

# PROCEEDINGS OF THE COUNTY BOARD

State of Minnesota }  
County of Kanabec }  
Office of the County Coordinator

**June 13, 2012**

The Kanabec County Board of Commissioners met at 9:00am on Wednesday, June 13, 2012 pursuant to adjournment with the following Board Members present: Kim Smith, Kathi Ellis, Gene Anderson, Les Nielsen and Kevin Troupe.

The Chairperson led the assembly in the Pledge of Allegiance.

Action #1 - It was moved by Kevin Troupe, seconded by Gene Anderson, and carried unanimously to approve the agenda as amended: Add Public Hearing at 10:00am and add personal leave request.

Action #2 – It was moved by Kathi Ellis, seconded by Gene Anderson and carried unanimously to approve the May 23, 2012 minutes of the Kanabec County Board of Commissioners as presented.

Action #3 – It was moved by Kevin Troupe, seconded by Kathi Ellis and carried unanimously to approve a **consent agenda** including all of the following actions:

## **Resolution #3a – 06/13/12** KLID CLAIMS

**WHEREAS** the Kanabec County Board of Commissioners have been presented with a request to pay claims on Knife Lake Improvement District funds, and

**WHEREAS** the request was accompanied by invoices and verification in the Knife Lake Improvement District board minutes of May 14, 2012, and

**WHEREAS** the Knife Lake Improvement District has sufficient funds on hand to cover these claims;

**BE IT RESOLVED** to pay the following claims:

Kassie Norby	\$65.63
Kanabec Publications	\$22.05
Central MN Aquatics Inc	\$1,700.00
Central MN Aquatics Inc	\$12,636.00

**Resolution #3b – 06/13/12**  
GAMBLING APPROVAL

**WHEREAS** the Kanabec County Board of Commissioners has been presented with a request for lawful gambling within Kanabec County, and

**WHEREAS** the application was complete, included all necessary documentation, appears in accordance with County Policies and the applicant and facility owners are in good standing with the County;

**BE IT RESOLVED** to approve the Application for Permit for the Ann Lake Watershed Alliance for a raffle event to be held at Pink Diamond, 1434 Ann Lake Rd, Ogilvie, MN 56358 on July 7, 2012.

Action #4 – It was moved by Les Nielsen, seconded by Kathi Ellis and carried unanimously to approve the following paid claims:

<b>Vendor</b>	<b>Amount</b>
Ann Lake Twp	38,871.91
Arthur Twp	70,536.33
Braham Public Schools	68,744.85
Braham Public Schools	68,744.86
Brunswick Twp	74,522.64
City of Braham	2,485.87
City of Grasston	8,112.46
City of Milaca	30.55
City of Mora	407,247.29
City of Ogilvie	35,921.18
City of Quamba	9,724.00
Comfort Twp	72,105.65
Comm of Finance	233.55
East Cent Reg Dev Comm	11,879.25
East Central Energy	81.18
East Central Energy	244.00
East Central School District	23,877.28
East Central School District	23,877.28
EC Riders	3,356.52
Five County Mental Health	930.00
Ford Twp	47,477.65
GMCU	1,779.43
Grass Lake Twp	66,946.00

Great America Leasing	281.57
Haybrook Twp	31,164.60
Hillman Twp	36,425.51
Hinckley-Finlayson Schools	22,675.96
Hinckley-Finlayson Schools	22,675.96
Holiday Credit Office	12,504.45
Isle Public Schools	18,312.16
Isle Public Schools	18,312.16
Johnsen, Kyle	100.00
Kanabec County	171,323.88
Kanabec County	171,323.88
Kanabec Twp	36,883.68
Knife Lake Twp	74,668.68
Kroschel Twp	31,853.27
Midcontinent Communications	808.80
Milaca Public Schools	5,030.29
Milaca Public Schools	5,030.30
MN Comm of Revenue	6.40
MN Dept of Finance	5,254.00
MN Laborers Health & Welfare	550.00
MN Mutual Life Ins	160.25
Mora Municipal Utilities	13,666.67
Mora Municipal Utilities	996.27
Mora Public Schools	403,746.45
Mora Public Schools	404,664.40
Ogilvie Public Schools	205,525.13
Ogilvie Public Schools	205,525.13
Olson, Chad	100.00
Peace Twp	60,140.48
Pine City Schools	164.28
Pine City Schools	164.28
Pomroy Twp	45,852.34
Southfork Twp	35,509.61
Sprint	224.63
The Hartford	1,628.14
Whited Twp	35,225.62
Wynn Law Firm	896.75
Total	<u>3,117,105.71</u>

Action #5 – It was moved by Les Nielsen, seconded by Kathi Ellis and carried unanimously to approve the following resolution:

## **Resolution #5 – 06/13/12**

**WHEREAS** there are two department head vacancies on the Insurance Committee that need to be filled; and

**WHEREAS** the Insurance Committee has made the recommendation to appoint Probation Director Todd Eustice and County Auditor/Treasurer Denise Cooper to the committee;

**BE IT RESOLVED** to appoint Todd Eustice to the Insurance Committee for a three year term commencing immediately and expiring January 6, 2015.

**BE IT FURTHER RESOLVED** to appoint Denise Cooper as an alternate to the Insurance Committee for a three year term commencing immediately and expiring Jan 6, 2015.

Action #6 – It was moved by Les Nielsen, seconded by Kevin Troupe, and carried unanimously to recess the board meeting at 9:07am to a time immediately following the Public Health Board.

---

The Kanabec County **Public Health Board** met at **9:07am** on Wednesday, June 13, 2012 pursuant to public notice with the following Board Members present: Kathi Ellis, Les Nielsen, Kim Smith, Gene Anderson and Kevin Troupe.

