

The Wright County Board met in regular session at 9:00 A.M. with Husom, Sawatzke, Daleiden, Potter and Borrell present.

Daleiden moved to approve the 4-15-14 County Board Minutes as presented. The motion was seconded by Borrell and carried 5-0.

The following items were petitioned onto the Agenda under Items For Consideration #4, "Refer Property In Otsego To Ways & Means Committee" (Daleiden); #5, "Reschedule Time Of 4-30-14 Ways & Means Committee Meeting" (Sawatzke). Daleiden moved to approve the Agenda as amended, seconded by Potter, carried unanimously.

On a motion by Daleiden, second by Potter, all voted to approve the Consent Agenda:

- A. ADMINISTRATION
 - 1. Claim, Madden, Galanter & Hansen, LLP, \$2,775.48 (March Services).
 - 2. Approve Memorandum Of Understanding Between Wright County & Assistant Wright County Attorney's Association RE: Health Care Savings Plan.
- B. ASSESSOR
 - 1. Approve Abatement, PID #220-000-034204, Gary & Janet Halderson.
 - 2. Approve Abatement, PID #201-000-104100, C & M Morningstar JRT Disclaim.
- C. ATTORNEY
 - 1. Accept Voluntary Tax Forfeiture For PID #216-000-053100 & PID #216-000-053101.
- D. HUMAN SERVICES
 - 1. Position Replacement:
 - A. Financial Worker.
- E. PLANNING & ZONING
 - 1. Appoint Paul Aarestad To Board Of Adjustment, District 4, Effective Date Of Appointment Through 12-31-16.
 - 2. Accept The Findings & Recommendations Of The Planning Commission To Rezone:
 - A. Timothy Olson (Monticello Twp.). Planning Commission unanimously recommends approval to rezone approximately 11-12 acres from AG to A/R, including that portion of the property near the road excluding an access strip along the west property line to the back. Exact acreage to be determined by survey.

Commissioner Husom welcomed students from County schools for Boy/Girl County Day. The students were present to observe the County Board proceedings.

Brian Asleson, Chief Deputy Attorney, requested the Board authorize the hire of Kevin J. Casserly for an appraisal of the Cinema 2, LLC Property in St. Michael because of a tax appeal. While the parties continue to explore settlement possibilities, an appraisal must be prepared for the trial-ready date of 7-07-14. A proposal has been provided by Casserly. Asleson said the property has been vacant for a number of years. The appeal relates to the payable 2011 taxes (assessment from 2010). The other years were settled (dismissed) under appeal. This property has involved foreclosure and bankruptcy. The value has decreased as such things as the speakers and seats have been removed from the building. Due to the timelines involved, an outside appraiser is needed. If a settlement is reached prior to the trial date, the charges will only relate to the work that has been completed. Daleiden asked whether the appeal is with the bank or the former owners. Asleson said this appeal is with the former owner and his attorney. Sawatzke moved to authorize the hire of Casserly for the appraisal, seconded by Daleiden. Asleson said appraisals of this type have been funded in the past from Budget 100, Professional Services. The motion and second were amended to include this funding source. The motion carried 5-0.

A **Budget Committee Of The Whole Meeting** was held on 4-15-14. At today's County Board Meeting, Daleiden moved to approve the minutes. The motion was seconded by Borrell and carried unanimously. The minutes of that meeting follow:

I. Funding For Organizations.

Borrell stated that during last year's Budget process, the Committee discussed funding for groups that are not part of the County (i.e., Historical Society, Fair Board, SWCD, C.R.O.W., and Initiative Foundation). He stated that all of these groups do great things for the County. However, there are other groups and organizations that also do good things that are not receiving funding. He thought there should be dialogue on the criteria of providing funding to organizations, the amount given, and how the organizations are spending the money. One of the ideas would be to indicate to the organization what the County would like them to do and then inform them how much they will be given. Borrell wants to evaluate why the County is giving money to organizations, what the County is getting out of it, what control the County has, and whether the organization is using the money for things irrelevant to the County.

A handout was provided on appropriations budgeted for in 2014, totaling \$2,754,992 (attached). Sawatzke said that \$1.8 million goes to the GRRL. The County does not have authority over that amount. The GRRL Board indicates to the County how much is to be paid. Borrell questioned if the County can opt out of any of the Boards. Sawatzke said that may be the case for some but not for others. Daleiden said the Board should know which of these organizations the Board is required to provide funding to. Sawatzke explained that in some instances, it may require the County to provide services in another manner. If the County decided not to be a part of the GRRL, for example, the County would need to come up with another means of funding a library system. Libraries are required per State Statute. Sawatzke said Wetland Conservation may be another one that the County is required to fund. Kerry Saxton, SWCD, said that there are matches required with water management and through the Wetland Act.

Borrell thought the County should look at the GRRL for possible efficiencies. He questioned whether there will still be a need for libraries into the future or whether things will switch to digital. Sawatzke said the City of Sartell is requesting a new library. The City provides the building and the GRRL provides the books and staffing. Usage of libraries over the years has continued to grow even with Internet usage. The Internet actually increased usage as people requested books from home and they could see what was available. A few years ago, usage took a slight downward turn. He said some of the GRRL Board questioned whether to proceed with a traditional library in Sartell or whether a more efficient means should be considered, possibly through the use of a book kiosk. The service would still be provided but at a substantially reduced cost. He said the kiosk may also be an option for smaller communities.

Recommendation: Lay this issue over to 5-06-14 at 10:30 A.M.

Bob Hiivala, Auditor/Treasurer, recommended the Board set a Deferred Compensation Committee on 4-29-14 at 8:30 A.M. for the purpose of ruling on a hardship request. Daleiden moved to approve the recommendation, seconded by Sawatzke, carried 5-0.

Hiivala presented a draft resolution to recommend to the Minnesota Commissioner of Revenue to convey to the City of Waverly, by State Deed, PID #116-037-000010, which is a tax forfeit property. Mayor Connie Holmes, City of Waverly, said this is a 7-acre parcel in the south part of Waverly owned by a developer that did not pay the property taxes. The property went back to the County and State under tax forfeiture. The City would like to obtain the property so the fire department can build upon it. Borrell moved to adopt Resolution #14-13 recommending to the Commissioner of the Revenue to convey PID #116-037-000010 to the City of Waverly by State Deed. The motion was seconded by Daleiden and carried 5-0 on a roll call vote.

Hiivala requested the Board impose an Administrative Fine of \$200 to three establishments that failed alcohol compliance checks. This is the first violation for each. Daleiden moved to authorize an Administrative Fine of \$200

for Hitching Post, Norm's Wayside, and Up the Creek for failing Alcohol Compliance Checks. The motion was seconded by Borrell. Asleson said that based on County Board action, a violation notice will be sent by the Auditor's Office. The businesses have 30 days to pay or to request an appeal hearing, which they have a right to by Statute. Asleson informed the Board that this could be presented to them in the future. The motion carried 5-0.

On a motion by Sawatzke, second by Daleiden, all voted to accept the March Revenue/Expenditure Guidelines.

At the last County Board Meeting, a Budget Committee Of The Whole Meeting was scheduled for 5-08-14 at 6:00 P.M. to review the 2013 budget. Since that time, it was found that the Planning Commission meets that evening. Sawatzke moved to reschedule the Budget Committee Of The Whole Meeting to 5-05-14 at 6:00 P.M. The motion carried 5-0 on a second by Potter. A member of the audience asked about whether the budget for the following year is lowered when a department turns back dollars. Borrell said that Wright County Departments have done a great job of managing their budgets and have turned back dollars. The County Board does not necessarily cut their budgets the following year depending on the reason the department came in under budget. Daleiden said the Board does take into consideration the history of each department's budget. Hiivala said in 2013, a savings of about \$400,000 was realized due to the County receiving a sales tax exemption. Some equipment purchases were delayed to 2014 to realize the tax savings. The County has increased fund balances based on an opinion from the State Auditor. The County has also used the turn back dollars toward one-time expenditures that would otherwise have caused a spike in the budget.

On a motion by Daleiden, second by Potter, all voted to approve the claims as listed in the abstract, subject to audit, for a total of \$129,300.40, with 125 vendors and 249 transactions.

Laid over from the last Board Meeting, Marc Mattice, Parks Administrator, brought forth information relating to a request to authorize signatures on a letter to Pheasants Forever supporting a proposed land acquisition/addition by Pheasants Forever to the State Wildlife Management Area System (WMA). Mattice provided a handout that reflects the land is eligible for PILT (Payment In Lieu of Taxes) at the rate of $\frac{3}{4}$ of 1% of the appraised land value. Information in the handout also reflects past County Board action on this request from 1-14-14 authorizing Mattice to proceed with obtaining an appraisal of the property. Mattice said he was asked by a citizen about the appraisal dollars. The initial concept was to work with Pheasants Forever and the parcel would possibly become part of the Parks system. He said the Parks Commission would like to preserve land but the County Board questioned whether this is a strategic parcel to own. The effort has shifted to a WMA and that system has different appraisal qualifications than the County's standards. The appraisal is not being completed until it is decided how the land will be used so the correct appraisal standards are met. Daleiden asked what will happen after the appraisal is completed. Mattice said Pheasants Forever is working with the State Wildlife Management System (DNR). If Pheasants Forever purchases the property, they would like the County's support with it becoming a WMA. Then they would move forward with that partnership. The County would not be a part of that. Husom asked whether the property is turned over to the DNR because Pheasants Forever can't own it. Mattice said that is correct. The State becomes the management entity. Mattice said Pheasants Forever receives funding through the Lessard-Sams Outdoor Heritage Council for habitat improvement, land acquisition, and those types of things.

