or financial information.
- 5.2** **EXCEPTIONS:** Information will not be deemed to be Confidential Information hereunder if such information (i) becomes known, independently of disclosure by the receiving Party from a source other than one having an obligation of confidentiality toward the Confidential Information; (ii) becomes publicly known or otherwise ceases to be secret or confidential, except through a breach of this Agreement by the receiving Party; (iii) is in the possession of the receiving Party at the time of disclosure prior to disclosure by the disclosing Party (iv) become part of the public knowledge or literature, not as a result of any inaction or action of the receiving Party; or (v) is independently developed by the receiving Party without reference to the disclosing Party's Confidential Information.
- 5.3** **NONDISCLOSURE OF CONFIDENTIAL INFORMATION:** Each Party agrees that it will maintain and preserve the confidentiality of the other Party's Confidential Information, including, without limitation, taking such steps to preserve the confidentiality of the Confidential Information as it takes to preserve the confidentiality of its own Confidential Information. A receiving Party will immediately notify the disclosing Party if it is aware of any unauthorized use or disclosure of any Confidential Information by the receiving Party, its employees or agents, or any other entity.
- 5.4** **MANDATORY DISCLOSURE:** In the event that any Party or its employees or Agents are required by legal process to disclose any of the Confidential Information of the other Party, the receiving Party shall give prompt notice to the other Party so that it may seek a protective order or other appropriate relief. In the event that such protective order is not obtained, the receiving Party shall disclose only that portion of the Confidential Information which its Counsel advises that it is legally required to disclose.

- 5.5** NO LICENSE GRANTED: Nothing in this Agreement is intended to grant any rights to either Party under any patent, copyright, trade secret or other intellectual property right, nor shall this Agreement grant to any Party any rights in or to the other Party's Confidential Information, except as provided herein.

SECTION 6. INDEMNIFICATION

- 6.1** BY KANABEC COUNTY: Kanabec County will indemnify, defend and hold the County, its directors, agents, officers, and employees and assigns harmless from and against any and all costs, liabilities, losses, and expenses (including, but not limited to, reasonable attorneys' fees) resulting herein any claim, suit, action, or proceeding against the County or its affiliates resulting from (i) a breach by Kanabec County of this Agreement; or (ii) the provision of Services by Kanabec County hereunder, including claims relating to patient care plans, protocols or standards, or (iii) violations by Kanabec County of any applicable federal, state, or local laws or regulations and any applicable terms and conditions of any contract between Kanabec County and agencies of the State of Minnesota and/or the United States of America.
- 6.2** BY THE COUNTY: The County will indemnify, defend and hold Kanabec County, its directors, agents, Officers, and employees, and assigns harmless from and against any and all costs, liabilities, losses, and expenses (including, but not limited to, reasonable attorneys' fees) resulting from any claim, suit, action, or proceeding against Kanabec County or its affiliates resulting from: (i) a breach by the County of this Agreement, (ii) the provision of services, (iii) violations by the County of any applicable federal, state, or local laws or regulations and any applicable terms and conditions of any contract between the Counties and agencies of the State of Minnesota and/or the United States of America.
- 6.3** NOTICE: Each Party's indemnification obligations hereunder will be subject to (i) receiving prompt written notice of the existence of any potential claim, suit or action; (ii) being able to at its option, control the defense of such claim, suit or action; (iii) permitting the indemnified Party to participate in the defense of any claim, suit or action: and (iv) receiving full cooperation of the indemnified Party in the defense thereof in regards to Enhanced Psychiatric Services.

SECTION 7. MISCELLANEOUS

- 7.1** Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Minnesota without giving effect to the conflicts of laws principles thereof.
- 7.2** Assignment of Responsibilities. Neither Party shall assign, transfer, or delegate its responsibilities herein to any third party without the prior written consent of the other Party hereto.
- 7.3** Amendments. Neither this Agreement nor any of the terms or conditions hereof may be amended, or modified except by means of a written instrument duly executed by both Parties.

- 7.4** Entire Agreement. This Agreement, including the exhibits, constitutes the entire understanding between the Parties as to the subject matter hereof, and supersedes all prior discussions, agreements, and understandings of every kind between them as to such subject matter.
- 7.5** Independent Contractor. Notwithstanding Kanabec County and the County are independent contractors of each other. Nothing contained herein shall create or be deemed to create an employment, partnership or joint venture relationship between the Parties.
- 7.6** Assignment of Rights. Neither Party shall assign, transfer or otherwise dispose of any of its rights, title or interest in, to, or under this Agreement without the prior written consent of the other Party.
- 7.7** Severability. If any provision of this Agreement is held to be unenforceable for any reason, it will be modified rather than voided, if possible, in order to achieve the intent of the Parties to this Agreement to the extent possible.
- 7.8** Waiver. Any waiver will be limited to the provision hereof and the circumstance or event specifically made subject thereto and will not be deemed a waiver of any other term hereof or of the same circumstance or event upon any recurrence thereof.
- 7.9** Survival. Notwithstanding termination of this Agreement, for any reason and at any time, Sections 1.7, 6 & 7 shall survive termination.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed intending to be bound thereby.

APPROVED:

COUNTY OF KANABEC

COUNTY OF MILLE LACS

Dated: _____

Dated: _____

Kanabec County Chairperson

Mille Lacs Chairperson

ATTEST:

Dated: _____

Dated: _____

Director Human Services Director

Community and Veterans Services

APPROVED AS TO FORM AND EXECUTION:

Dated: _____

By: _____
Mille Lacs County Attorney

Resolution #FS – 12/15/20
Mille Lacs County Psychiatric Services Resolution

WHEREAS, Minn. Stat. §§235.461 through 235.486 and Minn. Stat. §§235.487 through 235.488 establishes the Minnesota Comprehensive Adult Mental Health Act and the Minnesota Comprehensive Children’s Mental Health Act, respectively; and

WHEREAS, Mille Lacs County Community and Veterans Services wishes to secure the provision of Psychiatric Services from Kanabec County Family Services, and

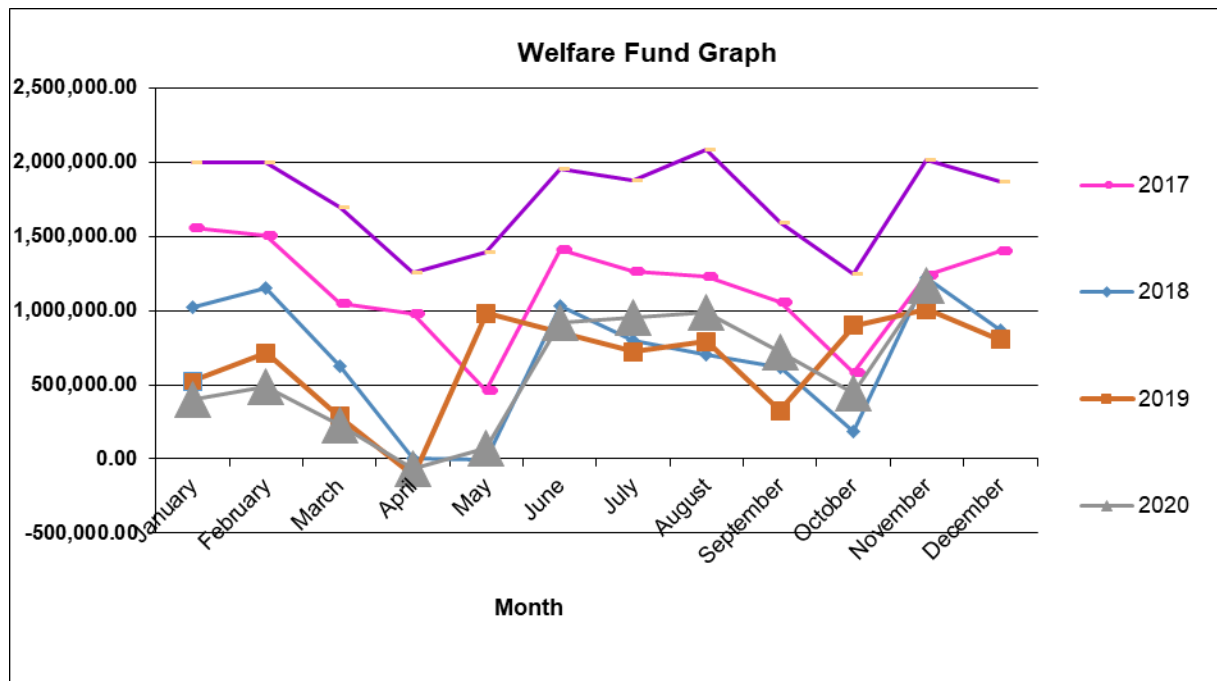
WHEREAS, Kanabec County Family Services is suitably qualified and desires to provide Psychiatric services for Mille Lacs County.

NOW, THEREFORE BE IT RESOLVED that the Kanabec County Human Services Board approves Kanabec County Family Services entering into an agreement for Psychiatric Services to commence January 1, 2020 through December 31, 2020 with Mille Lacs County.

2021 Kanabec County GRH Providers

- 1) Better Avenues
- 2) Dungarvin
- 3) Eastwood Senior Living
- 4) Jerry Stenstrom
- 5) Jennifer Meich
- 6) Lakes & Pines CAC Inc
- 7) Lakeside - True Directions
- 8) Mohn, Carol & Ernest
- 9) Pavlak, Shelly & Vincent
- 10) RSI - Grove
- 11) RSI - Green 712
- 12) RSI - 2259 Joplin
- 13) RSI - 530 Watkins
- 14) Scandia House
- 15) Serenity Manor - True Directions
- 16) Signe & Olivias
- 17) Villages of St. Clare
- 18) VOA - Bean
- 19) VOA - Villa
- 20) VOA - 323 S. Walnut

	2016	2017	2018	2019	2020
January	1,992,235.26	1,559,203.05	1,024,705.97	523,556.70	401,131.39
February	1,999,233.38	1,507,019.98	1,151,821.98	715,738.74	483,781.08
March	1,691,401.17	1,044,116.93	629,190.77	285,341.21	225,078.17
April	1,258,562.89	979,174.37	5,607.36	-109,902.43	-63,141.11
May	1,389,995.78	461,452.14	-7,853.46	979,247.26	73,382.15
June	1,954,116.59	1,413,892.29	1,032,778.15	855,820.47	920,867.09
July	1,872,392.93	1,262,151.35	796,820.09	721,467.48	955,700.06
August	2,084,847.14	1,228,621.03	703,093.77	791,435.79	990,235.56
September	1,592,681.58	1,058,187.52	613,301.63	326,963.03	716,408.79
October	1,245,922.17	577,905.27	187,807.92	897,606.65	443,084.51
November	2,017,277.21	1,241,274.27	1,222,983.64	1,008,939.34	1,170,024.75
December	1,867,489.75	1,402,699.93	867,114.62	804,618.63	
Totals	20,966,155.85	13,735,698.13	8,227,372.44	7,800,832.87	6,316,552.44
Averages	1,747,179.65	1,144,641.51	685,614.37	650,069.41	514,652.77
6 month Avg.	1,780,101.80	1,128,473.23	731,853.61	758,505.15	866,053.46
Rolling 12 month Avg	1,747,179.65	1,144,641.51	685,614.37	650,069.41	593,430.92



Kanabec County Family Services - Board Financial Report				Through November 2020											
	Total year to date			8.33%	16.67%	25.00%	33.33%	41.67%	50.00%	58.33%	66.67%	75.00%	83.33%	91.67%	100.00%
Department	Budget	% of budget	Total	January	February	March	April	May	June	July	August	September	October	November	December
Income Main. Service															
Exp	678,361.00	90.36%	612,955.59	89,896.92	49,122.48	48,665.01	52,559.30	49,299.20	49,151.98	68,988.71	51,128.87	50,215.53	49,550.47	54,377.12	
Rev	385,517.00	72.06%	277,802.07	9,718.42	53,347.24	9,474.18	9,801.42	62,709.27	11,148.22	18,362.62	51,223.73	10,051.62	9,982.22	31,983.13	
Tax	286,164.00	84.60%	242,092.23	4,066.08					139,524.47					98,501.68	
State Shared Rev			15,003.96							12,539.37			2,464.59		
Recoveries															
Exp	19,100.00	105.93%	20,232.67	5,464.15	968.70	0.00	1,551.27	0.00	0.00	5,518.16	2,766.23	0.00	0.00	3,964.16	
Rev	19,100.00	127.78%	24,406.27	1,865.65	2,550.79	4,568.04	2,062.74	1,608.38	1,560.20	2,842.82	1,143.39	2,538.25	2,855.59	810.42	
Tax	24,470.00	84.60%	20,701.47	347.69					11,930.83					8,422.95	
State Shared Rev			1,283.00							1,072.25			210.75		
Burials															
Exp	25,000.00	83.50%	20,875.25	1,749.82	0.00	0.00	0.00	1,838.50	8,983.18	1,860.00	0.00	1,887.50	2,686.25	1,870.00	
Rev			0.00												
Tax			0.00												
Child Support															
Exp	365,059.00	88.19%	321,939.95	49,635.68	26,931.66	24,619.05	26,343.26	26,101.63	25,633.84	34,634.65	24,041.46	26,218.78	31,159.87	26,620.07	
Rev	412,000.00	78.10%	321,778.39	32,039.05	35,019.41	17,860.35	18,015.79	58,202.02	16,596.84	29,851.06	31,396.20	24,384.32	19,943.18	38,470.17	
Tax															
MA Services															
Exp	481,900.00	69.12%	333,077.04	36,097.18	23,224.65	23,885.59	36,589.54	33,119.81	19,414.02	30,291.65	24,381.22	20,403.65	59,063.54	26,606.19	
Rev	418,000.00	77.69%	324,734.78	19,714.22	26,547.78	52,099.81	27,349.24	32,875.87	22,268.67	7,652.67	50,475.85	33,294.30	33,553.72	18,902.65	
Tax	62,534.00	84.60%	52,903.77	888.55					30,489.91					21,525.31	
State Shared Rev			3,278.78							2,740.20			538.58		
Child Care															
Exp	245,206.00	44.21%	108,400.20	99.00	6,091.86	99.00	13,445.86	10,386.89	19,785.28	8,650.34	14,423.84	15,570.39	9,896.36	9,951.38	
Rev	244,025.00	80.58%	196,635.96		103,623.00	1,028.00	610.00	682.96	26,259.00	613.00	24,005.00	484.00	0.00	39,331.00	
Tax	1,133.00	84.59%	958.40	16.10					552.35					389.95	
State Shared Rev			59.40							49.64			9.76		
Fraud															
Exp	72,850.00	91.35%	66,546.16	7,755.07	5,485.23	5,977.98	5,905.60	5,410.17	5,267.42	7,894.67	5,657.93	5,730.69	5,730.69	5,730.71	
Rev			0.00												
Tax	71,144.00	84.60%	60,187.62	1,010.89					34,687.79					24,488.94	
State Shared Rev			3,730.20							3,117.47			612.73		
Adult Services															
Exp	2,500.00	38.41%	960.15	127.65	183.15	49.95	77.70	38.85	99.90	66.60	122.10	83.25	94.35	16.65	
Rev	3,280.00	232.95%	7,640.90	0.00	23.84	0.00	34.59	11.53	11.53	7,513.27	11.53	11.53	0.00	23.08	
Tax															
Dev. Disability															
Exp	91,389.00	60.28%	55,085.72	5,924.95	6,981.37	6,403.47	4,515.08	4,133.61	4,148.38	5,240.02	4,317.27	4,427.07	5,508.28	3,486.22	
Rev	68,790.00	72.08%	49,586.00	0.00	15,564.00	0.00	0.00	13,915.00	0.00	0.00	10,325.00	0.00	0.00	9,782.00	
Tax	21,978.00	84.60%	18,592.98	312.28					10,715.65					7,565.05	
State Shared Rev			1,152.32							963.04			189.28		
Mental Health															
Exp	1,205,626.00	85.71%	1,033,378.83	110,948.23	88,805.55	103,823.55	94,434.79	84,620.21	84,431.75	109,951.21	82,437.35	97,652.88	88,930.68	87,342.63	
Rev	665,494.00	100.45%	668,514.38	50,439.44	50,052.56	17,693.78	36,244.19	178,959.39	37,065.49	60,569.96	79,999.63	53,060.92	51,926.80	52,502.22	
Tax	527,693.00	84.60%	446,423.43	7,497.94					257,286.21					181,639.28	

State Shared Rev			27,667.65							23,122.88			4,544.77		
Health Innovation Grant															
Exp	78,272.00	40.09%	31,382.07	8,261.46	5,826.28	5,826.51	6,883.99	4,583.83	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rev	78,272.00	46.19%	36,150.85	5,825.19	8,261.46	5,825.55	0.00	12,711.23	3,527.42	0.00	0.00	0.00	0.00	0.00	0.00
Tax															
Chemical Dependency															
Exp	52,000.00	204.46%	106,321.64	25,500.40	558.60	0.00	2,940.00	33,966.84	11,840.85	2,450.00	7,447.03	935.53	16,762.39	3,920.00	
Rev	58,000.00	62.74%	36,388.56	2,257.33	9,341.95	947.78	0.00	8,376.49	0.00	2,557.46	5,861.00	0.00	0.00	7,046.55	
Tax															
Child Services															
Exp	573,675.00	70.28%	403,161.30	21,241.76	34,256.76	45,386.20	25,513.15	26,508.10	50,562.50	25,199.79	44,189.15	50,413.95	43,436.15	36,453.79	
Rev	268,212.00	97.83%	262,383.77	8,398.69	35,367.73	11,118.18	23,763.36	23,624.56	10,095.55	65,280.89	39,847.22	2,958.64	4,179.00	37,749.95	
Tax	298,399.00	84.60%	252,442.95	4,239.92					145,489.88					102,713.15	
State Shared Rev			15,645.47							13,075.50				2,569.97	
Social Services															
Exp	1,236,792.00	90.65%	1,121,208.80	128,849.78	95,332.51	98,281.34	107,342.25	93,042.62	90,583.72	133,380.07	90,405.05	98,728.37	91,869.30	93,393.79	
Rev	1,035,569.00	104.89%	1,086,220.34	34,832.74	120,203.42	55,113.41	45,608.06	146,575.94	66,543.12	270,560.36	123,179.96	44,854.40	47,738.81	131,010.12	
Tax	196,214.00	84.60%	165,995.14	2,787.98					95,667.61					67,539.55	
State Shared Rev			10,287.76							8,597.86				1,689.90	
Income Main. Admin															
Exp	83,880.00	88.77%	74,461.57	9,343.86	6,229.40	6,118.30	6,409.91	6,104.05	6,045.91	8,915.00	6,237.52	6,237.53	6,237.53	6,582.56	
Rev	52,372.00	76.28%	39,947.62	1,185.90	8,020.85	1,115.82	1,279.14	9,551.52	1,138.98	1,234.26	7,939.97	1,234.26	1,226.88	6,020.04	
Tax	30,814.00	84.60%	26,068.52	437.84					15,024.01					10,606.67	
State Shared Rev			1,615.63							1,350.24				265.39	
cial Services Admin.															
Exp	299,604.00	86.91%	260,397.58	31,020.27	22,961.43	21,348.69	22,242.62	23,182.71	21,449.03	30,305.06	20,018.95	24,268.76	23,059.73	20,540.33	
Rev	65,000.00	85.78%	55,758.00	0.00	12,721.00	0.00	0.00	15,305.00	0.00	0.00	14,106.00	0.00	0.00	13,626.00	
Tax	229,294.00	84.60%	193,980.47	3,258.01					111,796.33					78,926.13	
State Shared Rev			12,022.18							10,047.38				1,974.80	
FS Admin															
Exp	676,653.00	88.47%	598,624.85	73,657.18	44,903.62	48,573.17	49,882.93	49,539.09	59,487.18	63,033.63	41,528.82	47,639.25	46,956.83	73,423.15	
Rev	148,488.00	67.83%	100,717.10	3,615.68	19,867.91	3,510.00	3,649.44	23,290.21	3,448.08	3,714.12	20,045.81	3,714.12	3,690.90	12,170.83	
Tax	515,911.00	84.60%	436,456.05	7,330.53					251,541.74					177,583.78	
State Shared Rev			27,049.91							22,606.61				4,443.30	
Agency Totals															
Exp	6,187,867.00	83.53%	5,169,009.37	605,573.36	417,863.25	439,057.81	456,637.25	451,876.11	456,884.94	536,379.56	419,102.79	450,413.13	480,942.42	454,278.75	0.00
Rev	3,922,119.00	88.95%	3,488,664.99	169,892.31	500,512.94	180,354.90	168,417.97	588,399.37	199,663.1	470,752.49	459,560.29	176,586.36	175,097.10	399,428.16	0.00
Tax	2,265,748.00	84.60%	1,916,803.03	32,193.81	0.00	0.00	0.00	0.00	1,104,706.78	0.00	0.00	0.00	0.00	779,902.44	0.00
State Shared Rev			118,796.26							99,282.44	0.00	0.00	19,513.82	0.00	0.00
Total Revenue	6,187,867.00	89.28%	5,405,468.02	202,086.12	500,512.94	180,354.90	168,417.97	588,399.37	1,304,369.88	570,034.93	459,560.29	176,586.36	194,610.92	1,179,330.60	0.00

Board Approval Report

SSIS pymt. batch #: 110496431

Paid Cnty Vendor				Total Payments	Total Amount
ANOKA COUNTY NON SECURE, 000010476				1	5,522.00
Svc Description	Svc Code	Payments	Amount		
Correctional Facilities	185	1	5,522.00		
Bartel/Phyllis, 000010615				1	80.00
Svc Description	Svc Code	Payments	Amount		
Child Respite Care	489	1	80.00		
Bliss/Jenny, 000010784				1	7,395.00
Svc Description	Svc Code	Payments	Amount		
Adult Outpatient Psychotherapy	452	1	7,395.00		
Blom/Susan, 000010800				2	1,569.28
Svc Description	Svc Code	Payments	Amount		
Adult Outpatient Psychotherapy	452	2	1,569.28		
CENTRAL MINNESOTA JOBS & TRAINING, 000015800				1	57,085.15
Svc Description	Svc Code	Payments	Amount		
Statewide MFIP Employment Services	237	1	57,085.15		
Community Living Options, 000011478				5	2,297.26
Svc Description	Svc Code	Payments	Amount		
Semi-Independent Living Services (SILS)	534	5	2,297.26		
Family Pathways, 000012298				8	1,040.00
Svc Description	Svc Code	Payments	Amount		
Family-Based Counseling Services	162	8	1,040.00		
Ignaszewski/Karissa, 000012959				1	10,800.00
Svc Description	Svc Code	Payments	Amount		
Adult Outpatient Psychotherapy	452	1	10,800.00		
Lutheran Social Services of Minnesota, 000013783				1	122.10
Svc Description	Svc Code	Payments	Amount		
Guardianship/Conservatorship	695	1	122.10		
MN DHS-SOS, 000011816				8	15,310.11
Svc Description	Svc Code	Payments	Amount		
State-Operated Inpatient	472	8	15,310.11		
North Homes Inc., 000015171				3	17,359.32
Svc Description	Svc Code	Payments	Amount		
Children's Residential Treatment	483	3	17,359.32		
Options Residential, 000015334				1	1,273.20
Svc Description	Svc Code	Payments	Amount		
Child Family Foster Care	181	1	1,273.20		
PHASE, Inc., 000015579				2	627.04
Svc Description	Svc Code	Payments	Amount		
Day Training and Habilitation	566	1	387.04		
Transportation	516	1	240.00		
Pinehaven Youth & Fam SVCS Inc, 000015643				6	6,670.80
Svc Description	Svc Code	Payments	Amount		
Child Family Foster Care	181	6	6,670.80		
Richardson MD/Paul T, 000016136				1	5,000.00
Svc Description	Svc Code	Payments	Amount		
Adult Outpatient Psychotherapy	452	1	5,000.00		

Board Approval Report

Paid Cnty Vendor				Total Payments	Total Amount
RSI, 000016246				2	307.00
Svc Description	Svc Code	Payments	Amount		
Semi-Independent Living Services (SILS)	534	2	307.00		
Steps of Success, 000016736				1	4,769.10
Svc Description	Svc Code	Payments	Amount		
Children's Group Residential Care	183	1	4,769.10		
Volunteers Of America, 000017460				4	2,649.94
Svc Description	Svc Code	Payments	Amount		
Semi-Independent Living Services (SILS)	534	4	2,649.94		
Walinski/Linda R.N. M.A. L.P., 000017529				2	756.62
Svc Description	Svc Code	Payments	Amount		
Adult Outpatient Psychotherapy	452	2	756.62		
Report Totals:				51	140,633.92

I hereby certify that the above amounts have been approved and allowed by the county Welfare Board for payment to the claimant as in each instance stated that said county Welfare Board authorizes and instructs the county Auditor and county Treasurer of said county to pay the same.

Signature

Title

Date

Vendor Name	Amount
Health Insurance Reimbursement	\$ 144.60
Jen Anderson	\$ 255.88
Health Insurance Reimbursement	\$ 683.04
Health Insurance Reimbursement	\$ 180.46
Health Insurance Reimbursement	\$ 144.60
BillCare	\$ 2,380.00
Blue Earth County Sheriff Office (CS Paperwork)	\$ 65.00
Health Insurance Reimbursement	\$ 144.60
Health Insurance Reimbursement	\$ 144.60
Health Insurance Reimbursement	\$ 144.60
Health Insurance Reimbursement	\$ 144.60
Health Insurance Reimbursement	\$ 144.60
Denise Danelius	\$ 39.10
DHS	\$ 2,472.32
DNA Diagnostis	\$ 81.00
Health Insurance Reimbursement	\$ 1,194.30
Krista Eye	\$ 29.90
Health Insurance Reimbursement	\$ 144.60
Health Insurance Reimbursement	\$ 144.60
Health Insurance Reimbursement	\$ 144.60
Health Insurance Reimbursement	\$ 234.88
Health Insurance Reimbursement	\$ 156.80
Health Insurance Reimbursement	\$ 144.60
Health Insurance Reimbursement	\$ 172.76
Health Insurance Reimbursement	\$ 144.60
Holiday Gas Station (Gas Cards for STAY)	\$ 900.00
Innovative Office Solutions	\$ 282.96
Health Insurance Reimbursement	\$ 163.42
Health Insurance Reimbursement	\$ 144.60
Health Insurance Reimbursement	\$ 875.52
Kanabec Coutny Attorney	\$ 12,425.40
Kanabec County Aud Treasurer	\$ 4,953.67
Kanabec County Comm Health	\$ 13,848.72
Medical Mileage	\$ 19.80
Tamara Kelash	\$ 347.88
Health Insurance Reimbursement	\$ 144.60
Health Insurance Reimbursement	\$ 144.60
Medical Mileage	\$ 64.68
Health Insurance Reimbursement	\$ 410.52
Medical Mileage	\$ 49.72
Kari Lindstrom	\$ 166.18
Health Insurance Reimbursement	\$ 144.60
Mille Lacs County Sheriff (CS Paperwork)	\$ 67.36
Minnesota Dept of Health (MFAR Search)	\$ 25.00
Health Insurance Reimbursement	\$ 542.88
Health Insurance Reimbursement	\$ 144.60

Health Insurance Reimbursement	\$	178.78		
Health Insurance Reimbursement	\$	144.60		
Health Insurance Reimbursement	\$	144.60		
Health Insurance Reimbursement	\$	289.20		
Health Insurance Reimbursement	\$	144.60		
Health Insurance Reimbursement	\$	144.60		
Medical Mileage	\$	27.72		
Premier Biotech Labs (Drug Testing)	\$	14.00		
Recovering Hope Treatment Center	\$	1,421.00		
Health Insurance Reimbursement	\$	686.90		
Health Insurance Reimbursement	\$	1,254.90		
Health Insurance Reimbursement	\$	571.48		
Health Insurance Reimbursement	\$	144.60		
Health Insurance Reimbursement	\$	144.60		
Health Insurance Reimbursement	\$	150.58		
Medical Mileage	\$	32.03		
Health Insurance Reimbursement	\$	872.32		
Seven Co. Process Servers (CS Paperwork)	\$	65.00		
SHI International	\$	4,250.00		
Health Insurance Reimbursement	\$	144.60		
Health Insurance Reimbursement	\$	120.56		
Health Insurance Reimbursement	\$	144.60		
Health Insurance Reimbursement	\$	93.60		
Medical Mileage	\$	5,148.00		
Health Insurance Reimbursement	\$	144.60		
Teen Focus Recovery Center	\$	485.53		
Health Insurance Reimbursement	\$	306.28		
Timber Trails Public Transit	\$	4,414.47		
Health Insurance Reimbursement	\$	144.60		
Health Insurance Reimbursement	\$	329.44		
Health Insurance Reimbursement	\$	144.60		
Health Insurance Reimbursement	\$	462.22		
Health Insurance Reimbursement	\$	292.42		
Health Insurance Reimbursement	\$	678.10		
Sharon Wright	\$	131.68		
TOTAL IFS DOLLARS	\$	69,414.16	81	Total IFS Vendors
TOTAL SSIS DOLLARS	\$	140,633.92	19	Total SSIS Vendors
GRAND TOTAL	\$	210,048.08	100	Total Vendors

9:30am Appointment

December 15, 2020

REQUEST FOR BOARD ACTION

a. Subject: Assessor Appraiser Trainee to Assessor Certified Appraiser	b. Origination: Assessor's Office
c. Estimated time: 5 mins	d. Presenter(s): Tina Von Eschen

e. Board action requested:

RESOLUTION #_____ -12/15/2020

WHEREAS Lisa Steven has successfully obtained her Certified Minnesota Appraiser license from the State Board of Assessor's as of November 17, 2020, and

WHEREAS doing so qualified her for promotion from the Assessor Trainee Appraiser to Assessor Certified Appraiser;

THEREFORE BE IT RESOLVED that the Kanabec County Board of Commissioners hereby approves Ms. Steven's promotion to Assessor Certified Appraiser and corresponding pay increase to Grade 11, Step A at \$22.59 per hour effective 11/21/2020.

f. Background:

Supporting Documents: None ☒ Attached:

Date Received in County Coordinator's Office:

Coordinators Comments:

9:40am Appointment - Item a.

December 15, 2020

REQUEST FOR BOARD ACTION

a. Subject: 2021 Non-Union Employee Wages

b. Origination: Coordinator

c. Estimated time: 2 minutes

d. Presenter(s): None

e. Board action requested:

Approve the Non-union and elected officials 2021 wage scale.

Resolution #__ – 12/15/20

ORDER OF THE BOARD

BE IT RESOLVED to approve the following wage scale for non-union employees and elected officials effective January 1, 2021:

2021 Wage Scale								
Grade	A	B	C	D	E	F	G	Grade
1	\$ 12.71	\$ 13.19	\$ 13.66	\$ 14.15	\$ 14.63	\$ 15.10	\$ 15.58	1
2	\$ 13.47	\$ 13.98	\$ 14.49	\$ 15.00	\$ 15.50	\$ 16.01	\$ 16.52	2
3	\$ 14.29	\$ 14.83	\$ 15.35	\$ 15.89	\$ 16.43	\$ 16.97	\$ 17.50	3
4	\$ 15.14	\$ 15.71	\$ 16.28	\$ 16.84	\$ 17.41	\$ 17.98	\$ 18.55	4
5	\$ 16.05	\$ 16.65	\$ 17.26	\$ 17.86	\$ 18.46	\$ 19.06	\$ 19.66	5
6	\$ 17.01	\$ 17.66	\$ 18.29	\$ 18.93	\$ 19.57	\$ 20.20	\$ 20.85	6
7	\$ 18.04	\$ 18.71	\$ 19.39	\$ 20.06	\$ 20.74	\$ 21.42	\$ 22.09	7
8	\$ 19.11	\$ 19.83	\$ 20.55	\$ 21.27	\$ 21.99	\$ 22.70	\$ 23.42	8
9	\$ 20.26	\$ 21.03	\$ 21.79	\$ 22.55	\$ 23.31	\$ 24.07	\$ 24.83	9
10	\$ 21.48	\$ 22.29	\$ 23.09	\$ 23.90	\$ 24.70	\$ 25.51	\$ 26.32	10
11	\$ 22.99	\$ 23.84	\$ 24.71	\$ 25.58	\$ 26.43	\$ 27.30	\$ 28.15	11
12	\$ 24.59	\$ 25.51	\$ 26.44	\$ 27.36	\$ 28.28	\$ 29.21	\$ 30.13	12
13	\$ 26.32	\$ 27.31	\$ 28.29	\$ 29.27	\$ 30.27	\$ 31.25	\$ 32.24	13
14	\$ 28.16	\$ 29.22	\$ 30.28	\$ 31.32	\$ 32.38	\$ 33.43	\$ 34.49	14
15	\$ 30.41	\$ 31.55	\$ 32.69	\$ 33.83	\$ 34.98	\$ 36.12	\$ 37.26	15
16	\$ 32.84	\$ 34.08	\$ 35.30	\$ 36.54	\$ 37.77	\$ 39.00	\$ 40.23	16
17	\$ 35.47	\$ 36.80	\$ 38.13	\$ 39.46	\$ 40.79	\$ 42.12	\$ 43.45	17
18	\$ 38.31	\$ 39.75	\$ 41.18	\$ 42.62	\$ 44.06	\$ 45.49	\$ 46.93	18
19	\$ 41.37	\$ 42.93	\$ 44.48	\$ 46.03	\$ 47.58	\$ 49.14	\$ 50.69	19
20	\$ 44.68	\$ 46.36	\$ 48.04	\$ 49.71	\$ 51.39	\$ 53.06	\$ 54.73	20
21	\$ 48.26	\$ 50.07	\$ 51.88	\$ 53.69	\$ 55.49	\$ 57.31	\$ 59.12	21
22	\$ 52.12	\$ 54.08	\$ 56.03	\$ 57.99	\$ 59.94	\$ 61.89	\$ 63.85	22

f. Background:

Supporting Documents: None

Attached:

Date Received in County Coordinator's Office:

N/A

Coordinator's Comments:

9:40am Appointment – Item b.

December 15, 2020

REQUEST FOR BOARD ACTION

a. Subject: 2021 Homemaker Pay Scale	b. Origination: Coordinator's Office
c. Estimated time: 2 mins	d. Presenter(s): Kim

e. Board action requested:

WHEREAS the State of Minnesota's minimum wage has increased to \$10.08 per hour effective January 1, 2021, and

WHEREAS the starting wage for a Homemaker with Kanabec County is currently \$10.00, and

WHEREAS Kanabec County needs to be in compliance as of January 1, 2021, and

NOW, THEREFORE BE IT RESOLVED, that the new pay scale per the new minimum wage is adopted for the Homemaker position:

2021 Homemaker Pay Scale

A	B	C	D	E	F	G
\$10.08	\$10.61	\$10.98	\$11.35	\$11.74	\$12.15	\$12.56

f. Background:

Minimum wage is increasing from \$10.00 per hour to \$10.08 per hour effective Jan 1, 2021.

Previous pay scale

2020 Homemaker Pay Scale

A	B	C	D	E	F	G
\$10.00	\$10.35	\$10.71	\$11.08	\$11.46	\$11.86	\$12.27

Supporting Documents: None: ☒ Attached:

Date Received in County Coordinator's Office:

Coordinators Comments:

9:40am Appointment – Item c.

December 15, 2020

REQUEST FOR BOARD ACTION

a. Subject: Commissioners Wage Order	b. Originating Dept: County Coordinator
c. Estimated time: 2 Min.	d. Presenter(s): None

e. Board action requested:

Resolution # – 12/15/20

WHEREAS, Minnesota Statute 375.055 requires that the County Commissioners' compensation be set by resolution in the year preceding the action;

BE IT HEREBY RESOLVED to set the annual wage for the year 2021 for Kanabec County Commissioners set at \$23,095 annually.

f. Background:

Previous Wages:

	Hourly	Annual
2020 rate	\$12.69	\$23,095
2019 rate	\$12.47	\$22,695
2018 rate	\$12.47	\$22,695
2017 rate	\$12.05	\$22,027
2016 rate	\$11.59	\$21,107
2015 rate	\$11.21	\$20,492
2014 rate	\$11.21	\$20,492
2013 rate	\$11.05	\$20,199
2012 rate	\$11.09	\$20,261
2011 rate	\$11.09	\$20,261
2010 rate	\$11.09	\$20,261

Supporting Documents: None **Attached:**

Date Received in County Coordinator's Office:	N/A
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Coordinators Comments:

9:50am Appointment

December 15, 2020

REQUEST FOR BOARD ACTION

a. Subject: Prosecution Contracts	b. Origination: County Attorney's Office
c. Estimated time: 10 min	d. Presenter(s): Barbara McFadden

e. Board action requested:

Renew attached Prosecution Contracts

- a. City of Mora, page 2
- b. City of Ogilvie, page 4
- c. City of Braham, page 6

f. Background:

Supporting Documents: None Attached: ☒

Date Received in County Coordinator's Office:	12/8/20
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Coordinators Comments:

a. City of Mora

**RETAINER AGREEMENT FOR CRIMINAL PROSECUTION SERVICES
BETWEEN THE CITY OF MORA AND THE COUNTY OF KANABEC
FOR THE PERIOD OF JANUARY 1, 2021 THROUGH DECEMBER 31, 2022**

WHEREAS, the City of Mora desires to retain the County of Kanabec to provide professional prosecution services through the Kanabec County Attorney's Office; and

WHEREAS, the County of Kanabec agrees to provide the services of the Kanabec County Attorney's Office to provide such prosecution services on behalf of the City of Mora; and

WHEREAS, the City of Mora and the County of Kanabec County deem it mutually advantageous to set forth the details of their relationship in writing;

NOW, THEREFORE, the City of Mora and the County of Kanabec hereto agree that the following shall constitute a retainer agreement for prosecution services:

SERVICES PROVIDED. The County of Kanabec shall provide all prosecution services through the Kanabec County Attorney's Office for the City of Mora, including services to victims of crime as provided in Minnesota Statute Chapter 611A.