Action #PH7 – It was moved by Les Nielsen, seconded by Kevin Troupe, and carried unanimously to approve the Public Health Board Agenda as presented.

Action #PH8 - It was moved by Kevin Troupe, seconded by Gene Anderson, and carried unanimously to recess the Public Health Board to Wednesday, June 27, 2012 at 9:45am.

---

The Board of Commissioners meeting continued.

Family Services Supervisor Chuck Hurd met with the County Board to discuss psychiatry services in Family Services.

Action #9 – It was moved by Kathi Ellis, seconded by Les Nielsen and carried unanimously to approve the following resolution:

## **Resolution #9 – 06/13/12**

**WHEREAS**, MN Stat. 245.461 through 245.486 and MN Stat. 245.487 through 245.488 establishes the Minnesota Comprehensive Adult Mental Health Act; and

**WHEREAS**, the County has a need to provide a range of mental health care services for its clients; and

**WHEREAS**, FirstLight Health System employs qualified mental health staff to provide psychiatric services in Kanabec County and surrounding communities; and

**WHEREAS**, Kanabec County desires, for administrative convenience to lease certain services from FirstLight Health System to provide outpatient psychiatric services for Kanabec County rather than contracting with the individual directly; and

**WHEREAS**, Kanabec County Social Services Agency has a contract with Beth Good to provide mental health services to the residents of Kanabec County and surrounding areas; and

**WHEREAS**, an opportunity has presented itself to contract through FirstLight Health System to provide coordination of behavioral health services across the medical system in Kanabec County and will be essential for moving towards a more integrated system of care that is likely under the Affordable Care Act; and

**WHEREAS**, both the County and contractor Beth Good mutually agree to discontinue the existing contract dated January 1, 2012,

**THEREFORE BE IT RESOLVED** to approve a Contract with FirstLight Health System for psychiatric services effective July 1, 2012 and approve the termination of the existing contract between the County and Beth Good effective June 30, 2012.

*Action #10* – It was moved by Kathi Ellis, seconded by Kevin Troupe and carried unanimously to approve the following resolution:

### **Resolution #10 – 06/13/12**

**WHEREAS** the negotiating team has presented the board with a proposed 2012-2013 bargaining unit agreement between Kanabec County and Law Enforcement Labor Services Local 107, and

**WHEREAS** the union has indicated acceptance by signature of the Union Steward and Business Agent;

**BE IT RESOLVED** to approve a 2012-2013 bargaining unit agreement between Kanabec County and Law Enforcement Labor Services Local No. 107.

*Action #11* – It was moved by Gene Anderson, seconded by Kevin Troupe and carried unanimously to approve the following resolution:

## **Resolution #11 – 06/13/12**

**WHEREAS**, the policy of the State of Minnesota as declared in Minnesota Statutes 353.63 is to give special consideration to employees who perform hazardous work and devote their time and skills to protecting the property and personal safety of others; and

**WHEREAS**, Minnesota Statutes Section 353.64 permits governmental subdivisions to request coverage in the Public Employees Police and Fire plan for eligible employees of police or sheriff departments whose position duties meet the requirements stated therein and listed below.

**BE IT RESOLVED** that Kanabec County hereby declares that the position of Deputy, currently held by our current and future part time employees, meets all of the following Police and Fire Plan membership requirements:

1. Said position requires a license by the Minnesota peace officer standards and training board under sections 626.84 to 626.863 and this employee is so licensed;
2. Said position's primary (over 50%) duty is to enforce the general criminal laws of the state;
3. Said position charges this employee with the prevention and detection of crime;
4. Said position gives this employee the full power of arrest, and
5. Said position is assigned to a designated police or sheriff's department.

**BE IT FURTHER RESOLVED** that this governing body hereby requests that the named employee be accepted as a member of the Public Employees Police and Fire Plan effective the date of this employee's initial Police and Fire Plan salary deduction by the governmental subdivision.

Action #12 – It was moved by Kathi Ellis, seconded by Les Nielsen and carried unanimously to approve the following resolution:

## **Resolution #12 – 06/13/12**

**WHEREAS** the Kanabec County IS Department is currently without a department head for an undetermined period of time, and

**WHEREAS** the Kanabec County Board of Commissioners has deemed continuity and direction important to the operational function of that department, and

**WHEREAS**, Kanabec County, in keeping with State Statutory requirements understands the distinction between appointing an interim Department head for an appointed position as opposed to an elected position;

**NOW THEREFORE BE IT RESOLVED** that until a return date has been determined for the existent IS Department Head, the County Board appoints the County Coordinator as the interim Department Head in a supervisory capacity.

County Auditor/Treasurer Denise Cooper met with the County Board to discuss matters concerning the Auditor/Treasurer's Office.

Action #13 – It was moved by Kevin Troupe, seconded by Kathi Ellis and carried unanimously to approve the following resolution:

**Resolution #13 – 06/13/12**  
**Liquor & Tobacco Licenses**

**WHEREAS** the Kanabec County Auditor/Treasurer has recommended the following applications for liquor and tobacco licenses, and

**WHEREAS** the applications were complete, included all necessary documentation, appear in accordance with County Policies and the facility owners are in good standing with the County;

