

CLAY COUNTY BOARD OF COMMISSIONERS
5:00 PM, TUESDAY, DECEMBER 12, 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, Frank Gross, Jenny Mongeau, Kevin Campbell, and David Ebinger. Others present: County Administrator Stephen Larson, County Attorney Brian Melton, HR Director/Asst. Administrator Darren Brooke, and Communications Coordinator Jacqueline Finck.

Call to Order

Commissioner Gross called the meeting to order at 5:00 p.m.

Approval of Agenda

On motion by Commissioner Mongeau seconded by Commissioner Ebinger, and unanimously carried, the Board approved the agenda.

Temporary Liquor License for Barnesville Knights of Columbus

By consent the Board approved the temporary liquor license for Barnesville Knights of Columbus.

2024 Detox/Withdrawal Management Policies

By consent the Board approved the 2024 Detox/Withdrawal Management policies.

Citizens to be Heard

There were no citizens to be heard.

Approval of Payment of Bills and Vouchers

On motion by Commissioner Krabbenhoft, seconded by Commissioner Ebinger, and unanimously carried, the Board approved the bills and vouchers totaling \$2,585,943 from 272 vendors. There were 192 warrants issued under \$2,000 (\$87,069) and the following 80 were over \$2,000.

Air Mechanical, Inc	\$ 423,776	NACO	\$ 12,367
Buffalo-Red River Watershed	\$ 359,325	Veolia North America	\$ 11,889
Internal Revenue Serv	\$ 214,824	Mortenson Masonry, Inc.	\$ 11,822
MN-KOTA Concrete, Inc.	\$ 126,274	City of Glyndon	\$ 11,468
Gehrtz Construction Services, Inc	\$ 122,923	MN Counties Computer Coop	\$ 10,868
Grotberg Electric Inc	\$ 121,875	Specialty Systems	\$ 10,530
Johnson & Schock Excavation LLC	\$ 82,450	Enterprise FM Trust	\$ 10,057
Treas Wild R W Shed/Treas Of	\$ 62,734	Powerplan	\$ 9,888
Moorhead Public Service	\$ 49,148	Flaherty & Hood, P.A.	\$ 8,817
Clay Co Public Health	\$ 47,212	Cardinal Health 110, LLC	\$ 5,691
Lakeland Mental Health	\$ 38,993	City of Hitterdal	\$ 5,678
MinKo Construction, Inc.	\$ 34,652	Houston Engineering Inc	\$ 5,427
Otter Tail Public Health	\$ 33,483	City Of Dilworth	\$ 5,399

White Cap, L.P.	\$ 29,130	Forum Communications Printing	\$ 5,114
Magic Fund	\$ 28,717	The Retrofit Companies Inc.	\$ 4,967
Mn Dept Of Revenue	\$ 28,699	LELS	\$ 4,940
VEBA Select Account	\$ 28,684	Chiller Systems Inc	\$ 4,886
Nova Fire Protection Inc.	\$ 28,500	Widseth Smith Nolting & Associates Inc.	\$ 4,612
Trinity Services Group, Inc.	\$ 26,978	Petro Serve Usa-Hwy	\$ 4,309
Prairie Lakes Municipal Solid Waste Auth	\$ 26,028	TimeClock Plus, LLC	\$ 4,158
Central Door & Hardware Inc.	\$ 25,837	City of Pelican Rapids	\$ 4,054
Klein Mccarthy & Co Ltd	\$ 25,192	Wilkin Co Public Health	\$ 3,881
Advanced Engineering & Environmental	\$ 25,000	Xcel Energy	\$ 3,519
Lloyd's Auto Body Inc.	\$ 23,906	Ok Tire Store Inc.	\$ 3,363
Earthwork Services Inc.	\$ 22,800	Pro West & Associates Inc	\$ 3,335
Bolton & Menk, Inc.	\$ 20,951	Uline	\$ 3,204
U Motors Inc.	\$ 20,660	Brenco Corp	\$ 3,185
Becker County Public Health	\$ 20,337	Monsido, LLC	\$ 3,150
Independent School Dist 152	\$ 20,139	Farmers Coop Oil Co	\$ 2,980
Stein's Inc	\$ 19,569	Static Electric Construction LLC	\$ 2,900
Town & Country Oil Inc.	\$ 18,895	BDT Mechanical, LLc	\$ 2,897
STEAMATIC of the Red River Valley	\$ 18,788	D-D Moore LLP	\$ 2,654
Historical & Cultural Society Of Clay Co	\$ 16,461	Galls, LLC - 1002151418	\$ 2,575
City Of Barnesville	\$ 15,000	Dakota Plains Mechanical, Inc.	\$ 2,431
WEX Bank - Sheriff	\$ 14,150	JT Lawn Service	\$ 2,419
Johnson's Auto Repair LLC	\$ 13,913	R Travelmart	\$ 2,313
City Of Hawley	\$ 13,475	M-R Sign Company Inc	\$ 2,304
Pomp's Tire Service, Inc.	\$ 13,299	Nancy Hein-Kolo, PsyD, LP	\$ 2,250
Eaton Corporation	\$ 12,797	Sabin C Store	\$ 2,161
Turnkey Corrections	\$ 12,678	Kiesler's Police Supply, Inc.	\$ 2,126