Criminal Prosecution services include, but are not limited to, all petty misdemeanors and misdemeanor offenses committed within the corporate limits of the City. Principal duties include:

1. Provide advice, consultation, and training where required to the City, its departments and staff in the interpretation, investigation, and enforcement of statutes and ordinances, in connection with prosecution of criminal cases.
2. Prepare criminal complaints where facts warrant.
3. Evaluate all cases where a plea of not guilty is entered.
 - A. Prosecute if warranted.
 - B. Prepare pre-trial motions or notices if required.
 - C. Seek additional investigations if required.
 - D. Negotiate resolutions by plea where advisable.
4. Represent the City in all pre-trial proceedings.
5. Perform legal research and prepare legal briefs where required and advisable.
6. Try all Court and Jury cases.
7. Examine and evaluate all Appeals to Appellate Courts; refer to the Office of the Minnesota Attorney General as necessary.
8. In conjunction with the Office of the Minnesota Attorney General try all appeals in Appellate Courts where warranted.

9. Prepare and submit to the City Administrator an annual report providing the number of citations and complaints prosecuted under this contract in the previous year.

TERM OF AGREEMENT.

The retainer agreement shall remain in effect from January 1, 2021 through midnight December 31, 2022.

COMPENSATION FOR SERVICES.

The City of Mora shall pay the County of Kanabec in equal quarterly installments (\$7,250.00 each) for prosecution services as follows: For the period of January 1, 2021 through December 31, 2022: \$58,000.00.

Dated: 11.17.2020

CITY OF MORA
By: 
Alan Skramstad, Mayor

Dated: 11.17.2020

By: 
Lindy Crawford, City Administrator,
Clerk/Treasurer

Dated: _____

COUNTY OF KANABEC
By: _____
Kathi Ellis, Chairperson

Dated: _____

By: _____
Kris McNally, County Coordinator

APPROVED AS TO FORM AND EXECUTION:

Dated: _____

By: _____
Barbara McFadden
Kanabec County Attorney

b. City of Ogilvie

RETAINER AGREEMENT FOR CRIMINAL PROSECUTION SERVICES BETWEEN THE CITY OF OGILVIE AND THE COUNTY OF KANABEC FOR THE PERIOD OF JANUARY 1, 2021 THROUGH DECEMBER 31, 2021

WHEREAS, the City of Ogilvie desires to retain the County of Kanabec to provide professional prosecution services through the Kanabec County Attorney's Office; and

WHEREAS, the County of Kanabec agrees to provide the services of the Kanabec County Attorney's Office to provide such prosecution services on behalf of the City of Ogilvie; and

WHEREAS, the City of Ogilvie and the County of Kanabec County deem it mutually advantageous to set forth the details of their relationship in writing;

NOW, THEREFORE, the City of Ogilvie and the County of Kanabec hereto agree that the following shall constitute a retainer agreement for prosecution services:

SERVICES PROVIDED.

The County of Kanabec shall provide all prosecution services through the Kanabec County Attorney's Office for the City of Ogilvie, including services to victims of crime as provided in Minnesota Statute Chapter 611A.

Criminal Prosecution services include, but are not limited to, all petty misdemeanors and misdemeanor offenses committed within the corporate limits of the City. Principal duties include:

1. Provide advice, consultation, and training where required to the City, its departments and staff in the interpretation, investigation, and enforcement of statutes and ordinances, in connection with prosecution of criminal cases.
2. Prepare criminal complaints where facts warrant.
3. Evaluate all cases where a plea of not guilty is entered.
 - A. Prosecute if warranted.
 - B. Prepare pre-trial motions or notices if required.
 - C. Seek additional investigations if required.
 - D. Negotiate resolutions by plea where advisable.
4. Represent the City in all pre-trial proceedings.
5. Perform legal research and prepare legal briefs where required and advisable.
6. Try all Court and Jury cases.
7. Examine and evaluate all Appeals to Appellate Courts; refer to the Office of the Minnesota Attorney General as necessary.
8. In conjunction with the Office of the Minnesota Attorney General try all appeals in Appellate Courts where warranted.

TERM OF AGREEMENT.

The retainer agreement shall remain in effect from January 1, 2021 through midnight December 31, 2021. Either party may terminate the contract either with or without cause upon 90-days written notice to the other party of its intent to do so. In the event of termination, both parties agree to adjust payments due or received to reflect \$250.00 per month for any month or partial month that the contract is in effect.

COMPENSATION FOR SERVICES.

Kanabec County shall provide an Invoice to the City of Ogilvie or such services as provided in said agreement. The City of Ogilvie shall pay the County of Kanabec in one annual installment for the period of January 1, 2021 through December 31, 2021: \$3,000.00.

Dated: 11/18/20

CITY OF OGILVIE

By: [Signature]
Mark Nilson, Mayor

Dated: 11/18/20

By: [Signature]
Heather Heins City Clerk

COUNTY OF KANABEC

Dated: _____

By: _____
Kathi Ellis, Chairperson

Dated: _____

By: _____
Kris McNally, County Coordinator

APPROVED AS TO FORM AND EXECUTION:

Dated: _____

By: _____
Barbara McFadden
Kanabec County Attorney

c. City of Braham

**RETAINER AGREEMENT FOR CRIMINAL PROSECUTION SERVICES
BETWEEN THE CITY OF BRAHAM WITHIN KANABEC COUNTY
AND THE COUNTY OF KANABEC
FOR THE PERIOD OF JANUARY 1, 2021 THROUGH DECEMBER 31, 2021**

WHEREAS, the City of Braham desires to retain the County of Kanabec to provide professional prosecution services through the Kanabec County Attorney's Office; and

WHEREAS, the County of Kanabec agrees to provide the services of the Kanabec County Attorney's Office to provide such prosecution services on behalf of the City of Braham; and

WHEREAS, the City of Braham and the County of Kanabec County deem it mutually advantageous to set forth the details of their relationship in writing;

NOW, THEREFORE, the City of Braham and the County of Kanabec hereto agree that the following shall constitute a retainer agreement for prosecution services:

SERVICES PROVIDED.

The County of Kanabec shall provide all prosecution services through the Kanabec County Attorney's Office for the City of Braham for criminal offenses occurring within the City of Braham located within Kanabec County, including services to victims of crime as provided in Minnesota Statute Chapter 611A.

Criminal Prosecution services include, but are not limited to, all petty misdemeanors and misdemeanor offenses committed within the corporate limits of the City within Kanabec County. Principal duties include:

1. Provide advice, consultation, and training where required to the City, its departments and staff in the interpretation, investigation, and enforcement of statutes and ordinances, in connection with prosecution of criminal cases.
2. Prepare criminal complaints where facts warrant.
3. Evaluate all cases where a plea of not guilty is entered.
 - A. Prosecute if warranted.
 - B. Prepare pre-trial motions or notices if required.
 - C. Seek additional investigations if required.
 - D. Negotiate resolutions by plea where advisable.
4. Represent the City in all pre-trial proceedings.
5. Perform legal research and prepare legal briefs where required and advisable.
6. Try all Court and Jury cases.

7. Examine and evaluate all Appeals to Appellate Courts; refer to the Office of the Minnesota Attorney General as necessary.
8. In conjunction with the Office of the Minnesota Attorney General try all appeals in Appellate Courts where warranted.

TERM OF AGREEMENT.

The retainer agreement shall remain in effect from January 1, 2021 through midnight December 31, 2021. Either party may terminate the contract either with or without cause upon 90-days written notice to the other party of its intent to do so. In the event of termination, both parties agree to adjust payments due or received to reflect \$125.00 per month for any month or partial month that the contract is in effect.

COMPENSATION FOR SERVICES.

The City of Braham shall pay the County of Kanabec on or before September 1, 2021 the full amount for the contract period of January 1, 2021 through December 31, 2021: \$1,500.00.

CITY OF BRAHAM

Dated: _____

By: _____
Patricia Carlson, Mayor

Dated: _____

By: _____
Angela Grafstrom Administrator

COUNTY OF KANABEC

Dated: _____

By: _____
Kathi Ellis, Chairperson

Dated: _____

By: _____
Kris McNally, County Coordinator

APPROVED AS TO FORM AND EXECUTION:

Dated: _____

By: _____
Barbara McFadden
Kanabec County Attorney

10:00am Appointment

December 15, 2020

REQUEST FOR BOARD ACTION

a. Subject: Privatization of Kanabec County Hospital	b. Origination: Welia Health
c. Estimated time: 15 minutes	d. Presenter(s): Barb McFadden, County Attorney

e. Board action requested:

RESOLUTION # _____ Privatization of Kanabec County Hospital

WHEREAS, since 1945 the County has owned and operated Kanabec County Hospital, d/b/a Welia Health; and

WHEREAS, Welia Health is governed by a board of directors appointed by the County, and operates as an enterprise fund of the County;

WHEREAS, the Board and the Welia Health Board believe that Welia Health will be better able to operate in the competitive landscape of health care in the State of Minnesota if it is operated as a private non-profit; and

WHEREAS, the Board has been willing to entertain the privatization of Welia Health only if the Board can be assured that Welia Health will continue to deliver excellent health care services to the citizens of the County;

THEREFORE, BE IT RESOLVED, the privatization transaction described in the Master Transaction Agreement (the "Agreement"), attached hereto as Exhibit A, is hereby approved;

RESOLVED FURTHER, that the Kanabec County Board of Commissioners Chairperson is hereby authorized to execute the Agreement and the Lease (attached as Exhibit B) contemplated thereby, substantially in the form attached hereto, and any other documents of transfer or assignment that are contemplated by the Agreement or are reasonably necessary to consummate the transaction contemplated thereby.

f. Background:

Supporting Documents: None Attached: ☒

Date received in County Coordinators Office:

Coordinators Comments:

MASTER TRANSACTION AGREEMENT

BETWEEN

KANABEC COUNTY

AND

WELIA HEALTH

MASTER TRANSACTION AGREEMENT

EFFECTIVE DATE: _____, 2020

PARTIES:

Kanabec County (“County”)

Welia Health (“Welia”)

RECITALS:

A. Kanabec County Hospital is a Minnesota county hospital formed and operated by the County to make hospital and health care services available to residents of the County and the surrounding region.

B. The County has determined that it is in the best interests of the Health Care System (as defined below) and the residents of the County and the community served by the Health Care System to transfer the operations and assets of the Health Care System to a private, nonprofit, non-governmental corporation.

C. The County has the statutory power and authority pursuant to Minnesota Statutes Sections 144.581, 376.06, and 447.47, to lease the Hospital and Clinic Real Estate and to transfer the remaining Health Care System assets to Welia.

D. Welia is a nonprofit corporation organized under the laws of the State of Minnesota for the purpose of acquiring and operating the Health Care System.

E. Welia has the power and authority to accept the lease of the Hospital and Clinic Real Property and the transfer of the remaining Health Care Facility assets from the County and to assume operation of the Health Care System under the terms and conditions set forth in this Agreement.

F. The County and Welia intend for Welia to operate the Health Care System in a private, non-governmental capacity and in furtherance of Welia’s charitable purposes for the benefit of the residents of the County and the surrounding regions served by the Health Care System.

G. The County has concluded, after due analysis and deliberation, that the lease of the Hospital and Clinic Real Property and the transfer of the remaining Health Care System assets and liabilities as provided in this Agreement are likely to benefit the Health Care System and the community by: (i) increasing operating efficiencies, (ii) enhancing the recruitment and retention of physicians and other health care professionals, (iii) increasing the ability to sustain and, as appropriate, expand the availability of health care services in the community, and (iv) promoting the ability of the Health Care System to remain financially viable and to adapt to future changes and challenges in the health care environment.

H. The Parties have concluded that the County and the communities served by the Health Care System will be best served by undertaking transactions described in this Agreement.

NOW, THEREFORE, in consideration of the premises, covenants and agreements set forth herein, the Parties hereto agree as follows:

AGREEMENTS:

**ARTICLE 1
DEFINITIONS**

1.1 “Agreement” means this Master Transaction Agreement, including all exhibits, attachments and any future amendments.

1.2 “Articles of Incorporation” or “Articles” means the Articles of Incorporation for Welia, attached to this Agreement as Exhibit 1.2.

1.3 “Assigned Contracts” means all service and maintenance contracts, equipment leases and other personal property leases, commitments, guarantees, indentures, insurance policies and contracts, leases, health plan contracts, and other contracts arising out of or relating to Health Care System Operations and the Hospital and Clinic Real Property, but excluding any contracts that are part of the Excluded Assets.

1.4 “Assumed Liabilities” means all of the following debts, obligations, accounts payable, claims and other liabilities of the County (excluding, in each case, any Excluded Liabilities):

- (a) All payment obligations, other obligations, and liabilities arising under the Assigned Contracts;
- (b) All liabilities and obligations relating to or arising under the terms of any health plan contract;
- (c) All claims or potential claims for medical malpractice or general liability relating to acts or omissions asserted to have occurred in connection with Health Care System Operations;
- (d) Any materialmen, mechanics or other liens against the Hospital and Clinic Real Property;
- (e) All employee liabilities arising from Health Care System Operations, including but not limited to any costs, settlement amounts, insurance deductibles and other expenses associated with any employment-related legal claims brought by County employees arising from the termination of their employment in connection with Health Care System Operations;
- (f) Any fines, penalties or other payments, or repayments, required to be made to any governmental entity in connection with Health Care System Operations prior to the Effective Date including, without limitation, any fines, penalties or other payments, or repayments, required to be made to any governmental entity (including, but not limited to, return of overpayments made by Medicare) under the federal Anti-Kickback Law, federal Physician Self-Referral Law, federal False

Claims Act, federal Civil Monetary Penalties Law and other similar federal and state laws in connection with the operation and use of the Health Care System prior to the Closing Date;

(g) All liabilities or obligations arising as a result of any breach by the County of any contract or commitment in connection with Health Care System Operations;

(h) Claims relating to generation, manufacture, storage or release of Hazardous Materials on or about the Hospital and Clinic Real Property or with respect to the Health Care System Operations; and

(i) All other liabilities and obligations of the County, whether known or unknown, contingent or otherwise, currently existing or hereafter arising, incurred or arising in connection with Health Care System Operations prior to the Effective Date.

1.5 “Bylaws” means the Welia Bylaws, attached to this Agreement as Exhibit 1.5.

1.6 “Change in Ownership or Control” means any situation (whether in one transaction or a series of related transactions) in which (i) more than fifty-percent (50%) control or ownership of Welia or the Health Care System is relinquished to another organization, other than an organization owned by, controlled by, or under common control with Welia, or (ii) all or substantially all of the Health Care System is sold to any third party other than an organization owned by, controlled by, or under common control with Welia. A Change in Ownership or Control shall not include the election of new directors to the Corporation Board to fill expired or vacant seats on its board.

1.7 “Closing” is as defined in Section 3.1.

1.8 “Closing Date” is as defined in Section 3.1.

1.9 “Corporation” means Welia, a Minnesota nonprofit corporation.

1.10 “Corporation Board” means the Board of Directors of Welia.

1.11 “County” means Kanabec County, a political subdivision of the State of Minnesota.

1.12 “County Board” means the Kanabec County Board of Commissioners.

1.13 “County Indemnified Parties” is as defined in Section 6.17.

1.14 “Effective Date” is the date stated on page two of this Agreement.

1.15 “Excluded Assets” means (a) this Agreement and (b) any assets owned by the County as of the Effective Date that are part of the Health Care System or that relate in any way to Health Care System Operations, but that will be retained by the County on the Closing Date and not leased or transferred to Welia pursuant to this Agreement. The Excluded Assets are specifically identified on the attached Exhibit 1.15.

1.16 “Excluded Liabilities” means:

1.16.1 The Existing Bonds; and

1.16.2 Any and all debts, obligations, claims, and other liabilities of the County:

- (a) To the extent such debts, obligations, claims or other liabilities of the County are covered by an existing insurance policy maintained by the County;
- (b) To the extent that the assumption of such debts, obligations, claims or other liabilities by Welia would eliminate or limit the governmental immunity that would otherwise be available in regard to such debt, obligation, claim or other liability (and nothing in this Agreement will grant to any person not a Party any right to payment or indemnification for any event occurring prior to the Effective Date);
- (c) That result from, arise out of, or relate to any act or omission of the County (or any of its elected officials, employees, contractors, or agents) acting in, or in furtherance of, the County’s governmental function and not in connection with, or in furtherance of, the Health Care System or Health Care System Operations; or
- (d) That result from a breach of this Agreement by the County or the existence of which constitute a misrepresentation by the County under this Agreement.

1.17 “Existing Bond Documents” means all documents, instruments and agreements executed and delivered in connection with the issuance of the Existing Bonds.

1.18 “Existing Bonds” means the following bonds and note issued by the County:

- (a) General Obligation Medical Facilities Equipment and Refunding Bonds, Series 2012B in the original aggregate principal amount of \$2,900,000; however, these bonds may be prepaid and retired before the Closing Date, in which case, they will not be included in the Existing Bonds;
- (b) Gross Revenue Hospital Bonds, Series 2019, in the original aggregate principal amount of \$56,600,000, to the United States of America, acting through the United States Department of Agriculture – Rural Development (the “USDA”); and
- (c) Gross Revenue Hospital Note (USDA Guaranteed), Series 2019, in the original principal amount of \$4,900,000, to First Citizens Bank.

1.19 “Health Care System” means, in aggregate, the Hospital and Clinic Real Property, the Health Care System Personal Property, the Satellite Clinics, and all other real or personal property purchased, leased or otherwise acquired by Kanabec County Hospital (or by the County with respect to any real property acquired by the County for use by Kanabec County Hospital and included in the Hospital and Clinic Real Property), and used by Kanabec County Hospital along with the operations, infrastructure, systems, processes, assembled work force, and other tangible and intangible assets used in or associated with its Health Care Systems Operations.

1.20 “Health Care System Employees” means all full and part time employees of the Health Care System as of the Effective Date.

1.21 “Health Care System Funds” means all of Kanabec County Hospital’s right, title and interest in or to all cash, bank accounts, savings and loan accounts, certificates of deposit, money market accounts, treasury bills, investments (whether debt or equity, liquid or illiquid), reserves or other cash items held in the name of, or on behalf of, Kanabec County Hospital in connection with Health Care System Operations.

1.22 “Health Care System Operations” means the operation of the Health Care System, including operation of its various components as a critical access hospital, outpatient hospital services, outpatient clinics, and administrative facilities.

1.23 “Health Care System Personal Property” means, as of the Closing Date, all right, title and interest of the County or Kanabec County Hospital in and to the following property, excluding, in each case, the Excluded Property and the Hospital and Clinic Real Property:

- (a) All machinery, furniture and equipment, including hospital, medical and office equipment, and other fixed assets used in connection with Health Care System Operations;
- (b) All motor vehicles owned by the County or Kanabec County Hospital and used in connection with Health Care System Operations;
- (c) All trademarks, service marks and names owned by the County or Kanabec County Hospital and used in connection with Health Care System Operations;
- (d) All accounts receivable and other amounts owed to the County, Kanabec County Hospital, or its health care operating units and arising out of Health Care System Operations;
- (e) The benefit, but not outright ownership, of the gifts, bequests, donations or other endowments specifically given for the benefit of or restricted to the use of the Kanabec County Hospital or Health Care System Operations, or any part or combination thereof;
- (f) All rights under the Assigned Contracts, including all rights to receive goods or services, to use and occupy personal and leased real property, or to receive payment for goods or services rendered, or other benefits arising under such contracts;
- (g) All Inventory and Supplies;
- (h) All trade secrets and other confidential information concerning Health Care System Operations not in the public domain;
- (i) All medical records of Health Care System patients in existence on the Effective Date;

- (j) All business records arising from Health Care System Operations;
- (k) All Health Care System Funds;
- (l) Any prepaid expenses arising from Health Care System Operations;
- (m) Any and all shares, member interests, partnership interests, member control agreements or other interests held by the County or Kanabec County Hospital in any joint venture, partnership, limited liability company, corporation, cooperative, or other entity or organization formed in relation to, in support of, or otherwise in connection with Health Care System Operations, including, without limitation, the County's interests in the joint ventures known as Central Minnesota Diagnostic Imaging, Inc., and SISU Medical Solutions, Inc.;
- (n) The right to any and all recovery from all collection cases in progress on the Closing Date for goods furnished or services rendered in connection with Health Care System Operations;
- (o) Phone numbers and website domains used by Health Care System Operations and not by any other part of the County; and
- (p) All of such other assets owned by the County or Kanabec County Hospital in connection with Health Care System Operations as of the Closing Date.

1.24 “Hospital” means the critical access hospital operated by Kanabec County Hospital in the City of Mora, Minnesota.

1.25 “Hospital Board” means the governing board of Kanabec County Hospital.

1.26 “Hospital and Clinic Real Property” is as defined in the Lease.

1.27 “Inventory and Supplies” means all items of consumable personal property owned or held by the County or Kanabec County Hospital in connection with the Health Care System Operations.

1.28 “Kanabec County Hospital” means Kanabec County Hospital, a Minnesota county hospital organized and operated by the County under Minnesota Statutes Chapter 376 and, as such, an enterprise fund of the County.

1.29 “Lease” means the lease agreement described in Section 2.3 of this Agreement and attached as Exhibit 1.29.

1.30 “Losses” is as defined in Section 6.17.

1.31 “Payments in Lieu of Taxes” or “PILOT” means payments required by the County and made by Welia in lieu of property tax payments, as provided in Subsection 3.3.2.

1.32 “Pre-Closing” is as defined in Section 4.1.

1.33 “Pre-Closing Date” is as defined in Section 4.1.

1.34 “Satellite Clinics” means the Pine City Clinic and the Hinckley Clinic, both of which are owned by Kanabec County and operated by Kanabec County Hospital as part of the Health Care System. The Pine City Clinic and the Hinckley Clinic, including their respective legal descriptions, are described with particularity in Exhibit 1.34.

1.35 “501(c)(3) Organization” means a corporation or other organization organized and operated as an organization described in Section 501(c)(3) of the Internal Revenue Code and exempt from federal income tax under Section 501(a) of the Internal Revenue Code.

ARTICLE 2

PRIVATIZATION; LEASE; TRANSFER OF HEALTH CARE SYSTEM

2.1 Conversion to Non-Governmental Hospital. As reflected in the Recitals, the Parties have determined it to be in the best interests of the County, its residents, and the communities served by the Health Care System to convert the legal structure of the Health Care System from a county hospital to a non-governmental, nonprofit, tax-exempt corporation. This will be accomplished as of the Closing Date through a number of interrelated steps, as provided in this Agreement.

2.2 The Corporation. Welia is a nonprofit corporation organized under the laws of the State of Minnesota for the purpose of acquiring and operating the Health Care System. Its Articles of Incorporation are set forth as Exhibit 1.2, and its Bylaws as of the Effective Date are set forth as Exhibit 1.5. Welia qualifies and will maintain its status as a 501(c)(3) Organization.

2.3 Lease. Under a Lease in the form attached as Exhibit 1.29, the County will lease to Welia all of the Hospital and Clinic Real Property, which includes the Hospital.

2.3.1 Rents and additional payments payable by Welia to the County will be set forth in the Lease.

2.3.2 Also as provided under the Lease, the County will take all necessary steps to transfer title of the Hospital and Clinic Real Property to Welia when the Existing Bonds are paid in full, refinanced, defeased, or otherwise retired or extinguished, and on the condition that Welia’s assumption of title will be in compliance with any applicable provisions of the Existing Bond Documents and with the surviving terms of this Agreement.

2.4 Transfer of Satellite Clinics. At Closing, the County will convey and transfer title of each of the Satellite Clinics to Welia. Each conveyance will be made by quitclaim deed and will include the property and all premises, improvements and fixtures constructed or located on the property. The Parties agree that, as of the Closing, they will execute and deliver such instruments and other documents as are necessary and customary to effect the transfer of title of the Satellite Clinics from the County to Welia.

2.5 Transfer of Other Health Care System Assets. Effective upon the Closing, the County will transfer, grant, bargain, assign, convey and deliver to Welia all other assets used in or relating to Health Care Systems Operations, including all of County’s right, title and interest in and to the Health Care System Personal Property.

2.6 Health Care System Operations and Management. Effective upon the Closing, Welia assumes, and County relinquishes, all authority and responsibility for managing and operating the Health Care System. Welia agrees to operate the Health Care System in accordance with the covenants set forth in this Agreement, including, without limitation, the covenants set forth in Article 6 of this Agreement.

2.7 Assigned Contracts. Effective upon the Closing, the County assigns, transfers and conveys the Assigned Contracts, and Welia assumes the Assigned Contracts and all rights and obligations under the Assigned Contracts.

2.8 Assumed Obligations. Effective upon the Closing, Welia assumes and agrees to pay and perform the Assumed Liabilities or otherwise cause the Assumed Liabilities to be satisfied or discharged when due under their terms. Welia may, at its expense and in its own name and behalf, or, to the extent lawful, in the name and behalf of the County or Kanabec County Hospital, in good faith, contest the payment of any Assumed Liabilities and, in the event of any such contest, permit any such Assumed Liabilities to remain unpaid during the period of such contest and any ensuing appeal. The County will cooperate fully with Welia, at Welia's expense, in any such contest. The County will continue to be responsible for any Excluded Liabilities.

2.9 Health Care System Employees. Welia will assume responsibility for employing or contracting for all staff, including physicians and other professional staff, associated with operation of the Health Care System and the delivery of care to its patients. Except as inconsistent with the terms of any collective bargaining agreement that applies to any Health Care System Employees, the employment of all Health Care System Employees will terminate on the Closing Date, and Welia will extend offers of employment with comparable positions, hours and benefits, and at the wages or salaries provided as of the Closing Date. Years of service credit for salary, wage and benefit purposes will be provided. Health Care System Employees currently participate in the Public Employees Retirement Association ("PERA"), in accordance with terms and conditions that apply to PERA. After Closing, retirement benefits accrued under PERA will be governed by applicable statutes, including Minnesota Statutes Chapter 353F, which applies to privatization transactions involving public hospitals. Subject to and in accordance with Minnesota Statutes Section 353F.03, Health Care System Employees will vest in their benefits under PERA. Welia will no longer participate in PERA after Closing and will replace it with a Section 401(k) qualified retirement plan.

2.10 Licenses and Permits. All licenses and permits associated with the Health Care System and Health Care System Operations will be transferred to Welia, including, but not limited to, approval by the Minnesota Department of Health for transfer or reissuance of the Hospital license.

ARTICLE 3 CONSIDERATION; FINANCIAL TERMS

3.1 Consideration. In addition to the Parties' mutual covenants and obligations under this Agreement (including Welia's obligations under the Lease and Welia's assumption of the Assumed Obligations), the Parties agree to the additional consideration and the financial terms set forth in this Article 3.

3.2 Satellite Clinics. Welia will pay the County \$400,000 in cash at Closing for the conveyance of the Satellite Clinics.

3.3 Additional Consideration. Welia agrees to make further payments to the County in consideration of the transfer of the Health Care System and Health Care System Operations, including Welia's assumption of the Assumed Liabilities, as follows:

3.3.1 Scheduled Payments. Welia will pay the County the following amounts:

- (a) The amount of \$250,000 per annum beginning on the Closing Date and continuing for a period of ten years; and
- (b) The amount of \$200,000 per annum beginning on the tenth anniversary of the Closing Date and continuing for a period of ten years. The payments under this Subsection 3.3.1(b) are subject to potential waiver under Section 3.4.
- (c) Welia will make the payments under Subsections 3.3.1(a) and (b) in a single payment each year, with the first payment under Subsection 3.3.1(a) due and payable on the Closing Date, and the first payment under Subsection 3.3.1(b) due and payable on the tenth anniversary of the Closing Date. From time to time, the County may request an alternative payment schedule for any of these amounts. Welia will consider any such request in good faith and will not withhold its consent unreasonably.

3.3.2 PILOT for Future Real Estate Acquisitions. In the future (after the Closing), if Welia acquires any real property within the County, Welia will make PILOT equal to the pre-transaction property taxes on the acquired property, as follows:

- (a) PILOT for ten years on small purchases (*e.g.*, private residences adjacent to hospital campus); and
- (b) PILOT for five years on "major purchases," which are those real estate transactions with a purchase price in excess of \$500,000. (*e.g.*, large commercial parcels).

3.3.3 Additional Conditions. Welia's payment obligations under this Section 3.3 are at all times subject to the following conditions:

- (a) The payment obligations are subordinate to all applicable restrictions and covenants under the Existing Bond Documents and any future debt financings undertaken by Welia, and the payment obligations will be suspended in any year in which the payment would cause or contribute to the breach of any bond covenant.
- (b) Payments will resume when they would no longer cause or contribute to the breach of any bond covenant, and Welia will repay the amounts of any suspended or reduced payments as soon as it is reasonably able to do so.

3.4 Home Care Services – Welia Option. The County currently provides home health care services within the County. The County has discussed with Welia the possibility of Welia assuming those duties from the County as part of this Agreement, but Welia cannot currently commit to assuming that responsibility. The Parties recognize that this will likely remain a topic for future negotiations. In the meantime, Welia will have an option to assume the County's home care services responsibilities. As an inducement to Welia to exercise its option and as financial support for the provision of home care services, the County agrees that if Welia assumes the home care service duties, and for so long as Welia continues to provide home care services to residents of the County, the payment provided for in Subsection 3.3.1(b) will be waived by the County.

ARTICLE 4 THE CLOSING

4.1 Closing. The Closing of the transactions contemplated by this Agreement will be deemed to have occurred at 11:59:59 p.m. on June 30, 2021, or at another time and date mutually agreed between the Parties ("Closing Date"). In the ten days preceding the Closing Date, at a date, time and place agreed between the Parties, or at another date mutually agreed between the Parties ("Pre-Closing Date"), the Parties will hold a pre-closing at which all deliveries required to be made by the Parties under this Agreement will be made (the "Pre-Closing"), but the deliveries will be held in escrow and will not be deemed to have been delivered until the Closing Date.

4.2 County Deliveries at the Closing. At the Pre-Closing, and simultaneously with the deliveries by Welia set forth in Section 4.3, the County will deliver or cause to be delivered to Welia the following:

4.2.1 The Lease, including all deliverables required of the County under the Lease, including without limitation:

(a) An Assignment of and Assumption of Leases conveying to Welia the tenant leases, if any, (the "Assigned Leases") respecting the Health System Real Property; and

(b) If there are any leases to assign, notices to the tenants under the Assigned Leases, to the extent required, advising them of the master lease of the Health System Real Property, confirming the transfer of Tenants' security deposits and interest thereon (if any), and directing them to make future lease payments to Welia at the place designated by Welia.

4.2.2 A quitclaim deed and all other deliverables for transfer of title to the Pine City Clinic.

4.2.3 A quitclaim deed and all other deliverables for transfer of title to the Hinckley Clinic.

4.2.4 A bill of sale and such other documents as may reasonably be necessary to effect conveyance and delivery of the Health Care System Personal Property and any other assets in accordance with Section 2.5. This will include, but is not limited to, assignments as necessary to assign and transfer all Health Care System Funds to Welia, including without

limitation all Health Care System bank accounts, certificates of deposit, and other Health Care System monies and deposits;

4.2.5 A general assignment and assumption, as the Parties may deem necessary, to effect assignment of the Assigned Contracts to Welia and Welia's assumption of all rights and obligations under the Assigned Contracts.

4.2.6 A certificate of an officer of the County certifying the accuracy of the representations and warranties with respect to the County contained in this Agreement and the compliance with and fulfillment of all covenants, agreements, obligations, and conditions required by this Agreement.

4.2.7 A copy of the resolutions authorizing this Agreement and the transactions that it contemplates, as adopted by the County Board, signed by the Chairperson of the County Board and attested by the County Board Clerk, stating that the resolutions are true and correct, were duly adopted by the County Board, and remain in full force and effect.

4.2.8 Such other documents, certificates, instruments and writings required to be delivered by the County pursuant to this Agreement.

4.3 Welia Deliveries at the Closing. At the Pre-Closing, and simultaneously with the deliveries by the County set forth in Section 4.2, Welia will deliver or cause to be delivered to County the following:

4.3.1 The Lease, including all deliverables required of Welia under the Lease, including without limitation:

- (a) An Assignment of and Assumption of Leases conveying to Welia the tenant leases, if any, (the "Assigned Leases") respecting the Health System Real Property; and
- (b) Notices to the tenants under the Assigned Leases, to the extent required, advising them of the master lease of the Health System Real Property, confirming the transfer of Tenants' security deposits and interest thereon (if any), and directing them to make future lease payments to Welia at the place designated by Welia.

4.3.2 A general assignment and assumption, as the Parties may deem necessary, to effect assignment of the Assigned Contracts to Welia and Welia's assumption of all rights and obligations under the Assigned Contracts.

4.3.3 A certificate of an officer of Welia certifying the accuracy of the representations and warranties with respect to Welia contained in this Agreement and the compliance with and fulfillment of all covenants, agreements, obligations, and conditions required by this Agreement.

4.3.4 A copy of the resolutions authorizing this Agreement and the transactions that it contemplates, as adopted by the Corporation Board, duly certified by an authorized officer

of Welia, stating that the resolutions are true and correct, were duly adopted by the Corporation Board, and remain in full force and effect.

4.3.5 Such other documents, certificates, instruments and writings required to be delivered by Welia pursuant to this Agreement.

4.4 Further Consents. The Parties will use their best efforts prior to Closing to file applications for and obtain, as applicable, all material operating licenses, certifications, registrations, filings, applications, notices, transfers, consents, approvals, orders, qualifications, and waivers, and to take all other actions of any kind required of any person in connection with the consummation of the transactions contemplated by this Agreement. All such actions will be in writing and executed copies will be delivered to the Parties.

4.5 Pre-Closing Covenants. The Parties agree as follows with respect to the period between the execution of this Agreement and the Closing.

4.5.1 Each of the Parties will use its reasonable best efforts to take all action and to do all things necessary, proper, or advisable in order to consummate and make effective the transactions contemplated by this Agreement.

4.5.2 The County and Kanabec County Hospital will keep the Health Care System substantially intact, including its present operations, physical facilities, working conditions, and relationships with providers, patients and other customers, employees, contractors, lessors, licensors, suppliers.

4.5.3 The County will permit representatives of Welia to have full access to all premises, properties, personnel, books, records, contracts, and documents of or pertaining to the Health Care System.

ARTICLE 5 REPRESENTATIONS AND COVENANTS OF COUNTY

5.1 Power and Authority. The County has the power and authority to execute and deliver this Agreement, and to carry out the transactions that it contemplates. The County Board, acting on behalf of the County in connection with this Agreement, is the properly appointed, acting, and duly authorized governing body of the County, and is acting in accordance with the provisions of all applicable laws and regulations.

5.2 Agreement Valid and Binding. This Agreement is duly executed and delivered and is a valid and legally binding obligation of the County, enforceable in accordance with its terms. The execution and delivery of this Agreement do not, and the consummation of the transactions that it contemplates will not, result in the creation of any lien, charge or encumbrance or the acceleration of any indebtedness or other obligation of the County, and are not prohibited by, in violation of or in conflict with any provisions of, and will not result in a default under or a breach of (i) any constitutional provision affecting the County; (ii) any ordinance, law or regulation; or (iii) any order, decree or judgment or any court of governmental agency to which the County or the Health Care System is a party or is bound.

5.3 Existing Bonds. The Existing Bonds are the only bonds authorized and issued by the County that are outstanding as of the Effective Date and attributable to the Health Care System. The County will make such reports and disclosures from time to time as are required under the Existing Bond Documents. The parties acknowledge and agree that the terms of this Agreement do not constitute an amendment of the County's obligations under the Existing Bond Documents.

5.4 Assigned Contracts; Consents. With Welia's assistance, the County will make a good faith effort to obtain such consents and give such notices as may be required in connection with the assignment to Welia of Assigned Contracts hereunder.

5.5 Cooperation. The County, at Welia's expense, will cooperate reasonably with Welia in any manner necessary to enable Welia to fulfill Welia's obligations and exercise Welia's rights under this Agreement.

ARTICLE 6 REPRESENTATIONS AND COVENANTS OF WELIA

6.1 Formation of Welia. Welia is a nonprofit corporation duly organized and in good standing under the laws of the State of Minnesota. Welia has the power to lease and to own assets and to carry on its business as contemplated under this Agreement.

6.2 Power and Authority. Welia has the power to execute and deliver this Agreement and to carry out the transactions that it contemplates. All corporate actions required to be taken by Welia to authorize the execution, delivery and performance of this Agreement and all transactions that it contemplates have been duly and properly taken.

6.3 Agreement Valid and Binding. The Agreement is duly executed and delivered and is a valid and legally binding obligation of Welia enforceable in accordance with its terms. The execution and delivery of this Agreement do not, and the consummation of the transactions that it contemplates will not, result in the creation of any lien, charge or encumbrance or the acceleration of any indebtedness or other obligation of Welia, and are not prohibited by, in violation of or in conflict with any provisions of, and will not result in a default under or a breach of (i) any contract, agreement or other instrument to which Welia is a party or is bound; (ii) any ordinance, law or regulation; or (iii) any order, decree or judgment or any court of governmental agency to which Welia is a party or is bound.

