

**MINUTES OF THE
OTTER TAIL COUNTY BOARD OF COMMISSIONERS
Government Services Center, Commissioners' Room
500 Fir Avenue W., Fergus Falls, MN
Tuesday, October 11, 2005
9:30 a.m.**

Call to Order

The Otter Tail County Human Services Board convened Tuesday, October 11, 2005, at 9:30 a.m. at the Otter Tail County Government Services Center with Commissioners Bob Block, Chair; Roger Froemming; Vice-Chair, Dennis Mosher, Malcolm Lee, and Syd Nelson present.

Approval of Agenda

Motion by Froemming, second by Nelson, and unanimously carried to approve the Human Services Board agenda of October 11, 2005, as mailed.

Approval of Minutes

Motion by Mosher, second by Lee, and unanimously carried to approve the Human Services Board minutes of September 27, 2005, as presented.

Local Correctional Fees

Court Services Director, Chuck Kitzman, briefed the County Board on charging supervision fees, which has been in process since September of 2003. He reported that the State Statute that gives authority to charge supervision fees was changed effective July 1, 2005, to include any person receiving corrections services, not specific to persons convicted of a crime. This allows charging fees for individuals on diversion programs and charging juveniles receiving probation services. He provided a handout reporting \$5,451.66 in supervision fees collected for January 1, 2005, through October 11, 2005. More than \$14,000 has been collected in total.

Human Services Fiscal Report

Human Services Director, John Dinsmore, provided a fiscal report for the first nine months of 2005. He stated that this year revenue will not cover all expenses because of several expenses that were not anticipated and therefore, were not part of the 2005 Budget.

Human Services Contracts

Motion by Nelson, second by Lee, and unanimously carried to authorize the Chairman's signature to execute the following Purchase of Service Agreements:

Vendor	Services Provided	Contract Period
Nancy Diiro Fergus Falls	Residential Services/Home Plus/Foster Care Services for Elderly/Disabled Persons	September 1, 2005 to June 30, 2006
Merit Care Home Care Pelican Rapids Facility	Residential Services/Assisted Living Services for the Elderly	July 1, 2005 – to June 30, 2006
Harmony Home Health Care, LLC	Residential Services/Assisted Living Services for the Elderly	October 1, 2005, to December 31, 2006

Public Health Report

Public Health Director, Diane Thorson, provided an analysis of two health issues that have been publicized recently, the polio virus that has been discovered in a child and the concern of a pandemic chicken flu outbreak.

Bills & Claims

Motion by Mosher, second by Froemming, and unanimously carried to approve the Human Services bills & claims as presented.

Support Specialist – Additional Salary Range

County Coordinator, Larry Krohn, stated that an additional salary range is needed in the Support Specialists salary schedule because of a recent reclassification. Motion by Lee, second by Mosher, and unanimously carried to approve the Support Specialist Range 12 as presented.

Adjournment

At 10:10 a.m., Chairman Block declared the meeting of the Otter Tail County Human Services Board adjourned until 9:30 a.m. on Tuesday, October 25, 2005.

Dated: _____ OTTER TAIL COUNTY HUMAN SERVICES BOARD

By: _____
Robert Block, Human Services Board Chair

Attest: _____
Larry Krohn, Clerk

Call to Order

The Otter Tail County Board of Commissioners convened Tuesday, October 11, 2005, at 10:30 a.m. at the Otter Tail County Government Services Center with Commissioners Bob Block, Chair; Roger Froemming, Vice-Chair; Dennis Mosher, Malcolm Lee, and Syd Nelson present.

Approval of Agenda

Motion by Froemming, second by Lee, and unanimously carried to approve the County Board agenda of October 11, 2005, with the following additions:

- 10:30 a.m. – Highway Engineer, Rick West for Bid Award
- 11:00 a.m. – Ditch Inspector, Randy Wasvick, Items Canceled
Dispatch Center Discussion

Approval of Minutes

Motion by Nelson, second by Lee, and unanimously carried to approve the County Board minutes of October 4, 2005, as mailed.

Approval to Pay Bills

Motion by Nelson, second by Mosher, and unanimously carried to approve payment of the County Board bills per Attachment A of these minutes.

