

REDWOOD COUNTY, MINNESOTA

August 4, 2015

The Board of County Commissioners met in regular session at 8:00 a.m. in the Commissioners’ Room in the Government Center, Redwood Falls, Minnesota.

Present for all or portions of the meeting were Commissioners Lon Walling, Priscilla Klabunde, Jim Salfer, Sharon Hollatz and Denny Groebner. Also present were Administrator Vicki Knobloch; Auditor/Treasurer Jean Price; Highway Engineer Willy Rabenberg; Technology Coordinator Paul Parsons; Human Resource Coordinator Peter Brown; County Attorney Steve Collins; Ditch Inspector Brent Lang; Economic Development Specialist Julie Rath; Plum Creek Library Representatives Margie Salentiny; Jim Trojanowski Candi VanMeveren; Terri Smith; Vanessa Hoffmann; Marilyn Daub; Loren Kaardal; Tom Breikritz; Paul DeBlicck;

Chair Walling called the Meeting to order asking for the Pledge of Allegiance to the Flag.

On motion by Klabunde, second by Hollatz, the Board voted unanimously to approve the August 4th agenda.

Chair Walling asked the Board members to identify any areas for which they had a Conflict of Interest. There were none.

CONSENT AGENDA

- On motion by Klabunde, second by Groebner, the Board voted unanimously to approve the following:
 - July 21st, 2015 Board minutes
 - Payment of bills as follows:

General Fund	\$ 70,571.86
Ditch Maintenance Fund	\$ 500.70
Solid Waste Fund	\$ 6,085.15
Watershed Fund	\$ 168,819.75
Road & Bridge Fund	\$ 1,249.94

ECONOMIC DEVELOPMENT

- Rath updated the Board on the Rail Authority.
- Rath presented June and July Economic Development Activity Reports.

RECESS

- The Board recessed at 8:15 a.m., and entered into Ditch Authority.

JOINT JUDICIAL DITCH #18

- A teleconference was held on August 4, 2015 between Brown and Redwood County at 8:15 a.m. to discuss a clean out on JD 18 R&B. Representing the joint drainage authority were Commissioners Simonsen, Potter and Windschitl from Brown County and Redwood County Commissioners Walling and Groebner. Also present from Redwood County were

Commissioners Groebner, Walling, Salfer, Klabunde and Hollatz. Administrator Knobloch, Auditor/Treasurer Price and Ditch Inspector Brent Lang.

Commissioner Potter was elected chair for this meeting. The purpose of the meeting was to review the bids for clean out of approximately 16,400' of JD#18 B&R northwest of Sleepy Eye. Quotes were received from Ed Rettman Jr. Excavating in the amount of \$25,716, RAW Construction in the amount of \$28,248, Rosburg Construction in the amount of \$30,130, Ground Works Backhoe in the amount of \$34,900 and Blomeke Construction in the amount of \$21,630.

A motion was made by Commissioner Simonsen to accept the low bid from Blomeke Construction in the amount of \$21,630. Second by Commissioner Walling. Motion carried unanimously. Meeting was declared adjourned at 8:20 a.m.

- Price and Lang presented the Ditch Account review of Levies for 2016 to the Board.
- On motion by Salfer, second by Groebner, the Board voted unanimously to set hearing date for ditch levies for September 1, 2015 at 8:35 a.m.
- There being no further business, Chair Walling declared the Drainage Authority meeting adjourned at 8:41 a.m.

RECONVENED

- The Board reconvened into regular session at 8:41 a.m.