6.4 Existing Bonds. Welia will cooperate with the County and will provide such information and reports to the County from time to time as may reasonably be necessary to enable the County timely to make such reports and disclosures as are required under the Existing Bond Documents. Welia further agrees to comply with all applicable requirements of 7 C.F.R. § 16.4; USDA Rural Development Form 400-1, an Equal Opportunity Agreement; USDA Rural Development Form 400-4, an Assurance Agreement; and Section 504 of the Rehabilitation Act of 1973, as amended.

6.5 Governance. Welia agrees that the County Board will have the right to appoint one member of the County Board to the Corporation Board, with input from the Corporation Board (or its nominating or governance committee) as to candidates and desired competencies for the Corporation Board. This Section 6.5 will survive the expiration of the term of this Agreement, and Welia agrees to memorialize this right of the County in Welia's Bylaws.

6.6 Change in Ownership or Control. Welia agrees to provide the County with not less than 180 days' prior written notice (the "Notice") of any proposed Change in Ownership or Control transaction. Within 120 days of its receipt of the Notice, the County will provide written notice to Welia either that the County consents or that it declines to consent to the Change in Ownership or Control. If the County declines its consent, then at either the County's option or Welia's option, the Health Care System and all Health Care System Operations will be transferred back to the County upon the County's assumption of any outstanding debt of the Health Care System. In such event, the Parties will work together in good faith, using their best efforts, to take all steps necessary to cause the Health Care System and all Health Care System Operations to be transferred back to the County as soon as is reasonably practicable. This Section 6.6 will survive the expiration of the term of this Agreement, and either the County or Welia, at its election, may cause the rights of the County under this Section 6.6 to be memorialized in the deed transferring title of the Hospital Land from the County to Welia pursuant to Article 16 of the Lease.

6.7 Health Care System Licenses. Welia will obtain from the Minnesota Department of Health on or before the Effective Date such licenses (or the transfer or reissuance of such licenses) to operate the Health Care System, including the Hospital license, and will maintain such licenses in good standing throughout the Term of the Lease.

6.8 Medicare Certification. Welia will comply with all Medicare conditions of participation applicable to the Hospital and, if ever required, submit timely corrective action plans satisfying those conditions throughout the Term of the Lease.

6.9 Accreditation. Welia will maintain the Health Care System accreditation by the relevant state survey agency or The Joint Commission throughout the Term of the Lease.

6.10 Medical Staff. On or before the Closing Date, Welia will adopt and assume the Medical Staff Bylaws of the Hospital, including all related rules, regulations, policies and procedures in effect as of the Closing Date and will extend privileges to all members of the Hospital medical staff and its independent allied health professional staff on the same terms that were in effect as of the Closing Date.

6.11 Indigent Care. Welia will operate the Hospital as a hospital open to the general public providing emergency and acute care services, from time to time at no charge or at reduced charges in accordance with charity care, discount and community benefit policies consistent with Welia's charitable purposes, as approved by the Corporation Board, and in compliance with any applicable federal, state and local statutes or ordinances and regulations.

6.12 Sales Tax. Welia will pay any sales or excise taxes due as a result of the Closing of the transactions contemplated under this Agreement.

6.13 Recording Costs. Welia will pay the cost of recording a Memorandum of the Lease. Welia will pay the cost of recording the quitclaim deeds, any deed tax, and any other costs associated with the transfer of title to the Satellite Clinics. Welia will also pay the cost of recording any documents necessary to release encumbrances other than Permitted Encumbrances.

6.14 Tax-Exempt Status. Welia represents that it was organized with the intent to become qualified as a 501(c)(3) Organization, that it has applied for such status with the Internal Revenue

Service (“IRS”) or will complete the application on or before December 18, 2020, and that it knows of no reason why it will not receive a favorable determination letter in the ordinary course. Welia will diligently pursue such determination and will promptly notify the County of its receipt of a determination letter. Welia further agrees that it will maintain its status as a 501(c)(3) Organization, exempt from federal income tax under Section 501(a) of the Code, and as such, no part of its net earnings will inure to the benefit of any private individual, including any members of its Board of Directors.

6.15 Reporting Obligations. Welia will report at least twice a year to the County regarding Welia’s financial status, programmatic efforts, and progress toward its strategic plan. Welia will deliver to the County copies of Welia’s audited annual financial statements and unaudited mid-year financial statements prepared in accordance with GAAP within 150 days after the end of each fiscal year and mid-year during the Term, and Welia will provide proof to County annually that all applicable health care accreditations have been maintained. Furthermore, Welia shall conduct Community Health Needs Assessments in accordance with Federal law applicable to tax-exempt hospitals and deliver the assessments to County along with its plans to address the healthcare issues identified in the assessments during the Term of the Lease. Welia will continue to engage in community collaboration and partnerships to improve the health outcomes in Kanabec County and the surrounding communities.

6.16 Transaction Costs. Welia will pay the County’s reasonable, direct, out of pocket transaction expenses, including reasonable legal fees, incurred by the County to complete the transactions contemplated by this Agreement.

6.17 Indemnification by Welia. Anything in this Agreement to the contrary notwithstanding, Welia hereby agrees to pay, protect, indemnify, defend and hold harmless, the County and each of its current or former elected officials, employees, officers, agents and contractors and each current or former member of the Hospital Board (“County Indemnified Parties”) from and against any and all claims, losses, liabilities, damages, expenses and costs, including attorneys’ fees (collectively, “Losses”), incurred by any County Indemnified Party relating to, arising out of or otherwise associated with the Assumed Liabilities, the conduct of Welia’s business operations (including, but not limited to Health System Operations) following the Closing or any challenges to the transactions contemplated under this Agreement. Welia shall procure and maintain director and officer liability insurance coverage with respect to the performance or nonperformance of the duties of the Hospital Board prior to the Closing Date, but Welia’s indemnification obligation shall not be limited by the limits of such coverage. The terms of this Section 6.17 shall survive expiration or any earlier termination of this Agreement.

ARTICLE 7

TERM AND TERMINATION

7.1 Term. The term of this Agreement will commence on the Effective Date and, unless terminated earlier under Section 7.2 or Section 7.3, will expire on the later of (i) 30 years or (ii) the termination or expiration of the Lease.

7.2 Termination by the County. The County may terminate this Agreement upon prior written notice to Welia at any time before the Closing if:

7.2.1 Welia has breached or failed to perform any of its material covenants or obligations under this Agreement, after being given not less than 30 days' written notice of the breach or failure and a reasonable opportunity to cure;

7.2.2 Any representation, warranty or certification of Welia contained in this Agreement or any other document provided to the County pursuant to the terms of this Agreement is not true or not correct in any material respect; or

7.2.3 Any Force Majeure event occurs prior to the Closing that has a material adverse effect on the Health Care System Operations.

7.3 Termination by Welia. Welia may terminate this Agreement upon prior written notice to the County at any time before the Closing if:

7.3.1 The County has breached or failed to perform any of its material covenants or obligations under this Agreement after being given not less than 30 days' written notice of the breach or failure and a reasonable opportunity to cure;

7.3.2 Any representation, warranty or certification of the County contained in this Agreement or any other document provided to Welia pursuant to the terms of this Agreement is not true or not correct in any material respect; or

7.3.3 Any Force Majeure event occurs prior to the Closing that has a material adverse effect on the Health Care System Operations.

ARTICLE 8 GENERAL PROVISIONS

8.1 Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but together they will constitute one and the same Agreement. A signed copy of this Agreement delivered by fax, email, or other means of electronic transmission will be deemed to have the same legal effect as delivery of an original signed copy of the Agreement.

8.2 Entire Agreement. This Agreement and all schedules and exhibits attached to it constitute the entire agreement between the Parties pertaining to the subject matter and supersede all prior and contemporaneous agreements, representations, and understandings of the Parties.

8.3 Exhibits and Schedules. All exhibits and schedules attached to this Agreement are incorporated by reference and made a part of this Agreement as if those exhibits and schedules were set forth at length in the text of this Agreement.

8.4 Amendment. This Agreement may be amended, supplemented, or modified at any time only by a written agreement duly signed by both of the Parties.

8.5 Waiver. Any of the terms or conditions of this Agreement may be waived at any time by the Party entitled to the benefit of it, but only by a written notice signed by the Party. The waiver of any term or condition will not be construed as a waiver of any other term or condition of the Agreement.

8.6 Notices. All notices or communications required or permitted under this Agreement must be given in writing and be delivered to the Party to whom notice is to be given either (i) by personal delivery, in which case such notice will be deemed given on the date of delivery; (ii) by next business day courier service (e.g., Federal Express, UPS, USPS, or other similar service), in which case such notice will be deemed given on the business day following the date of deposit with the courier service; or (iii) by United States mail, first class, postage prepaid, certified, return receipt requested, in which case such notice will be deemed given on the third day following the date of deposit with the United States Postal Service. Notices will be delivered or sent to the following addresses:

If to the County:

Attention: Kristine McNally, County Coordinator
18 N. Vine Street, Suite 181
Mora, MN 55051

With a copy to:

Barbara McFadden, County Attorney
18 N. Vine Street, Suite 181
Mora, MN 55051

If to Welia:

301 South Highway 65
Mora MN 55051
Attn: Chief Executive Officer

With a copy to:

Konrad Friedemann
FriedemannFirm, PLLC
825 Nicollet Mall, Ste. 1800
Minneapolis, MN 55402

8.7 Rights of Parties. Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any person other than the Parties to this Agreement and their respective successors and permitted assigns. Nothing in this Agreement is intended to relieve or discharge the obligation or liability of any third person to any Party to this Agreement or to give any third person any right of subrogation or action against any party to this Agreement.

8.8 Successors; Assignment. This Agreement will be binding upon, and will inure to the benefit of, the Parties and their respective successors and permitted assigns. No Party may assign or transfer any rights or obligations under this Agreement without the prior written consent of the other Party.

8.9 Partial Invalidity. In case any one or more of the provisions contained in this Agreement will, for any reason, be held to be invalid, illegal, or unenforceable in any respect, as long as the benefits expected to be derived by each of the Parties are not materially affected, such invalidity, illegality, or unenforceability will not affect any other provision of this Agreement; but this Agreement will be construed as if such invalid, illegal, or unenforceable provision or provisions had never been contained in this Agreement. If such a provision is held to be invalid, illegal, or unenforceable in any respect, the Parties agree to use their best efforts to agree mutually upon changes to this Agreement to cause each such provision to be valid, legal, and enforceable and to preserve the benefits expected to be derived by each of the Parties.

8.10 Dispute Resolution.

8.10.1 The Parties agree that any dispute under this Agreement (except as may be expressly provided in any other agreement between the Parties entered into pursuant this Agreement) will first be discussed between Parties in a good-faith effort to arrive at a resolution.

8.10.2 If the dispute cannot be resolved informally, it will proceed to mediation. If the Parties cannot agree on a mediator or mediation does not resolve the dispute, it will be submitted to binding arbitration.

8.10.3 Arbitration will be the forum for the resolution of any such disputes; provided, that a party may seek a court order for an injunction pending the outcome of the arbitration. The arbitration will be conducted in Kanabec County, Minnesota, or in an alternative neutral site mutually agreed between the Parties, and will be conducted before a single arbitrator pursuant to the commercial litigation rules of the American Arbitration Association. Each Party will bear its own costs and fees in connection with any arbitration. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction.

8.11 Regulatory Action. If any third-party governmental or regulatory body issues an order or determination enjoining or otherwise disapproving or prohibiting this Agreement or the transactions that it contemplates, each Party agrees to make a good faith effort to restructure this Agreement or the relationship consistent with the best interests of all of the Parties in compliance with any and all requirements established by the disapproving governmental or regulatory body.

8.12 Reasonable Cooperation and Assistance. The Parties acknowledge that subsequent to the Closing Date a Party may need access to information or assistance from the other Party for the purposes of concluding the transactions contemplated by this Agreement or for audits and compliance with governmental requirements and regulations. Accordingly, upon request, each Party agrees to provide reasonable assistance to the other Party, including reasonably making information available to such Party, for the purposes described in this Section. The Parties further

agree that each of the exhibits to this Agreement is subject to updating for completeness by the Parties between the date of execution of this Agreement and the Closing Date.

Left blank intentionally. Signature page follows.

Master Transaction Agreement Signature Page

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

KANABEC COUNTY

WELIA HEALTH

By: _____
Chairperson, Board of Commissioners

By: _____
Chair, Board of Directors

And: _____
County Clerk

Chief Executive Officer

Date: _____

Date: _____

EXHIBIT 1.2

Articles of Incorporation of Welia Health

(Attached)

EXHIBIT 1.5

Bylaws of Welia Health

(Attached)

EXHIBIT 1.15

Excluded Assets

1. This Master Transaction Agreement
2. No other Excluded Assets

[Is this correct?]

EXHIBIT 1.29

Lease

(Attached)

EXHIBIT 1.34

Satellite Clinics

Hinckley Clinic:

- Clinic facility located at 620 Sandy Lane, Hinckley, Minnesota
- Legal Description:
Lot 3, Block 1, Hinckley Medical Addition, Pine County,
Minnesota, according to the recorded plat thereof.

Pine City Clinic:

- Clinic facility located at 1425 Main Street N., Pine City, Minnesota
- Legal Description:
Sect-21 Twp-039 Range-02117.76 AC
Southwest 1/4 of southeast 1/4 lying west of west line of RR.

HOSPITAL AND CLINIC LEASE

BETWEEN

KANABEC COUNTY

AND

WELIA HEALTH

July 1, 2021

LEASE

LEASE DATE: _____, 2020

PARTIES:

Kanabec County

("County")

Welia Health

("Welia")

RECITALS:

A. The County has determined that it is in the best interests of the Health Care System and the residents of the County and the community served by the Health Care System to transfer the operations and assets of the Health Care System to a private, nonprofit, non-governmental corporation.

B. Welia is a nonprofit corporation organized under the laws of the State of Minnesota for the purpose of acquiring and operating the Health Care System.

C. The Parties have entered into that certain Master Transaction Agreement to carry out their intent to transfer the Health Care System and its operations to Welia.

D. In keeping with the terms of the Master Transaction Agreement, the Parties wish to enter into this Lease for Welia to lease the Hospital and Clinic Real Property from the County.

F. The County has the statutory power and authority pursuant to Minnesota Statutes Sections 144.581, 376.06, and 447.47, to lease the Hospital and Clinic Real Property to Welia.

G. The County has concluded, after due analysis and deliberation, that the lease of the Hospital and Clinic Real Property, together with the transfer of the remaining Health Care System assets and liabilities as provided in the Master Transaction Agreement, is likely to benefit the Health Care System and the community by: (i) increasing operating efficiencies, (ii) enhancing the recruitment and retention of physicians and other health care professionals, (iii) increasing the ability to sustain and, as appropriate, expand the availability of health care services in the community, and (iv) promoting the ability of the Health Care System to remain financially viable and to adapt to future changes and challenges in the health care environment.

H. The Parties have concluded that the County and the communities served by the Health Care System will be best served by undertaking transactions described in this Lease.

NOW, THEREFORE, in consideration of the premises, covenants and agreements set forth herein, the Parties agree as follows:

AGREEMENTS:

ARTICLE 1 DEFINITIONS

1.1 Terms Defined in Master Transaction Agreement. Unless specifically modified in this Lease, capitalized terms defined in the Master Transaction Agreement will have the same meaning in this Lease.

1.2 “Acquisition Option” means Welia’s right to acquire the County’s interest in the Hospital and Clinic Real Property in accordance with Article 16.

1.3 “Alteration” means construction, reconstruction, replacement, repairs, renewals, alterations, changes, additions, improvements and demolitions of or to any of the Improvements and all excavations at any time made or to be made in, or on about the Land, or any part thereof.

1.4 “Base Rent” means the rent under Section 3.1 of this Lease.

1.5 “Clinic Improvements” means the building, fixtures and other improvements now or hereafter located on the Clinic Land and all alterations and additions thereto and replacements thereof, including by reason of Restoration.

1.6 “Clinic Land” means the land, but not any Improvements, that is the site of the clinic attached to the Hospital and that is legally described on Exhibit A that is attached to and made part of this Lease, together with all easements, appurtenances and hereditaments pertaining thereto.

1.7 “Clinic Property” means the Clinic Land and the Clinic Improvements, together.

1.8 “Effective Date” means the date this Lease is signed and delivered by both Parties.

1.9 “Event of Default” is as defined in Section 15.1 of this Lease.

1.10 “Hospital and Clinic Real Property” means the Hospital Property and the Clinic Property, together.

1.11 “Hospital Improvements” means the building, fixtures and other improvements now or hereafter located on the Hospital Land and all alterations and additions thereto and replacements thereof, including by reason of Restoration.

1.12 “Hospital Land” means the land, but not any Improvements, that is the site of the Hospital and that is legally described on Exhibit A attached to and made part of this Lease, together with all easements, appurtenances and hereditaments pertaining to such land.

1.13 “Hospital Property” means the Hospital Land and the Hospital Improvements, together.

1.14 “Improvements” means the Hospital Improvements and the Clinic Improvements, together.

1.15 “Initial Term” is as defined in Section 2.1 of this Lease.

1.16 “Land” means the Hospital Land and the Clinic Land, together.

1.17 “Lease” means this Lease, including Exhibit A – Legal Description of the Land.

1.18 “Lease Date” means January 1, 2021 and is the start date of the Term unless otherwise provided or determined in accordance with the Lease.

1.19 “Operating Expenses” means all costs associated with operation of the Health Care System including, but not limited to, the costs of maintenance and repair, utilities, equipment rental, professional fees, salaries, wages, employee benefits, permit fees, license fees, and, as the same respectively become due, all taxes, assessments and governmental charges that may be lawfully assessed or levied against or otherwise attributable to the Health Care System during the Term.

1.20 “Renewal Term” is as defined in Section 2.2 of this Lease.

1.21 “Restore or Restoration” means the repair, restoration or rebuilding of the Health Care System or any part thereof following any Taking, damage to or destruction of the same by fire or other casualty, in accordance with applicable legal requirements, with such Alterations as may be determined by Welia, together with any temporary repairs and property protection pending completion of the work.

1.22 “Taking” means a taking of all or any part of the Hospital and Clinic Real Property, or any interest therein or right accruing thereto, including, without limitation, any right of access thereto existing on the date of this Lease, as the result of or in lieu or in anticipation of the exercise of the right of condemnation or eminent domain. The Taking will be deemed to occur on the date on which the condemning authority takes possession.

1.23 “Term” means the term of this Lease as provided in Article 2 and includes both the Initial Term and the Renewal Term.

1.24 “Unavoidable Delays” means acts of God, casualties, war, civil commotion, embargo, riots, strikes, pandemics, unavailability of materials (but not unavailability of funds), contractor defaults, and any other events that are not within the reasonable control of the Party in question to prevent, control or correct.

1.25 “USDA” means the United States of America, acting through the United States Department of Agriculture – Rural Development.

1.26 “Welia Personal Property” is as defined in Section 6.1 of this Lease.

ARTICLE 2 LEASE AND TERM

2.1 Lease of Hospital and Clinic Real Property. County does hereby demise and lease to Welia, and Welia does hereby take and hire, upon and subject to the terms and conditions of this Lease, the Hospital and Clinic Real Property for a term commencing on the Lease Date and ending thirty (30) years after the Lease Date (the “Initial Term”).

2.2 Renewal. As long as Welia is not in default under this Lease and at any time prior to the commencement of the 30th year of this Lease, Welia may notify the County of its intention to renew this Lease upon the same terms and conditions as contained herein for one additional thirty (30) year term (the “Renewal Term”).

ARTICLE 3 RENT

3.1 Base Rent. The Base Rent for the Hospital and Clinic Real Property during the Term will be an amount equal to all debt service payments, including principal, interest, any paying agent fees, registrar fees, bond trustee fees and expenses incurred under the terms of, and bond reserve fund payments, if any, due on, or with respect to, the Existing Bonds.

3.2 Additional Rent. In addition to the Base Rent, Welia will pay Additional Rent in an amount or amounts equal to the following:

(a) All reasonable sums, fees and expenses, including reasonable legal fees, incurred by the County in connection with the issuance, payment, amendment, redemption, defeasance or exchange of the Existing Bonds;

(b) All expenses, including reasonable legal fees, incurred by the County in order to enforce any obligation materially breached by Welia under this Lease; and

(c) Any reasonable, direct, out-of-pocket transaction expenses, including reasonable legal fees and consulting fees, incurred by the County in connection with any transfer, sublet, sale, assignment, release or other transaction involving any Hospital and Clinic Real Property under Article 11.

3.3 Payment of Rent. Commencing as of the Lease Date and continuing for the Term, Welia covenants and agrees to pay the Base Rent and any Additional Rent as follows:

(a) In the case of the Base Rent, the amounts required from time to time due on, or on account of, the Existing Bonds, are due and payable no later than fifteen (15) business days prior to the date each such payment is due on, or on account of, the Existing Bonds. It is the intent of the Parties that the Base Rent will be net to the County and that Welia will pay Base Rent without notice or demand and without abatement, deduction or setoff, except as otherwise provided in this Lease.

(b) In the case of any Additional Rent, the amounts will be due and payable in the ordinary course of business following receipt by Welia of an invoice from the County or copies of applicable vendor invoices, but in any event not more than thirty (30) days following receipt by Welia of such invoices.

(c) All Base Rent and any Additional Rent will be paid by Welia to the County at the County's address set forth in Section 20.3, or to such other address as County may direct by written notice to Welia.

ARTICLE 4 TAXES

If and to the extent that real estate taxes or installments of special assessments became due and payable with respect to any portion of the Hospital and Clinic Real Property during the Term, Welia agrees to pay all such amounts, prorated for any period before or after the Term. County and Welia agree that Welia's agreement to pay all applicable real estate taxes and special assessments does not constitute a waiver of any exemption from said taxes or assessments to which the Hospital and Clinic Real Property or Welia may be entitled, and Welia reserves the right to assert its rights to any exemption that may apply and the right to contest any real estate taxes or special assessments that may be proposed or imposed on the Hospital and Clinic Real Property.

ARTICLE 5 REPAIRS AND MAINTENANCE

Throughout the Term, Welia will maintain and take good care of the Hospital and Clinic Real Property, and will at all times keep the same in good order and condition, ordinary wear and tear excepted, and make all necessary repairs, interior and exterior, structural and non-structural. Welia will make all repairs in a workmanlike manner and in compliance with all legal requirements. Welia will pay for all upkeep, maintenance and repairs.

ARTICLE 6 INSURANCE

6.1 Property Insurance. During the Term, Welia, at its cost, will procure and maintain or cause to be procured and maintained so called "all risk" property insurance, including business interruption coverage, insuring the full replacement cost of the Improvements. The property policy will also provide "all risk" coverage insuring Welia's equipment, trade fixtures, furniture and other personal property associated with Health Care System Operations ("Welia Personal Property") conducted on and within the Hospital and Clinic Real Property. The insurance will name the County and Welia as insureds as their interest may appear.

6.2 Liability Insurance. During the Term, Welia, at its cost, will procure and maintain or cause to be procured and maintained commercial general public liability and professional liability insurance against claims of bodily injury, death, personal injury or property damage occurring on, in or about the Hospital and Clinic Real Property, with a combined single limit of not less than \$1,000,000 each claim/occurrence and an aggregate limit of not less than \$3,000,000,

naming County as an additional insured. Welia will also procure and maintain or cause to be procured and maintained cyber liability insurance with an aggregate limit of not less than \$2,000,000, and excess or umbrella coverage with a minimum limit of \$5,000,000 each occurrence/aggregate.

6.3 Director/Officer Insurance. During the Term, Welia, at its cost, will procure and maintain or cause to be procured and maintained insurance with a minimum limit of \$2,000,000 each claim/aggregate against all such liabilities and in such amounts as are required and procurable to reasonably protect the directors, officers and employees of Welia from claims of liability in connection with the management, operation, administration and maintenance of the Health Care System and the selection and supervision of its employees, volunteers and medical staff.

6.4 Worker's Compensation. During the Term, Welia, at its cost, will procure and maintain or cause to be procured and maintained, workers compensation insurance in accordance with applicable Minnesota Statutes.

6.5 Automobile Insurance. During the Term, Welia, at its cost, will procure and maintain or cause to be procured and maintained automobile insurance with a minimum liability limit of \$2,000,000 naming the County as an additional insured. Such coverage will extend to all owned, hired and non-owned automobiles.

6.6 Crime Fidelity. During the Term, Welia, at its cost, will procure and maintain or cause to be procured and maintained Employee Dishonesty and Depositors Forgery coverage with minimum limits of \$3,000,000.

6.7 Policy Requirements; Self-Insurance. Employer's Liability, Commercial General Liability, Professional Liability and Automobile Liability may be arranged under single policies for the full minimum limits required, or by a combination of underlying policies with the balance provided by an Excess or Umbrella Liability policy. All insurance required under this Article 6 will:

(a) Be issued by insurance companies carrying an A M Best policyholder rating of at least A- and a financial size rating of at least VIII or subject to acceptance by the County, or may be provided under a plan of self-insurance;

(b) Provide that policies of insurance may not be changed or canceled without at least 30 days (or ten days, in the case of non-payment of premium) written notice of cancellation to the County and Welia; and

(c) Provide that, in the case of the property insurance required under Section 6.1, losses will be adjusted with the insurers and/or underwriters by the County and Welia, unless Welia Restores the Improvement, in which event Welia will be authorized exclusively to adjust the loss and receive the proceeds to pay for the Restoration as it progresses in accordance with this Lease.

6.8 Welia's Insurance. Proceeds of any insurance carried by Welia on the Welia Personal Property will be payable directly to Welia, and Welia will have the exclusive right to adjust and settle losses with respect such insurance.

6.9 Certificate of Insurance. Upon request by the County, Welia will provide original certificates from the issuing insurance companies evidencing that the policies required to be carried by Welia are in full force and effect.

ARTICLE 7

DAMAGE TO OR DESTRUCTION OF THE IMPROVEMENTS

7.1 Notice; Restoration. In case of any material damage to or destruction of any part of the Improvements, Welia will give notice to the County and will promptly, subject to the interests of USDA or any subsequent lender, with all diligence, and at Welia's expense, commence and complete Restoration of the portion of the Improvements that have been damaged or destroyed. Unless the County otherwise consents, any replacement building(s) to be constructed will be of a quality not less than the quality of the Improvement, as the same existed immediately prior to such damage or destruction.

7.2 Payment of Costs; Application of Proceeds. The costs of any Restoration performed by Welia in accordance with Section 7.1 will be paid by Welia, and any insurance proceeds that are received by it in accordance with Subsection 6.7(c) on account of any damage to or destruction of any part of the Improvements will be used for that purpose, unless the County consents otherwise. Any insurance proceeds remaining following the payment of all costs of Restoration will be retained by Welia for its use in the operation of the Health Care System or otherwise for its use in a manner consistent with its mission and purpose.

7.3 No Abatement. There will be no abatement of Base Rent in the event of any damage or destruction to all or any part of the Health Care System, except and only to the extent that the debt service on the Existing Bonds may be abated due to such damage or destruction.

7.4 Mutual Release. Notwithstanding any other provision of this Lease, each Party hereby releases the other of liability for any damage to the Improvements or Welia Personal Property that is covered by the insurance described in Section 6.1 above (or which could be covered by such insurance if Welia were to carry insurance on the Welia Personal Property), whether or not such damage is caused by the negligence or other fault of the Party so released or any person or party for which it may be responsible.

ARTICLE 8

CONDEMNATION

8.1 Total Taking. In the event of a Taking of the whole or substantially all of the Hospital and Clinic Real Property, this Lease will terminate on the date of the Taking, and the Base Rent and all other sums and charges required to be paid by Welia under this Lease will be apportioned and paid to the date of the Taking. In the event of any Taking and notwithstanding the termination of this Lease, and provided the County is not the party that commenced the Taking,

subject to the interests of USDA or any subsequent lender, the County and Welia will together make one claim for an award for their combined interests and the net award received will be allocated between the County and Welia on the basis of their respective interests, including, in the case of the County, the value of its reversion interest, if any, in the Hospital and Clinic Real Property and, in the case of Welia, the bargain value, if any, of its leasehold estate computed as though the Lease had not been terminated, and damages sustained as a result of termination of the Lease prior to the end of the Term. In addition, subject to the interests of USDA or any subsequent lender, Welia will be entitled to any award made in respect of or allocable to the Welia Personal Property and for moving, relocation and other statutory benefits.

8.2 Partial Taking. In the event of a Taking of less than substantially all of the Hospital and Clinic Real Property, this Lease will continue in full force and effect, and Welia will, at its expense and with reasonable diligence (subject to Unavoidable Delays), commence Restoration, except to the extent made unfeasible by any reduction in area of the Land or Improvement caused by the Taking. All awards made in respect of or allocable to the Hospital and Clinic Real Property will be distributed as follows and in the following order:

- (a) For the purpose of Restoration, in accordance Section 7.2, including the last sentence thereof, as if the same were insurance proceeds; and
- (b) Welia will receive the balance of the award, for its use in the operation of the Health Care System, and otherwise for its use in a manner consistent with its mission and purpose.
- (c) In the event of a Partial Taking, County will, to the extent there are available condemnation proceeds therefor, make a good faith effort to acquire such adjacent land Welia's expense in lieu of that taken as may be needed for restoration of the Property and requested in writing by Welia.

8.3 Determination of Partial Taking. As used in this Lease, a Taking of substantially all of the Hospital and Clinic Real Property will mean a Taking of such portion as renders it, in good faith business judgment of Welia, uneconomical or unfeasible to operate the Hospital and Clinic Real Property for the purpose for which the Hospital and Clinic Real Property was operated prior to the Taking.

ARTICLE 9 ALTERATIONS

9.1 General. Welia will have the right during the Term to make, at its expense, Alterations in or to the Improvements, subject in all cases to the further provisions of this Article 9 and to all other applicable provisions of this Lease.

9.2 Permitted Alterations. Subject to any applicable provisions of this Lease, Welia will have the right at any time during the Term to make such reasonable changes in and additions and alterations, structural or otherwise, to the Hospital and Clinic Real Property as Welia will deem necessary or desirable for its operation of the Health Care System, provided that:

(a) The work is performed in a good and workmanlike manner and in accordance with all applicable laws, ordinances, rules and regulations; and

(b) No change, alteration, modification, or addition will at any time be made that will impair the structural soundness or diminish the value of any improvement.

9.3 Permits. Before any Alterations are begun, Welia will procure, at its expense, all necessary licenses, permits, approvals and authorizations from all governmental authorities and will, on request, deliver copies to County. Upon Welia's request, County will join in the application for such licenses, permits, approvals and authorizations whenever Welia determines that such assistance is necessary. All Alterations will be made and completed in accordance with all legal requirements.

ARTICLE 10

ADDITIONAL COVENANTS RELATING TO USE OF THE PROPERTY

10.1 Discharge of Liens. County and Welia each agrees not to create and will discharge liens or notices of claims of liens for work or materials contracted to be supplied to the Hospital and Clinic Real Property by either County or Welia, respectively, subject to contest by either party in accordance with Article 19.

10.2 Use of Hospital and Clinic Real Property. Welia may use and occupy the Hospital and Clinic Real Property for Health Care System Operations and any other lawful purposes, subject to the requirements the Existing Bond Documents.

10.3 County Right of Entry. Welia will permit County and its authorized representatives to enter the Hospital and Clinic Real Property at all reasonable times for the purpose of inspecting the same.

10.4 Utilities. Welia will pay all charges for the use at the Hospital and Clinic Real Property of water, sewer, electricity, heating, air conditioning and all other utilities consumed during the Term.

10.5 Indemnification. Subject to Section 7.4, Welia will defend, indemnify and save the County harmless from and against all liabilities, claims, judgments, costs and expenses, including, but not limited to, reasonable attorneys' fees, that arise out of or relate to the Health Care System, Health Care System Operations, or Health Care System Employees, whether known or unknown, whether arising before or after the Lease Date.

ARTICLE 11

TRANSFERS

11.1 Transfers by County. The County agrees not to transfer, mortgage, pledge, lease, or encumber all or any part of its interest in the Hospital and Clinic Real Property or its rights under this Lease, except with the prior written consent of Welia.

11.2 Transfers by Welia. Welia and the County agree as follows with respect to Welia's interest in the Hospital and Clinic Real Property:

(a) Welia's interest in the Hospital and Clinic Real Property may, in the ordinary course of Welia's business, be sublet, in whole or in part, provided that:

- (1) No sublease will extend beyond the Term;
- (2) No sublease will be inconsistent with Welia's mission; and
- (3) Any sublease will not involve in excess of fifteen percent (15%) of the square footage of the Hospital Property, without the written consent of County. (The Parties intend that Welia be the primary accountable party for delivery of healthcare services in and around the County of Kanabec and have chosen the 15% limit as a measure aimed at insuring the continuing primary role of Welia.)

County agrees to execute a reasonable non-disturbance agreement (which includes provisions by which the subtenant agrees to recognize County as its direct landlord, and County agrees to recognize the subtenant as its direct tenant, following any early termination of this Lease) as may be requested by the subtenant under any such sublease.

(b) Welia's interest in the Hospital and Clinic Real Property may, in the ordinary course of its business, be assigned, provided that:

- (1) No such assignment will extend beyond the Term; and
- (2) No such assignment will be inconsistent with Welia's mission; and
- (3) Any such assignments in the aggregate will not involve in excess of fifteen percent (15%) of the square footage of the Hospital Property, without the written consent of County.

(c) Welia will have the right to mortgage, pledge, or otherwise encumber as collateral or security for debt held by an institutional lender or bond trustee all or any part of its interest in the Health Care System in the ordinary course of business financing transactions, provided that the proceeds of such transactions are used to support Health Care Systems Operations, and provided further that no right, title or interest of County will be encumbered thereby, including, without limitation, County's ownership of fee title to the Hospital and Clinic Real Property. County agrees to cooperate reasonably with Welia in connection with any such financing, including the signing of such additional documents as may be required to obtain such financing.

(d) Welia will not assign, sublet or otherwise transfer its rights and obligations under this Lease, except as permitted under Section 11.2, without the consent of County.

ARTICLE 12 ESTOPPEL CERTIFICATES

Each Party agrees from time to time, upon not less than 20 days' prior notice from the other, to execute, acknowledge and deliver, without charge, to the other or its designee, a statement in writing, certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, identifying them by their date and specifying the nature of the modifications), the dates to which the Base Rent and other sums and charges payable under this Lease have been paid, the amount of the Base Rent, that to its actual knowledge there are no claims against the other Party (or if there are any such claims, specifying the same) and that to its actual knowledge the other Party is not in default and there exists no circumstance which with the giving of notice or lapse of time, or both, would constitute a default (or if such Party is aware of any such default or circumstance specifying the same).

ARTICLE 13 REPRESENTATIONS AND COVENANTS OF COUNTY

13.1 Reaffirmation. The County repeats and reaffirms its representations and covenants from the Master Transaction Agreement and further affirms that those representations and covenants apply under this Lease.

13.2 Future Financings. During the Term, Welia may undertake capital improvements to all or part of the Health Care System, including any replacements, and may further improve or expand the Health Care System for the purpose of serving community health care needs ("Future Improvements"). In order to undertake and complete any such Future Improvements, Welia must secure adequate and affordable long-term financing. County has, pursuant to the authority vested in it under applicable law, the ability to issue revenue bonds or general obligation bonds for this purpose. Upon the request of Welia, County agrees to consider use of its authority to issue such bonds, provided that:

(a) The County determines that issuance of revenue bonds or general obligation bonds would advance Welia's purpose of serving community health care needs, is authorized by law, and furthers the County's interests,

(b) Unless otherwise agreed, such bonds may be issued only for the construction of Future Improvements, or for the refunding, refinancing, or otherwise defeasing the Existing Bonds or other bonds issued to finance Future Improvements;

(c) If the USDA then holds or insures any the Existing Bonds, or any portion of them, the County determines that the issuance of the proposed revenue or general obligation bonds would comply with all applicable requirements under the Existing Bond Documents, including the requirement that the USDA provide its prior written consent to such issuance if such issuance would involve the source of funds pledged to pay the Existing Bonds; and

(d) Welia executes and delivers all documents and instruments, and otherwise delivers or causes to be delivered to the County all certificates and opinions, as may be reasonably requested by the County and are customarily provided in connection with bond financings.

ARTICLE 14

REPRESENTATIONS AND COVENANTS OF WELIA

14.1 Reaffirmation. Welia repeats and reaffirms its representations and covenants from the Master Transaction Agreement and further affirms that those representations and covenants apply under this Lease.

14.2 Compliance under Existing Bonds and Future Financings. Welia will cooperate with the County and will provide such instructions and requests to the County as may reasonably be necessary from time to time to enable the County to make timely reports and disclosures as are required under the Existing Bond Documents. Welia will not, by any act or omission, cause the County to fail to comply with the County's financial and other covenants as set forth in the Existing Bonds Documents or in any financial or other covenants set forth in documents governing any Future Financing issued in accordance with Section 13.2.

14.3 Operating Expenses and Taxes. In addition to Welia's agreement under Articles 4, 5 and 6 to pay certain taxes, maintenance expenses and insurance associated with the Hospital and Clinic Real Property, Welia will pay, or otherwise cause to be paid, all Operating Expenses, whenever incurred; provided, however, that with respect to taxes, assessments or governmental charges that may lawfully be paid in installments over a period of years, Welia will be obligated to pay only such installments as are required to be paid during the Term. Welia may, at its expense and in its own name and behalf, or, to the extent lawful, in the name and behalf of County, in good faith, contest any such taxes, assessments and governmental charges in accordance with Article 4.

