

**BOARD OF COMMISSIONERS' PROCEEDINGS, GOODHUE COUNTY, MN  
JULY 24, 2018**

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The Goodhue County Board of Commissioners met in closed session on Tuesday, July 24, 2018, at 8:00 a.m. and again in open session at 9:00 a.m. in the Government Center Room 301, Red Wing, MN with Commissioners Anderson, Majerus, Nesseth, and Drotos were all present. C/Allen appeared via ITV from Room 1P-162, VA Health Care System, 1 Veteran's Drive, Minneapolis, Minnesota.

C/Majerus asked if there were any disclosures of interest. There were none.

<sup>1</sup> Moved by C/Drotos, seconded by C/Majerus, and carried to approve the July 2, 2018, County Board Minutes.

C/Majerus suggested moving the Land Use Management issue to the top of the agenda.

C/Drotos made a motion, seconded by C/Majerus to move the Land Use Management Director's report to the top of the agenda. C/Allen requested the agenda stay as planned. C/Drotos withdrew his motion.

<sup>2</sup> Moved by C/Anderson, seconded by C/Majerus, and carried to approve the July 24, 2018, County Board Agenda.

<sup>3</sup> Moved by C/Nesseth, seconded by C/Drotos, and carried to approve the following items on the consent agenda as amended:

C/Nesseth requested that 6. *Request for appraisal assistance* be removed from the consent agenda for discussion.

1. Approve 3.2% Malt Liquor Licenses.
2. Approve continued use of private audit firm.
3. Approve the resolution of support for the Cannon Valley Trail Comprehensive Sign Improvement Project Grant Application.
4. Approve the resolution of support for the Cannon Valley Trail Restroom Improvement Project Grant Application.
5. Approve Biometric Testing Contract.
- 6.
7. Approve the re-purchase of forfeited property.

**PUBLIC WORKS DIRECTOR'S REPORT**

**Transportation Funding Options.** Staff recommended the board consider the gap in funding for County highway projects, consider the public's opinion expressed at the hearing, decide what legacy related to the condition of the County's Highway system they wish to leave for next generation, and then decide if they wish to;

- Increasing the annual Wheelage Tax from \$10 to \$20 per vehicle licensed in the County.
- Increase the County's property tax levy and designate those funds for transportation projects.
- Issue Bonds where the principle, the issuing fees, and the interest are all repayable from the County's property tax levy.
- Adopt the Local Option Sales Tax. This option would require additional specific actions including:
  - ✓ adopt a list of projects that could receive proceeds from an optional sales tax. The Board is reminded that the list of projects is fluid and may require revisions as the system as a whole ages, new needs develop and opportunities emerge; and,
  - ✓ adopt the optional sales tax at a rate up to one-half of one percent on applicable retail sales and uses; and,
  - ✓ approve the attached resolution as written or revised. - Or take no action and allow the condition of the County Roads to deteriorate.

Staff's recommendation is to adopt the Local Option Sales Tax as a minimum and seriously consider increasing the Wheelage Tax to \$20 to keep the highway system's pavement conditional index consistent for the next ten years.

The issue was advertised as a public hearing.

C/Majerus clarified that the board has established that there is a need and the county has a 10 year road plan so the projects the tax would fund has been determined. In addition, the tax is a general sales tax.

<sup>4</sup> Moved by C/Anderson, seconded by C/Majerus, and carried to approve to open the public hearing.

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C/Majerus asked three times for public comment. The following people spoke to the issue:

Steve Groth- Zumbrota and Brent Reis- Cannon Falls.

<sup>5</sup> Moved by C/Anderson, seconded by C/Majerus, and carried to approve to close the public hearing.

C/Allen commented that this would pay for important road projects in the county such as the Hader interchange.

C/Nesseth offered a friendly amendment to the motion to sunset the sales tax after ten years. Mr. Isakson clarified noted that the resolution states until revenues raised are sufficient to finance all projects identified or December 31, 2027, whichever occurs first.

C/Nesseth was in favor of bonding versus implementing a sales tax.

C/Majerus recognized the need but would not support a tax increase until he was fully confident that the money being spent throughout the rest of the county is being spent appropriately.

