

CLAY COUNTY BOARD OF COMMISSIONERS
8:30 AM, TUESDAY, FEBRUARY 7, 2023
Meeting Room A / B – 3rd Floor – Courthouse
MINUTES

The Clay County Board of Commissioners met in regular session with the following Commissioners present: Paul Krabbenhoft, Jenny Mongeau, Kevin Campbell, and David Ebinger. Others present: County Administrator Stephen Larson, County Attorney Brian Melton, and Communications Coordinator Jacqueline Finck

Call to Order

Commissioner Ebinger called the meeting to order at 8:30 a.m.

Approval of Agenda

On motion by Commissioner Campbell, seconded by Commissioner Krabbenhoft, and unanimously carried, the Board approved the agenda.

Amendment(s) to 12-27-2022 Minutes to include the amount of year-end transfer from the General Fund to the FM Diversion Joint Ports - MCCJPA Fund

By consent, the Board approved the Amendment(s) to 12-27-2022 to include the amount of year-end transfer from the General Fund to the FM Diversion Joint Ports - MCCJPA Fund.

Amendment(s) to 4-19-2022 Minutes to include the correct bid amount from the Sellin Brothers, for SAP 014-594-001 - 7th Street Reconstruction in Dilworth.

By consent, the Board approved the Amendment(s) to 4-19-2022 Minutes to include the correct bid amount from the Sellin Brothers, for SAP 014-594-001 - 7th Street Reconstruction in Dilworth.

Renew Vegetation Management Lease for Elkton Township County Property

By consent, the Board approved the renewal of the Vegetation Management Lease for Elkton Township County Property.

FY 2023 State of Minnesota Board of Water and Soil Resources MPCA SSTS Program Grant Agreement

By consent, the Board approved the FY 2023 State of Minnesota Board of Water and Soil Resources MPCA SSTS Program Grant Agreement.

Minnesota Lawful Gambling LG220 Application for Exempt Permit - Minnesota Deer Hunters Association Clay-Wilkin Chapter

By consent, the Board approved the Minnesota Lawful Gambling LG220 Application for Exempt Permit - Minnesota Deer Hunters Association Clay-Wilkin Chapter.

Minnesota Lawful Gambling LG220 Application for Exempt Permit - Barnesville Lions Club

By consent, the Board approved the Minnesota Lawful Gambling LG220 Application for Exempt Permit - Barnesville Lions Club.

Citizens to be Heard

There were no citizens to be heard.

Approval of Payment of Bills and Vouchers

On motion by Commissioner Mongeau, seconded by Commissioner Campbell, and unanimously carried, the Board approved the payment of bills and vouchers totaling \$1,872,703 from 225 vendors. There were 162 warrants issued under \$2,000 (\$72,170) and the following 63 were over \$2,000.

Blue Cross Blue Shield Minnesota	\$ 298,157	Prairie Lakes Municipal Solid Waste Auth	\$ 26,028
Internal Revenue Serv	\$ 222,152	McArthur Tile Co.	\$ 25,804
SHI International Corp	\$ 212,222	Becker County Public Health	\$ 24,808
MN PERA	\$ 149,126	Historical & Cultural Society Of Clay Co	\$ 16,461
Advanced Correctional Healthcare, Inc.	\$ 114,532	KnowBe4, Inc.	\$ 16,282
Lake Agassiz Regional Library	\$ 79,566	Gast Construction Co., Inc.	\$ 15,931
Clay County Social Services	\$ 55,180	NACO	\$ 13,522
Fargo Moorhead West Fargo Chamber of Com	\$ 50,000	Primadata LLC	\$ 12,500
Clay Co Public Health	\$ 49,640	Tritech Software Systems, Inc.	\$ 11,693
Otter Tail Public Health	\$ 46,788	JT Lawn Service	\$ 11,363
Tricorne Audio, Inc.	\$ 44,910	High Point Networks, LLC	\$ 11,342
City Of Fargo	\$ 44,661	Wallwork Truck Center	\$ 10,315
Minnesota Management & Budget	\$ 30,000	DebtBook	\$ 10,000
Mn Dept Of Revenue	\$ 28,281	Nitzkowski, Inc.	\$ 8,554
VEBA Select Account	\$ 27,745	NW Regional Development Commission	\$ 7,542