Husom said it is difficult to know the value without an appraisal. Ney Park, which is next to this area, includes 846 acres. She questioned how it is possible for the DNR to manage wildlife areas. She said 40 years ago, there was a large pheasant population. She said that wildlife moves to other areas because of predators. There are now a large number of coyotes, raccoons, and possums present compared to years ago. That is one of her concerns. Wildlife will go where they can live and be safe. She said the County has a lot of wildlife areas and park land for people to use. She questioned the advantage of taking the property off the tax rolls.

Sawatzke recalled that the County was not interested in buying the land but indicated Pheasants Forever could as an option. He said the County has a very impressive Parks system. For today's population, it is more than adequate. However, he said the population could be 2-4 times what it is in 100 years, and property will not be as easy to acquire. He said this is a different type of property than a park land and for those that hunt, this provides that opportunity. Husom people can obtain permission from landowners to hunt on private land. It is not like

there are not areas to hunt. Sawatzke said this may be the case when a landowner knows the person requesting to hunt. Potter said the other advantage of WMA's is that hunts can be held for disabled individuals.

Potter questioned who owns the land. Mattice said it is privately owned and the desire is to sell the land. The first option was to sell the land to the person who rents it. However, that person is unable to purchase the land at this time. A portion of the land is currently being farmed.

Daleiden asked for the number of wildlife management acres available for hunting in Wright County. Tom McGregor, resident of Albion Township, said there are 5,200 acres in Wright County. Mattice said that includes WMA and US Fish & Wildlife land. Borrell asked how Pheasants Forever obtains their funding. Mattice restated that Pheasants Forever receives funding through the Lessard-Sams Outdoor Heritage Council as part of a habitat partnership. He said 33% of the land and water conservation money goes to the Lessard-Sams Outdoor Heritage Fund. Non-profit organizations that help establish habitat and help buy land receive the funding. If the DNR takes land after it is acquired, the non-profit group can obtain money through the Lessard-Sams Outdoor Heritage Fund. There are also membership funds used toward appraisal and administrative costs to buy land.

Borrell asked whether the DNR regulates land that is open to hunting. Mattice said those regulations are outlined in the State's hunting and trapping rule book. Borrell said he allows people to hunt on his land but he regulates the frequency. Mattice said the DNR manages the habitat and population just like any other public land. Daleiden asked whether this parcel is large enough as a WMA. Mattice said there are smaller parcels used for this purpose including 20, 40 and 60 acre properties. Sawatzke said they do not like to have a 2,000 acre parcel in one area. They split up the areas to allow for access by more people. Daleiden asked if there is a future point where the County can say no to this action. Sawatzke said it would be better for the County to indicate that now.

Sawatzke made a motion to authorize signatures on a letter supporting Pheasants Forever's land acquisition/addition to the State WMA System. The motion was seconded by Daleiden. Potter said he will support this request but would be hard pressed to do so with future requests. He feels the County has enough land. Husom said if this is not approved, the property will be on the market and available for purchase by a private individual. Borrell said he voted against this request before and agrees with what Potter said on the County having enough land. The motion carried 3-2 with Husom and Borrell casting the nay votes.

Mattice asked for the Board to authorize signatures on an Agreement between Wright County, the City of Monticello, and the Minnesota Off-Road Cyclists (MORC) for the Bertram Chain of Lakes Regional Park Singletrack Mountain Bike Trail. This would be the second year of the partnership. The MORC is a volunteer group that constructs and maintains the trails at Bertram Chain of Lakes Regional Park. Borrell made a motion to approve the Agreement, seconded by Potter. The motion carried unanimously.

Mattice presented a draft resolution authorizing the appropriate County officials to sign applications, agreements, and certifications (Parks Administrator) for the Wright County Snowmobile Association's participation in the Grant In Aid Snowmobile Assistance Program for the 2014-2015 season. Wright County is the sponsoring agency which handles the accounting function, reimbursement requests, and associated certificates. Daleiden moved to adopt Resolution #14-14, seconded by Borrell, carried 5-0 on a roll call vote.

Lee Kelly, County Coordinator, said that the Trailblazer Joint Powers Board (TJPB) met on 4-17-14. Kelly, Sawatzke, Potter and Borrell attended that meeting. The vote of the TJPB was to offer Wright County the option to decide whether to accept the following terms of partnership:

1. Wright County will provide 35% of any local share needed (Sibley 20%, McLeod 45%).
2. Wright County will provide working capital in the amount of \$210,000.
3. Wright County agrees that transit services will be provided using the Trailblazer model for the operation of the organization. Wright County can opt out of transit services not provided under the 5311 program (i.e. SMART ride, SMART ride van service, or volunteer drivers).
4. Each County shall be represented by two Commissioners on a newly formed joint powers board.

5. If the Wright County Board chooses not to approve these terms at their 4-22-14 meeting, negotiations between the TJPB and Wright County will cease. The TJPB will pursue other options.

Sawatzke clarified why three Commissioners were present at the TJPB Meeting. Sawatzke was scheduled for a telephone conference call at 10:30 A.M. on 4-17-14 for an hour. As he did not want the TJPB to stop their meeting in his absence, he asked Borrell to sub during that time. No more than two Commissioners participated in the TJPB Meeting at a time.

Potter said the TJPB concurred that employees of River Rider should be hired at Trailblazer at the same level of pay and that benefits will be carried forward. Sawatzke said the motion of the TJPB was to provide Ludwig with flexibility in the hiring process. Potter said the TJPB recognized this as a fair thing to do.

Sawatzke said the negotiations with the TJPB were not what he had hoped or anticipated. The TJPB has the position that the Wright County Board must agree to three things before they negotiate. Sawatzke said he indicated that drivers will need to be hired in the next month and a wage set. Borrell said his take was the Wright County Board went to the TJPB to negotiate services. What happened instead was a "take it or leave it" approach by the TJPB with a buy in of \$210,000. Borrell added that the TJPB feels they were lead to believe they were going to get different things from MnDOT by going through this process. At one time, there was discussion that Trailblazer would receive 10 buses. The indication now is that the buses were not a promise but rather something that might be considered. He said they now feel it could cost them money. Borrell did not feel this would be the case.

Borrell said when this process started, MnDOT was talking with the cities. At that point, MnDOT seemed very cooperative. Now that the County is involved, the mindset is that the County can just pay. Some of the TJPB members felt that maybe they should go back to negotiating with the cities and that MnDOT might then be more cooperative. One member of the TJPB said he would not be for that. Borrell said the TJPB was going to include that in the motion to go back to negotiating with the cities if Wright County did not agree to all of their terms.

Borrell asked what is left to negotiate when the TJPB asks Wright County to agree to the money, agree to the 35%, and agree to the Trailblazer way. He did not view this as a negotiation session that he wanted to be part of after that point. He does not blame the TJPB as they are not receiving what they understood they would. Borrell said he cannot go forward with this as it is not a negotiation or team effort. Daleiden said that if Wright County does partner with the TJPB, maybe they can work together to provide something that is better for everyone.

Daleiden made a motion to accept the Trailblazer terms of partnership and to continue to negotiate for a joint powers agreement. The motion was seconded by Potter.

Sawatzke asked County Board Members to explain the Trailblazer model, as that is one of three specific components the TJPB has indicated Wright County must agree to. He asked this of the TJPB at their 4-17-14 Meeting. Sawatzke asked County Board members for an explanation as he did not feel he could agree to the Trailblazer model if he does not know what it is. Daleiden felt the 5311 program was pretty straight forward. Sawatzke said River Rider did the 5311 program and that was the River Rider model. He asked again for what the Trailblazer model is. Daleiden thought in order to meet the 5311 guidelines, there was a way things had to be done. Sawatzke said that MnDOT has the 5311 program and that is the only Program River Rider ran under.

As it pertains to the 5311 program, Sawatzke asked for the definition of the Trailblazer model. Daleiden said his understanding of the difference is Trailblazer has more of a dial-a-ride approach compared to what River Rider was doing. He thinks Trailblazer is almost all this type of service other than through contracts. Potter understands that River Rider has more set routes. Trailblazer has a more flexible schedule. Husom said according to the TJPB potential agreement it says the Trailblazer model and she interprets those as the items listed on the right side of the TJPB Service Design handout (Smart Ride) and outside of the 5311 program (SMART ride and volunteer driver services). Husom said the County could opt out of those services. Potter said the SMART Ride will not be part of

the 2014 budget as the budget has already been set. It is unknown whether that will be implemented for 2015 as advisory committee meetings have not been held with the cities.

