BOARD WORKSHOP MINUTES

BOARD OF WRIGHT COUNTY COMMISSIONERS

NOVEMBER 8, 2022

DATE APPROVED: NOVEMBER 15, 2022

Christine Husom	District 1
Darek Vetsch	District 2
Mark Daleiden	District 3
Mary Wetter	District 4
Michael Kaczmarek	District 5

Members Present: Christine Husom, Darek Vetsch, Mark Daleiden, Mary Wetter, Mike Kaczmarek

Others Present: Lee Kelly, Clay Wilfahrt, Greg Kryzer, Barry Rhineberger, Jacob Wagaman, Elizabeth Karels, Matt Detjen, Marc Mattice, Lindsay Salo, Heather Lemieux, Lindsey Meyer

(Remote), Jessi Miller, Steve Jobe, Lori Pawelk, Schawn Johnson, John Holler, Ryan Kotilla

I. Schedule Meetings as Needed

County Administrator Lee Kelly said the outstanding items needing a meeting will be brought forward at a later date.

II. American Rescue Plan (ARP)

1. Updates

Project Administrator Elizabeth Karels presented the American Rescue Plan (ARP)-State and Local Fiscal Recovery Funds (SLRFR) allocation report. She said these funds had gone directly to the county and were set aside in seven buckets where all but a little less than $30,000 in ARP-SLRFR funds had been allocated. The biggest buckets are infrastructure and internal county expense. For the Business & Economic Relief bucket there had been four approved programs allocated $320,677. Karels went through the grants the money had been allocated to. The county is contractually obligated to the groups who are approved for grants to provide the money promised unless the project is completed, or the group is not meeting the county's requirements. For the Business and Economic Relief bucket the county has reimbursed a little more than $21,000 as of November 8. For the Education, Jobs & Training bucket there is only one program as of November 8, and that program is a technology training program for seniors. Families has three grants approved, two of which are fully funded and thus closed and one that has disbursed a little more than $46,000 of the $150,000 granted. Infrastructure is the big bucket. There are 25 grants approved amounting to more than $5.7 million of which $822,713 has been disbursed. The largest part of this bucket is broadband with 11 grants and $1.9 million in grant money allocated. Ag and Drainage Coordinator Matt Detjen manages water quality grants and there are nine of the 17 cities in the county that have accepted the proffered matching grants up to $4 million total for water and sewer. The final bucket, Internal County Expenses has nine programs and 10 grants approved for a total of $12.2 million. Of the $12.2 million, $10.2 has been disbursed. There is one program that has not yet been granted funds, that being the Customer Relationship Management System. There is a newly proposed Water Quality Improvement Grant Program requesting allocation of $2 million for cities and townships in the county to apply for managed by Detjen.

2. Water Quality Improvement Grants

Detjen said this proposed program ensures there is funding for municipalities and cities to request funding for projects that meet the County's objective of empowering the use of the land, property, and the environment while improving water quality. The purpose of this grant is to fund projects that will facilitate best management practices that assist in protecting and improving water quality of by converting rural stormwater systems (County ditches) to city stormwater systems to reduce sedimentation, run-off, and potential overland pollutants entering the area waterways, lakes, and wetlands. Detjen said he would sit on the board that scored the applications determining which municipalities projects were approved. He said previously the Economic Development Authority (EDA) had approved a $2.5 million revolving loan with the same goals. Karels said that program, though approved by the EDA, was never funded. She said the funding was going to be coming from the general fund and not the ARP-SLFRF. The county would not be able to focus on the economic development aspect of the project but would have to focus purely on the environmental benefit.

Commissioner Christine Husom said the $2.5 million revolving loan project was still active. Detjen said the revolving loan program was active but not funded. He still has 13 water quality projects that had been approved when the ARP started. He said this proposed grant program would replace the revolving loan project. He said the scoring on the applications would be different for the grant program along with the environmental focus. Husom said going forward, there are drainage systems that may become more stormwater systems as they are incorporated into cities. Detjen said by doing this the drains transfer from a nonpoint source (NPS) pollutant to a point source pollutant. He said by doing this would improve the water quality due to standards being raised. Vetsch asked if this would be something Lake Ann would be able to apply for to help improve their water quality. Detjen said this was a good example.

Kaczmarek asked if this program would surrender county ditches over to cities. Detjen said the scoring for applications was a 100-point system. The proposal, peak flow and phosphorous reductions are about 30 points of the test along with the question on whether the city is willing to take over the management of the ditch system. If a city were to want to take over the ditch system and transfer the ditch to a stormwater system, it must meet higher water quality standards. There would be applicants who would not be able to take over the ditch management. They would be able to apply but would score lower due to their inability to take over the ditch system.