Code 4 Services, Inc	\$	7,536	Nd State Tax Commissioner	\$	3,402
Moorhead Public Service	\$	6,964	Dakota Plains Mechanical, Inc.	\$	3,321
MN Counties Computer Coop	\$	6,201	Pauly Jail Building Company, Inc.	\$	3,271
Uline	\$	5,932	River Valley Forensic Services, PA	\$	3,250
Wilkin Co Public Health	\$	5,320	Colonial Life	\$	3,068
Amherst H. Wilder Foundation	\$	5,000	BDT Mechanical, LLc	\$	3,038
Trinity Services Group, Inc.	\$	4,838	Auto Value Parts Stores	\$	2,793
Salamander Technologies, LLC	\$	4,696	Galls, LLC - 1002151418	\$	2,725
Rick Electric Inc	\$	4,592	Enterprise FM Trust	\$	2,682
F M Printing	\$	4,493	Holcim MWR, Inc.	\$	2,587
Town & Country Oil Inc.	\$	4,288	Maco - Aitkin	\$	2,500
Stellar Services, LLC	\$	4,173	Powerplan	\$	2,462
MidStates Wireless, Inc.	\$	4,022	Madison National Life	\$	2,443
Amazon Capital Services	\$	3,661	Clay County Public Health Dept (Jail)	\$	2,338
R Travelmart	\$	3,648	Fargo Freightliner	\$	2,242
Headwaters Regional Development Comm	\$	3,500	HiTen Plumbing & Water Conditioning Inc.	\$	2,223
			Ramsey County Med Exam	\$	2,201

Approval of Minutes from January 17, 2023 and January 24, 2023

On motion by Commissioner Krabbenhoft, seconded by Commissioner Campbell, and unanimously carried, the Board approved the minutes from January 17, 2023 and January 24, 2023.

Employee Recognitions

The following employees were recognized: Shannon Thompson for 15 years with Solid Waste; Melissa Boedigheimer for 20 years with Social Services; and Cindy Arends for 25 years with Social Services.

Annual Department Update - Assessor's Office

County Assessor Nancy Gunderson presented the Assessor's Office annual update. Effective February 10, the Assessor's office will be in need of a new Deputy Appraiser. Assessment 2022 was wrapped up in mid-January 2023. This assessment related to splits, combinations, grants for homesteads and qualifying tax programs. The Disabled

Veterans Exemption Program was highlighted as participants in this program have grown over the past five years. For example, assessment 18 pay of 19, there were 235 participants in the program. Now, assessment 22 pay of 23, there are 416 participants. That is a 77% increase.

Ms. Gunderson continued with assessment 2023, the setting of rates and values based on sales activity from October 2021 through September 2022. Values are set as of January 2 of every year, and are based on the market activity from October to the following September. Market trends are calculated by the Minnesota Department of Revenue's Data and Analysis Department for every class of property: ag, apartment, commercial/industrial, and residential and is completed for every County Statewide. The trends are used to adjust sale prices as the market changes to the January 2 assessment date. This is what is used to establish the current market value.

In late 2021 and into 2022, the residential market was strong, even though mortgage rates climbed. Clay County still has a positive residential market trend of about 9% annually. The City of Moorhead also had a positive residential market trend of just about 10%. However, Moorhead appealed their trend for a slight reduction, which the Department of Revenue chose to remove completely. Agriculture values have increased during the past study period. Clay County started with a time trend of 29%. This was calculated based on 73 past sales during a 21-month study. Ms. Gunderson appealed this in November 2022. After review, the appeal was granted and the time trend was lowered to 19.6%, a drop of roughly 10 points.

