

OFFICIAL PROCEEDINGS OF THE COUNTY BOARD
WASHINGTON COUNTY, MINNESOTA
MAY 19, 2009

The Washington County Board of Commissioners met in regular session at 9:00 a.m. in the Washington County Government Center, County Board Room. Present were Commissioners Hegberg, Pulkrabek, Peterson, Weik, and Kriesel. Absent none. Board Chair Peterson presided. Also present were James Schug, County Administrator; Molly O'Rourke, Deputy Administrator; George Kuprian, Assistant County Attorney; Dan Papin, Community Services Director; Richard Backman, Community Services Division Manager; Suzanne Pollack, Community Services Supervisor; Josh Beck, Associate Planner; Kevin Corbid, Director of Property Records and Taxpayer Services; Lowell Johnson, Director of Public Health and Environment; Don Theisen, Public Works Director; Wayne Sandberg, Deputy Public Works Director; Ted Schoenecker, Transportation Manager; Cory Slagle, Transportation Manager; Keith Potter, Facilities Manager; Sheriff Bill Hutton; Chief Deputy Sheriff Mike Johnson; Deputy Pete Godfrey; Harley Will, Accounting and Finance Director; Tom Adkins, Community Corrections Director; Yvonne Klinnert, Public Information Coordinator II; and David Brierley, Public Information Coordinator.

The Board recited the Pledge of Allegiance.

COMMENTS FROM THE PUBLIC

The Board Chair asked for comments from the public; none were heard.

CONSENT CALENDAR

Commissioner Pulkrabek moved, seconded by Commissioner Weik to adopt the following Consent Calendar:

1. Approval of the May 5, 2009 board meeting minutes.
2. Approval to reappoint Steve Kronmiller, Scandia, to the Carnelian Marine St. Croix Watershed District to a term expiring June 21, 2012.
3. Adoption of **Resolution No. 2009-051** as follows:

Authorizing the Director of Washington County Community
 Services to Subordinate Washington County Owner-Occupied
 Rehabilitation Loans and First HOME Down Payment
 Loans to a Refinanced First Mortgage

WHEREAS, Washington County receives Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME) funds from the US Department of Housing and Urban Development; and

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WHEREAS, Washington County currently utilizes CDBG funds for the Washington County Owner-Occupied Rehabilitation Loan program and in the past utilized HOME funds for the First HOME Down Payment Loan program; and

WHEREAS, Washington County Community Services oversees both the Washington County Owner-Occupied Rehabilitation Loan program and the First HOME Down Payment Loan program; and

WHEREAS, the policy manuals of the Washington County Owner-Occupied Rehabilitation Loan program and the First HOME Down Payment Loan program allow for subordination to a first mortgage in certain instances; and

WHEREAS in certain instances it is advantageous for homeowners who have accessed Washington County Owner-Occupied Rehabilitation Loan program or the First HOME Down Payment Loan program to refinance their homes first mortgage for a lower interest rate; and

WHEREAS, these homeowners only wish to refinance their homes for a lower interest rate and not receive cash.

NOW, THEREFORE, BE IT RESOLVED, that the Washington County Board of Commissioners hereby delegates to the Director of the Washington County Community Services Department or designee the authority to execute on behalf of Washington County subordination agreements involving the Washington County Owner-Occupied Rehabilitation Loan or First HOME Down Payment Loan programs under the following conditions: The homeowner is refinancing a first mortgage owner-occupied home loan for the exclusive purpose of obtaining an interest rate lower than his or her current rate and only if the amount of the new mortgage loan is no more than the original principal amount secured by the first mortgage plus five (5) percent of principal amount of the new mortgage with the 5 percent addition to be used exclusively to pay for reasonable closing costs.

