

PROCEEDINGS OF THE COUNTY BOARD

State of Minnesota
County of Kanabec
Office of County Coordinator

December 6, 2017

The Kanabec County Board of Commissioners met at 6:30pm on Wednesday, December 6, 2017 pursuant to adjournment with the following Board Members present: Les Nielsen, Kim Smith, Gene Anderson, Dennis McNally, and Kathi Ellis. Others present: Board Clerk Patrick Christopherson, and Recording Secretary Kelsey Johnson.

The Chairman led the assembly in the Pledge of Allegiance.

Action #1 – It was moved by Gene Anderson, seconded by Kim Smith and carried unanimously to accept the agenda with the following corrections: Delete commissioner reports and Procurement Policy from the Auditor/Treasurer.

Action #2 – It was moved by Kathi Ellis, seconded by Kim Smith and carried unanimously to approve the November 22, 2017 minutes as presented.

Action #3 – It was moved by Kim Smith, seconded by Gene Anderson and carried unanimously to approve a consent agenda including all of the following actions:

Resolution #3a – 12/6/17

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:

Quality Disposal	\$3,743.60
Waste Management	\$1,415.63
Total	\$5,159.23

Resolution #3b – 12/6/17

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:

Quality Disposal	\$1,799.78
Waste Management	
Total	\$1,799.78

Resolution #3c – 12/6/17

WHEREAS the Kanabec County Board of Commissioners has been presented with a request for lawful gambling within Kanabec County, and

WHEREAS the application was complete, included all necessary documentation, appears in accordance with County Policies and the applicant and facility owners are in good standing with the County;

BE IT RESOLVED to approve the Application for Exempt Permit for the Kanabec County Pheasants Forever for a raffle event to be held at First Lake Resort, 674 Fish Lake Drive, Mora, MN 55051 on February 3, 2018.

Action #4 – It was moved by Kim Smith, seconded by Kathi Ellis and carried unanimously to approve the following paid claims:

<u>Vendor</u>	<u>Amount</u>
Ann Lake Twp	5,365.98
Arthur Twp	7,839.58
Braham Public Schools	31,873.38
Brunswick Twp	16,502.30
Centerpoint Energy	84.00
Chamberlain Oil	56.97
City of Braham	2,391.22
City of Grasston	1,351.62
City of Mora	13,679.51
City of Ogilvie - clerk	4,756.03
City of Quamba	2,692.96
Comfort Twp	15,004.33
Comm of Finance - Treas Div	6.75

CW Technology	811.80
East Cent. Reg Dev Commission	1,953.97
East Central Energy	85.00
East Central School District	7,627.93
Ford Twp	7,402.17
Grass Lake Twp	10,866.91
Haybrook Twp	4,958.98
Hillman Twp	4,494.99
Hinckley-Finlayson Schools	13,465.54
Isle Public Schools	8,452.85
Kanabec County	11,587.93
Kanabec Twp	8,381.57
Knife Lake Twp	5,156.72
Kroschel Twp	4,596.79
Milaca Public Schools	4,056.90
MNPEIP	140,070.52
Mora Public Schools	163,980.51
NCPERS Minnesota	224.00
Ogilvie Public Schools	98,064.41
Peace Twp	7,971.56
Pine City Public Schools	130.22
Pomroy Twp	12,973.09
Southfork Twp	9,949.11
Sun Life Financial	3,028.88
Verizon Wireless	910.85
Whited Twp	5,766.37

39 Claims Totaling: 638,574.20

6:35pm – A Public Hearing was held to discuss the 2018 budget and 2018 tax levy. Those that spoke included:

- Dave Etter
- Paul Kollar
- Barry Sherwood
- Sue Hickle
- Dwayne Lamprecht

Action #5 – The Chairman adjourned the Public Hearing at 6:56pm.

Action #CH6 - The Kanabec County **Community Health Board** met at **6:57pm** on Wednesday, December 6, 2017 pursuant to adjournment with the following Board Members present: Les Nielsen, Gene Anderson, Kim Smith, Dennis McNally, and Kathi Ellis. Interim Community Health Director Kathy Burski presented the Community Services Board agenda.

