

**BOARD OF COMMISSIONERS' PROCEEDINGS, GOODHUE COUNTY, MN
MAY 5, 2020**

The Goodhue County Board of Commissioners met on Tuesday, May 5, 2020, at 9:00 a.m. by virtual meeting with the County Administrator appearing from the County Board Room of the Government Center, Red Wing, MN with Commissioners Anderson, Majerus, Nesseth, Drotos and Flanders all present and appearing by virtual meeting.

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

¹ Moved by C/Anderson, seconded by C/Flanders, and carried to approve the April 7, 2020, County Board Minutes.

² Moved by C/Majerus, seconded by C/Nesseth, and carried to approve the May 5, 2020, County Board Agenda as amended:

Administrator Arneson made the following changes:

- Removed item # 7 Approve the Byllesby Park Fishing Pier Agreement
- Added under New Business- Discuss drafting a letter to Governor Walz regarding the structure of reopening the state

³ Moved by C/Anderson, seconded by C/Flanders, and carried to approve the following items on the consent agenda as amended:

1. Approve the Renewal of the Minnesota Department of Corrections Joint Powers Agreement.
2. Approve Award of CSAH 6 Grading Contract SAP 025-606-020
3. Approve Eminent Domain for CSAH 6 Grading SAP 025-606-020.
4. Approve Township Bridge Replacement Agreements.
5. Approve the Purchase Agreement with Merchant's Bank for Property - 621 West 4th Street, Red Wing.
6. Approve Teamsters Summer Schedule MOU.
- 7.

COUNTY ADMINISTRATOR'S REPORT

Public Hearing - DairiConcepts LP - Tax Abatement Application. The DairiConcepts LP Tax Abatement Application has gone through an EDA subcommittee meeting. The Goodhue County EDA Board has reviewed and recommended to the Goodhue County Commissioners to set the required public hearing, which the Goodhue County Commissioners did set for May 5, 2020 at 9 a.m. Staff recommended the board conduct the public hearing and address the tax abatement application for DairiConcepts LP.

⁴ Moved by C/Flanders, seconded by C/Majerus, and carried to approve to open the public hearing.

C/Drotos asked three times for public comment. There were no comments. Administrative Arneson commented that no comments were received via email or by mail.

⁵ Moved by C/Anderson, seconded by C/Nesseth, and carried to approve to close the public hearing.

⁶ Moved by C/Anderson, seconded by C/Majerus, and carried to approve the following resolution authorizing Tax Abatement of property within Goodhue County for the purpose of assisting the new construction expansion of Dairiconcepts, LP in Zumbrota, Minnesota:

WHEREAS, the Board of Commissioners of Goodhue County, Minnesota (the "County"), has held a public hearing on May 5, 2020, on the proposed abatement, pursuant to Minnesota Statutes, Sections 469.1812 through and including 469.1815, to assist with the improvement costs associated with the expansion development of the DairiConcepts, LP, within the City of Zumbrota, Minnesota; and

WHEREAS, the County Board has proposed to abate up to 90% per year of the increase in property tax payable due to the increase in property value attributed to the funded improvements, for a period of up to 10 years, up to a maximum of \$480,360 of the County share of new property taxes generated by development on the following parcel commencing with taxes assessed for 2022 and payable in the year 2023:

Parcel I.D. # 72.700.0520

**BOARD OF COMMISSIONERS' PROCEEDINGS, GOODHUE COUNTY, MN
MAY 5, 2020**

Legal description: Unplatted Land 17.67 AC Doc#628434 PT of SW ¼ Sec 25- 110-16 Com at NW CR S89DG 50 MIN E1157.54 FT S17DG11MNE594.57 FT For Beg S17DG11MN E565.26 FT Then ALNG Curve to LFT 461 FT N87DG47MN E391.31 FT

Parcel I.D. # 72.700.0660

Legal description: Sect-25 Twp-110 Range-016 13.05 AC That PT of SW ¼ SEC 25 110 16 Lying SLY of C.M. & St Paul RR & ELY of ELY R/W HWY 52 DOC# 491831

Parcel I.D. # 72.700.0650

Legal description: Unplatted Land 3.55 AC DOC# 628433 Abandoned RR R/W Over & Across SW ¼ Sec 25 110 16 Lying ELY of ELY R/W HWY 52

WHEREAS, the County Board expects that the public benefits derived by the use of tax abatement to the County to be at least equal to the costs associated with granting the abatement:

WHEREAS, the County Board finds that the proposed abatement is in the best interest of the County and its residents.