Approval of Minutes from November 21 & 28, 2023 and November 14, 2023 Work Group Meeting

On motion by Commissioner Ebinger, seconded by Commissioner Campbell, and unanimously carried, the Board approved the minutes from November 21 & 28, 2023 and November 14, 2023 Work Group meeting.

Public Hearing - Request Approval of Resolution 2023-33 - Giving Preliminary Approval for the Issuance of General Obligation Capital Improvement Plan Bonds in an Amount Not to Exceed \$6,450,000 and Adopting of the Clay County Capital Improvement Plan (CIP)

On motion by Commissioner Campbell, seconded by Commissioner Mongeau, and unanimously carried, the Board approved to open the Public Hearing at 5:02 p.m.

County Administrator Stephen Larson stated on November 14th, 2023, the Clay County Board of Commissioners approved resolution 2023-27 calling for a public hearing to be held on December 12th, 2023, to address the Clay County 5-year capital improvement plan and the intent to authorize the issuance, sale, and use of general obligated capital improvement plan bonds.

Todd Hagen, Senior Municipal Advisor for Ehlers, discussed the resolution to consider is to not exceed \$6,450,000 of bonds and adopting the Capital Improvement Plan, which is a financing mechanism in order to issue bonds at the end of January. The DMV would be the only building that will be financed as the Withdrawal Management/Detox Facility is being paid for through alternative funding sources.

Mr. Hagen further discussed the Finance plan which included the purpose, the Capital Improvement Planning Process, Project Summary, Financing, Proposed CIP Bond Issue and Pre-Sale Schedule.

On motion by Commissioner Campbell, seconded by Commissioner Ebinger, and unanimously carried, the Board approved to close the public hearing at 5:09.

On motion by Commissioner Campbell, seconded by Commissioner Ebinger, and unanimously carried, the Board approved Resolution 2023-33 giving preliminary approval for the issuance of general obligation capital improvement plan bonds in an amount not to exceed \$6,450,000 and adopting the Clay County Capital Improvement Plan.