<sup>6</sup> Moved by C/Allen, seconded by C/Drotos, and carried (3-2-0) with C/Nesseth and C/Majerus dissenting to approve the following resolution for transportation funding:

Roll call vote: C/Allen- Yes, C/Nesseth- No, C/Anderson- Yes, C/Drotos- Yes, C/Majerus- No

WHEREAS, the quality of Goodhue County's transportation system has a direct impact on the safety of system users, the county's economy, and future economic development; and  
 WHEREAS, current levels of local, state, and federal transportation funding are inadequate; and  
 WHEREAS, Minnesota Statute 297A.993, Subdivision 1, authorizes county boards to adopt a countywide transportation sales tax of up to ½ percent (.5%), and an excise tax of \$20 per motor vehicle (purchased or acquired from any person engaged in the business of selling motor vehicles at retail occurring within the jurisdiction of Goodhue County) after holding a public hearing and passing an official resolution; and  
 WHEREAS, Minnesota Statute 297A.993, Subdivision 2, requires proceeds of these countywide transportation taxes to be dedicated exclusively to fund capital costs of specific transportation projects or improvements, both capital and operating costs of specific transit projects or improvements, payment of the capital costs of a safe routes to school program, or payment of transit operating costs; and  
 WHEREAS, Minnesota Statute 297A.993, Subdivision 2, requires these countywide transportation sales taxes to terminate when revenues raised are sufficient to finance the identified projects or improvements; and  
 WHEREAS, proceeds of these countywide transportation sales taxes shall be spent on projects specifically identified at the July 24, 2018 public hearing; and  
 WHEREAS, the addition of other projects or improvements to be considered for funding by these countywide transportation sales taxes shall be presented at a public hearing and included in a resolution passed by the Goodhue County Board of Commissioners; and  
 WHEREAS, the Goodhue County Board desires to implement these countywide transportation sales taxes, and have the State Department of Revenue collect and distribute the sales tax.  
 NOW, THEREFORE, BE IT RESOLVED, the Goodhue County Board of Commissioners and the County Administrator authorize and implement a countywide transportation ½ percent (.5%) sales tax, and an excise tax of \$20 per vehicle as provided for in Minnesota Statute 297A.993.  
 BE IT FURTHER RESOLVED, the countywide transportation sales taxes shall continue each subsequent year until revenues raised are sufficient to finance all projects identified or December 31, 2027, whichever occurs first.  
 BE IT FURTHER RESOLVED, the sales tax revenue shall only fund transportation projects within Goodhue County and improvements identified and presented at the July 24, 2018, public hearing.  
 BE IT FURTHER RESOLVED, the Goodhue County Board of Commissioners hereby directs the County Auditor-Treasurer to certify the tax to the Minnesota Department of Revenue for collection of the sales tax on or before September 30, 2018.

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PROJECT LIST FOR LOCAL OPTIONAL SALES TAX			
ROAD #	TYPE OF PROJECT	TERMINI	LENGTH
CSAH 12	SURFACING	FDR (WCL - TH 60)	4.2
CSAH 18	SURFACING	FDR (TH 61 - BR PAST CSAH 19)	1.88
CSAH 19	SURFACING	THIN OVERLAY	2.5
CSAH 14	CULVERT REPLACEMENT	CSAH 9 - TH 52	4.2
CSAH 24	GRADING	CSAH 25 - TH 19	1.1
CR 44	REPLACE BR L0521	(State Bridge Bond \$\$\$ If Available)	
CSAH 6	GRADING	TH 58 - 435TH STREET	1.3
CSAH 14	SURFACING	FDR (CSAH 30 - TH 52)	12.4
CSAH 24	SURFACING	FDR (CSAH 9 - BR)	6.0
CSAH 2	GRADING	WEST FLORENCE TRAIL - TH 61	1.9
CSAH 6	SURFACING (CONC)	INITIAL PAVEMENT (TH 58 - 435TH STREET)	1.3
CSAH 6	SURFACING (CONC)	OVERLAY (CSAH 1 - TH 19)	4.9
CSAH 8	NEW INTERCHANGE	INTERCHANGE AT TH 52	
CSAH 14	GRADING & DISCONNECT	TH 52 - CSAH 24	
CR 45	REPLACE BR 25502	(State Bridge Bond \$\$\$ If Available)	
CSAH 2	GRADING	CSAH 5 - WEST FLORENCE TRAIL	2.9
CSAH 8	SURFACING	FDR (CSAH 1 - TH 57)	4.4
CR 57	REPLACE BR L0546	(Federal \$\$\$)	
CSAH 2	SURFACING (CONC)	INITIAL PAVEMENT (CSAH 5 - TH 61)	4.8
CSAH 21	SURFACING (CONC)	CONCRETE PVMT (HIGH SCHOOL - TH 61)	4.4
CSAH 7	SURFACING	FDR (TH 19 - WELCH)	5.6
CSAH 25	SURFACING	FDR (CSAH 1 - CSAH 20)	6.8

