

**MINUTES OF THE
OTTER TAIL COUNTY BOARD OF COMMISSIONERS
Otter Tail County Courthouse
Commissioners' Room, Floor 1-B
Tuesday, August 6, 2002
9:30 a.m.**

Call to Order

The Otter Tail County Board of Commissioners convened Tuesday, August 6, 2002, at 9:31 a.m. at the Otter Tail County Courthouse with Dennis Mosher, Chair; Malcolm Lee, Vice-Chair; Syd Nelson, Roger Froemming, and Bob Block present.

Approval of Agenda

Motion by Lee, second by Froemming, and unanimously carried to approve the County Board agenda of August 6, 2002, with the following changes:

- 10:20 a.m., cancel – County Ditches
- 10:20 a.m. – Perham Resource Recovery Facility
- 10:50 a.m. – Weed Issue
- Communication Regarding Remodeling Project(s)

Approval of Minutes

Motion by Nelson, second by Froemming, and unanimously carried to approve the County Board minutes of July 30, 2002, as mailed.

Approval to Pay Bills

Motion by Lee, second by Nelson, and unanimously carried to approve payment of County Board bills per Attachment A of these minutes.

Building at RTC Location – Foundation Bid Package

Physical Plant Manager, Rick Sytsma, requested permission to advertise for a Foundation Package to include footings and excavation for the addition on the Northeast corner of the building located at the RTC site. The Engineer's estimate on the project is \$290,000 and is included in the budget. Motion by Lee, second by Nelson, and unanimously carried to authorize the Physical Plant Manager and Architect to proceed with the Foundation Bid Package for the building at the RTC location.

**RESOLUTION ESTABLISHING PROCEDURES
RELATING TO COMPLIANCE WITH REIMBURSEMENT BOND
REGULATIONS UNDER THE INTERNAL REVENUE CODE
Otter Tail County Resolution No. 2002 – 47**

Commissioner Lee offered the following and moved its adoption:

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

1. Recitals:

(a) The Internal Revenue Service has issued Treasury Regulations, Section 1.150-2 (as the same may be amended or supplemented, the "Regulations"), dealing with "reimbursement

bond" proceeds, being proceeds of the County's bonds used to reimburse the County for any project expenditure paid by the County prior to the time of the issuance of those bonds.

(b) The Regulations generally require that the County make a declaration of intent to reimburse itself for such prior expenditures out of the proceeds of subsequently issued bonds, that such declaration be made not later than 60 days after the expenditure is actually paid, and that the bonding occur and the written reimbursement allocation be made from the proceeds of such bonds within 18 months after the later of (1) the date of payment for the expenditure or (2) the date the project is placed in service (but in no event more than 3 years after actual payment).

(c) The County heretofore implemented procedures for compliance with the predecessor versions of the Regulations and desires to amend and supplement those procedures to ensure compliance with the Regulations.

(d) The County's bond counsel has advised the County that the Regulations do not apply, and hence the provisions of this Resolution are intended to have no application to payments of County project costs first made by the County out of the proceeds of bonds issued prior to the date of such payments.

2. Official Intent Declaration: The Regulations, in the situations in which they apply, require the County to have declared an official intent (the "Declaration") to reimburse itself for previously paid project expenditures out of the proceeds of subsequently issued bonds. The County Board hereby authorizes the County Auditor to make the County's Declarations or to delegate from time to time that responsibility to other appropriate County employees. Each Declaration shall comply with the requirements of the Regulations, including without limitation the following:

(a) Each Declaration shall be made not later than 60 days after payment of the applicable project cost and shall state that the County reasonably expects to reimburse itself for the expenditure out of the proceeds of a bond issue or similar borrowing. Each Declaration may be made substantially in the form of the Exhibit A which is attached to and made a part of this Resolution, or in any other format which may at the time comply with the Regulations.

(b) Each Declaration shall (1) contain a reasonably accurate description of the "project" as defined in the Regulations (which may include the property or program to be financed, as applicable), to which the expenditure relates and (2) state the maximum principal amount of bonding expected to be issued for that project.

