AGENDA

8:30 am I. CALL TO ORDER AND PLEDGE OF ALLEGIANCE
(At the beginning of each Committee of the Whole Work Session meeting, the floor will be open to solicit public comments. Public comments will be limited to two (2) minutes for each person, subject to the discretion of the County Board Chairperson)
A. Roll Call

8:35 am II. OUTSIDE AGENCY: 2019 Budget Requests
A. Outside Agency Budget Presentations
B. SMIF Update/Funding Request

9:30 am III. PROPERTY TAX & ELECTIONS: Annette Peters
1. Discussion of the Petition for the Creation of Circle Lake Improvement District

10:00 am IV. ENVIRONMENTAL SERVICES: Julie Runkel
A. Comprehensive Plan Update

10:30 am V. PARKS & FACILITIES: Jake Rysavy
A. Government Services Building Addition/Renovation Construction Document Review

VI. ADJOURN (The Board may meet as a group for lunch)

SPECIAL NEEDS: If you require special services to attend or participate in a public meeting, please call the County’s Administration Office at 507.332.6101 or e-mail sfolsted@co.rice.mn.us. TDD users can call 507.332.6248. Please call 24 hours before the meeting, if possible.
AGENDA DATE: August 21, 2018

REQUEST BY: Shelley Langevin, Administration

STATE ITEM OF BUSINESS:
Outside Agency Budget Presentations

BACKGROUND:
The following agencies are scheduled to present: Historical Society, Buckham Memorial Library/Northfield Public Library/Lonsdale Public Library), Northfield Seniors - Fifty North, SEMCAC, Ag Society and Prairies Edge Humane Society.

FISCAL IMPACT:

COUNTY BOARD ACTION REQUESTED:

Reviewed with additional material provided: ✓ Approved
County Administrator
AGENDA DATE: August 21, 2018

REQUEST BY: Shelley Langevin, Administration

STATE ITEM OF BUSINESS:
SMIF Update/Funding Request

BACKGROUND:
From: Jennifer Kluzak <JenniferK@smifoundation.org>
Sent: Monday, May 21, 2018 9:29 AM
To: Jennifer Kluzak <JenniferK@smifoundation.org>
Subject: SMIF Presentation

Good morning!

As summer approaches, we would like to connect with you on some of the exciting projects SMIF has been working on over the past year by presenting at an upcoming meeting. We have continued to work hard to ensure our youngest residents are prepared when entering kindergarten, expand our economic base by supporting entrepreneurs, and empowering local volunteers to make change. We look forward to sharing some specific examples of this work when we present and will also present our request for funding in 2019.

Can you let me know of an upcoming meeting with room on the agenda for SMIF to provide an update? We want to make sure you are aware of the resources SMIF has to offer your community.

Looking forward to hearing from you,
Jennifer

JENNIFER KLUZAK  Communications & Development Associate
Southern Minnesota Initiative Foundation

D 507.214.7018  T 507.455.3215
E jenniferk@smifoundation.org
www.smifoundation.org
A 525 Florence Avenue, Owatonna, MN  55060

FISCAL IMPACT:
COUNTY BOARD ACTION REQUESTED:

Reviewed with additional material provided: ✓ Approved
County Administrator
Request For County Board Action

**AGENDA DATE:** August 21, 2018

**REQUEST BY:** Annette Peters, Auditor/Treasurer's Office

**STATE ITEM OF BUSINESS:**
Discussion of the Petition for the Creation of Circle Lake Improvement District

**BACKGROUND:**
(Background)

**FISCAL IMPACT:**

**COUNTY BOARD ACTION REQUESTED:**
Reviewed with additional material provided: ✓ Approved
County Administrator
PETITION FOR CREATION OF
CIRCLE LAKE IMPROVEMENT DISTRICT

To: Rice County Board of Commissioners
320 3rd St. NW #4
Faribault, MN 55021

The Petitioners herein respectfully represent:

WHEREAS, this Petition is filed pursuant to, and in compliance with, Minnesota Statute §103B.521 and Minnesota Rules §6115.0970, requesting consideration by the Rice County Board of Commissioners (or “Board”) for the establishment of a lake improvement district as set forth and described herein; and

WHEREAS, the name of the proposed district is: Circle Lake Improvement District (“proposed district”); and