Husom said 2/3 of the cities in her District support moving to Trailblazer to provide transit services (representing about 20,000 County residents). Another group that supports moving forward is Functional Industries which provides work to those that may not otherwise be able to find work. The County is bound by law to provide transportation for constituents who are unable to provide transportation for themselves. Although private companies can be hired, it will cost about \$28/ride. Although a difficult decision for her, Husom said she needs to look at the wishes of those she represents and those the County Board serves. Borrell asked Husom how many citizens have contacted her in support of Trailblazer. Husom said none. When this topic first came up, there were 3-4 people that indicated they did not want County taxpayer dollars spent on transit. A few elderly people spoke to her in support of this early on in the process. Borrell said his point is that not too many people have contacted the County Board members asking them to support Trailblazer. There has now been service in the St. Michael, Otsego, and Hanover areas since 1-07-14. There were 44 riders in January, 28-29 riders in February, and 43 riders in March. Borrell said about 10-12 people spoke to him that were against this. Daleiden received a few emails that didn't indicate what District they were from.

Borrell asked what had changed from last week when the Board indicated the negotiating team should negotiate with Trailblazer. He questioned the County Board giving up. Daleiden said there were four things identified to focus on. The number one was making sure there are rides in Wright County to 1-01-15. The next is proceeding with negotiating a joint powers agreement effective 1-01-15. Another is the model; whether or not it was negotiated, the County has been told what the model is going to be. Sawatzke said that is not the case. Daleiden said the County has been told there is a model but not what it is going to be. Sawatzke said he doesn't understand what it means and then provided an example. He said he asked a question about the cities and if Wright County desires to have an arrangement with cities whereby if there is service in cities and it doesn't make up the 15% ridership, what format can be in place for the County to know the expenses in that City so the County could have a cooperative effort with the cities. The answer he received from the TJPB was that they could not do that as that is not the Trailblazer model. The Trailblazer model apparently means they cannot provide the County with the amount of ridership. Potter said a little later on at the TJPB Meeting, they did indicate they could provide pick up and destination information. Sawatzke said the point he wanted to make is that is not the Trailblazer model, so Gary Ludwig was reluctant to do that. Sawatzke said he would never have guessed that the County's relationship with the cities and how we make up our portion of the fund has anything to do with the Trailblazer model. He said there may be all types of things relative to the Trailblazer model that Wright County may not necessarily think would be part of the model.

Sawatzke asked the motion maker and second when the 35% local share begins. Daleiden and Potter both responded 2015, as the 2014 budget has been set. Daleiden said in addition, transit has been running and paying for itself. There is nothing that will change for service between now and 2015. His understanding is there is a guarantee that the existing level of service will remain. Sawatzke said a date should be reflected in the agreement with Trailblazer for the 35% local share. He did not feel Wright County should start paying 35% of operations beginning 7-01-14. He said that Wright County is agreeing to pay 35% of operations and the County does not know today if there will be any more buses on the streets in January, 2015 versus July, 2014. Sawatzke said in nearly every letter received from the cities in support of entering into an agreement with Trailblazer, they asked that this be done after careful consideration of the service needs expressed by the cities in Wright County. Sawatzke asked if the County knows of what the ridership will be in the cities. He asked how can the County say they have taken careful consideration of their needs when there has been no discussion on the service they will get in the cities. Sawatzke said he knows he has not been advised of what those services are going to be and that the County is going to pay 35%. He said the cities have indicated there needs to be a greater understanding prior to an agreement being made. If someone else has been advised on these needs, it hasn't been advised to those at the negotiating table.

The meeting recessed at 10:18 A.M. and reconvened at 10:26 A.M.

Joan McGregor, Albion Township, said she had two points to make. If a person buys a car and the salesperson is pushy and says it is a great deal, the person pushes back and asks questions like, "what do I not know about?" McGregor said that is how she feels when she hears that Trailblazer has conveyed the County must agree to this or nothing. She did not understand why they can't work out any other scenario. Her second point is that she did not understand voting on something without having an understanding of it. She said as though the County does not fully know the model or what the 35% local share will come to. This is a red flag to her. She compared this to people voting for Obama Care when they haven't read it. McGregor said maybe this is being rushed. She did add that she knows the County is running out of time. She asked that the Board think about whether this action is wise.

Sawatzke asked what the County Board members what the County will receive for services and the cost. He said the Board can't answer either of those questions. Husom asked whether that is the point of entering into the partnership to work on that. She was encouraged last week when Sawatzke made the comment that his goal is to lower the cost of per hour services. She said she trusts he will be diligent in this effort and that Sawatzke will be able to convey to the TJPB what Wright County believes is best for our citizens. Borrell asked how the costs will be split to the cities. Borrell asked if the cities were negotiating a joint powers agreement themselves whether they would sign the agreement requiring them to pay \$210,000, pay the 35%, accept the Trailblazer model, and work out the rest later. Daleiden said the \$210,000 is the buy in. Borrell said they also anticipated the 35% to be around that figure per year. Daleiden said that will depend on the budget and what gets moved. Daleiden said there is no question Wright County is being pushed but the County needs to do something, and Trailblazer is the only choice. He said the cost per ride through Trailblazer is not that much more than through River Rider (\$12.62 versus \$11.88). Daleiden said they need to do this for the residents and for Human Services. He anticipates coming up with a better product long term for all three Counties, but he did not feel this would be next year.

Husom said they all are feeling a push, and Borrell responded it is because the Board is being pushed. He asked why she is letting them push her around. Husom said she does not feel the Board is being pushed around but rather a push to look at the situation. There are approximately 70,000 rides per year that have been provided through River Rider (partially in Sherburne County) plus six other transit companies that the County contracts with. She viewed it as the push to continue to provide services. Husom said she is concerned about the details, but feels the County needs to enter into the partnership to start working on those details. Borrell asked whether the County should negotiate their way into the partnership and have more than a few weeks to do so. Husom said the percentages are not based on population. She said Wright County, with a far greater population, has a smaller percentage than McLeod County.

Borrell said he was hoping that Wright County would be able to negotiate with the TJPB to make sure the rides are continued to the end of 2014. Then a negotiation session could be held so that information could be brought back to the cities on what the costs and services are. He said instead the County got "take it or leave it." Borrell said if someone is doing that to him, he is not taking it. Sawatzke said that is something that could have been done but their side was not agreeable to doing that. Borrell said that is for their own reasons, and some of them are valid. Borrell said there are other things the TJPB could have done like asked Wright County to agree to cover any net loss to Trailblazer. That way, there would have been time for negotiations. Borrell felt that would be a far better motion than for the County to be pushed into an agreement.

Borrell said he would support a motion to go back and have a negotiation session and indicate during the six months (July-December, 2014) that any costs incurred in Wright County will be covered by Wright County. He said that the TJPB would then not be out anything and would have a reason to negotiate. Borrell said that would be the case unless the TJPB feels they have three votes on this Board and they will get what they want anyway. Daleiden said he is trying to figure out where their costs are being assumed. Right now, the only cost would be to maintain the existing rides. He did not know if Trailblazer is trying to figure out how many more rides they are going to provide this year, which Daleiden felt was a waste of time as it is not going to happen. Borrell said some of the costs relate to funding toward a radio tower. He said if the group would split up after six months, then the County could agree to either reimburse the cost or take over the radio band.

Sawatzke thought one of the TJPB largest concerns is hiring drivers and then laying them off if an agreement is not reached. He said Wright County could agree make sure they don't lose anything in that regard. The drivers are already covered for unemployment through River Rider. He felt that was a legitimate concern on their part. Husom said she wants to have equal say with McLeod and Sibley Counties. Borrell said the County does not need to dominate the conversation but it needs to be fair. He viewed what was happening today as not negotiating and unfair. He referenced the situation alluded to by Joan McGregor. He said if he were in that situation, he would go elsewhere. Daleiden asked in this situation what the other options are. Borrell said if he could not find another car salesman, he would not buy the car.

Sawatzke said the County is somewhat in a predicament. There is the option of going back to the TJPB to indicate the ultimatum is unreasonable and with options to address those concerns. He said the TJPB has the option of going to the cities; one TJPB Commissioner Member did not want to but the Trailblazer Director did. Another option would be to going back to the drawing board for another partner. Wright County could approach Benton, Sherburne and Stearns Counties and reference the joint partnerships in other areas to see if something could be worked out. Sherburne County is going through Tri Cap for bus services for a cost of \$15,000-\$20,000. Wright County is being offered a partnership for \$210,000 to get in the door, and then pay an additional 35% of any local share. He said one County found a good situation and the other County is in a situation that is not as desirable. He did not feel there could be two greater extremes. Husom asked what happened with the Tri-Cap discussion. Sawatzke said their staff person was unsure whether they could take on that service at this time. In retrospect, Sawatzke said he wishes he would have discussed this with counterparts on the Tri-Cap Board a couple of months ago, asking if there was a way to make this work. He would have explained that the transit has been in place for years and Tri-Cap would take over the routes, etc. Sawatzke said that discussion did not occur, and he did not realize the discussion with Trailblazer would be this challenging.

Borrell said he knew Trailblazer was an inefficient and costly system but did not know how much it would cost Wright County. He referenced the cost of \$200,000 and said this figure will grow. If more buses are put in Wright County, there will be more of a local share. He thought the \$1.2 million figure he referenced at another Board Meeting might not be that far off when their figures are extrapolated. He is unsure how the cities will come up with the \$210,000 per year, even if the County comes up with the buy in, especially when Otsego, St. Michael, Albertville, Hanover, and Delano are paying just a little bit for service on one bus service. He said that is it in the entire County. He asked how that will be received by Buffalo or Monticello. He said because of the size of the City and the amount of rides, a City like Buffalo might have to pay \$40,000 as their share. Borrell said the County does not know that. The County is making a vote and he has not heard any feedback from of the larger cities. Borrell said he has a ballpark figure of what the cities in his District are willing to put in. He said it doesn't come close to that figure.