PLANNING AND ZONING

- On motion by Klabunde, second by Salfer, in a roll call vote with Klabunde, Hollatz, Salfer, Walling and Groebner all voting aye, the Board voted unanimously to approve the Middle MN Watershed Loan Project and adopt the following resolution:

[Middle Minnesota Watershed SSTS Loan Project]

REDWOOD COUNTY, MINNESOTA

RESOLUTION RELATING TO THE MINNESOTA POLLUTION CONTROL AGENCY CLEAN WATER PARTNERSHIP; AUTHORIZING THE COUNTY TO BORROW MONEY FROM THE MINNESOTA POLLUTION CONTROL AGENCY AND TO LEND MONEY TO ELIGIBLE LENDERS TO FUND PROJECTS FOR THE CONTROL AND ABATEMENT OF WATER POLLUTION

BE IT RESOLVED by the County Board of Commissioners of Redwood County, Minnesota, as follows:

Section 1. Authorization and Findings.

1.01. Redwood County (“the Sponsor”), a political subdivision of the State of Minnesota, is authorized and empowered by the provisions of Minnesota Statutes, Sections 103F.701 to 103F.761, as amended (the “Act”), to borrow money from the MPCA for the purpose of funding a revolving loan program under the Minnesota Clean Water Partnership, as provided in the Act. The Sponsor proposes to enter into a financing agreement (the “MPCA Agreement”) with the Minnesota Pollution Control Agency (the “MPCA”)

pursuant to which the Sponsor shall borrow money from the MPCA (the "MPCA Loan") from time to time and lend the proceeds thereof to local lending institutions ("Eligible Lenders"), such loans to be documented by loan agreements between the Sponsor and each Eligible Lender (the "Lender Loan Agreements"), in furtherance of the "Project Work Plan" as provided in the MPCA Agreement. The Sponsor may at any time determine to make project loans directly to Eligible Participants, rather than through Eligible Lenders, and in such case the references herein to Eligible Lenders and Lender Loan Agreements shall be deemed to refer to Eligible Participants and the loan agreements between the Sponsor and the Eligible Participant.

1.02. The Sponsor is authorized to borrow money and issue its general obligation note (the "Note") to the MPCA under the Act, in evidence of the MPCA Loan. Under the Act, no election is required to authorize the issuance of the Note, and the Note shall not constitute an indebtedness of the Sponsor within the meaning of any constitutional or statutory provisions or limitations. The Chairperson and County Auditor/Treasurer are hereby authorized to approve the final terms of the Note within the parameters established in Section 2 hereof, and their execution and delivery of the Note shall evidence such approval. The terms of the Note, as so executed and delivered, shall be deemed to be incorporated herein by reference.

1.03. The Sponsor intends to make loans in amounts which will require the Sponsor to issue the Note in an aggregate principal amount not exceeding \$400,000, but recognizes that the MPCA Agreement referred to in Section 1.02 hereof permits the Sponsor to draw up to \$200,000 on the Note at this time. The remaining \$200,000 (or so much thereof as may be required) principal amount of the Note may be drawn only when the Sponsor and the MPCA have executed a new or amended MPCA Agreement permitting additional amounts to be drawn on the Note.

1.04. The execution and delivery of the MPCA Agreement, the form of which is attached hereto as Exhibit A, is, in all respects, hereby authorized, approved and confirmed, and the Chairperson and County Auditor/Treasurer are hereby authorized and directed to execute and deliver the MPCA Agreement in the form and content attached hereto as Exhibit A, with such changes as the Sponsor's Attorney deems appropriate and approves, for and on behalf of the Sponsor. The Chairperson and County Auditor/Treasurer are hereby further authorized and directed to implement and perform the covenants and obligations of the Sponsor as set forth in or required by the MPCA Agreement.

1.05. The execution and delivery of the Project Loan Agreements and the pledging of the loan payments thereunder for the security of the Note and the interest thereon shall be, and they are, in all respects, hereby authorized, approved and confirmed, and the Chairperson and County Auditor/Treasurer are hereby authorized and directed to execute and deliver, from time to time, the Project Loan Agreements in such form and content as the County Attorney deems appropriate and approves, for and on behalf of the Sponsor. The Chairperson and County Auditor/Treasurer are hereby authorized to approve the final terms of each Project Loan Agreement, and their execution and delivery of such Project Loan Agreement shall evidence such approval.