WHEREAS, the undersigned Petitioners are specifically identified by their execution of individual signature pages which are attached hereto and incorporated herein; and

WHEREAS, the proposed district consists of property area and waterways affecting Circle Lake (“affected lake”); and

WHEREAS, attached hereto and incorporated herein as “Exhibit A” is the map which specifically identifies and follows, as consistently as possible, the appropriate natural hydrologic boundaries and tracts of real estate of the territory surrounding and abutting the affected lake proposed to be included in the proposed district, to the extent practical; and

WHEREAS, Petitioners are owners of parcels of real property within the above-referenced territory surrounding the affected lake, and the identity and ownership of the individual parcels are more specifically described on the above-referenced signature pages; and

WHEREAS, Petitioners represent the majority of property owners within the above-referenced territory surrounding the affected lake described herein; and
WHEREAS, the objectives and water and related resources management programs and services (generally, “the proposed improvements” or “the improvements”) shall include, but not be limited to, the following:

- To maintain the water quality and prevent pollution of the lakes through a water quality program; and
- To develop a comprehensive water management plan for the lakes; and
- To work with Rice County and the Minnesota Department of Natural Resources to monitor and protect the lakes from aquatic and invasive species through prevention, control, and education; and
- To enable the receipt of financial assistance and participate in projects or enter into contracts with federal and state agencies for the study of treatment of pollution problems.

WHEREAS, the proposed district purposes will result in multiple environmental benefits to property, and are necessary to promote the public health or public welfare; and

WHEREAS, it is proposed that there shall be between five (5) and nine (9) directors for the district board, as directed by the Board of Commissioners; and

NOW, THEREFORE, Petitioners request the Rice County Auditor present this petition to the County Board of Commissioners to oversee this project, and request the Board establish the Circle Lake Improvement District to develop and provide a program of water and related land resources management.

Bruce E. Sellers
Attorney for Petitioners
Wendland Sellers Law Office
825 East Second St.
P.O. Box 247
Blue Earth, MN 56013
507-526-2196

This petition is prepared by:
Bruce E. Sellers
Attorney for Petitioners
Wendland Sellers Law Office
825 East Second Street, P.O. Box 247
Blue Earth, MN 56013
507-526-2196
May 25, 2018

Rice County Board of Commissioners
c/o Ms. Annette Peters, Rice County Auditor/Treasurer
Government Services Building
320 Third Street NW
Faribault, MN 55021

RE: Petition for Establishment of Circle Lake Improvement District
Our File No.: 3302.01

Dear Ms. Peters:

Our office represents petitioners for the proposed Petition for Establishment of Circle Lake Improvement District. Enclosed please find the following:

1. Petition for Establishment of Circle Lake Improvement District ("Petition");
2. A Map referred to and incorporated as "Exhibit A" is the map which specifically identifies and follows, as consistently as possible, the appropriate natural hydrologic boundaries and tracts of real estate of the territory surrounding and abutting Circle Lake, to the extent practical;
3. Signature Pages of 86 property owners within the proposed lake improvement district described in the Petition.

The proposed Circle Lake Improvement District boundaries were selected based on the current and future lake improvement projects and those affected by these projects. This includes all parcels with direct or deeded lake access to Circle Lake. The majority of the lake improvement projects are directly within Circle Lake (carp, aquatic vegetation management, erosion, sediment phosphorus release, etc.) and will be beneficial to those property owners surrounding the lake. Other watershed projects are also included in the long term plan for improving water quality to Circle Lake, however including those parcels do not directly align with the long term goals and do not receive the benefits from lake improvement projects. There are also other mechanisms in place that address land
improvement goals for the watershed and include the Rice County Soil and Water Conservation District (SWCD), Cannon River Watershed Partnership (CRWP), and other programs through the Department of Agriculture, Natural Resources Conservation Service, and other state or federal agencies. These mechanisms are opportunities for future partnerships with the Circle LID to achieve similar goals.

There are a total of 226 tracts of real estate of the territory which include a total of 165 individual property owners. I have submitted signature pages of 86 individual property owners supporting the Petition, or 52.12%. Therefore, the Petition is signed and supported by a majority of the property owners within the proposed lake improvement district described in the Petition.