**BE IT RESOLVED** to approve the following license applications:

**LIQUOR/BEER/ TOBACCO LICENSE RENEWALS 2012-2013**  
**KANABEC COUNTY BOARD - JUNE 13, 2012**

<b>Establishment</b>	<b>LIQUOR</b>	<b>BEER</b>	<b>TOBACCO</b>
Braham Moose Lodge 1544	Club/Sun	-	-
Captain Dans' Crow's Nest	On/Off/Sun	Off	Yes
Fish Lake Resort & Campground	On/Off/Sun	-	Yes
Northwoods Steak House & RV Park	On/Off/Sun	-	Yes
Ogilvie Raceway	Wine/SB/On/Sun	On	-
Pink Diamond	On/Off/Sun	-	Yes
Springbrook Golf Course	On/Sun	-	-
Stello's Trackside	On/Sun	-	-
The Station 65	On/Off/Sun	-	Yes
Woodland Jacks	On/Off	-	-

Action #14 – It was moved by Kathi Ellis, seconded by Gene Anderson and carried unanimously to approve the following resolution:

**Resolution #14 – 06/13/12**  
**CMG Agreement**

**WHEREAS** Kanabec County annually has an audit performed for all county programs that receive federal funding and supported by county support services paid from County appropriated funds to identify those county support services performed that the federal government will pay a fair share for these support services, and

**WHEREAS** this audit produces a Federal reimbursement to the Revenue Fund, and

**WHEREAS** the Kanabec County Board of Commissioners wishes to contract for the preparation of an indirect cost allocation plan to continue to receive Federal reimbursement, and

**WHEREAS** Government Management Group currently prepares cost allocation plans for over 30 Minnesota Counties and they have worked well with Kanabec County in the past, and

**WHEREAS** the Government Management Group is the lowest responsible cost provider found;

**BE IT RESOLVED** to approve an agreement with Government Management Group for the preparation of indirect cost allocation plans for following years and rates:

2012 plan year at a cost of \$3,675

2013 plan year at a cost of \$3,675

2014 plan year at a cost of \$3,675

**BE IT FURTHER RESOLVED** to authorize Auditor/Treasurer Denise Cooper to sign the agreement on behalf of the county board

Action #15 – It was moved by Kathi Ellis, seconded by Kevin Troupe and carried unanimously to approve the purchase of a M100 Steel Ballot box at a cost not to exceed \$1,400.00.

Action #16 – It was moved by Les Nielsen, seconded by Kathi Ellis and carried unanimously to approve the following resolution:

### **Resolution #16 – 06/13/12**

RESOLUTION RELATING TO THE MINNESOTA POLLUTION CONTROL AGENCY CLEAN WATER PARTNERSHIP; AUTHORIZING THE COUNTY TO BORROW MONEY FROM THE MINNESOTA POLLUTION CONTROL AGENCY AND TO LEND MONEY TO ELIGIBLE PARTICIPANTS AND ELIGIBLE LENDERS TO FUND PROJECTS FOR THE CONTROL AND ABATEMENT OF WATER POLLUTION

**BE IT RESOLVED** by the County Board of Commissioners of Kanabec County, Minnesota (the “Sponsor”), as follows:

## Section 1. Authorization and Findings.

1.01. The Sponsor, a political subdivision of the State of Minnesota is authorized and empowered by the provisions of Minnesota Statutes, Sections 103F.701 to 103F.761, as amended (the “Act”), to borrow money from the Minnesota Pollution Control Agency (the “MPCA”) for the purpose of funding a revolving loan program under the Minnesota Clean Water Partnership, as provided in the Act. The Sponsor proposes to enter into a financing agreement (the “MPCA Agreement”) with the MPCA pursuant to which the Sponsor shall borrow money from the MPCA (the “MPCA Loan”) from time to time and lend the proceeds thereof to persons entitled to receive such loans under the MPCA Agreement (“Eligible Participants”), or may agree that loans to the Eligible Participants will be made by local lending institutions (“Eligible Lenders”), such loans to be documented by loan agreements between the Sponsor and each Eligible Participant or Eligible Lender (the “Project Loan Agreements”), in furtherance of the “Project Work Plan” as provided in the MPCA Agreement.

1.02. The Sponsor is authorized to borrow money and issue its general obligation note (the “Note”) to the MPCA under the Act, in evidence of the MPCA Loan. Under the Act, no election is required to authorize the issuance of the Note, and the Note shall not constitute an indebtedness of the Sponsor within the meaning of any constitutional or statutory provisions or limitations. The Chairperson and County Auditor-Treasurer are hereby authorized to approve the final terms of the Note, and their execution and delivery of the Note shall evidence such approval. The terms of the Note, as so executed and delivered, shall be deemed to be incorporated herein by reference.

1.03. The Sponsor intends to make loans in amounts which will require the Sponsor to issue the Note in an aggregate principal amount not exceeding \$600,000, but recognizes that the MPCA Agreement referred to in Section 1.02 hereof permits the Sponsor to draw up to \$400,000 on the Note at this time. The remaining \$200,000 (or so much thereof as may be required) principal amount of the Note may be drawn only when the Sponsor and the MPCA have executed a new or amended MPCA Agreement permitting additional amounts to be drawn on the Note.

1.04. The execution and delivery of the MPCA Agreement, the form of which is attached hereto as Exhibit A, is, in all respects, hereby authorized, approved and confirmed, and the Chairperson and County Auditor-Treasurer are hereby authorized and directed to execute and deliver the MPCA Agreement in the form and content attached hereto as Exhibit A, with such changes as the Sponsor’s Attorney deems appropriate and approves, for and on behalf of the Sponsor. The Chairperson and County Auditor-Treasurer are hereby further authorized and directed to implement and perform the covenants and obligations of the Sponsor as set forth in or required by the MPCA Agreement.

1.05. The execution and delivery of the Project Loan Agreements and the pledging of the loan payments thereunder for the security of the Note and the interest thereon shall be, and they are, in all respects, hereby authorized, approved and confirmed, and the Chairman and County Auditor-Treasurer are hereby authorized and directed to execute and deliver, from time to time, the Project Loan Agreements in such form and content as the County Attorney deems appropriate and approves, for and on behalf of the Sponsor. The Chairman and County Auditor-

Treasurer are hereby authorized to approve the final terms of each Project Loan Agreement, and their execution and delivery of such Project Loan Agreement shall evidence such approval.