4. Approval of abatement on parcels owned by CP Rail (Soo Line Railroad) in the City of Cottage Grove: 20.027.21.11.0002, 17.027.21.43.0002, 20.027.21.12.0002, 20.027.21.12.0004, 17.027.21.44.0010, 20.027.21.13.0005, 20.027.21.12.0003, and 20.027.21.12.0005.
5. Approval of abatement on parcels 08.032.21.12.0109 and 08.032.21.12.0100 owned by Forest Lake American Legion Post 225.
6. Approval of agreement with CRT Processing LLC for electronics waste management services and authorize execution by the Board Chair and the County Administrator.
7. Approval of letter in support of a Highway System Improvement Program Solicitation application by the Minnesota Department of Transportation for improvements and signalization at County State Aid Highway 4/County Road 4/Trunk Highway 61.

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8. Approval to award contract to United States Mechanical for the replacement of the Law Enforcement Center water control system without further action of the County Board conditioned upon the execution of a contract as approved by law.
9. Approval of a cooperative agreement with the City of Stillwater for County State Aid Highway 15 landscaping construction cost reimbursement and maintenance.
10. Approval of public safety Communications System Subscriber Agreements with the cities of Woodbury, Oak Park Heights, Forest Lake, Stillwater, Oakdale, Marine, Lake Elmo, St. Paul Park, Mahtomedi, Hugo, Bayport, Scandia and Newport and with Stillwater Township and the Lower St. Croix Valley Fire District

The foregoing Consent Calendar was adopted unanimously.

PUBLIC WORKS

Bids were received for cold inplace bituminous recycling, bituminous milling, and bituminous paving on County Road 71 in the City of Afton as follows:

<u>Bidder</u>	<u>Amount</u>
Tower Asphalt	\$1,086,574.57
Hardrives	\$1,188,754.59
North Valley	\$1,217,378.08

Commissioner Kriesel moved to adopt **Resolution No. 2009-052** as follows:

Bid Award for Cold Inplace Bituminous Recycling Project
on County Road 71 in the City of Afton to Tower Asphalt

WHEREAS, in order to complete road maintenance construction on county roads, the county solicited bids for this project; and

WEHREAS, bids were opened on May 5, 2009, with Tower Asphalt being the lowest responsible bidder; and

NOW, THEREFORE, BE IT RESOLVED, that the bid of Tower Asphalt be accepted and the county enter into a contract with Tower Asphalt under the terms and conditions set forth in the bid specification documents; and

BE IT FURTHER RESOLVED, that the contract between the county and Tower Asphalt be executed through the signatures of the Chair of the Washington County Board of Commissioners and the Washington County Administrator without further action of the County Board conditioned upon compliance with all bid specifications requirements and approval as to form by the Washington County Attorney’s office.

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Commissioner Pulkrabek seconded the motion and it was adopted unanimously.

LAKES AREA YOUTH SERVICE BUREAU

The Lakes Area Youth Service Bureau and former Washington County Sheriff James Trudeau presented the 2008 James Trudeau Law Enforcement on Behalf of Youth Award to Deputy Pete Godfrey for his outstanding work with youth in the Forest Lake area.

COMMUNITY SERVICES

Board Chair Peterson presented Family Child Care Provider, Preschool Caregiver, and Center Caregiver of the Year Awards to the following individuals: Karen Birong, Oakdale, Family Child Care Provider of the Year; Barb Ledo, Woodbury, Family Child Care Provider of the Year; Lisa Bents, Rainbow Christian Preschool, Lakeland, Preschool Caregiver of the Year; and Elizabeth Lauterbach, Primrose School of Woodbury, Center Caregiver of the Year for 2009.

PUBLIC HEARING – PROPERTY RECORDS AND TAXPAYER SERVICES

Consider County Participation in Aggregate Resource Preservation Property Tax Law Program

The Board Chair presented a brief overview of today's public hearing dealing with Washington County's continued participation in the Aggregate Resource Preservation Property Tax program. The Board Secretary indicated that the notice of public hearing was published and was placed on file.

