

**MINUTES
OF THE
PINE COUNTY BOARD MEETING
Regular Meeting
Tuesday, April 5, 2022 - 10:00 a.m.
Board Room, Pine County Courthouse,
635 Northridge Drive NW
Pine City, Minnesota**

Chair Hallan called the meeting to order at 10:00 a.m. Present were Commissioners Josh Mohr, Terry Lovgren, J.J. Waldhalm and Matt Ludwig. Also present was County Administrator David Minke and County Attorney Reese Frederickson.

The public was invited to join the meeting remotely by phone, Zoom, or watch via live stream on YouTube.

The Pledge of Allegiance was said.

Chair Hallan called for public comment. There was no public comment.

Chair Hallan requested the following revisions to the Agenda:

- i. Regular Agenda #8: Revise to reflect submission of the application of the federal Community Projects Program to both Senator Klobuchar and Senator Smith's Office.
- ii. Addition: Regular Agenda 10.A Consider approval of Resolution 2022-21 Supporting Senate File 2793 and House File 3073 Encouraging Equitable Funding for Payment In Lieu of Taxes (PILT) Payments.
- iii. Addition: Regular Agenda 10.B Interactive web review of Hometown Fiber Pine County report with Economic Development Coordinator Lezlie Sauter.

Motion by Commissioner Ludwig to adopt the amended Agenda. Second by Commissioner Lovgren. Motion carried 5-0.

Motion by Commissioner Lovgren to approve the Minutes of the March 15, 2022 County Board Meeting and Summary for publication. Second by Commissioner Mohr. Motion carried 5-0.

Minutes of Boards, Reports and Correspondence

Pine County Chemical Health Coalition Minutes – March 14, 2022

Pine County Zoning Board Minutes – February 24, 2022

Pine County Land Surveyor Monthly Report – March 2022

Motion by Commissioner Mohr to acknowledge the Minutes of Boards, Reports and Correspondence. Second by Commissioner Lovgren. Motion carried 5-0.

Motion by Commissioner Lovgren to approve the Consent Agenda. Second by Commissioner Ludwig. Motion carried 5-0.

CONSENT AGENDA

1. **Applications**

Approve the following:

- A. Exempt Permit
 - i. Ruffed Grouse Society – Rum River Chapter to conduct Minnesota lawful gambling on August 6, 2022 at Wings North, 19379 Homestead Road, Pine City, MN (Pokegama Township)
 - B. Pawn Shop License
 - i. Gerald Phillips, as the new lessor of Northern Pawn Shop, 60622 State Highway 23, Finlayson, MN (Finlayson Township)
2. **Pine County Commissioner’s Expense Claim Forms**
Approve Commissioner Lovgren’s Expense Claim Form.
 3. **2022 Timber Auction**
Approve the timber auction tracts and the general terms and conditions of the sale.
 4. **Tax-Forfeit Conveyance Request**
Approve Resolution 2022-19 authorizing the sale of property legally described as Lot 9, Block 27, Townsite of Sandstone Quarries to the City of Sandstone for \$1.00. The City will also be responsible for the fees required to complete the sale. Authorize Board Chair and County Administrator to sign.
 5. **Agreements/Contracts/Grants**
Approve the following agreements/grants and approve Board Chair and County Administrator to sign:
 - A. Pine County Children, Families, and Learning Services Collaborative Agreement, effective January 1, 2022 through December 31, 2026. Health & Human Services is the fiscal host. No financial impact as the collaborative receives funding through local time studies.
 - B. 2022 Minnesota Federal Boating Safety Supplemental Equipment Grant in the amount of \$6,220. This grant may only be used for safety enforcement equipment purchases and will be used to purchase 12 inflatable life jackets and 14 buoys. The grant does not require matching funds.
 6. **Final Payment Contract #2002**
Approve final payment of Contract #2002 in the amount of \$202,644.72 to Knife River Corporation and authorize County Administrator to sign Certificate of Final Contract Acceptance for:

SAP 058-652-012	Located on CSAH 52, from CR 157 to CSAH 61	5.4 miles
SAP 058-661-028	Located on CSAH 61 in Pine City, from CSAH 7 to the Snake River Bridge	0.702 miles
SAP 058-670-001	Located on CSAH 70, from CSAH 61 to TH 70	0.46 miles
CP 058-020-003	Located on 2 nd St in Sturgeon Lake from Lake Ave. to CSAH 61	0.7 miles
CP 058-020-004	Located on Cemetery Rd in Sturgeon Lake from CR 161 to 0.268 miles south	0.268 miles
CP 058-052-003	Located on CSAH 52 from CR 157 to 1.0 mile north	1.0 miles
CP 058-108-001	Located on CR 108 from CR 109 to TH 70	0.50 miles

CP 058-109-001	Located on CR 109 from CSAH 61 to Fairfield Ave. in Rock Creek	0.982 miles
CP 058-157-001	Located on CR 157 in Denham, from CSAH 41 to CSAH 52	0.979 miles

7. **New Hire**

Approve authorizing the hiring of the following:

- A. Part-time Hazardous Waste Recycling Attendants Rick Gross and Jean Peterson, effective April 6, 2022, non-union, FLSA non-exempt, \$15.87 per hour, pending successful baseline medical examination for working with hazardous waste.
- B. Temporary Watercraft Inspectors Robert Sunstrom, Jay Kaelberer, Klaus Rechelbacher, and Ray Fenner, effective April 6, 2022, \$16.50 per hour.
- C. Temporary Aquatic Invasive Species (AIS) Intern Emma Willhite, effective April 6, 2022, \$16.00 per hour.
- D. Full-time Deputy Sheriff Ryan Helin, effective April 18, 2022; \$26.65 per hour, Grade 10, Step 1.

8. **Training**

Approve the following training:

- A. Commissioner Lovgren to participate in the 12-week, online, NACo High Performance Leadership Academy. Commissioner Lovgren has secured a scholarship from AMC to cover the registration cost of \$1,695.
- B. Out-of-state travel for any commissioner interested in attending the NACo Annual Conference July 20-24, 2022 in Adams County, Aurora, Colorado. The total cost of the conference including registration, travel, lodging, and meals is estimated at \$3,000.
- C. Community Health Services Administrator Samantha Lo and Public Health Supervisor Jessica Fehlen to attend the Workhuman Live Conference, May 16-19, 2022 in Atlanta, Georgia. Costs per person: Registration: \$2,100, Room/travel: \$700, Meals: \$150. Total cost per person: \$2,950. All costs associated with the conference will be covered by the Public Health Federal COVID-19 grant (not ARPA funds).
- D. Fraud Investigator Kari Rybak to attend the 2022 MN Fraud Investigator’s Association Spring Conference, May 11-13, 2022 in Nisswa, Minnesota. Registration: \$175, Lodging/meals: \$390. Total cost \$565.

REGULAR AGENDA

1. **The Village Apartments, LLC Tax Abatement -- Public Hearing**

Economic Development Coordinator Lezlie Sauter explained The Village Apartments, LLC has requested a property tax abatement for the development of a 25-unit multi-family apartment building at 320 – 3rd Street SE in Pine City. The total amount is not to exceed \$200,000 over 15 years, or 95% of the county’s share of the increase generated by the incremental new value of the project annually.

Discussion took place of the abatement request to the City of Pine City and other funding programs currently available to the developer.

Chair Hallan opened the public hearing at 10:16 a.m. There being no public comment, Chair Hallan closed the public hearing at 10:16 a.m.

Motion by Commissioner Lovgren to adopt Resolution 2022-17 Approving Property Tax Abatement for the Village Apartments, LLC and authorize Board Chair and County Administrator to sign. Second by Commissioner Mohr. Motion carried 5-0.

2. **2022 Redistricting Plan -- Public Hearing**

Auditor-Treasurer Kelly Schroeder reviewed current county commissioner districts and stated county commissioner district boundaries would need to be changed only if the county board determined the districts are not as equal in population as possible, while maintaining the rules of redistricting that districts must be regular, compact and contiguous.