Ms. Gunderson discussed County ratios. There are 51 sales county wide of Ag land consisting of 34.5 acres or more, with the applied positive market trend of 19.6%. There were 28 sales county-wide of commercial, with no market trend, with a starting ratio of just under 88%. Without the City of Moorhead sales, there are 5 valid, with a starting ratio of 107.8%. There were 3 sales county-wide of industrial, no market trend, with a starting ratio of just under 49%. There were 24 sales county wide for apartments, with the median ratio of just under 87%, no market trend applied, and without the Moorhead sales, there were 3 with a ratio of 78%. No blanket increases will be applied across the county, as consideration is given to different locations. Residential, ag, house and garage, county-wide percentage increases are projected to be between 10-20% depending on location. The City of Moorhead is projected at 5%. Tillable land will be seeing an increase per acre around 45%. Meadow and pasture land will see an increase of about 30%.

Currently, for 2023, only six jurisdictions hold their own meetings for Local Board of Appeal. Notices to those Boards will go out prior to February 15, 2023, so they can post and publish. The remainder of Clay County cities and Townships are under the open book format, which is to start April 24, 2023 at the Government Center. County Board of Equalization is scheduled for June 13, 2023, with a start time of 6:30 p.m.

Mass appraisal onsite visits are planned for summer and fall of 2023 for assessment 24. Those will include Hawley City, Hitterdal City, Cromwell Township, Flowing

Township, Glyndon Township, Goose Prairie Township, Highland Grove Township and Spring Prairie Township, for a total of \$2,640 to meet quintile. Ms. Gunderson provided additional information on mass appraisal work conducted in 2022, working with Vanguard staff to upgrade to a new cost manual, and tax court petitions.

Commissioner Campbell discussed how property values increase and, as long as they are proportionate, there shouldn't be a significant swing. Ms. Gunderson stated that yes, it could cause a significant swing and the rural cities of Clay County would see a large increase in value compared to the cities' residential population.

Commissioner Campbell, stated that typically we don't see a difference in value between communities. However, with the City of Moorhead being at zero, and the rest of the County being at 10%, that will change who is paying what share. If the County is consistent with the levy increases, then residents shouldn't see drastic increases in their share of County operations. Ms. Gunderson stated that the City of Moorhead originally was asking for a slight reduction, not a complete zero. And in the past, Clay County was just under Moorhead's time trend.

Commissioner Krabbenhoft asked if different cities, such as Hawley or Barnesville, had the same opportunity to appeal. Ms. Gunderson stated that she could have brought an appeal on any time trend, but didn't think residential was out of line based on what she'd seen in the past. However, the agricultural time trend was quite strong, which is why that was appealed. Commissioner Krabbenhoft wanted to confirm that the appeal process comes from Ms. Gunderson, which she did confirm.

Commissioner Mongeau, suggested sending this information to MCCJPA in regards to land buyouts and rural property buyouts. Commissioner Campbell asked if the MCCJPA property buyouts were a part of the sale values. Ms. Gunderson informed that those get removed as they are a Government agency.

Annual Department Update - Technology Services

Technology Services Director Rory Schmitz presented the Technology Services Department's annual update. The department consists of 9 employees. Four Computer Support Specialists, four System Administrators and himself. The current staff ratio is 1:77. Compared to other counties, the ratio is working. The department supports 800 computers, 910 desk phones and 260 Cell Phones/Tablets. Technology Services also keeps track and maintains over 3,000 active assets. For example, computers, wireless access points and different IT equipment throughout the County. Along with that, there are 2,500 decommissioned assets that are kept track of for a handful of years in order to keep databases updated and to report on. The department also supports the Social Services Electronic Document System. Technology Services hosts this system for Clay County along with twenty other counties, which generates revenue.

Commissioner Campbell asked if hosting other counties means hosting their data. Mr. Schmitz confirmed that was correct. Commissioner Campbell further asked about the

income the county receives and if it's offset by what we do in terms of storage capacity. Mr. Schmitz stated that 2/3 of the revenue received goes towards the system and software. And the other 1/3 is the revenue that comes back to the County.