RESOLUTION NO. 2023-33

A. WHEREAS, the County Board of the County of Clay, Minnesota (the "County") proposes to adopt the County of Clay, Minnesota, Capital Improvement Plan (the "Plan") and to issue its general obligation capital improvement plan bonds (the "Bonds"), and apply certain proceeds of its General Obligation Capital Improvement Plan Bonds, Series 2017B (the "Prior Bonds") to projects described in the Plan; and

B. WHEREAS, the County has caused notice of the public hearing on the intention to issue the Bonds and apply proceeds of the Prior Bonds and on the proposed adoption of the Plan to be published pursuant to and in accordance with Minnesota Statutes, Section 373.40; and

C. WHEREAS, a public hearing on the intention to issue the Bonds, apply proceeds of the Prior Bonds and on the proposed Plan has been held on this date, following published notice of the public hearing as required by law; and

D. WHEREAS, in approving the Plan, the County Board considered for each project and for the plan:

1. The condition of the County's existing infrastructure, including the projected need for repair and replacement;
2. The likely demand for the improvement;
3. The estimated cost of the improvement;
4. The available public resources;
5. The level of overlapping/underlying debt in the County;
6. The relative benefits and costs of alternative uses of the funds;
7. Operating costs of the proposed improvements; and
8. Alternatives for providing services more efficiently through shared facilities with other local governmental units; and

E. WHEREAS, the County Board has determined that the issuance of the Bonds is the best way to finance the capital improvements described in the Plan as authorized under Minnesota Statutes, Section 373.40.

NOW, THEREFORE, BE IT RESOLVED by the County Board of the County of Clay, Minnesota, as follows:

1. The Plan is hereby in all respects approved.
2. The staff and consultants of the County are hereby authorized to do all other things and take all other actions as may be necessary or appropriate to carry out the Plan in accordance with any applicable laws and regulations.
3. The County gives preliminary approval to issuance of the Bonds in the maximum principal amount of \$6,450,000, and on the use of proceeds of the Prior Bonds for projects described in the Plan, provided that if a petition requesting a vote on issuance of the Bonds or application of proceeds of the Prior Bonds, signed by voters equal to five percent of the votes cast in the last municipal general election, is filed with County Auditor by January 11, 2024, the County may issue the Bonds or apply proceeds of the Prior Bonds to projects described in the Plan only after obtaining approval of a majority of voters voting on the question at an election.

Request Approval of the Amendment to the Red River Regional Dispatch Center Joint Powers Agreement

Sheriff Empting stated that this first amendment to the Red River Regional Dispatch Center (RRRDC) Joint Powers Agreement (JPA) refers to the lease of the land on which the new Dispatch Center will be constructed. The RRRDC Board of Authority entered into a long-term lease agreement and this amendment provides the RRRDC with more than one opportunity or option, during the course of the term of the lease to purchase the land and/or reject an offer to purchase the land from the City or its successors in interest.

On motion by Commissioner Ebinger, seconded by Commissioner Campbell, and unanimously carried, the Board approved the amendment to the Red River Regional Dispatch Center Joint Powers Agreement.

Request Approval to Reappoint Kurt Skjerven to a Second Term on the Planning Commission

Planning & Zoning Director Matthew Jacobson stated at their November 21, 2023, meeting, the Planning Commission made a unanimous recommendation to the Clay County Board of Commissioners to appoint Kurt Skjerven to a second term.

On motion by Commissioner Mongeau, seconded by Commissioner Krabbenhoft, and unanimously carried, the Board approved to reappoint Kurt Skjerven to a second term on the Planning Commission.

Request Approval of the Pelican Rapids Leachate Contract

Solid Waste Manager Corey Bang stated the Solid Waste Department has been working with the City of Pelican Rapids regarding a place to discharge leachate. By doing so, approximately \$125.00 per load will be saved which equates up to \$50,000.00 of annual savings. Leachate will still be delivered to Fargo, but this contract will provide an alternative option in times of heavy leachate flow and will save money. The contract has been reviewed by the County Attorney's office as well as Solid Waste Management.

On motion by Commissioner Mongeau, seconded by Commissioner Campbell, and unanimously carried, the Board approved to sign the agreement with the City of Pelican Rapids for the treatment of Leachate.

Request Approval to Purchase a Used Garbage Trailer from BMT

Mr. Bang stated with the upcoming partnership between Clay County and Becker County, trailers will be moving back and forth between the two transfer stations. Becker County has four trailers and Clay County currently has three. By buying a fourth trailer both counties would be equal partners in the agreement. The cost of a used trailer is 25% of a new one, and can be in use within a few days.

