

April 5, 2016

Pipestone County Commissioner Meeting  
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The Pipestone County Commissioners met with Chairman Luke Johnson, Commissioners Bruce Kooiman, Les Nath, Jerry L. Remund, and Dan Wildermuth. Engineer David Halbersma, Staff Engineer Nick Bergman and County Administrator Sharon Hanson also present. Chairman Johnson called the meeting to order at 9:00 AM with the Pledge of Allegiance to the Flag.

Motion by Wildermuth, seconded by Kooiman to approve the agenda. Motion carried unanimously.

**CONSENT AGENDA**

Motion by Nath, seconded by Remund to approve the consent agenda as follows:

1. Minutes of March 22, 2016 Commissioner Meeting

Motion carried unanimously.

**PIPESTONE CHAMBER LARGE BUSINESS OF THE YEAR-PCMC FAMILY CLINIC**

Pipestone County Medical Center (PCMC) Chief Executive Officer Brad Burris joined the meeting and presented the Board with the Pipestone Chamber of Commerce Large Business of the Year Award for 2015. The award is presented annually by members of the Chamber. CEO Burris thanked the Commissioners for their support of PCMC and the recent renovation and construction of the Clinic.

**PROJECT UPDATES, PROJECTS UNDER CONTRACT, PROJECTS IN THE PLANNING STAGE**

Engineer Dave Halbersma joined the meeting and provided an update on projects, projects under contract and projects in the planning stage.

Engineer Halbersma provided information on Trunk Highway 30 project within the City of Pipestone and that he is still working with the City of Pipestone on a possible detour agreement although he was unsure if there would be an agreement. Engineer Halbersma also informed the Board that he is working with the Minnesota Department of Transportation (MNDOT) on a detour agreement for the Trunk Highway 23 passing lane project that is proposed to start in late April.

Engineer Halbersma informed the Board that MNDOT has submitted a Legacy Grant for the design phase that would provide for rehabilitation of the National Historic Registered Split Rock Bridge that was built in 1938 as part of the Public Works Administration project. The

Grant is a MNDOT led grant project and there is no cost to the County. Motion by Kooiman, seconded by Remund to support MNDOT’s Legacy Grant application that would provide design plans for the eventual rehabilitation of the National Historic Registered Split Rock Bridge.

Motion carried unanimously.

**RESOLUTION 59-17-2016 PRIORITIZED BRIDGE REPLACEMENT LIST**

Motion by Remund, seconded by Wildermuth to adopt Resolution 59-17-16 that the following deficient bridges are added to the list of high priority bridges and Pipestone County intends to replace, rehabilitate, or remove these bridges as soon as possible when funds are available:

Old Bridge Number	Road Number or Name	Total Project Cost	Township or State Bridge Funds	Federal Funds	Local or State Aid Funds	Proposed Construction Year
LT 10	CSAH 16	\$50,000	\$ 30,000		\$ 20,000	2017
LT 10	CSAH 16	\$50,000	\$ 30,000		\$ 20,000	2017
LT 10	CSAH 16	\$55,000	\$ 35,000		\$ 20,000	2017
LT 10	CSAH 13	\$50,000	\$ 30,000		\$ 20,000	2017
LT 10	CSAH 13	\$50,000	\$ 30,000		\$ 20,000	2017
LT 10	CSAH 13	\$50,000	\$ 30,000		\$ 20,000	2017
LT 10	CSAH 13	\$70,000	\$ 50,000		\$ 20,000	2017
L3570	CSAH 8	\$70,000	\$ 50,000		\$ 20,000	2018
L3648	TWP-270	\$130,000	\$ 100,000		\$ 30,000	2018
L3691	TWSP-7	\$300,000	\$ 270,000		\$ 30,000	2018
L3731	TWSP-92	\$100,000	\$ 70,000		\$ 30,000	2019
LT 10	CSAH 7	\$80,000	\$ 60,000		\$ 20,000	2020
96033	TWSP110	\$90,000	\$ 60,000		\$ 30,000	2020

Motion carried unanimously.

**CITY OF PIPESTONE’S OLD MUNICIPAL STATE AID SYSTEM FUNDING**

Engineer Halbersma presented information on County State Aid Highway (CSAH) funding and announced that the County is now a minimum CSAH funded County. This means that there is no additional funding for the City of Pipestone’s old Municipal State Aid System that was agreed upon between the City and the County when the City fell below the population requirement of 5,000. The population fell below 5,000 following the 1980 Census. This resulted in the County and the City of Pipestone agreeing in 1985 to fund the old Municipal State Aid System roads as a result of the County receiving additional funds at that time. Discussion took place on how best to designate CSAH roads and whether or not the City of Pipestone’s old

Municipal State Aid System funding needs to be reviewed by the Board as a result of no additional funding.