Mr. Schmitz continued with reporting on Help Desk Services. There was an increase in requests during the pandemic (2020) and has remained fairly similar since. Mr. Schmitz anticipates there being roughly 4,000 service requests for 2023. Additional data includes 330 help tickets per month, 74 door/visitor counts per month, and 108 help desk calls per month. Onboarding costs for 2023 is \$1,800 to \$2,300. Annual expenses for 2023 is \$200 - \$625. Additional costs to consider are for network and airless infrastructure, cabling and office remodeling, and printer/copier demand. The current phone system is being evaluated and a cloud based system is being looked into.

Approval to Advertise for SAP 014-618-016

County Engineer Justin Sorum stated this is a paving project on CSAH 18. A total of \$800,000 was awarded in 2021 for LRIP funds. This will start from 80th Street South, one mile west of the Buffalo River, all the way to Trunk Highway 9. This route is important as it will make CSAH 18 a continuous 10-ton roadway from Trunk Highway 9 to the beet plant. The proposed letting date would be March 14, 2023.

On motion by Commissioner Mongeau, seconded by Commissioner Campbell, and unanimously carried, the Board approved to advertise for SAP 014-618-016.

Approval of Low Bid for SAP 014-601-009

Mr. Sorum requested approval of the low bid from Redstone Construction in the amount of \$849,941 for the removal of the North Broadway Bridge. There were several discussions with the City of Fargo and MnDOT. Due to the volatile state of the bridge and being that it's a competitive bid, we feel it's best to move forward with the project. Bridge bond funds were secured to fund Clay County's portion and the City of Fargo approved the funds for their portion last night.

On motion by Commissioner Mongeau, seconded by Commissioner Krabbenhoft, and unanimously carried, the Board approved the low bid from Redstone Construction for SAP 014-601-009 in the amount of \$849,941.

Approval of the 2023 Sign Order

Mr. Sorum requested approval of a quote from M-R Sign Company, Inc. in the amount of \$24,916.03. This is year three of four replacing the blue 911 fire number signs throughout the County. This project has gone very well so far and after this year, there will only be two townships left to complete, so next year will go relatively quick. The 2023 sign order is a budgeted item.

On motion by Commissioner Krabbenhoft, seconded by Commissioner Campbell, and unanimously carried, the Board approved the 2023 sign order quote from M-R Sign Co., Inc. in the amount of \$24,916.03.

Approval of Grant Agreement and Resolution 2023-06 for Bridge Removal on CSAH 1

Bridge bond funds were granted for Clay County's portion for the removal of the North Broadway Bridge on CSAH 1. Mr. Sorum requested approval of the MnDOT Grant agreement #1052499 and supporting Resolution 2023-06 for the bridge removal on CSAH 1. The grant agreement does reflect the increased funding from MnDOT totaling to \$459,971.00 as well as the local match from the City of Fargo in the amount of \$424,971.00.

On motion by Commissioner Campbell, seconded by Commissioner Mongeau, and unanimously carried, the Board approved the MnDOT Grant Agreement #1052499 and supporting Resolution 2023-06 for Bridge Removal on CSAH 1.

Union Contract Approval

Human Resources Coordinator Anna Moore requested approval for union contracts for the Highway Department and Detox. Contracts are for three years and reflect 4% COLA. Both contracts include Juneteenth, half day Christmas Eve holiday, ability to use vacation and sick time as it's accrued, shortening the grid from two-year steps to one-year steps in 2024, and to conduct a market study in 2024 to implement in 2025.

Commissioner Campbell asked when approving these contracts, would retro-pay need approval since these contracts were signed after the first of the year. Ms. Moore stated that with the approval of the 2023-2025 contracts, HR is proposing a retroactive date of January 1, 2023. HR and Payroll will issue retro-pay for any missed wages.

On motion by Commissioner Campbell, seconded by Commissioner Krabbenhoft, and unanimously carried, the Board approved the Union Contracts for the Highway Department and Detox for years 2023 to 2025.

Ms. Moore further stated that Social Workers still have an open contract and they will be going to mediation on March 7, 2023.

Substance Use Crisis Center Financial Plan Update

County Administrator Steve Larson presented the update on the Substance Use Crisis Center Financial Plan. On January 17, 2023, the Board of Commissioners received a design development progress update from Klein McCarthy Architects and Gehrtz Construction Services, Inc. Through that process, the potential costs of B-3 items as well as further explanation of the furniture, fixtures, and equipment (F, F, & E) were presented.