On behalf of the petitioners, I submit this Petition, Exhibit A, and signature pages supporting the Petition for filing, and respectfully request the Rice County Auditor/Treasurer verify the signatures and the Petition to ensure the appropriate requirements have been met. After review and verification, I would also respectfully request this matter be scheduled before the Board of Commissioners for further consideration and action. For your convenience, I have also enclosed for your review and consideration a spreadsheet which details the property owner information of those owners within the proposed lake improvement district as well as the information provided on the signature pages.

Please contact me at your earliest convenience if you require further information or believe there are issues that need to be addressed prior to the matter being scheduled before the Board for further action. Thank you in advance for your consideration and prompt attention with this matter.

Sincerely,

WENDLAND SELLERS LAW OFFICE

[Signature]
Bruce E. Sellers
FOR THE FIRM

Enc.
Memorandum

To: Rice County Board of Commissioners
From: John C. Kolb
Re: Circle Lake Petition to Establish Lake Improvement District
Our File: 14407-0032
Date: July 30, 2018

This memorandum serves two purposes: (1) official notice to the Rice County Board of Commissioners of the filing of a petition to form a Lake Improvement District (LID); and (2) a summary of actions required of the County Board in response to the petition. This memorandum will briefly discuss the background of the proposed LID, outline the statutory process required to establish or refuse to establish the proposed LID, articulate the methods for operating and managing the district, and provide procedures for terminating the district.

Background

Circle Lake is an 838 acre lake located in Forest Township in Rice County. Due to the lake’s shallow waters, it suffers from impaired water quality. The primary water quality concerns include poor water clarity, high Total Phosphorus, and Chlorophyll-a loading within the water column. These three parameters fail to meet the Minnesota Pollution Control Agency’s (MPCA) water quality standards for lakes in the region. Other water quality concerns include invasive weeds, such as Curlyleaf Pondweed and Eurasian Watermilfoil, and invasive species, such as Common Carp and zebra mussels.

There is local interest in protecting the future of Circle Lake’s water quality. The Circle Lake Association (“Lake Association”) has been in place since 1998 and has made efforts to protect water quality, prevent and control invasive aquatic species, and educate the public on the lake’s current condition. While these efforts have had positive impacts on the lake’s water quality issues, financial limitations have prevented the Lake Association from increasing current improvement efforts, obtaining grants and outside funding, expanding efforts to the watershed for improvement, and budgeting for future projects. As alleged by the petition, creation of the proposed LID will provide a mechanism to achieve a goal of ensuring Circle Lake’s long term water quality success. Currently, 86 of Circle Lake’s 165 individual property owners have signed
a petition supporting the creation of the proposed District. The signatures have been verified by the County’s Property Tax & Elections Director.

**Petition Requirements**

A LID can be initiated by petition to the County Board if it meets certain criteria, pursuant to Minnesota Statute § 103B.52I subd. 1.

First, the petition must state the following:

1. the name of the proposed lake improvement district;
2. the necessity of the proposed LID to promote public health or public welfare;
3. the benefits to property from the establishment of the proposed district;
4. the boundaries of the proposed district, which are encouraged to be consistent with natural hydrological boundaries;
5. a map of the proposed district;
6. the number of directors, between five and nine, for the proposed district; and
7. a request for establishing the district as proposed.

Second, the petition must also meet certain requirements:

1. the petition must be signed by a majority of property owners within the proposed district;
2. the petition must be filed with the county auditor and addressed to the County Board, requesting that the County Board establish the proposed LID to develop and provide a program of water and related land resources management; and
3. the County Board shall, at least 30 days before it acts on a petition, send the town board of a town wholly or partially within the boundaries of the proposed LID, a copy of the petition and encourage the town board to respond to the proposed creation of the district.

The County Board shall make the petition or document containing the required information available for review by concerned citizens at the county courthouse or other appropriate public building. Based on review by County staff and this office, we conclude that the petition is statutorily sufficient to initiate proceedings under statutes chapter 103B.

Proceedings on the petition culminate with a hearing. At the hearing, the County Board must consider all evidence related to establishing the LID, the activities to be performed by the LID and membership in the LID’s governing Board. The LID, by its Board, may only exercise the authorities granted to it by the County Board in the order establishing the LID.