The county board discussed inclusion of the FCI-Sandstone inmate population in the census numbers.

Chair Hallan opened the public hearing at 10:23 a.m. There being no public comment, Chair Hallan closed the public hearing at 10:23 a.m.

Motion by Commissioner Ludwig to adopt Resolution 2022-20 adopting County Commissioner Districts with no changes in district boundaries and no changes in terms of office for commissioners. Second by Commissioner Mohr. Motion carried 4-0.

3. **Recognition of 40 Years of County Employment**

The county board recognized and thanked Deputy Treasurer Kathy Reiser for her 40 years of employment with Pine County.

4. **Reconsider Action to Offer For Sale the County's Interest in Outlot A – Jackie's 1st Addition**

At the March 1, 2022 county board meeting the board voted 4-1 to allow the county's 3/16th interest in Outlot A of Jackie's 1st Addition be offered for sale to the other owners in Jackie's 1st Addition. Chair Hallan has requested, due to limited public winter access to Cross Lake, that the board reconsider its previous action and refer the issue back to the Land and Zoning Advisory Committee for further study and consideration. Commissioner Ludwig stated this matter was important enough to bring it back to the Land and Zoning Advisory Committee for further discussion. Commissioner Lovgren stated her concern that the outlot was created to allow property owners to have deeded access to Cross Lake.

Motion by Commissioner Ludwig to reconsider the action taken at the March 1, 2022 board meeting to sell the county's interest in Outlot A of Jackie's 1st Addition and to refer the item back to the Land and Zoning Advisory Committee. Second by Commissioner Mohr. Motion carried 4-1 with Commissioner Lovgren opposing.

5. **Murphy Access Easement Request**

County Auditor-Treasurer Kelly Schroeder stated a request has been received from property owner Wayne Murphy for an easement over county owned property. The easement would be described as the West 33' of the West half of the West half of the Southwest Quarter of Sec. 23, Twp. 43N, Rge. 17W of the Fourth Principal Meridian to access Murphy's property located directly to the north. County Attorney Frederickson has recommended the easement be a nonexclusive public easement for the purpose of ingress, egress, and utilities to ensure future access for the county, township and other property owners.

Motion by Commissioner Mohr to approve Resolution 2022-18 approving the sale of the easement for \$3,500 to Wayne Murphy and approving the other terms and conditions of the sale. Authorize Board Chair and County Administrator to sign. Second by Commissioner Waldhalm. Motion carried 5-0

Motion by Commissioner Mohr to authorize the Board Chair and County Administrator to execute the deed for the sale of the easement once terms and conditions are met. Second by Commissioner Waldhalm. Motion carried 5-0.

6. **Help America Vote Act (HAVA) Grant Agreement**

County Auditor-Treasurer Kelly Schroeder stated Pine County has been awarded an initial allotment of \$26,596.98 from the Help America Vote Act appropriation. The funds will be used to purchase election equipment authorized at the March 1, 2022 board meeting. The cost of the election equipment is \$337,435; the \$26,596.98 allotment will be used as a partial match to Pine County's \$128,680.13 Voting Election Equipment Grant which requires a 50% match. There will be a second allotment of funds under the HAVA grant as not all counties applied for HAVA funds, which will also be used to offset the county's match requirement.

Motion by Commissioner Ludwig to approve the Help America Vote Act Grant Agreement and authorize Board Chair and County Administrator to sign. Second by Commissioner Lovgren. Motion carried 5-0.

7. **2021 Highway Annual Report**

Public Works Director/County Engineer Mark LeBrun reviewed the 2021 Public Works Department Annual Report including a review of projects and the unaudited assets, liabilities, account balances and inventory. In 2021 the department completed 21.5 miles of bituminous resurfacing and one bridge replacement project. As of December 31, 2021, the Fund Balance was \$2,471,890 with an undesignated fund balance of \$369,822. Sales tax projects totaling \$579,750 were completed in 2021 with collections of \$1,717,890 and \$1,547,133 undesignated.