Mr. Larson further discussed the background of the project, the Substance Use Crisis Center cost estimates, and ideas to address additional costs due to the funding gap that was identified. The Finance Committee recommended requesting the Board to allocate an additional \$750,000 of the \$1 million ARPA reserve, to fill a portion of the financial gap. This would leave \$250,000 in the reserve fund in the event of a COVID

pandemic flair-up. The remaining \$149,650 is unallocated. The following timeline was discussed:

- February 14, 2023: Board approval to request bids
- February 20, 2023: Announcement for bids
- February 23, 2023: Proposed bid documents available
- March 16, 2023: Bids due date
- March 28, 2023: Board approval of bids
- Once bids are received, establish the final funding plan

Commissioner Campbell addressed the \$1 million dollar ARPA funds that were placed in the Public Health spectrum for any potential COVID related issues that could arise in the future. Kathy McKay, the Public Health Director, agreed with the decision to allocate ARPA funds for the Substance Use Crisis Center and is confident that this wouldn't pose an issue in regards to where COVID is today. Commissioner Campbell further stated when looking at the original document provided by Gehrtz Construction, there were two different contingencies. There is a possibility, once the numbers come in, for those percentages and contingencies to drop. Therefore, reducing the scope of the project. Commissioner Campbell mentioned speaking with County Auditor, Lori Johnson, on what the plan would be if those contingencies and percentages don't drop and where the additional dollars would come from. To which Ms. Johnson felt comfortable stating the County would be able to upfront those dollars through reserves.

On motion by Commissioner Campbell, seconded by Commissioner Mongeau, and unanimously carried, the Board approved the utilization of \$750,000 of the 1 million ARPA funds the Clay County Board of Commissioners has set aside in the "Reserve".

Fargo-Moorhead Diversion Project - Funding Commitment Status Update

Mr. Larson stated that the FM Diversion Project transitioned from design phase to construction phase. Through the original project financial plan, the State of Minnesota was asked to provide funding for a portion of the overall project. While both Clay County and the City of Moorhead have secured some funding through the MnDNR Flood Damage Reduction Program, there remains a number of flood mitigation projects to be completed.

Commissioner Campbell stated that as part of the agreement to join the Diversion Authority Project, there was stipulation to lobby for funds from the state of Minnesota for the project within Clay County. Commissioner Campbell further discussed bonding requests and that at this time, formal submissions from Clay County have not been submitted to legislature. The funds that are needed for rural Clay County are \$36.2 million in order to finish the project. Commissioner Campbell discussed the importance of getting this out to local legislators and the state bonding committee, in the event that additional projects take place.

Commissioner Krabbenhoft asked if the \$36.2 million is coming from a general fund. Commissioner Campbell, stated that for any of these projects the only potential funding is through bonds. If a project needs to be done prior to a formal submission, it is still the Diversion Authority's responsibility to pay for it. But, it's Clay County's responsibility, as part of the agreement, to try and help secure funding for Minnesota projects by lobbying.

Commissioner Mongeau asked about the verbiage and ranking stated in the bonding requests section of the FM Area Diversion information brochure. We don't want to imply that any one project is more of a priority over others. Commissioner Campbell stated that the City of Moorhead may have their projects ranked from top to bottom on the brochure. Clay County's projects could be tied to the timing of when they need to be completed.

Commissioner Ebinger stated lobbying for bonding is important and the obvious way to get the Minnesota share out of the legislature.

On motion by Commissioner Campbell, seconded by Commissioner Krabbenhoft, and unanimously carried, the Board approved sending a letter to State Legislatures, MnDNR and Chamber of Commerce supporting HF349 and highlighting the additional funding Clay County will need to complete the remaining mitigation Diversion Projects.