Daleiden said Wright County needs to make a decision. Sawatzke said the TJPB indicated that the terms should be approved today or not to come back to the Trailblazer Meeting on 4-24-14. Borrell told Daleiden that as a business man, Daleiden would not do this with his own money. Borrell said the County Board is supposed to be stewards of the County and of its citizens. Borrell said that none of them would do this on their own and yet it may be done because it involves taxpayer money. Husom said this is all taxpayer money, as MnDOT's 85% is that as well.

Daleiden said Wright County will provide 35% of any local share needed. There may not be a local share. Sawatzke said this organization has had a local share in the past. Borrell added in the amount of about 500,000. Human Services was referenced. Sawatzke said it is not clear whether anything will be saved in Human Services by going with Trailblazer. Last week, it was reported that Functional Industries would be moving from \$4/ride to \$12/ride. Sawatzke said when they met last Thursday with the TJPB, Gary Ludwig indicated the correct price is \$13.20. Human Services Accounting staff has indicated that the entire amount is local dollars. That is an example where the County would pay 3.5 times as much as now per ride.

Sawatzke said there could be greater expense outside of the three expenses identified today. From information received from Functional Industries and Human Services on changes to the rides and how they are being funded, in that one particular category Wright County's costs will increase drastically. He said he can't say whether money

would be saved in other areas that would overcome that cost. Those are part of the discussion points. However, there is not an interest by the TJPB to talk about any of those types of things if Wright County does not agree to the three concepts. He said Borrell raises a good point; he asked if any Board member, with their own money, would enter into this agreement if they did not know how much it would cost them and what they get for service. If the Board members could not say yes to this then he viewed this as taking it from someone else's pockets. Daleiden said the County is here to provide a service to the residents of the County. That is what the County Board is elected to do. He is unsure if this is a good idea, but said he knows the County needs to move forward to try to make something work with all of the counties. Sawatzke said the County is not here to run a service at a cost unbeknownst to them and for a service they are unsure they are going to get. He said they are two totally different things.

Potter informed the Board Chair that he would like the vote called on the motion. Sawatzke said he is okay with that unless someone on the Board wants to continue to dialogue. Asleson said for clarity purposes, he was unsure whether the information Kelly presented was in writing from Trailblazer or his take back from the meeting. Asleson said the Board may want to go through the points again that the TJPB is asking the County to agree to. If the motion from this Board is any different (there was mention of a 1-01-15 date) that should be made very clear in the motion and action taken from the Board so the County can respond back to them. Kelly indicated the items he presented were based upon notes he took at the meeting with the TJPB and were verified with Gary Ludwig. Kelly feels the TJPB are clear on what they were presenting to Wright County. Kelly said there is a motion and second on the floor on these terms of partnership:

1. Wright County will provide 35% of any local share needed (Sibley 20%, McLeod 45%).
2. Wright County will provide working capital in the amount of \$210,000.
3. Wright County agrees that transit services will be provided using the Trailblazer model for the operation of the organization. Wright County can opt out of transit services not provided under the 5311 program (i.e. SMART ride, SMART ride van service, or volunteer drivers).
4. Each County shall be represented by two Commissioners on a newly formed joint powers board.
5. If the Wright County Board chooses not to approve these terms at their 4-22-14 meeting, negotiations between the TJPB and Wright County will cease. The TJPB will pursue other options.

Borrell said the County does not know what it is agreeing to in the Trailblazer model and their Board did not know what the Trailblazer model is. He said going with this, the TJPB can tell Wright County what those terms are anywhere down the road. Daleiden asked Borrell whether he felt McLeod County would spend 45% of their money in Wright County to make sure transit is taken care of. He referenced the question by Borrell on whether nay business man would do this if it were there money. He said obviously, McLeod is not going to pay 45% for transit in Wright County. Daleiden said the goal is to get somewhere and there will be a lot more negotiations. What is their model? He said with Wright County it may be a little different than it was previously. Daleiden said things could change as it goes along. It is a living document that will change as populations and things change. Husom said it appeared to her that this is what the Trailblazer model is and the County can opt out. Borrell said it would not make sense to opt out of that part. He stated that Ludwig was wrong when he stated that was what was costing \$500,000/year. Ludwig claims the SMART Ride pays for itself. Daleiden did not see how it could. Borrell said they charge \$2.50 a loaded mile. It has made money some years and lost money other years. That is the ride that can bring workers to their jobs. That service could be provided without the 5311 Program at all. He said there could be a limited 5311 service and SMART Ride. SMART Ride would be used for commuters (cost of \$2.50/mile from a person's home to their destination). Borrell said if the SMART Ride pays for itself he is for it.

Husom said there was a request to call for a vote. Borrell said he is not done discussing the issue and that he had a lot to add. Daleiden told Borrell as long as he is introducing something new (not re-discussing the same things). Husom asked the motion maker and second if there is a time frame associated with entering into an agreement. Daleiden thought it would be permanent as the TJPB wants to know they have a partner. He said the County can always opt out with a one-year notice. Potter said it is 13 months. Sawatzke asked whether the County will then sign the current JPA or will there be discussion on some of the language contained in it. Daleiden said the County

is not agreeing to a new JPA, just to the items referenced by Kelly so the TJPB knows they have a partner in negotiations. Sawatzke said the opt out clause would have to be negotiated in this JPA.

Sawatzke asked what made the County Board think that the TJPB's position isn't going to be take this JPA or leave it when it is time to negotiate that. Sawatzke said the County will have even less negotiating authority at that point in time because it will be even closer to July 1st. Asleson asked to provide input on that question. He said Kelly forwarded a JPA copy about a week ago. It is from 1999. The email attached to the JPA reflects that Mike Young, McLeod County Attorney, has been the main legal person on the JPA. The email reflects that they want to see what type of changes Wright County will want to make to the JPA. Asleson said he hasn't had any contact with Young or the Director of Trailblazer, but he anticipates they will want the County's input and they may want to update their JPA as well. Asleson said he takes today's action as not entering into a JPA but simply indicating intent to proceed with the terms that were read by Coordinator Kelly and to try and negotiate something out for the next six months. Sawatzke asked Asleson, in theory, if three months ago an agreement can't be reached on the JPA then anything done today is basically irrelevant. Asleson said he has not attended the meetings the Board has on this subject. His understanding from what the Board has been asked to do is that the County is indicating intent to move forward so rides can be continued when River Rider is done. If sometime between now and the end of the year they do not work something out with Trailblazer, he did not see any terms that call for a certain notice for Wright County to walk away from things. That is taking into account the fact that he assumed there would be difficulty in providing rides if the County did this. Sawatzke asked whether the County can just walk away if they can't come to an agreement on the JPA. Asleson said that would be his understanding. Sawatzke said he is unsure how that gets the TJPB any further than they are now. They could still hire River Rider employees and later the County could say they don't like the agreement and walk away. He said that is why a six month agreement is needed. Sawatzke said if this comes to a vote, which he will not vote for, and the County can say later they don't agree to something, what will the TJPB have gotten today? Asleson restated that he has not been at the meetings so does not know if the TJPB was asking for an agreement for the next six months. He was not hearing that from the recitation from the last TJPB Meeting.

Husom said there is not a time frame on this. That is up to the negotiation team to work out those details. Husom felt this is a good faith effort to enter into a partnership with Wright County. She said the TJPB wasn't expecting this either. Two years ago, MnDOT announced regionalizing systems. She thought it would have been nice if MnDOT had indicated the 6-30-14 date at that time so other options could have been looked into.

Mark Krotzer, Montrose City Council, said he was at the meeting a few weeks ago with Trailblazer was present. He wanted to remind the Board of a couple of things he took away from the meeting. In a little more than 60 days, funding stops for River Rider. He said that has some people concerned. He understands there were promises by MnDOT. He also took away from the meeting that Trailblazer was frustrated because they were told by MnDOT that this is what they would do. He said the cities in the County that were present asked the County Board to represent the cities. Krotzer said he realizes the County is coming late to the party on this, and that there may be many negotiating sessions. Now there has been only two and an ultimatum has been given. Krotzer said many along the Hwy. 12 corridor feel under served but realize that may come in the future if there is a partnership. He also does not see any alternative plans because of the time crunch involved. He reminded the Board that the cities asked the County to represent Wright County in these negotiations. He took away from the meeting he attended previously that there may be many trips for negotiations.

Sawatzke said that is what they were prepared for. However, he feels the County is bargaining from a position of weakness and feels this motion will make the County even weaker. Borrell said at the 4-15-14 County Board Meeting, Commissioner Sawatzke said, "that means the cities will be financial players in this game and the County needs to have resolution with Trailblazer that gives cities the indication of how much this may cost them. He stated that Wright County cannot agree to a cost without the cities participation." Borrell said that is what the County is doing right now. The cities indicate they want the County to represent them. After the County does this, the cities then could say they cannot afford this amount. With regard to the \$210,000, he said the County could commit to the initial costs. This could be funded from reserves or from the River Rider funds. Down the road, he wondered where the \$210,000 would be funded from. Borrell said he may not be so opposed to this if he knew

that there would not be a County takeover of transit like there is in Sibley and McLeod Counties. He said the cities are supporting moving forward. He said that could change in the future when the cost is brought forward. Husom said if the cities feel they cannot pay the costs that are not covered by the 85% funding by MnDOT, they do not have to go for it. Borrell said what is being agreed to by the Trailblazer model is that it is an all inclusive thing and that takes that off the negotiating table. He said if allowed to negotiate they would possibly attain something that is more tailored for Wright County, including a possible service to loop around Hwy. 12. As of now, the County can't negotiate anything because the County has already agreed.