On motion by Commissioner Krabbenhoft, seconded by Commissioner Campbell, and unanimously carried, the Board approved to purchase a used garbage trailer from BMT in the amount of \$33,000.00.

Request Approval of Video Storage for the New Withdrawal Management/Detox Facility & Department of Motor Vehicle Building

Technology Services Director Rory Schmitz stated by combining electronic storage of both the new Withdrawal Management/Detox Facility and Department of Motor Vehicle (DMV) buildings security camera needs, it will reduce the overall costs to the County and be under the approved Furniture, Fixtures and Equipment (FF&E) line items of \$20,000 and \$10,000 respectively.

The two quotes come in at \$25,995.25 and \$81,902.00, with the request to proceed with the lower of the two options. As the new Withdrawal Management/Detox Facility would have the majority of the usage, a 70/30 split in costs is requested, with Withdrawal Management/Detox FF&E providing \$18,000 and the DMV FF&E providing the difference of \$7,995.25. Both are at or around \$2,000.00 less than estimated for FF&E.

On motion by Commissioner Krabbenhoft, seconded by Commissioner Ebinger, and unanimously carried, the Board approved the purchase of shared electronic storage from Network Center Incorporated in the amount of \$25,995.25 for the new Withdrawal Management/Detox Facility and Department of Motor Vehicle buildings.

Request Approval of Statewide Local Affordable Housing Aid Grantee Selection

Social Services Director Rhonda Porter stated on September 14, 2023, the Board approved the issuance of a Request for Proposal (RFP) for the distribution of the Statewide Local Affordable Housing Aid allocated to Clay County by the 2023 Legislature. The RFP was posted, and the responder's application fully reviewed by the selection committee. The committee is recommending that the full allocation of \$320,804 be awarded to our sole responder, Clay County Housing and Redevelopment Authority (HRA).

The Statewide Affordable Housing Aid helps counties, tribal governments, and greater Minnesota local governments develop and preserve affordable housing within their jurisdictions to keep families from losing housing and to help those experiencing homelessness find housing. The new aid program in the omnibus tax bill (Laws 2023, Chapter 64) is effective beginning with aids payable in 2023. The total statewide appropriation for 2023 and 2024 is \$22.5 million per year. The total appropriation for 2025 and thereafter is reduced to \$10 million. The Department of Revenue certifies amounts for eligible tribal governments, counties, and cities by August 1st each year. The certification is based on current statutes, including any changes from the most recent legislative session. In 2023, Statewide Affordable Housing Aid will be in one installment on December 26th. Beginning in 2024, it will be paid in two equal installments in the year after it is certified. The first half is paid on July 20, 2024, and the second half on December 26, 2024.

Clay Counties' specific allocation for 2023 and 2024 is \$160,402 per year. Funds distributed under this aid program must be spent on a qualifying project by December 31 of the fourth year after the aid was

received.

On motion by Commissioner Krabbenhoft, seconded by Commissioner Ebinger, and unanimously carried, the Board approved the selection and subsequent contract with Clay County HRA effective January 1, 2024, for utilization of the Statewide Local Affordable Housing Aid in the amount of \$320,804 for the proposed projects and/or services.

Request Approval to Appoint Members to the Clay County HRA Board of Commissioners

Clay County HRA Executive Director Dara Lee stated the HRA is statutorily required to have a Board of Directors that maintains 5-7 commissioners. The Clay County HRA is recommending to appoint Greg Lemke of Moorhead to complete the term of a departing Commissioner, which will end January 31, 2026. And Bethany Peterson of Barnesville for a five-year term.

On motion by Commissioner Mongeau, seconded by Commissioner Krabbenhoft, and unanimously carried, the Board approved to appoint Bethany Peterson, Barnesville to a 5-year term and Greg Lemke, Moorhead to complete the term of a departing Commissioner whose term ends on January 31, 2026, to the Clay County HRA Board of Commissioners.