Kevin Corbid, Director of Property Records and Taxpayer Services, reviewed the Aggregate Resource Preservation Property Tax Law program. The intended purpose of the program is to promote aggregate mining prior to development and creates a program that requires property containing commercial aggregate deposits to be valued at its agricultural value. It becomes effective for 2009 assessment, with taxes payable in 2010. The program requires an application and restrictive covenant and the land must be presently classified as residential or agricultural. Land enrolled would be valued at average agricultural value per acre with a class rate of 1%. If not mined, additional tax will be due for all years in the program. If it is mined, no benefits need to be repaid and the classification changes to commercial. Currently, there are more than 2,000 acres owned by aggregate companies. Land values currently run from \$7,500 to \$20,000 per acre or more in some parts of the county. Value under the program would be between \$3,300 and \$4,300. Impacts from this program would be lower value on some lands owned by or held for future aggregate mining which would impact other property owners who would not be benefiting from the program.

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Mr. Corbid stated the Board has the following options to consider: 1) Approve the resolution to terminate Washington County's participation in this property tax program; or, 2) Take no action and make a decision upon an initial application. By law, the counties have until May 2010 to opt out of the program and may opt back in at anytime by county resolution.

Mr. Corbid noted that a change was made to the program in the last couple days of the legislative session. Along with the valuation reduction they also passed a new class rate, 2E for aggregate mining properties that has a 1% class rate and it doesn't pay for the school excess levies. When the bill was first passed the interpretation was that counties could opt out of the evaluation side, but it could not opt out of having this 2E classification available to the property owners. The legislature has changed the language to say that counties can now opt out of both. Currently in Washington County the property owned by the aggregate mining companies and that are currently being mined are being classified as commercial, the rest of them are either residential classification or agricultural classification based on its current use. The county does not have any unmined deposits being classed as commercial.

The Board Chair asked for comments from the audience; none were heard.

Commissioner Kriesel moved to close the public hearing. Commissioner Hegberg seconded the motion and it was adopted unanimously. The public hearing was closed at 10:05 a.m.

Commissioner Weik moved to adopt **Resolution No. 2009-053** as follows:

Resolution Terminating Participation in the
Aggregate Resource Preservation Property Tax Law

WHEREAS, the Washington County Board of Commissioners recognizes the importance of maintaining aggregate resources within the county; and

WHEREAS, the County Board recognizes that property taxes are an important consideration as to the viability of the aggregate industries located in the county; and

WHEREAS, the state of Minnesota has an ad valorem property tax system based on the full market value of real estate; and

WHEREAS, the provisions of Minn. Statute 273.1115, Aggregate Resource Preservation Property Tax Law, grants special treatment to owners of land containing aggregate deposits, in comparison with other property in the county, therefore shifting the tax burden onto other properties; and

WHEREAS, the provisions of Minn. Statute 273.1115 allow a county to terminate application of this law; and

WHEREAS, a county may reauthorize application of this law by a resolution of the County Board revoking the termination; and

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WHEREAS, the County Board has met the requirements to terminate application of this law by holding a public hearing.

THEREFORE, BE IT RESOLVED, that the County Board of Commissioners hereby terminates participation in the Aggregate Resource Preservation Property Tax Law in Washington County.

Commissioner Pulkrabek seconded the motion and it was adopted unanimously.

GENERAL ADMINISTRATION

Public Information Coordinator II

Jim Schug, County Administrator, introduced Yvonne Klinnert as the new Public Information Coordinator II. Yvonne most recently has worked with the Stillwater Courier as Editor. She has also spent a considerable amount of time over the years covering County Board actions.