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

1 Abatement. The Board of Commissioners hereby authorize the abatement of up to 90% per year of the increase in property tax payable due to the increase in property value attributed to the funded improvements, for a period of up to 10 years, up to a maximum of \$480,360 of the County share of new property taxes generated by development on the following parcels commencing with taxes assessed for 2022 and payable in the year 2023:

Parcel I.D. # 72.700.0520

Legal description: Unplatted Land 17.67 AC Doc#628434 PT of SW ¼ Sec 25- 110-16 Com at NW CR S89DG 50 MIN E1157.54 FT S17DG11MNE594.57 FT For Beg S17DG11MN E565.26 FT Then ALNG Curve to LFT 461 FT N87DG47MN E391.31 FT

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Parcel I.D. # 72.700.0650

Legal description: Unplatted Land 3.55 AC DOC# 628433 Abandoned RR R/W Over & Across SW ¼ Sec 25 110 16 Lying ELY of ELY R/W HWY 52

2 Purpose. The abatements will be used to assist with the eligible project costs associated with the expansion construction/development of the DairiConcepts, LP within the City of Zumbrota, Goodhue County, Minnesota.

3 Public Benefit. The proposed abatements will benefit the public by:

- a) increasing the property tax base of the County and
- b) retaining 50 employees at the location and
- c) additional private investment by the company and
- d) rehabilitation/development of a high profile site

4 Documents. County staff is hereby directed to prepare all necessary documents to perfect this Resolution including, but not limited to a Development Agreement and a Minimum Assessment Agreement. The Board Chair is hereby authorized to sign said documents.

HUMAN RESOURCE DIRECTOR'S REPORT

April 14, 2020 Personnel Committee Report. The Personnel Committee met on Tuesday, April 14 with the following items on the agenda:

County Attorney: Request To Replace Administrative Assistant/ Legal Secretary. The personnel committee recommended the board approve the replacement of the Administrative Assistant/Legal Secretary with a one month

BOARD OF COMMISSIONERS' PROCEEDINGS, GOODHUE COUNTY, MN
MAY 5, 2020

overlap.

- ⁷ Moved by C/Flanders, seconded by C/Anderson, and carried to approve the personnel committee recommendation for replacement of the Administrative Assistant/Legal Secretary with a one month overlap and the backfilling of any position that may become vacant due to an internal candidate taking the position.

FINANCE DIRECTOR'S REPORT

Property Tax Penalty Abatement. Finance Director, Brian Anderson, reviewed a staff report with the board outlining options that could be considered regarding property tax penalty abatement.

C/Nesseth commented that a lot had changed with the situation since the budget committee addressed this issue and suggested the board rethink the issue and consider doing more. The proposed option of reducing the penalty by 1% will not do much for the business owner.

C/Flanders commented that she had heard from one business owner in Red Wing that was forced to shut down after trying the takeout option for a while, however, that was only a portion of their business and could not sustain with takeout alone.

C/Nesseth suggested a 0% penalty until July for approved people who fill out the form, to be approved by Finance Director, Brian Anderson. If the applicant is not approved by the Finance Director, they would have the option to state their case to the county board.

C/Anderson pointed out that the county has an abatement policy in place, which is ongoing and reminded the board that delaying taxes could negatively impact the cities, townships, and school districts. He suggested moving forward as is and if someone wanted to apply for the abatement they could.

C/Majerus agreed and commented that anyone who has the money to pay their taxes should pay their taxes and anyone who cannot, should apply for abatement just like usual.

C/Anderson made a motion to move forward with the current abatement policy as is and leaving the due date at May 15, 2020, and that people who are financially affected by the COVID-19 outbreak apply through the process the county already has in place. C/Majerus seconded the motion.

Finance Director, Brian Anderson, noted that he could update the current abatement form to include hardship due to the pandemic outbreak.

C/Nesseth offered a friendly amendment for a 0% penalty until July for those who fill out the abatement. C/Anderson commented that the abatement process allowed the rate at whatever the board chose for any time period, so he did not see the need to have it in the motion, however, he agreed to add the language that the penalty could be reduced "up to 100%". C/Majerus agreed with the friendly amendment.