Clay County Extension Committee - Annual Appointments

Mr. Larson presented that Minnesota State Statute 38.36 dictates that a County must have an extension committee. The committee must have nine members. Two members must be County Commissioners appointed by the County Board, the County Auditor or the auditor's designee must be a member, and six members must be appointed at large by the County Board. The list of the appointees are below:

1. Commissioner Jenny Mongeau - 3 year term
2. Commissioner Paul Krabbenhoft - 2 year term
3. Auditor Lori Johnson - 3 year term
4. Derek Crompton - 3 year term
5. Councilperson Heather Nesemeier - 2 year term
6. Sandy Knutson - 2 year term
7. Amy Madson - 3 year term
8. Terri Smith - 2 year term
9. TBD @ the Extension Committee meeting in March - 3 year term

On motion by Commissioner Campbell, seconded by Commissioner Krabbenhoft, and unanimously carried, the Board approved Commissioner Jenny Mongeau - 3 year term, Commissioner Paul Krabbenhoft - 2 year term, County Auditor Lori Johnson - 3 year term, Derek Crompton - 3 year term, Councilperson Heather Nesemeier - 2 year term, Sandy Knutson - 2 year term, Amy Madson - 3 year term, and Terri Smith - 2 year term.

Committee Reports/County Administrator Update/Discussions

- Commissioner Krabbenhoft reported on meetings for Clay County Substance Abuse Committee; AMC New Commissioner Training 101; Oath Office & Award Ceremony at LEC; Children's Mental Health LAC; met with Maureen Johnson with the Historical & Cultural Society; and Planning Commission.
- Commissioner Mongeau reported on meetings with County Engineer, County Administrator, Commissioner Campbell, and MnDOT regarding contaminated material on the 11th Street Construction Project; Prairie Lakes Municipal Solid Waste; Substance Abuse Crisis Facility Finance Committee; AMC New Commissioner Training 101 - Presenter; AMC Extension Committee - Regional; Lakes & Prairies Community Action - CAPLP; MCCJPA; County-Owned Property; Substance Use Building Committee, Oath Office & Award Ceremony at LEC, Tours at the Resource Recovery Center; Conversation with Senator Kupec regarding Senate File 2; and MetroCOG Policy Board.
- Commissioner Campbell reported on meetings with County Engineer, County Administrator, Commissioner Mongeau, and MnDOT regarding contaminated material on the 11th Street Construction Project; Prairie Lakes Municipal Solid Waste; Substance Abuse Crisis Facility Finance Committee; Solid Waste Advisory Committee; MCCJPA; FM Diversion Authority; Substance Use Building Committee; Oath Office & Award Ceremony at LEC; and Ribbon Cutting Ceremony & Tours at the Resource Recovery Center.
- Commissioner Ebinger reported on meetings for Clay County Substance Abuse Committee; FM Diversion Finance Committee; FM Diversion Authority; Oath Office & Award Ceremony at LEC; GFMEDC; AMC Public Safety; AMC Legislative Update; and the swearing in of Moorhead Police Officers.
- County Administrator reported on meetings for Opioid discussion with Commissioner Ebinger & Commissioner Krabbenhoft; meeting with Mr. Sorum, Commissioner Mongeau and Commissioner Campbell on the 11th Street Project; County Management; Finance Committee; met with Blue Earth County Administrator; SWAC; met with Darren Brooke regarding HR issues; MCCJPA; County-Owned Property; Substance Use Building Committee; Oath Office & Award Ceremony at LEC; Ribbon Cutting Ceremony & Tours at the Resource Recovery Center; Futures Task Force; met with Kimberly Savageau, Joe Olson, Brian Melton and Rhonda Porter on a series of issues; Sent a letter of concern in regards to the clean energy bill by 2040; Senator Kupec community round table registration requirement-reach out to Jackie Finck to register.

On motion by Commissioner Mongeau, seconded by Commissioner Campbell, and unanimously carried, the Board approved Commissioner Krabbenhoft to be on the Legislative Salary Council.

Commissioner Campbell discussed Commissioner Gross' absence and being diligent about having someone fill in for his meetings/committees while he is gone.

Adjourn

The meeting was adjourned at 10:43 a.m.

Frank Gross, Chair
County Board of Commissioners

Stephen Larson, County Administrator