Action #CH7 – It was moved by Kim Smith, seconded by Gene Anderson and carried unanimously to approve the Public Health agenda as presented.

Action #CH8 – It was moved by Kim Smith, seconded by Kathi Ellis and carried unanimously to approve the following resolution:

Resolution #CH8 – 12/6/17

Minnesota Department of Human Services Mental Health Grant Program Resolution

WHEREAS, the Minnesota Department of Human Services Mental health Division has put out a request for Proposals to assist grantees in addressing gaps in their local mental health services and supports delivery system that drive admission to and extend the length of stay in Regional Treatment Centers, Community Behavioral Health Hospitals, and other psychiatric admissions and emergencies, and

WHEREAS, there is a multidisciplinary group within the community that would like to collaborate on the grant, and

WHEREAS, the Community Health Administrator recommends applying for funds to address the gaps in local mental health services;

THEREFORE BE IT RESOLVED the Kanabec County Community Health Board supports and approves the Kanabec County Community Health Administrator applying for and to accept such funds if the grant application is approved.

Action #CH9 – It was moved by Kathi Ellis, seconded by Kim Smith and carried unanimously to approve the payment of 67 claims totaling \$42,953.39 on Community Health Funds.

Action #CH10 – It was moved by Gene Anderson, seconded by Kathi Ellis and carried unanimously to adjourn Community Health Board at 7:20pm.

The Board of Commissioners meeting reconvened.

Property Tax Specialist, Karen McClellan met with the county board to discuss matters concerning budget fund management.

Action #11 – It was moved by Gene Anderson, seconded by Kathi Ellis and carried unanimously to approve the following resolution:

Resolution #11 – 12/6/17

WHEREAS there are budgeted funds in the amount of \$14,000 that have not been spent on the Tax and CAMA rewrite system in 2017, and

WHEREAS we may still need to pay these expenses in 2018, and

WHEREAS we have a fund that is an assigned fund called Future Capital Equipment 01.041.063.0000.6480 already set up;

BE IT RESOLVED that the County Board approves moving \$14,000 from Budgeted 2017 Services and Charges 01.041.063.0000.6211 to Future Capital Equipment 01.041.063.0000.6480 and will be added to the fund balance rolled over in the assigned fund for project expenses in 2018.

County Assessor, Tina Von Eschen met with the county board to discuss telecommuting and an employee promotion. The telecommuting request was tabled pending further information.

Action #12 – It was moved by Dennis McNally, seconded by Kim Smith and carried unanimously to promote Russ Moen to Assessor Certified Appraiser at Step A, Range 11 of the pay plan which is \$21.08 per hour, effective November 25, 2017.

7:35pm – The Chairman called for public comment three times. None responded.

7:35pm – The Chairman closed public comment.

P.S.A.P Manager/Emergency Management Director, Jeffrey Anderson met with the county board to discuss the emergency operations plan.

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

Resolution #13 – 12/6/17

WHEREAS the Emergency Operations Plan requires annual review, and

WHEREAS Emergency Operations Manager, Jeff Anderson has submitted an updated Emergency Operations Plan, and

WHEREAS the updated Emergency Operations Plan adequately addresses the reviewed planning requirements, as noted in the MNWALK;

BE IT RESOLVED to approve the Emergency Operations Plan for Kanabec County.

County Auditor/Treasurer, Denise Snyder met with the county board to discuss a grant for election equipment.

Action #14 – It was moved by Kathi Ellis, seconded by Gene Anderson and carried unanimously to approve the following resolution:

Resolution #14 – 12/6/2017

WHEREAS Kanabec County is eligible for voting equipment grant funds from the Minnesota Secretary of State’s Office in the amount of \$100,000 (\$5,000 per precinct);

WHEREAS Kanabec County acknowledges that funds may be prorated by the Secretary of State’s office to not exceed the \$7,000,000 allocated statewide, which may result in a reduction of the \$5,000 allocated to each precinct;

WHEREAS Kanabec County will use voting equipment grant funds received to replace the optical scan equipment purchased in 2006 with new optical scan equipment in 20 Kanabec County precincts and that a county match of 50% is required;

BE IT RESOLVED to approve the “County Application for Voting Equipment Grant” as submitted by the Auditor-Treasurer.