Administrator Arneson reiterated that those who can pay, need to pay their taxes on time. The county has talked with the seven school districts and five out of the seven said that if they did not receive the bulk of their money in June as they normally do, they would have a financial issue.

County Attorney, Stephen O'Keefe, pointed out that taxes are due on May 15 and if you don't pay on time, they will be delinquent. This issue the board is discussing is related to the penalty for failure to pay on time. He clarified that the motion on the floor was that any abatement of the penalty would be done by application in according to our current policy on applications for abatement, with the inclusion of financial hardship due to the COVID-19, and that the abatement could be up to 100% of the penalty imposed.

- ⁸ Moved by C/Anderson, seconded by C/Majerus, and carried to approve that those effected with financial hardship due to COVID-19 and are not able to pay their property taxes by the due date, have the option to apply for tax abatement, by application to our current policy, and that the percentage for abatement could be up to 100% of the penalty.

**BOARD OF COMMISSIONERS' PROCEEDINGS, GOODHUE COUNTY, MN
MAY 5, 2020**

C/Nesseth questioned who would be approving the abatement applications. Direction of the board was that Finance Director, Brian Anderson, would review and approve the abatement applications, with the option to bring them to the full board.

C/Anderson clarified that the abatement application would be run through the Budget Committee for revisions and suggested the Assessor and Finance Director work together to send notification to the paper as soon as possible.

⁹ Moved by C/Anderson, seconded by C/Flanders, and carried to approve that the Budget Committee review the proposed abatement application and process.

OFFICE OF EMERGENCY MANAGEMENT

Corona Virus (COVID-19) Update. Emergency Management Director, Diane Richter-Bwier updated the board on the COVID-19 outbreak.

COMMITTEE REPORTS:

C/Drotos	•
C/Nesseth	• Budget Committee Update.
C/Anderson	• Hiawatha Mental Health Meeting.
C/Majerus	•
C/Flanders	• Technology Committee update. Cannon Valley Trail Joint Powers Board.
Administrator Arneson	•

New Business. C/Majerus was interested in the county sending a letter to Governor Walz to encourage him to reopen the state as soon as possible. After board discussion, it was determined that there was not consensus on the direction of this letter. With that being said, Administrator Arneson suggested that if any commissioner wanted to contact the Governor with their comments, each commissioner should send their letter on their own behalf.

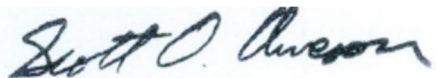
Review and Approve the County Claims

¹⁰ Moved by C/Anderson, seconded by C/Drotos, and carried to approve to pay the County claims in the amount of 01-General Revenue \$597,513.83, 03-Public Works \$176,085.64, 11- Human Service Fund \$148,550.55, 12- GC Family Services Collaborative \$730.06, 21-ISTS \$00, 25- EDA \$5,000, 30-Capital Improvement \$00, 31-Capital Equipment \$00, 34-Capital Equipment \$139,292.24, 35-Debt Services \$500.00, 40-County Ditch \$00, 61-Waste Management \$18,296.67, 62-Recycling Center \$00, 63-HHW \$00, 72-Other Agency Funds \$153,423.47, 81-Settlement \$1,163.01, in the total amount of \$1,240,555.47.

Adjourn

¹¹ Moved by C/Anderson, seconded by C/Flanders, and carried to approve to adjourn the May 5, 2020, County Board Meeting.

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MAY 5, 2020**



SCOTT O. ARNESON
COUNTY ADMINISTRATOR



PAUL DROTOS, CHAIRMAN
BOARD OF COUNTY COMMISSIONERS

MINUTE

1. Approved the April 5, 2020 County Board Meeting Minutes. (Motion carried 5-0)
2. Approve the May 7, 2020 County Board Meeting Agenda as amended. (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 tax abatement application for DairiConcepts LP. (Motion carried 5-0)
7. Approved to hire a replacement Administrative Assistant/Legal Secretary in the County Attorney's Office. (Motion carried 5-0)
8. Approved to keep the abatement policy as is and those who are financial effected by COVID have the option to apply for penalty abatement of up to 100% of the penalty. (Motion carried 5-0)
9. Approved that the abatement application and process be reviewed by the Budget Committee. (Motion carried 5-0)
10. Approved the County Claims. (Motion carried 5-0)
11. Approved to adjourn the May 5, 2020 County Board Meeting. (Motion carried 5-0)