**Criteria for Granting the Proposal**

In deciding whether to establish the proposed LID, the County Board should evaluate the proposal based on the extent to which the proposal demonstrates the following:

1. **Local need for district** – The proposal demonstrates why the proposed LID is needed and why another unit of government or lake association with similar powers cannot or will not accomplish the proposed District’s purpose;

2. **Appropriateness of proposed boundaries** – The proposed boundaries encompass an appropriate amount of the lake’s drainage basin and are not over or under inclusive.
The boundaries should be delineated to provide appropriate public representation and equitable distribution of benefits and levying costs;

3) **Appropriateness of proposed purpose** – The proposed purpose is consistent with existing state, federal, regional, and local laws, policies, objectives, and plans pertaining to water and land management, fish and wildlife habitat, surface and groundwater quality, natural beauty and unique scientific values, and economic and recreation values. The proposed purpose should also be consistent with the public rights in the public waters of the state;

4) **Technical feasibility** – The proposal demonstrates, or provides determinations for, the technical feasibility of the proposed plans and programs;

5) **Financial adequacy** – The proposal demonstrates the capability of raising sufficient funds to meet district purposes and to ensure continuity of district operations;

6) **Adequacy of procedures** – The proposal assures consideration of the interests of concerned citizens both within and outside the boundaries of the proposed LID. The proposal identifies varying conflicts of interest regarding water and related land management in and around the proposed LID, and includes procedures to assure the consideration of diverse interests so that decisions are made in the best overall interests of fairness and public health, safety, and welfare;

7) **Public access** – The proposal provides for public access when adequate public access consistent with size of the lake, the extent of public interest in using the lake, and the combined uses of the lake is unavailable. Service charges may not be imposed on the use of a public access if other units of government cost share the acquisition, development, or maintenance of the public access;

8) **Adequacy of monitoring and environmental effects** – The proposal demonstrates an understanding of potential environmental effects of the proposed LID’s plans and programs, and provides for long-range monitoring of such effects; and

9) **Coordination with other special purpose districts** – The proposal demonstrates how the proposed LID’s programs will be coordinated with existing special purpose districts formed for water and related land management, including: watershed districts, sanitary districts, drainage and conservancy districts, lake conservation districts, and soil and water conservation districts. The proposal should explain why alternative special purpose districts are inappropriate to accomplish the purposes of the proposed LID. A LID should not be established where a special purpose unit of government for water and related land management exists which can implement the purposes of the proposed LID, unless written approval is acquired from such unit of government or from the Commissioner of Natural Resources (“Commissioner”). The proposal should demonstrate efforts in good faith to resolve, at the local level, any conflicts between an existing special purpose district and the proposed LID.
Public Hearing

Once the county auditor receives the petition, it must verify the signatures and notify the County Board. The County Board must hold a public hearing on whether the proposed LID should be established within 30 days after being notified of the petition. At least 21 days prior to the public hearing, the County Board shall give notice of the public hearing to the commissioner of natural resources ("Commissioner") and the MPCA, and make a reasonable attempt to notify every resident and every resident owner within the proposed LID of the pending resolution or petition and the public hearing.

A reasonable attempt to notify shall consist of mailing notice to the last known address of each landowner within the proposed LID, publication of notice in two successive issues of a newspaper widely circulated in the proposed LID, and posting notice in public buildings and several leading commercial establishments in or near the proposed LID, as appropriate and reasonable. All local and regional units of government, special purpose districts, and development commissions within and adjacent to the boundaries of the proposed LID shall be given notice of the public hearing. All corporations and utilities owning real estate or corporate property within the proposed LID shall be given notice of the public hearing.

As part of the notification procedure, a statement shall accompany the notice setting forth the following:

1) a description of the proposed purposes, programs, funding, and boundaries of the proposed District, and the name proposed for the district;
2) the time and place of the public hearing; and
3) include the following paragraph: "The establishment of the proposed lake improvement district requires review by the commissioner of natural resources and the approval of the (as appropriate) county board(s) (and/or city governing body). Concerned citizens may submit evidence at a public hearing to be held prior to the passage of any resolution establishing the proposed lake improvement district. Concerned citizens may also submit evidence and opinions to the commissioner of natural resources. A copy of the petition (or document, as appropriate) for the establishment of the lake improvement district is available for public review at the (as appropriate) county courthouse (or other appropriate public building; give address and telephone number where interested citizens can review the document)."