(c) Care shall be taken so that the County, or its authorized representatives under this Resolution, not make Declarations in cases where the County does not reasonably expect to issue reimbursement bonds to finance the subject project costs, and the County officials are hereby authorized to consult with bond counsel to the County concerning the requirements of the Regulations and their application in particular circumstances.

(d) The County Board shall be advised from time to time on the desirability and timing of the issuance of reimbursement bonds relating to project expenditures for which the County has made Declarations.

3. Reimbursement Allocations: The designated County officials shall also be responsible for making the "reimbursement allocations" described in the Regulations, being generally written allocations that evidence the County's use of the applicable bond proceeds to reimburse the original expenditures.

4. Effect: This Resolution shall amend and supplement all prior resolutions and/or procedures adopted by the County for compliance with the Regulations (or their predecessor versions), and, henceforth, in the event of any inconsistency, the provisions of this Resolution shall apply and govern.

Commissioner Froemming seconded the motion and upon being put to a vote, the resolution was unanimously adopted.

Adopted at Fergus Falls, Minnesota, this 6th day of August, 2002.

Dated: _____ OTTER TAIL COUNTY BOARD OF COMMISSIONERS

Attest: _____ By: _____
Larry Krohn, Clerk Dennis R. Mosher, County Board Chair

Exhibit A of Resolution No. 2002 – 47
Declaration of Official Intent

The undersigned, being the duly appointed and acting County Auditor of the County of Otter Tail, Minnesota (the "County"), pursuant to and for purposes of compliance with Treasury Regulations, Section 1.150-2 (the "Regulations"), under the Internal Revenue Code of 1986, as amended, hereby states and certifies on behalf of the County as follows:

1. The undersigned has been and is on the date hereof duly authorized by the County Board of Commissioners to make and execute this Declaration of Official Intent (the "Declaration") for and on behalf of the County.

2. This Declaration relates to the following project, property, or program (the "Project") and the costs thereof to be financed:

Remodeling projects at the Otter Tail County Building located on the Regional Treatment Center grounds, the Otter Tail County Courthouse building, and the New York Mills office building.

3. The County reasonably expects to reimburse itself for the payment of certain costs of the Project out of the proceeds of a bond issue or similar borrowing (the "Bonds") to be issued by the County after the date of payment of such costs. As of the date hereof, the County reasonably expects that \$11,500,000 is the maximum principal amount of the Bonds which will be issued to finance the Project.

4. Each expenditure to be reimbursed from the Bonds is or will be a capital expenditure or a cost of issuance, or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Regulations.

5. As of the date hereof, the statements and expectations contained in this Declaration are believed to be reasonable and accurate.

Date: _____

County Auditor
County of Otter Tail, Minnesota

Marin Bay Condominium Permit Modification

Motion by Nelson, second by Froemming, and unanimously carried to authorize a temporary, partial recording of the Marin Bay Condominium, subject to recording the complete property within one year. All other conditions of the Conditional Use Permit for Marin Bay Condominiums (formerly Leonard's Resort) approved on May 1, 2001, remain in effect.

Preliminary Engineering Agreement –Maplewood State Park

Motion by Lee, second by Block, and unanimously carried to authorize the Highway Engineer to enter into an agreement between the County of Otter Tail and the Minnesota Department of Natural Resources for preliminary design work on the park access road from TH 108 to the Maplewood Park station. The State will reimburse the County for this design work not to exceed \$5,000.

Final Payment – Box Culvert Projects

Motion by Lee, second by Nelson, and unanimously carried to approve final payment per Estimate No. 7, payable to Riley Bros. Construction, Inc., in the amount of \$15,251.94, for S.A.P. 56-599-49, S.A.P. 56-599-50, and S.A.P. 56-635-29 (box culverts, grading, and surfacing).

Final Payment – Mechanical Contract at Fergus Falls Garage

Motion by Lee, second by Froemming, and unanimously carried to approve final payment per Estimate No. 4, payable to Dakota Heating & Plumbing, Inc., in the amount of \$31,930.00, for the heating and air exchange system at Fergus Falls Garage No. 1.

Annual 2001 Highway Department Report

Mr. West presented the 2001 Annual Report of the Otter Tail County Highway Department. Mr. West stated that it summarizes all highway activities for CY2001 with project cost details.