14.4 Indigent Care. Welia will operate the Hospital as a hospital open to the general public providing emergency and acute care services, from time to time at no charge or at reduced charges in accordance with charity care, discount and community benefit policies consistent with Welia's charitable purposes, as approved by the Welia's Board of Directors, and in compliance with any applicable federal, state and local statutes or ordinances and regulations. In the event of transfer of title to the Hospital and Clinic Real Property under Article 16, this obligation will be included as a covenant in the deed of the Hospital portion of the Hospital and Clinic Real Property from the County to Welia and will continue so long as Welia holds title to property on which the Hospital is located. The deed will include a reversionary right in favor the County if Welia fails to honor the obligation in all material respects, after first providing Welia with the opportunity promptly to cure any alleged breach of the obligation.

ARTICLE 15

EVENTS OF DEFAULT; TERMINATION

15.1 Events of Default. If any one or more of the following events ("Events of Default") occur, then the County may give notice to Welia specifying the Event or Events of Default and

stating that this Lease and the Term will expire and terminate on the date specified in the notice, and on such date, unless such specified Event or Events of Default has been cured, this Lease will terminate and Welia will remain liable as provided in this Article 15:

(a) Welia defaults in the payment of any Base Rent payable under this Lease and Welia does not cure the default within fifteen (15) days after actual receipt of notice of the default;

(b) Welia fails to pay any other monetary obligation when due or observe or perform any of the other terms, conditions, covenants or agreements required to be observed or performed by it under this Lease and such failure continues for a period of, in the case of a monetary obligation, thirty (30) days or, in the case of a non-monetary obligation, sixty (60) days, following actual receipt of written notice by Welia of such failure, or, in the case of a non-monetary default that cannot with due diligence be cured within such period of sixty (60) days, Welia fails to proceed with due diligence within such period of sixty (60) days to commence to cure the default and thereafter to prosecute the curing of the default with due diligence.

15.2 Repossession. If this Lease is terminated pursuant to Section 15.1, the County may enter upon and repossess the Hospital and Clinic Real Property by legal process (a “Repossession”), and may remove Welia and all other persons from the property.

15.3 Continued Liability. No termination of this Lease pursuant to Section 15.1 and no Repossession of the Hospital and Clinic Real Property pursuant to Section 15.2 will relieve Welia of its obligation to pay Base Rent or any of its other obligations under this Lease, all of which will survive any such termination or Repossession.

15.4 Re-letting. In the event that, before the scheduled expiration of the Initial Term or the Renewal Term, as the case may be, such Term terminates under this Article 15, then the County, at its option, may elect following Repossession to rent the Hospital and Clinic Real Property or any part thereof in its own name, or for the account of Welia, for the residue of the then Term or for a longer period of which said residue is a part, or for a shorter period or periods, at such rentals and upon such terms as County deems best, and may receive rents therefor, applying any monies collected for the residue of such term, first, to the payment of such reasonable expense, including reasonable attorneys’ fees, to which County may have been put to obtain possession, accomplish such reletting and care for the Hospital and Clinic Real Property while vacant; and, second, the balance of the net amount of the rents to the performance of Welia’s obligations under this Lease. Any surplus will belong to County but Welia will remain liable for any deficiency. The County will act reasonably to mitigate damages.

15.5 No Waiver. No failure by either Party to insist upon the strict performance of any term of this Lease or to exercise any right or remedy for a breach or default under the Lease, and no acceptance of full or partial rent during the continuance of any such breach, will constitute a waiver of any such breach or of any such term.

15.6 Exercise of Rights While in Default. Welia may exercise and continue to exercise all of its rights under this Lease (including but not limited to the Acquisition Option) upon the occurrence and during the continuance of any default and Event of Default under this Lease up to the point of termination of this Lease and actual Repossession.

ARTICLE 16

ACQUISITION OPTION

16.1 Grant. Notwithstanding any other provision in this Lease or the Master Transaction Agreement to the contrary, Welia has the option to acquire the Hospital and Clinic Real Property from the County as follows:

(a) In the event that (i) the Existing Bonds are paid in full, refinanced, defeased, or otherwise retired or fully extinguished, and (ii) the mortgage to which the Hospital and Clinic Real Property is subject and that secures the Existing Bonds is satisfied or otherwise released; or

(b) At the expiration of the Initial Term or the Renewal Term for a purchase price equal to the then-existing balance of the Existing Bonds and interest accrued thereon (the "Purchase Price"); provided, that upon the County's receipt of the Purchase Price, the County will prepay the then-existing balance of the Existing Bonds and any interest accrued thereon. Welia must give County written notice of its intent to exercise its Acquisition Option under this Subsection 16.1(b) at least ninety (90) days prior to expiration of the Initial Term or Renewal Term, as the case may be.

16.2 Title. Upon exercise of the Acquisition Option by Welia, the County agrees to convey the Hospital and Clinic Real Property to Welia by quitclaim deed. In connection with exercising the Acquisition Option, Welia may, at its expense, obtain a title insurance commitment. If the commitment reflects any matter affecting title to the Hospital and Clinic Real Property that is objectionable to Welia (other than this Lease and any encumbrances created on or after the date hereof by Welia or those claiming by, through or under Welia), then Welia may at its option: (a) attempt to cause the encumbrances to be removed, or (b) terminate the agreement formed by exercise of the Acquisition Option, this Lease, or both, by giving written notice to County. If Welia elects alternative (a) above, closing will be postponed until the encumbrances in question are removed and, if Welia is unable within a further period of sixty (60) days to cause the encumbrances to be removed, Welia may then elect alternative (b) above. No such postponement will alter the purchase price. County agrees to use commercially reasonable efforts to assist Welia in removing any objectionable encumbrance.

16.3 Closing. Except as postponed pursuant to Section 16.2, the closing will take place at the time and place agreed between the County and Welia as soon as reasonably possible after Welia's exercise of the Acquisition Option. At the closing, the County and Welia will execute and deliver such reasonable and customary documents and instruments as may be necessary or desirable to convey the County's interest in the Hospital and Clinic Real Property to Welia. This Lease and all of its terms and provisions will remain in full force and effect until the purchase has closed, except as otherwise provided in this Lease.

16.4 Effect of Non-Exercise. If Welia does not exercise its Acquisition Option, upon termination of the Lease, Welia will surrender the Hospital and Clinic Real Property to as provided in Article 17.

ARTICLE 17 SURRENDER OF THE PROPERTY

In the event Welia does not exercise and fulfill the requirements of the Acquisition Option, upon the expiration or sooner termination of the Term, Welia will quit and surrender the Hospital and Clinic Real Property, in the condition required to be maintained in accordance with this Lease (subject to ordinary wear and tear and damage by fire or other casualty excepted), to the County, without any payment by the County, without delay, free and clear of all lettings and occupancies (other than assignments and subleases entered into as permitted under this Lease).

ARTICLE 18 QUIET ENJOYMENT

The County covenants that Welia will quietly have, hold and enjoy the Hospital and Clinic Real Property during the Term without hindrance or molestation, subject only to Article 15.

ARTICLE 19 CONTESTS

19.1 Contest. After written notice to the County, Welia may at its expense contest, by appropriate proceedings conducted in good faith and with due diligence (“Contests”), the amount, validity or application, in whole or in part, of any mechanic’s lien, encumbrance, charge or any other adverse claim for which Welia is responsible under this Lease (collectively under this Article 19, “claims”) provided that:

(a) In the case of an unpaid claim, the Contest will operate to suspend the collection of the claim from the County and Welia during the Contest;

(b) Welia will have furnished such security, if any, as may be required in the proceedings or reasonably required by the County; and

(c) No part of the Health Care System or any interest in the Health Care System will be, in the reasonable opinion of the County, in imminent danger of being forfeited or lost.

19.2 Suspension of Obligation. During the period during which Welia carries forward a Contest in good faith, Welia will be relieved from its obligations to pay the claims, or to clear the liens with respect to which the Contest is conducted. If and to the extent Welia does not prevail in the Contest, Welia will immediately pay and discharge the claim in question to such extent.

19.3 Procedure. All Contests may be brought by Welia in the name of Welia or, if reasonably necessary, in the name of the County, or of Welia and the County together, as may be

appropriate. Each Party agrees to cooperate with the other in any such Contest, short of paying the claim in question, except where this Lease otherwise requires payment. Each Party will endorse such pleadings, checks and other documents as may be appropriate to carry out the purposes of this Article 19.

19.4 Real Estate Taxes and Special Assessments. Any Contests relating to real estate taxes or special assessments are covered by Article 4, and this Article 19 does not apply.

ARTICLE 20 MISCELLANEOUS

20.1 Consent. In any instance under this Lease that requires consent or approval, such consent or approval will not be unreasonably withheld, conditioned or delayed unless otherwise specified; provided that any consent relating to any Future Financing under Section 13.2 as to which a vote of the County Board may be required, the decision of the County Board will not be deemed unreasonable, conditioned or delayed.

20.2 Relationship of Parties. Nothing contained in this Lease is intended or should be construed in any manner as creating or establishing the relationship of joint venturers or as constituting Welia or any of its employees or agents as the employees or agents of the County.

20.3 Notices. All notices or communications required or permitted under this Agreement must be given in writing and be delivered to the Party to whom notice is to be given either (i) by personal delivery, in which case such notice will be deemed given on the date of delivery; (ii) by next business day courier service (*e.g.*, Federal Express, UPS, USPS, or other similar service), in which case such notice will be deemed given on the business day following the date of deposit with the courier service; or (iii) by United States mail, first class, postage prepaid, certified, return receipt requested, in which case such notice will be deemed given on the third day following the date of deposit with the United States Postal Service. Notices will be delivered or sent to the following addresses:

If to the County:

Attention: Kristine McNally, County Coordinator
18 N. Vine Street, Suite 181
Mora, MN 55051

With a copy to:

Barbara McFadden, County Attorney
18 N. Vine Street, Suite 181
Mora, MN 55051
Mora, MN 55051

If to Welia:

301 South Highway 65
Mora MN 55051
Attn: Chief Executive Officer

With a copy to:

Konrad Friedemann
FriedemannFirm, PLLC
825 Nicollet Mall, Ste. 1800
Minneapolis, MN 55402

20.4 General Provisions. The provisions of Article 7, entitled “General Provisions,” of the Master Transaction Agreement will apply to this Lease as if repeated in full here.

20.5 Relationship to Master Transaction Agreement. This Lease is incorporated into and made part of the Master Transaction Agreement. The provisions of this Lease and of the Master Transaction are to be read as a whole and are to be read and interpreted as being consistent to the extent reasonably possible; however, in the event of a conflict, the terms of this Lease will govern as to the subject matter of the Lease.

20.6 Recording. This Lease, or a short form or memorandum of this Lease, may be recorded with the County Recorder’s Office. Welia and the County agree to cooperate with each other in the preparation and recordation of any short form or memorandum of the Lease.

20.7 Non-Delegation and Lack of Control. No provision of this Lease will be construed as a delegation by the County to Welia of any governmental function of the County. Further, Welia and the County agree that the rights of County under this Lease do not, and are not intended to, give the County direct or indirect control over the conduct of the Health Care System or its operations.

Left blank intentionally. Signature page follows.

Lease Signature Pages

IN WITNESS WHEREOF, the Parties have executed this instrument as of the Effective Date.

KANABEC COUNTY

By: _____
Chairperson, Board of Commissioners

And: _____
County Clerk

STATE OF MINNESOTA)
) ss.
COUNTY OF KANABEC)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020,
by _____ and _____, the
Chairperson of the Board of Commissioners and the County Clerk, respectively, of Kanabec
County, a Minnesota political subdivision, on behalf of the County.

Notary Public

WELIA HEALTH

By: _____
Chair, Board of Directors

And: _____
Chief Executive Officer

STATE OF MINNESOTA)
) ss.
COUNTY OF KANABEC)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020,
by _____ and _____, the
Chair of the Board of Directors and the Chief Executive Officer, respectively, of Welia Health, a
Minnesota nonprofit corporation, on behalf of the corporation.

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

FriedemannFirm, PLLC
825 Nicollet Mall
Suite 1800
Minneapolis, MN 55402
Phone: (612) 436-1020

EXHIBIT A

Legal Description of the Land

Parcel 1:

Lot 1, Block 1, Firstlight 2016 Addition, according to the recorded plat thereof, Kanabec County, Minnesota.

Parcel 2:

Lot 1, Block 2, Firstlight 2016 Addition, according to the recorded plat thereof, Kanabec County, Minnesota.

Parcel 3:

Lot 1, Block 3, Firstlight 2016 Addition, according to the recorded plat thereof, Kanabec County, Minnesota.

Parcel 4:

Lot 11, Auditor's Subdivision No. 4, Kanabec County, Minnesota

Parcel 5:

Lot 12, Auditor's Subdivision No. 4, Kanabec County, Minnesota

(Abstract Property)

**BYLAWS
OF
WELIA HEALTH**

**ARTICLE 1
NAME; OFFICES; REGISTERED AGENT; NO SEAL**

- 1.1 Name. The name of this corporation is Welia Health.
- 1.2 Offices. The principal office of the Corporation will be located in Mora, Minnesota, at such address as designated from time to time by the Board of Directors.
- 1.3 Other Offices. The Corporation may have such other offices, within or without the State of Minnesota, as the Board of Directors may determine.
- 1.3 Registered Office and Registered Agent. The Corporation will have and continuously maintain in the State of Minnesota a registered office and a registered agent whose office is identical with the registered office. The registered office may be, but need not be, identical with the principal office of the Corporation, and the address of the registered office may be changed from time to time by the Board.
- 1.4 Seal. The Corporation will not have a corporate seal.

**ARTICLE 2
PURPOSES**

- 2.1 Purposes. Within and consistent with the purposes of the Corporation, the Board of Directors will strive to accomplish the following:
- (a) To operate a health system to care for the whole person, recognizing physical, emotional and spiritual needs that require the patients to receive emergency, inpatient and outpatient care without regard to age, sex, disability, nationality, color or religious creed.
 - (b) To carry on educational activities related to rendering care of the sick and injured and for the promotion of health, which in the opinion of the Board may be justified by the facilities, personnel, funds or other requirements that are, or can be, made available.
 - (c) To promote and carry on scientific research related to the care of the sick and injured, which in the opinion of the Board, may be justified by the facilities, personnel, funds or other requirements that are, or can be, made available.
 - (d) To participate, so far as circumstances may warrant, in any activity designed and carried on to promote the general health of the communities served.

- (e) To receive in furtherance of the aforesaid purposes, donations, gifts, and voluntary contributions for its maintenance and development.

ARTICLE 3 BOARD OF DIRECTORS

3.1 Operating Standards. In carrying out its purposes, the Corporation shall act to ensure that services are provided with safety, dignity and privacy to patients and personnel; with respect for the psychological, social, spiritual and physical beliefs and needs of patients and their families; in a way that fosters self-respect, mutual respect and personal and professional development of employees and Medical Staff; and that the health system will be operated in a fiscally-responsible manner through constant attention to efficient and economical operation and by actively seeking funds for the Corporation's programs and facilities. The Corporation will also develop and maintain the ability to address conflicting values and ethical dilemmas as well as complaints and disputes among patients, families, Medical Staff, employees, the institution and the community.

3.2 General Powers. The property, affairs, and business of the Corporation will be managed by the Board of Directors. The Board of Directors will have ultimate financial and fiscal authority for the Corporation and the usual and customary authority and powers accorded to a Board of Directors under the Minnesota Nonprofit Corporation Act, including any amendments or any succeeding law. The Board of Directors may from time to time delegate such authority and responsibility as it may determine to one or more committees or officers, by resolution of the Board or by the adoption of a Board policy.

3.3 Number; Qualifications. The Board of Directors will consist of nine voting members initially and will thereafter consist of seven to 11 voting members, as determined from time to time by the Board. A majority of the voting members will be residents of Kanabec County, including one member (the "County-Appointed Director") who is a member of the Board of Commissioners of Kanabec County (the "County Board"). Up to two of the voting members may be active members of the Medical Staff. The Chief Executive Officer will serve on the Board *ex officio* but without the right to vote. Directors will be persons committed to providing hospital services to the community served by the Corporation, and will be persons willing and able to make the commitment of time necessary to understand the operations of the Corporation and to perform the duties of directors. Directors will have such other qualifications as the Board may establish from time to time.

3.4 Election; Terms of Office.

- (a) The terms of the directors will be staggered by assigning directors to three classes, with the terms of the directors in each class expiring in successive years.
- (b) The County Board will appoint one of its members as the County-Appointed Director, after receiving input from the Board of Directors or its nominating committee as to candidates and desired competencies.

(c) The remaining directors will be elected as follows: At each annual meeting of the Board of Directors, a successor to each director whose term is expiring will be elected to hold office for a term of three years or until his or her successor is duly elected and qualified, or until the earlier death, resignation, removal, or disqualification of the director. The Board of Directors may choose not to fill any vacancy or to add one or more directors within the limits set forth in Section 3.3 as to the number of voting directors. In conducting the election, the Board of Directors will review the recommendations of any nominating committee appointed by the Board, as well as any other nominees it wishes to consider.

(d) No Director will serve for more than three consecutive terms (excluding any term of less than two years to which he or she was initially elected) without a one-year hiatus from service on the Board; provided, however, that the Chair and the Vice Chair may continue to serve until the conclusion of their officer terms and so long as such person continues to be the immediate past Chair or immediate past Vice Chair if his or her term as Chair or Vice Chair expires during his or her third consecutive term as a director.

3.5 Removal. Any director may be removed, either with or without cause, at any time upon a vote of a majority of all of the directors, excluding the Director to be removed. The County Board may remove the County-Appointed Director at any time.

3.6 Resignation. Any director of the Corporation may resign at any time by giving written notice to the Chair or to the Secretary. The resignation of any director will take effect at the time specified in the resignation, and unless otherwise specified, the acceptance of the resignation will not be necessary to make it effective.

3.7 Vacancies. Vacancies in the Board of Directors may be filled by vote of the remaining members of the Board, even if fewer than a quorum, except that any vacancy in the seat of the County-Appointed Director will be filled by appointment from the County Board as provided in Section 3.4(b). A person appointed to fill a vacancy will serve as a director for the remainder of the term of the director whose vacancy is being filled, or until his or her successor has been appointed and qualified.

3.8 Voting; Actions of the Board of Directors. The Board of Directors acts by the affirmative vote of a majority of directors present and entitled to vote at a meeting duly called and held, unless a higher proportion or number of directors is required by law or under these Bylaws. Proxy voting is not permitted.

3.9 Education. Each board member will be expected to receive sixteen (16) hours of Continuing Education every year and show strong progression towards accomplishing Minnesota Hospital's Association Board of Education Certification.

3.10 Board Meetings.

(a) Annual Meeting. The Board will hold an annual meeting for the election of directors and officers and transacting any other business that may come before it.

(b) Other Meetings. The Board may hold such other meetings as it may from time to time determine. The meetings will be held at any place within or without the State of Minnesota as the Board may designate. Absent such designation, the meetings will be held at the principal office of the Corporation. The Chair, the Chief Executive Officer or any two directors may call a special Board meeting. The Board may meet from time to time in executive session, which excludes the non-voting members unless otherwise directed by the Board.

(c) Notice. Notice of Board meetings will be made by giving at least three days' prior notice to all directors of the date, time and place of the meeting. The notice need not state the purpose of the meeting, unless otherwise required by law or these Bylaws. Notice may be given (i) orally, either in person or by telephone, (ii) in writing by mail or delivery to the director's address, or (iii) by any form of electronic communication consented to by the director, including but not limited to email, text, fax or posting to an electronic network. If the Board adopts a meeting schedule or if the date and time of a Board meeting has been announced at a prior meeting, no notice is required.

(d) Waiver of Notice. A director may waive notice of any meeting before, at, or after the meeting, in writing, orally, or by attendance. Attendance at a meeting by a director is a waiver of notice for that meeting unless the director objects at the beginning of the meeting to the transaction of business because the meeting was not lawfully called or convened, and the director does not participate thereafter in the meeting. All waivers of notice will be filed with or, if given orally, noted in the records of the Corporation.

(e) Electronic Conference Meetings. Any meeting of directors, including committee meetings, may be conducted solely by one or means of remote communication through which all of the directors may participate, if notice is given as required in these Bylaws and a quorum is present. Participation in a meeting by these means constitutes presence at the meeting.

(f) Participation by Remote Communication. A director may participate in a Board or committee meeting by means of conference telephone or, if authorized by the Board, by other means of remote communication, in each case through which that director, other directors so participating, and all directors physically present at the meeting may communicate and participate with each other. Participation in a meeting by remote communication constitutes presence at the meeting.

(g) Action without a Meeting. An action required or permitted to be taken at a meeting of the Board of Directors may be taken by a written action signed, or counterparts of a written action signed in the aggregate, or consented to by authenticated electronic

communication by the number of directors that would be required to take the same action at a meeting of the Board at which all of the directors were present.

3.11 Quorum. A quorum for the conduct of business at any meeting of the Board of Directors is a majority of the voting members of the Board. In the absence of a quorum, a majority of the directors present may adjourn a meeting from time to time until a quorum is present. If a quorum is present when a duly called or held meeting is convened, the directors present may continue to transact business until adjournment, even though the withdrawal of directors originally present leaves less than the proportion or number otherwise required for a quorum.

ARTICLE 4 OFFICERS

4.1 Officers; General. The officers of the Corporation are a Chair, a Vice Chair, a Chief Executive Officer, a Secretary, a Treasurer, and such other officers as may be elected by the Board of Directors. Any two offices, except those of Chair and Vice Chair, may be held by the same person. Each officer may delegate his or her duties to another person as otherwise permitted by law.

4.2 Election; Terms of Office; Qualifications. All officers except the Chief Executive Officer will be elected annually by the Board of Directors and, except in the case of officers appointed in accordance with Section 4.11, each will hold office until the next annual election of officers and until his or her successor has been duly elected and qualified, or until his or her earlier death, resignation, removal or disqualification. The Chair and the Vice Chair must be selected from among the Directors of the Corporation.

4.3 Removal. Any officer may be removed, either with or without cause, by a vote of the Board of Directors, at a meeting called for the purpose, and such purpose will be stated in the notice or waiver of notice of such meeting unless all the Directors are present.

4.4 Resignation. An officer may resign at any time by giving written notice to the Corporation. The resignation will take place upon receipt of the notice or at such later date specified in the notice. Acceptance of the resignation is not necessary to make it effective.

4.5 Vacancies. If a vacancy in any office of the Corporation occurs for any reason, the vacancy may or, in the case of a vacancy in the office of Chief Executive Officer or Treasurer, must be filled for the remainder of the unexpired term by majority vote of the Board.

4.6 Chair. The Chair of the Board will be elected by the Board of Directors. The Chair will, when present, preside at all meetings of the Directors and of the Executive Committee, if one is constituted, and will serve *ex officio*, but without voting rights (unless specifically vested with voting rights by action of the Board) on all standing and special committees appointed by the Board. He or she will see that all orders and resolutions of the Board of Directors are carried into effect. He or she will, in general, perform all duties usually incident to the office of the Chair and will have such other duties as may from time to time be prescribed by the Board of Directors.

4.7 Vice Chair. The Chair of the Board will be elected by the Board of Directors. In the absence of the Chair of the Board or in the event of his or her inability or refusal to act, the Vice Chair shall perform the duties of the Chair, and when so acting, shall have all the powers of the Chair. He or she shall perform such other duties and have such other powers as the Board, from time to time, may prescribe.

4.8 Chief Executive Officer. The Chief Executive Officer of the Corporation will be appointed by the Board of Directors and will have such duties as may be assigned by the Board. The Chief Executive Officer serves *ex officio* on the Board of Directors, but without vote.

4.9 Treasurer. The Treasurer will perform or properly delegate and oversee the performance of the following duties: (a) keep accurate financial records of the Corporation; (b) deposit money, drafts, and checks in the name of and to the credit of the Corporation in the banks and depositories designated by the Board of Directors; (c) endorse for deposit notes, checks, and drafts received by the Corporation as ordered by the Board, making proper vouchers for the deposit; (d) disburse corporate funds and issue checks and drafts in the name of the Corporation, as ordered by the Board of Directors; (e) upon request, provide the Chief Executive Officer and the Board an account of transactions of the Corporation and of the financial condition of the Corporation. The Treasurer will have and may exercise any and all other powers and duties delegated to the Treasurer by the Board of Directors; and (f) perform other duties prescribed by the Board or the Chief Executive Officer.

4.10 Secretary. The Secretary will perform or properly delegate and oversee the performance of the following duties: (a) keep accurate minutes of all meetings of the Board; (b) be responsible for the custody of the records, documents and papers of the Corporation and, whenever necessary, certify such records, documents or papers; (c) keep proper records of all transactions of the Corporation; and (d) perform other duties prescribed by the Board or the Chief Executive Officer.

4.11 Other Officers. Any other officers appointed by the Board will perform the duties and be responsible for the functions as prescribed by the Board.

4.12 Delegation. Unless prohibited by a resolution by the Board, an officer elected or appointed by the Board may delegate some or all of the duties and powers of his or her office to other persons.

ARTICLE 5 COMMITTEES AND RELATED BODIES

5.1 Committees. The Board of Directors may establish committees having the authority of the Board in the management of the business of the Corporation. Committees will be established by resolution and will have authority only to the extent provided in the resolution. Except as may be provided by law in the case of a special litigation committee, committees will at all times be subject to the direction and control of the Board.

5.2 Committee Membership. The Chief Executive Officer will serve *ex officio* as a non-voting member of all committees unless otherwise determined by the Board of Directors. Non-Directors may be appointed to committees as the Board of Directors may determine.

5.3 Quorum and Manner of Acting. A majority of the committee will constitute a quorum for the transaction of business by any committee, and the act of one less than a majority of the total number of committee members will be the act of the committee. In the absence of a quorum, a majority of the committee members present may adjourn any meeting from time to time until a quorum be had. Notice of any adjourned meeting need not be given.

5.4 Minutes. Each committee will submit minutes of its meetings to the Board of Directors.

5.5 Meetings. Each committee will generally follow all procedures applicable to meetings of the Board of Directors.

5.6 Subcommittees. Each committee will be entitled to create any subcommittee it will deem necessary, select its members and establish its procedures.

ARTICLE 6 FISCAL YEAR

6.1 Fiscal Year. The fiscal year of the Corporation will be the calendar year or such other period as determined by the Board of Directors.

ARTICLE 7 INDEMNIFICATION

7.1 Indemnification. The Corporation will indemnify such persons, for such expenses and liabilities, in such manner, under such circumstances, and to such extent, as permitted in Minnesota Statutes §317A.521, as now enacted or later amended; provided that the Corporation has made such determination or determinations, if any, as it may reasonably require to establish that the standards set forth in Minnesota Statutes §317A.521 subd. 2 have been met.

7.2 Insurance. The Corporation has the authority to purchase and maintain insurance on behalf of a person who is or was a director, officer, committee member, employee, or agent of the Corporation against any liability asserted against and incurred by the person in or arising from that capacity, whether or not the Corporation would have been required to indemnify the person against the liability under the provisions of Section 7.1.

7.3 Conflicts of Interest. The corporation will not enter into contracts or transactions between the Corporation or a related corporation and director, officer, key employee or member of a committee of the Corporation or any contract or transaction in which a director, officer, key employee or member of a committee of the Corporation has a material financial interest, except in accordance with the provisions of Minnesota Statutes, Section 317A.255, as now enacted or later amended. The Board may adopt additional policies dealing with conflicts of interest.

7.4 Standard of Conduct. Each director and officer will discharge his or her duties as a director or officer in good faith, in a manner that the director or officer reasonably believes to be in the best interests of the corporation, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

ARTICLE 8 LIMITATION ON RIGHTS

8.1 Electronic Records and Signatures. This Corporation recognizes that authenticated electronic communications may legally satisfy written record and signature requirements necessary for valid records, signatures, and contracts. Authenticated communications are those that set forth information from which the Corporation can reasonably conclude that the communication was sent by the purported sender and are delivered to the Corporation, or to an officer or agent of the Corporation who is authorized to receive the communication. Electronic records are records that are created, generated, sent, communicated, received or stored by electrical, digital, magnetic, wireless, optical, electromagnetic or similar technologies. Valid electronic signatures are those that are expressed through an electronic sound, symbol or process, and that are logically associated with a record and executed or adopted by a person with intent to sign the records.

ARTICLE 9 BOOKS OF RECORD

9.1 Records. The Corporation will keep at its registered office correct and complete copies of its Articles of Incorporation and Bylaws, accounting records, and minutes of meetings of the Board of Directors and committees exercising any of the authority of the Board.

9.2 Inspection. All such records will be open to inspection upon the request of any director.

ARTICLE 10 MEDICAL STAFF

10.1 Organized Medical Staff. The Board will appoint a Medical Staff comprised of qualified physicians to render medical care in the Corporation's health system. In addition, at the option of the Board, the Medical Staff may include other licensed individuals permitted by law and the Board to provide patient care services independently (*i.e.*, without supervision or direction) or dependently (*i.e.*, with supervision or direction) within the scope of their licenses and delineated privileges. Residents may also be granted delineated privileges under the supervision or direction of a Medical Staff member. The board will ensure that the Medical Staff is organized in accordance with bylaws, rules and regulations approved by the Board. Each member of the Medical Staff will have professional authority and responsibility for the care of his or her patients, subject only to such limitations as are contained in these Bylaws, and in the bylaws, rules and regulations for the Medical Staff and subject to any limitations attached to his or her appointment.

The Medical Staff will have a Chief of Staff who will be chosen in accordance with the bylaws, rules and regulations of the Medical Staff and who will chair the Medical Staff's executive committee.

10.2 Medical Staff Membership and Privileges. The Board of Directors has the exclusive power to grant, review and withdraw credentials and privileges to practice at the Corporation's hospital and at the Corporation's other health care facilities, as determined by the Board. The Board shall use the advice of the Medical Staff in appointing, reappointing and defining the scope of clinical and surgical privileges in accordance with the bylaws, rules and regulations of the Medical Staff.

10.3 Delegation of Authority to Medical Staff. While recognizing that ultimate responsibility rests with the Board, the Board delegates to the Medical Staff, authority and responsibility for the care of all patients, subject to the bylaws, rules and regulations of the Medical Staff and subject to such limitations as the Board may impose, and within all legal and ethical principles of the medical profession.

10.4 Authority to Admit. The authority to admit patients will be placed solely in the hands of the practitioners duly appointed to the Medical Staff.

10.5 Applications. All applications for appointment or reappointment to the Medical Staff will be in writing and addressed to the Chief Executive Officer. They shall contain full information concerning the applicant's licensure, relevant training or experience, current competence, personal health, insurance, the ability to perform the privileges requested, and such other information as the Board may require for appointments or reappointment. Further procedures on appointment and reappointment shall be set forth in the bylaws, rules and regulations of the Medical Staff.

10.6 Due Process. The bylaws, rules and regulations of the Medical Staff will include a mechanism for providing due process in Medical Staff appointments and reappointments and in granting, reducing, suspending or terminating privileges, including fair hearing rights, as appropriate. These due process mechanisms will not apply in the termination, reduction, suspension, or other change in the administrative duties of a physician or other health care professional employed by or otherwise serving this Corporation in an administrative capacity. Such administrative duties may be subject to termination, reduction, suspension or other change at will, subject to any contract rights or applicable law. However, such practitioner's Medical Staff privileges will not be affected without the same due process afforded for any other member of the Medical Staff unless otherwise stated by contract or in the bylaws, rules and regulations of the Medical Staff.

10.7 Administrative Responsibility. The Medical Staff will be organized into a responsible administrative unit and adopt such bylaws, rules and regulations for Board approval for the government of its practice in the health system as the Board deems to be of greatest benefit to the care of patients within the health system. These bylaws, rules and regulations will be reviewed on a regular basis. The bylaws of the Medical Staff may be amended as provided in those bylaws, but neither the Medical Staff nor the Board may unilaterally amend the bylaws, rules and regulations of the Medical Staff.

10.8 Physician Available. There shall be a physician from the Medical Staff available within 30 minutes to the hospital at all times.

10.9 Supervision. The Chief Executive Officer, the Board and/or Chief of Staff shall have the right of emergency action to suspend privileges of any medical or allied health care staff member pending hearing, if applicable, as further set forth in the bylaws, rules and regulations of the Medical Staff.

10.10 Medical Care and its Evaluation.

(a) The Medical Staff shall have overall responsibility for the quality of the medical practice carried on in the health system and for the maintenance and improvement of applicable professional and ethical standards.

(b) The Medical Staff shall conduct a continuing review and appraisal of the quality of professional care rendered in the health system and shall regularly report such activities and their results to the Board.

(c) The Medical Staff Executive Committee shall make recommendations to the Board concerning:

- (i) The Medical Staff role in performance improvement of clinical and non-clinical health system processes that requires Medical Staff leadership or participation;
- (ii) Appointments, reappointment and modifications of Medical Staff status;
- (iii) Granting of clinical privileges
- (iv) Disciplinary actions;
- (v) All matters relating to professional competency; and
- (vi) Such specific matters as may be referred to it by the Board.

ARTICLE 11 AUXILIARY

11.1 Auxiliary. The Board of Directors may organize a hospital auxiliary whose purpose will be to advance the welfare of the Corporation's hospital through volunteer service to the hospital's patients and the community. The constitution, bylaws or other governing documents of the auxiliary will be subject to approval by the Board of Directors and no amendments will be effective unless specifically approved by the Board of Directors.

ARTICLE 12 AMENDMENTS

12.1 Amendments to Articles of Incorporation or Bylaws. The Articles of Incorporation and these Bylaws may be amended by the affirmative vote of a majority of the directors, provided (i) that written notice of the proposed amendment must be given in the notice for the meeting at which

the amendment is proposed, and (ii) that the provision in Section 3.3 of these Bylaws that requires that a majority of the voting members of the Board be residents Kanabec County, including a County-Appointed Director, may not be amended without the consent of Kanabec County.

10:15am Appointment

December 15, 2020

REQUEST FOR BOARD ACTION

a. Subject: 330 Forest Avenue East, Mora, MN 55051 Bid Results	b. Origination: Coordinator's Office
c. Estimated time: 5 minutes	d. Presenter(s): Kris McNally

e. Board action requested:

Resolution #__ - 12/15/20

WHEREAS on 11/3/20 the Kanabec County Board of Commissioners approved advertising the sale of county fee-owned parcel #22.02835.00 located at 330 Forest Avenue East, Mora, MN 55051 with approximately .36 Acres \pm and a house and a detached garage, and

WHEREAS, the parcel legally described as follows:

That part of Lots 5, 6, 7 and 8, Block 7, Original Town of Mora, Kanabec County, Minnesota, described as follows:

Beginning at the southeast corner of said Block 7; thence northerly, along the east line of said Block 7, a distance of 78 feet; hence westerly, parallel with the south line of said Block 7, a distance of 199.74 feet, more or less, to the west line of the east 50 feet of said Lot 8; hence southerly, along the west line of the east 50 feet of said Lots 7 and 8, a distance of 78 feet, more or less, to the south line of said Block 7, thence easterly along said south line to the point of beginning; and

WHEREAS no sealed bids for said parcel were received on or before 4:00 p.m. on December 10, 2020,

WHEREAS it is still the goal of the County Board to sell the property and return it to the tax rolls;

THEREFORE BE IT RESOLVED that the County Coordinator is authorized to proceed with contracting with the same realtor who is awarded the contract with the RFP in process to list to continue to attempt to sell the property in compliance with the requirements of MN Statute 373.01.

f. Background:

Supporting Documents: None ☒

Attached:

Date received in County Coordinators Office:

Coordinators Comments:

10:25am Appointment

December 15, 2020

REQUEST FOR BOARD ACTION

a. Subject: Timber Permit	b. Origination: Auditor Treasurer's Office
c. Estimated time: 10 minutes	d. Presenter(s): County Auditor Denise Snyder

e. Board action requested: Approve the following resolution:

Resolution #__ – 12/15/20

Informal Timber Sale – Timberlane Forestry

WHEREAS Timberlane Forestry has requested a permit to remove timber on tax forfeited property, and

WHEREAS the request has been reviewed and appraised by a DNR Forester, and

WHEREAS the DNR Forester has set forth conditions, including but not limited to:

- 1) Removed only trees within the permit area.
- 2) Permit area is the area designated by the DNR within the NE 1/4 of SW, Section 2, Haybrook Township (42-24)
- 3) No cutting allowed from March 15, 2021 to December 1, 2021
- 4) Timber to be removed is under the direction of the DNR and limited to:
110 cords Aspen, 290 cords Red Maple, 110 cords Basswood, 32 cords Ash, and 75 cords of Paper Birch with an appraised sale value of \$6,400.70

WHEREAS this permit shall expire May 31, 2022:

BE IT RESOLVED to approve an informal timber sale and issue timber permit #33.20.184 for Timberlane Forestry to remove approved timber within the SW of NW of Section 2, Haybrook Township (07.00045.00), and

BE IT FURTHER RESOLVED that all conditions of set forth by the DNR Forester be met.

f. Background:

Supporting Documents: None Attached: ☒

Date received in County Coordinators Office:

Coordinators Comments:

TIMBER PERMIT

FOR THE CUTTING OF TIMBER WHICH IS SUBJECT TO SCALING BY THE COUNTY SCALER,
ON TAX-FORFEITED LANDS IN KANABEC CO., MINNESOTA

Sales are made subject to the provisions of Chapter 355, Laws of 1941, as amended and subject to specific conditions, as listed hereunder and on the attached Timber Appraisal Report.