Establishment

After holding the public hearing, the County Board shall formally convene within 30 days, but no sooner than 10 days, to establish or deny the establishment of the proposed LID. At least ten working days' notice shall be given to the Commissioner of the time and place where the County Board will formally convene for this purpose. Should the County Board decide to establish the proposed District, the order establishing the proposed LID must state:

1) the name of the LID;
2) the boundaries of the district, which are encouraged to be consistent as practical with natural hydrologic boundaries;
3) the water and related land resources management programs and services to be undertaken;
4) the manner of financing programs and services; and
5) the number, qualifications, terms of office, and method of election, removal, and filling of vacancies of the board of directors, including a method for property owners not present at the annual meeting to participate in the election of the district board.

If the proposed LID is established, the County Board shall publish the order once in the official newspapers of counties where the proposed LID is located and file the order with the secretary of state, MPCA, and the Commissioner. Establishment of the proposed LID is effective 30 days after publication or at a later date, if specified in the establishment order.

Referendum

Regardless of how a district has been formed, a referendum on establishing the proposed LID can be petitioned for before the effective date of its establishment. If 26% of property owners within the proposed LID petition for a referendum, the County Board must issue an order staying the establishment until a referendum vote is taken of all qualified voters and property owners within the proposed LID once the petition is received. The County Board shall conduct a special election on either the second Tuesday in February, the second Tuesday in April, the second Tuesday in May, the second Tuesday in August, or the first Tuesday after the first Monday in November. The special election must be held within the proposed LID, administered by the county auditor or designated election official.

The question to be submitted and voted upon must be stated as follows: "Should a lake improvement district be established to provide (description of intended water and related land resources improvements) and financed by (description of revenue sources)?" The vote must be certified by the county auditor or designated election official, and if a majority of those voting on the question favor establishing the proposed LID, the stay is lifted. If a majority of those voting do not favor establishing the proposed LID, the establishment is denied.

Board of Directors

Membership

After a LID is established, the County Board shall appoint persons to serve as an initial board of directors for the district. Subsequent board members must be elected by persons owning property in the district at the annual meeting. The number, qualifications, terms of office, and method of election, removal, and filling of vacancies of directors shall be as provided in the order creating the board of directors. The initial and all subsequent boards of directors must be residents of the district.

The directors shall serve with compensation as determined by the property owners at the annual meeting and may be reimbursed for their actual expenses necessarily incurred in the performance of their duties in the manner provided for county employees.

Powers

The County Board may delegate powers specified in statutes § 103B.551 to the board of directors. Programs and services undertaken must be consistent with the statewide water and related land resources plan prepared by the Commissioner and with regional water and related land resources plans. A body of water may not be improved by using authority granted in § 103B.551 unless the public has some access to some portion of the shoreline. The County Board
may delegate its authority to a district board of directors to perform 14 different functions as specified in § 103B.551. Based on the stated purpose of the proposed LID, the following functions are likely to be the most relevant:

- develop and implement a comprehensive plan to eliminate water pollution
- undertake research to determine the condition and development of the body of water and the water entering it and to transmit the results of the studies to the MPCA and other interested authorities
- conduct a program of water improvement conservation
- receive financial assistance from and participate in projects or enter into contracts with federal and state agencies for the study and treatment of pollution problems and related demonstration programs

The above functions and programs may include efforts to address both water quality and aquatic invasive species management/control. It is important to note that the LID has no independent implementation authority. All actions of the LID must be reviewed and approved by the County Board in an annual work and budget plan. As discussed below, expenses of the LID are paid by revenues generated within the LID and projects proposed by the LID must be approved, established and implemented by the County Board.

Financing

The County Board is authorized to establish and undertake projects of improvement consistent with purposes of the LID. To finance projects and services of the district, the County Board may, only after seeking other sources of funding:

1) assess the costs of the projects upon benefited property within the district in the manner provided under Minnesota Statutes, chapter 429;
2) impose service charges on the users of district services within the district;
3) issue obligations as provided in Minnesota Statutes § 429.091;
4) levy an ad valorem tax solely on property within the district, to be appropriated and expanded solely on projects of special benefit to the district; and
5) impose or issue any combination of service charges, special assessments, obligations and taxes.

