

UNOFFICIAL MINUTES – SUBJECT TO CORRECTIONS
LYON COUNTY BOARD OF COMMISSIONERS
LYON COUNTY GOVERNMENT CENTER, MARSHALL, MN
August 4, 2009

9:00 a.m. - Meeting called to order by Chairman Stensrud. Members present: Fenske, Ritter, Goodenow, Nelson, Stensrud, County Administrator Stomberg, County Attorney Maes, Auditor / Treasurer VanOverbeke.

Pledge of Allegiance to the Flag

Approve Agenda

Stomberg – Under resolutions and contracts I handed out a release of interest. Also from 10:30 to 10:45 we are going to pull Hammer as that issue has been resolved. Yesterday we found out there is an opportunity for a grant for renewable energy if we could add that there. Nelson moved, seconded by Ritter to approve the agenda.

	Per Diems	Expenses
Goodenow	\$150.00	
Ritter	\$140.00	\$13.20
Nelson	\$150.00	\$85.80
Fenske	\$50.00	

Consent Agenda:

1. Approve Minutes from July 21, 2009
2. Approve Commissioner Warrants 117310-117386 in the amount of \$232,849.47 dated 8/5/09.
3. Approve Auditor Warrants 117250-117260 in the amount of \$13,206.89 dated 7/23/09 and 117261-117282 in the amount of \$490,174.69 dated 7/30/09.
4. Approve Per Diems & Expenses
5. Approve application for exempt gambling permit

Goodenow – Do we need to pull the minutes to the statement of over instead of. That was a correction in the minutes. It is a spelling error. Stensrud – I would like to discuss a little on the County Attorney. Goodenow moved, seconded by Nelson to approve consent agenda items 2 through 5. All voted in favor. Stensrud – Maes brought up here it is probably a little misleading on the County Attorney not being here and that he is here all that he can be. And this more or less says it is his fault that he is not here. Maes – I want each of you to know I want to be here and I want to provide legal representation to the county. When there are court conflicts and there have been more of late because they went to a block schedule. Each time I have reminded the courts I have another obligation. I think we are slowly getting to a point that they understand that these hearings can be set in the afternoon. I attempt to let the Board Chair know when I do have hearings and when I am done I hustle back here for the meeting. Before each meeting I go over the agenda with Loren and if there are any issues that may come up and if I need to provide advanced research. This system and my representation has been like this for 12 years now. In the past Tuesdays were a trial day and I wouldn't be here at all. I was surprised to see this in the Minutes. Nelson – Mr. Chairman, one thing that might help in this regard in resolutions and contracts if you have talked to Loren and have went thought the legal ease of these contracts if Loren could say if you have looked at it. Maes – Those in the packet I have seen but often times there are ones that are brought to the meeting that I haven't. Ritter moved, seconded by Goodenow to approve the minutes. All voted in favor.

Resolutions and Contracts

Approve and authorize Chair to sign co-op agreement and a resolution for East Twin Boat Ramp

Stomberg – There are two documents. What the state is looking for is a copy of the approved minutes or a resolution saying it was approved. If we could add we authorize the Chair to sign the agreement. Fenske moved, seconded by Ritter to approve and authorize the Chair to sign the agreement and resolution for the East Twin Boat Ramp. All voted in favor.

DEED lease agreement

Stomberg – It is a five year lease which would start at \$12 a square foot and increase. Goodenow moved, seconded by Fenske to authorize the Chair to sign the DEED lease agreement. All voted in favor.

MnDOT

Stomberg – They are asking us to release our interests. I had a conversation with Suhail and Attorney Maes. I would approve signing this release. Goodenow moved, seconded by Ritter to sign the release.