NAME: **Timberlane Forestry/Erik Eggen (218-232-3055)**

ADDRESS: **13116 Timberlane Dr S Baxter, MN 56425**

In Consideration of the sum of **six thousand four hundred and 70/100 Dollars (\$6,400.70)** payment of which is hereby acknowledged, you are hereby authorized to enter upon the following described land which has been forfeited to the State of Minnesota for non-payment of taxes:

NESW 2-42-24 Parcel 07.00045.00

and cut and remove only such timber as is listed below there from:

SPECIES	APPRAISED VOLUME & APPRAISED PRICE	PRICE BID	SALE
Aspen 110 cds, Birch 75 cds (57% bolts), Maple 290 cds (32% bolts), Basswood 110 cds (54% bolts), Ash 32 cords (55% bolts)		Accepted Bid Price	\$6400.70

Balance due prior
to cutting = **\$6400.70**

Permit Expires: **May 31, 2022**

Said timber must be removed prior to **May 31, 2022** unless the Board of County Commissioners for good and sufficient reasons upon the recommendation of the forestry officer in charge agrees to extend this permit beyond said date. Extension may not be for more than one year.

The cost of scaling will be assumed by the holder of the permit at the following rates: \$20.00 per diem and necessary travel expense at the rate of \$.21 a mile to and from the job, \$10.00 will be charged for timber permit extensions. There will not be a free scale under this permit.

A charge of 10 percent will be added to the scale on peeled Poplar.

A charge of 20 percent will be added to the scale on peeled Balsam or peeled Spruce.

Unless specifically provided for herein or by a separate written agreement there shall not be alternate landing sites, or consumer scales.

On approved alternate landing agreements or Consumer Scale agreements, the producer or permit holder shall place the County Permit number on every load of products moved off the sale area. The number must be displayed or written on the load with lumber crayon large enough to be legible from the ground on the front driver's side.

Products located at an alternate landing will be sorted by species and product and be marked with the permit number at least once on each pile. The permit number will be displayed so that it is legible by a Scaler standing 20 feet from the pile.

IN TESTIMONY WHEREOF, the parties hereto have hereunto set their hands and seals this _____ day of _____, 20____.

STATE OF MINNESOTA

County Auditor of Kanabec Co. Minnesota

IN PRESENCE OF

BY

Purchaser

Receipt # _____ Date of Receipt _____

12/10/2020

Permittee	State Forest		Sale Type	RAD	Permit Number
Erik Eggen / Timberlane Forestry	Outside--00		Informal	344	33.20.184
Legal Description	Section	Township	Range	County	Permit Date
NESW Parcel 07.00045.00	2	42N	24W	Kanabec--33	12/15/2020

CUTTING REQUIREMENTS

On-site meeting with the Timber Sale Administrator (TSA) must occur prior to starting sale.

//// - Previous Sale - No cutting, XXXX - Cutting Area

TSA shall be notified at least 3 working days before the start/end of sale activities.
Location and construction of all roads/landings must be approved in advance by TSA

Location and construction of all roads/landings must be approved in advance by TSA.

Winter access only on frozen ground. Reserve all oak, yellow birch, butternut, elm. Cut all species listed below over 2" dbh. Stump height must not exceed 12 inches.

Cut all species listed below over 2" dbh. Stump height must not exceed 12 inches.
All roads are to be built and maintained at permittee's expense.

Limit rutting and exposure of mineral soil to less than 5% of filter

Limit rutting and exposure of mineral soil to less than 5% of filter strip.
No sale activities allowed between March 15th and Dec. 1st without an

No sale activities allowed between March 15th and Dec. 1st without approval from TSA.
Aspen must be utilized if at least 80% sound. High value hardwoods must be utilized if at least 50% sound.

Aspen must be utilized if at least 90% sound. High value hardwoods must be utilized if at least 50% sound. Permittee may be directed by TSA to modify operations to limit rutting or other site damage.

No garbage/oil/fluids/debris shall be left or allowed to accumulate during the term of the sale.

On-site burial of waste or debris is strictly prohibited.

Leave dead snags standing where safety permits.

SLASH DISPOSAL REQUIREMENTS

Lop and scatter slash evenly within sale area. Maximum depth 3-feet. No piles/mats.

Keep all slash within sale boundaries.

Keep all drainages and wetlands free of slash.

REMARKS

GPS - Lat: N46.148; Long: W-93.336 (Decimal Degrees)

Sale must be completed in one logging season.

Violation of any sale regulation may result in a penalty as specified in the timber sale contract.

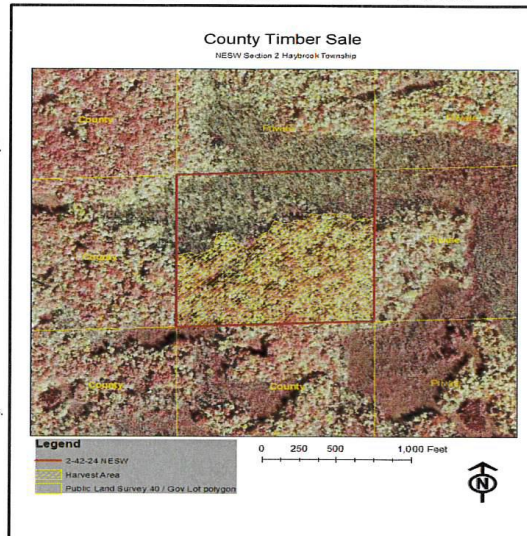
Permittee shall be held liable for the cost of correcting violations to this permit.

Kanabec County reserves the right to deny Permittee future timber sales for violation of any permit.

Birch is 57% bolts, maple is 32% bolts, bas

Aspen is 12% big-tooth and

Scale (Mark One) ☐ 4" to Mile ☐ 8" to Mile



Bid # / SOAV *	Species	Product	Cords	MBF	Bld%	Top Diameter (inches)		Appraised Price	Appraised Value	Bid Price	Bid Value				
						Pulp	Bolts								
						3	6	\$13.00							
						3	6	\$7.70							
						3	6	\$10.25							
						3	6	\$12.00							
3	6	\$7.85													
Pole Sizes		10'	12'	14'	16'	20'	25'	30'	35'	40'	Advance Payment	\$6,410	Appraised Total Value	\$6,400.70	Total Bid Value
Pole Prices															
PULP, BOLTS, POLES BREAKDOWN						PRICE (Using PGF)			Appraised Value	Sale Acres 22					
Species	% Bolts	% Poles	Pulp	Bolts	Poles	Sec	FIM Type	Prescription Code		Acres D/S	Plan Stat	Section	Land Status	Forty or Lot	% Total Value
Paper Birch	57%														
Maple (soft)	32%														
Basswood	54%														
Ash	55%														
Residual Tree Damage Factor = A \$25 penalty per tree will be assessed for each tree where more than 64 sq-in of bark is removed from over 5% of the RESERVE trees 8-in dbh or larger. Damaged trees may not be cut or removed.															
Soil Type(s): Milaca-Brennyville complex (silt loam)															
State Appraiser Signature			ID #			Date									
Tony Miller/ Robert Gajewski						12/9/2020									
Program Forester Approval						Date									
Total															

☐ Additional sale regulations are detailed on attached pages

Pre-Sale FIM ____ / ____; SRM ____ / ____; Post-Sale FIM ____ / ____; SRM ____ / ____; Sale Closed ____ / ____

10:45am Appointment

December 15, 2020

REQUEST FOR BOARD ACTION

a. Subject: Kanabec County's No Net Gain Resolution	b. Origination: Coordinator's Office
c. Estimated time: 20 minutes	d. Presenter(s):

e. Board action requested:

f. Background:

From 7/26/17:

Commissioner Dennis McNally led a discussion regarding a No Net Gain Policy.

Action #13 – It was moved by Dennis McNally, seconded by Kim Smith and carried unanimously to approve the following resolution:

Resolution #13- 7/26/17

Instituting "No Net Gain" of land by Minnesota Department of Natural Resources (DNR) or any tax exempt land trust.

WHEREAS, Minnesota Statute 84.944 Subdivision 3, pursuant to Minnesota Statute 97A.145 Subdivision 2, allows the Kanabec County Board of Commissioners to prohibit the purchase of land by the MN DNR in Kanabec County, and

WHEREAS, the further acquisition of land by the MN DNR and environmental land trusts further erodes the tax base of Kanabec County, and

WHEREAS, the State of Minnesota PILT payment is uncertain dollars;

THEREFORE BE IT RESOLVED, the Kanabec County Board hereby established a "No Net Gain" policy for both MN DNR and all Environmental Land Trusts. No new lands may be "acquired" unless an equal amount of property is sold back or transferred to private ownership. The Kanabec County Board of Commissioners also petitions the MN DNR to do a complete inventory of all lands currently owned in Kanabec County and evaluate each parcel for possible sale back to private ownership.

Supporting Documents: None

Attached: ☒

Date received in County Coordinators Office:

Coordinators Comments:

Policy: A-105
Approved: January 26, 2011
Effective: February 1, 2011
Supersedes (Eff): October 15, 2007

DNR LAND PURCHASES

I. POLICY STATEMENT

WHEREAS, in accordance with Minnesota Statutes 97A.145, Subd 2, the Commissioner of the Department of Natural Resources (DNR) may request the Kanabec County Board of Commissioners to authorize the DNR to acquire land in Kanabec County for water, forestry, wildlife, and natural plant community conservation purposes, and

WHEREAS the DNR has used its authority to place an ever increasing share of county land in a protected status prohibiting its use for any private purpose; these actions by the DNR have the effect of weakening the county tax base and raising taxes for all county residents, and

WHEREAS, other than property purchased under 97A.145, Subd 2 the DNR exercises its authority for property acquisition without input from the citizens of Kanabec County or its elected officials, and

WHEREAS requests pursuant to 97A.145, Subd 2 are the county's only realistic means to temporarily slow the DNR's inexorable takeover of Kanabec County;

BE IT RESOLVED that it is the policy of the Kanabec County Board of Commissioners that requests pursuant to 97A.145, Subd 2 are denied except where the property is entirely surrounded by state-owned land and without legal road access.

97A.145 WETLANDS FOR WILDLIFE.

Subdivision 1. **Acquisition; generally.** (a) The commissioner or the commissioner of administration may acquire wetlands and bordering areas, including marshes, ponds, small lakes, and stream bottoms for water conservation relating to wildlife development. The lands that are acquired may be developed for wildlife, recreation, and public hunting. The wetlands may be acquired by gift, lease, purchase, or exchange of state lands.

(b) The commissioner may also acquire land owned by the state and tax-forfeited land that is suitable for wildlife development. The wetlands may not be acquired unless public access by right-of-way or easement from a public road is also acquired or available. In acquiring wetlands under this section the commissioner shall assign highest priority to type 3 and 4 wetlands, as defined in United States Fish and Wildlife Service Circular No. 39 (1971 edition), that are public waters. Lands purchased or leased under this section may not be used to produce crops unless needed for wildlife. The commissioner may designate, by written order published in the State Register, land acquired under this section as a wildlife management area for purposes of the outdoor recreation system. Designations of wildlife management areas are exempt from the rulemaking provisions of chapter 14 and section 14.386 does not apply.

Subd. 2. **Acquisition procedure.** (a) Lands purchased or leased under this section must be acquired in accordance with this subdivision.

(b) The commissioner must notify the county board and the town officers where the land is located and furnish them a description of the land to be acquired. The county board must approve or disapprove the proposed acquisition within 90 days after being notified. The commissioner may extend the time up to 30 days. The soil and water conservation district supervisors shall counsel the county board on drainage and flood control and the best utilization and capability of the land.

(c) If the county board approves the acquisition within the prescribed time, the commissioner may acquire the land.

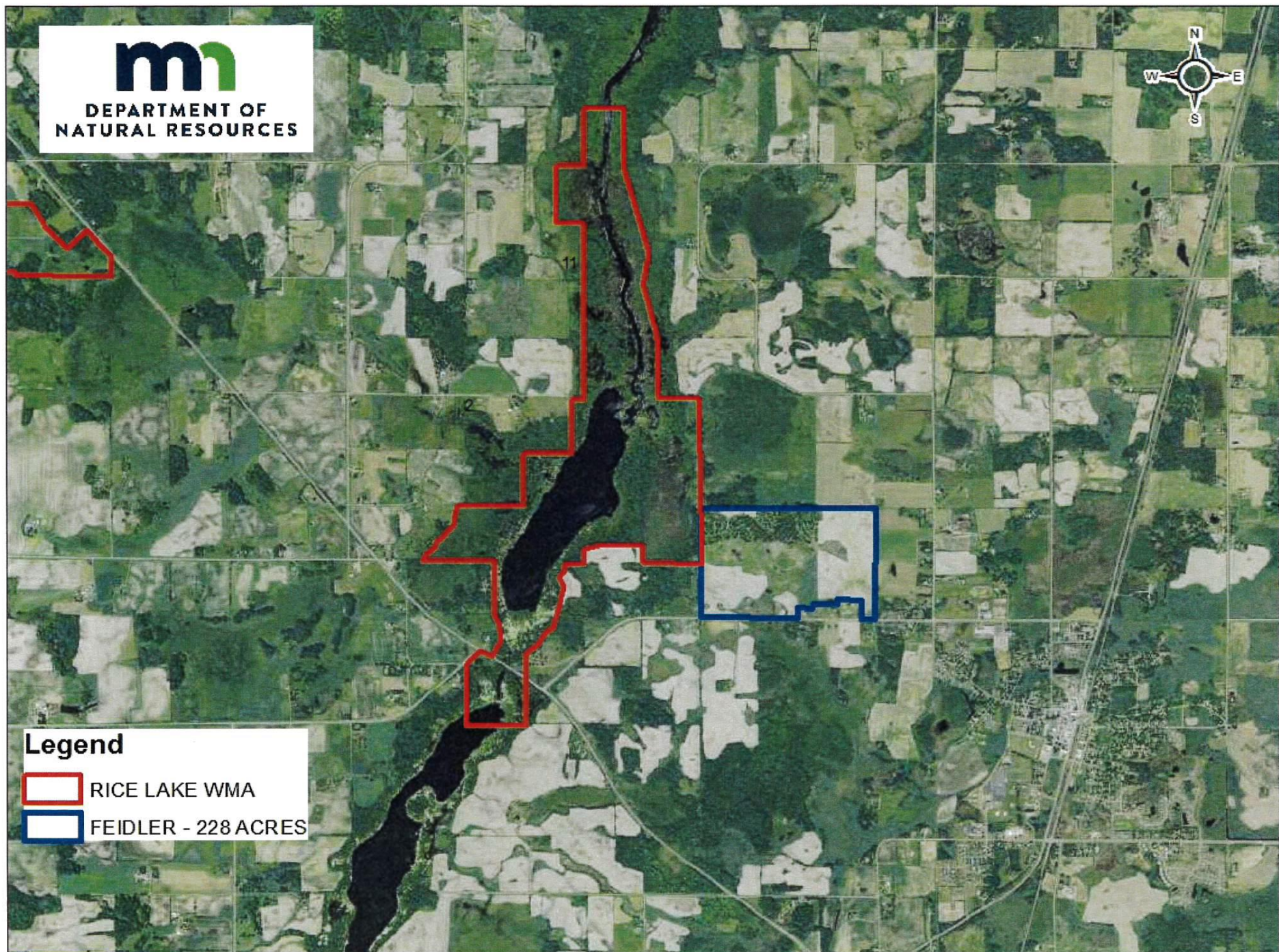
(d) If the county board disapproves the acquisition, it must state valid reasons. The commissioner may not purchase or lease the land if the county board disapproves the acquisition and states its reasons within the prescribed time period. The landowner or the commissioner may appeal the disapproval to the district court having jurisdiction where the land is located.

(e) The commissioner or the owner of the land may submit the proposed acquisition to the Land Exchange Board if: (1) the county board does not give reason for disapproval, or does not approve or disapprove the acquisition within the prescribed time period; or (2) the court finds that the disapproval is arbitrary and capricious, or that the reasons stated for disapproval are invalid.

(f) The Land Exchange Board must conduct a hearing and make a decision on the acquisition within 60 days after receiving the proposal. The Land Exchange Board must give notice of the hearing to the county board, the commissioner, the landowner, and other interested parties. The Land Exchange Board must consider the interests of the county, the state, and the landowner in determining whether the acquisition is in the public interest. If a majority of the Land Exchange Board members approves the acquisition, the commissioner may acquire the land. If a majority disapproves, the commissioner may not purchase or lease the land.

Subd. 3. **Management.** If a drainage outlet is petitioned and drainage proceedings are conducted under the Drainage Code, chapter 103E, the commissioner should not interfere with or unnecessarily delay the proceedings.

History: 1986 c 386 art 1 s 28; 1990 c 391 art 10 s 3; 2004 c 221 s 40



	Kanabec Sales											
	Transaction #	County	Twp	Rng	Sec	40's	Acres	Land Type	Admin	Program	Offered	status
SRI	SAL0133146	Kanabec	42	24	22	NESE, SESE	10.68	Acquired	Wildlife	WMA - Pit #3084	2018 Public Auction	sold
SRI	SAL0133167	Kanabec	38	23	30	NWNW, NENW, SENW	68.31	Acquired	Wildlife	WMA - Joseph O'Brien	2019 Public Auction	sold
SRI	SAL0133174	Kanabec	42	23	13	NWNW, N of River	4.9	Acquired	Forestry	SFT- Snake River	2019 Public Auction	Sale Pending - Over the Counter sale

December 15, 2020
11:00am Appointment Agenda of
Chad T. Gramentz, PE
Public Works Director

- | | |
|----------------------------------|--------------------------|
| 1. Final Payment - 2020 Paving | Resolution #1 (12-15-20) |
| 2. CR 60 Reimbursement | Resolution #2 (12-15-20) |
| 3. GIS Services and Data Hosting | Resolution #3 (12-15-20) |
| 4. Purchase Survey Controller | Resolution #4 (12-15-20) |

Resolution #1 (12-15-20)
2020 Bituminous Paving Projects
Final Payment

WHEREAS the following projects have in all things been completed and in accordance with the contract and the County Board being fully advised in the premises:

SAP 033-610-017	CSAH 10
SAP 033-610-018	CSAH 10
SAP 033-613-005	CSAH 13
KCP 20-02	CR 81
KCP 19-04	CR 47
KCP 20-20	Patching
Arthur Twp 20-01	Paving

THEREFORE BE IT RESOLVED that we do hereby accept said completed projects for and on behalf of the County of Kanabec and authorize final payment to Knife River Corporation, in the amount of \$25,589.57.

Resolution #2 (12-15-20)
County Road 60 Reimbursement

WHEREAS KCP 18-04 road project improved County Road 60 from CSAH 12 to TH 23 in 2018 at a total cost of \$268,747.36 paid out of the Road and Bridge fund, and

WHEREAS said portion of CR 60 is adjacent to and provides the main access to the East Central Solid Waste Sanitary Landfill, and

WHEREAS said project consisted of pavement reclamation and resurfacing designed to for a 10-ton spring load limit that is necessary to accommodate the landfill operations, and

WHEREAS the landfill surcharge fund was established to mitigate costs associated with hosting the landfill, and

THEREFORE BE IT RESOLVED to reimburse the Road and Bridge fund \$268,747.36 from the Landfill Surcharge – Restricted fund for KCP 18-04 in 2020.

Resolution #3 (12-15-20)

GIS and Data Host Services

WHEREAS Schneider Geospatial, LLC had provided a professional services agreement to continue to provide the following: Beacon web portal, Geogear software maintenance, web feature service hosting, support and GIS consulting for 2021-2023,

WHEREAS said agreement including terms, scope, and price schedule was presented before the Board and included herein by reference, and

THEREFORE BE IT RESOLVED to accept and approve the professional services agreement with Schneider Geospatial, LLC as presented, and

BE IT FURTHER RESOLVED that payment for said services for 2021 shall be paid from the Recorder Compliance Fund.

Resolution #4 (12-15-20)

Purchase Survey Controller

WHEREAS the Public Works survey controller is obsolete and in need of replacement, and

WHEREAS Frontier Precision has provided a quote of \$8,786.80 for a Trimble TSC7 survey controller and associated hardware, software, and services, and

WHEREAS said quote is based on State Contract Pricing and has been presented before the Board, and

THEREFORE BE IT RESOLVED to accept the quote of \$8,786.80 for a Trimble TSC7 survey controller and associated costs by Frontier Precision



PROFESSIONAL SERVICES AGREEMENT

This Agreement is made and entered into by and between **Schneider Geospatial, LLC**, also doing business as **qPublic** and **qPublic.net**, an Indiana Limited Liability Company, whose place of business is 8901 Otis Avenue, Suite 300, Indianapolis, IN 46216 ("PROFESSIONAL") and **Kanabec, County, Minnesota**, whose place of business is: 18 North Vine Street, Suite 181, Mora, MN 53051 ("CLIENT").

1 Services.

PROFESSIONAL shall provide CLIENT with the following services ("Services"):

Beacon, Geogear™ Software Maintenance, WFS Hosting, Support and GIS Consulting – On Site RENEWAL

NOTE: This agreement replaces all previous agreements (including Authorizations to Proceed) contracted by CLIENT and also those contracted through the Minnesota Counties Computer Cooperative for these products and services.

A. **Beacon** Portal Development with Add-Ons

Development of a publicly accessible (or restricted access if chosen) web-based property information portal featuring land assessment, taxation, CAMA, and digital map data utilizing existing real estate and GIS datasets provided to PROFESSIONAL by CLIENT. This site will include the following:

- a. Property ownership, location, valuation, recording, and tax information from CLIENT's property tax administration system (Avenu).
- b. Detailed residential, commercial, and agricultural land and improvements information from CLIENT's CAMA real estate system (Conduent).
- c. Property sales history from CLIENT's CAMA real estate system (if available).
- d. Property sketches (if available and provided by CLIENT in a web-friendly image file format).
- e. Property photos (if available and provided by CLIENT in a web-friendly image file format).
- f. Esri compatible vector and raster spatial data from CLIENT's existing GIS data sources.
- g. Interactive GIS mapping interface including navigation tools such as zoom in, zoom out, dynamic and fixed panning, feature selection and query, interactive overview map, and legend. Also included are map tools to measure distance and area, buffer selected features, zoom to scale, identify features, and map printing to multiple paper sizes.
- h. Dynamic relationship between parcel reports and an Internet map service. This will allow the user to search for a property and be taken directly to the queried parcel on the map, and alternatively select a parcel on the map and be taken directly to the specific report(s) associated with the parcel.
- i. Additional features are available to all real estate web site clients, including multiple search criteria, dynamic user help guides, CLIENT contact information, and user feedback forms.
- j. PROFESSIONAL will provide an automated routine to transfer data from CLIENT's local computer data sources to PROFESSIONAL's servers over a high-speed Internet connection. This automated routine can be scheduled to update data to the website on a regular basis.
- k. Additional components elected by CLIENT:
 - i. **Account Management**
This add-on will allow CLIENT's **Beacon** website administrator to manage user roles, permissions and expiration of user accounts for subscriptions and internal staff users.

ii. **COGO Tools**

PROFESSIONAL will enable the COGO tools add-on on CLIENT's **Beacon** website. COGO tools functionality shall include the following:

1) **Bearing and Distance tool**

- a) User will begin the sketch by creating a line by clicking on the map and snapping to vertices in the existing parcel polygon layer on CLIENT's **Beacon** website map.
- b) Subsequent legs of the sketch will be added by entering an angle and distance.
- c) Along with input controls, the tool will provide feedback to the user regarding any closure error (distance between start and endpoints.)

2) **Create Curve tool**

- a) User will select a segment in the sketch to be replaced by a curve.
- b) User will select the Create Curve tool to open the Create Curve dialog box.
- c) User will enter Delta or Radius information.
- d) User will select the curve direction (left or right).
- e) User will click OK to generate the curve.

3) **Point and Distance tool**

- a) User will create a line by clicking on the map and snapping to vertices in the existing parcel polygon layer on CLIENT's **Beacon** website map.
- b) User will enter a distance.
- c) User's next click will produce a line connecting to the first point but set to the distance entered.
- d) Optionally, the user may also create the line first, then enter a distance to adjust the line's length.

4) **Buffer Sketch tool**

- a) User will create a point line or polygon on the map.
- b) User will select the Buffer tool and enter a buffer distance, with the option to change the unit type (feet, meters, miles, km), then click OK.
- c) Map sketch object will display the buffered area.

iii. **Comparable Search**

PROFESSIONAL will add the Comparable Search Add-On feature to CLIENT's **Beacon** website. This feature will include modules that allow users to search for comparable properties based on data from the CLIENT's existing real estate property and sales records.

iv. **Comparable Search Results Export**

PROFESSIONAL will provide implementation services to deploy the **Beacon** Comparable Search Data Export module to CLIENT's existing **Beacon** website. This module will allow users to download a digital copy of the Comparable Search Results data in Microsoft Excel compatible .xls or .csv file formats.

Contents of the data export file will include the same data columns and records as are displayed on the CLIENT's **Beacon** site's Comp Results tab following the user's Comparable Search.

v. **Document Access**

PROFESSIONAL will add document access report module(s) on CLIENT's **Beacon** site which will link to pre-rendered PDF files generated by CLIENT for each document. The filename of each PDF file must match values in associated map feature attribute data in order to match documents with map features in **Beacon**.

vi. **EagleView ConnectView**

PROFESSIONAL will develop and maintain a new map tool for CLIENT's **Beacon** website which will launch a view for display and navigation of CLIENT's oblique EagleView image data. This development will utilize CLIENT's EagleView ConnectView service hosted by EagleView. Pricing is **offered at a reduced rate since CLIENT is an active Beacon website customer. Pricing may be** subject to change in the event of cancellation of CLIENT's existing **Beacon** hosting agreement.

vii. **Mailing Labels Generator**

Creates mailing list from the parcel search results list on the CLIENT's **Beacon** website. Allows mailing lists to be generated as mail merge compatible files: csv, .tab, or .xml; or as a PDF that is pre-formatted for Avery 5160 label sheets. Includes user instructions for generating the mail merge files.

viii. **Payment Integration**

PROFESSIONAL will develop a module for CLIENT's **Beacon** website 'Parcels Report' tab that will enable users to initiate online payments of property taxes for a selected parcel on the **Beacon** website. The **Beacon** module will display the current year's property tax amount due and provide the website user with the option to click a button to initiate payment. When the user clicks the payment button, it will open the payment integration website with data from the **Beacon** website, including parcel information and tax amount. The user can then enter their payment information on the site and submit payment. Online tax payment processing and tracking will be managed by the payment integration system.

ix. **Subscription Billing**

PROFESSIONAL will setup a module for CLIENT's **Beacon** website to enable users to initiate online payments for daily, monthly or annual access subscriptions to CLIENT's **Beacon** website. When the payment is successfully submitted, the user will be authenticated and given access to subscription features on CLIENT's **Beacon** website. Payment processing will be managed through PROFESSIONAL's preferred provider, and CLIENT will be required to setup an account with PROFESSIONAL's preferred provider to receive subscription payments.

B. Portal Hosting and Maintenance

PROFESSIONAL shall host and maintain of the above described portal(s) for the term of this Agreement.

PROFESSIONAL's web data server environment is based in a cloud computing service residing in data centers managed by third-party hyper-scale cloud providers. Site improvements and modifications, including functionality enhancements to the core product may be made periodically. If the CLIENT is charging fees for use of the system, any and all disputed charges are the responsibility of the CLIENT. Certain onsite hardware and software configurations may require additional third-party software (not included in this Statement of Work). Services also include monitoring of PROFESSIONAL's web servers on a twenty-four/seven (24/7) basis; however, because of infrastructure issues beyond the control of PROFESSIONAL's staff, web services are not guaranteed to be available twenty-four (24) hours per day, seven (7) days per week.

C. Geogear™ Software

a. Geogear™ Editor license

- i. Two (2) Geogear™ Editor 10.x version
- ii. Prerequisite software¹:
 - ArcGIS 10.x

b. Geogear™ Navigator license

- i. Two (2) Geogear™ Navigator 10.x version
- ii. Prerequisite software¹:
 - ArcGIS 10.x

c. Software Maintenance

- i. Software maintenance enables CLIENT access to new releases of Geogear™ Navigator / Editor software when available and may include items such as bug fixes, compatibility with new releases of ArcGIS desktop software.
- ii. The first year of maintenance is included and will begin the 1st of the month following initial installation. Software maintenance will be 25% of the list price and is setup to auto-renew. Invoicing for the software maintenance will be invoiced annually after the first year.

¹ Prerequisite software, not included in this scope or pricing, needs to be installed on CLIENT's computer system prior to Geogear™ setup.

D. **Web Feature Service (WFS) Hosting for EagleView**

PROFESSIONAL will host an ArcGIS Server based Web Feature Service (WFS) for CLIENT containing GIS spatial data layers from CLIENT's existing GIS data sources. CLIENT will share access to the map service host with EagleView for use in CLIENT's EagleView software applications.

Pricing is offered at a reduced rate since CLIENT is an active **Beacon** website customer. Pricing may be subject to change in the event of cancellation of CLIENT's existing **Beacon** hosting agreement.

E. **GIS System Support**

- a. **Unlimited** phone (includes toll free number), fax, and e-mail support relating to editing and maintaining GIS data and ArcGIS desktop software for all callers within the contracted organization. Website support and maintenance is considered to be a separate function and associated with a web hosting and maintenance agreement. Items that are considered to be associated with website support / maintenance are web-based initiatives (i.e. website support, custom web solutions, ArcGIS Server configuration).
- b. **Remote access support** where available (depends upon system configuration and software availability).
- c. **Annual GIS data tune-up** including such data integrity checks as topology checks, acreage divergence analysis, orphan and misplaced parcel checks. Data will be scrubbed using the most up to date QC checks currently in use, with a PROFESSIONAL report clearly outlining the results, and a recommended priority and suggestions for addressing.
- d. **Installation Assistance** – Assist in installing and upgrading latest version of ArcGIS and Geogear software releases once a year.
- e. **Migration of GIS Data** – Assist in migration and moving of GIS data from one GIS server or computer to another, once a year.
- f. **Parcel layer backfill**
Backfill is the process of copying data from your real estate data or tax systems to your local geodatabase as a table that can be joined to your GIS parcel layer to keep parcel attribute information up to date. The Backfill process uses an automated Data ETL routine that typically runs on a regular schedule. Common network administration activities, such as computer replacements, system upgrades, password resets, database year rollovers, and others, may affect the backfill process, and this requires continual maintenance effort by our Support team. Additional charges may apply if backfill is not currently setup or is a new installation.
- g. Up to **4 complimentary admissions** to PROFESSIONAL's Users' Conference.

F. **GIS Consulting – On Site**

- a. PROFESSIONAL will provide two (2) days on-site to be covered by one (1) trip to CLIENT's location per annual term.
- b. Consulting services include activities such as, but not limited to:
 - i. GIS program repair
 - ii. On-site consultation
 - iii. Ongoing system support
 - iv. Assessment and development of enhancements to CLIENT's GIS program
 - v. Non-classroom style training
 - vi. Assistance with applying GIS to specific tasks
 - vii. Data maintenance
 - viii. Other system integrations to the GIS
 - ix. Process and data location review / documentation

Other Fixed Fee phases of this project may be developed during the course of this agreement. Once the estimates are accepted, an Authorization to Proceed will have to be signed and submitted before work will begin.

2 Payment for Services.

CLIENT shall compensate PROFESSIONAL for the Services as follows:

A. Beacon with Add-ons

a. Annual Hosting:	\$10,080
Hosting items:	
Core Hosting:	Included
Map (Esri):	Included
Account Management:	Included
COGO Tools:	Included
Comparable Search:	Included
Document Access:	Included
EagleView ConnectView:	Included
Document Access:	Included
Payment Integration (Preferred Provider):	Included (<i>Waived</i>)
Subscription Billing:	Included
Subtotal:	\$13,320
<u>Discount:</u>	<u>-\$ 3,240</u>
Total:	\$10,080

B. Geogear™ Software Maintenance:

a. Annual Cost:	\$960
Geogear™ Editor License (2):	Included
Geogear™ Navigator License (2):	Included

C. Web Feature Service (WFS) Hosting

a. Annual Hosting:	\$1,320
Hosting items:	
WFS for EagleView:	Included

D. GIS System Support:

a. Annual Cost:	\$4,200
Subtotal:	\$4,800
<u>Discount:</u>	<u>-\$ 600</u>
Total:	\$4,200

E. GIS Consulting - On Site

a. Annual Cost:	\$2,640
Subtotal:	\$3,960
<u>Discount:</u>	<u>-\$1,320</u>
Total:	\$2,640

F. Payment Schedule

Year 1	January 1, 2021 – December 31, 2021:	\$19,200
	(Beacon \$10,080; Software Maintenance \$960; WFS Hosting \$1,320; Support \$4,200; GIS Consulting \$2,640)	
Year 2	January 1, 2022 – December 31, 2022:	\$19,200
	(Beacon \$10,080; Software Maintenance \$960; WFS Hosting \$1,320; Support \$4,200; GIS Consulting \$2,640)	
Year 3	January 1, 2023 – December 31, 2023:	\$19,200
	(Beacon \$10,080; Software Maintenance \$960; WFS Hosting \$1,320; Support \$4,200; GIS Consulting \$2,640)	

Invoicing will be done on an annual basis at the beginning of the term unless otherwise specified.

If the CLIENT cancels the agreement before end of initial multi-year term, any waived discounts and promotional fees will be included in the final invoice.

Balances due 30 days after the due date for non-government clients and 60 days after the due date for government clients shall be assessed an interest rate of 1½% per month (18% per year). CLIENT agrees to pay for any and all costs of collection including, but not limited to interest, lien costs, court costs, expert fees, attorney's fees and other fees or costs involved in or arising out of collecting any unpaid or past due balances, including late fees or penalties. If payment is not received within 30 days of the due date, PROFESSIONAL reserves the right, after giving seven (7) days written notice to CLIENT, to suspend services to CLIENT or to terminate this Agreement.

3 Terms of Service. Each party's rights and responsibilities under this Agreement are conditioned upon and subject to the Terms of Service which can be found at <http://schneiderGIS.com/termservice/>. By executing this Agreement, CLIENT acknowledges that it has read the above-described Terms of Service and agrees that such Terms of Service are incorporated herein and made a part of this Agreement. PROFESSIONAL reserves the right to update or modify the Terms of Service upon ten (10) days prior notice to CLIENT. Such notice may be provided by PROFESSIONAL to CLIENT by e-mail.

4 Term, Termination and Renewal. The initial term of this Agreement shall be defined in the Scope of Service or Payment Schedule above. If the services provided are for an annual rate and extend for multiple years, PROFESSIONAL will prorate the first year of the agreement to match the fiscal year for the CLIENT, followed by consecutive, 12-month periods. This Agreement shall automatically renew for successive terms which consist of a twelve (12) month period, subject to earlier termination as set forth in this Agreement or upon written notification by either party thirty (30) days prior to the end of a term. If, for any reason, this Agreement is terminated prior to the end of a term, any waived or discounted fees or specified promotional items provided by PROFESSIONAL shall be invoiced by PROFESSIONAL and paid by CLIENT.

5 Assignment. PROFESSIONAL has the right to assign or transfer any rights under or interest in this Agreement upon 15 days' written or electronic notice to CLIENT. Nothing in this Paragraph shall prevent PROFESSIONAL from employing consultants or subcontractors to assist in the performance of the Services.

6 Rights and Benefits. Nothing in this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than CLIENT and PROFESSIONAL. CLIENT and PROFESSIONAL expressly state there are no third-party beneficiaries to this Agreement.

7 Successors. This Agreement is binding on the partners, successors, executors, administrators and assigns of both parties.

8 Applicable Law. The terms and conditions of this Agreement are subject to the laws of the State of Indiana.

IN WITNESS WHEREOF, the Parties have executed this Agreement by affixing their signatures below.

Pricing is valid through December 31, 2020.

PROFESSIONAL:
Schneider Geospatial, LLC

By: _____

Print: Jeff Corns, GISP

Title: President

Date: _____

CLIENT:
Kanabec County, Minnesota

By: _____

Print: _____

Title: _____

Date: _____



Frontier Precision, Inc.
446 Great Oak Drive
Waite Park, MN 56387
320.654.6511
www.frontierprecision.com

Quote

Date: Nov 2, 2020 10:09 AM

Quote Number: 45090

Valid Until: Dec 31, 2020

Quotation by: Weston Schneider

For questions, contact westons@frontierprecision.com

BILL TO:

Kanabec County Highway Department

Chad Gramentz
903 East Forest Avenue
Mora, MN 55051 United States
chad.gramentz@co.kanabec.mn.us 320-679-6300

SHIP TO:

Kanabec County Highway Department

Chad Gramentz
903 East Forest Avenue
Mora, MN 55051 United States
chad.gramentz@co.kanabec.mn.us 320-679-6300

Product Details	Qty	Price	Total
1. TSC7-1-1111-00 Trimble TSC7-QWERTY keypad	1	\$ 4,320.00	\$ 4,320.00
2 Year Factory Hardware Warranty			
2. 110238-00-1 Trimble EM120 2.4GHz Module	1	\$ 1,350.00	\$ 1,350.00
1 Year Factory Hardware Warranty			
3. EWLS-MOD-HW TPP - Hardware - Survey Trimble GNSS/Radio Module	1	\$ 134.10	\$ 134.10
1 Additional Year Hardware Warranty			
4. 121354-01-1 Trimble Accessory - Carry Case Shoulder Bag	1	\$ 71.10	\$ 71.10
5. 121349-01-1 TSC7 Pole Mount	1	\$ 189.00	\$ 189.00
6. 121345-01-1 Trimble Accessory - Desktop Hub	1	\$ 219.60	\$ 219.60
7. 121358-01-1 External Battery Charger + Batt 2-pack	1	\$ 400.50	\$ 400.50
8. FPI-TRAINING-SURVEY Training Fee / Onsite Installation	1	\$ 1,000.00	\$ 1,000.00
1/2 Day Installation / Training Includes License Transfer From Existing TSC3			
9. DISCOUNT_GIVEN DISCOUNT_GIVEN	1	\$ -450.00	\$ -450.00
Trade-In Blank TSC3 - S/N: RS1CC25503			
10. EWLS-TA-LOYAL-STOCK Trim Access RNST lapsed &gt; 12m	1	\$ 1,012.50	\$ 1,012.50
Loyalty Program Trimble Access Annual SW RNST lapsed > 12m TSC3 Serial number: RS1CC25503			
11. EWLS-GPS-FW-RNST EWLS-GPS-FW-RNST - FIRMWARE	1	\$ 540.00	\$ 540.00
Firmware Maintenance - Survey GPS Firmware Reinstatement R-10 Serial number: 5245415331			
		Sub Total:	\$ 8,786.80
		Tax:	\$ 0.00
		Shipping:	\$ 0.00
		Grand Total:	\$ 8,786.80

Special Notes:

MN State Contract Pricing #171661

Shipping, handling, and applicable sales tax will be added to invoice.