Motion by Kooiman to return CSAH roads within the City of Pipestone's old Municipal State Aid System to the City of Pipestone as was the case prior to the 1985 agreement between the County and the City of Pipestone. Chairman Johnson called for a second to the motion. Hearing none, the motion failed for lack of a second.

Engineer Halbersma will consider future discussion on funding of CSAH and Municipal State Aid and bring back to the Board for discussion. City Administrator Jeff Jones joined the meeting and stated the road needs in the City of Pipestone.

#### **CITY OF PIPESTONE MNDNR LOCAL TRAILS CONNECTIONS GRANT**

City of Pipestone City Clerk Deb Nelson joined the meeting and explained a City of Pipestone grant application for a Minnesota Department of Natural Resources (MNDNR) Local Trail Connections Grant that would provide a link between a proposed extension of the County's trail adjacent to the National Monument to the existing Hiawatha Trail that currently ends near MN West Community College. Clerk Nelson indicated that the City of Pipestone is providing the twenty-five (25%) local match and that a letter of support from the County would enhance the grant application. Motion by Kooiman, seconded by Remund to approve a letter of support for the City of Pipestone's MNDNR Local Trails Connections Grant. Motion carried unanimously.

#### **CONDITIONAL USE PERMIT-JOHNSON SOLAR GARDEN**

Environmental Administrator Kyle Krier joined the meeting and presented a Conditional Use Permit request from Novel Energy Solutions that would construct and operate a Large Solar Energy System on land owned by J. Evan and Shea Johnson in Section 12 of Elmer Township. Ralph Kaehler from Novel presented some additional information to the Board on the project. Motion by Wildermuth, seconded by Nath to accept the Findings of Fact, Conclusions and Recommendations of the Pipestone County Planning and Zoning Commission and approve the Conditional Use Permit request by J. Evan and Shea Johnson that would construct and operate a Large Solar Energy System on land owned by J. Evan and Shea Johnson in Section 12 of Elmer Township. Motion carried unanimously.

#### **ENVIRONMENTAL OFFICE/SWCD DEPARTMENTAL UPDATE**

Environmental Administrator Krier provided an update on activities and projects of the Environmental and Soil and Water Conservation District offices and also introduced Laura

DeBeer, Water Resources Assistant, who will be promoting conservation practices in wellhead protection areas in six area counties, Pipestone among them, to prevent contamination of public and private water systems.

#### **ARMORY CONSOLIDATION DISCUSSION**

Colonel Larry Herke, Construction & Facilities Management Officer for the Minnesota Army National Guard (MNARG), joined the meeting to present information regarding a MNARG Readiness Master Plan that was finalized in 2014 that proposes to spend \$764 million to transform the State of Minnesota's armory system including reducing the number of armories from 64 to 56. As part of the Master Plan, Pipestone and Luverne Armories may be closed and consolidated. Joining the Board meeting for the presentation were: City of Pipestone Mayor Laurie Ness, City Administrator Jeff Jones, City of Pipestone Economic Development Authority Committee Member Kevin Paulsen and County Veteran Service Officer Brian Douty. Colonel Herke provided details on the Plan and stated that 2018 would be a target date for selection of a new site between Luverne and Pipestone. The Board thanked Colonel Herke for his presentation and the City of Pipestone expressed that they have a couple of sites they were considering submitting for his review.

#### **ROAD AND BRIDGE PUBLIC HEARING-WHEELAGE AND AGGREGATE TAX**

Engineer Halbersma reviewed the Road and Bridge Public Hearing that took place February 25, 2016 and stated that he will be bringing back a 5 Year Road and Bridge Plan as soon as he can finalize revenue sources.

Engineer Halbersma discussed the wheelage tax and aggregate production tax as a follow-up to the public hearing that took place on these two taxes during the February 25, 2016 Road and Bridge Public Hearing. Comments received from those present at the Public Hearing were generally positive for implementation of the taxes. The wheelage tax if adopted by the County Board would generate approximately \$100,000 annually in revenue dedicated to road and bridge projects in Pipestone County. A wheelage tax is a \$10 tax that is levied on vehicles that are subject to annual registration and taxation under Minnesota Chapter 168. The wheelage tax is per vehicle, not per wheel. Wheelage tax does not apply to vehicles that do not require an annual registration tax.