Borrell said that is what will be thrown in the face of the negotiating team every time something is brought up. He viewed this as a backwards move to agree to the terms of partnership laid out today. The TJPB threw an offer to out to the Wright County Board, take it or leave it. Borrell thought Wright County could come back and make an offer saying that Wright County will guarantee they will not lose money coming into Wright County. He thought the County could put this offer forward and indicate that they now want to negotiate. He questioned what the TJPB would have to lose. Daleiden said the TJPB wants to work with Wright County. Husom said they are County Board members that care about their constituents just as the Wright County Board cares about their constituents. Borrell said what he understood (from negotiations) was they are concerned they could lose money on this. He was unsure how that would happen as this has been making money for the last ten years. If Wright County would guarantee Trailblazer would not lose money, how could the TJPB not negotiate? Borrell felt this was a fair offer to them.

Husom's understanding is that Trailblazer wants to be able to get the riders and routes locked in, get the buses going, and perhaps find a dispatch center. Sawatzke did not think they would open another dispatch center. Husom said she reads this as a partnership to move forward. Borrell thought any of those things could take place if Wright County guaranteed Trailblazer would not lose money. He said this could even be done through a legal document. He said that even after the proposal is agreed to, the County could opt out on 6-30-14. He said then Trailblazer would be stuck with a lot of costs. Daleiden said the TJPB understands that it will take time to get the JPA into place, hopefully by 1-01-15. Daleiden said all he wants to do is move forward, whether the motion is for or against. If this does not work out after two years, the County can make that decision and look at other alternatives at that point. Husom said maybe Tri Cap would be willing to take Wright County on at that point. Daleiden said maybe Tri Cap and Trailblazer will merge at that point as the talk is more towards regionalization. That is an unknown.

Potter asked the Board Chair to call the vote. Borrell said he wanted to speak more. Daleiden said Borrell keeps repeating the same things. Borrell said he thought this was a bad motion. He said that the Board members are caving in if they are going to move forward on this. Borrell said earlier that the other members would not do this in their personal lives or with a business deal. If they do this with city or County money, he said, "shame on you." He said it would be irresponsible; they should not agree to something that is open ended. He referenced Asleson's comment that the County can walk away from this at any time later. He said that might not be so bad. If the TJPB won't negotiate down the line, Wright County can just walk away and not be into them for anything financially.

Borrell said he is offering Sibley and McLeod Counties something that would be more valuable to them than the proposal and it would make good business sense to Wright County as well. This could be accomplished by having the current motion withdrawn and provide a new motion that says the County will guarantee the TJPB will not lose money in Wright County and now lets start negotiating. Husom said she does not feel she is being foolish when she has city representatives (mayors, city council members, and administrators) that represent 20,000 constituents asking her to go forward on this. Sawatzke said "after careful consideration of a lot of the details" and he said that careful consideration has yet to occur.

Borrell made a motion to table the motion that is on the floor. The motion was seconded by Sawatzke. The motion failed 2-3 with Potter, Husom and Daleiden casting the nay votes.

Husom said they would go back to the original motion. Sawatzke asked whether it was included in the original motion that 1-01-15 is the date for the 35% local share. Husom said that is her understanding. Daleiden and Potter (motion maker and second) concurred with this.

Borrell asked for an amendment to the motion for any driver that River Rider has that applies for a job at Trailblazer that they will be given employment. The motion was seconded by Sawatzke. Husom said she would not want to vote on something not knowing the results of background checks. She said this does not reflect on any of the drivers at River Rider. She was not sure she would be comfortable in demanding that.

Borrell said he is willing to amend his motion to indicate if the drivers pass background checks and MnDOT requirements. Potter said that Borrell's motion to table failed and he cannot make an amendment to something that has already been voted on. Husom said the amendment goes back to the original motion. Borrell said he is agreeable to make a friendly amendment that the drivers are hired if they are MnDOT qualified and pass background checks. The amendment to the motion was seconded by Sawatzke. Sawatzke explained this is a friendly amendment to the motion and they would vote on the amendment. If it passes, it would be added to the original motion. If it does not, it would not be. Husom restated the amendment to the motion that the drivers have to pass background checks and be MnDOT qualified to drive. Sawatzke said that is if they apply and there is room for them. Borrell said there is one amendment to the motion at this time to hire the River Rider drivers that apply for the jobs providing they are MnDOT qualified and pass background checks. Daleiden added that there has to be room. Sawatzke said, for example, they are hiring seven drivers and there are ten that apply. Borrell said he understands.

Husom called the motion. Borrell said he wanted more discussion so he could explain why he wanted the amendment. He said if there are drivers that apply at Trailblazer that don't get a job and Wright County has to pay unemployment, that will come directly from River Rider Reserves. He said if they are going to approach this as a partnership, which Borrell said they should do, then if Wright County was calling the shots they wouldn't say this is a partnership and we won't take your drivers or we will give them an interview. He said that is not right. Husom agreed.

Daleiden said he was under the impression that two drivers turned down interviews. Sawatzke said they don't know if that has happened. He said he does know that the TJPB has not authorized the interview process to start yet. That is on their Agenda for 4-24-14. He said perhaps Gary Ludwig has asked the drivers if they are going to interview and they have indicated they are not. As he understands it they have not been authorized to start the hiring process so there have been no interviews. Potter said he understands that they didn't advertise up here for but they have in Sibley and McLeod Counties. From what he has been told, four people from River Rider got applications. They were scored and two of them were offered interviews and both of them turned it down. That is what he was told. They didn't say they advertised around here but they did in their newspapers down there. Borrell said they could hire someone down there and say there is not room. Sawatzke said room being there are more positions than drivers. Borrell said the understanding of the motion maker and the second on the amendment is that if River Rider has six drivers, those six drivers would be given preference over a new hire from another part. Sawatzke said that is how he would understand it. Sawatzke said the reason he is confused on whether they have interviewed is because last Thursday there was specific action asking the TJPB to authorize the beginning of the hiring process. To Sawatzke, interviews are part of the hiring process so he was unsure how Gary Ludwig is doing interviews when he hasn't been authorized to do the hiring process. Borrell said he agrees with Daleiden it will be up to the as to whether they want the jobs. Sawatzke said maybe no one will apply. Borrell said if it is going to be a partnership, then River Rider drivers should be given the first priority for the job.

Husom called for an amendment to the motion on the floor. The motion carried 3-2 with Daleiden and Potter casting the nay votes.

Husom said they would now go back to the original motion. Sawatzke said they have the original motion as amended is what is on the table. He asked if all Board members are agreeable that if this motion is to pass, that there still needs to be a JPA in place before these terms and conditions would actually apply. Husom agreed.

Sawatzke asked to amend the motion to include that contingent upon the agreement between the three counties of a JPA. The motion was seconded by Borrell. It was asked that the motion be repeated. Sawatzke said the Board made a motion for 35%, for \$210,000, for the Trailblazer model, and that it is contingent upon first preference being given to River Rider drivers for jobs, and contingent upon a JPA being agreed to by the three Counties. Daleiden asked what message is being sent to the Trailblazer Board. Sawatzke said the message is that assuming when they get to an agreement, that those three components are in there as well as they are going to be hiring River Rider people. Sawatzke said there are more things that have to be agreed to.

Borrell said he still wants to have negotiations. He wants them to be able to negotiate from an even base with Wright County and for Wright County to have an even base. He said what he talked about before didn't seem out of line to have as an amendment to this so the TJPB knows they won't lose money. He thought that would be a concern of theirs. Borrell said if they can take that off the table, it is going to make it a whole lot better for Sibley and McLeod Counties. Husom said it is hard to make those guarantees. Sawatzke said that is a whole different talking point than this.

Daleiden said he wouldn't have believed it if someone would have told him a year ago that transit would become so complicated. Borrell said that is for all 500 people in the County that use it. He said they have 12,500 people that use transit down there, which is about one quarter of their population. Borrell anticipated it would grow in this area to about 35,000 people using transit. He said anyone in the future that ever votes against transit will be out of a job. Sawatzke said if there are 35,000 people using transit, the numbers will exceed what dollar figures were projected on the board that day. Borrell agreed. Borrell said anyone on the County Board that votes against it will be out of a job. That is what they said down there with 12,500 people. Daleiden guessed that if they (McLeod and Sibley) are supporting transit in Wright County, they will be voted out of a job too. Sawatzke said no one is asking them to do that. Daleiden said they have agreed to 45% of the local share. Daleiden said Sawatzke is telling him they are going to pay for transit in Wright County. Sawatzke said he can suggest that in 2015, there will be more money going from Wright County to those Counties than from those Counties to Wright County. He said it will depend on how many buses are on the road and that sort of thing.