Waste Management in Pelican Rapids

Solid Waste Director, Mike Hanan, reported that the City of Pelican Rapids would like the County to expand waste disposal services in Pelican Rapids. Commissioner Lee stated that the City of Pelican Rapids would like the transfer station to be set up similar to the Battle Lake Transfer Station with expanded services. The proposed expanded Transfer Station would be located on City property. Motion by Lee, second by Froemming, and unanimously carried to proceed with planning and design work for expanded waste disposal services at the transfer location in the City of Pelican Rapids.

Perham Resource Recovery Facility

Perham City Administrator, Bob Louiseau, presented the revised budget for CY2002 and proposed budget for CY2003 for the Perham Resource Recovery Facility. Mr. Louiseau reviewed the financial losses experienced by unforeseen mechanical failures and downtime for the facility. The County Coordinating Committee considered several solutions and recommends that an additional

\$1,260,000 in bonds be issued to meet the immediate revenue requirements of the facility. Lengthy discussion followed.

**Perham Resource Recovery Facility
Otter Tail County Resolution No. 2002 - 48**

Commissioner Froemming offered the following and moved its adoption:

WHEREAS, Otter Tail County has entered into a Waste Supply Agreement with the City of Perham to supply waste for incineration in the amount of 12,672 tons annually at the Perham Resource Recovery Facility; and

WHEREAS, the Facility has experienced unforeseen problems during construction and startup that have increased capital costs and reduced revenues for payment capitalize interest; and

WHEREAS, the County Coordinating Committee, made up of representatives from Tri-County Solid Waste Commission, Otter Tail, Todd, and Wadena Counties and the City of Perham, unanimously recommended the Facility issue additional bonds in the estimated amount of \$1,260,000 to cover additional capital costs and capitalized interest; and

WHEREAS, the issuance of said bonds will require each County to guarantee a pro rata share of the bonds pursuant to Appendix C of the Waste Supply Agreement.

NOW, THEREFORE, BE IT RESOLVED, that Otter Tail County hereby agrees to guarantee repayment of a pro rata share of the additional bonds subject to the other counties and the City of Perham guaranteeing their pro rata shares of said bonds as provided in the Waste Supply Agreement between Otter Tail County and the City of Perham.

Commissioner Nelson seconded the motion and upon being put to a vote, the motion carried 4-1 to adopt the resolution with Commissioner Mosher opposed.

Adopted at Fergus Falls, Minnesota, this 6th day of August, 2002.

Dated: _____ OTTER TAIL COUNTY BOARD OF COMMISSIONERS

Attest: _____ By: _____
Larry Krohn, Clerk Dennis R. Mosher, County Board Chair

Applications for Exempt Permit

Motion by Lee, second by Froemming, and unanimously carried to approve, with no waiting period, the application for an exempt permit as submitted by Pelican River Pheasants Forever for an event which has been scheduled for Saturday, September 28, 2002, at Blue Water Restaurant and Sports Bar in Pelican Township.

Motion by Froemming, second by Lee, and unanimously carried to approve, with no waiting period, the application for an exempt permit as submitted by Duck Unlimited Spring Migration #162 for an event which has been scheduled for Friday, September 6, 2002, at the Pier in Otter Tail Township.

Applications for License

Motion by Lee, second by Block, and unanimously carried to approve the following applications for license:

George and Linda Lorentz
 New Country Manor Motel, Inc.
 Trackside Rest & Lounge
 Wadena, MN 56482
 Tobacco

Marvin Heisler
 Heisler Country Store
 Vergas, MN 56587
 Tobacco

Linda Fredrick
 Haug Hammer Post #508
 Main Street
 Dalton, MN 56324
 Tobacco

**Classification of Tax Forfeited Land and Request for DNR Approval
 Otter Tail County Resolution No. 2002 – 49**

Commissioner Block offered the following and moved its adoption:

WHEREAS, the County Board of Commissioners of the County of Otter Tail, State of Minnesota, desires to offer for sale the following described parcel of land that has forfeited to the State of Minnesota for non-payment of taxes:

Nelson's Second Addition
 Lots 2, 3, and 4, Block 2
 City of Fergus Falls

WHEREAS, said parcel of land has been considered and viewed by the County Board of Commissioners and has been classified as non-conservation land as provided in Minnesota Statute 282.01, and

NOW, THEREFORE, BE IT RESOLVED, that the Otter Tail County Board of Commissioners hereby certifies that the above referenced parcel of land has been considered, visually viewed on a map, and complies with the provisions of Minnesota Statutes 85.012, 92.461, 282.01 Subd. 8, and 282.018 and other statutes that require the withholding of tax-forfeited lands from sale.