1.06. Capitalized terms used but not defined herein shall have the meanings given thereto in the MPCA Agreement.

## Section 2. The Note.

2.01. The Sponsor has determined that it is necessary and expedient that the Sponsor issue at this time a Note to be designated "General Obligation Note (MPCA) (Snake River Watershed Resource Protection Project), Series 2012" (the "Note") to provide moneys to lend to Eligible Participants or Eligible Lenders through the Project Loan Agreements from time to time as the Sponsor shall determine. Pursuant to the Project Loan Agreements, Eligible Participants are required to use the proceeds of the Loan for costs of projects permitted under the MPCA Agreement, and the Eligible Lenders are obligated to use the proceeds of the Lender Loans to make loans to Eligible Participants, as defined in the Project Loan Agreements. The Note shall be substantially in the form attached hereto as Exhibit B; the aggregate principal amount of the Note shall not exceed \$600,000; provided that only \$400,000 may be drawn under the Note until authorized by a new or amended MPCA Agreement. The principal balance of the Note from time to time shall be an amount equal to the aggregate of all MPCA Loan advances theretofore made under the MPCA Agreement, less the amount of any principal repayments or redemptions theretofore made under Sections 2.02 or 2.03 hereof. If the full amount of the MPCA Loan has not been advanced under the MPCA Agreement by December 15, 2015, or such later date as may be provided in a new or amended MPCA Agreement, the MPCA shall, under the provisions of the MPCA Agreement, reduce the principal amount of the MPCA Loan to an amount equal to the total loan amount then and theretofore advanced, and shall prepare and provide to the Sponsor revised Repayment Schedules for the MPCA Loan. Upon such action by the MPCA, the aggregate principal amount of the Note shall be limited to the principal amount of the corresponding MPCA Loan, and the revised Repayment Schedules shall be deemed to have replaced and superseded the payment schedule of the Note set forth in Section 2.02(c).

2.02. (a) The Note shall bear a date of original issue as of the date of its execution and delivery to the MPCA.

(b) The Note shall bear interest from its date of original issue at an interest rate of 2% per annum, unless any payment provided for in paragraph (c) below is not paid when due, in which case the principal balance of the Note shall bear interest at the rate of 4% per annum, commencing on the day following the date on which such payment was due and continuing until the date on which payment in full thereof is actually received by the MPCA.

(c) The principal balance of the Note, plus the interest which has accrued on the Note at an interest rate of 2% per annum shall be payable in semiannual installments of \$23,052.77 each, payable on June 15 and December 15 in each year, commencing December 15, 2015 (the "Note Payment Dates"). If the Sponsor satisfies the conditions specified in Sections 1.03 and 2.01, and draws amounts in excess of \$400,000 on the MPCA Loan, the schedule and amounts of the semi-annual installments shall be amended as provided in the new or amended MPCA Agreement.

Interest, if any, which has accrued on the Note at a rate in excess of 2% per annum shall be payable on each Note Payment Date in addition to the regularly scheduled payment of principal and interest on the Note.

2.03. The principal balance of the Note is subject to redemption and prior payment at the option of the Sponsor on any date, upon not less than thirty (30) days written notice to the MPCA, in whole or in part in such amounts as the Sponsor may determine at a redemption price equal to the principal amount being redeemed, together with any accrued interest to the redemption date. If less than all of the principal balance is to be redeemed and prepaid, the Sponsor may elect, in the notice of redemption, to reduce the amount of or eliminate specified semiannual payments; if the Sponsor does not specify otherwise, any partial prepayment will be applied to reduce the amount of the semiannual payments in inverse order of their due dates. Partial redemptions and prepayments shall be made in increments of \$1,000 principal amounts and in minimum amounts of \$1,000.

Section 3. Granting Clauses. The Sponsor, in order to secure the payment of the principal of and interest (if any) on the Note and the performance and observance of each and all of the covenants and conditions herein and therein contained, and for and in consideration of the premises and of the purchase and acceptance of the Note by the MPCA, and for other good and valuable considerations, the receipt whereof is hereby acknowledged, by these presents does hereby grant, bargain, sell, assign, transfer, convey, warrant, pledge and set over, unto the MPCA and to its successors a lien on, security interest in and pledge of the interests of the Sponsor in all Project Loan Agreements hereafter entered into between the Sponsor and Eligible Participants or Eligible Lenders in connection with Loans authorized hereby, and all payments of principal, premium (if any) and interest thereon, and all proceeds thereof. If the Sponsor shall well and truly pay or cause to be paid the principal of the Note and the interest, if any, due or to become due thereon, at the times and in the manner mentioned in this Resolution and the Note, or shall provide for the payment thereof by depositing with the MPCA sums sufficient to pay the entire amount due or to become due thereon, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the MPCA Agreement and this Resolution, to be kept, performed and observed by it and shall pay to the MPCA all sums of money due or to become due to it in accordance with the terms and provisions hereof; then upon such final payment the lien, security interest and other rights hereby granted shall cease, determine and be void.

Section 4. Application of Note Proceeds and Other Moneys; Loan Fund; and Loans.

4.01. The proceeds of the Note shall be equal to, and deemed to be received by the Sponsor at the same time as, the advances of the corresponding MPCA Loan under the corresponding MPCA Agreement. Such proceeds shall be deposited, as received, in the Loan Fund, which is hereby established as a separate bookkeeping account on the books of the Sponsor. Once each month, the Sponsor will determine the amount necessary to fund Loans to Eligible Participants or Eligible Lenders based on Project Loan Agreements entered into subsequent to the last request by the Sponsor for an MPCA Loan advance under the MPCA Agreement, and shall submit a request, in accordance with the MPCA Agreement, for an MPCA Loan advance in the amount necessary to fund such Loans.