Borrell asked Sawatzke to repeat his amendment to the motion. Sawatzke said that basically the details are contingent upon a final JPA being agreed to by the three Counties. He said Asleson said this and people agreed. He said just so everyone understands that there still needs to be an Agreement that these terms apply to, but it is understood that 35% is the number. Husom agreed. Assuming this passes, Sawatzke said he and Potter will not be trying to negotiate for 30% because 35% is the number. Other things need to be worked out but those are the numbers.

Husom said there is a motion with an amendment. Sawatzke said the Board has to vote on this amendment. Daleiden said they are continuing to add amendments to the point where Trailblazer won't accept it. Borrell said the only thing that he thought would help them out would be for them to hear from Wright County that they would not lose money in Wright County. If they want us to come back next week to make that motion, he would pass that. Daleiden said that is assuming they will accept what has happened today. They could just walk away from it. Borrell said this amendment wouldn't need to get made as it is what is anyways. Sawatzke said it is clarifying things.

Husom called for a vote on an amendment to the original motion that it would be contingent upon a JPA. The motion carried 3-2 with Potter and Daleiden casting the nay votes.

Borrell asked to call the question on the original motion. Husom said the motion is to enter into a partnership with Trailblazer. Sawatzke said he prefers the motion with the amendments. He feels it is a better motion than it was. Having said that, Sawatzke said he won't support it. Borrell said the same thing for him. He said if it does pass there is something to negotiate from. The motion carried 3-2 with Sawatzke and Borrell casting the nay votes.

Daleiden made a motion to have the negotiating committee consist of Commissioners that were on the positive or affirmative side of the Commissioner's vote. The motion was seconded by Potter. Daleiden explained that the County has two Commissioners on the negotiating committee with the TJPB who have said they don't believe in the motion and didn't accept it. He questioned whether this Board wants them to continue the negotiating. Sawatzke said he made it clear that even though he was going to vote against this he was going to accept it. He was going to go down there and make this a piece of the process and understand those components are in place. Sawatzke told Daleiden that he desires to reach an agreement. He said he has a different philosophy on what is acceptable relative to being put over a barrel. Sawatzke did not feel that diminishes his ability to negotiate in the best interests of the County. He said last meeting he went down negotiating only things the Board had approved. He asked Potter if he agreed with that. He did not think he brought up issues outside of the realm. Commissioner Potter said it was clear and concise. Sawatzke said if it is Daleiden's motivation to remove him or Borrell, he thought they operated within the guidelines of the desire of the Board. Sawatzke also thought it would send a bad message that Wright County removed him and Borrell from the negotiating committee because they didn't follow what the TJPB wanted. Sawatzke said he would not be happy if this passes. Sawatzke said that they may have an interesting time dealing with some of the aspects of negotiation when they are not familiar with the budgets of these sorts of operations. Sawatzke did not claim to be an expert but said he has some knowledge. Husom said she trusts Sawatzke; he has a lot of history with transit and has been with River Rider for many years. She felt he knew far more than any of the Commissioners.

Daleiden agreed but said he is concerned about perception. Daleiden asked Borrell whether he stayed on the set parameters discussed last week when he substituted at the negotiations session for Sawatzke. Borrell said he did. The message was basically take it or leave it. He asked Potter whether it was truly a negotiating session, as it was part of their regular meeting. Potter felt it was. Borrell asked Daleiden if the motion is just that they will go down and negotiate in good faith. Daleiden restated that his concern is perception. Sawatzke felt the motion by Daleiden was to place himself, Husom and Potter on the negotiating team (including the alternate position). Daleiden said he wanted those that voted affirmatively on the motion. Borrell said he could not support that. He did not feel there was a reason why Sawatzke couldn't go down and negotiate in good faith. Borrell said he has a lot of respect for the Commissioners in Sibley and McLeod Counties. He did not fault them as he felt they were between a rock and a hard place. He would not go down and fault them or sabotage discussions. Borrell felt those Counties were told things and now they are not being delivered and they are thinking this is going to cost them money. He still felt this was not a bad motion for them to make so the TJPB will feel a little more relaxed about negotiating, knowing it will not cost them money. Borrell told Sawatzke and Potter to potentially put that out there when they are negotiating at the next session, indicating that Borrell would be willing to introduce this as a motion at the next Wright County Board Meeting. He thought that might make the TJPB more willing to negotiate on things. Borrell said if they have a fear that it is going to cost them money, which he felt and heard, they may be negotiating from a fear point. He restated that he does not fault them for having that. Borrell thought if Wright County could alleviate that fear, it would aid in negotiations. He said maybe it wouldn't be a bad motion to make yet today.

Husom asked the Board to go back to the discussion on the motion. Daleiden said he is concerned with the perception. Borrell does not feel it will be a problem. Husom called the vote on whether to change the members of the negotiating team with the TJPB. The motion fails with Husom, Sawatzke and Borrell casting the nay votes.

Borrell made a motion that Wright County will guarantee to Trailblazer that they will not lose money, with the caveat that it applies to those items Wright County agrees to in negotiating sessions.

He asked Asleson whether that would be a legal motion. Asleson questioned what the term "lose money" means. In other words, Trailblazer may have expenses for their Director or other things. He referenced the interim period, between now and the end of 2014, where they have expenses attributable to providing rides in Wright County, they could send Wright County a bill come 1-01-15. He said he has concern about what it means. Borrell withdrew his motion. Asleson said the County could state that is their intent going in. He said this will be reflected in the Board Minutes so he didn't know that it needed formal Board vote. Sawatzke said that Wright County needs to be a little bit careful. If their Director is lobbying someone in Wright County and that becomes an expense, he was

unsure whether this Board should pick up that expense. Borrell felt MnDOT may be paying that portion. Sawatzke said they are paying at least 85% but he was unsure if they paid all of it.

Borrell said just so they can have a consensus of the Board, when the negotiating team attends the negotiating sessions to assure the TJPB that it is not Wright County's intent for them to lose any money. Sawatzke said it has been stated at least once that no one from Wright County expects them to subsidize Wright County. Borrell restated that he would withdraw his motion.

A Deferred Compensation Committee Meeting was held on 4-01-14. At today's County Board Meeting, Potter moved to approve the minutes. The motion carried unanimously on a second by Daleiden. The minutes of the Committee Meeting follow:

1. Request To Withdraw Funds Due to Hardship.

The Committee reviewed an employee's request to withdraw funds. It was determined that the circumstances did not meet the criteria for withdrawal.

Recommendation: Deny request to withdraw funds from the Deferred Compensation Program.
(End of Deferred Compensation Committee Minutes)

At the last County Board Meeting, the Board reviewed the **3-27-14 Committee Of The Whole Minutes** relating to transit in Wright County. The minutes were laid over to today's Meeting for correction. Today, Daleiden moved to approve the minutes as corrected, seconded by Potter, carried unanimously. The minutes of the 3-27-14 Committee Of The Whole Meeting follow:

I. Transit in Wright County

Sawatzke gave a brief history of Wright County's (County) involvement with River Rider Public Transit System (River Rider). He said the County first began discussing public transit in the early 1990's prompted by a petition initiated by a group in St. Michael. Sherburne County was already providing transit services. He did not recall whether the transit company was called River Rider at that time. Wright County contracted with Sherburne County to provide transit services to St. Michael and some other cities in the County. Sawatzke said ridership eventually grew strongest in Buffalo and Cokato.

Around 2000, Sawatzke said Sherburne and Wright Counties partnered in the creation of River Rider via a Joint Powers Agreement. Three representatives from each county sit on the River Rider Board. Over time, River Rider began providing transit services to Annandale, Maple Lake, Delano, and Monticello, with varying schedules depending on location. Recently, River Rider began providing more service to St. Michael, Otsego, Albertville, and Hanover area.

Sawatzke said last fall the County heard that Sherburne County was withdrawing from involvement with River Rider due to issues with the Minnesota Department of Transportation (MnDOT), as well as financial incentives offered by the Tri-County Action Program (Tri-CAP).

Borrell introduced Gary Ludwig, Executive Director of Trailblazer Transit (Trailblazer), and Chad Gessell from River Rider. Borrell displayed a document that addressed the question, "How much will Wright County's 'Assessment' be if Wright County were to merge with Trailblazer?" He also displayed an organizational chart of the Trailblazer Joint Powers Board (see attachments).

Borrell said 85 percent of operational costs incurred by River Rider are subsidized by MnDOT. Trailblazer representatives have indicated they will contribute wherever ridership does not cover the remaining 15 percent. Borrell said Chad at River Rider is working to increase ridership on a new schedule in Hanover, St. Michael, Otsego, and Albertville.

3-27-14 Committee Of The Whole Minutes (cont.):

Borrell said Trailblazer has more coverage, more rides, and contributes more money to the system than River Rider. Gesell said Trailblazer provides 150,000 rides compared to 70,000 by River Rider. Borrell said River Rider has three office staff, while Trailblazer employs 10 to 12.

Borrell referred to his assessment document. He said based on his estimates, the County could incur nearly \$1.2 million in assessments with Trailblazer. He cautioned against becoming too dependent on government funds to subsidize transit services.