1.06. Capitalized terms used but not defined herein shall have the meanings given thereto in the MPCA Agreement.

Section 2. The Note.

2.01. The Sponsor has determined that it is necessary and expedient that the Sponsor issue at this time a Note to be designated "General Obligation Note (MPCA) (Middle Minnesota Watershed SSTS Loan Project), Series 2015" (the "Note") to provide moneys to lend to Eligible Participants or Eligible Lenders through the Project Loan Agreements from time to time as the Sponsor shall determine. Pursuant to the Project Loan Agreements, Eligible Participants are required to use the proceeds of the Loan for costs of projects permitted under the MPCA Agreement, and the Eligible Lenders are obligated to use the proceeds of the Lender Loans to make loans to Eligible Participants, as defined in the Project Loan Agreements. The Note shall be substantially in the form attached hereto as Exhibit B; the aggregate principal amount of the Note shall not exceed \$400,000; provided that only \$200,000 may be drawn under the Note until authorized by a new or amended MPCA Agreement. The principal balance of the Note from time to time shall be an amount equal to the aggregate of all MPCA Loan advances theretofore made under the MPCA Agreement, less the amount of any principal repayments or redemptions theretofore made under Sections 2.02 or 2.03 hereof. If the full amount of the MPCA Loan has not been advanced under the MPCA Agreement by June 15, 2018, or such later date as may be provided in a new or amended MPCA Agreement, the MPCA shall, under the provisions of the MPCA Agreement, reduce the principal amount of the MPCA Loan to an amount equal to the total loan amount then and theretofore advanced, and shall prepare and provide to the Sponsor revised Repayment Schedules for the MPCA Loan. Upon such action by the MPCA, the aggregate principal amount of the Note shall be limited to the principal amount of the corresponding MPCA Loan, and the revised Repayment Schedules shall be deemed to have replaced and superseded the payment schedule of the Note set forth in Section 2.02(c).

2.02. (a) The Note shall bear a date of original issue as of the date of its execution and delivery to the MPCA.

(b) The Note shall bear interest from its date of original issue at an interest rate of 2% per annum, unless any payment provided for in paragraph (c) below is not paid when due, in which case the principal balance of the Note shall bear interest at the rate of 4% per annum, commencing on the day following the date on which such payment was due and continuing until the date on which payment in full thereof is actually received by the MPCA.

(c) The principal balance of the Note, plus the interest which has accrued on the Note at an interest rate of 2% per annum shall be payable in semiannual installments of \$11,526.39 each, payable on June 15 and December 15 in each year, commencing June 15, 2018 (the "Note Payment Dates"). Interest, if any, which has accrued on the Note at a rate in excess of 2% per annum shall be payable on each Note Payment Date in addition to the regularly scheduled payment of principal and interest on the Note.

2.03. The principal balance of the Note is subject to redemption and prior payment at the option of the Sponsor on any date, upon not less than thirty (30) days written notice to the MPCA, in whole or in part in such amounts as the Sponsor may determine at a redemption price equal to the principal amount being redeemed, together with any accrued interest to the redemption date. If less than all of the principal balance is to be redeemed and prepaid, the Sponsor may elect, in the notice of redemption, to reduce the amount of or eliminate

specified semiannual payments; if the Sponsor does not specify otherwise, any partial prepayment will be applied to reduce the amount of the semiannual payments in inverse order of their due dates. Partial redemptions and prepayments shall be made in increments of \$1,000 principal amounts and in minimum amounts of \$1,000.

