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TO: Honorable County Commissioners
Scott Arneson, County Administrator

FROM: Jess L. Greenwood - Public Works Director / County Engineer

RE: 02 January 2024 County Board Meeting – CONSENT AGENDA
Set Public Hearing to Update Local Option Sales Tax Project List

Date: 27 December 2023

Summary

It is requested that the County Board hold a public hearing to update the list of projects eligible to utilize the Local Option Sales Tax funding at the first County Board Meeting in February, anticipated for 6 February 2024.

Background

On 24 July 2018, the County Board considered the needs for additional construction funding for the County State Aid Highway and County Road systems to improve safety and pavement quality. They discussed and considered several options to raise additional funding, including:

- Asking the Federal and/or State Governments to raise gas taxes and share with the County
- Increasing the County Property Taxes
- Issuing Construction Bonds
- Adopting the Local Option Sales Tax

After discussion comparing these options, the Board held a public hearing regarding the Local Option Sales Tax, adopted the Local Option Sales Tax, and approved the Five-Year County Highway Construction program as the list of projects that are eligible to utilize these revenues.

The list of Local Option Sales Tax eligible projects was last revised following a public hearing on 17 February 2023.

Staff is requesting that the County Board set a public hearing to discuss updating the list of projects eligible to utilize proceeds collected through the Local Option Sales Tax, including projects recently added to the current Five-Year County Highway Construction Program.

Alternatives

"To effectively promote the safety, health, and well-being of our residents"

- Set a public hearing to discuss updating the Local Option Sales Tax eligible project list.
- Seek funding from other sources.
- Take no action.

Recommendations

It is the recommendation of staff that the County Board hold a public hearing to discuss updating the list of Local Option Sales Tax eligible projects at the first County Board meeting in February, which is anticipated to take place on 6 February 2024 in the Goodhue County Government Center at 9:00 AM.