Bid Award – S.P. 56-682-07

After previously advertising for quotations, Highway Engineer, Rick West, submitted the following Quotations for Phase I Archaeological Survey and Evaluation of Parkdale Mill for the CSAH 82 reconstruction project from TH 59 to Norway Pine Road:

Summit Envirosolutions St. Paul, MN	\$11,800.00
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HDR Engineering, Inc. Minneapolis, MN	\$20,807.00
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Motion by Mosher, second by Froemming, and unanimously carried to award the Phase I Archaeological Survey and Evaluation of Parkdale Mill on CSAH 82 to Summit Envirosolutions of St. Paul, MN, at a cost not to exceed \$11,800.00.

Premise Permit**Otter Tail County Resolution No. 2005 - 63**

Commissioner Lee offered the following and moved its adoption:

WHEREAS, the responsibility for the regulation of lawful gambling and the issuance of licenses and permits for the conduct of lawful gambling lies with the Minnesota Gambling Control Board; and

WHEREAS, the Frazee Lions, Frazee, MN, has made an application to the Gambling Control Board for the purpose of conducting lawful gambling at Josh Hanson's Spanky's, located at 34753 County Road 4 in Hobart Township of Otter Tail County; and

WHEREAS, Minnesota Statute 349.213 provides that the Gambling Control Board may not issue a premise permit unless they receive a resolution from the Otter Tail County Board of Commissioners approving the application for a permit; and

WHEREAS, the Otter Tail County Board of Commissioners is aware of no reason to oppose the conduct of lawful gambling by the Frazee Lions, Frazee, MN, at Josh Hanson's Spanky's, located at 34753 County Road 4 in Hobart Township of Otter Tail County.

NOW, THEREFORE, BE IT RESOLVED, that the Otter Tail County Board of Commissioners hereby approves the conduct of lawful gambling by the Frazee Lions, Frazee, MN, at Josh Hanson's Spanky's, located at 34753 County Road 4 in Hobart Township of Otter Tail County, provided the applicant meets all the necessary criteria for the licenses and permits as required by the Gambling Control Board.

IT IS FURTHER RESOLVED, that notice of this application and approval shall be provided to the Township of Hobart by sending them a copy of this resolution.

Commissioner Mosher seconded the motion, and upon being put to a vote, was unanimously carried.

Adopted this 11th day of October, 2005.

Dated: _____ OTTER TAIL COUNTY BOARD OF COMMISSIONERS

By: _____
Robert Block, County Board Chair

Attest: _____
Larry Krohn, Clerk

Management Representation Letter

Motion by Nelson, second by Froemming, and unanimously carried to authorize the Board of Commissioners Chairman, County Coordinator, and County Auditor's signatures on the Otter Tail County's Management Representation letter for the 2004 audit.

Discussion Regarding Dispatch

County Coordinator, Larry Krohn, referred to a handout stating the City's argument to reduce the cost of dispatch services that the County charges the City of Fergus Falls. In reference to the document, Mr. Krohn, stated that, prior to 1988, the City of Fergus Falls provided two full time dispatchers (not one as stated in the City's document) and two full time dispatchers equated to 47.6% of the staffing requirements for dispatch. The County is currently asking the City of pay 45% of the cost. Mr. Krohn stated that there are two separate issues, one is the cost of dispatch, and the other is building space. The County has provided parking, office furnishings, and technical computer assistance at no extra cost. The County feels that the City Police Department is benefiting by cohabitation. Motion by Nelson, second by Froemming, and unanimously carried to schedule a joint City/County meeting on Tuesday, November 29, 2005, at noon to discuss issues that affect both entities.

Proposed Chemical Dependency Treatment Facility

Kent Mattson presented a summary of a proposed project concerning the State of Minnesota transitioning into a replacement chemical treatment facility when the current location at the Regional Treatment Center is vacated. A drawing of the proposed building and site was provided as well as an explanation of the CD programs that will be delivered along with projected per diem rates. This proposal would include State delivered services with the HRA and the County bonding for the cost of the building with the State leasing the building back from the County. Lengthy discussion took place regarding: whether bids will be received within budget; proposed winter construction; possibility of using extra space in area Nursing Homes; total cost of the project estimated at 5.6 million dollars (significantly higher than initial estimates); the proposed financing structure; the State's 30-day out clause included in the contract; impact if the State decides to get out of delivering the service; Lakeland Mental Health as a potential provider, if needed; many good jobs staying in the Fergus Falls community as well as State dollars spent for contracted services, e.g. lawn care and snow removal; and the fact that this would be a specialty-use building and of limited use to the County for other purposes.