Section 3. Granting Clauses. The Sponsor, in order to secure the payment of the principal of and interest (if any) on the Note and the performance and observance of each and all of the covenants and conditions herein and therein contained, and for and in consideration of the premises and of the purchase and acceptance of the Note by the MPCA, and for other good and valuable considerations, the receipt whereof is hereby acknowledged, by these presents does hereby grant, bargain, sell, assign, transfer, convey, warrant, pledge and set over, unto the MPCA and to its successors a lien on, security interest in and pledge of the interests of the Sponsor in all Lender Loan Agreements hereafter entered into between the Sponsor and Eligible Lenders in connection with Loans authorized hereby, and all payments of principal, premium (if any) and interest thereon, and all proceeds thereof. If the Sponsor shall well and truly pay or cause to be paid the principal of the Note and the interest, if any, due or to become due thereon, at the times and in the manner mentioned in this Resolution and the Note, or shall provide for the payment thereof by depositing with the MPCA sums sufficient to pay the entire amount due or to become due thereon, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the MPCA Agreement and this Resolution, to be kept, performed and observed by it and shall pay to the MPCA all sums of money due or to become due to it in accordance with the terms and provisions hereof; then upon such final payment the lien, security interest and other rights hereby granted shall cease, determine and be void.

Section 4. Application of Note Proceeds and Other Moneys; Loan Fund; and Loans.

4.01. The proceeds of the Note shall be equal to, and deemed to be received by the Sponsor at the same time as, the advances of the corresponding MPCA Loan under the corresponding MPCA Agreement. Such proceeds shall be deposited, as received, in the Loan Fund, which is hereby established as a separate bookkeeping account on the books of the Sponsor. Once each month, the Sponsor will determine the amount necessary to fund Loans to Eligible Lenders based on Lender Loan Agreements entered into subsequent to the last request by the Sponsor for an MPCA Loan advance under the MPCA Agreement, and shall submit a request, in accordance with the MPCA Agreement, for an MPCA Loan advance in the amount necessary to fund such Loans.

4.02. Amounts on deposit in the Loan Fund shall be used to make Loans to Eligible Lenders in accordance with Lender Loan Agreements, or to pay the principal and interest on the Note. No amounts in the Loan Fund which are required to be disbursed to an Eligible Lender under a Lender Loan Agreement may be used to pay principal or interest on the Note.

Each Loan shall be made in accordance with the terms of a Lender Loan Agreement and the MPCA Agreement. The interest rate and repayment terms of the Loans shall be determined by the Sponsor in accordance with the MPCA Agreement and applicable rules of the MPCA. The proceeds of each Loan must be expended for eligible costs under the Program (including any applicable federal law) and the MPCA Agreement.

Amounts on deposit in the Loan Fund shall be disbursed by the Sponsor pursuant to Lender Request. The Sponsor shall have no obligation to see to the proper application of the proceeds of the Loans.

Section 5. Funds and Accounts.

5.01. There are hereby established the following Funds and Accounts:

- (a) Loan Fund, as described in Section 4.02 hereof; and
- (b) Note Fund, as described in Section 5.02 hereof.

The Sponsor may also establish by resolution or otherwise within each Fund one or more separate Accounts or Subaccounts relating to a particular Loan or for other purposes.

5.02. Upon receipt of a payment of principal or interest on a Loan, the Sponsor shall deposit such principal and interest in the Note Fund. On or prior to each Note Payment Date, the Sponsor shall withdraw from the Note Fund and pay to the holder of the Note amounts sufficient to pay the principal and interest (if any) on the Note due on such Note Payment Date, including any principal of the Note which has been called for prior redemption.

5.03. For the prompt and full payment of the principal of and interest, if any, on the Note as such payments respectively become due, the full faith, credit and unlimited taxing powers of the Sponsor shall be and are hereby irrevocably pledged. It is, however, presently estimated that the revenues appropriated pursuant to Section 5.02 hereof will provide sums not less than 5% in excess of principal and interest on the Note when due, and therefore no tax levy is presently required.