Request Approval for the Clay County HRA to Levy and Collect a Special Benefit Tax for 2024

Ms. Lee stated on September 19th, 2023, the Clay County Board of Commissioners consented to a \$500,000 special benefit tax request for 2024 from the Clay County HRA. While the Clay County Board of Commissioners did consent to that amount, it was recommended for additional funding to be investigated, which would allow the levy request to be lowered prior to finalizing the 2024 levy. With that, the HRA applied for the Statewide Affordable Housing Aid through the Clay County Social Services Department, in the amount of \$320,804. A request was also made to the City of Moorhead for the State Affordable Housing in the amount of \$85,000, for projects that are specifically located within the city. This would bring the total tax levy request to \$250,000 for 2024.

On motion by Commissioner Mongeau, seconded by Commissioner Krabbenhoft, and unanimously carried, the Board approved the Clay County HRA to levy and collect a special benefit tax of \$250,000 for 2024.

Request Approval of Resolution 2023-34 for Department of Natural Resource Funding

County Engineer Justin Sorum requested approval of Resolution 2023-34 which is the annual resolution for DNR funding for the Agassiz Recreational Trail that runs from Ulen 5 miles north to the north county line.

On motion by Commissioner Krabbenhoft, seconded by Commissioner Mongeau, and unanimously carried, the Board approved Resolution 2023-34 for the Agassiz Recreational Trail.

RESOLUTION 2023-34

Approving Clay County as Legal Sponsor for Application for DNR Trail Assistance Programs Effective Fiscal Year 2024-2025

WHEREAS, Clay County desires to maintain trails for the enjoyment of the public and will act as legal

sponsor for an application for the DNR Trails Assistance Program, the MN DNR Grant-in-aid Trail Permit; and

WHEREAS, Clay County may enter into agreement with the State of Minnesota for the Polk-Norman-Clay Agassiz Recreational Trail, heretofore known as the Agassiz Recreational Trail, for the portion of the trail existing in Clay County; and

WHEREAS, Clay County will comply with all applicable laws and regulations as stated in the grant contract agreement(s), permits and by all applicable federal and state laws and regulations; and

WHEREAS, Clay County recognizes and assigns Clay County Administrator Stephen Larson who will act as a fiscal agent on behalf of Clay County; and

WHEREAS, Clay County approves this resolution to be effective for acting as the legal sponsor for trail administration annually for future grant applications and permits.

NOW THEREFORE BE IT RESOLVED that Clay County agrees to continue to act as legal sponsor for the above applications and agreements of the DNR Trails Assistance Program until such time that Clay County rescinds this sponsorship beginning Fiscal Year 2024.

BREAK

The Board took a break from 5:55 – 6:00 p.m.

TRUTH IN TAXATION

Discuss 2024 Budget and Proposed Property Tax, Public Comment and Questions

Mr. Larson presented the Clay County Budget & Tax Levy highlights for 2024 operating budget. Mr. Larson discussed the summary of 2024 tax levy by funds, Clay County Budgeted Expenditures, Clay County levy & budget history, summary of revenues and expenditures by department, real estate tax projections/comparison using September 30 TNT levies for 2024 proposed taxes, summary of estimated market values and tax capacity for the past 20 assessment years, and Clay County 2021 revenue and expenditures from the State Auditor.

Greg Zillmer of Ulen Minnesota discussed road conditions in rural areas of Clay County along with increased property taxes. Chair Gross discussed traveling the rural roads within the area that was mentioned and stated they're kept in good condition and that the County Engineer frequently travels those roadways. Mr. Zillmer mentioned the new County buildings and the newer Clay County vehicles and believes that because of those factors, his property taxes have increased. Commissioner Campbell discussed the new Clay County buildings and how local tax dollars were not used for those projects, the benefits of leasing vehicles versus buying, valuation of property and market conditions.