Borrell advocated providing transit services on a trial basis. He advised the Board not to rush into an agreement with the Trailblazer Joint Powers Board (Trailblazer JPB) by 7-01-14 as MnDOT requires. Instead, Borrell suggested that the County write a letter to Zelle requesting more time to work out the details. Borrell preferred a transit board based on ridership and County contributions, with flexibility to change the structure as needed. He said the 6-30-14 deadline is unrealistic, and the County would be better off with its own transit system. Borrell said he did not learn of the right to appeal a decision by MnDOT until recently.

Husom asked if MnDOT pays 80 percent of capital expenses. Sawatzke said yes. Of that amount, Sawatzke said a third of the funds come from the federal government, and the rest from the State. Ludwig confirmed those figures, but said it changes from year to year. Sawatzke said he presumes the federal money comes from gas tax dollars, and the State funds come from vehicle sales taxes.

Husom asked whether MnDOT could rescind their funding. She said the system wouldn't work if the County paid 100 percent. Borrell preferred control over any County funds that go to the transit system. He suggested that individual cities work directly with Trailblazer. Ludwig replied that the Trailblazer JPB preferred not to do that. Husom said the Board received a letter from the cities supporting County coordination of the system.

Dan Lem of Monticello said Sibley and McLeod Counties are more rural and their runs are longer than Wright County. Those Counties are a lot different from Wright. He said the current system is not user friendly.

Debra Swanson, Social Services Supervisor, Wright County Human Services (Agency), said their disabled clients need transportation to get to work. More runs should be scheduled in the afternoons to transport them home. As it is, Agency clients have to leave work at 11:30 A.M. due to River Rider's limited schedule.

Gessell said it's hard to add more buses. He recognized the need. Gessell said one of the factors MnDOT considers is the number of rides the service does per hour. MnDOT considers five rides per hour as an average. Gessell said River Rider has routes that do 16 and 17 rides per hour. He said MnDOT will criticize him for adding a bus if he doesn't double his numbers.

Functional Industries subcontracts with River Rider. Gessell said he has tried to be a good partner with them. Bob Fix, Transportation Manager at Functional Industries, said currently they have 25 routes transporting 180 people per day, and River Rider has six routes and transports 60 people per day.

Husom asked how much an average ride costs River Rider. Gessell replied that the fare structure varies from \$1.25 per ride for call-ahead riders, to \$2 per ride for same-day callers and preschoolers. Social Services rides vary depending on location. A round trip ride from St. Michael is \$5.5 per day. He said in 2013 the average cost per ride was \$11.98 to \$12.08. The cost per hour is \$56.08, with a revenue-to-expense ratio of 21.8 percent. Gessell said this proves that River Rider can be self

3-27-14 Committee Of The Whole Minutes (cont.):

sufficient, as the organization recovers more than the 15 percent required by MnDOT. MnDOT pays 85 percent of operating costs.

Husom asked Gessell to verify that River Rider recoups revenue from sources other than riders. Gessell said the revenue is generated by bus passes, mileage, cash paid for rides, Social Services, hours of service, adult day care, and other sources.

Borrell asked whether River Rider can change routes without approval from MnDOT. Gessell said they may, as long as the change falls within service guidelines and hours.

Swanson said the Agency has created contracts for clients who use medical transportation to get to work, as there were no other options. She said the alternatives are very expensive. Swanson said the County would save a lot in medical assistance dollars if more rides were available. Some services are not allowed to transport people, creating a significant demand for broader services. Husom said the goal is to help people be as independent as possible.

Jill Marzean, Social Services Supervisor, read from a statement by Human Services Director Jami Goodrum Schwartz (see attached). Marzean said there are many people in the community who can't afford vehicles or gas, in addition to preschoolers and the disabled. More public transportation allows people to get themselves out of difficult situations. Not all clients have the ability to make calls or research available transportation. The County needs to plan beyond the 6-30-14 cutoff date.

There was discussion about the Transportation Advisory Committee and how often it meets. Gessell said no other meetings were scheduled since MnDOT said River Rider was done. Husom said she heard that MnDOT will continue the status quo through the end of 2014.

Forrest "Butch" Amundsen, Cokato City Council member, said MnDOT will pull their funding after 1-01-15. He asserted that the County has no choice. Borrell disagreed. He said if MnDOT rescinds their funding, public transportation in Wright County is finished. Further discussion ensued regarding when MnDOT plans to discontinue funding to transit in Wright County. Sawatzke thought MnDOT said River Rider will no longer be funded effective 6-30-14, but another entity may operate until the end of 2014 at that same level of service. He added that Tom Gottfried, MnDOT, told Borrell that the County may go above Zelle's authority regarding other options. Amundsen did not think a letter to Zelle would be effective.

Sawatzke said he is not opposed to joining the Trailblazer JPB; however, he wants to know the terms and conditions before committing. A lot of negotiations must occur first. Sawatzke said one third of the 85 percent comes from the federal government, and two thirds from the State. He said 85 percent of the operational costs are subsidized, and if the system can't generate enough ridership to cover the 15 percent remaining, it is not worth the effort. Sawatzke said if the County joins the Trailblazer JPB, it must be determined how much, if anything, the County should subsidize. Sawatzke said the County is more densely populated than McLeod and Sibley Counties, which should make the transit system more efficient. Sawatzke did not feel the County should have to subsidize Sibley or McLeod Counties.

Marzean asked if any other parties have presented options. Sawatzke said only Trailblazer. Ludwig said MnDOT approached Trailblazer last year at the Association of Minnesota Counties (AMC) Conference about providing transit service to Wright County. Sawatzke said MnDOT maintains considerable control when they provide 85 percent of the funding. Potter asked how many buses MnDOT agreed to provide during this transition.

3-27-14 Committee Of The Whole Minutes (cont.):

Ludwig said the Trailblazer JPB was told the County may or may not have nine vehicles to contribute toward County transit. In addition, they were told that MnDOT has capital dollars to provide additional funds for operations in Wright County, up to 100 percent. The Trailblazer JPB has requested 10 buses. The condition of the other nine is unknown. The overall plan is a 16-vehicle fleet in the first 18 months, with 12 vehicles in service in Wright County.

Potter said cities and townships want the County to take the lead agency in public transit. He does not oppose advisory boards. The County is out of time. Delaying weeks or months will make it worse.

Kelly stated that he expected the Board to arrive at a recommendation during this meeting. He said the County was made aware last December that River Rider would cease to function by 7-01-14. The time has passed to discuss the options. The Board needs to make a decision now. Kelly suggested a resolution in support of moving forward with Trailblazer or the entity of their choice. Based on the letters the County has received from cities, it appears they want the County to take the lead and join Sibley and McLeod Counties in providing public transit. Kelly asked the Board whether they wished to be involved in public transit, or allow the cities to take the lead.

Borrell asked how the County could make that decision. Husom thought it was fair. Borrell preferred that cities take the lead. Sawatzke suggested that the Board designate someone to negotiate terms with the Trailblazer JPB. If the Board votes on joining with the Trailblazer JPB without knowing the terms and conditions, Sawatzke said he would oppose it.

Potter stated three options: A) Wright County joins with the Trailblazer JPB; 2) The County provides transit on its own; or 3) the County pulls out of transit completely.

Pete Zimmerman, Howard Lake Mayor, said the communities on Highway 12 are not served. Trailblazer can provide the same service at similar cost to that paid by Delano. He said if the County can't provide transit service, the Board should find a way through the current system.

Nick Haggemiller, Howard Lake City Administrator, said many people have no transportation options. The cities want the Board to take the lead because it represents the entire County. Haggemiller said individual cities will help the County with ridership, marketing assistance, contracts, and fares. They understand that there is a cost to the service. There is a value to a better service, which is why they endorse Trailblazer. He asked the Board to represent them.

Potter recommended that the Board enter into contract negotiations with the Trailblazer JPB to become the public transit provider for the County as of 7-01-14. Sawatzke clarified that the goal is come to an agreeable solution on transit effective 7-01-14. Potter said this would hopefully occur prior to 7-01-14.

The consensus was to place the recommendation to begin negotiation talks with the Trailblazer JPB on the 4-01-14 Wright County Board Meeting Agenda.

Kevin Yonak, Monticello Township, suggested that the County contract with a private entity to provide public transportation and skip MnDOT altogether. Each city could arrange independent transit systems.

Potter asked Ludwig to explain the Smart Ride program. Ludwig said the transit system in Sibley and McLeod Counties is governed by the Trailblazer JPB. Trailblazer Transit exists primarily to operate a public transit service. Ludwig referenced a chart entitled, "Trailblazer Joint Powers Board Service Design – CY2014" (see attached). All items on the left side of the document that operate as public transportation services fall under the Trailblazer Transit program. Trailblazer Transit is a 5311 transit

3-27-14 Committee Of The Whole Minutes (cont.):

system with federal funding. MnDOT evaluates their application, makes changes, and establishes a budget. MnDOT funds 85 percent of that budget. Ludwig referenced a two-page spreadsheet entitled, "Trailblazer Joint Powers Board 2014 Operations Plan, 5311 and SMART-RIDE" (see attachments).

Ludwig explained that Trailblazer operates the 5311 service with 14 schedules, including Dial-A-Ride and contract services. They run in a total of 21 cities in Sibley and McLeod Counties. Trailblazer cannot get to all cities at the same time, nor can they provide service to all rural areas. They employ volunteer drivers who offer their time and own vehicles to fill those gaps. Trailblazer has 14 buses operating Monday through Friday from 6:30 A.M. till 5:30 P.M., in addition to 15 volunteer drivers.