Recess

At 12:20 p.m., Chairman Block recessed the meeting of the Otter Tail County Board of Commissioners for lunch break.

Public Hearing – Blue Heron Bay Scoping Project

At 1:30 p.m., Chairman Block declared the meeting of the Otter Tail County Board of Commissioners' reconvened as a Public Hearing to determine the scope of an Environmental Impact Statement (EIS) required for the proposed Blue Heron Bay project located on Dead Lake.

County Attorney, David Hauser, provided general guidelines for the Public Hearing. He stated that this is a comment meeting for people to give comment on what should be the scope of an Environmental Impact Statement that would be performed on the Blue Heron Bay Project. The scope is to be determined by the Responsible Governmental Unit which, in this case, is Otter Tail County and the Commissioners. They are to determine the potentially significant impacts of the project and those need to be included in the EIS. In this instance, an Environmental Assessment Worksheet (EAW) was done and that information should be considered and can be part of the EIS. If there are recommendations for further information, we request that you give reasons why you think further information is required, so the Board can take that into consideration. The Board will not make a decision today. They will continue to receive information and further recommendations from staff. The comment period remains open until October 26, 2005, based on the County's decision to do an EIS having been published in the Environmental Quality Board (EQB) monitor on September 26, 2005. The Board is to issue a decision at its next regularly scheduled meeting which appears to be November 1, 2005. The County Attorney stated that these dates will need to be verified. The County Board originally made a negative determination that an EIS was not needed; that there was adequate information in the EAW. The matter was appealed. The Appellate Court determined that an EIS should be done and directed the County to do an EIS, specifically indicated that it should include the impact of increased boating activities and study of the nitrogen issue that was found. The Appellate Court also said the Board should fully examine each of the issues raised in the EAW and make a determination on those.

Chairman Block asked the public to identify themselves before speaking and then opened the public meeting to comment.

Doug Martin, representing the Dead Lake Association, stated that the Association has some topics to discuss regarding the EIS process as well as specific recommendations on what should be going into the scoping document. The scoping is like laying out a blueprint for building a house. The better job you do on the blueprint, the better the end product. Mr. Martin stated that one of the challenges is that we don't have any experience doing an EIS. There hasn't been an EIS done on a lake before. There aren't very many counties who have completed an EIS. He stated that the Dead Lake Association worked with the Planning Commission two years ago to figure out issues with the EAW. There were issues with the EAW that were deferred to the permitting agencies. The permitting agencies stated they don't make these types of decisions and referred them back to the County. As a result, Mr. Martin stated, "we feel there were holes in the EAW". Therefore, we encourage you to hire an Environmental Consultant that has experience doing an EIS and building this scoping document. The Dead Lake Association has provided Bill Kalar a couple of recommendations for Consultants which include; 1) Barr Engineering and, 2) Wenck Associates, Inc. These consulting firms have received high recommendations from other counties. He stated that the EQB rules are often times guidelines. He stated that EQB representative, John Larson, noted that the rules are guidelines to keep the process moving, not necessarily to have you locked in to those rules. Doug Martin stated that John Larson offered to walk the County

through the process to do this right and not have to do this over. A consultant can provide an objective view without emotions.

The second recommendation from the Dead Lake Association is to create a group called the Environmental Review Committee. The ERC could be made up of Land & Resource Director, Bill Kalar; one County Commissioner; one representative from the DNR; one representative from the MPCA; one representative from the Dead Lake Association; one Planning Commission member; and one representative from the SWCD. By creating a group like this, the ERC could work with the consultant that is hired to work through the scoping of the EIS. This group has the technical experience needed. This process is currently being used now in Becker County. This really helps the developer so that when they are doing an EAW, the County can give them feedback on what the concerns are going to be. You will have the technical expertise you need and the consultant needs to build the document.