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Jail Update

Splett – The DOC preliminary inspection is tomorrow. Today we will certify the sprinkler system and Thursday we certify the fire alarm system. We have MetroPlex here. They are working on security electronics. Nelson – You have an item correction to work is that making the punch list? Splett – We rejected the caulking color. We already sent that letter to them. Goodneow – Have the sewer lines passed inspection? Splett – Yes. Discussion. Mather – The open house is Thursday August 27th from 9 to 1 and from 3 to 8:00 p.m. We will probably have it open the Wednesday before. Splett – The kitchen we are going to be really close to having it ready on September 1. I don't think we will have it ready for the open house. Fenske – Have you gone ahead with upgrading the doors? Splett – We haven't proceeded with pricing on that yet. Ritter – Could those locks wait until next spring or fall? Splett – They could but it will probably cost more. Goodenow – So on the other hand you should do the boxes and wire anyway because they will wear out. Splett – Getting the boxes installed you have to cut out the frame and have another piece fabricated to fit the exact frame. Board thanked Splett for update.

Library Discussion

Stomberg – The city met last Tuesday night and discussed some library options. They are meeting again next Tuesday. We thought it would be appropriate for Ben to come in. Martig – I provided you with a power point from that presentation. The library board a while back presented a phasing approach. The budget was right around \$5.5 million. The funding sources they have are itemized. The gap of the project that they are looking at is about \$1.4 million. I have been working with the library board and suggested we may need to reduce the overall project scope from \$5.5. The library board did support that. They agreed to support a 5 million dollar total budget. Discussion. Martig - The city does have some substantial reserves but with the LGA cuts and I am not planning on them coming back. Discussion. Martig – One item that I do not think is a viable option is the sale of the existing building. You could maybe do an internal loan to pay it back. It is assessed at \$550,000. The other thing we talked about is they are closing on the hospital privatization sale. Fenske – Looking at the bond and comparing it to page 2. Martig – I will move on to the cash flow. This is for illustration for discussion purposes. Discussion. Martig – I don't know if the county has any other ideas on financing mechanisms. Any questions on the financing before I move on? Discussion. Martig – We do need an updated library board update. We were concerned with the increase in the operating budget. Goodenow – That building will not use fossil fuels. Stensrud – What is the increase in usage? Goodenow – We have had an increase in usage since the recession hit. There is an automatic checkout built in. We have the efficiency of being on one floor. Nelson – One of the items that they sold us on was they wouldn't need more staff because it would be one floor. Stensrud – This is just a facility per say. It doesn't include computers and new furniture? Goodenow – Yes it does include furniture. Discussion. Martig – One other thing that came up was a maintenance agreement. Discussion. Goodenow – We are providing a 5 million dollar building for 1.9 million dollars. Discussion. Nelson – Right now the city owns the old library building and the city is donating 1 million from the liquor store. If you retain that building than you haven't given 1 million dollars. Discussion. Nelson – And we do not own the building. Stensrud – It would be \$420,000 that would be in addition to our 30% every year. Ritter – The city owns the building but let's say they decide to sell the existing library could that be used to pay off the city and county share? Martig – I think that is fair. I look at it more as a partnership. Board thanked Martig.

Removal and Replace Township Bridge L1919 Amiret

Kanwar – The lowest bid we have is R & G. There were two bids. Fenske moved, seconded by Nelson to accept and authorize the Chair to sign a contract with R & G Construction Company for the lowest bid for Township Bridge #L1919 in Amiret. Ritter – Kanwar how many dollars are we advancing? Kanwar – There are no local dollars. Goodenow – The difference in your estimate is about 10%. So it is maybe you are bringing your costs down and construction is going down. All voted in favor.

SP 42-591-02 Cottonwood Bike Trail

Goodenow moved, seconded by Ritter to accept and authorize the Chair to sign a contract with Rogge Excavating for the Cottonwood Bike Trail Project. All voted in favor.

David Sturrock and Steve Strautz, Transportation Update

Strautz – We thank you for your past support. The next session is what we are seeing as projected expenditures. We anticipate our consulting engineering expenses will go down. Our lobbying contract those numbers go up. We had been working with Ed Cain and we have interviewed two other firms. We have not made a decision yet with what we are going to do. We have budgeted continued trips and have continued to stay involved at St. Paul as well. That is essentially how we put our budget together. We are going to try as we move down the road to involve more than Lyon County and the City of Marshall. The private sector I would hope if the economy turns around and we were more successful. We have also provided to you where our funding has come from and where it has gone. I think one of the noteworthy points is we have

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actually gotten on their radar screen. Fenske – Another thing that was in that District 8 is they have a double lane from Marshall to Cottonwood so they are thinking about it. This is the first time they went beyond saying something about the traffic count. I believe we have shown the pictures in the past. Stomberg – When you were talking about the other counties being involved is that something you have started? Strautz – We will. Board thanked Sturrock and Strautz.