Terms and Conditions

All invoices are in U.S. Dollars.

Payment terms are Net 30 day upon approved credit. We also accept VISA, MasterCard, American Express. Returns - A standard restocking fee of 20% will be charged for any returned equipment.

Shipping and handling charges are prepaid and added to invoice. Shipment will be made by UPS Ground unless otherwise specified, FOB shipping point.

Agenda Item #1a

PROCEEDINGS OF THE COUNTY BOARD

State of Minnesota
County of Kanabec
Office of the County Coordinator

UNAPPROVED MINUTES

December 1, 2020

The Kanabec County Board of Commissioners held a Regular Board Meeting at 9:00am on Tuesday, December 1, 2020 pursuant to adjournment with the following Board Members present: Gene Anderson, Kathi Ellis, Dennis McNally, Craig Smith and Les Nielsen. Staff present in-person: County Coordinator Kris McNally and Recording Secretary Kelsey Schiferli. County Attorney Barb McFadden was in attendance via WebEx.

The meeting was held in meeting rooms 3 & 4 in the basement of the courthouse to allow for social distancing due to COVID-19. The meeting was also held via WebEx for anyone wishing to attend virtually.

The Chairperson led the assembly in the Pledge of Allegiance.

Action #1 – It was moved by Les Nielsen, seconded by Dennis McNally and carried unanimously to approve the agenda with the addition of Teresa Wickeham at 11:20am to discuss environmental service issues regarding certain properties if she is available.

Action #2 – It was moved by Les Nielsen, seconded by Gene Anderson and carried unanimously to approve the November 17, 2020 minutes with the following corrections: Under Action #21 add “businesses and non-profits” and under Action #12 – add “The following voted IN FAVOR: Gene Anderson, Kathi Ellis, Les Nielsen. OPPOSED: Dennis McNally & Craig Smith. Whereupon the motion passed.”

Action #3 – It was moved by Les Nielsen, seconded by Gene Anderson and carried unanimously to approve the following paid claims:

<u>Vendor</u>	<u>Amount</u>
Further	672.85
Kanabec County Auditor-Treas	8,818.71
City of Grasston	10,708.09

CliftonLarsonAllenLLP	85.00
East Central Energy	1,310.41
East Central Regional Library	8,572.68
Ford Township	5,080.21
Fuller, John R Jr	472.00
Fuller, John R Jr	474.00
Lennartson, Randy	500.00
Minnesota Energy Resources Corp	49.02
Shoua, Her	500.00
Simplifile	2,530.00
13 Claims Totaling:	<u>\$39,772.97</u>

Action #4 – It was moved by Craig Smith, seconded by Gene Anderson and carried unanimously to recess the Board Meeting at 9:05am to a time immediately following the Public Health Board.

The Kanabec County Public Health Board met at 9:05am on Tuesday, December 1, 2020 pursuant to adjournment with the following Board Members present: Gene Anderson, Kathi Ellis, Dennis McNally, Craig Smith and Les Nielsen. Public Health Director, Kathy Burski presented the Public Health Agenda.

Action #PH5 – It was moved by Dennis McNally, seconded by Les Nielsen and carried unanimously to approve the Public Health Board Agenda as presented.

Public Health Director Kathy Burski gave an update on COVID-19. Information only, no action was taken.

Public Health Director Kathy Burski gave the Director's Report.

Action #PH6 – It was moved by Les Nielsen, seconded by Gene Anderson and carried unanimously to approve the following resolution:

Resolution #PH6 – 12/1/20

WHEREAS county health and human services workers are dedicated to improving health, protecting the vulnerable, and providing outstanding public services to the people of Kanabec County through their prevention efforts, administration of programs, and provision of services, and

WHEREAS county health and human services workers are responsible for the prudent expenditure of millions of dollars annually and must meet the highest standards of job performance in program and services delivery, and

WHEREAS the duties performed by county health and human services workers require the use of a variety of skills in order to provide services to clients, communities, and the general public, and

WHEREAS the nature of federal and state legislation necessitates that county health and human services workers continually expand their knowledge, skills and expertise related to their professions and the needs of the communities they serve, and

WHEREAS the County of Kanabec recognizes the valuable public services that county health and human services workers perform each and every day for the health, prevention, and protection of Kanabec County residents;

THEREFORE BE IT RESOLVED to proclaim Wednesday, December 9, 2020 as County Health and Human Services Worker Day.

Action #PH7 – It was moved by Gene Anderson, seconded by Craig Smith and carried unanimously to approve the payment of 67 claims totaling \$28,898.43 on Community Health Funds.

Action #PH8 – It was moved by Dennis McNally, seconded by Les Nielsen and carried unanimously to adjourn Public Health Board at 9:25am.

The Board of Commissioners reconvened.

Action #9 – It was moved by Les Nielsen, seconded by Gene Anderson and carried unanimously to approve the following claims on the funds indicated:

Road & Bridge

Vendor	Amount
Bjorklund Companies	139.50
Cargill Incorporated	10,180.49
Granite City Jobbing	1,164.25
Kanabec County Highway Department	30.00
MN Department of Labor and Industry	100.00
Mora Chevrolet	63.25

Northern Central International	1,561.52
Northern States Supply	29.60
Pomp's Tire	2,010.88
Premier Outdoor Services	1,510.00
Ray's Gravel	600.13
S. W. Asphalt Inc	9,000.00
Towmaster	18,291.92
Wiarcom Inc	1,350.60
14 Claims Totaling:	<u>\$46,032.14</u>

COVID & CARES Act Claims

<u>Vendor</u>	<u>Amount</u>
A Cut Above Salon, Inc.	1,875.00
AmericInn Mora by Wyndham	3,750.00
Ann River Winery	3,125.00
Assured Security	43,338.50
Backwoods Road Retreat	1,875.00
Beautifully Bronzed	625.00
Central MN Jobs & Training Services	1,000.00
City of Quamba	3,359.95
CliftonLarsonAllen	260.00
Cornerstone Housing LLC	1,050.00
Crystal Bar & Grill	3,750.00
Diversified Bronze	2,500.00
DKN Construction	1,680.00
Double J Café	3,125.00
Driven Fab, LLC	1,250.00
Family Pathways	1,250.00
Freddie's Restaurant & Banquet Center	3,750.00
Grace Lutheran Church	2,000.00
Handyman's Inc	10,570.48
Jeff's Auto & Tire	625.00
Kanabec Area Chamber of Commerce	500.00
Kanabec County Agricultural Society	1,000.00
Kanabec History Center	1,500.00
KBEK-FM	500.00

Kuehn Lkimosine Service, LLC	3,125.00
Lake Street Family Dental	3,125.00
MAYRA	3,000.00
Mora Dental Center, LLC	3,750.00
Mora Fire Dept. Relief Assoc.	1,000.00
Mora HRA	1,250.00
Mora Lions Club	1,000.00
Mora Lodge 223	3,000.00
Mora United Methodist Church	1,500.00
New Generation Bakery	1,875.00
NorthPost, Inc.	2,500.00
Ogilvie Raceway	3,750.00
Oslin Lumber	6.67
Paradise Theatre	3,500.00
PHASE-Industries	5,000.00
Ratwik, Roszak & Maloney, PA	54.00
Seven County Senior Federation	3,000.00
Soft N Gentle Healing Touch	1,875.00
The Cardinal's Nest	3,125.00
The Grand Event Center	3,125.00
Tierney	2,254.73
Tierney	22,493.65
Trio Community Church	1,000.00
True Directions	1,500.00
Universal Apparel	1,250.00
Vasaloppet, Inc.	1,000.00
White Tail Tool, Inc.	3,125.00
Zion Lutheran Church & Preschool	1,500.00

52 Claims Totaling: \$ 176,942.98

Action #10 – It was moved by Dennis McNally, seconded by Craig Smith and carried unanimously to approve the following claims on the funds indicated:

Revenue Fund

<u>Vendor</u>	<u>Amount</u>
Advanced Correctional Healthcare	84.59
City of Mora	47,255.40

Clifton Larson Allen LLP	1,579.25
Curtis, Michael	1,401.32
CW Technology	2,199.00
CW Technology	1,400.00
East Central Exterminating	240.00
Grainger	85.60
Hoefert, Robert	1,212.68
Hoglund Bus & Truck Company	128.06
Initiative Foundation	1,550.00
Kanabec County Highway Dept	255.69
Life Insurance Company of North America	648.10
MAAO Region III Shelly Maloney, Treasurer	100.00
Manthie, Wendy	964.85
Marco	477.00
Mattson Electric	75.00
Michael Keller, Ph.D., L.P.	650.00
Mid-American Research Chemical	312.88
MN PEIP	147,940.88
Nelson, Gladys	45.53
Nelson, Jerald	89.70
Nelson, Ronette	559.88
Novus Glass	600.00
Office Depot	163.41
Office Depot	105.83
Oslin Lumber	25.39
RS Eden	10.45
Sea Change Print Innovations	275.49
SHI	997.00
St. Cloud State University	445.00
St. Louis County	366.43
Stellar Services	277.78
Summit Food Services Management	11,058.50
Summit Food Services Management	12.00
Sun Life Financial	3,871.24
Tracy, Patricia	36.17
Van Alst, Lillian	161.00
Visser, Maurice	821.10
VSP Insurance Co.	294.40

Zamora, Ray

151.23

41 Claims Totaling: \$ 228,927.83

Probation Director Todd Eustice met with the County Board to review the membership with Regional Juvenile Center – Lino.

Action #11 – It was moved by Les Nielsen, seconded by Craig Smith and carried unanimously to give notice to Regional Juvenile Center – Lino that Kanabec County will withdraw the existing one bed membership as of December 31, 2021.

County Sheriff Brian Smith met with the County Board via WebEx to present the Quarterly Report and to discuss the COVID Staffing Plan for the Sheriff’s Office. Information only, no action was taken.

Auditor/Treasurer Denise Snyder met with the County Board to discuss a timber permit application.

Action #12 – It was moved by Craig Smith, seconded by Dennis McNally and carried unanimously to approve the following resolution:

Resolution #12 – 12/1/20

Informal Timber Sale – Timberlane Forestry

WHEREAS Timberlane Forestry has requested a permit to remove timber on tax forfeited property, and

WHEREAS the request has been reviewed and appraised by a DNR Forester, and

WHEREAS the DNR Forester has set forth conditions, including but not limited to:

- 1) Removed only trees within the permit area.
- 2) Permit area is the area designated by the DNR within the SW1/4 of NW, Section 2, Haybrook Township (42-24)
- 3) No cutting allowed from March 15, 2021 to December 1, 2021
- 4) Timber to be removed is under the direction of the DNR and limited to:
440 cords Aspen, 336 cords Red Maple, 159 cords Basswood, 105 cords Ash, and 221 cords of Paper Birch with an appraised sale value of \$13,717.65

WHEREAS this permit shall expire May 31, 2022:

BE IT RESOLVED to approve an informal timber sale and issue timber permit #33.20.183 for Timberlane Forestry to remove approved timber within the SW of NW of Section 2, Haybrook Township (07.00045.00), and

BE IT FURTHER RESOLVED that all conditions of set forth by the DNR Forester be met.

10:29am – The Chairperson called for public comment. Those that responded included:

Rhonda Olson	Comments regarding services at Welia Health.
--------------	--

10:31am – The Chairperson closed public comment.

The County Board held a discussion regarding the Welia Health Agreement of Transfer of Ownership. Information only, no action was taken.

Kanabec SWCD Deanna Pomije met with the County Board via WebEx to give an update regarding the Kanabec County Soil & Water Conservation District. Information only, no action was taken.

County Coordinator Kris McNally led a discussion regarding three funding resolutions for MCIT, ECSWC, and MnCCC.

Action #13 – It was moved by Gene Anderson, seconded by Les Nielsen and carried unanimously to approve the following resolutions:

Resolution #13a – 12/1/20

MCIT Dividend

WHEREAS, Kanabec County has received a dividend from MCIT in the amount of \$104,231; and

WHEREAS, the Retiree Accrued Sick Pay account balance is - **\$18,874**, and

WHEREAS, the Commissioners are planning to initiate a comprehensive plan update in 2021, and

WHEREAS, the Commissioners believe the most prudent use of the funds is to address the fund balance deficit in the Retiree Accrued Sick Pay account and to plan for the 2021 expenditure for comprehensive planning;

NOW THEREFORE BE IT HEREBY RESOLVED, that the County Auditor/Treasurer is authorized to process the MCIT dividend payment as follows:

\$54,231 to fund the Retiree Accrued Sick Pay Account.

\$50,000 to the fund balance assigned to the Comprehensive Plan

Resolution #13b – 12/1/20 **ECSWC Disbursement**

WHEREAS, Kanabec County has received a disbursement from East Central Solid Waste in the amount of \$117,000; and

WHEREAS, the Commissioners believe the most prudent use of the funds is to put them in the County's reserve fund to address future shortfalls or imminent, unplanned County needs;

NOW THEREFORE BE IT HEREBY RESOLVED, that the County Auditor/Treasurer is authorized to deposit the ECSWC disbursement into the general reserve fund.

Resolution #13c – 12/1/20 **MnCCC Refund**

WHEREAS the MnCCC unused funds from the LRMS Tax & CAMA rewrite were returned to participating counties, and

WHEREAS Kanabec County received a check in the amount of \$18,902.25 for their share, and

WHEREAS these funds may be needed to offset expenses of transitioning to and implementing the MCIS Tax & CAMA system, and

WHEREAS Kanabec County has a fund that is a dedicated fund called Future Capital Equipment 01.041.063.0000.6480 already established;

THEREFOR BE IT RESOLVED that the County Board approves depositing the \$18,902.25 refund into the Future Capital Equipment fund 01.041.063.0000.6480 dedicated to expenses that will occur in Kanabec County's move to MCIS.

County Attorney Barbara McFadden met with the County Board to discuss an agreement for a hosted attorney system.

Action #14 – It was moved by Craig Smith, seconded by Dennis McNally and carried unanimously to approve the following resolution:

Resolution #14 - 12/1/20

Prosecutor by Karpel Agreement resolution

WHEREAS, the Kanabec County Attorney's Office is in need of an electronic case management system to insure the capability of improved remote work functionality, the sharing of information and resources between agencies, record keeping and accountability for the work of the County Attorney's Office;

WHEREAS, Karpel Solutions has the ability and willingness to provide the technological hosted solution with their system Prosecutor by Karpel; and

WHEREAS, funding for the initial purchase and implementation of said solution has been approved through Cares Act Funding since it provides the ability for remote work for the County Attorney's Office staff.

THEREFORE BE IT RESOLVED Kanabec County Board of Commissioners approves the County Attorney entering into an Agreement with Karpel Solutions for the Prosecutor by Karpel system effective immediately and to be implemented as soon as reasonably possible despite the supply chain disruption.

Public Works Director Chad Gramentz met with the County Board for presentation of the following employee awards:

Dale Magnuson – 30 years of service

Debbie Sanbeck – 25 years of service

Environmental Service Director Teresa Wickeham met with the County Board to discuss a septic variance application for a vacation rental house. Information only, no action was taken.

The County Board held a discussion regarding Bonding and the 2021 Budget.

Action #15 – Craig Smith introduced a motion to stop considering bonding for the 2021 budget. The motion was duly seconded by Dennis McNally and the following voted:

IN FAVOR: Dennis McNally, Craig Smith
OPPOSED: Gene Anderson, Kathi Ellis, Les Nielsen
ABSTAIN: None

Whereupon the motion failed.

County Coordinator Kris McNally added that the Coordinator's 2021 budget has been reduced by \$17,000 due to depositing a portion of the MCIT dividend check into the underfunded retiree sick pay fund.

County Coordinator Kris McNally led a discussion regarding an RFP for Real Estate Services. The Board consensus was to proceed with the RFP as presented.

The Commissioners gave reports on the boards and committees in which they participate. Information only, no action was taken.

12:07pm – Chairperson Kathi Ellis handed the gavel over to Vice Chairperson Dennis McNally and left the meeting.

Future Agenda: Possible Land Acquisition/No Net Gain Resolution

Action #16 – It was moved by Craig Smith, seconded by Gene Anderson and carried unanimously to adjourn the meeting at 12:09pm. The Kanabec County Board of Commissioners will meet again for the Truth in Taxation Public Hearing on Thursday, December 3, 2020 at 6:30pm and in regular session on Tuesday, December 15, 2020 at 9:00am.

Signed _____
Chairperson of the Kanabec County Board of Commissioners,
Kanabec County, Minnesota

Attest: _____
Board Clerk

Agenda Item #1b

PROCEEDINGS OF THE COUNTY BOARD

State of Minnesota
County of Kanabec
Office of the County Coordinator

UNAPPROVED MINUTES

December 3, 2020

The Kanabec County Board of Commissioners met at 6:30pm on Thursday, December 3, 2020 pursuant to adjournment with the following Board Members present: Gene Anderson, Kathi Ellis, Dennis McNally, Craig Smith, and Les Nielsen. Others Present: County Coordinator Kris McNally and Recording Secretary Kim Christenson.

The Chairperson led the assembly in the Pledge of Allegiance.

6:35pm – The Kanabec County Truth in Taxation Public Hearing was held to discuss the 2021 budget and 2021 tax levy.

County Coordinator Kris McNally read aloud the public notice.

County Coordinator Kris McNally presented the Proposed 2021 Budget and the 2021 Levy. Twelve people attended the public hearing. Those that spoke included: Gary Schreiber, Jan Falk, Gordon Gullixson, Dave Vandervegt, Kurt Newman, and Bob Schmetz.

After all questions and comments were made the Public Hearing was adjourned at 7:24pm by Chairperson Ellis.

Signed _____
Chairperson of the Kanabec County Board of Commissioners,
Kanabec County, Minnesota

Attest: _____
Board Clerk

Agenda Item #2

Paid Bills

<u>Vendor</u>	<u>Amount</u>	<u>Purpose</u>	<u>Dept</u>
Ann Lake Twp	4,140.85	Nov 2020 Settlement	Taxes & Penalties Fund
Arthur Twp	10,587.94	Nov 2020 Settlement	Taxes & Penalties Fund
Braham Public Schools	19,802.96	Nov 2020 Settlement	Taxes & Penalties Fund
Brunswick Twp	12,136.44	Nov 2020 Settlement	Taxes & Penalties Fund
City of Grasston	368.97	Nov 2020 Settlement	Taxes & Penalties Fund
City of Mora	12,725.00	Nov 2020 Settlement	Taxes & Penalties Fund
City of Ogilvie - Clerk	4,212.32	Nov 2020 Settlement	Taxes & Penalties Fund
City of Quamba	2,873.65	Nov 2020 Settlement	Taxes & Penalties Fund
Comfort Twp	13,325.03	Nov 2020 Settlement	Taxes & Penalties Fund
East Central Regional Development Commission	1,529.10	Nov 2020 Settlement	Taxes & Penalties Fund
East Central School District	4,336.88	Nov 2020 Settlement	Taxes & Penalties Fund
Fort Twp	6,722.58	Nov 2020 Settlement	Taxes & Penalties Fund
Grass Lake Twp	8,352.18	Nov 2020 Settlement	Taxes & Penalties Fund
Haybrook Twp	4,959.16	Nov 2020 Settlement	Taxes & Penalties Fund
Hillman Twp	4,099.95	Nov 2020 Settlement	Taxes & Penalties Fund
Hinckley-Finlayson Schools	11,485.92	Nov 2020 Settlement	Taxes & Penalties Fund
Isle Public Schools	6,601.75	Nov 2020 Settlement	Taxes & Penalties Fund
Kanabec County	5,649.87	Nov 2020 Settlement	Taxes & Penalties Fund
Kanabec Twp	7,262.29	Nov 2020 Settlement	Taxes & Penalties Fund
Knife Lake Improvement District	548.01	Nov 2020 Settlement	Taxes & Penalties Fund
Knife Lake Twp	9,296.19	Nov 2020 Settlement	Taxes & Penalties Fund
Kroschel Twp	2,427.86	Nov 2020 Settlement	Taxes & Penalties Fund
Milaca Public Schools	2,243.87	Nov 2020 Settlement	Taxes & Penalties Fund
Mora Public Schools	130,323.84	Nov 2020 Settlement	Taxes & Penalties Fund
Ogilvie Public Schools	58,772.40	Nov 2020 Settlement	Taxes & Penalties Fund
Peace Twp	5,864.10	Nov 2020 Settlement	Taxes & Penalties Fund

Pine City Public Schools ISD 578	338.50	Nov 2020 Settlement	Taxes & Penalties Fund
Pomroy Twp	14,451.21	Nov 2020 Settlement	Taxes & Penalties Fund
Southfork Twp	6,913.70	Nov 2020 Settlement	Taxes & Penalties Fund
Whited Twp	4,131.90	Nov 2020 Settlement	Taxes & Penalties Fund
CW Technology	1,331.40	Monthly Services	IS
Mora Municipal Utilities	255.39	Utilities	Transit
Spire Credit Union	5,785.44	See Below	
East Central Energy	311.25	Intersection Lighting	Highway
Mora Municipal Utilities	1,114.61	Utilities	Highway
The Hartford Priority Accounts	2,161.37	Long Term Disability Premiums	Employee Benefits
Midcontinent Communications	435.19	Utilities	Various
Mora Municipal Utilities	13,164.61	Utilities	Various
Office of MN.IT Services	1,300.00	WAN	IS
Verizon Wireless	10,152.55	Monthly Services	Various
40 Claims Totaling:	<u><u>\$412,496.23</u></u>		

Spire Credit Union	68.94	Crown Awards/EE Recognition	HR
	5.99	Amazon/USB Sandisk	IS
	24.98	Amazon/Brother TZ tape	IS
	55.98	Amazon/Wall Bracket	IS - COVID19 Supplies
	53.98	Amazon/iPad Case	IS - COVID19 Supplies
	111.76	Amazon/Remote Lock etc.	IS - COVID19 Supplies
	21.84	Amazon/USB Webcam	Attorney
	220.00	IAAO/Membership Dues	Assessor
	975.00	MAAO/Course Registration	Assessor
	18.98	Amazon/iPhone Case	Assessor - COVID19 Supplies
	13.99	Amazon/iPhone Case	Assessor - COVID19 Supplies
	458.94	Amazon/Monitors, Brackets	Assessor - COVID19 Supplies
	18.23	Amazon/iPad Case	VSO
	84.99	Amazon/Faceshields etc	VSO
	16.69	Amazon/HP Keyboard	VSO
	-61.97	Amazon/Returned Adapter	VSO
	19.99	Amazon/Adapter	VSO

329.00	B&H Photo/Apple iPad	VSO
249.95	Ownersite Tech	Transit
90.95	Planner Pads	Transit
219.98	Amazon/Monitors, Brackets	Transit
13.95	Amazon Prime Membership	Sheriff
250.00	MSA Supervisor Conf/BS	Sheriff
29.99	Amazon/Olympus Headset	Sheriff
45.00	Amazon/Jail Supplies	Jail
16.05	CISCO/Webex Mthly	Jail
109.99	Amazon/Monitor	Jail
49.00	Paypal/DOT Drug Testing	Highway
310.00	U of M/Course Enrollment	Highway
86.74	iPad Case etc	Highway
144.50	iPad Case etc	Highway
79.98	Network Solutions	EDA
29.98	Website Forwarding	EDA
31.20	Amazon/Laptop Case etc.	Welfare
48.80	Amazon/Laptop Case etc.	Welfare
20.00	Amazon/Laptop Case etc.	Welfare
456.00	Amazon/Laptop Case etc.	Welfare
362.00	Amazon/Laptop Case etc.	Welfare
100.00	Amazon/Laptop Cases	Community Health
60.00	Training/AAS	Community Health
36.30	Availity Subscrip Fee	Community Health
12.99	Amazon/iPhone Case	Community Health
30.26	Availity Subscrip Fee	Community Health
43.44	Availity Subscrip Fee	Community Health
345.98	Walmart/Wellness Supplies	Employee Wellness
75.10	Walmart/Wellness Supplies	Employee Wellness
46 Claims Totaling:		\$5,785.44

Agenda Item #3a

Regular Bills - Revenue Fund

Bills to be approved: 12/15/20

Department Name	Vendor	Amount	Purpose
ASSESSOR	IT SAVVY LLC	811.87	Laptop
ASSESSOR	Kanabec Publications Inc	175.00	Homestead Notice - Times
ASSESSOR	Kanabec Publications Inc	62.00	Homestead Notice - Advertiser
ASSESSOR	Kanabec Publications Inc	62.00	Homestead Notice - Advertiser
ASSESSOR	Kanabec Publications Inc	175.00	Homestead Notice - Times
ASSESSOR	Marco, Inc.	159.00	Lease Agreement
		1,444.87	
AUDITOR	MCCC	360.00	Legal Description Training
AUDITOR	McGaw, Susan	4.28	Coin Wrappers
		364.28	
BUILDINGS MAINTENANCE	Ace Hardware	21.73	Misc Supplies
BUILDINGS MAINTENANCE	Auto Value	21.98	Belts
BUILDINGS MAINTENANCE	East Central Exterminating	125.00	Service for November
BUILDINGS MAINTENANCE	FBG Service Corporation	6,410.24	November 2020 Cleaning
BUILDINGS MAINTENANCE	Granite City Jobbing Co	172.49	Paper & Cleaning Supplies
BUILDINGS MAINTENANCE	Handyman's Inc	419.55	Filters & Glacier
BUILDINGS MAINTENANCE	Johnsons Hardware	182.85	Misc Supplies
BUILDINGS MAINTENANCE	MEI Total Elevator Solutions	1,008.58	Dec-Feb Quarterly Service
BUILDINGS MAINTENANCE	Quality Disposal Systems	388.36	November Service
		8,750.78	
COMMISSIONERS	Ellis, Kathi	173.42	2020 Board Meeting Mileage
COMMISSIONERS	McNally, Dennis	294.40	2020 Board Meeting Mileage
COMMISSIONERS	Nielsen, Les	170.78	2020 Board Meeting Mileage
COMMISSIONERS	Smith, Craig	673.61	2020 Board & Committee Meeting Mileage

		1,312.21	
COUNTY ATTORNEY	Minnesota County Attorney's Association	2,763.00	2021 MCAA Dues
COUNTY ATTORNEY	Office Depot	103.53	Office Supplies
COUNTY ATTORNEY	Office Depot	85.07	Office Supplies
COUNTY ATTORNEY	RELX Inc. DBA LexisNexis	187.58	November Charges
		3,139.18	
COUNTY COORDINATOR	Office Depot	177.95	Office Supplies
		177.95	
COUNTY COORDINATOR	Society for HR Management	219.00	Society of HR Mgmt Membership for Kris McNally
		219.00	
COUNTY CORONER	Ingebrand Funeral Home	430.00	Removal & Transport
COUNTY CORONER	Ramsey County	2,987.00	Autopsy/Toxicology
		3,417.00	
COUNTY EXTENSION	Office Depot	39.86	Office Supplies
		39.86	
COUNTY RECORDER	Trimin Systems, Inc.	22,798.00	2021 Program Maintenance
		22,798.00	
COURT ADMINISTRATOR	Bina & Guptil Law Firm	170.00	Court Appointed Attorney Fees
COURT ADMINISTRATOR	McKinnis & Doom PA	59.50	Court Appt Attorney Fees
COURT ADMINISTRATOR	McKinnis & Doom PA	59.50	Court Appt Attorney Fees
COURT ADMINISTRATOR	McKinnis & Doom PA	212.00	Court Appt Attorney Fees
COURT ADMINISTRATOR	McKinnis & Doom PA	272.00	Court Appt Attorney Fees
COURT ADMINISTRATOR	Mora Psychological Service, PLLC	2,400.00	Doctor Fees for Rule 20.01 & 20.02 Evaluation
		3,173.00	
ECONOMIC DEVELOPMENT	Black, Ivan	225.00	EDA Per Diem
ECONOMIC DEVELOPMENT	Central Lakes College Business & Industry Center	1,000.00	3rd Annual Contribution to SBDC

ECONOMIC DEVELOPMENT	Davis, Wayne	275.00	EDA Per Diem
ECONOMIC DEVELOPMENT	Holcomb, Lisa	325.00	EDA Per Diem
ECONOMIC DEVELOPMENT	JCF Properties LLC	2,100.00	2020 Tax Rebate 22.08134.00 4 of 10
ECONOMIC DEVELOPMENT	Johnson, Dan	325.00	EDA Per Diem
ECONOMIC DEVELOPMENT	Ness, Lonnie	175.00	EDA Per Diem
ECONOMIC DEVELOPMENT	Treiber, Sara	275.00	EDA Per Diem
ECONOMIC DEVELOPMENT	Tvedt, Jerry	200.00	EDA Per Diem
		4,900.00	
ELECTIONS	Election Systems & Software Inc.	7,702.03	G2020 Ballot Programming
		7,702.03	
ENVIRONMENTAL SERVICES	Carda, Eugene	110.91	BOA Per Diem & Mileage
ENVIRONMENTAL SERVICES	Kanabec County Highway Dept	203.82	Fuel, Postage, Repairs
ENVIRONMENTAL SERVICES	Kanabec Publications Inc	31.24	Public Notice BOA
ENVIRONMENTAL SERVICES	Kanabec SWCD	126.00	2020 Plat Books - 6 @ \$21 each
ENVIRONMENTAL SERVICES	MN Dept. of Agriculture	10.00	Pesticide License Renewal - Mike Curry/Highway
ENVIRONMENTAL SERVICES	O'Brien, Pat	119.16	BOA Per Diem & Mileage
ENVIRONMENTAL SERVICES	Sawatzky, Fred	97.59	BOA Per Diem & Mileage
ENVIRONMENTAL SERVICES	Sunshine Printing	76.15	Mail Envelopes
		774.87	
HIGHWAY	MN Counties Insurance Trust	550.00	2019 WC Audit Adj
		550.00	
HUMAN RESOURCES	American DataBank	74.60	New Employee Background Studies
HUMAN RESOURCES	ECM Publishers	121.50	Appraiser Employment Ad
HUMAN RESOURCES	Kanabec Publications Inc	51.25	Appraiser Employment Ad
HUMAN RESOURCES	MN Counties Insurance Trust	5,391.00	2019 WC Audit Adj
HUMAN RESOURCES	YourMembership.com, Inc	149.00	Post Certified Appraiser on MAAO Website
		5,787.35	
INFORMATION SYSTEMS	CW Technology	4,600.00	Labor Invoice
INFORMATION SYSTEMS	Marco Technologies, LLC	4,750.00	Labor

INFORMATION SYSTEMS	Marco	<u>3,186.68</u> 12,536.68	Phone Lease
PROBATION & JUVENILE PLACEMENT	Minnesota Monitoring, Inc.	<u>152.00</u> 152.00	REAM GRANT November 2020
WELFARE	MN Counties Insurance Trust	<u>(278.00)</u> (278.00)	2019 WC Audit Adj
PUBLIC TRANSPORTATION	A and E Cleaning Services	475.00	Office Cleaning
PUBLIC TRANSPORTATION	Curtis, Michael	353.96	Volunteer Driver
PUBLIC TRANSPORTATION	Glen's Tire	80.88	Bus Repairs & Oil Changes
PUBLIC TRANSPORTATION	Hoefert, Robert	928.63	Volunteer Driver
PUBLIC TRANSPORTATION	Kanabec Publications Inc	641.00	Advertising
PUBLIC TRANSPORTATION	MN Counties Insurance Trust	(2,801.00)	2019 WC Audit Adj
PUBLIC TRANSPORTATION	Manthie, Wendy	553.15	Volunteer Driver
PUBLIC TRANSPORTATION	Marco	134.68	Printer Contracts
PUBLIC TRANSPORTATION	Nelson, Jerald	332.93	Volunteer Driver
PUBLIC TRANSPORTATION	Nelson, Ronette	259.90	Volunteer Driver
PUBLIC TRANSPORTATION	Quality Disposal Systems	24.15	November Service
PUBLIC TRANSPORTATION	Visser, Maurice	748.67	Volunteer Driver
PUBLIC TRANSPORTATION	Zamora, Ray	<u>713.58</u> 2,445.53	Volunteer Driver
SANITATION	East Central Solid Waste Commission	<u>479.02</u> 479.02	Kanabec County Hwy Dept MSW & Recycle
SHERIFF	Auto Value	19.98	Headlight
SHERIFF	CW Technology	1,670.00	Server for Sheriff's Office
SHERIFF	Glen's Tire	43.50	Flat Repair
SHERIFF	Marco	354.42	Annual Contract
SHERIFF	O'Reilly Auto Parts	60.78	Wipers
SHERIFF	Streicher's	1,708.00	Helmet, Baton, Gas Mask, Canister
SHERIFF	UPS	11.52	UPS

		3,868.20	
SHERIFF - CITY OF MORA	Braham Motor Service Inc	100.00	Coolant Leak, Replaced Pump
		100.00	
SHERIFF - JAIL/DISPATCH	Advanced Correctional Healthcare	17,144.55	On-Site Medical Services
SHERIFF - JAIL/DISPATCH	Auto Value	7.99	Belts
SHERIFF - JAIL/DISPATCH	Eric Hanson Consulting	4,853.33	Building Control Services
SHERIFF - JAIL/DISPATCH	FBG Service Corporation	584.80	November 2020 Cleaning
SHERIFF - JAIL/DISPATCH	Handyman's Inc	319.48	Filters
SHERIFF - JAIL/DISPATCH	Marco	274.47	Annual Contracts
SHERIFF - JAIL/DISPATCH	Quality Disposal Systems	199.35	November Service
SHERIFF - JAIL/DISPATCH	Stellar Services	214.96	Canteen
SHERIFF - JAIL/DISPATCH	Stevens, Joel	26.31	Board Background for Fingerprints
SHERIFF - JAIL/DISPATCH	Summit Food Service Management	3,728.50	Inmate Meals
SHERIFF - JAIL/DISPATCH	Summit Companies	201.50	Semi Annual Wet Chemical Maintenance
		27,555.24	
SHERIFF - RESERVES	Tinker & Larson Inc	51.75	Oil Change
		51.75	
UNALLOCATED	Clifton Larson Allen LLP	4,213.00	FY2020 Audit Services
UNALLOCATED	Kanabec Publications Inc	1,208.33	Minutes, Legal Notices
UNALLOCATED	Quadient Finance USA, Inc	4,010.00	Postage - PSB & Courthouse
UNALLOCATED	Rupp, Anderson, Squires & Waldspurgen, PA	1,195.02	Legal Services, Land Sales
		10,626.35	
VETERAN SERVICES	MACVSO	250.00	2021 Annual Membership/Conference Pre-reg
VETERAN SERVICES	MNCVSO Assistants & Secretaries Assoc.	50.00	2021 Membership Dues
VETERAN SERVICES	NACVSO	50.00	NACVSO Membership 2021
		350.00	
105 Claims Totaling:		122,437.15	

Agenda Item #3b
Regular Bills - Road & Bridge
Bills to be approved: 12/15/20

Vendor	Amount	Purpose
Ace	205.23	Shop Supplies
Aramark	491.69	Uniforms & Services
Auto Value	2,145.94	Repair Parts
Beaudry	11,440.40	Diesel
Central Pension Fund	309.70	CPF Training Center Fee
Central McGowan	36.98	Welding Supplies
Dooley, Mark	300.00	Uniform Allowance
Dultmeier Sales	38.08	Repair Parts
Federated Co-ops	160.56	Oil
Frisch, Nick	49.98	Uniform Allowance
Glens Tire	102.50	Tire Repairs, Disposal, Service Call
Gopher State One-Call	12.15	Locates
Grainger	48.00	Repair Parts
Granite Electronics	684.75	Fix shop speakers for two way
Kanabec County - Petty Cash	60.00	Postage
Kwik Trip	20.66	Fuel
Marco	296.29	Printer Contract
Novus Glass	250.00	Windshield Repair
Nuss Truck Equipment	131.16	Repair Parts
Office Depot	109.53	Office Supplies
Owens Auto Parts	203.66	Repair Parts
Pomp's Tire Service	2,586.08	Tire Order
Power Plan	1,116.21	Repair Parts
Quality Disposal	164.25	Garbage Pickup
Schiferli, Kevin	86.87	Uniform Allowance
Scott's Lawn & Landscapes	797.20	Lawn Care for County
Towmaster	633.53	Repair Parts
Trueman Welters	197.38	Repair Parts
USIC Locating Serices	180.00	Locates

29

Claims Totaling: 22,858.78

Agenda Item #3c

Regular Bills - COVID & CARES Act Claims

Bills to be approved: 12/15/20

Department/Fund	Vendor	Amount	Purpose
CARES Act COVID-19 Grant	Blue Star Graphics	300.00	030 8X24 COVID Posters
CARES Act COVID-19 Grant	Kanabec Publications	2,888.00	COVID Advertising: Crusader Man, Social Dist, Mask Up
CARES Act COVID-19 Grant	Lighthouse Child & Family Services LLC	400.00	Staff Therapy Sessions
		3,588.00	
COVID-19 Grant - Building Maintenance	Ace Hardware	47.00	Plexiglass
		47.00	
COVID-19 Grant - Elections	IT Savvy LLC	79.14	Bar Scanner
		79.14	
COVID-19 Grant - IS	IT SAVVY LLC	1,623.94	Laptops
COVID-19 Grant - IS	Marco Technologies, LLC	1,393.00	Labor
COVID-19 Grant - IS	Marco Technologies, LLC	505.23	Labor
		3,522.17	
8 Claims Totaling:		<u>\$7,236.31</u>	

Agenda Item #4

December 15, 2020

REQUEST FOR BOARD ACTION

a. Subject: SCORE Claims - October	b. Originating Department: County Coordinator
c. Estimated time: 2 minutes	d. Presenter(s): None

f. Board action requested:

Resolution #__ – 12/15/20

SCORE CLAIMS

WHEREAS the board has been presented with claims for recycling efforts to be paid from SCORE Funds, and

WHEREAS these claims have been reviewed, tabulated and approved by the Kanabec County Solid Waste Officer, and

WHEREAS SCORE Funds appear adequate for the purpose;

BE IT RESOLVED to approve payment of the following claims on SCORE Funds:

Waste Management	\$5,001.38
Quality Disposal	\$3,688.60
Arthur Township	\$400.00
Total	\$9,089.98

g. Background:

Provider	Billed	Paid Amount
QUALITY DISPOSAL (October)	\$3,288.60	\$3,288.60
WASTE MANAGEMENT (October)	\$5,001.38	\$5,001.38
Sub-Total	\$8,289.98	\$8,289.98
Recycling Center Incentive Payments:		
Quality Disposal (October)	\$400.00	\$400.00
Arthur Township (October)	\$400.00	\$400.00
TOTAL PAYMENTS =		\$9,089.98

Date received in County Coordinators Office: Various dates in November & December

January 1, 2020 SCORE Fund balance = \$136,476.22

Revenue: 01-391-392-0000-5332 =

Expenditure: 01-391-392-0000-6211 = \$76,512.93

Current SCORE Funds balance is = \$59,963.29

Agenda Item #5

December 15, 2020

REQUEST FOR BOARD ACTION

a. Subject: Maximum Levy and Final Budget for 2021	b. Origination: Coordinator's Office
c. Estimated time: 10 mins	d. Presenter(s): Kris McNally, Coordinator

e. Board action requested:

Discuss and resolve to adopt the 2021 Maximum Levy and Final Budget.

f. Background:

Supporting Documents: None Attached: 

Date Received in County Coordinator's Office:	
--	--

Coordinators Comments:

Attachments are:

1. The Resolution for the 2021 Maximum Levy and Final Budget; and
2. The 2021 Budget Detail with revisions of 11/18/20

Attachment #1:

Resolution to set the Maximum Levy and Final Budget for 2021

BE IT RESOLVED by the Kanabec County Board of Commissioners that the following proposed year 2021 maximum levy and final budget be adopted:

FUND	2021 FINAL BUDGET	2021 MAXIMUM LEVY
<i>a.</i> Revenue Fund	14,289,626	7,068,068
<i>b.</i> Family Services (Welfare) Fund	6,219,694	2,258,822
<i>c.</i> Community Health	3,106,222	388,459
<i>d.</i> Road & Bridge Fund	9,590,006	2,083,361
<i>e.</i> Railroad Authority Fund	1,017	917
<i>f.</i> Debt Service – Tax Capacity based (<i>not including market value levy</i>) “ <i>Building Fund</i> ”	1,040,524	855,284
<i>g.</i> SUB-TOTALS (<i>total of a. through f.</i>)	34,400,289	12,654,911
i. + Debt Service For Market Based Referendum Levy		\$178,740
ii. + EDA Levy		\$150,000
j. TOTAL PRELIMINARY PAYABLE Y2021 LEVY (total= <i>f+i+ii</i>)		\$12,983,651


BE IT FURTHER RESOLVED that \$855,284 of the debt service tax capacity based and all of the market value based of \$178,740 are dedicated to debt service.