Section 6. Particular Covenants of the Sponsor. The Sponsor covenants and agrees, so long as the Note shall be Outstanding and subject to the limitations on its obligations herein set forth, that:

- (a) It will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Resolution and in the Note; and will promptly pay the principal of and interest, if any, on the Note on the dates, at the places and in the manner prescribed in the Note.
- (b) All Loans to Eligible Lenders with the proceeds of the Note or from other funds in the Loan Fund shall be evidenced by Lender Loan Agreements. The principal of and interest on the Loans shall be due and mature at the times and in the amounts and bear interest at the rates sufficient, with other available funds hereunder, to provide for payments, when due, of principal of and interest on the Note issued hereunder. The Sponsor shall diligently enforce, and take all reasonable steps, actions and proceedings necessary for the enforcement of, all terms, covenants and conditions of all Loans and all Lender Loan Agreements with Eligible Lenders relating thereto.

(c) The Sponsor shall keep proper books of record and account in which complete and correct entries shall be made of its transactions relating to all Loans and payments and all Funds and Accounts and subaccounts established by this Resolution, which shall at all reasonable times be subject to inspection by the MPCA or their representatives duly authorized in writing.

(d) The Sponsor shall annually, on or before February 1 in each year, prepare and place on file a copy of an annual report for the preceding twelve-month period ended as of the preceding December 31, setting forth in reasonable detail:

(i) a schedule of Loans, Loan payments and the status of the Funds and Accounts established by this Resolution; and

(ii) a schedule of remaining payments and the principal balance of the Note outstanding at the end of such year, together with a statement of the amounts paid, redeemed and advanced during such year.

The report shall also include statements as to a description of the nature of any defaults with respect to any of the Loans.

(e) The Sponsor shall not cause or permit any funds received under the Lender Loan Agreements or held in any of the Funds or Accounts established hereunder to be applied in a manner which is in violation of any provisions of the Clean Water Act.

(f) The Sponsor will faithfully keep and observe all the terms, provisions and covenants contained in the MPCA Agreement, this Resolution and the Lender Loan Agreements.

- An application to operate a staging area for equipment, tooling and material, Conditional Use Permit #11-15 filed by Aldridge Electric on the following described real property: situated in the County of Redwood, State of Minnesota, to wit: N ½ SW ¼ & SE ¼ SW ¼ & N ½ SE ¼, Section 14, Twp. 112N, Range 39W, Underwood Township, On motion by Groebner, second by Hollatz, the Board voted unanimously to approve CUP #11-15 with (12) conditions as set forth by the Planning Commission.
- An application for the extraction and removal of fill material, Conditional Use Permit #12-15 filed by Robert Christensen on the following described real property: situated in the County of Redwood, State of Minnesota, to wit: SW ¼, NW ¼, Section 14, Twp. 111N, Range 38W, Underwood Township. On motion by Walling, second by Hollatz, the Board voted unanimously to approve CUP 12-15 with (16) conditions as set forth by the Planning Commission.

TECHNOLOGY

- On motion by Hollatz, second by Klabunde, the Board voted unanimously to approve to accept the Blandin Foundation Grant in the amount of \$9,150.
- On motion by Klabunde, second by Salfer, the Board voted unanimously to transfer 12 Redwood County personal computers to Redwood County Training lab.
- On motion by Hollatz, second by Groebner, the Board voted unanimously to approve the quote from Versa Tables.com in the amount of \$6,204.60 for the Redwood County Training Lab with Blandin Foundation grant dollars.

ROAD AND BRIDGE

- On motion by Hollatz, second by Salfer, the Board voted to approve payment of Road & Bridge bills in the amount of \$100,262.15.
- On motion by Klabunde, second by Groebner, the Board voted unanimously to approve quote for Total Station Survey Equipment from Frontier Precision off State Contract #87135 in the amount of \$10,639.95.
- On motion by Groebner, second by Salfer, the Board voted unanimously to award the Salt for Sand/Salt Winter Snow Maintenance to Central Salt, LLC. Quotes received were as follows:

Business Name	Rock Salt & Haul Price per ton
Nebraska Salt & Grain Co.	\$76.21/Ton
Central Salt, LLC	\$74.77/Ton
Johnson Feed, Inc.	\$77.00/Ton
Cargill Deicing Technology	\$78.55/Ton
Independent Salt Co.	\$80.98/Ton
Morton Salt, Inc.	\$88.60/Ton