4.02. Amounts on deposit in the Loan Fund shall be used to make Loans to Eligible Participants or Eligible Lenders in accordance with Project Loan Agreements, or to pay the principal and interest on the Note. No amounts in the Loan Fund which are required to be disbursed to an Eligible Participant or Eligible Lender under a Project Loan Agreement may be used to pay principal or interest on the Note.

Each Loan shall be made in accordance with the terms of a Project Loan Agreement and the MPCA Agreement. The interest rate and repayment terms of the Loans shall be determined by the Sponsor in accordance with the MPCA Agreement and applicable rules of the MPCA. The proceeds of each Loan must be expended for eligible costs under the Program (including any applicable federal law) and the MPCA Agreement.

Amounts on deposit in the Loan Fund shall be disbursed by the Sponsor pursuant to Participant or Lender Request. The Sponsor shall have no obligation to see to the proper application of the proceeds of the Loans.

#### Section 5. Funds and Accounts.

5.01. There are hereby established the following Funds and Accounts:

- (a) Loan Fund, as described in Section 4.02 hereof; and
- (b) Note Fund, as described in Section 5.02 hereof.

The Sponsor may also establish by resolution or otherwise within each Fund one or more separate Accounts or Subaccounts relating to a particular Loan or for other purposes.

5.02. Upon receipt of a payment of principal or interest on a Loan, the Sponsor shall deposit such principal and interest in the Note Fund. On or prior to each Note Payment Date, the Sponsor shall withdraw from the Note Fund and pay to the holder of the Note amounts sufficient to pay the principal and interest (if any) on the Note due on such Note Payment Date, including any principal of the Note which has been called for prior redemption.

5.03. For the prompt and full payment of the principal of and interest, if any, on the Note as such payments respectively become due, the full faith, credit and unlimited taxing powers of the Sponsor shall be and are hereby irrevocably pledged. It is, however, presently estimated that the revenues appropriated pursuant to Section 5.02 hereof will provide sums not less than 5% in excess of principal and interest on the Note when due, and therefore no tax levy is presently required.

Section 6. Particular Covenants of the Sponsor. The Sponsor covenants and agrees, so long as the Note shall be Outstanding and subject to the limitations on its obligations herein set forth, that:

- (a) It will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Resolution and in the Note; and will promptly pay the principal

of and interest, if any, on the Note on the dates, at the places and in the manner prescribed in the Note.

(b) All Loans to Eligible Participants or Eligible Lenders with the proceeds of the Note or from other funds in the Loan Fund shall be evidenced by Project Loan Agreements. The principal of and interest on the Loans shall be due and mature at the times and in the amounts and bear interest at the rates sufficient, with other available funds hereunder, to provide for payments, when due, of principal of and interest on the Note issued hereunder. The Sponsor shall diligently enforce, and take all reasonable steps, actions and proceedings necessary for the enforcement of, all terms, covenants and conditions of all Loans and all Project Loan Agreements with Eligible Participants or Eligible Lenders relating thereto.

(c) The Sponsor shall keep proper books of record and account in which complete and correct entries shall be made of its transactions relating to all Loans and payments and all Funds and Accounts and subaccounts established by this Resolution, which shall at all reasonable times be subject to inspection by the MPCA or their representatives duly authorized in writing.

(d) The Sponsor shall annually, on or before February 1 in each year, prepare and place on file a copy of an annual report for the preceding twelve-month period ended as of the preceding December 31, setting forth in reasonable detail:

- (i) a schedule of Loans, Loan payments and the status of the Funds and Accounts established by this Resolution; and
- (ii) a schedule of remaining payments and the principal balance of the Note outstanding at the end of such year, together with a statement of the amounts paid, redeemed and advanced during such year.

The report shall also include statements as to a description of the nature of any defaults with respect to any of the Loans.

(e) The Sponsor shall not cause or permit any funds received under the Project Loan Agreements or held in any of the Funds or Accounts established hereunder to be applied in a manner which is in violation of any provisions of the Clean Water Act.

(f) The Sponsor will faithfully keep and observe all the terms, provisions and covenants contained in the MPCA Agreement, this Resolution and the Project Loan Agreements.

#### Section 7. Certification of Proceedings.

7.01. The County Auditor-Treasurer is hereby authorized and directed to file a certified copy of this resolution in the records of the Sponsor, together with such additional information as required, and to file a certified copy of this resolution with the County Auditor of the County in which the Sponsor is located and obtain from the County Auditor a certificate that the Note has been duly entered upon the County Auditor's bond register.

7.02. The officers of the Sponsor are hereby authorized and directed to prepare and furnish to the MPCA and to Dorsey & Whitney LLP, Bond Counsel, certified copies of all proceedings and records of the Sponsor relating to the Note and to the financial condition and affairs of the Sponsor, and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Note as they appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the Sponsor to the facts recited herein.

Action #17 – It was moved by Kevin Troupe, seconded by Kathi Ellis and carried unanimously to approve the following resolution:

### **Resolution #17 – 06/13/12**

#### Approve Job Description

**WHEREAS** Kanabec County Policy P-117, III.A. calls for a reevaluation of all county job classifications on a five year rotation, and

**WHEREAS** the position of Environmental Services Technical Assistant an is on the rotation schedule for 2012, and

**WHEREAS** the Public Works Director has submitted an updated job description and position questionnaire, and

**WHEREAS** the board has examined and evaluated the updated information, and

**WHEREAS** the board finds that the updates are largely clarifications rather than changes;

**BE IT RESOLVED** that it is the decision of the board to accept and approve the proposed changes in the Environmental Services Technical Assistant job description, but that the changes in the job are not sufficient to warrant further review by the salary consultant and the position will retain its current rankings.