BE IT FURTHER RESOLVED that the budget reflects revenue of **\$1,191,242** in County Program Aid.

M. Kathi Ellis-Board Chair

Kris McNally- Board Clerk

Attachment #2: 2021 Proposed Budget Detail with Revisions

 2020 BUDGET SUMMARY	2020 Net Budgets	2021 Expend	2021 Receipts	2021 from Fund Balance	2021 Net Budget
Assessor	\$ 468,228	\$ 583,286	\$ 93,450		\$ 489,836
Attorney	\$ 554,714	\$ 750,418	\$ 171,900	\$ -	\$ 578,518
Auditor/Treasurer					
Office	\$ 538,930	\$ 609,911	\$ 48,500		\$ 561,411
Elections	\$ 103,000	\$ 71,640	\$ -		\$ 71,640
Mainframe Expenses	\$ 88,626	\$ 137,582	\$ 52,240	\$ -	\$ 85,342
Auditor/Treasurer Total	\$ 749,120				\$ 718,393
Commissioners	\$ 190,385	\$ 188,509	\$ 5,000		\$ 183,509
Coordinator	\$ 441,009	\$ 636,971	\$ 86,850	\$ 95,000	\$ 455,121
Court Administrator	\$ 34,500	\$ 37,500	\$ -	\$ -	\$ 37,500
Law Library	\$ (3,000)	\$ 9,000	\$ 12,000	\$ -	\$ (3,000)
Culture & Recreation	\$ 8,750	\$ 8,750	\$ -	\$ -	\$ 8,750
E Central Reg Library	\$ 163,989	\$ 161,681	\$ -		\$ 161,681
Extension	\$ 84,986	\$ 85,161	\$ -		\$ 85,161
Information Systems	\$ 398,586	\$ 460,508	\$ 50,592		\$ 409,916
Probation					
Office	\$ 367,738	\$ 548,162	\$ 178,767		\$ 369,395
Probation Fees	\$ -	\$ 13,000	\$ 13,000		\$ -
Probation Total	\$ 367,738	\$ 561,162	\$ 191,767		\$ 369,395
Public Works					
Building Maintenance	\$ 635,934	\$ 660,594	\$ 57,038	\$ -	\$ 603,556
Environmental Services					
Office		\$ 270,641	\$ 102,218	\$ 62,800	\$ 105,623
Water Plan		\$ 15,071	\$ 15,071		\$ -
Wetlands		\$ 25,103	\$ 25,103		\$ -
Shorelands		\$ 4,090	\$ 4,090		\$ -
ISTS		\$ 18,600	\$ 18,600		\$ -
Env. Services Total	\$ 109,146				\$ 105,623
Sanitation	\$ -	\$ 127,423	\$ 87,115	\$ 40,308	\$ -
Surveyor	\$ -	\$ 17,500	\$ -	\$ 10,000	\$ 7,500
Public Works Total	\$ 752,580				
Recorder	\$ 52,347	\$ 228,833	\$ 173,100	\$ 16,200	\$ 39,533
Sheriff					
Law Enforcement	\$ 1,598,382	\$ 2,644,522	\$ 1,023,427		\$ 1,621,095
Boat & Water	\$ 3,100	\$ 4,463	\$ 4,463	\$ -	\$ -
Snowmobile		\$ 4,410	\$ 4,410	\$ -	\$ -
ATV		\$ 3,154	\$ 3,154	\$ -	\$ -
Reserves		\$ 8,000	\$ 8,000	\$ -	\$ -
Coroner	\$ 40,000	\$ 40,000	\$ -	\$ -	\$ 40,000
Emergency Mgmt	\$ 17,056	\$ 34,112	\$ 17,056	\$ -	\$ 17,056
Jail/Dispatch.	\$ 3,023,543	\$ 3,486,719	\$ 434,056	\$ -	\$ 3,052,663
E-911 System		\$ 125,100	\$ 89,238	\$ 35,862	\$ -
Sheriff's Total	\$ 4,682,018				\$ 4,730,814
Transit	\$ (2,742)	\$ 1,112,101	\$ 1,112,101	\$ -	\$ (0)
Unallocated	\$ (2,549,163)	\$ 472,159	\$ 2,863,082	\$ -	\$ (2,390,923)
Veteran's Services	\$ 103,783	\$ 123,790	\$ 13,000	\$ 3,000	\$ 107,790
Revenue Fund Totals	\$ 6,479,328	\$ 14,289,626	\$ 6,958,388	\$ 263,170	\$ 7,068,068
Road & Bridge Fund	\$ 2,348,552	\$ 9,590,006	\$ 7,406,645	\$ 100,000	\$ 2,083,361
Family Services Fund	\$ 2,265,748	\$ 6,219,694	\$ 3,960,872		\$ 2,258,822
Community Health Fund	\$ 339,657	\$ 3,106,222	\$ 2,717,763		\$ 388,459
EDA Fund	\$ 147,996	\$ 153,200	\$ 3,200		\$ 150,000
Railroad Authority	\$ 1,429	\$ 1,017	\$ 100		\$ 917
Bond Fund	\$ 1,029,739	\$ 1,040,524	\$ 6,500		\$ 1,034,024
Net Levy 2020:	\$ 12,612,449	\$ 34,400,289	\$ 21,053,468	\$ 363,170	\$ 12,983,651
				NET LEVY 2021=	12,983,651
2019 CPA = \$1,098,443				REVISION DATE:	11/18/20
2020 CPA = \$1,194,206					
2021 CPA = \$1,191,242		Current % =	2.94%		

Agenda Item #6

December 15, 2020

REQUEST FOR BOARD ACTION

a. Subject: Withdrawal from the Minnesota Merit System	b. Originating Department/Organization/Person: Coordinator's Office
c. Estimated time: 10 Minutes	d. Presenter(s): Kris McNally

e. Board action requested:

Family Services Director Chuck Hurd has presented rationale for withdrawing from the Minnesota Merit System. There are several steps and requirements for this withdrawal process.

Most of the components of the county's formal personnel administration system are already in place as a result of the policies implemented by the Board in 1995, however the following items are additional items required by DHS for successful withdrawal from the Merit System, therefore we are requesting approval of these respective items:

- a) Political Activity Policy (compliance with the Hatch Act)
- b) Employee Training & Development Policy
- c) Merit System Certification

f. Background:

Financial Impact:

The total cost to operate the merit system is approximately \$900,000 per year. The costs are charged back to the membership using a formula that distributes one-third of the cost equally to each jurisdiction using a "base cost" per agency, and two-thirds of the cost per capita based on the number of employees each jurisdiction has which are covered by the merit system.

Currently, the merit system serves 59 social services organizations with 4,000 employees. Six entities representing 1,000 employees (nearly 25%) are on track to leave on January 1, 2021. This reduction in participation has the immediate effect of increasing the cost for the remaining entities. For 2020 Kanabec County paid approximately \$11,536 to the merit system. For 2021 that cost is projected to increase to \$14,456.

Supporting Documents: None: **Attached:** ☒

Date received in County Coordinators Office:

Coordinators Comments:

Kanabec County Political Activity Policy

A. GENERAL

This policy is intended to assure the continued delivery of services to the public without undue delay. It is not intended to discourage or hinder an employee from seeking elective office.

B. POLITICAL ACTIVITY

An employee may run for political office or be appointed to a board, commission, task force, or committee as long as such appointment or election does not interfere with the employee's normal duties or present a conflict of interest.

Any employee seeking public office must notify the department head and the Personnel Director in writing by the next business day after filing for candidacy so that a determination by the Personnel Board of Appeals can be made as to whether the position that the employee occupies with the County would be in conflict with the candidacy for the public office the employee is seeking. If the employee fails to provide proper notification of her/his candidacy, the Personnel Director shall call a special meeting of the Personnel Board of Appeals for determination of any conflict of interest.

Employees elected or appointed to any one of the following offices shall either resign employment with the County or request a leave of absence (pursuant to MN Statute 3.088) without pay:

- a. County Board, Commission, Committee, or Human Services Board
- b. State Office
- c. Federal Office
- d. Any office which is considered full time

Employees in positions funded wholly by federal funds are prohibited from running for partisan office, in accordance with the Hatch Act, 5 U.S. C. § 1501. Upon election, the employee shall immediately notify the department head and the Personnel Director in writing. If it is determined that the office qualifies as any of the above or the duties of elective office conflict with the proper discharge of county responsibilities, the employee will be granted a leave of absence or will be required to resign from public employment. This determination shall be made by the Personnel Board of Appeals upon a called special meeting. Any non-elected department head or employee seeking public office must nevertheless devote full-time energies to normal County employment and cannot campaign during normal work hours.

C. PROHIBITIONS

The following activity is strictly prohibited by county employees while in county buildings during

work hours or while serving in capacity as a county employee; and such activity is cause for disciplinary action up to and including discharge. This section complies with MN Statute 211B.09.

- a. Using official authority or position to compel any employee to:
 - 1. Apply for or become a member of any organization
 - 2. Make or promise to make a contribution to any candidacy or organization;
 - or
 - 3. Take part in any political activity.
- b. Using official authority, position or influence for the purpose of interfering with, or affecting the result of an election or nomination for office.
- c. Soliciting or receiving funds for a political contribution.
- d. Distributing or placing campaign materials at locations within County facilities that are not authorized by the County Board.
- e. Wearing campaign buttons or other campaign regalia.
- f. Openly endorsing candidates for County offices and/or campaigning for a candidate for county office.
- g. No employee whose principal employment is in connection with an activity financed, in whole or in part, by a Federal agency may run for partisan office without first being granted a personal leave without pay.

Kanabec County Employee Training and Development Policy

A. GENERAL

The County shall conduct programs and ensure that learning opportunities are available to meet the mandatory training and development needs of county employees; offer learning opportunities to support County objectives; and encourage employee participation in formal educational pursuits that enhance job performance for increased responsibility.

B. IN-SERVICE TRAINING

County management shall be responsible for determining training needs and program recommendations to the County Board. Whenever possible, programs will be coordinated between departments or other organizations to maximize training staff and facilities. Required annual safety training will be provided by the County to all county employees.

C. CONFERENCES, SEMINARS, AND WORKSHOPS

Attendance at job-related conferences, workshops or seminars must receive approval of the department head. Traveling to out-of-State conferences, workshops or seminars require approval of the County board.

D. INDIVIDUAL LEVEL TRAINING

Development goals or performance issues identified at the individual level may be addressed through specific, targeted training at the recommendation of the department head and/or upon request of the employee.

CERTIFICATION REVIEW

CLASSIFICATION AND COMPENSATION

1. Have job analyses been done to develop class specifications?

Yes, in 2016 by MRA/Truesight, a municipal advisory company. Implemented in 2017. All positions were evaluated and classified under the Truesight Job Evaluation System (attached).

2. What is your plan for reviewing job classes and how often?

Job classes will be reviewed once every three years or as needed. Department heads may request a review if they believe the job conditions have changed significantly enough to warrant review. Employees may request a review by submitting an updated job description to their immediate supervisor along with supporting information as to how the job duties have changed.

3. What is the process involved in establishing new classifications?

Human Resources and the supervisor/department head will work together to establish a job description. The job description will then be evaluated using the Truesight Job Evaluation System (see question #1). Compensation for the position is based on the job grade assigned. The request for a new classification will be forwarded to the County Board for final approval.

4. Who conducts classification reviews?

The Department Heads, HR Specialist, and Personnel Manager. The County Board is responsible for final approval.

5. Who determines proper classification of positions?

MRA/Truesight makes the recommendation and the County Board is responsible for final approval.

6. What methodology is used in arriving at classification decisions?

The County seeks to ensure the appropriate relationship among positions within the county. Position classifications are established and maintained by using MRA/Truesight Job Evaluation System. The basis for this system is an arrangement of job groupings predicated on Characteristics of Work. A series of job factors are then applied to the work characteristics in order to determine a numerical value for each position. The system ensures that each element of job responsibility and each work characteristic is given proper consideration. The total of points assigned represents the rank of position in relation to all other positions within the organization.

7. Is there a process for appealing classification decisions?

Yes

"Within 30 days after notification of the Board's approval or disapproval of the consultant's recommended evaluation any affected employee or the department head may appeal to the Board for reconsideration of the evaluation of the job by making a written request detailing the basis of the request and submitting it to the Personnel

Director. The Personnel Director will review and comment on the appeal and submit it to the County Board for action.”

Decisions relating to the classification system and the grading of positions are not subject to any grievance process.

If not in your Personnel Rules, please explain.

8. Are there individual position descriptions for every job?

Yes.

If no, please explain.

9. For what purposes will you use your classification system?

To ensure a consistent and equitable method of evaluating jobs and determining compensation. The County seeks to ensure the appropriate relationship among positions within the county and to remain in compliance with the Local Government Pay Equity Act.

10. Briefly describe how you set salaries.

Salaries are based upon pay grades as established in our job classification system. For non-union positions, the county’s pay scale is reviewed annually by the County Board.

Union positions are also based upon pay grades as established in our job classification system and in accordance with the respective collective bargaining agreement.

11. How do you assure that salaries are competitive with similar jobs in other public agencies and with similar jobs in the private sector?

A full market study based on public and private industry data was conducted in 2016 resulting in the adoption of a new classification system with updated pay scales. We also use peer group salary comparisons with counties similar in location, size and services provided. Future market studies will be completed as needed to ensure we remain competitive.

RECRUITMENT, SELECTION, APPOINTMENT

12. Give the name and title of person responsible for recruitment.

Kim Christenson, HR Specialist

13. Are there any jobs for which this person will not recruit?

Yes

If so, please describe. Elected positions

14. Briefly, describe recruitment process to be used beginning with receipt of

resignation or creation of new job:

Human Resources office shall be notified when a replacement vacancy exists or when there is a desire to fill a newly created position and the position has been approved and budgeted for by the County Board of Commissioners. The department head/supervisor shall work with the Human Resources office in the review and development of a job description. If necessary, the new/revised description will be classified and graded in the manner prescribed in the job classification sections listed above. The request will be presented to the County Board for final approval.

If approved, Human Resources will create a posting and advertise for the position.

15. **Will all jobs be posted?**

All permanent positions will be posted. However, temporary positions may be filled without posting.

If not, please describe.

16. **How long is your posting period?**

Internal (only)- One week
External- Two weeks

17. **Where do you post vacancy notices?**

County website, bulletin boards at each County location, local newspapers, workforce center, AMC, regional technical schools and colleges when applicable, department affiliations when applicable.

18. **What specific plans does your agency have for recruiting minorities, women, disabled and other unrepresented groups?**

The County notes it's Equal Employment Opportunity status on all job postings and specifically advertises vacancies in areas to increase application by under-represented groups.

19. **Percent of appointments to be from open competitive lists.**

Unpredictable

Percent of appointments to be from promotional lists. Unpredictable

Most postings are internal and external

20. **Do you have any people employed on contractual agreement?** No

If so, please give name, circumstances and length of contract

21. **What time limit do you have on provisional or other non-status appointments?**

N/A

Extensions? N/A

21. **Will all eligible candidates referred be contacted?** Yes

Be interviewed? This will depend on qualifications and experience

By whom? Department Head or designee.

If no, please explain.

23. **Give the name and title of the person responsible for supervising your examining program.**

We will not have a formal examination process.

What are the credentials (training and experience) of this person? N/A

24. **Give the name(s) and title(s) of the person(s) responsible for developing your examination processes.** N/A

What are the credentials (training and experience) of the person(s)? N/A

25. **Is the person who is responsible for testing program acquainted with the "Uniform Guidelines on Employee Selection" and APA Testing Guidelines?** N/A

What are your plans for validity studies? N/A

26. **How will you go about developing job-related examinations?**

We do not plan to use examinations for our positions. We will apply our standard recruitment policies and procedures.

27. **Have job analyses been done for selection purposes?**

(If so, please attach copies of the job analysis documentation.)

When? 2016

For which jobs? All, as part of a countywide classification process.

28. Do you plan on establishing minimum requirements of education and experience?

Yes

If yes, please elaborate on how these requirements will be established.

These were established as part of the countywide classification project done in 2016

29. Describe the types of tests you will use

Test will not be administered in every instance. However, as applicable, the selection process may consist of one or any combination of the following methods: ability tests, achievement tests, performance tests, rating(s) of experience and training, oral tests, evaluation of daily work performance, physical agility tests, work samples, and/or other acceptable selection techniques. Any method(s) chosen shall evaluate only those criteria necessary to perform adequately in the position. Testing will be developed by County management personnel or their designees.

Please attach a sheet outlining what the exam processes will be for each classification in your county. See above.

30. What is the source of written test questions -- in other words, where are you going to obtain exam items? N/A

31. What use will be made of outside vendors? N/A

32. Who will administer the exams? N/A

33. How will you assure the security of your exams? N/A

34. How will passing points on exams be determined? N/A

35. Do you have a process for establishment of eligible registers? No

For certification of eligibles? No

What will be the duration of registers? N/A

36. Will promotional exams be given to fill vacancies? No

37. Will past performance be considered in making promotion decisions?

Yes

38. How will employees be informed of promotional opportunities?

We post all open positions internally on bulletin boards

39. **Is there a process for appealing?**

Test results: We will not have a formal testing program.

Promotion decisions: Labor contracts address promotion procedures for employees covered under CBAs.

How will you inform applicants of the right to appeal? Labor contracts contain provisions for filing grievances.

Please attach a copy of your policies and procedures for handling exam appeals.
N/A

TRAINING AND DEVELOPMENT

40. **Do you have a policy on training?**

Yes.

41. **Is it in your Personnel Rules and Regulations?**

No

If not, please attach a copy.

42. **Who has administrative responsibility for employee development and training programs?** Safety Coordinator, HR Specialist, Personnel Director, Department Heads

43. **Are records kept on the training provided?**

Yes

44. **Are there training records for each employee?**

Yes

Who approves training requests?

Supervisor/Department Head

If out of state, the request goes to the Board of Commissioners

Who decides what type of training an employee shall receive?

Employee, Supervisor/Department Head, Safety Coordinator, Personnel Director

LAYOFF, SEPARATIONS AND EMPLOYEE EVALUATIONS

45. **Do you have a formal procedure for layoffs?**

Yes

For dismissals?

Yes

If these are not in your Personnel Rules, please explain. These are defined in the Collective Bargaining Agreements.

46. **Do you have an appeal procedure for dismissals?**

The dispute resolution process is in the Personnel Policy and grievance process outlined in the Collective Bargaining Agreements.

If not in your Personnel Rules, please explain

47. **Do you have a formal performance appraisal process**

Yes

48. **How often do you require written performance appraisals from supervisors?**

Annually. May occur more frequently during probationary period.

49. **Do employees participate in their own performance appraisal process?**

Yes

50. **For what purposes will you use performance evaluations?**

To establish recommended pay raises, provide a formal avenue for performance feedback, establish goals and formally document overall performance, aid in future training needs, promotion, and as evidence in contested disciplinary actions.

51. **Can employees grieve their performance appraisals?**

No, however, they can supply documentation to be attached to their performance appraisal to ask for reconsideration.

If so, to whom?

52. **Have supervisors developed job standards upon which employees will be evaluated?**

A standard evaluation form is used countywide.

EQUAL EMPLOYMENT OPPORTUNITY/AFFIRMATIVE ACTION

53. **Do your personnel rules include prohibitions against discrimination?**

Yes.

54. **Have you conducted a work force analysis?**

Yes

55. **Give the name and classification title of the person primarily responsible for EEO and AA programs operation.**

Kim Christenson, HR Specialist

56. **Who is responsible for ensuring compliance with the Americans With Disabilities Act (ADA) and the Americans With Disabilities Act Amendments Act (ADAAA)?**

Kris McNally, Personnel Director

Chad Gramentz, Safety Director

(Please attach a copy of policies related to this area, such as your policy on reasonable accommodation.) (add copy of P-109)

57. **Do you have a written affirmative action policy and plan which provides for goals and time-tables and periodic evaluation of results?**

No, the County is not legally required to have an Affirmative Action Policy and Plan.

58. **Will you collect and analyze applicant data?**

No

59. **Will your analysis identify incidents of "adverse impact"?**

N/A

60. **How do you plan on remedying/dealing with adverse impact?**

If adverse impact is identified through a complaint or request for appeal, we will assess the process used and alter processes that resulted in adverse impact.

61. **Do you have an AA/EEO complaint/grievance process?**

Yes

EMPLOYEE - EMPLOYER RELATIONS

62. **What percentage of your employees are organized?**

69%

63. **Are any of your managers or supervisors organized and represented by employee associations or unions?**

Yes

If yes, what percent? 4%

64. **How many bargaining units do you have?** **What are the bargaining units?**
- 5 Bargaining Units:
 Minnesota Teamsters Public and Law Enforcement Employees' Union, Local 320
 Law Enforcement and Labor Services, Inc., Local 106
 Law Enforcement and Labor Services, Inc., Local 107
 International Union of Operating Engineers, Local 49
 City Employees' Union, Local 363
65. **What department has primary responsibility for:**
- Negotiating contracts:
 Commissioners/Administration/HR
- Administering contracts:
 Department Heads/Administration/HR
- Administering the grievance system:
 Department Heads/Administration/HR/Commissioners
- County Board if the grievance gets to that stage.
66. **Do you have a procedure to ensure that contracts are not in conflict with merit principles?**
 Yes
- If yes, please explain. Review by Administration/HR and labor attorney.
67. **Is there an impartial grievance process for non-organized employees?**
 Not formally stated, but employees may follow the chain of command to the Board of Commissioners personnel committee to grieve or register complaints about the actions of their supervisor or department head, since Kanabec County is a Coordinator structure and the Board of Commissioners supervise the department heads.
- If the complaint is about an alleged Board of Commissioner's arbitrary capricious action the non-organized employees may file an appeal to the Personnel Board of Appeals.
- (If it is not in your personnel rules, please attach a copy.)**
68. **Who are the members of your Personnel Board of Appeals?**
 Linda Holida
 Lianne Heupel
 Leona Dressel
- How are they selected? They submit a letter of interest and are selected for appointment by the County Board based on qualifications

What is the length of their term? 3 years

69. Do you have a written policy on political activity that is consistent with provisions of the Hatch Act? YES, see page 20 of the handbook and full policy is attached.

If this is not in your personnel rules, please attach a copy.

EXEMPT POSITIONS (See Minn. Stat. §375.58 for a definition of excluded positions.)

70. Please list positions you propose to exempt from coverage by your merit system by name of incumbent and his/her classification or job title.

Elected Positions: County Board of Commissioners

PERSONNEL RECORDS

71. **Are individual personnel records maintained for each employee?**
Yes.

If there are exceptions, please explain.

72. **Where are the personnel records kept?**
County Coordinator's Office

73. **Are employees informed that they may review the contents of their personnel record to assure accuracy of information?**
No, we are not required to formally notify them. However, if they ask we will allow it.

How often may they review their files?
Every six months in accordance with statute.

Signature of HR Specialist

Title

Date

Signature of County Administrator/Coordinator

Title

Date

Agenda Item #7a

December 15, 2020

REQUEST FOR BOARD ACTION

a. Subject: Nemeth Orthodontics Lease Agreement for 2021	b. Origination: Coordinator's Office
c. Estimated time: 5 minutes	d. Presenter(s): Kris McNally, Coordinator

e. Board action requested: Approve the following resolution:

Resolution #__ - 12/15/20

WHEREAS the Nemeth Orthodontics currently leases space in the Kanabec County Courthouse Building one day per month, and

WHEREAS the terms of this lease expire on 12/31/2020 and Nemeth Orthodontics desires to renew for 2021,

BE IT RESOLVED that the Kanabec County Commissioners approve a 1 year lease agreement for 2021 for Nemeth Orthodontics and authorize the Board Chair to sign said lease.

f. Background:

Supporting Documents: None

Attached: ☒

Date received in County Coordinators Office:	12/10/20
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Coordinators Comments:



OFFICE OF THE
KANABEC COUNTY COORDINATOR

18 North Vine Street Suite 181

Mora, MN 55051

Telephone: (320) 679-6440

Fax: (320) 679-6441

Lease Agreement

This Agreement ("Agreement") between the County of Kanabec, Minnesota ("County") and Rise, Inc. ("Lessee") is effective January 1, 2020.

The term of this Agreement shall be one (1) year, beginning on January 1, 2020 and ending on December 31, 2020, unless earlier terminated as provided herein.

The leased space is owned by the County and is located at 905 East Forest Avenue, Suite 150, Room 162, Mora, MN 55051. The leased space is described as office space for the purpose of business, and is approximately 100 square feet.

Lessee shall pay rent in the amount of **\$175.00** per month, due on or before the first of each month. The check shall be made payable to the Kanabec County Auditor/Treasurer and delivered to the Kanabec County Coordinator at 18 N. Vine Street, Suite 181, Mora, MN 55051.

The County shall furnish and pay for all utilities not including telephone service. The County will provide telephone service under separate agreement.

Lessee agrees to carry insurance for its property located in the leased space, and is solely responsible for securing and maintaining its own insurance.

Each party agrees that it will be responsible for its own actions and the results thereof to the extent authorized by law and shall not be responsible for the acts of the other party or the results thereof. The County's liability is governed by the provisions of Minn. Stat. Chap. 466 and other applicable laws.

Any and all employees of Lessee shall be considered employees of Lessee only, and not of the County, and that any and all claims that may or might arise under the Workers' Compensation Act of the State of Minnesota on behalf of said employees while so engaged and any and all claims made by any third parties as a consequence of any act or omission on the part of said employees which so engaged on any of the work or services provided to be rendered herein shall be the sole obligation and responsibility of Lessee.

The tenant will pay for any damages or alterations done to premises. Any alterations to the leased space must be pre-approved and in writing before starting. Premises and fixtures shall be

in as good a condition as when tenant took possession except for normal wear. Tenants shall keep grounds and premises clean and free of all trash and litter.

Termination of the Agreement in its entirety requires a minimum of thirty (30) days prior notice. Notice shall be dated and provided in writing to the parties listed below as the contacts for this Agreement as follows:

Contact Name: Mike Harper
Rise Incorporated
8406 Sunset Road NE
Spring Lake Park, MN 55432
Phone: 763-783-2817
Fax: 763-783-0008
e-mail: Mharper@rise.org

Contact Name: Kris McNally
Kanabec County
18 N Vine Street, Suite 181
Mora, MN 55051
Phone: 320-679-6440
Fax: 320-679-6441
email: kris.mcnally@co.kanabec.mn.us

| **IN WITNESS WHEREOF**, the parties by their respective authorized agents or officers have executed this Agreement.

COUNTY OF KANABEC

RISE, INC.

DATE _____

DATE _____

BY _____
Chair, County Board of Commissioners

BY _____
Tim Dickie, Vice President

AN EQUAL OPPORTUNITY EMPLOYER

Agenda Item #7b

December 15, 2020

REQUEST FOR BOARD ACTION

a. Subject: Rise Lease Agreement for 2021	b. Origination: Coordinator's Office
c. Estimated time: 5 minutes	d. Presenter(s): Kris McNally, Coordinator

e. Board action requested: Approve the following resolution:

Resolution #__ - 12/15/20

WHEREAS the Rise, Incorporated utilizes space and administrative support assets in the Public Services Building, and

WHEREAS the terms of this lease expire on 12/31/2020 and Rise, Incorporated desires to renew for 2021,

BE IT RESOLVED that the Kanabec County Commissioners approve a 1 year lease agreement for 2021 for Rise, Inc. and authorize the Board Chair to sign said lease.

f. Background:

Supporting Documents: None

Attached: ☒

Date received in County Coordinators Office:	12/10/20
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Coordinators Comments:



OFFICE OF THE
KANABEC COUNTY COORDINATOR

18 North Vine Street Suite 181

Mora, MN 55051

Telephone: (320) 679-6440

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Lessee shall pay rent in the amount of **\$175.00** per month, due on or before the first of each month. The check shall be made payable to the Kanabec County Auditor/Treasurer and delivered to the Kanabec County Coordinator at 18 N. Vine Street, Suite 181, Mora, MN 55051.

The County shall furnish and pay for all utilities not including telephone service. The County will provide telephone service under separate agreement.

Lessee agrees to carry insurance for its property located in the leased space, and is solely responsible for securing and maintaining its own insurance.

Each party agrees that it will be responsible for its own actions and the results thereof to the extent authorized by law and shall not be responsible for the acts of the other party or the results thereof. The County's liability is governed by the provisions of Minn. Stat. Chap. 466 and other applicable laws.

Any and all employees of Lessee shall be considered employees of Lessee only, and not of the County, and that any and all claims that may or might arise under the Workers' Compensation Act of the State of Minnesota on behalf of said employees while so engaged and any and all claims made by any third parties as a consequence of any act or omission on the part of said employees which so engaged on any of the work or services provided to be rendered herein shall be the sole obligation and responsibility of Lessee.

The tenant will pay for any damages or alterations done to premises. Any alterations to the leased space must be pre-approved and in writing before starting. Premises and fixtures shall be

in as good a condition as when tenant took possession except for normal wear. Tenants shall keep grounds and premises clean and free of all trash and litter.

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Rise Incorporated
8406 Sunset Road NE
Spring Lake Park, MN 55432
Phone: 763-783-2817
Fax: 763-783-0008
e-mail: Mharper@rise.org

Contact Name: Kris McNally
Kanabec County
18 N Vine Street, Suite 181
Mora, MN 55051
Phone: 320-679-6440
Fax: 320-679-6441
email: kris.mcnally@co.kanabec.mn.us

| **IN WITNESS WHEREOF**, the parties by their respective authorized agents or officers have executed this Agreement.

COUNTY OF KANABEC

RISE, INC.

DATE _____

DATE _____

BY _____
Chair, County Board of Commissioners

BY _____
Tim Dickie, Vice President

AN EQUAL OPPORTUNITY EMPLOYER

Agenda Item #8

December 15, 2020

REQUEST FOR BOARD ACTION

a. Subject: Commissioner Per Diems	b. Origination: Coordinator Office
c. Estimated time: 10 minutes	d. Presenter(s):

e. Board action requested:

Clarify the criteria for Commissioners to accept or not accept per diems for service on committees and boards.

f. Background:

Historical background from the minutes:

1/23/19 - The Board held a discussion regarding Per Diems for County Commissioners. It was decided not to implement Commissioner Per Diems at this time, but to review it later this year as a budget item. Information only, no action was taken.

12/4/19 - Dennis McNally led a discussion regarding per diems for committee meetings. Coordinator Kris McNally was directed to follow up with the Environmental Services Supervisor regarding this matter.

12/18/19 - The Board expressed consensus to change the account number for the Rupp, Anderson, Squires & Waldspurger PA Claim to reflect a disbursement from the unallocated fund, and for the EDA to pay the County Commissioner fund for Kathi Ellis' and Gene Anderson's 2019 per diems.

Resolution #28 – 12/19/18

WHEREAS, the Kanabec County Board of Commissioners passed Resolution #20 on May 10, 2017, setting per diems for attending meetings at \$75.00, and

WHEREAS, the resolution stated that the per diems be paid at \$75.00 until the end of the year;

BE IT RESOLVED, that it was the intent of the County Board that per diems be set at \$75.00 until the County Board takes action to change the per diem.

5/10/17 - Action #20 – It was moved by Dennis McNally, seconded by Kathi Ellis and carried unanimously to pay all committee members a per diem of \$75 per meeting for the rest of the year.

Resolution #53 - 01/05/10

WHEREAS, the Kanabec County Board of Commissioners do not receive a per diem for meetings that they attend for many committees they serve on, and

WHEREAS, some of the committees require a County Commissioner to come back to the committee's facility for additional meetings other than that committee's regular board meeting

NOW THEREFORE BE IT HEREBY RESOLVED by the Kanabec County Board of Commissioners that any time a Kanabec County Board member who sits on these committee's is called back for an additional meeting or purpose (ie, signing checks), said Commissioner is allowed to be paid a per diem by the agency or organization that requires their attendance at said additional meetings.

Resolution 4-6/14/00

BE IT RESOLVED to set the compensation for site inspections by Board of Adjustment members at \$20.00 per diem plus \$10.00 per site inspection, and

BE IT FURTHER RESOLVED that any other meeting of the Board of Adjustment is governed by the normal Kanabec County per diem policy.

Supporting Documents: None ☒ **Attached:**

Date received in County Coordinators Office:

Coordinators Comments:

Agenda Item #9

December 15, 2020

REQUEST FOR BOARD ACTION

a. Subject: Board of Commissioner Operating Guideline Draft	b. Origination: Coordinator Office
c. Estimated time: 10 minutes	d. Presenter(s):

e. Board action requested:

Review the attached draft guidelines. Make recommendations for any needed changes.

f. Background:

Developed by modeling various other counties versions. First review conducted by Chair and Vice Chair.