Ludwig said Trailblazer Transit is a MnDOT-managed program. There are rules. Trailblazer's service includes McLeod County, a one-mile area around the border, plus some service corridors he was able to get approved by MnDOT. Trailblazer is not able to get to the Minneapolis, St. Cloud, or Rochester airports. The Trailblazer JPB told him there is a need to provide transportation to Human Services clients. In response, they created the SMART-RIDE program (Sibley McLeod Auxiliary Regional Transit). That consists of volunteer drivers, as well as three other vehicles in the fleet. Essentially a person could go anywhere in the State of Minnesota 24/7, any day of the week, if a driver is available. Ludwig said fare revenues exceed the 15 percent not funded by MnDOT. Trailblazer also receives a local contribution. Ludwig said Sibley and McLeod Counties budgeted and spend a total of \$480,000 in local share, but they think it's a bargain. Local boards determine whether they need more transit service. If the County agrees to the proposed plan, the request would be for more service than MnDOT will fund. The Trailblazer JPB decides how much service above the approved MnDOT contract they will provide. The local share helps offset those additional costs. Trailblazer is operating more buses than MnDOT approved.

The 2014 Operations Plan puts 14 buses on the road in Sibley and McLeod Counties, provides for volunteer drivers, and administers and subsidizes the SMART-RIDE program. Ludwig referenced a two-page spreadsheet entitled, "Trailblazer Joint Powers Board 2014 Operations Plan, 5311 and SMART-RIDE" (see attachments). If Trailblazer serves Wright County, they would have eight bus schedules in operation throughout the county by the end of 2014. The goal is to add another four by the end of 2015. By the start of 2016, there will be 14 schedules in Sibley County and 12 in Wright County.

The Sibley-McLeod schedule of 14 buses costs Trailblazer \$2.2 million dollars. To add another 12 schedules for Wright County would cost another \$1.2 million. Ludwig said Trailblazer can provide nearly twice as much service for half the cost to put buses on the road in Wright County. If Trailblazer is fully employed with Wright County in 2016, they anticipate a \$3.6 million dollar cost budget. Ludwig expects roughly \$3 million per year between MnDOT subsidies and fare revenues. The remaining \$600,000 falls to the local share to split three ways annually. Wright County would need to negotiate with the Trailblazer JPB regarding what percentage of the \$600,000 would be paid by the County.

Sawatzke asked if the County would have to buy the entire package that Ludwig presented, including the SMART-RIDE program. Ludwig said in his opinion, it's a cafeteria plan. However, Ludwig said, he is not a member of the Trailblazer JPB. He said the administration of the SMART-RIDE program is handled by the 5311 Bus Service program. Ludwig said the SMART-RIDE program is designed to be more self sufficient and charges a higher cost to users.

Sawatzke said Ludwig stated previously that the left side of the "Service Design – CY2014" chart shows an 85 percent subsidy of the 5311 program by MnDOT, and the right side of the chart, indicating SMART-RIDE, is the portion that the counties subsidize at 100 percent. Ludwig said that

3-27-14 Committee Of The Whole Minutes (cont.):

was correct; the subsidy is very small. Sawatzke replied that the subsidy is \$480,000 this year in local share contributions by Sibley and McLeod Counties, per Borrell's calculation of potential assessments that Ludwig confirmed earlier. Ludwig said the \$480,000 subsidy is for the entire program. Sawatzke replied that Ludwig stated previously that the left side of the chart, the 5311 program, paid for itself. Ludwig said he meant that of all Trailblazer expenses combined, Trailblazer exceeds the 15 percent portion not funded by MnDOT with revenue from ridership for the 5311 program. Ludwig added that there is a portion on the left side of the chart that Trailblazer pays for at 100 percent local share. Sawatzke responded that the 5311 program actually does not pay for itself. They discussed this point briefly. Sawatzke deferred further discussion on the matter to upcoming negotiation sessions between the County and the Trailblazer JPB. Sawatzke clarified that the program on the right side (SMART-RIDE) is an option the County could elect to provide or not. Ludwig said he believed that to be true.

Ludwig addressed the various options regarding how the local share would be split and referred to the document entitled, "Local Share Distribution Options 3-20-14" that was drafted by the Trailblazer JPB the previous week (see attached) .

Borrell brought up the possibility that MnDOT could, at some point, stop funding at 85%. Ludwig said that is an inherent risk in dealing with MnDOT. He said the Trailblazer JPB is happy to negotiate with the County. Ludwig said the Trailblazer JPB would like to negotiate terms at their 4-09-14 meeting so the County could finalize the agreement at the 4-15-14 County Board meeting. Sawatzke asked Ludwig whether the Trailblazer JPB would consider allowing Wright County to contract for transit service with them for 18 months, and then consider a formal agreement. Ludwig said the Trailblazer JPB passed a motion last week to begin service with the operating authority and funding from MnDOT, along with any local share assistance they get, and operate until 1-01-15. Sawatzke said that would give the County more time to assess the system and gather information.

Tom McGregor of Maple Lake asked for details on the makeup of the Trailblazer JPB. Ludwig referred to a document entitled, "Options for Number of Board Seats 3/20/14" (see attached). He discussed Options A through F. Ludwig said the Trailblazer JPB prefers Option E, with two representatives from Sibley County, two from McLeod County, and two from Wright County, and one rotating member that would change annually. Each county would have a majority every third year.

Ludwig said the budget for Trailblazer in 2014 is \$1.9 million, with MnDOT subsidizing 85 percent. Originally Trailblazer was given a \$1.6 million budget, but because Trailblazer is working to regionalize their services, MnDOT reduced the required local share by \$202,000. Ludwig said partnership with MnDOT is vital and has a direct impact on the amount of local share distribution and fees.

Otsego Mayor Jessica Stockamp asked where River Rider assets go when the organization is dissolved. Sawatzke said two thirds go to Wright County and one third goes to Sherburne County. Wright County received nine buses, and Sherburne obtained four. The County gets two thirds of the cash assets, which is only available for transportation-related expenses. Borrell said the County pays outstanding invoices or expenses in the same proportions.

Daleiden asked Ludwig if MnDOT agreed to subsidize Trailblazer through the end of the year in the same amounts previously allocated to River Rider. Ludwig said MnDOT has made no such agreement, nor have they discussed any numbers with Trailblazer at all. He said the Trailblazer JPB has requested Mike Schadauer, Officer Director at MnDOT, to attend the 4-09-14 Trailblazer JPB meeting to discuss this issue. Husom said the County Board will discuss whether to negotiate with the Trailblazer JPB at the 4-01-14 County Board meeting.

3-27-14 Committee Of The Whole Minutes (cont.):

Kermit Terlinden, McLeod County Commissioner, said the Trailblazer JPB felt it would be easiest to work with other county commissioners versus cities since the various commissioners already serve on other joint powers boards. Terlinden said his biggest concern is the need for Trailblazer to hire staff, acquire equipment, and store buses if they are to successfully serve Wright County by 7-01-14. It will be a challenge to accomplish this in a short period of time. He said MnDOT must actively participate as well.

The meeting adjourned at 8:28 P.M.

Recommendation: Enter into contract negotiations with the Trailblazer Joint Powers Board, and, if the parties arrive at an agreeable solution, establish Trailblazer as the public transit provider for Wright County as of 7-01-14.

(End of 3-27-14 Committee Of The Whole Minutes)

Advisory Committee/Advisory Board Updates:

1. LEAN Training. Daleiden provided a report on the LEAN Training held for employees. The Training addresses how to better improve a procedure, policy, or service that the County provides. Husom said most departments had staff at the Training. She said some of these elements have already been implemented in Human Services. It is a more standardized process accredited to the Toyota Corporation. Husom said the County may look at hosting a Kaizen event to make things efficient.
2. Economic Development Partnership. Potter attended a meeting last Friday in Annandale. Broadband in Wright County was discussed. Administration from the City of Annandale is spearheading legislation. Potter said the topic of Broadband and outstate Minnesota was a major item of discussion at a previous DEED Meeting he attended.

(End of Advisory Committee/Advisory Board Updates)

Daleiden said a property owner in Otsego (Parrish Avenue) approached him with a request for a possible trade of land. The property is an empty lot located in a flood zone near a bridge. The request is for the County to take over that piece of property and allow the property owner to be provided a tax forfeited piece of land elsewhere in the County. Tree removal will be required to meet the requirements of the Army Corp of Engineers on the dike. Potter moved to refer this item to the Ways & Means Committee, seconded by Daleiden, carried 5-0.

Sawatzke said the Ways & Means Committee met on 4-16-14 to discuss the Lake Ida School House. At the last Committee Meeting, it was decided to lay this item over to 4-30-14 at 10:00 A.M. Sawatzke has a conflict with that time and asked that the Ways & Means Committee reconvene at 11:15 A.M. on 4-30-14. He does not want the person that presented on the Lake Ida School House to have to present the information over again to the Committee alternate. Potter moved to change the time of the 4-30-14 Ways & Means Committee Meeting to 11:15 A.M. The motion was second by Daleiden and carried 5-0.

The meeting adjourned at 11:45 A.M.