Action #18 – It was moved by Les Nielsen, seconded by Gene Anderson and carried unanimously to approve the following resolution:

### **Resolution #18 – 06/13/12**

#### Approve Job Description

**WHEREAS** Kanabec County Policy P-117, III.A. calls for a reevaluation of all county job classifications on a five year rotation, and

**WHEREAS** the position of Maintenance Superintendent is on the rotation schedule for 2012, and

**WHEREAS** the Public Works Director has submitted an updated job description and position questionnaire, and

**WHEREAS** the board has examined and evaluated the updated information, and

**WHEREAS** the board finds that the updates are largely clarifications rather than changes;

**BE IT RESOLVED** that it is the decision of the board to accept and approve the proposed changes in the Maintenance Superintendent job description, but that the changes in the job are not sufficient to warrant further review by the salary consultant and the position will retain its current rankings.

*Action #19* – It was moved by Kevin Troupe, seconded by Les Nielsen and carried unanimously to approve the following claims on the funds indicated:

### **Revenue Fund**

<b>VENDOR</b>	<b>AMOUNT</b>
Ace Hardware	209.86
Ace Hardware	41.07
Ace Hardware	12.37
Advanced Correctional Healthcare	11,993.45
Ahner-Nystul, Barb	28.86
Aitkin Medical	1,232.73
AmeriPride	625.14
AmeriPride	39.62
Amundson, Pauline	97.50
Anderson, Karen	198.14
Andres, Christine	193.26
Anoka Co Juvenile Center	186.00
Athey, Luke	115.44
Auto Value	53.82
A'viands LLC	13,273.98
Bangerter, Cole	90.00
Benedictine Living Community of Mora	19,447.11
Benedictine Living Community of Mora	453.20
Benedictine Living Community of Mora	7,644.40
Bernhardt, Maria	402.94
Biever, Laurie	117.66

Billings Service Inc	30.57
Bork, Laura	28.31
Braham Motor Service	1,137.53
Burski, Kathy	37.74
Byrant, Donna	2,581.87
Byrant, Donna	424.16
CADCA	3,210.00
Cardia Science	4,950.00
Carrot-Top Industries	169.79
Cassman, Deb	175.94
Central Fleet Service & Parts	111.53
Christianson, Craig	924.69
Christopherson, Pat	320.58
Coborns Pharmacy	707.36
Colburn, Judy	185.95
Copperfasten Technologies Limited	828.00
Country Inn	176.10
Crawford Supply Co	423.84
D&T Ventures	578.81
Dandelion Floral	275.50
Dex Media East	24.17
Deyta, LLC	90.00
Don's Auto	320.62
Don's Auto	75.00
Dorsey & Whitney LLP	2,000.00
Druar, Dan	889.12
East Central Exterminating	122.90
East Central Exterminating	171.20
East Central Exterminating	256.80
East Central Regional Juvenile Center	1,631.00
EDAM	390.00
EG Rud & Sons	3,500.00
Elfstrum, Brenda	439.01
ERA Laboratories	147.00
ERA Laboratories	195.00
Etter, Robin	46.00
Eustice, Todd	346.36
Fairview Health Services	82.00
Faust, Patrick	15.00
Federated Coop	921.89
Federated Coop	34.50
Federated Coop	17.50
Felland, Becky	160.96

Filibeck, Karla	95.61
FirstLight Health System	139.00
FirstLight Health System	23.04
Flascher, Joe	469.01
Frederickson, Reese	20.79
Fresonke, Lew	192.50
Friday, Jenny	49.40
Friel, Tammy	27.57
Frontier	195.00
Garcia, Timothy	220.00
Gaylord Opryland Hotel	5,399.40
Geisthardt, Betty	220.38
Glen's Tire	629.73
Grainger	273.80
Granite City Jobbing	1,256.79
Granite Electronics	131.60
Gustafson, Bev	18.88
Harvey, RMR, CRR, RandiAnn	87.50
Hawkins, Dorothy	1,440.90
Health Partners	3,399.32
Hoefert, Bob	2,315.99
Hoglund Bus & Truck Co	646.02
Holiday Inn - Alexandria	131.82
Holiday Inn - St Cloud	95.46
Hood, Barb	681.02
Hood, Bill	641.95
Image Office Service	101.50
Industrial Health Services Network	131.20
Intoximeters	192.38
Isanti Co Public Health	11,823.73
Jebsen, Michelle	199.52
JJ Keller & Assoc	102.03
Johnsons Hardware	302.32
Johnsons Hardware	118.61
Johnsons Hardware	102.84
Kanabec Co Ag Society	4,500.00
Kanabec Co History Center	3,750.00
Kanabec Co Hwy Dept	107.80
Kanabec Co Hwy Dept	105.32
Kanabec Co Hwy Dept	35.94
Kanabec Co Hwy Dept	40.40
Kanabec Co Hwy Dept	11.06
Kanabec Co Hwy Dept	74.03