Legislative Update

Mr. Schug presented a legislative update as follows: the legislature adjourned last evening without a tax bill and the question is how that will impact the county's program aid which it receives from the state to fund the many services it provides under mandates and direction of state agencies; the current estimate for the shortfall is about \$2.7 billion; a non-controversial tax bill was approved by the legislature, the Governor has signed it and includes the elimination of a separate truth-in-taxation hearing, and the requirement to advertise for a truth-in-taxation hearing was also eliminated; there is a requirement that the landowners still receive a truth-in-taxation notice and that a date of a regularly scheduled board meeting be identified where they can comment on the proposed budget and levy before it is adopted; it also states that the meeting cannot be held before 6:00 p.m.; final levies do not have to be certified up until January 15 if the December aid payments are unallotted; an optional special levy has been approved that allows the first year operating and maintenance costs for new public safety facilities to be added outside of the levy limit and because the new building includes a courts and an in-custody arraignment courtroom it is staff's understanding that those are permitted in terms of being able to exceed the statutory levy limits; and there is a requirement that any new or changes to existing Maintenance of Efforts or matching fund requirements that are enacted by the legislature cannot be implemented until July 1, 2011.

Under Public Safety and Corrections the bill that was passed and signed by the Governor did reduce county probation grants by about \$2 million over the biennium, but the Department of Corrections has the discretion on where to implement those cuts; the county will lose the \$90,000 grant for funding the 8-day juvenile hold facility; General Assistance Medical Care has been line-item vetoed by the Governor and there was some limited use of that program by jail prisoners to cover some of their medical costs which may not now be available; there was elimination of the short-term offender program; and counties and cities have authority

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to provide administrative penalties for most traffic violations with restrictions, with a maximum administrative penalty of up to \$60 and that the counties would retain two-thirds of that fine.

In Health and Human Services the Governor line-item vetoed the General Assistance Medical Care that would constitute about a \$381 million reduction in that program; and the Governor stated he had significant concerns with a provision in the bill that prohibits a special transportation broker.

Mr. Schug stated that staff is not sure at this time what the impact will be on the county program aid. They hope the Governor will act sooner rather than later so there is more time to take a look at budget impacts for the balance of 2009 and for 2010. One prediction that was made by Keith Carlson, Minnesota Inter-County Association Executive Director, was that the Governor was going to stick with his recommendations for reduction in county program aid which is the number the county has been using in its planning.

COMMISSIONER REPORTS – COMMENTS – QUESTIONS

Commissioner Kriesel reported that Lt. Colonel Barb O'Reilly from the National Guard attended the Mental Health Advisory Council. She was impressed with the group and plans on becoming a member. The Planning Commission met and discussed the 2030 Comprehensive Plan. Last evening he attended the Stillwater Yellow Ribbon Initiative. This week he will be attending the Counties Transit Improvement Board and the Parks and Open Space Commission.

Commissioner Weik reported she attended the Law Enforcement Memorial Day at the Historic Courthouse. It was a solemn and moving ceremony. Jim Franklin, Executive Director of the Minnesota Sheriff's Association, was the keynote speaker and was outstanding. She attended the two-day Association of Minnesota Counties Futures meeting last week. She also attended a meeting of the Yellow Ribbon Committee and the next meeting will be Thursday, May 28 and she will not be able to attend that meeting. They are working on the web site and reviewed Pat Singel's draft report and action plan. This week she will attend the Counties Transit Improvement Board and the Public Health and Emergency Preparedness Committee on Thursday where they will review the Medical Reserve Corp Program. On Monday, Woodbury will hold a Memorial Day Service on the new City Hall Memorial Plaza at 10:00 a.m.

Commissioner Peterson reported that MELSA made significant policy changes and will be doing more purchases of joint programs and data basis. They continue to have a conversation about Maintenance of Effort and the disagreements they have with the Minnesota Library Association.

BOARD CORRESPONDENCE

Board correspondence was received and placed on file.

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ADJOURNMENT

There being no further business to come before the Board, Commissioner Hegberg moved to adjourned, seconded by Commissioner Kriesel and it was adopted unanimously. The meeting adjourned at 10:25 a.m.

Myra Peterson, Chair
County Board

Attest:

James R. Schug
County Administrator