Transit Director, Helen Pieper met with the county board to discuss matters concerning her department.

Action #15 – It was moved by Kathi Ellis, seconded by Kim Smith and carried unanimously to promote Kelly Miller to full-time Bus Driver, effective December 9, 2017.

Action #16 – It was moved by Gene Anderson, seconded by Kim Smith, and carried unanimously to add bus driving duties to Dispatcher, Roxanne Rolstad at a Step E, Range 6 of the pay plan which is \$18.02 per hour.

Action #17 – It was moved by Kathi Ellis, seconded by Kim Smith and carried unanimously to change the full-time Dispatchers to 35-40 hour per week effective December 9, 2017.

Action #18 – It was moved by Dennis McNally, seconded by Kim Smith and carried unanimously to approve the following claims on the funds indicated:

Revenue Fund	
Vendor	Amount
ACE Hardware	27.99
Advanced Correctoinal Healthcare	16,215.72
American Solutions for Business	966.02
Axon Enterprise Inc.	127.04
Bachman, Fran	47.62
Bob Barker	1,187.66
Carroll, Faye	142.16
J.P. Cooke	45.95
Christopherson, Pat	144.98
Coborn's Pharmacy	66.17

Cross Lake Association of Pine County	37,497.00
Curtis, Michael	1,646.34
East Central Exterminating	480.00
Ernest, Jennifer	72.14
Faust, Patrick	388.14
FirstLight Health System	331.00
Fourth Avenue Dental PA	917.00
G & N Enterprises	1,848.80
Galls	81.14
Glen's Tire	4,494.62
Glen's Tire	638.96
Glen's Tire	586.90
Granite City Jobbing	101.75
Granite City Jobbing	454.66
Granite Electronics	583.40
Haasken Dental	344.00
Hallin, Ronald	87.84
Handyman's Inc	214.80
Handyman's Inc	435.18
Hoefert, Robert	1,176.42
Horizon Towing	400.78
JCF Properties LLC	800.00
Johnson, Kelsey	84.98
Jones, Tom	80.35
Kanabec County Highway Dept	24.38
Kanabec County Highway Dept	244.23
Kanabec Publications	363.30
KEEPRS	104.98
KEEPRS	134.99
LAMAR	3,600.00
Lerrssen, Jennifer	951.23
MACO	720.00
MACO	360.00
Magaard, Andrew	324.74
Manthie, Scott	1,197.87
Manthie, Wendy	1,029.34
Marco	134.68
Mattson, Jean	365.48
Mid-American Research Chemical	384.77
Mobliex USA	120.00
Nelson, Ansel	676.19
Nelson, Ronette	524.14
Northland Business Systems	445.73

Nummela, Randy	76.07
O'Brien, Pat	89.45
OnSolve LLC	1,253.43
Owens Auto Parts	62.75
PD's Embroidery	20.00
Pieper, Helen	289.46
Pine County SWCD	2,558.16
Quality Disposal Systems	190.00
Radisson Hotel Roseville	142.38
Reliance Telephone, Inc	1,500.00
RJ Mechanical	150.00
Ratwik, Roszak & Maloney, PA	5,171.35
Rupp, Anderson, Squires & Waldspurger, PA	1,268.00
Salmela, Terry	274.60
Stellar Services	731.94
Summit Food Service Management	10,016.12
Steinmetz, Heidi	387.00
Stellar Services	258.97
Stenberg, Vic	153.60
Stenstrom Collision & Detail	300.00
Summit Food Service Management	5,281.58
Tinker & Larson Inc	43.50
Tinker & Larson Inc	255.50
Tinker & Larson Inc	828.59
ULINE	662.51
Visser, Maurice	867.71
Voge, Dale	89.98
Weber, Paula	223.33
Zamora, Ray	696.04