**Solid Waste Processing Agreement with City of Red Wing.** Staff recommended the board approve and authorize the County Board and County Administrator to sign the proposed Solid Waste Processing Agreement with the City of Red Wing.

C/Allen left the meeting.

C/Majerus invited Zumbrota City Administrator, Neil Jenson and Wanamingo City Administrator Michael Bolten to comment on the issue.

Neil Jenson, Zumbrota City Administrator, commented on behalf of the city of Zumbrota. He has followed the issue and agrees with the concept however, was concerned about the interaction with the city of Red Wing and budgets and that the budget is reviewed.

Administrator Arneson noted that the County Finance Director, Carolyn Holmsten reviewed the individual line items in the proposed budget with the Finance Director from the city of Red Wing.

C/Nesseth questioned the budget and how many employees it included. Rick Moskwa with the City of Red Wing noted that the budget which was created by a consultant hired by the city of Red Wing included one additional employee. The budget was public information if anyone wished to view it.

County Attorney Steve Betcher addressed the board on the tipping fees.

<sup>7</sup> Moved by C/Anderson, seconded by C/Drotos, and carried (3-1-0) with C/Nesseth dissenting to approve the proposed Solid Waste Processing Agreement with the City of Red Wing.

Roll call vote: C/Drotos- Yes, C/Nesseth-No, C/Majerus- Yes, C/Drotos-Yes

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**LAND USE MANAGEMENT DIRECTOR'S REPORT**

**Tabled Conditional Use Permit: Request for CUP for a Contractors Yard (Simanski Metals LLC).**

Request for CUP submitted by Simanski Metals LLC (Kevin Simanski) to establish a Contractors Yard for a commercial hauling and transport business. 29409 HWY 58 BLVD, Red Wing, MN 55066. Parcels 34.008.1400 and 34.008.1500. Part of the SE ¼ of NW ¼, Sect 08 Twp 112 Range 14 in Hay Creek Township. A2 and B2 Zoned District.

This issue was tabled from the June 19, 2018 county board meeting. The Planning Commission reviewed the issue at their January 18, 2018 meeting.

Motion by C/Drotos, seconded by C/Anderson to deny the request. County Attorney, Steve Betcher asked the board if the motion included the findings of fact and staff report to support the denial of the motion as recommended by staff. C/Drotos and C/Anderson agreed.

<sup>8</sup> Moved by C/Drotos, seconded by C/Anderson, and carried (3-1-0) to adopt the staff report into the record; adopt the findings of fact for denial; accept the application, testimony, exhibits, and other evidence presented into the record; and deny the Conditional Use Permit request from Simanski Metals LLC to construct and operate a contractors yard:

Findings of fact for denial:

1. The CUP/IUP will be injurious to the use and enjoyment of other property in the immediate vicinity for the purposes already permitted, and substantially diminish and impair property values within the immediate vicinity. The conditions imposed are not sufficient to mitigate the concerns the public has in regards to affecting their right to the enjoyment of their property due to factors such as the noise of loading and off-loading dumpsters, and equipment backup alarms. The request to bring in and temporarily store waste and recycled material appears to be more in line with a junk/salvage operation and not compatible with surrounding residential uses. Such a transfer station for waste is not permitted under the definition of a contractor's yard in the Goodhue County Ordinance.
2. That the establishment of the CUP/IUP will impede the normal and orderly development and improvement of surrounding vacant property for uses predominant to the area. It may not be a desirable location for future development of the vacant property to the north if that development becomes predominately residential.
3. That adequate utilities, access roads, drainage and other necessary facilities have been or are being provided. The applicant has the permits from MnDot to access the property, however local concerns about the angle of the access in the corner of the intersection still exist.
4. That adequate measures have been or will be taken to provide sufficient off-street parking and loading space to serve the proposed use. The applicant has provided plans showing sufficient area for parking and loading on the site.
5. That adequate measures have not been or will not be taken to prevent or control offensive odor, fumes, dust, noise, and vibration so that none of these will constitute a nuisance, and to control lighted signs and other lights in such a manner that no disturbance to neighboring properties will result. The board finds that if waste and recycling material is transferred or stored onsite that sufficient safeguards are not in place to mitigate ground water contamination from leakage or uncovered dumpsters.

Roll call vote: C/Anderson- Yes, C/Nesseth- Yes, C/Drotos- Yes, C/Majerus- No

**COUNTY ASSESSOR'S REPORT**

**Appraisal assistance.** C/Nesseth requested that this issue be removed from the consent agenda for discussion. He suggested staff be offered the option to work overtime instead of hiring an outside firm.

Interim Finance Controller, Brian Anderson addressed the board on the issue. Staff would be bringing a succession plan in the future however, at this time staff recommended the board approve the contract. Over-time would be used when possible, however it was difficult to view homes after regular hours.

<sup>9</sup> Moved by C/Anderson, seconded by C/Majerus, and carried to approve the Appraisal Assistance Contract.

**COMMITTEE REPORTS:**

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C/Drotos	• Red Wing Ignite Meeting.
C/Nesseth	•
C/Anderson	•
C/Majerus	•
C/Allen	•
Administrator Arneson	• Goodhue County Housing Summit Meeting.

**Review and approve county claims.**

- <sup>10</sup> Moved by C/Drotos, seconded by C/Majerus, and carried to approve to pay the County claims in the amount of 01-General Revenue \$858,944.03, 03-Public Works \$1,425,655.67, 11- Human Service Fund \$173,575.78, 21-ISTS \$00, 25- EDA \$00, 30-Capital Improvement \$00, 31-Capital Equipment \$00, 34-Capital Equipment \$257,756.01, 35-Debt Services \$249,790, 40-County Ditch \$00, 61-Waste Management \$29,983.68, 62-Recycling Center \$00, 63-HHW \$00, 72-Other Agency Funds \$16,294, 81-Settlement \$21,158,352.28, in the total amount of \$24,170,351.45.
- <sup>11</sup> Moved by C/Anderson, seconded by C/Majerus, and carried to approve to adjourn the July 24, 2018, County Board Meeting.



SCOTT O. ARNESON  
COUNTY ADMINISTRATOR



JASON MAJERUS, CHAIRMAN  
BOARD OF COUNTY COMMISSIONERS

MINUTE

1. Approved the July 2, 2018 County Board Meeting Minutes. (Motion carried 5-0)
2. Approved the July 24, 2018 County Board Meeting Agenda. (Motion carried 5-0)
3. Approved the Consent Agenda as amended. (Motion carried 5-0)
4. Approved to open the public hearing. (Motion carried 5-0)
5. Approved to close the public hearing. (Motion carried 5-0)
6. Approved the optional sales tax. (Motion carried 3-2-0)
7. Approved the Waste Processing Agreement with the City of Red Wing. (Motion carried 3-1)
8. Denied the Conditional Use Permit request for Simanski Metals, LLC, Hay Creek Township. (Motion carried 3-1-0)
9. Approved the Appraisal Assistance Contract. (Motion carried 4-0)
10. Approved the county claims. (Motion carried 4-0)
11. Approved to adjourn the July 24, 2018 County Board Meeting. (Motion carried 4-0)