Kaczmarek asked if there would be a dollar limit to each program. Detjen said there was no cap put on these funds. The funds must be dispersed by the end of 2024, so he did not want to put restrictions on the funding. Kaczmarek asked where the funding would come from. Karels presented three different funding options. The first option being using non-levied general funds previously allocated for the EDA's Revolving Loan Fund (RLF) program. Karels said this option would not use ARP money, there would be no ARP restrictions, and there would be no reporting required. The second funding option would be to reallocate ARP Funds, specifically $500,000 from the Customer Relationship Management System (CRM) which the ARP committee recommended to remove for further defining and resubmit in the 2024 Capital Improvement Projects (CIP) cycle. There is also $28,980 available in unallocated funds and the recommendation is to reallocate $1,471,020 from Broadband Improvements as it is the largest bucket of ungranted money. Option 3 is to do nothing.

Commissioner Mark Daleiden asked if broadband funding was reduced and the money tagged for the Water Control Improvement Program was not used, could the unused money be reallocated back to broadband. Karels said reallocating money is possible at any time, however it gets tricky once money has been granted and is under contractual obligation. Daleiden said there were issues with the broadband program as Charter is unwilling to use the county's conduit pipes to lay broadband. Kaczmarek asked for an update on the Broadband Improvements project. Karels said there are rural areas within the county still in need of improved broadband service. Two broadband improvement allocation projects have been funded. One of these projects was a matching grant program that awarded $1.9 million that will bring improved service to about 1,600 homes. The other was a match to the Border-to-Border grant applications. She said if all of these get awarded, which is not likely, then there would be improved service to 4,500 homes. The Geographic Information Systems (GIS) team looked at the map and determined there would be about 5,800 homes in need of improved service. Vetsch said progress has been made in the county. A number of these 5,800 homes are in the Rural Digital Opportunity Fund (RDOF) area and are waiting for the Federal Communications Commission (FCC) to determine which provider can service them. He said the awarded service providers in the RDOF areas have not acted. Reducing the allocated money available from $8.8 million to $7.4 million still gives the county substantial money to continue to work on the issue. Vetsch said Option 2 was the best option. Kaczmarek said since there was already a map and improved service promised to residents the county should do everything possible to ensure the promised work is done. Because of the work that has already been done towards the improvement of broadband Kaczmarek did not want to do anything to limit the money available or put it elsewhere from where it had been intended. Vetsch said the original dollar amount allocated to broadband had been random and was not based on any hard data. He said to get the best broadband across the county it would cost $100 million. When $10 million was agreed upon for the broadband project it was with the knowledge that millions of dollars for broadband were available in federal Border-to-Border grants. Husom said letters of support had been signed and sent for those who had applied for the Border-to-Border grants. Kaczmarek said residents had been present for the decision to put $10 million on the plan and without a good reason to reduce that money it should not be touched. Daleiden said that it was important to have partners involved in the process as well as the county cannot do the work. Vetsch said it was stated in the program that the money could be moved to where it was most needed. There already had been two rounds of grants where there were not enough applicants for the money being set aside for each round of the Border-to-Border grants. He said the intent at the beginning of 2023 is to see what happens with the Border-to-Border funds. Karels said this has been a waiting game, to see where money was being allocated. The mentioned map that shows the need in the county shows the areas affected by RDOF and Border-to-Border applications as well as address points indicating grants awarded to residents. Daleiden said a number of the residents are waiting on the state. Detjen said this was tough because money is being taken from other projects, but the people who are impacted are speaking up. He said while there is not an urgent need to move forward at that moment the process would take time and time was limited. Kaczmarek said he would feel better if he could defend the move of funds. Daleiden said the hold up at this time is at the state level. Vetsch said that the county had done quite a lot already, the results show there was not as much interest from the Internet Service Providers (ISP). There was still a substantial amount of money available for broadband. Kaczmarek said he could agree if county staff was willing to continue working on broadband. Vetsch said the reason nothing had happened recently was that the state had the applications for the Border-to-Border grants since July and had not returned a decision yet. It is not possible to act until a decision is received. Karels said she would investigate what could be done by county staff. Husom said she did not want staff going after something that was not a possibility. She said when the applications went out and there were no responses given it did not make sense to pursue providers who did not express interest. Karels said that an RFP for three different projects will be sent out for the broadband project once the state has returned the Border-to-Border grant decisions.

Daleiden asked if the municipalities benefitting from the Water Improvement projects would be required to put their own money into the project to receive the grant funds. Detjen said there was no match agreement. Daleiden said a match would be important. Detjen said a standard is 20 percent to 25 percent match. Vetsch said a 25 percent match was reasonable.