82 Claims Totaling: 118,265.58

R&B Fund

Vendor	Amount
A and E Cleaning Services	950.00
Ace	486.45
Ameripride	525.30
Auto Value	3,442.77
Blum Sand and Gravel	695.13
Citi Lites	40.00
Compass Minerals	11,804.79
Cramsie Jon	131.27
Dooley, Mark	235.00
Fleetmatics	596.26
Fluegge's Ag	118.00
Force America Distributing LLC	285.72

Glens Tire	188.00
Gopher State One-Call	10.80
Hardrives	60.00
Johnson Hardware	94.73
Lacal Equipment	175.26
Midstates Equipment	38,220.00
Minnerath Construction	4,175.89
Mora Utilities	855.39
Nuss Truck	6,200.36
Olslin Lumber	414.00
Owens Auto Parts	246.18
Pomp's Tire	7,187.48
Powerplan	343.64
Quality Disposal	160.00
SCTCC	100.00
Stepp MFG	270.00
Towmaster	3,032.39
Widseth Smith Nolting	11,357.75
Ziegler	6,500.00
31 Claims Totaling:	<u>98,902.56</u>

The board held a discussion concerning a proposed dog ordinance.

It was decided that the Kanabec County Board of Commissioners will conduct a public hearing on Wednesday, January 24, 2018 at 10:00am in the Commissioner’s Board Room of the Kanabec County Courthouse concerning a proposed Dog Ordinance.

FirstLight CEO, Randy Ulseth met with the county board to discuss hospital bonds.

Action #19 – It was moved by Kim Smith, seconded by Gene Anderson and carried unanimously to approve the following resolution:

Resolution #19 – 12/6/17

RESOLUTION AUTHORIZING AUTHORIZING EXECUTION OF LOAN DOCUMENTS ON BEHALF OF FIRSTLIGHT HEALTH SYSTEM

BE IT RESOLVED by the Board of County Commissioners (the “Board”) of Kanabec County, Minnesota (the “County” or “Issuer”), as follows:

Section 1. Authorization and Recitals. Pursuant to Minnesota Statutes, Sections 447.45 through 447.50, as amended (the “Act”), the County is authorized to issue and secure a promissory note for the purpose of financing the costs of expansion, improvement and equipping of FirstLight Health System – Mora Hospital and Clinic, formerly known as Kanabec Hospital, located at 301 Highway 65 South in the City of Mora, Minnesota, and related facilities (collectively, the “Hospital”). First Citizen’s Bank, Mora, Minnesota, together with any loan participants or successors (the “Bank”), has agreed to make a construction loan to the County or

FirstLight Health System, a component unit and enterprise fund of the County (the “System”), in the amount of approximately \$9,800,000 (the “Construction Loan”) in order to provide temporary financing for a portion of the costs of the construction and renovation of the Hospital, including (a) the construction of a two-story addition to the Hospital containing approximately 7,500 square feet for the emergency department, an employee wellness space, and future expansion space, (b) the construction of a two-story addition to the Hospital containing approximately 50,000 square feet to replace 23 inpatient and birthing rooms, relocation of rehabilitation services, conversion of the current birthing center into infusion rooms for chemotherapy and infusion patients, (c) construction of a new centralized entrance road, (d) the construction of a retail pharmacy, new public dining and common area, (e) the relocation of the eye clinic, (f) relocation and expansion of the existing lab, (g) minor renovations to the existing imaging, materials management and IT areas, and (h) an expansion to the Hospital parking area (collectively, the “Project”). On September 8, 2017, the United States Department of Agriculture – Rural Development (“USDA-RD”) issued a Conditional Commitment for Guarantee, conditionally agreeing to guarantee a loan to the County or the System by the Bank in the amount of \$9,800,000 at a variable interest rate (the “USDA Guaranteed Loan,” and together with the Construction Loan, the “Loans”) in order to permanently finance a portion of the costs of the Project by refinancing the Construction Loan. The Construction Loan and USDA Guaranteed Loan are expected to be secured on a parity with the Issuer’s Healthcare Revenue Bond Anticipation Notes (FirstLight Health System Project), Series 2017 (the “Series 2017 Notes”) and any bonds or indebtedness issued to refund the Series 2017 Notes, and certain other bonds of the Issuer.