10:21 Break

10:31 Meeting Called Back to Order

Sherry Ristau, SW Initiative Foundation Update

Ristau – I am here to give you an update and answer any questions you might have. McKnight will be inviting another five year proposal from us. Sandy Ludeman as of July 1 is our Chair. The two new Board members are Marcy Costello and Janice Nelson. Ristau gave an update on SW Initiative Foundation. Goodenow – Did the stock return force your agency to cut off any grants? I think you cut all outside programs and kept your staff. Ristau – We cut ½ million out of last year's administrative budget. It was actually about a 1.3 million dollar cut. I want to assure you in this transition becoming more proactive and less reactive in our grant making that has become more of the grant making arm of the advisory board. The largest percent came in as the McKnight endowment. In economic advancement today that is focused on renewable energy. Know that these programs are regional in nature but there are things that are happening in Lyon County. Goodenow – We have a discussion about taking tax payers money and giving it to a foundation because we are taking that choice away from them. Ristau – Our goal is to someday not be coming to you for financial support. Board thanked Ristau.

Energy Grant

Stomberg – Jay Trusty from SW Regional Development was down in St. Paul last Tuesday asking for an extension and while he was in St. Paul he was made aware of a funding opportunity through the US Department of Energy. They have \$21,400,000 available to invest in renewable energy. The two items that caught their eye was the wind energy project that they are looking at with the towers out at the landfill. They anticipate to give out 4 awards at 5 million each. It is a dollar for dollar match. The thought of the two energy boards was they could match it. But the two wind turbine projects don't meet 10 million. They asked if we would be interested in the landfill to gas. In theory it would pay for the equipment. Stensrud – This grant is only for state, local, or tribal. Stomberg – We don't know what the odds would be of getting this. The match would come from the Metro Board. Stensrud – We would have to do a match on our end. Ritter – They are still banking on the two turbines being sited at the Landfill and I don't think that is an option. Stomberg – Along with this Commissioner Stensrud found out the Xcel energy has two generators they are going to put up for bid. They are putting them up for proposals. Nelson – These are methane generators? Stomberg- Yes. They happened upon them for a project that didn't come about. Discussion. Stensrud – If you put a bid on the generators as far as I could check the 1100 megawatt generator is at \$900,000 to 1 million. Stomberg – If you go with the energy grant you are committing to the wind energy at the landfill. Biren – There is the potential to put turbines on the property but you are going to have to purchase easements. The red area indicates the buffer easement. The MPCA calls for a five rotor diameter around the buffer area. I know the engineers received an email from US Fish and Wildlife and they would like a ½ a mile. The next site is the gravel pit site. Discussion. Stensrud – Our share of this project is we have to do something with the landfill gas. The generators you might save. Nelson – Every engineering study I have seen in burning it doesn't fly so how are you going to pay off the cost of the generator and the \$250,000? Ritter – There is no business plan. I don't want to commit the county to any dollars. Goodenow – A commitment to be a part of their 10 million dollar grant. What commitment does it make to having two wind turbine on there? Does it have to be on the landfill? Stensrud – Our end of it isn't going to work unless it is on the landfill. Goodenow – Do we have to be that exact that it is a methane to energy program or can it be a landfill to energy program? Nelson – I don't know how you are going to set up a generator on a five year basis if you are going to go with pelleting? Stensrud – It has to be submitted by September 3 but we are still going to have a plan to do something if we are going to join in on something. Biren – If we could turn to the third page it is a map. The five rotor diameter is a state requirement. Kanwar – Knowing the size of the piece we own how many could you put there? Goodenow – What would we be committing too? Being part of the grant is it committing us to that? I think it is worth writing up the grant even if your odds aren't good. Ritter – But you need to be ready to fund that if you get the grant. Stensrud- We are going to have to put up a match for whatever we do. Goodenow – Are the landfill reserves enough to fund it? Stomberg – I think the ½ million is a little bit light. If we were going to do landfill gas from scratch RW Beck's estimate is about \$3 million dollars. Ritter – We still haven't seen performance numbers. Do you want to go forward without all the information? Nelson – Has Trusty ever came up with a business plan and told us how Lyon County will benefit from it? How much we will get? Goodenow – We have already determined that there is not enough room on the landfill as it stands today. Discussion. Ritter – We need to either go forward or not. If we decide to go forward with this we are going to make a commitment. Stensrud – My opinion is to forget the generators and take some time to think about the grant. Goodenow – Why don't we ask Jay to come? I need to know what I am committing too and how much flexibility we have. Ritter – If he came with it complete. Stomberg – You need to decide if