Greg Grommesh of Barnesville Minnesota discussed the increase in property taxes and asked if the extra money that's being collected from these increases has already been spent. Mr. Larson stated that within this budget the only dollar amounts that's spent are within Internal Services for future projects and \$250,000 for insurance. Otherwise, the remainder is for services that will be provided in 2024. One thing that the Board has consistently done, in the event that too much is being asked of the citizens, is to make the adjustment for the following year and utilize those dollars to pay down the levy. Mr. Larson further discussed the General Fund from 2022, the utilization of \$500,000 fund balance from 2021 and 2022 and how dollars from the General Fund and Social Service Fund helped offset the levy. Commissioner Mongeau spoke about agricultural land and state mandated valuation and revenues over

expenditures. Commissioner Campbell discussed the property tax and distribution shift in Clay County.

Craig Hurner of Glyndon Minnesota discussed representation for farmers, where the county is spending, and the Social Service budget. Commissioner Ebinger stated Mr. Hurner has a great representative and encouraged him to get in touch with him. Commissioner Campbell addressed the concerns regarding the social services budget and discussed what those funds go towards. Commissioner Mongeau stated to make change we need to vote and share our stories. This Board advocates for the citizens of Clay County at the state level and brings forth the concerns and perspectives of the community.

Tim Aakre of Hawley Minnesota approached the Board and asked when homestead exclusion was last increased. County Auditor-Treasurer Lori Johnson discussed the homestead exclusion credit and stated that as the property value goes up the exclusion goes down.

Committee Reports/County Administrator Update/Discussions

- Commissioner Mongeau reported on meetings for PIC; Planning Commission; Lakeland Mental Health; Withdrawal Management/Detox Finance Committee; DMV Finance Committee; Masters Facilities Task Force for the Moorhead School District; SWAC; Discussion with Fowzia Adde with the City of Moorhead; Extension Committee; AMC Annual Conference; Michelle Fischbach's Ag Advisory Committee; Interviews for Extension; AMC Extension; AMC Environmental & Natural Resources Policy; and AMC Tax Forfeiture Workgroup.
- Commissioner Campbell reported on meetings for AMC Transportation; SWAC; AMC Annual Conference; Ending Homeless Task Force; MCIT Annual Meeting; and Public Safety Committee Meeting.
- Commissioner Ebinger reported on meetings for AMC Annual Conference; AMC Public Safety; discussion regarding the open Director position for the RRRDC; Emergency Communication Board; Ending Homeless Task Force; and Public Safety Committee.
- Commissioner Krabbenhoft reported on meetings for AMC Annual Conference; Clay County Collaborative; and Soil & Water Conservation District.
- Commissioner Gross reported on meetings for Audit Committee meeting; Assistant County Engineer interviews; AMC Annual Conference; and Clay County Holiday Party.
- County Administrator Stephen Larson reported on meetings for Audit Exit Interview; Assistant County Engineer interviews; Meeting with Stephen Slick regarding the WCRWD; SWAC; met with Corey Bang on a series of issues; dealt with a citizen concern; AMC Annual Conference; Administrator Association meeting; MCCJPA Prep meeting; Statewide Affordable Housing RFP review; Truth in Taxation prep; Clay County Holiday Party; met with Jackie Finck regarding Clay County Operating Guidelines; Courthouse front doors will be replaced on December 14 and 15, 2023; and FM EDC is looking to solidify their Board of Directors and asked if Commissioner Ebinger be the appointee again for 2024.

On motion by Commissioner Mongeau, seconded by Commissioner Krabbenhoft, and unanimously carried, the Board approved to reappoint Commissioner Ebinger to the Greater Fargo Moorhead Economic Development Corporation Board of Directors for 2024.

Adjourn

The meeting was adjourned at 7:50 p.m.

Frank Gross, Chair
County Board of Commissioners

Stephen Larson, County Administrator