The third recommendation deals with the document itself. Mr. Martin noted that the Court of Appeals determined that the EAW was not done in sufficient detail. This went through the County process and the Court of Appeals said there really wasn't enough information. He stated that in the EAW process, there is a flaw, which is unique to the State. The developer's task is to put together this EAW, so the developer hires an engineer to build it. The developer is writing the check for the completion of the EAW; therefore, the loyalties of the engineer are with the developer. The County doesn't have the technical expertise to review and make sure everything is included. As a result, things are omitted. The information may be good information, but it is simply information that the developer and the engineer would like you to see. Mr. Martin stated that the Dead Lake Association looked at the EAW, comments and concerns raised during the EAW process, the negative declaration by the County, the scoping notification that came out, and the Court of Appeals decision. He explained that the Court of Appeals said to fully examine each of the issues raised in the EAW. The Dead Lake Association is concerned on how this will work. The Association decided to hire an Environmental Consultant to pull this information together. Mr. Martin provided copies of the recommendations of what needs to be studied in the EIS. The Dead Lake Association feels that these are the primary issues that have not been covered in the EAW. The issue and the reasons are included in the document entitled "Dead Lake Association Comments on the EIS Draft Scoping Document for Blue Heron Bay" dated October 10, 2005. In summary, Mr. Martin, on behalf of the Dead Lake Association, requested the following:

1. Hire an Environmental Consultant
2. Establish an Environmental Review Committee
3. Use the Document provided as the Foundation for the EIS Scoping Blueprint

Developer of Blue Heron Bay and Managing Partner of R Murray Partnership, Jim Erickson, reviewed the process of what has happened relative to the proposed development. He stated that the County's action to approve the proposal was correct and the decision to not require an EAW was upheld by the District Court Judge. The decision was then overturned by the Court of Appeals. Mr. Erickson said we are here because we believe in this project. Doing an EIS is a daunting task; but not as daunting as just described. In November of 2002, the application for 151 units was submitted. R. Murray Partnership chose a cluster development and this County has viewed that as a legitimate, appropriate, perhaps even more beneficial alternative for development. By granting a density bonus for cluster

developments, we can do many things, common sewer system, cluster docks, etc. that can benefit the project. He showed a map of a modified approval for a cluster development submitted in April of 2003. The County approved a 138 unit cluster development with modified descriptions in outlots to meet approval, 56 of these 138 units are single family lots and 82 of which are combined, common wall, townhouse type projects and 116 slips. This official graphic document was submitted as an official document, scoped and sized to meet the County's approval. Mr. Erickson stated that the developers believe that this is the most advantageous, beneficial project that can be built. The capacity of this 8,000 acre lake is underdeveloped because there are some landowners that own property that have stated that they do not plan to develop their property. There are alternatives to the cluster development and the EIS will examine the alternatives. One of the alternatives is a lot block development and an application has been submitted under the lot block ordinance for 52 lots and 6 larger estate lots of 5 acres or more, with a total of 58 units of traditional lot block plan with individual septic systems and individual docks. He stated that the developers have a right to build a lot block plan and this alternative is on the table. His preference is the cluster development project. The easy thing to do is to cut up a piece of ground, sell it off, and move down the road. It would be more economically viable for the developer with less risk and capital development. Mr. Erickson feels the lot block development is the wrong thing for this piece of ground and this lake. The developer wishes to build a premiere project for a premiere County and enhance the beauty of Dead Lake.

Attorney for the Developer, Peder Larson, stated that most EIS's are done for power plants, major highways, and airports, otherwise most Government Unit's have not done one of these before. This is something that you can work through. It is an important process under Minnesota law and Minnesota rules; but not one that you need to worry about not being able to do just because you haven't done one before. Mr. Larson noted that there is a difference between an EAW and an EIS. An EAW is a type of worksheet and the purpose is to determine in the end whether an EIS needs to be prepared. It is intended to be broad and there are lots of agencies that comment because it is intended to look at everything to see if any areas need to be looked at further. He stated that the County did a very good job on the EAW for Blue Heron Bay. Now, a court has stated that you need to do an EIS. An EIS is intended to be more focused. The law says an EIS should be analytical rather than an encyclopedic document. It describes the proposed action in detail, analyzes significant environmental affects, discusses appropriate alternatives and their impacts and explores methods by which adverse environmental impacts of an action can be mitigated. Mr. Larson stated that the Minnesota rules say that the scoping process shall be used before the preparation of an EIS to reduce the scope and bulk of an EIS. Identify only those potentially significant issues relevant to the proposed project. The County is developing information in an EIS to look at significant issues for the County Board to make a decision. There may be other agencies that have comment. The MPCA had enough information to issue a permit which was withdrawn because the EAW was overturned. If you would have wanted to do an EIS, you would have done it based upon 2 or 3 issues, not all 31 issues in the EAW. You need to do an EIS to include:

- 1) things for which there is a potential for environmental affects – the Court said Boating and indicated that the ground water Nitrogen/Phosphorus issue is important
- 2) look at alternatives – a cluster development that was thoroughly analyzed in an EAW and a lot and block development – there needs to be a comparison of these two alternatives. For example, boating doesn't change much between the two

alternatives; however, there are different ways to treat wastewater. A cluster development has to have a centralized sewer system, lot & block subdivision does not. In the EIS, you would want information on the different environmental impacts of those two alternatives. One of these examples needs to be studied because of the potential for significant environmental affects; the other because you need information to compare the alternatives. Another example is traffic that does not belong on the list. The EAW has an analysis of traffic. This is not a significant environmental affect issue or a significant difference in the alternatives available.

Mr. Larson stated that some of the rules give discretion, but the rules are not guidelines. Mr. Larson read several rules regarding the EAW and EIS process. The EAW was prepared on behalf of Otter Tail County and the Land & Resource Director required several changes during the drafting of the EAW. He stated that there is no justification to say that North American Wetland Engineering or anyone else working for R. Murray Partnership that are professionals did anything but a professional job with full candor with Otter Tail County. He stated that the EAW gives very good information on this project.

Paul Stolen from the Department of Natural Resources stated that the DNR will be submitting written comments by October 26th signed by the regional director, Mike Harold. He spoke about areas of responsibility and interest in Dead Lake. Mr. Stolen stated that since this project started, there has been a high level of interest in lakeshore development all over the state and the DNR is focusing on regulations with more focus on shallow lakes. The written documentation may include some mitigation suggestions.

Don Fondrick of the Dead Lake Association asked the Board to review the Engineering reports that have been put together and spoke in favor of more issues being researched than just the two mentioned by Attorney Peder Larson.

Phyllis Freeman from Dead Lake Association questioned when the County Board would act on the recommendations made by the Dead Lake Association. The County Attorney stated that comments will be discussed at the Board's next regular meeting and proceed from that point.

Chairman Block closed the Public Hearing for the scoping of the Blue Heron Bay project at 2:30 p.m.

Recess & Reconvene

At 2:32 p.m., Chairman Block declared the meeting of the Otter Tail County Board of Commissioners' recessed for a short break. At 2:39 p.m., Chairman Block reconvened the Board of Commissioner's meeting with Commissioners Syd Nelson and Malcolm Lee absent.

CY2006 Insurance Decisions

County Attorney, David Hauser, briefed the County Board regarding new health insurance options for employees and requested an increased employer contribution for CY2006 for non-union employees. Motion by Mosher, second by Froemming, and unanimously carried to approve a \$700 monthly employer contribution effective January 1, 2006, for non-union employees. Motion by Froemming, second by Block, and unanimously carried to replace the current \$750 deductible health insurance plan for employees with a \$300 deductible 80/20

plan and \$1,000 deductible 70/30 plan. These two new plans are Lakes Country Service Cooperative's Common Plans. The current copay plan will also still be available as an option for employees.

Adjournment

At 2:53 p.m., Chairman Block declared the meeting of the Otter Tail County Board of Commissioners adjourned until Tuesday, October 18, 2005.