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you are going to landfill or if you are going to landfill with pelleting down the road. Discussion. Ritter – You have six other counties involved out there and you need to have a conversation with them. Nelson moved, seconded by Ritter to forget it. All voted in favor.

E-Waste Recycling Contract

Henriksen – They collected a lot more. If we do sign the contract I would like to use that when we discuss the open house. They will give us 100,000 e-waste for free. This is residential. Last year we picked up over a semi load. This is about two semi's. Nelson moved, seconded by Fenske to approve the e-waste recycling contract with CRT Processing LLC. All voted in favor.

Lyon County Regional Landfill Advisory Board Meeting and Open House

Henriksen – I did make contact with all the counties. Ritter – I would suggest we pick two or three dates and you can see what will work best. Henriksen – How about the 9th and 24th. For the open house I have a proposed schedule where we have a reduced fee which we have done in the past. Ritter moved, seconded by Fenske to approve the rates for the 2009 Lyon County Regional Landfill Open House.

Appliances *	\$5/unit
Tires	\$120/ton Minimum charge of: \$1.20/car & light truck tire \$5.00/truck Rims – additional minimum charge
Residential Covered Electronic Devices (CED's) **	Free
Commercial Electronics and non CED's	Printers, video players, fax machines - \$4.00 each
	Computer monitors - \$6.00 each
	TV's - \$10.00 each
	Other electronics - \$4.00 each
CPU Units	Free
Large Copiers/Printers > 25 lbs.	\$10/each

* Refrigerators, microwaves, furnaces, washers/dryers, stoves, air conditioners, dehumidifiers.

** Covered electronic devices include: TV's, computers, monitors, printers, fax machines, VCR/DVD players.

Court Bill

Ritter – What is the cost last year for the county? Was the total dollars? Henriksen – This portion didn't cost anything. All voted in favor. Ritter – When are they going to get the rest of the recycling containers for the residential? What is the date for all of them getting out? Henriksen – I would say by the end of this month.

Extension Memorandum of Agreement

Goodenow moved, seconded by Ritter to approve the Lyon County Extension Office Addendum to the Memorandum of Agreement. Ritter – For 2010 that memorandum of agreement included a 3% increase of operating expense. It was an automatic. They have opted to leave that out. All voted in favor.

2010 Preliminary Budget

Stomberg – My understanding is the Board wanted to take a look at where we would be with the levy limits in place. I used the estimate and the regular increase in the levy is .83%. The other special levy's are still there. I asked the Departments to come back with their levy requests to which they did come back and they did a very good job. This has the 2009 budget, this is unrevised and this was done prior to the wage freeze. Goodenow – Will we need to at sometime amend the 2009 budget? VanOverbeke – I will be taking care of amending the budget of portions that are coming out of reserves. Stomberg reviewed 2010 proposed budget first draft. Stomberg-Central services I have the retiree insurance in there. I also increased our work comp and casualty premium. Fenske – Do you put the dividends back in here? Stomberg –The past couple of years we have paid off JD 15 but I think that is done now. Discussion. Stomberg – GIS, they are proposing not having an intern, and they have reduced their trainings for 2009 and there was a budget for pictometry in 2009. Goodenow – Is that the account we would set aside for roof repair? Discussion. Ritter – Where does that \$700 come from, the increase? Stomberg – Part of it was the cafeteria contribution and the other increase was an increase in training and a decrease in another account. Goodenow – That is a full time position? Does it need to be? Discussion. Goodenow – The library for this year will be at the 2008 level. The city is going to