The aggregate material tax that if adopted by the County Board would allow taxation of aggregate mined in the County at the rate of 21.5 cents per cubic yard or 15 cents per ton that

would generate approximately \$15,000 to \$40,000 in revenue annually. The aggregate tax shall be spent in the following ways:

- The county auditor may retain up to 5 percent of the total revenues as an administrative fee for administering the tax
- The balance of the taxes, after any deduction by the auditor shall be credited as follows:
- 42.5 percent of the remaining amount must be added to the county road and bridge fund for expenditure in maintenance, construction, and reconstruction of roads, highways, and bridges
- 42.5 percent of the remaining amount must be deposited in the general fund of the city or town in which the mine is located, or to the county where the mine is located in an unorganized town, to be expended for maintenance, construction, and reconstruction of roads, highways, and bridges
- 15 percent of the remaining funds must be put into a special reserve fund that is established for expenditures made related to the restoration of abandoned pits, quarries, or deposits located within the county

The Board discussed the positives and the negatives of both taxes in terms of impact on road and bridge funding, taxpayer impact and the need for the State of Minnesota to share greater in the burden of funding road and bridge needs.

Motion by Remund, seconded by Kooiman directing Engineer Halbersma to draft a resolution on the adoption of the aggregate production tax and bring back to a future Board meeting. Motion carried unanimously.

Motion by Kooiman, seconded by Nath to table the wheelage tax until after the 2016 Legislature adjourns to better assess State of Minnesota road and bridge funding, but prior to August 1, 2016 when the wheelage tax must be implemented in order to take affect for the following year. Motion carried unanimously.

#### **MAINTENANCE UPDATE/ITEMS**

Motion by Wildermuth, seconded by Kooiman to approve purchase of a Mack truck chassis and truck box off the State Contract in the amount of \$114,339.00 with a trade-in allowance of \$40,000.00 for used 2005 Sterling Truck for a total price of \$74,339.00, not including tax and license; approve the purchase of Towmaster Truck Equipment truck body and snow equipment in the amount of \$101,578.00 for a total Mack Truck and Equipment total of \$175,917.00. Motion carried unanimously.

Motion by Wildermuth, seconded by Remund to approve purchase of a used patching trailer from MNDOT in the amount of \$5,000.00. Motion carried unanimously.

Engineer Halbersma provided an update on maintenance activities and work completed by the Highway Department.

**EDF RENEWABLES COLLECTION FACILITIES EASEMENT AGREEMENT**

Shanelle Montana from EDF Renewables joined the meeting to present information on a Collection Facilities Easement Agreement that would allow EDF Renewables to bury utilities under a portion of County owned gravel pit located in Rock Township Section 28. Ms. Montana informed the Board that EDF Renewables would be willing to work with the County on the easement and that the easement could be simplified to just allow equipment placement. The Board inquired into the possibility of a wind rights easement agreement. Consensus of the Board to ask EDF Renewables for a more refined agreement related to the Collection Facilities Easement and also a wind rights agreement that can be reviewed.

**OTHER BUSINESS**

Administrator Hanson informed the Board that a proposed revision to the County's Tobacco Ordinance is still in need of review by the Committee, but that formal adoption after public hearing will occur sometime in the near future.

Administrator Hanson informed the Board that the solar garden subscription program contract is still under review. Administrator Hanson indicated she will bring back for Board consideration once the review is complete.

**COMMITTEE REPORTS**

Commissioners reported on the following committee meetings:

Commissioner Kooiman: Hospital Plant Operations, Personnel, Southwest Regional Development Commission, Board/Staff Meeting, Regional Broadband Meeting, Avera Meeting, Governor Dayton City of Edgerton Visit, Avera Rural Leadership Conference.

Commissioner Remund: Hospital Plant Operations, PrimeWest, Redwood County Recycling Tour, Building Committee, Southwest Mental Health Board, Board/Staff Meeting, Insurance Committee, Union Mediation, Avera Rural Leadership Conference.

Commissioner Wildermuth: Redwood County Recycling Tour, AMC Legislative Conference, Travel Southwest, Regional Broadband Meeting, Rural Energy Board, Board/Staff Meeting, Governor Dayton City of Edgerton Visit, Southern Minnesota Opportunity Council, Southwest Health and Human Services (SWHHS) Board, Avera Meeting, Avera Rural Leadership Conference.

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Commissioner Nath: Primewest Health, Personnel, Redwood County Recycling Tour, Building and Grounds, SWHHS Board, Southwest Mental Health Board, Board/Staff Meeting, Regional Broadband Meeting, Avera Meeting, Regional Radio Board, Avera Rural Leadership Conference.

Commissioner Johnson: Redwood Cottonwood Control Area (RCRCA) and Area II, Redwood County Recycling Tour, Agriculture Drainage Workshop, AMC Legislative Conference, Southwest Private Industry Council, Board/Staff Meeting, Insurance Committee, Southwest Regional Solid Waste Commission, Avera Meeting, Union Mediation, Avera Rural Leadership Conference, Hospital Trustee Council.

Motion by Kooiman, seconded by Wildermuth to adjourn. Motion carried unanimously. Meeting adjourned at 12:42 p.m.

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Luke Johnson  
Pipestone County Board Chair

ATTEST:

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Sharon Hanson  
County Administrator