RECOMMENDATION: Move forward with Option 2, remove the CRM from funding and move ahead with reallocating the money from broadband while pursuing a stronger effort to bring forward another granting program for broadband with the money that is in there. To require a match for Water Improvement projects of 25 percent.

III. Household Hazardous Waste & Recycling Center Update

Planning & Zoning Administrator Barry Rhineberger introduced Environmental Health Supervisor Jacob Wagaman and provided the board with a list of projects Wagaman has been able to accomplish since he started in September and gave an update on the progress the potential reconstruction project has made.

Wagaman said in the last couple weeks the county had begun the licensing of gravel haulers. He said Planning & Zoning will implement a Google search on the county website by March or April of 2023 to direct residents who have items not accepted at the Recycling Center, such as mattresses, to a near-by location to drop those items off. Many counties in the state have this program, Wagaman and Rhineberger will be meeting Thursday, November 10 with a company to get a quote on adding this feature. There are plans for a Christmas light drop off in the Government Center to promote recycling Christmas lights. Administration Office Manager Laine Stephan and Facilities Director Alan Wilczek will assist in the marketing and placement of this project. “Get The Lead Out Minnesota” is a free program offered by the state to provide a drop off location for lead-based fishing tackle and educational materials. This program is currently being run in Stearns and McCleod counties. Trash or Treat is a smaller program but will provide residents and public schools with boxes designed for the recycling of candy wrappers.

Wagaman said they were in the process of gathering materials and educational items to get more outreach by getting a county booth at the next county fair. The focus would be on Household Hazardous Waste (HHW), recycling, and how the HHW & Recycling Center facility can be the drop off for these items. Wagaman is bringing back the Slipstream rebate program for light bulbs that has not been done since 2019. By doing so he says the county will see 77 percent back on its costs for lighting. For perspective in 2022 this would equate to $2,049 in savings.

Wagaman said the first big change will be in the recycling of used batteries. After seeing what was spent on batteries for the month of October it was determined that a change in vendor needed to happen. He said after speaking with Kaczmarek about where plastic is being sent, McLeod County, it was determined that the return received on plastics is good enough to continue. In 2022 the return on plastics is minimal. The county sends roughly 3.54 tons of plastic a year to McLeod County for recycling. He said the arrangement the county has is a good one. Compost/Recycling Facility Manager Craig

Mueller and his crew has done a very good job depleting the tire pile. The conveyer belt is gone, the leaf pile is about 75 yards long. Mueller said this was the biggest amount of leaves seen in 20 years of working at the county.

Wagaman said shipments have increased as they have worked to recycle appliances and tires. Things will shift inside during the week of Thanksgiving. He did say that the Tractor Tire vendor is behind and should get caught up by Christmas. Since he started, 83 items have been completed on the action item update list. Future projects will be to go through the tool room and the shelves at the HHW & Recycling Center. The staff will be going through training on Automated External Defibrillator (AED), forklift operation, and cardiopulmonary resuscitation (CPR).

Wagaman said that on the 2023 fee schedule, flatscreen TVs and tube TVs were charged differently due to the weights being different. Printers with scanners will be charged starting in 2023. The biggest change was with tires, the most tires the facility will accept from a single household is 10. He said the $3 fee for car tires was due in part to calling around and seeing what other facilities charge in the county. He said the $3 was low for the county. Semi tires cost the county almost $9 a tire. He said that the larger tires present a gray area for the county, are the semi tires indicative of a business and by accepting them is the county accepting business waste?

Daleiden asked about the cost of tractor tires. Wagaman said the cost to the resident was increasing from $20 to $30. The county pays $380/ton to ship tractor tires. Rhineberger said the $380/ton is a reduced price from what our previous provider charged which increased to $250/tire. Per Mueller, the facility takes in about 40-50 tractor tires a year.

Kaczmarek asked how the county tracks the number of tires per household. Wagaman said this was something that could be tracked through a waiver but at this time was not. Wagaman said the staff have a good memory. They know who comes in and what they bring. He said the fluorescent tubes are currently capped at 10 per household per year otherwise it seems like the resident is a business.

Kaczmarek asked Wagaman to find out how other facilities handle selling plastics. Wagaman said he had been attempting to reach out to different facilities on how they handle plastics and has not yet heard back. Kaczmarek asked the staff to call the processing plant he had visited on the recent trip out of state. Wagaman said he was waiting to hear back from the contacts he had made and would follow up when he had the information. Karels showed the board a timeline with action items for the HHW and Recycling Center facility. She said the construction project was still moving forward for the HHW and Recycling Center. What you do and how you do it will drive how the building will be laid out.

RECOMMENDATION*: *Carry on with the projects as scheduled and working through the action items list.