- On motion by Hollatz, second by Salfer, the Board voted unanimously to award the quote to Red Rock Quarry for sealcoat aggregate. Quotes received were as follows:

Business Name	Sealcoat Aggregate Price per ton
Red Rock Quarry	\$18.15/Ton
Martin Marietta Quarry	\$19.40/Ton
SMC New Ulm Quarry	\$31.20/Ton

COUNTY ATTORNEY

- Collins updated the Board on the new legislation regarding ATV use on county roadways.
- On motion by Klabunde, second by Hollatz, with Walling and Salfer voting aye, Groebner voting nay, to draft a new ATV Ordinance in reference to State Statute 84.92 only. A public hearing date will then be set.

ADMINISTRATOR

- On motion by Walling, second by Salfer, in a roll call vote with Klabunde, Hollatz, Salfer, Walling and Groebner all voting aye, the Board voted unanimously to adopt the following resolution:

**A RESOLUTION ACCEPTING THE DONATION OF \$250 and \$50 FOR
PLUM CREEK PARK**

WHEREAS, WALNUT GROVE AREA LOGGERS, wishes to donate \$250 and;
WALNUT GROVE BAR AND GRILL, wishes to donate \$50 to Redwood County- Plum
Creek Park and;

WHEREAS, Plum Creek Park will utilize the total donation of \$300 for the purchase of
Frisbee golf cards for the Plum Creek Park;

WHEREAS, the Board of Commissioners appreciates the generosity of the Walnut Grove
Area Loggers and the Walnut Grove Bar and Grill in supporting Plum Creek Park;

NOW THEREFORE BE IT RESOLVED, that the Board of Commissioners hereby
approves the acceptance of \$250 from Walnut Grove Area Loggers and \$50 from Walnut
Grove Bar and Grill to Redwood County-Plum Creek Park.

- On motion by Groebner, second by Salfer, the Board voted unanimously to approve the
gambling permit application to the Lamberton Lions Club for a raffle.

Personnel Items:

- On motion by Klabunde, second by Salfer, the Board voted unanimously to
approve the use of Apprize for year round Benefit.
- On motion by Salfer, second by Klabunde, The Board acknowledged the resignation
of Brianna Spielmann in the Records Office effective August 5, 2015.

CLOSED SESSION – REAL ESTATE CONSIDERATION

- On motion by Hollatz, second by Groebner, the Board voted unanimously to enter into
closed section at 10:14 a.m. for the purpose of real estate consideration. Present were
Commissioners Hollatz, Salfer, Groebner, Klabunde and Walling, County Administrator
Knobloch and County Attorney Collins. Closed session ended at 10:26 a.m. No action
taken.

RECONVENED

- The Board reconvened into regular session at 10:27 a.m.

PLUM CREEK LIBRARY SYSTEM

- Salentiny and Trojoanowski presented annual report and increase in 2016. Commissioners
will take into consideration as budget is prepared.

COMMISSIONER REPORTS

- The commissioners reported on meetings they attended:

Salfer:

- Safety Committee
- Western Community Action
- Buffer Strip Legislation Meeting
- Meet and Greet - Farmfest

Hollatz:

- Buffer Meetings
- Transportation Meeting
- P.A.C.E.
- Emergency Communication – 1st Net

Klabunde:

- A.C.E.
- Southwest Health and Human Services Budget
- Southern Prairie Community Care
- Nurse Family Partnership

Groebner:

- Historical Society
- Watershed Meeting

Walling:

- Planning and Zoning
- Buffer Legislation Meeting

ADJOURN

- There being no further business, Chair Walling declared the meeting adjourned at 12:06 p.m.

Lon Walling, Chair
Board of County Commissioners

Attest: _____
Vicki Knobloch
County Administrator