Dated: _____ OTTER TAIL COUNTY BOARD OF COMMISSIONERS

By: _____
Robert Block, County Board Chair

Attest: _____
Larry Krohn, Clerk

CB/kd

10/11/2005 OTTER TAIL COUNTY AUDITOR IFD66
12:16:57 PANELSON RECEIPTS AND DISBURSEMENTS SYSTEM COUNTY 56
WARRANTS FOR PUBLICATION PAGE 1

WARRANTS APPROVED ON 10/11/2005 FOR PAYMENT 10/11/2005

VENDOR NAME	AMOUNT
A-1 LOCK AND KEY	218.86
ALL CREATURES VET HOSPITAL	37.22
ARVIG COMMUNICATION SYSTEMS	200.00
AUTO GLASS SPECIALISTS INC	257.66
BATTLE LAKE HARDWARE & RENTAL	136.40
BCA TRAINING & DEVELOPMENT	360.00
BEYER BODY SHOP INC	1,897.78
BLUESTONE TECHNOLOGIES INC	11,000.00
HEATHER BRANDBORG	30.26
BRANDON COMMUNICATIONS INC	647.72
BRAUN VENDING INC	33.39
CADD ENGINEERING SUPPLY INC	158.79
CARQUEST AUTO PARTS	5.48
CHECKERS	15.57
CHERI CLARK	97.00
CO OP SERVICES INC	43.24
COMMISSIONER OF TRANSPORTATION	495.00
COOPERS TECHNOLOGY GROUP	694.20
DACOTAH PAPER COMPANY	210.78
DAKOTA WOOD GRINDING INC	8,360.00
DENZEL'S REGION WASTE INC	168.48
EVERTS LUMBER CO	61.19
FARGO GLASS AND PAINT CO	30.29
FARMERS CO OP OIL ASSN	277.48
FARNAM'S GENUINE PARTS INC	1,244.58
FARNAM'S GENUINE PARTS INC PR	111.14
FERGUS FALLS NEWSPAPERS INC	2,288.74
FERGUS FALLS POLICE DEPT	305.15
CITY FERGUS FALLS	335.48
FERGUS POWER PUMP INC	5,720.00
FERGUS TIRE CENTER	797.91
DALLAS GREWE	45.50
HALL GMC INC	73.53
NEILL HARDINA	140.00
DAVID HAUSER	139.10
HEDAHL'S HEADQUARTERS	143.72
MARILYN HELLER	97.00
HENNING AUTO PARTS INC	143.21
CITY HENNING	900.00
HOLIDAY CREDIT OFFICE	10.64
HOMESTEAD BUILDING SUPPLIES	45.54
THE INDEPENDENT	34.50
INFORMATION SYSTEMS CORP	795.00
INNOVATIVE OFFICE SOLUTIONS LL	576.16
INSIGHT PUBLIC SECTOR	1,138.01
INTERSTATE INC	1,278.00
J CRAFT DIV OF CRYSTEEL MFG IN	1,064.57
JIM'S REPAIR	71.87
ERWIN JOHNSON	190.00

10/11/2005 12:16:57 OTTER TAIL COUNTY AUDITOR
PANELSON RECEIPTS AND DISBURSEMENTS SYSTEM COUNTY 56 IFD66
WARRANTS FOR PUBLICATION PAGE 3

WARRANTS APPROVED ON 10/11/2005 FOR PAYMENT 10/11/2005

VENDOR NAME	AMOUNT
SEWER SERVICE	240.00
SHULTZ TORGERSON ARCHITECTS LT	1,500.90
SIMPLEXGRINNELL LP	607.05
SOUND CLIPS INC	105.00
SOUTH MILL SERVICE	53.98
ST FRANCIS MEDICAL CENTER	92.00
STANDARD PARTS OF WADENA	259.32
STEINS INC	2,118.35
STEVE'S SANITATION INC	230.49
STOP-N-GO STORES INC	5.31
STRAND ACE HARDWARE	48.51
DAVID THOMPSON	190.00
TNT REPAIR INC	450.82
UNIFORMS UNLIMITED	1,720.04
UNIVERSITY OF MN-EXTENSION SER	8.85
VERGAS ACE HARDWARE	32.46
VICTOR LUNDEEN COMPANY	849.45
VIKING OFFICE PRODUCTS	162.03
WASTE MANAGEMENT	486.66
WEST CENTRAL LINEN SERVICE INC	5.00
WEST PAYMENT CENTER	577.20
XEROX CORPORATION	186.42
210 LUBE EXPRESS	87.94
**** FINAL TOTAL.....	\$102,413.73 ****