8. **Submission of Application for Community Project to Senators Klobuchar and Smith**

The county board previously approved an application to the Community Projects Program to Congressman Stauber's office. The application period for Senators Klobuchar and Smith's offices are now open.

Motion by Commissioner Lovgren to approve submission of the application to the federal Community Projects Program through Senator Klobuchar and Senator Smith's office for the Pine County I-35 and Highway 48 Congestion Reduction, Tourism and Development Collaborative between Mille Lacs Corporate Ventures, Mille Lacs Band of Ojibwe, Pine County and the City of Hinckley. Second by Commissioner Mohr. Motion carried 5-0.

9. **Commissioner Updates**

Arrowhead Counties Association: Commissioner Ludwig unable to attend.

Lakes & Pines Community Action Council: Chair Hallan stated two board members recently passed away and the Executive Director has submitted his resignation.

Technology Committee: Meeting cancelled.

NLX Meeting: Commissioner Ludwig unable to attend.

Housing & Redevelopment Authority/Economic Development Authority: Commissioner Ludwig stated Redpath has completed the 2019 and 2020 audit and noted several findings related to lack of oversight, lack of documentation, lack of internal controls and erroneous payments. The HRA/EDA has requested reimbursement of \$11,222.30 in overpayments. Integrity Property Management and the HRA/EDA have agreed to terminate the management agreement effective April 30, 2022. SMR Management will begin management responsibilities effective May 1, 2022 for a two-year period.

Pine County Education Collaborative Leadership Network meeting: Chair Hallan stated the county and the schools have a good relationship.

Highway 23 Coalition Annual meeting: Commissioner Lovgren stated the coalition has a very large membership base of private companies and local governments. The Coalition is conducting outreach to the City of Duluth to become involved in this coalition.

Snake River Watershed Management Board and Snake River 1W1P Policy Committee:

Commissioner Lovgren stated they are working to get one group rather than two for

management purposes; also looking to hire an administrator. Pokegama and Cross Lake projects were reviewed and abandonment/reconstruction of ditches was discussed. AMC Leadership Summit: Commissioner Lovgren stated this was a great conference. City of Sandstone meeting: Discussion of law enforcement contract with the City of Sandstone. Sandstone has discussed ending the contract.

Other: NACo Telecommunications and Technology Steering Committee: Commissioner Lovgren stated programs available for broadband to help defray costs to homeowners is available.

Legislative Update: Commissioner Lovgren stated there are two stand-alone bills for the Border-2-Border broadband project. Also discussion of restricting contractors from buying homes such that first time owners have an opportunity to purchase these homes. Other items discussed included livestream of the counting of election ballots and election drop boxes for ballots.

10. **Other**

10A. County Administrator Minke stated payment in lieu of tax payments from the State have not been distributed equally to all counties. Senator Bakk has authorized Senate File 2793 and Representative Nathan Nelson is a coauthor with Representative Ecklund on House File 2073—which bills are intended to address the disparity.

Motion by Commissioner Ludwig to approve Resolution 2022-21 Supporting Senate File 2793 and House File 3073 Encouraging Equitable Funding for Payment In Lieu of Taxes (PILT) Payment. Second by Commissioner Lovgren. Motion carried 5-0.

Chair Hallan called a recess at 11:53 a.m.

The meeting reconvened at 12:00 p.m.

10B. Economic Development Coordinator Lezlie Sauter provided a hands on/interactive review of the Hometown Fiber Pine County Report.

11. **Upcoming Meetings**

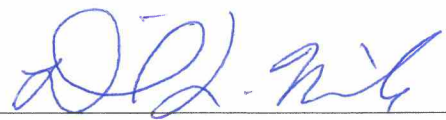
Upcoming meetings were reviewed.

12. **Adjourn**

With no further business, Chair Hallan adjourned the meeting at 12:25 p.m. The next regular meeting of the county board is scheduled for Tuesday, April 19, 2022 at 10:00 a.m., North Pine Government Center, 1602 Hwy. 23 No., Sandstone, Minnesota.



Stephen M. Hallan, Chair
Board of Commissioners



David J. Minke, Administrator
Clerk to County Board of Commissioners