Kanabec Co Public Health	1,163.49
Kanabec Co SWCD	14,543.50
Kanabec Publications	744.00
Kanabec Publications	538.10
Keeps	36.32
Kochs Hardware	26.66
Kochs Hardware	32.98
Kramersmeier, Wallace	275.00
Kroschel Land Surveyors	900.00
Landreville, Willard	983.40
Lane, Dave	36.63
Leerssen, Jennifer	717.60
Lewis, Dan	423.93
Luberda, Karen	27.76
MACAI	150.00
Majeski, Annette	64.95
Marohn, Brenda	16.65
MCB	505.00
McClellan, Karen	145.33
McIntosh, Bob	600.00
McKesson Medical-Surgical	62.20
McKesson Medical-Surgical	32.60
MidContinent	59.18
Midwest Combustion Controls	1,041.00
Milaca Auto & Equipment	1,000.00
Mille Lacs Disposal	20.00
MN County Attorney's Assn	30.00
MN Home Care Voice	15.00
MN Monitoring	465.00
MN Monitoring	132.00
MN Public Transit Assn	250.00
Moore Medical	1,268.81
Motorola	24,529.85
MPROA	140.00
NACCHO	60.00
Nelson, Ansel	586.51
Nelson, Jerald	212.03
Nelson, Linda	740.41
Nelson, Ronette	1,343.18
Newgard, Jean	645.65
North Central Bus & Equipment	71.70
North Central Drug Task Force	1,500.00
Nummela, Pat	51.34

Office Depot	235.16
Office Depot	70.21
Office Depot	84.62
Office Depot	65.53
Office Depot	56.97
Office Depot	13.27
Office Depot	69.35
Office Depot	216.47
Office Depot	108.14
Ogilvie Museum	750.00
Ohio Calibration Laboratories	600.00
Olson, Autumn	78.82
Oslin Lumber	261.14
Osterdyk, Dorothy	260.86
Osterdyk, Sue	11.66
Ostrom, Donna	25.50
Owens Auto Parts	433.62
Owens Auto Parts	11.09
Pap, Harly	257.97
Pedersen, Jerry	26.64
Perlick, Lisa	1,650.00
Petersen, Renee	21.65
Phoenix Supply	440.00
Pieper, Helen	541.16
Pieper, Rollie	821.95
Prasnicki, Deb	16.10
Print Mail Now	600.00
PSS-World Medical Inc	222.36
Quality Disposal	345.40
Quality Disposal	186.29
Raiche, Nancy	168.72
Raudabaugh, Carey	113.78
Reliance Telephone	900.00
Ringler, Jennie	79.37
Rittenour, Michelle	525.04
Rogers, Pearl	484.65
Rosburg, Diane	248.09
Ryan, Rosemarie	830.00
S&T	32.52
S&T	8.97
S&T	23.14
S&T	411.55
Schindler Elevator Corp	3,552.64

Sedlacek, Lowell	126.30
Select Account	281.82
Sirchie	70.30
Skramstad, Linda	238.65
Specialty Instrument Inc	50.00
Spee-Dee Delivery	19.06
Spee-Dee Delivery	19.06
Stellar Services	517.16
Stellar Services	299.03
Storror, Lynette	27.39
Struffert, Delores	130.42
Swanson, Lori	16.65
Telander, Sara	67.44
Tiger Direct	406.99
Tiger Direct	34.85
Tiger Direct	89.99
Tiger Direct	297.26
Tinker & Larson	84.03
Triple M Lawn	187.03
Trusight	995.00
Turning Technologies	1,629.84
Tvedt, Jerry	135.00
US Bank	431.25
Veolia Environmental Services	2,816.95
Vogel, Darla	228.66
Voight, Jackie	99.35
Wergin, Richard	450.00
Window	123.35
Wolbert, Marlys	245.50
Zamora, Ray	764.84
Total	<u>209,043.34</u>

### Road & Bridge Fund

<b>Vendor</b>	<b>Amount</b>
Ace Hardware	331.62
Ameripride	683.75
Auto Value Mora	1,653.37
Cindy Bacon	116.55
Commissioner of Transportation	716.14
Cretex Concrete Products Midwest	427.50
Federated Coops, Inc	238.74
Glens Tire	302.34
Gopher State One-Call	8.70

H & R Const. Co.	1,588.36
Kanabec Rental	37.65
Kanabec Co. Hwy Dept-Petty Cash	21.20
Kanabec Publications, Inc.	858.37
MN Board of AELSLAGID	132.00
MN Petroleum Marketers Assn.	460.00
Northern States Supply, Inc	110.21
Northern Tool & Equipment	127.20
Nuss Truck & Equipment	353.80
Office Depot	143.89
Oslin Lumber	139.37
Owen's Auto Parts	191.62
Oxygen Supply Co	362.39
Postmaster	650.00
Power Plan	3,873.25
Quality Disposal Systems, Inc.	162.72
Richards, Lila, The Cleaning Agent	942.64
RossCo Equipment, Inc.	3,420.00
SGC Horizon, LLC	487.00
Schindler Elevator Corp.	1,691.64
Sharrow Lifting Products	572.33
Jesse Stegeman	300.69
Ziegler, Inc.	269.49
Total:	<u>21,374.53</u>

The Board to a 5 minute break.

The Chairman recessed the board meeting at 10:00am to hold a Public Hearing to discuss possible changes to County Ordinance No. 21 Surface Use of Knife Lake Ordinance.

**10:00am** – A Public Hearing was held to discuss possible amendments to Ordinance No. 21 Surface Use of Knife Lake Ordinance. Those that spoke included:

Paul Rocheford	Agrees to proposed change to the ordinance.
Andy Nissen	There is no question that erosion has been increasing.
Letter was submitted and read aloud from Don Grummonds supporting the changes to the ordinance.	

Action #20 – It was moved by Kevin Troupe, seconded by Gene Anderson and carried unanimously to adjourn the Public Hearing at 10:15am.