Supporting Documents: None Attached: ☒

Date received in County Coordinators Office:

Coordinators Comments:

Kanabec County Board of Commissioners



KANABEC
COUNTY

Minnesota

Operating Guidelines 2021

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I. Overview

A. Purpose

The Kanabec County Board of Commissioners is the body charged by law with the management of the affairs of Kanabec County. The County Board operates as a deliberate and legislative assembly, meeting to discuss and determine the direction and policies of the County within the confines of State and Federal law.

The County Board functions within the statutory framework of Minnesota Law. General duties, powers and responsibilities are found in Minnesota Statutes, especially, but not exclusively Chapters 13D, 138, 370, 373, and 375. Minnesota Statutes supersede all bylaws, rules and policies established by the Board.

The Operating Guidelines established by the Kanabec County Board of Commissioners are intended to facilitate the transaction of business by the County Board, County staff and the established committees. The following principals shall guide the County Board in its interpretation and application of the guidelines.

B. Statement of Principles

The Operating Guidelines are designed to produce a procedural balance that considers all principles and articulates a specific process by which those principles interact and work. The rules are representative of the Kanabec County's Mission Statement:

To provide quality services to the citizens of Kanabec County in a cost-effective, courteous and efficient manner.

C. Effective Date

These guidelines shall become effective upon passage by the County Board on _____.

II. Amendments to the Operating Guidelines

Any member of the Kanabec County Board of Commissioners may initiate action to amend the Operating Guidelines. Amendments to the Operating Guidelines may also be initiated by the County Coordinator or County Attorney.

During the organizational meeting (statutorily required), the County Board may amend or suspend the Operating Guidelines by an affirmative vote of the members. Changes to the Operating Guidelines shall be effective immediately upon passage unless otherwise specified.

The statute references included in the text are current as of the adoption of the Operating Guidelines. Any changes in statute or law affecting the guidelines are effective immediately and will be reflected in the next draft of the guidelines.

III. County Board Organization

A. Membership

The County Board of Commissioners consists of five (5) members elected from single-member districts apportioned on the basis of population as provided by law.

B. Commissioner Districts

The boundaries of commissioner districts, including the procedures to follow in the event that redistricting is needed, are established pursuant to Minnesota Statute 375.025.

C. Terms of Office

The term of each Board member is four years, except as otherwise established pursuant to Minnesota Statute 375.03.

D. Vacancy

A vacancy in the office of County Board is filled in one of two ways, pursuant to Minnesota Statute §375.101. A vacancy may be filled at a special election to be held not fewer than 30 nor more than 90 days after the vacancy occurs. The special primary or special election may be held on the same day as a regular primary or regular election but the special election shall be held not fewer than 14 days after the special primary. The person elected at the special election shall take office immediately after receipt of the certificate of election and upon filing the bond and taking the oath of office and shall serve the remainder of the unexpired term.

If the vacancy occurs fewer than 60 days before the general election preceding the end of the term, the vacancy shall be filled by the person elected at the general election for the ensuing term. That person shall take office immediately after receiving the certificate of election, filing the bond and taking the oath of office.

A vacancy may be filled by Board appointment at a regular or special meeting. The appointment shall be evidenced by a resolution entered into the minutes and shall continue until an election is held. All elections to fill vacancies shall be for the unexpired term. If the vacancy occurs before the first day to file affidavits of candidacy for the next county general election and more than two years remain in the unexpired term, a special election shall be held in conjunction with the county general election. The appointed person shall serve until the qualification of the successor elected to fill the unexpired part of the term at that special election. If the vacancy occurs on or after the first day to file affidavits of candidacy for the county general election, or when less than two years remain in the unexpired term, there shall be no special election to fill the vacancy and the appointed person shall serve the remainder of the unexpired term and until a successor is elected and qualifies at the county general election.

E. Officers

The County Board, at its organizational meeting (first Tuesday after the first Monday of each year), elects from its members a Chair and a Vice-Chair. The Chair presides at the County Board meetings, decides on questions of order, and signs all documents requiring signature on the Board's behalf. The Chair's signature, attested to by the County Coordinator, is binding as the signature of the County Board.

The County Board elects from its membership a Vice Chair at the same time and place and in the same manner as provided for the election of the Chair. The Vice Chair performs the duties of the Chair when the Chair is unable to perform those duties.

If the Chair and Vice-Chair are absent from any meeting, the members present shall choose one of their members as temporary Chair, and all documents requiring the signature of

the County Board shall be signed by a majority of it and attested to by the Board Clerk (County Coordinator) (Minnesota Statute §375.13).

F. Compensation

Kanabec County administers County Board compensation in accordance with Minn. Stat. §375.055. County Board members receive as compensation for services an annual salary as set by resolution of the County Board. The salary must be established prior to the end of the preceding year, and is effective January 1 of the new year. The resolution shall contain a statement of the new salary as defined on an annual basis and must be published in the official County newspaper and one other newspaper of the County

G. Indemnification

Kanabec County Board members are protected by the defense and indemnification provisions through Kanabec County's membership in the Minnesota Counties Insurance Trust.

IV. County Board Meetings

A. Regular Meetings

At the annual organizational meeting of the Board, the County Board shall adopt a schedule of regular Board meetings for the upcoming year. The schedule will include the location, date and time of the meetings. During the year the schedule may be amended by vote of the County Board.

Unless otherwise stated, all regular meetings of the County Board will be convened in the Board Room of the Kanabec County Courthouse in Mora, Minnesota. All regular meetings of the County Board are open to the public.

B. Organizational Meeting (sometimes referred to as the Statutory Meeting)

The County Board meets at the Board Room of the Courthouse for the transaction of business on the first Tuesday after the first Monday in January. The County Board transacts organizational business during this meeting, including:

1. Administration of the Oath of Office (if required)
2. Election of officers
3. Appointments of committee, commission and board positions
4. Appointment of voting delegates to AMC
5. Appointments to serve on inter-agency boards
6. Awarding of Official County Newspaper

C. Open Meeting Law

All meetings of the Kanabec County Board of Commissioners and Board Committees are subject to the Open Meeting Law (Minnesota Statute §13D.01, 13D.02, and 13D.021). See below for exception.

D. Closed Meetings

The County Board may hold closed meetings as authorized by MN Stat. §13D.05. Business which may be considered in closed session is in accordance with the attorney/client privilege, to consider strategy for labor negotiations, to review the performance of the department heads, or as otherwise required or permitted by the Minnesota Open Meeting Law.

Before closing a meeting, the Board will state on record the specific grounds permitting the meeting to be closed and describe the subject to be discussed.

E. Special/Emergency Meetings/Work Sessions and Other Meetings

The Kanabec County Board may meet hold a special or emergency meeting if called by the Board Chair or three members of the existing Board.

Special meetings shall be preceded by three days' notice, including a posting of the meeting notice on the Kanabec County website and either (1) a delivered notice to persons who have requested such notice, or (2) publication of the notice in the official newspaper (Minnesota Statute §13D.04). Procedures to schedule a special meeting shall be in accordance with Minnesota Statutes. Special Meetings of the Board must be limited to the specific item or items set forth in the notice.

Adjourned or reconvened meetings may be held at any specific time, date and place the Board may adopt without additional notice. However, the time, date and place must be publicly specified by the Board prior to adjourning the meeting in which the time, date and place are established.

The County Board may schedule work sessions, workshops, retreats, forums, or additional meetings at such times and concerning such subjects as may be established by action of the Board. A schedule of such meetings shall be maintained in the County Coordinator's office. Work sessions and other informal meetings of the Board, not regularly held, are subject to the same notice requirements of the Open Meeting Law. While Board workshops are subject to the Open Meeting Law (Minnesota Statutes §13D.01), no formal action is taken; and minutes are not kept.

A joint meeting with the Kanabec County Board and any other political subdivision may be held within the boundaries of either subdivision and will be specified in the meeting notice.

F. Public Hearings

From time to time, the County Board conducts formal public hearings. In addition to those required by law, the County Board may hold public hearings on matters of business when it decides that such hearings are in the best interest of the general public or issues under consideration. The order of business for public hearings generally follows this procedure.

1. Presiding officer opens the hearing and states the purpose.
2. Brief description of issue by County staff or other appropriate persons.
3. Presentation, if applicable, by affected or interested persons.
4. Statements members of the general public.
5. Public hearing closed by Chair.

At any time during the process, the County Board may address any questions as deemed appropriate.

The County Board may alter the public hearing procedure as needed to assure that the hearings are conducted in an orderly, fair and expeditious manner, including establishing reasonable time limits for speakers individually or on each side of the issue before the Board.

Rules adopted for public hearing procedures are intended to promote an orderly discussion, to give every person an opportunity to be heard, and to ensure that no individual is embarrassed by exercising the right to free speech.

All comments by members of the public shall be made at the designated area (i.e. podium) and individuals making comments shall first give their name. This is required for an official record of the public hearing. Members of the public interested in addressing the County Board are requested to sign in and make it known at the appropriate time that they wish to speak.

G. Audience/Citizen Requests

The County Board prefers all business matters initiated by citizens coming before them to first be reviewed by staff and scheduled for discussion on the County Board agenda.

If an individual seeks to appear before the County Board, s/he should notify the County Coordinator of his/her intention and the issue to be presented. Staff will confer with the individual, address the issue and, if necessary, schedule the issue accordingly on the County Board agenda.

For an individual who appears at a County Board meeting unaware of Board operating procedure, a Recognition of interested citizens is included on the meeting agenda under the Public Comment section. The maximum length of time for an item to be presented in this section is five minutes. In general, before taking action, the County Board will direct the item to the appropriate staff for further review and recommendation.

When a citizen requests that a letter become part of the official record of a Board meeting, the Commissioner to whom the letter was addressed or the Chair of the Board (if the letter was addressed to all members of the Board) will note receipt of the letter –including the writer’s name, the topic of the letter, and the request that it be made a part of the official record – during the Board meeting. Following the meeting, the letter will be added to the Board agenda packet posted on the Kanabec County website.

H. Board Committees

For the purpose of assisting the Board in carrying on its business, committees shall be formed and shall be composed of members as determined by resolution of the Board. Minutes of the committee meetings may be kept and shall become official upon approval of the committee. All actions of the committees are considered recommendations to the County Board or appropriate committee.

I. Quorum

A quorum is necessary for the transaction of business. A majority of the members of the Board constitutes a quorum and no business shall be transacted unless approved by a majority (three votes) of the whole County Board (Minnesota Statute §375.07). Less than a majority of members may convene a meeting, but no business may be transacted. Less than a majority may adjourn the meeting.

Any County Board member who, for any reason, anticipates or plans an absence at any regular or special meeting is encouraged to contact the County Board Chair or the County Coordinator to indicate his or her planned absence.

J. Role of Presiding Officer

The presiding officer of the meeting is the Chair. In the absence of the Chair, the presiding officer will be the Vice Chair. The duties and powers of the presiding officer include the following:

1. Preside at all meetings of the County Board.
2. Preserve order and decide questions raised by members subject to appeal to the Board.
3. Vote all questions regularly moved and announce the result.
4. Carry out a roll call vote if requested.
5. Serve as representative of the Board in execution of contracts, orders, determinations and minutes of the Board.
6. If the chair temporarily vacates the position, she/he may make or second a motion and has the same voting rights and responsibilities as other members.

K. Addressing the Chair

Formal protocol is used when speaking to the County Board. The County Board Chair is addressed as "Mr./Madam Chair." Members of the public may speak on any matter before the County Board when recognized by the Chair and within established procedures as outlined in the rules.

L. Missing a Board Meeting

A member of the board who anticipates being absent for a Board Meeting must notify the Board Chair or Coordinator.

M. Coordinator's Role at Board Meetings

The County Coordinator or designee shall attend all meetings of the County Board and is the Clerk of the Board. The County Coordinator also represents the staff at the meetings. The County Coordinator may participate in the discussion or recommend a resolution or action to the County Board. A member of the Board may call on the County Coordinator to participate in the discussion or request a verbal recommendation on any subject pending before the Board.

The County Coordinator or designee shall prepare a written agenda for all regular and special meetings of the County Board. The County Coordinator or designee shall also:

1. Makes regular entries of all Board resolutions and decisions upon all questions.
2. Records the vote of each member on any question submitted to the Board.
3. Preserves and files all business acted upon by the Board.
4. Certifies, under seal of the County, copies of any and all resolutions or decisions of the Board.
5. Performs such further duties as designated by the Board.

V. Rules of Procedure

A. Statement of Purpose of the Board

The Kanabec County Board of Commissioners is the body charged by law with the ultimate management and control of all of the affairs of Kanabec County. As such, it operates as a deliberative and legislative assembly, meeting to discuss and determine the direction and policies of the County within the framework of state and federal law and ordinances the County Board may adopt. The various elected and appointed officials charged by law or the County Board with the operation of substantive areas of service delivery must conduct the management of their respective departments within the limits established by law and the County Board.

B. Statement of Principles of the Rules

The foundation for Rules of Procedure lies in the basic and enduring principles of rights. Specifically enunciated, these rights include the right of the majority to rule, the right of the minority to be heard, and the right of the individual to participate in the decision-making process. Along with these rights are important canons of efficiency; namely, attend to one matter at a time, and the balancing of the affirmative and negative factions to a pending matter.

Finally, the Rules foster courtesy and decorum, holding firm to the maxim that one must debate motions, not members.

C. Statement of Purpose of the Rules

The Rules intend to strike a procedural balance that considers all principles and enunciates a specific process by which those principles interact and work. The Rules are representative of the principles, both to give specific guidance on method and to provide a reasonable compromise in the event of conflict.

D. Making a Motion

1. Obtain the floor (when no other question is pending).
2. State the motion.
3. Another member seconds the motion.
4. Chairperson states the question on the motion to the group.

* Motion is now pending before the membership and open to debate.

Notes: Discussion of a subject is permitted only with reference to the pending motion and after the seconding of the motion.

E. Consideration of a Motion

1. Debate (unless no member claims the floor for that purpose).
2. Chairperson puts the question to a vote.
3. Chairperson announces the result of the vote.

Notes: Maker of motion receives first opportunity at debate.

* Individual member's vote may be changed up until announcement of vote by Chairperson.

* General or unanimous consent. The Chair specifies an action and announces that if there is no objection, the action will be considered adopted. If no member objects, then the matter is adopted. If a member does object, the matter may not proceed by consensus but must be considered through the motion process to a formal vote.

F. When Motions are Out of Order

1. If the motion conflicts with governmental laws, requirements of a parent organization, bylaws, rules of order, or standing rules.
2. If the motion presents substantially the same question as a motion previously decided at the same session or if it conflicts with a motion that has been adopted at any previous time and still in force.
3. If the motion conflicts with or presents substantially the same question as one still within the control of the Board.
4. If the motion contains language not allowed in debate, except as may be necessary to quote in a motion of disciplinary nature.
5. If the motion is patently frivolous, dilatory, or absurd. A motion is out of order if it is so insignificant it is apparently introduced only for comic purposes, or it obstructs the known will of the Board or if it does not make sense.

G. When to Proceed by Consensus, Motion, Resolution, or Ordinance

- 1) Consensus: -Vote not needed
-No controversy
-Generally used to direct staff
- 2) Motion: -Most frequently used; vote by majority
-Generally not sufficiently formalized to satisfy most statutory requirements specifying action and voting of the Board
-Does not require members to be polled or individual vote recorded
- 3) Resolution: -Most frequently required by statute to formalize an act of the Board
-Some statutes require super-majority vote (greater than 3-2) of Resolutions
-Independent record kept generally by year, in chronological order,
-Sometimes used to commemorate persons, events
- 4) Ordinances: -Used only to enact local law
-Formal publication requirements of hearing and ordinance
-Independent record kept in compliance of Kanabec County Ordinances

VI. Types of Board Action

A. Resolution

The County Board takes formal actions by resolution (MN Stat. § 373.02), ordinance (MN Stat. §375.51), or a motion, second and majority support by members of the Board for a Request for Board Action (RBA). A motion may be introduced by any member of the County Board.

The main motion in the form of a resolution is the means by which a member may present a substantive proposal to the County Board for consideration and action. Since it is the basic motion for the transaction of business, only one subject may be considered at a time and the main motion may be postponed only when no other motions are before the County Board. (See Section IV).

B. Ordinance

The County Board may take formal action by ordinance (MN Stat. §375.51). An ordinance is a legislative act prescribing general, uniform, and permanent rules of conduct relating to the affairs of the County Board. Action shall be taken by ordinance when required by law, or to prescribe permanent rules of conduct which continue in force until repealed, or where such conduct is enforced by penalty.

C. Request for Board Action (motion)

Any member of the County Board may move a Request for Board Action (RBA). When supported by another member of the Board and majority vote in favor, the action is approved.

D. General Consensus

The County Board provides informal direction by consensus. Informal direction is most often used to provide staff with preliminary Board perspective on a matter which will require future formal action. Informal direction is also used to provide additional insight into formal actions previously taken. Informal direction standing alone does not establish Board policy.

E. Policy Development

Authority for the development of policies in Kanabec County is granted to the County Board through MN Stat. Chapter 373 (Counties, Powers, Duties and Privileges) and in other statutes. With the powers granted within these statutes, the County Board may delegate certain authority, as appropriate. These delegations on authority may be rescinded at any time by the Board.

The County Board may at any time refer an item or resolution to the appropriate Committee for further review and deliberation.

VII. County Board Agenda

A. Preparation and Distribution

The County Coordinator shall cause preparation of the Agenda and supporting material for each regular and special meeting. Members of the Board may request an item to be placed on the Agenda by informing the County Coordinator.

Copies of the Agenda and supporting material are made available to County staff, public and media as appropriate. A distribution list is maintained in the County Coordinator's office. Members of the public who are interested in following issues considered by the Board may register their name and address with County Coordinator's Office to be placed on the Agenda distribution list.

The Agenda and Minutes are available on the Kanabec County website at <https://www.kanabecounty.org/departments/minutes.php>

B. Order of Business

The order of business for each regular meeting of the County Board shall be as follows:

1. Call to Order
2. Pledge of Allegiance
3. Agenda approval
4. Community Health or Family Services Board
5. Scheduled Appointments
6. Public Comment
7. Approval of Minutes
8. Approval of Bills
9. Regular Agenda
10. Committee Reports/Commissioner Updates
11. Future Agenda Items
12. Other Business
11. Adjournment

The Order of Business may be changed as needed to accomplish objectives and priorities of the meeting. The Order of Business may be changed at the recommendation of the Chair, any members of the Board or the County Coordinator subject to County Board consensus.

C. Consent Agenda

The Consent Agenda consists of routine agenda items which are not likely to require additional debate and discussion. Examples of Consent Agenda items include, but are not limited to, personnel actions; miscellaneous contract renewals; and approval of the Record of Disbursements (payment of bills).

The Consent Agenda is considered routine business and is acted upon as one item of business unless a Board member requests removal of an item for separate action. The Board may approve all items on the Consent Agenda by adopting one action. In the minutes of the meetings, the items passed in the Consent Agenda shall be recorded individually.

D. Regular Agenda

The Regular Agenda consists of items which are likely to require additional discussion and review. Items of business within the Regular Agenda are considered individually and in the order of business noted on the Agenda.

E. Committee Reports/Commissioner Updates

Commissioners will report on various meetings they have attended.

F. Official Records

The County Coordinator or designee shall cause preparation of the official minutes of each meeting. Board meeting minutes shall be kept in accordance with all provisions of statute in order to provide an accurate record of County Board Actions. The record is not intended to be a verbatim transcript of all discussion and debate; the record is primarily a compilation of official actions.

The minutes of the County Board meeting shall be prepared and submitted for approval at the next succeeding County Board meeting. Official proceedings of County Board meetings shall be published in the official County newspaper (MN Stat. §375.12). The official Board proceedings are distributed to staff and interested parties, and are also available on the Kanabec County website.

The official public record of County Board meetings is available in the County Coordinator's office.

The Resolutions are numbered consecutively by respective sequential number of board action followed by the calendar date.

VIII. County Board Committees

A. Special Committees:

The Board may establish a special committee as deemed necessary. A special committee shall advise the Board as directed and may report recommendations to the Board for appropriate action. Unless expressly stated in the creation of the special committee, it shall automatically dissolve when its work is accepted by the Board.

IX. Advisory Committees

A. Policy

The County Board appoints individuals to various boards, committees or commissions, (hereinafter referred to as committees) which have been established by the County Board or pursuant to Minnesota Statute. Authority for establishment of the committees is prescribed in Minnesota Statutes or by County Board Resolution. The County Coordinator will maintain a complete list of committees and their underlying source of creation.

The current list of committees is available in the Office of the County Coordinator.

B. Role and Purpose of Committees

Each committee serves a statutory, policy, or operational purpose to further the interests of Kanabec County. Each committee has specific staff assigned and designated to support its function. The function and reporting relationship to the Board varies from committee to committee.

Committees are established to serve a variety of functions. The fundamental purposes for utilizing committees in support of County government are:

1. To involve members of the public in the decision making process.
2. To meet requirements of State law.
3. To ask residents to help define community standards and norms.
4. To provide technical expertise in certain areas.
5. To serve as advocates for the County.
6. To provide an independent sounding board for issues, ideas, and policy matters.

C. Appointment Qualifications and Procedures

1. All persons making application to the County Board for a citizen position on a board or committee shall be a resident of Kanabec County, except where enabling authority or bylaws state otherwise.
2. Persons interested in being considered for an appointment to a county board or committee will complete a letter of interest or an application dependent upon the requirements of each committee or board.

If applicable, applications will be available in the office of the County Coordinator.

3. When an individual's regular employment or financial relationship may potentially cause a conflict of interest with the normal items of business of the committee or board, the person shall divulge the possible conflict in writing prior to the consideration for appointment. Prior to making an appointment, the County Board shall determine whether or not the potential conflict of interest precludes appointment of the applicant.
4. As a general guideline, the appointees to each board or committee should be comprised of members representing a diversity of communities within the county, civil groups, and interests.

D. Recruitment and Selection

1. A vacancy notice for all committees/boards for which the County Board makes appointments shall be posted on the County's website, www.kanabecounty.org and published in the official newspaper. The notice shall indicate the function of the committee, number of members, length of term, meeting schedule, number of probable vacancies in the coming year, and any specific requirements of a particular membership.
2. The vacancy notice shall indicate that all persons interested in service on these committees/boards shall contact the Kanabec County Coordinator's Office to obtain information about how to apply or for specific information about a committee or board.

3. All submitted letters of interest and/or applications will be retained on file in the Office of the Coordinator. Only those letters of interest and applications received in the previous twelve (12) months will be considered by the County Board unless a previous applicant has notified the County Coordinator's Office in writing of their continued interest. A letter of interest or application may be requested from an incumbent in a position who is qualified to serve another term. Incumbents interested in serving another term should so notify the Office of the Coordinator in writing.

4. Each Commissioner reserves the right to determine the means of selection of an appropriate individual based on judgment, training, experience, interest and ability to function effectively on the committee/board.

5. Nominations and appointments shall be made by the County Board.

E. Per Diems and Mileage

Commissioners appointed by the Board to committees or boards may receive a per diem reimbursement for attendance at regular or special meetings of such committees or boards on behalf of Kanabec County unless otherwise stated by the County Board. If per diems are paid to Commissioners who serve on such committees or boards by virtue of their office, the compensation must be returned to the County. A Commissioner appointed to serve on a joint powers board or similar board or committee whose meetings exceed 4 hours (including travel time) may accept any and all per diems for that meeting.

An annual resolution establishing the per diem rate is adopted by the County Board at the annual organizational meeting.

Mileage reimbursement may be claimed when attending committee or board meetings. The Coordinator's Administrative Assistant will assist with processing mileage claims upon request.

F. Ex-Officio Members

Ex-Officio members on any committees are non-voting members.

G. Appointment of Chairs

Chairs of various committees are selected according to committee bylaws or State statutes.

H. Attendance

1. Should a board/committee member be unable to attend a meeting, it shall be their responsibility to contact the chair of the board/committee no less than twenty-four (24) hours in advance of the scheduled meeting date. Failure to do so shall count as an unexcused absence.

2. Attendance at meetings of these advisory boards/committees is essential to their effectiveness. Therefore, one unexcused absence, three consecutive excused absences or absence at more than 25% of the meetings in a six (6) month period will cause the

board/committee chair to review the nature of the absences with the member and, pending the outcome of the review, it may be necessary for the chair to forward a recommendation to the County Board that the member be removed for poor attendance.

I. Resignations

All written and verbal resignations of committee members are acknowledged by the Board and authorization is given to begin the open appointments process to fill the vacancy.

J. Terms of Office

The terms of the appointees to the various committees vary per committee, pursuant to Minnesota Statutes or at the discretion of the County Board. The County Coordinator's Office maintains a complete list of all committees, including information on member terms and applicable term limits.

K. Recordkeeping

1. It is the responsibility of the chair of each committee/ board to cause a written record of meeting occurrence. The agency responsible for the meeting shall keep the written records on file. This record will contain the date, time and location of meeting, attendance (including those members who were absent, excused or unexcused), and minutes documenting content and action of the meeting. Such recordkeeping will be the resource to review attendance patterns of appointees and can be used in an audit of requests for per diem and mileage reimbursement.
2. The office of the County Coordinator shall keep a current and complete listing of all members on boards/committees. This information will include the member's name, address, phone, county district, date of appointment, expiration of term date and other relevant information as requested on the form "Application for Citizen Advisory Committee/Board Appointment." Members shall notify the office of the County Administrator of changes in personal information. At minimum, the office of the County Coordinator will request an update of this information when an appointment or reappointment is made.
3. Retention of records practices shall be according to the records retention policy established by statute or by the County Board.

X. CODE OF ETHICS

Effective county government is premised upon public respect and confidence in the integrity and principles of the elected Board members. Attachment A is the Kanabec County Code of Ethics which was adopted from the Association of Minnesota Counties (AMC) Model Ethics Policy. It is the belief of the County Board that the trust bestowed upon them as elected officials is of utmost importance in the relationship between themselves and the public.

With this belief, the following statements serve to augment the Code of Ethics and further emphasize the priority and commitment the County Board has placed on ethical standards. In the execution of their official duties, all County Board members shall strive to:

- Observe the highest moral and ethical standards.
- Maintain and respect confidentiality or private and confidential information.

- Avoid discrimination against any person on the basis of race, color, religion, sex, age, veteran/military status, genetic information, creed, national origin, sexual orientation, disability, marital status, place of residence, status with regard to public assistance, familial status, or any other characteristic protected by law.
- Comply with the ethical obligations imposed by law, including Minnesota Statutes 10A.07, 10A.071, 382.18, 471.87-895, including, where appropriate, disclosing conflicts of interest, abstaining from decision-making, eliminating conflicts of interest, and declining gifts.
- Work to create a positive environment in public meetings where all individuals may feel comfortable in their roles as observers or participants.
- Allow citizens, staff, or colleagues sufficient opportunity to present their views. Be tolerant, respectful, attentive and professional at all times. Avoid comments, body language, or distracting activity that conveys a message of disrespect for the presentations from citizens, staff, or colleagues.

XI. Citizens and Outreach

A. Public Communication

Individual Citizen Outreach: The County Board believes members of the public have the right to be informed of the Board's process and decisions and should have the opportunity to present their views to the Board. Meetings are open to the public. Board/committee agendas are available on the County website, by email subscription or mailed to interested parties at their request. The County Board encourages the residents of Kanabec County to participate in all aspects of the Board's business, including citizen committees, commissions, and advisory groups.

Information/News Media Outreach: Kanabec County information is distributed through announcements to local news media and in articles provided by staff to local news publications. Information is also available on the Kanabec County website.

County Board Meeting Outreach: Meeting agendas and minutes are available for viewing on the County's website at www.kanabecounty.org/departments/minutes.php

Public Hearings Outreach: The County Board is interested in securing optimal public input on matters of business. In addition to hearings required by law, public hearings and open forums may be conducted at the discretion of the Board. Public Hearing notices will be published in the Kanabec County Times legal notice section, posted on the official bulletin board at the Courthouse, and posted on the County's website.

B. Open Meeting Law

All regular and committee meetings of the County Board and notice of such meetings are subject to MN Stat. §13D.01: Open Meeting Law.

The County Board may hold closed meetings as authorized by MN Stat. §13D.01. Before closing a meeting, the Board will state on record the specific grounds permitting the meeting to be closed and describe the subject to be discussed.

C. Audience Participation at Board Meetings

It is the intention of these guidelines to support the interest of the general public in following Board Business during their meetings.

Audience/Citizen's comments: Included within every regular County Board meeting agenda is a Public Comment portion where the Board has designated an opportunity for citizens to appear and speak on any issue or topic related to County Board business. The duration of public comment may be limited by the Board Chair.

To the extent possible, interested citizens shall notify the County Coordinator or the Coordinator's Assistant of their intent to speak at the meeting and the issue to be discussed. The County Administrator will notify the Chair. In an effort to encourage efficiency and early resolution of issues, the County Board recommends that citizens first contact their commissioner or staff to try to resolve matters before coming formally to the County Board meeting.

Distribution of Agenda: Members of the public who are interested in following issues considered by the County Board may register their name and address with the County Coordinator to the County Board to be placed on the agenda distribution list. The agenda and supportive material are also available on the Kanabec County website. Copies of the agenda and supportive materials are made available to the public at the County Board meeting.

D. Responding to Correspondence/Inquiries/Complaints from Citizens

County Board members and staff are committed to customer service and will endeavor to provide timely and efficient response and communication to the citizens of Kanabec County.

Written: Upon receipt of a written inquiry, request for information, or complaint about Kanabec County business which has been sent to a Board member, upon notification and directions from the County Coordinator or designee, staff will confer with the member to determine the appropriate course of action. The inquiry will be handled as directed with the County Coordinator or designee advising the Board member(s) upon completion.

Telephone. Incoming telephone calls requesting a specific Board member are forwarded to the Board member per his/her instructions. Administration staff will periodically review with Board members the preferred methods of handling telephone inquiries. Every effort will be made to maintain open lines of communication between Board members and their constituents.

Telephone calls requesting information about specific areas of County business are forwarded to the appropriate department. Customer service is of primary importance to the County Board and staff and an appropriate method of tracking the information requests and responses will be utilized.

XII. Staff

A. Elected Positions

The County Attorney, County Sheriff, County Auditor-Treasurer and County Recorder are elected positions and their respective duties are defined by statute.

B. County Coordinator

The position of County Coordinator is established pursuant to MN Stat. §375A.49 and includes:

- Managing the affairs of the county which the Board has authority over;
- Making recommendations about county affairs to the Board
- Serving as clerk of the Board
- Ensuring Board actions are executed
- Initiating and presenting a proposed annual budget to the Board for its consideration

The County Coordinator is a peer with the department heads in the Kanabec County, and is additionally responsible for the administration of personnel policies the county.

The HR Specialist is part of the Coordinator's Office and is the person to contact for questions regarding pay, benefits, etc.

The Administrative Assistant in the Coordinator's Office is available to assist with questions, forms, mileage reimbursement, gathering information, scheduling, etc. This position is available to assist Commissioners with administrative functions as needed.

C. Role of the County Board with Staff

The County Board annually reviews the performance of non-elected department heads, considers requests to fill vacancies, and considers requests for departmental expenditures and budgets. See the organization chart (Appendix B).

APPENDIX A

ATTACHMENT A. CODE OF ETHICS

Code of Ethics for Public Officers in Kanabec County

SECTION 1. DECLARATION OF POLICY The proper operation of democratic government requires that public officers be independent, impartial and responsible to the people; that government decisions and policy be made in the proper channels of the government structure; that public office not be used for personal gain; and that the public have confidence in the integrity of its government. In recognition of these goals, there is hereby established a Code of Ethics for all Public Officers of Kanabec County.

The purpose of this Code is to establish ethical standards of conduct for all such officers by setting forth those acts or actions that are incompatible with the best interests of the county, and by directing disclosure by such officers of private financial or other interests in matters affecting the county.

The provisions and purpose of this Code and such rules and regulations as may be established are hereby declared to be in the best interests of Kanabec County.

SECTION 2. DEFINITIONS OF TERMS

PUBLIC OFFICER: Per Minnesota Statute 609.415 a “Public Officer” means:

- (a) An executive or administrative office of the state of a county, municipality or other subdivision or agency of the state;
- (b) A member of the legislature or of a governing board of a county, municipality, or other subdivision or the state, or other governmental instrumentality within the state;
- (c) A judicial officer;
- (d) A hearing officer;
- (e) A law enforcement officer; or
- (f) Any other person exercising the functions of a public officer.

ANYTHING OF VALUE: Money, real or personal property, a permit or license, a favor, a service, forgiveness of a loan or promise of future employment. It does not mean reasonable compensation or expenses paid to a public officer by the government of Kanabec County for work performed.

COMPENSATION: A payment of “anything of value” to an individual in return for that individual’s services of any kind.

ASSOCIATION: A business entity of any kind, a labor union, a club or any other group of two or more persons other than the immediate family.

IMMEDIATE FAMILY: A reporting individual, spouse, minor children, minor stepchildren, or other person residing in the same household.

GIFT: The payment or receipt of “anything of value” unless consideration of greater or equal value is provided in return.

SECTION 3. ETHICAL CONSIDERATIONS Public officers are to serve all persons fairly and equitably without regard to their personal or financial benefit. The credibility of Kanabec County government hinges on the proper discharge of duties in the public interest. Public officers must assure that the independence of their judgment and actions, without any consideration for personal gain, is preserved. Specific ethical considerations are enumerated below for the guidance of public officers, but these do not necessarily encompass all the possible ethical considerations that might arise.

- A. **Other Offices or Employment.** An elected public officer shall not hold another incompatible office as that term has been interpreted from time to time by statute, the courts, and by the Attorney General. Employed public officer shall not hold such

- incompatible office nor shall they engage in any regular outside employment without notice to and approval by the County Board. Elected and appointed public officers shall not hold other office or employment which compromises the performance of their elected or appointed duties without disclosure of said office or employment and self-disqualification from any particular action which might be compromised by such office or employment.
- B. Use of Confidential Information. No public officer shall use information gained as a public officer which is not generally made available to and/or is not known to the public, to directly or indirectly gain anything of value.
 - C. Solicitation of or Receipt of Anything of Value. A public officer shall not solicit or receive anything of value from any person or association, directly or indirectly, in consideration of some action to be taken or not to be taken in the performance of the public officer's duties.
 - D. Holding Investments. No public officer shall hold any investment which might compromise the performance of the public officer's duties without disclosure of said investment and self-disqualification from any particular action which might be compromised by such investment, except as permitted by statute, such as Minnesota Statutes 471.88.
 - E. Representation of Others. A public officer shall not represent persons or associations in dealings with the county in consideration of anything of value.
 - F. Financial Interest. Where a public officer or a member of the public officer's immediate family has a financial interest in any matter being considered by the public officer, such interest, if known to the public officer, shall be disclosed by the public officer. If the public officer has such a financial interest or if the minor child of a public officer has such a financial interest, the public officer shall be disqualified from further participation in the matter.
 - G. County Property. No public officer shall use county owned property such as vehicles, equipment, or supplies for personal convenience or profit except when such property is available to the public generally, or where such property is provided by specific county policy in the conduct of officer county business.
 - H. Special Consideration. No public officer shall grant any special consideration, treatment, or advantage to any citizen beyond that which is available to every other citizen.
 - I. Authority. No public officer shall exceed his or her authority or breach the law, or ask others to do so. Giving Anything of Value. No elected public officer shall give anything of value to potential voters in return for their votes, promises, or financial considerations which would be prohibited by the State Minnesota Fair Campaign Practices statute.
 - J. Public Funds, etc. No public officer shall use public funds, personnel, facilities, or equipment for private gain or political campaign activities.

- K. Expenses. Public officers shall provide complete documentation to support requests for expense reimbursement. Expense reimbursement shall be made in accordance with County policy.
- L. Donations. No public officer shall take an officer action which will benefit any person or entity because of a donation of anything of value to the County by such person or entity.
- M. Officer Action. No public officer shall take an officer action which will benefit any person or entity where such public officer would not have otherwise have taken such action but for the public officer's family relationship, friendship, or business relationship with such person or entity.
- N. Compliance with Law. Public officers shall comply with all local ordinances and State and Federal Statutes including, but not limited to, the Criminal code, Fair Campaign Practices Act, and laws governing the functioning of counties and municipalities, their elected and appointed officers, and employees.

SECTION 4. SPECIAL CONSIDERATIONS Situations can arise where a member of a Commission, a Board, or a Committee abstains from voting because of a conflict of interest, but his or her abstention becomes a vote either for or against the matter because a majority are required to pass or reject that matter. This can happen where four-fifths vote is needed to pass an issue, or the vote has to be a clear majority and a split vote does not pass or reject. When this happens, the County Attorney must be consulted and the final vote should carry a public notice explaining what took place, and how it was resolved.

County Administration			CITIZENS OF KANABEC COUNTY					
			COUNTY BOARD					
County Sheriff (2600) R21			Public Works Director (2000) R21		Family Service Director R19			
- Brian Smith			- Chad Gramentz		- Chuck Hurd			
County Attorney (1100) R22			County Assessor (1000) R19		Public Health Director R19			
- Barbara McFadden			- Tina Diedrich Von-Eschen		- Kathy Burski			
County Auditor/Treasurer (1200) R20			Information Systems Dir (2100) R20		County Coordinator (1400) R21			
- Denise Synder			- Lisa Blowers		- Kris McNally			
County Recorder (2500) R16			Court Operations Supervisor		Probation Director (2400)			
- Lisa Holcomb			Heather Mickelson		- Todd Eustice			
					Extension Leader			
					- Suzanne Hinnichs			
Elected Positions								
Non-Elected Positions								
Non-County Employees								