Section 2. Documents Presented. Forms of the following documents (together, the “Documents”) relating to the Loans have been submitted to the Issuer and are now on file in the offices of the County Coordinator:

- (a) a Commercial Security Agreement between the Bank and the County and/or the System;
- (b) a Mortgage between the Bank and the County and/or the System;
- (c) an Assignment of Rent between the Bank and the County and/or the System;
- (c) an Intercreditor Agreement among the Bank, U.S. Bank National Associations, as the trustee for the Series 2017 Notes, the County and the System; and
- (d) a Promissory Note to the Bank.

Section 3. Findings. It is hereby found, determined and declared that:

(a) The Project and the Loans will further the purposes contemplated by and described in the Act and promote the public welfare by providing necessary health care facilities, so that adequate health care facilities are available to residents of the County at a reasonable cost.

(b) There is no litigation pending or, to the knowledge of the Issuer, threatened against the Issuer relating to the Project or the Loans, or the Documents or questioning the organization, powers or authority of the Issuer to enter into the Loans or to execute or deliver any of the Documents.

(c) The execution and delivery of and the performance of the Issuer's obligations under the Loans and the Documents do not and will not violate any order of any court or any agency of government of which the Issuer is aware or in any proceeding to which the Issuer is a party, or any indenture, agreement or other instrument to which the Issuer is a party or by which it or any of its property is bound, or be in conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any such indenture, agreement or other instrument.

(d) Under the provisions of the Act, the Loans are not and shall not be payable from or charged upon any funds other than amounts payable pursuant to the Documents and related documents; the Bank shall never have the right to compel the exercise of the taxing power of the Issuer to pay the Loans or the interest thereon, nor to enforce payment thereof against any property of the Issuer except as described in the Documents.

Section 4. Approval and Execution of Documents; Ratification. The forms of the Documents currently on file with the County are hereby approved. The Issuer and the System, as applicable, shall enter into the Documents, substantially in the forms on file, but with all such changes therein as may be approved by the officers executing the same, which approval shall be conclusively evidenced by the execution thereof, and each of such Documents shall be executed and delivered in the name and on behalf of the Issuer or the System by the officers identified in this paragraph. Any other instrument, certificate or document relating to the Loans or necessary to consummate the transactions relating to the financing and refinancing of the Project are also hereby authorized to be executed on behalf of the Issuer and the System, as applicable. Either or both of the Chairperson and the County Coordinator are authorized to execute any instrument, certificate or document relating to the Loans or the Project on behalf of the County, provided, however, that in the event that either the Chairperson or the County Coordinator shall be unavailable, any other officer of the Issuer is hereby authorized to act in that capacity and undertake such execution or acts on behalf of the Issuer. The Chief Executive Officer of the System, or any authorized designee of the System, is authorized to execute any required instruments, certificates and documents relating to the Loans or the Project on behalf of the System. Execution of any instrument, certificate or document by one or more appropriate

officers of the Issuer or the System shall constitute and shall be deemed conclusive evidence of the approval and authorization by the County and the Board and the System, as applicable, of the instrument, certificate or document so executed. The officers and employees of the Issuer and the System are further authorized to prepare and furnish to Dorsey & Whitney LLP, Minneapolis, Minnesota, as Bond Counsel, and to other necessary parties, certified copies of all proceedings and records of the Issuer and the System relating to the Loans and the Project, and such other affidavits and certificates as may be required to show the facts appearing from the books and records in the officers' custody and control or as otherwise known to them; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the Issuer as to the truth of all statements of fact contained therein. All actions heretofore taken by officers and employees of the Issuer and the System with respect to the Loans and the Project are hereby approved.