Action #21 – It was moved by Kevin Troupe, seconded by Kathi Ellis and carried unanimously to approve the following resolution:

**Resolution #21 – 06/13/12**  
Surface Use of Knife Lake Ordinance

**BE IT RESOLVED** that the Kanabec County Board of Commissioners does hereby ordain the following:

**ORDINANCE #21**  
**AN ORDINANCE RELATING TO THE SURFACE USE OF**  
**KNIFE LAKE, KANABEC COUNTY, MINNESOTA**

Be it ordained and enacted by the Kanabec County Board of Commissioners, State of Minnesota, that these amendments following, by this act, hereby replace and nullify those like numbered clauses now existing and a party of Kanabec County Ordinance No. 21, or are newly enacted sections which, upon their enactment, become a part of Kanabec County Ordinance No.21.

**Section 1.: PURPOSE, INTENT AND APPLICATION:** As authorized by Minnesota Statutes 86B.201, 86B.205 and 459.20, AND Minnesota Rules 6110.3000 - 6110.3800 as now in effect and as hereafter amended, this Ordinance is enacted for the purpose and with the intent to control and regulate the use of the waters of Knife Lake in Kanabec County, Minnesota, said bodies of water being located entirely within the boundaries of Kanabec County, to promote its fullest use and enjoyment by the public in general and the citizens of Kanabec County in particular; to insure safety for persons and property in connection with the use of said waters; to harmonize and integrate the varying uses of said waters; and to promote the general health, safety and welfare of the citizens of Kanabec County, Minnesota.

**Section 2.: DEFINITIONS:** Terms used in this ordinance related to boating are defined in M.S. § 86B.005.

**Section 3.:** There shall be and is hereby established a No Wake Zone on Knife Lake, Kanabec County, Minnesota, between the area near the inlet and outlet of Knife River on Knife Lake, Kanabec County, Minnesota.

**Section 4.:** The Kanabec County Sheriff's Office shall place buoys in the channel northeasterly from the Kanabec County SAH 19 bridge approximately 1,000 feet, and in Knife River west of its inlet to Knife Lake approximately 400 feet.

**Section 5.:** No one shall operate a watercraft in the area of the buoys near the inlet or outlet of Knife River to Knife Lake at a speed which causes a wake, or 5 knots, whichever is slower.

**Section 6.: ENFORCEMENT:** The Primary responsibility for enforcement of this ordinance shall rest with the Kanabec County Sheriff's Department. This, however, shall not preclude enforcement by other licensed peace officers.

**Section 7.: EXEMPTIONS:** All authorized Resource Management, Emergency and Enforcement Personnel, while acting in the performance of their assigned duties are exempt from the foregoing restrictions.

**Section 8.: PENALTIES**

**Subd. 1.** First offense in one year shall be guilty of a petty misdemeanor with a minor penalty of \$200.00.

**Subd. 2.** A subsequent violation with in a given year shall be guilty of a misdemeanor with a maximum penalty of a \$1,000 fine and 90 days in jail or both.

**Section 7.: EFFECTIVE DATE:** This Ordinance shall be in effect from and after the date of its publication which is May 17, 2001.

Public Works Director Chad Gramentz met with the County Board to discuss matters concerning his departments.

Action #22 – It was moved by Les Nielsen, seconded by Kevin Troupe and carried unanimously to approve the following resolution:

**Resolution #22 – 06/13/12**  
**Bituminous Overlays**

**WHEREAS** the following bids were received and opened on May 15, 2012 and

	<b>Knife River</b>	Anderson Brothers	Tri-City Paving	Hardrives	Central Specialties
Federal Aid Projects	<b>\$1,207,257.39</b>	\$1,219,220.34	\$1,238,224.45	\$1,287,779.44	\$1,384,634.91
County Projects	<b>\$1,647,395.79</b>		\$1,727,183.20	\$1,786,138.75	\$1,842,533.60

**WHEREAS** the lowest responsible bids were submitted by Knife River Corp in the amounts of \$1,207,257.39 for the Federal Aid projects and \$1,647,395.79 for the County Projects

**BE IT RESOLVED** that the Kanabec County Board of Commissioners accept the bid of \$1,207,257.39 submitted by Knife River Corp for the placement of bituminous overlays on portions of CSAH No. 4, and CSAH No. 12, and,

**BE IT FURTHER RESOLVED** that the Kanabec County Board of Commissioners accept the bid of \$1,674,395.79 submitted by Knife River Corp for the placement of bituminous overlays on portions of CSAH No. 4, CSAH No. 7 and CSAH No. 24, and,

**BE IT FURTHER RESOLVED** that the Chairperson and County Coordinator are authorized to sign contracts for these projects.

Maintenance Supervisor Jerry Pedersen met with the County Board to discuss matters concerning a reimbursement from MPCA for removal of an oil tank. No action was taken.

**10:30am** - The Chairperson then called for public comment. Those that responded included:

Dennis McNally	Dennis will review county tire ordinance in accordance with new PCA standards.
Bob Swetz	Comments regarding school payments and balancing state budget.

**10:35am** - The Chairperson closed public comment.

Veteran's Service Officer/Emergency Management Director Lowell Sedlacek met with the County Board to discuss matters concerning his office.

Action #23 – It was moved by Kevin Troupe, seconded by Kathi Ellis and carried unanimously to approve the Emergency Management Plan submitted by the Emergency Services Director. Copies of the plan are available in the County Coordinator's office.

Action #24 – It was moved by Les Nielsen, seconded by Gene Anderson and carried unanimously to adjourn at 10:45am and to meet again in regular session on Wednesday, June 27, 2012 at 9:00am.

*Signed* \_\_\_\_\_  
Chairperson of the Kanabec County Board of Commissioners,  
Kanabec County, Minnesota

*Attest:* \_\_\_\_\_  
Board Clerk