IV. Discussion of Legislative Items

Kelly received quite a few responses from departments on issues to be brought up with the Legislators. He said it would be best to focus on three to five items. Husom asked if everything could be presented and then discuss a few issues. Kelly said the Legislators have appreciated knowing in advance all the issues the county is concerned with even if only a few are discussed. Vetsch brought up the administrative review process for the Sherburne County Generating Station (SHERCO). The main issue is the timing of when the evaluation dollar amount changes. He said in early September the evaluation decreased by $30 million. He said generally the evaluation is inflated, but in the last few years there had been an $85.2 million reduction. The biggest question had to do with, when the county figures out taxpayer impact which assessment should be used. Finance Director Lindsey Meyer said what is used in the forecast is the most current numbers provided by the assessor's office. Meyer said the county used the tax capacity from 2021 to create the 2022 tax evaluation for payment in 2023. Vetsch said the tax valuation will change because of the swings in value. Property Tax Administrator Lindsay Salo said the tax capacity calculations do not typically change from year to year. Meyer said if there are any changes, no matter how minor, there are no program in the systems to spread the change amongst all parcels in the county.

Meyer shared that a driver's license testing company has received funding to open a testing site by the old Health and Human Services (HHS) building. The focus will be on commercial driver's licenses (CDL) drivers testing but will test for Class D licenses as well. Vetsch said there would be three clerk windows and 15 exam locations. Meyer said they still have to do the build out. The company said that Driver Vehicle Services (DVS) should continue proctoring exams. Vetsch said the DVS has proctored 1,500 exams since opening. He said the county should add motorcycle exams. Meyer said the county charges $10 for the driver's exam. The state exam is free, but difficult to get in. DVS Supervisor Jessi Gadach collaborated with the IT team; the DVS had initially started with six exam stations but since have opened up another two. Vetsch said the DVS currently offers testing three days a week and the question is whether it should offer another day. Meyer said that was a consideration. She said the new License Center may send people to the DVS once they have passed the test. Daleiden asked if the DVS testing needs to still be a legislative priority. Vetsch said there are many more tests that the DVS could proctor that require legislative action. He said the narrative may need to change a little, but pressure should still be put on the Legislators.

Kelly said there are some issues for the Legislators that the Association of Minnesota Counties (AMC) have picked up, such as ditches. The board did not want to strike any issue. Daleiden wanted to see Broadband move up to Item 4. To bring to their attention how slow the state is working.

Kaczmarek said the Legislators should know more about the 42.5 percent of the gravel tax which goes to the township where the pit is located, but the townships roads are not necessarily used whereas other townships that do not receive money because they do not have gravel pits are having to fix roads that the gravel companies use. Kelly said he would work on changing the language.

RECOMMENDATION: Change the language of the gravel tax and move broadband to Number 4. Add the language Vetsch brought up about SHERCO.

V. Fee Schedule

Kelly said the fee schedule had been sent to the board. Kaczmarek asked for an explanation on the proposed change to the special assessments fee per parcel. The special assessment fee, currently listed at $1.75 per parcel for setup and .40 cents per year for maintenance had not previously been charged. The fee covered three assessments, fire, Lake Improvement Districts (LIDS), and recycling. Meyer said after looking over everything that was involved in providing the special assessment for the office it was determined that it cost the county approximately 20 cents per parcel, but she noted that this did not include overhead or paper fees. Kaczmarek asked if Meyer would propose changing the special assessment maintenance fee from 40 cents to 20 cents. Meyer said it was difficult to figure out how to do what Kaczmarek was asking as the information was put together in response to his inquiry, it was unknown how this would affect the fee schedule. He asked where the 20 cents came from. Meyers said 20 cents represents the amount of time it takes to deal with the special assessment per parcel. He asked if that is the time it takes to set up master source, the addition and deletions from the townships, and then email correspondence and proofreading all packaged up in a few hours. Salo said this was the best average they could come up with as it was difficult to specify a cost as parcels are different sizes.

The board discussed how the county processed the special assessment. Kaczmarek said the topic was brought up by several townships noting that the fee, which had previously not been charged, was now to be charged. While these townships expressed no issues with paying the fee they desired to know if they were paying what it actually cost the county or if the amount was more than what the county paid. Meyer said she was willing to change the fee to whatever the board decided, but considering it was such a small amount did not believe it would be necessary.

RECOMMENDATION: To hold any recommended changes to the Fee Schedule until the public hearing on Tuesday, November 29 at which point the County Board will discuss changes based on public response and discussions from the Workshop on Tuesday, November 8.

The meeting adjourned at 11:08 a.m.
County Board Workshop Minutes submitted by Philip Hodges, Administration Specialist