A tax under the above mentioned methods may be in addition to amounts levied on all taxable property in the county for the same or similar purposes. The County Board shall include appropriate provisions in its budget for the operation of a LID. The LID, with the approval of the County Board, expressed in a resolution identifying each specific improvement to which the approval applies, may exercise the powers of a city under Chapter 429 and Minnesota Statutes § 444.075, including, but not limited to, the levy of special assessments, the imposition of rates and charges, and the issuance of bonds to finance improvements that the district may undertake.

Annual Meeting

Time

A LID must have an annual meeting. The first annual meeting shall be scheduled during the month of July or August and be held annually in that period unless changed by vote of the previous meeting.
Notice

The annual meeting shall be preceded by two weeks’ published notice mailed at least 10 days in advance of the meeting to the County Board, town boards and statutory and home rule charter cities wholly or partially within the district, the MPCA, Commissioner, and if there is a proposed project by the district having a cost in excess of $5,000, all property owners within the assessment area.

Agenda

At the annual meeting, the LID property owners present shall:

1) elect one or more directors to fill any midterm vacancies in the board of directors;
2) approve a budget for the fiscal year;
3) approve or disapprove proposed projects by the district having a cost to the district in excess of $5,000; and
4) take up and consider other business that comes before them.

Additionally, at the annual meeting all district property owners, including absent members as provided in the order establishing the LID, shall elect one or more directors for board positions with expiring terms.

Annual Report

Each year the board of directors shall prepare and file a report of the financial conditions of the LID, the status of all projects in the LID, the business transacted by the LID, other matters affecting the interests of the LID, and a discussion of the directors’ intentions for the succeeding years. Copies of the report shall be transmitted to the County Board, town boards and city councils of statutory and home rule charter cities wholly or partially within the LID, the Commissioner, and the MPCA within four months after the annual meeting.

Expansion

The boundary of the LID may be enlarged by complying with the aforementioned guidelines for establishing a lake improvement district.

Termination

If the proposed LID is established, it can later be terminated by petition. The petition must be signed by a majority of property owners in the LID. Within 30 days after receiving the petition, the County Board must set a time and place for a hearing on terminating the LID. If the County Board determines that the existence of the LID is no longer in the public welfare or public interest and it is not needed to accomplish the purposes of the lake improvement district law, the County Board shall make the findings and terminate the LID by order. The LID is terminated and ceases to be a political subdivision of the state after filing a certified copy of the findings and order with the secretary of state, MPCA, and Commissioner.

Once a LID is terminated, additional water and related land resource management programs may not be undertaken with money raised by a special tax within the LID, and additional special water and related land resource management taxes may not be levied. If money raised by past special tax levies within the LID has been exhausted, further operation and maintenance of
existing programs may be financed by appropriations from the general revenue fund of an affected county.

**Conclusion**

The petition to establish the Circle Lake Improvement District is statutorily sufficient. The Board should initiate proceedings consistent with statutes chapter 103B. I am available to meet with the Board to further outline the required process, to discuss the Board’s concerns regarding establishing the proposed LID, and to answer any further questions the Board might have.
AGENDA DATE: August 21, 2018

REQUEST BY: Julie Runkel, Environmental Services

STATE ITEM OF BUSINESS:
Comprehensive Plan Update

BACKGROUND:
The Comprehensive Plan Steering Committee will continue discussion on the Housing section of the 2040 Comprehensive Plan. Draft goals, strategies, and action items have been developed based on discussions from previous Steering Committee meeting.

FISCAL IMPACT:

COUNTY BOARD ACTION REQUESTED:
Reviewed with additional material provided: ✓ Approved
County Administrator
AGENDA DATE: August 21, 2018

REQUEST BY: Jake Rysavy, Parks & Facilities

STATE ITEM OF BUSINESS:
Government Services Building Addition/Renovation Construction Document Review

BACKGROUND:
After several department and core group meetings, Wold is nearing completion of the construction documents for the Government Services Building Addition/Renovation Project.

FISCAL IMPACT:

COUNTY BOARD ACTION REQUESTED:

Reviewed with additional material provided: ✓ Approved
County Administrator