BE IT FURTHER RESOLVED that the Otter Tail County Board of Commissioners hereby requests approval from the Minnesota Department of Natural Resources for the sale of the above described property.

Commissioner Nelson seconded the motion and upon being put to a roll call vote, the above resolution was unanimously adopted as follows:

Commission District 2	Lee	Yea
Commission District 5	Block	Yea
Commission District 4	Froemming	Yea
Commission District 1	Nelson	Yea
Commission District 3	Mosher	Yea

Adopted at Fergus Falls, Minnesota, this 6th day of August, 2002.

Dated: _____ OTTER TAIL COUNTY BOARD OF COMMISSIONERS

By: _____
Dennis R. Mosher, County Board Chair

Attest: _____
Larry Krohn, Clerk

Weed Issue

Ag Inspector, Randy Wasvick, briefed the commissioners on a noxious weed issue in Newton Township. Mr. Wasvick will proceed with the approved process to take care of the thistles.

Recess & Reconvene

At 11:00 a.m., Chairman Mosher recessed the meeting of the Otter Tail County Board of Commissioners for a short break. The meeting was reconvened at 11:10 a.m.

Little McDonald (Kerbs) & Paul Lake Improvement District

Auditor, Wayne Stein, presented a report regarding the petition requesting a vote by referendum in order to proceed with the formation of the Little McDonald (Kerbs) & Paul LID. After review of the preliminary report and petition review, Mr. Stein reported total accepted signatures on the petition at 138 with 542 as the total property owners for a percentage of signed property owners at 25.46%, less than the 26% required for a vote by referendum. Discussion followed. Chairman Mosher stated that, according to law, the petition did not have the required 26% of the signatures of the total property owners in the District; therefore, the agenda item was closed for further discussion at 11:31 a.m.

Human Services Support Specialists New Union Position

Human Services Director, John Dinsmore, reviewed a personnel issue with the Board regarding a part time position that was not included in the bargaining unit until recently. This position qualifies for union membership based on the PELRA hours worked requirement. Motion by Mosher, second by Lee, and carried with Froemming opposed, to authorize retroactive pay to Energy Assistance Specialist, Rebecca Roberts, in the amount of \$2,765.52 for holiday backpay and approve sick (148.73 hrs.), and vacation (240.06 hrs.) pay from 1999 through April, 2002, as recommended by the Personnel Committee. Future accrual of holiday, sick, and vacation hours will be pro-rated based on number of hours worked.

Performance Evaluation Summary

Chairman Mosher requested that the excellent performance evaluation summary for GIS Database Coordinator, Sherry Leabo, is accepted as presented and placed in her personnel file.

Order for Redetermination of County Ditch System No. 38

Motion by Nelson, second by Froemming, and unanimously carried to authorize the Chair's signature to execute the Order for Redetermination of Benefits for County Ditch System No. 38 as presented by the County Attorney. Ditch Viewers approved for this project are Eldor Kugler, Richard Bergquist, and Richard Carlund.

County Remodeling

Commissioner, Bob Block, presented a plan to provide information to the public regarding the upcoming County remodeling projects. Discussion took place. Action was tabled on the issue for one week to allow County Attorney, David Hauser, to further research the plan.

Adjournment

At 12:12 p.m., Chairman Mosher declared the meeting of the Otter Tail County Board of Commissioners adjourned until Tuesday, August 13, 2002.

Dated: _____ OTTER TAIL COUNTY BOARD OF COMMISSIONERS

By: _____
Dennis R. Mosher, County Board Chair

Attest: _____
Larry Krohn, Clerk