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drop their payments to 2008 level. They have suggested that the 2008 level is okay for 2010. I think we may want to put all of the appropriations at the 2008 level. Nelson – There are some joint powers board that set it. Discussion. Ritter – What was the \$5,000 for at Twin Lakes? Discussion. Stomberg – The highway department, I put the numbers in but asked Kanwar to be here. Discussion. Stomberg – The state has for 2010, they are allowing local governments to levy back. It would be better at a minimum to get the \$149,000 down. Nelson – The unallotment was? Stomberg – 2008 and 2009. And 2010 we can levy it back but I am not sure of the timeline. Goodenow – I don't think we need to do that. If we ask you to find \$149,586 what does that drop it too? Ritter – About 2.7. Discussion. Ritter – We can get it down to zero, there is room in there. Goodenow – We do have to set a preliminary maximum levy. Ritter – Question, Kanwar on the highway department side of that maintenance expenditures are there any capital or equipment purchases? Kanwar – Yes. Ritter – Can we get that in our packet and the dollar amount? Goodenow – Is there something in this budget or in public works where we can start putting some in there. If 5 % of your time if you want to count that. If your maintenance staff is going to spend 5% of their time instead of billing it out let's make it 95% highway and 5% water repair. I think it gives you more of an accurate way. Nelson – If it is a road retention that needs maintenance what is the difference? It is still a road repair to allow that water to go through. Goodenow – Maybe that is what we need to do. Kanwar – It should not be a special area, it should be in the total. We need to increase our overall budget. Discussion. Nelson – Area II has been repairing the old ACP dams off road. Thomasson – The bulk of these are on township roads or not even part of a road system. VanOverbeke – They do have a line item as an expense for the road retentions and they also have the revenue item. Ritter – I think we can get it down to 2009 levy. Goodenow – I think there is a consensus to get the \$149,000 off. Pat Foley – Could I address the Board for a few minutes. I represent the Volunteer Tax Task Force. We are all volunteers. We have concerns about the costs of running our businesses. We have sent 86 of us to the city and county. We are asking you to please don't raise or taxes and reduce your budget. We have business people that are not taking a salary. We would like you to be very fiscally responsible. It is not that we don't want to pay taxes that is a privilege of this country. I received a 20% increase in my tax statement. The volume is down. We need to address, this we need action. We are at the point where we want your help and we need it. We want to keep in contact with you. A city in the state of Minnesota went to the public and had four volunteers come forth where the city could cut expenses. The increase in our real estate taxes has been astronomical. The state is taxing us directly now. We plead with you. We appreciate you listening and we hope that you will help us. Norm Gregerson – Grieg Gregerson management – We have had some construction downtown. The back alley behind the gambler then main street and now the recession. Al Grieg – Having listening to you going through your budget. The times have changed a little bit. Reviewed a list of vacant buildings in Marshall. That is the way it is. Pat Foley – We see more bankruptcies and load on the Sheriff's Department now because of the economy. It is scary gentlemen, this isn't fiction.

Maes – I wanted to give you a breakdown. The top line shows when the defense listed the individual as the actual witness. The counseling was in place of a Rule 20 which would have been a state expense. I am proposing paying from the time that he is listed as an expert. Which number when the trial began or when he was listed as an expert? Goodenow – As an expert. Stensrud – Expert. Ritter – Expert.

Reviewed Meeting Schedule

Commissioners Reports

Fenske reported on state auditor meeting and ATP 8 meeting.

Nelson reported on RAC, RRB, and Fair Board meeting.

Goodenow reported on library search committee.

Ritter reported on Airport Commission meeting and landfill meeting. Ritter – Paula can I find out what kind of revenue that folding stage at the fairground generated?

Stensrud reported on Western Mental Health, Soil and Water, and Landfill meeting, and Public Health.

12:58 Ritter moved, seconded by Nelson to adjourn. All voted in favor.

Rodney Stensrud - Chairman

Attest: Loren Stomberg
Lyon County Administrator