Section 5. Nature of Obligations. All covenants, stipulations, obligations, representations, and agreements of the Issuer and the System, as applicable, contained in this resolution or contained in the Documents shall be deemed to be the covenants, stipulations, obligations, representations, and agreements of the Issuer or the System, as applicable, to the full extent authorized or permitted by law, and all such covenants, stipulations, obligations, representations, and agreements shall be binding upon the Issuer and the System, as applicable. Except as otherwise provided in this resolution, all rights, powers, and privileges conferred, and duties and liabilities imposed upon the Issuer or the System, as applicable, by the provisions of this resolution or of the Documents shall be exercised or performed by such officers or agents as may be required or authorized by law to exercise such powers and to perform such duties. No covenant, stipulation, obligation, representation, or agreement herein contained or contained in the Documents shall be deemed to be a covenant, stipulation, obligation, representation, or agreement of any member of the Board or the board of directors of the System, or any officer, agent, or employee of the Issuer or the System in that person's individual capacity, and neither shall any member of the Board or the board of directors of the System nor any officer or employee executing the Documents be liable personally on the obligations represented by the Documents or be subject to any representation, personal liability or accountability by reason of the issuance thereof. No provision, representation, covenant or agreement contained in the Documents, this resolution or in any other document related to the Loans, and no obligation therein or herein imposed upon the Issuer or the System or the breach thereof, shall constitute or give rise to a general or moral obligation of the Issuer or the System or any charge upon the Issuer's taxing powers. In making the agreements, provisions, covenants and representations set forth in the Documents or in any other document related to the Loans, neither the Issuer nor the System is obligated to pay or remit any funds or revenues, except for revenues that are pledged to the payment of the Loans under the Documents.

Action #20 – It was moved by Gene Anderson, seconded by Kathi Ellis and carried unanimously to approve the following resolution:

Resolution #20 – 12/06/17

WHEREAS there is a vacancy in the position of a Heavy Equipment Operator I, and

WHEREAS the board desires to refill this vacant position;

WHEREAS, the Public Works Director would like to hire either a Heavy Equipment Operator I or a Heavy Equipment Operator II to fill this position;

BE IT RESOLVED that the County Board authorizes the Public Works Director and the County Personnel Director to hire either a full time Heavy Equipment Operator I to refill the vacant position at Step A, Range 7 of the pay plan which is \$17.08 per hour or the rate set by internal promotion or a Heavy Equipment Operator II to refill the vacant position at a Step A, Range 9 of the pay plan which is \$19.19 per hour or the rate set by rule for internal promotion, and

BE IT FURTHER RESOLVED that the hours of work for this position be limited to those budgeted, and

BE IT FURTHER RESOLVED to authorize the Public Works Director and the County Personnel Director to refill any subsequent vacancies that may occur within the department due to internal promotion.

County Coordinator, Patrick Christopherson gave the Coordinator's Report.

Future Agenda Items: Ordinance 5.

Action #22 – It was moved by Kim Smith, seconded by Kathi Ellis and carried unanimously to approve the following resolution:

Resolution #21 – 12/6/17

BE IT RESOLVED to close at the meeting at 8:35pm pursuant to Minnesota Statute §13D.03 to consider strategy for labor negotiations, including negotiation strategies or developments and discussion and review of labor negotiation proposals, conducted pursuant to sections §179A.01 to §179A.25.

Those present during the closed portion of the meeting include Commissioners Dennis McNally, Gene Anderson, Les Nielsen, Kathi Ellis and Kim Smith. Also present was County Coordinator & Personnel Director Patrick Christopherson.

Action #22 – It was moved by Kim Smith, seconded by Gene Anderson and carried unanimously to reopen the meeting at 8:55pm.

9:00pm – The Chairperson adjourned the meeting. The Kanabec County Board of Commissioners will meet again on Wednesday, December 20, 2017 at 9:00am.

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

Attest: _____
Board Clerk