

WORK SESSION (COUNTY BOARD ROOM):

ELECTIONS UPDATE AND DISCUSSION

REVIEW 2023 BUDGET

CALL MEETING TO ORDER

Commissioner Reynolds called the meeting to order at 9:05 a.m. with the following members present; Commissioner Wilhelm, Oslin, Tellinghuisen, Peterson and Reynolds.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

APPROVE THE AGENDA (ADDITIONS AND DELETIONS)

County Administrator Dillon Hayes requested to remove agenda item 5.3; Consider Purchase of Sheriff/Jail Field Training Software provided by MdE Inc. A motion was made by Commissioner Wilhelm, seconded by Commissioner Peterson and unanimously carried to approve the agenda as amended.

CONSENT AGENDA

A motion was made by Commissioner Oslin, seconded by Commissioner Wilhelm and unanimously carried to approve the consent agenda.

REVIEW OF CVS WARRANTS

REVIEW AUGUST 2022 JAIL HOUSING REPORT

CONSIDER APPROVAL OF MORTGAGE SATISFACTION REQUEST

CONSIDER SEPTEMBER 13, 2022 BOARD MEETING MINUTES

REVIEW OF AUDITOR WARRANTS

REGULAR AGENDA

LAND SERVICES OFFICE

HOLD PUBLIC HEARING TO CONSIDER SHORT-TERM RENTAL LICENSING ORDINANCE

Zoning Administrator Keenan Hayes presented the ordinance. Discussion took place regarding the changes in the ordinance and the licenses required by both the State and the County. A motion was made by Commissioner Tellinghuisen, seconded by Oslin and unanimously carried to open the public hearing to consider short-term rental licensing ordinance at 9:10 a.m.

Tony Button, 2320 Lake Shore Blvd., Wahkon. Button stated he has concerns regarding short-term rentals. He stated 95 residents have complained regarding these rentals. Button recommended raising the lodging tax from 3% to 5-9% to offset some of the wear and tear that these tenants cause on local infrastructure.

Gene Helle, 39080 Shady Road, Onamia. Helle stated he has owned 3 rentals since 2007, and has renewed his licenses every year and preformed water testing every year. He also stated that the guests are all recorded and filed on a manifest, and that guests are expected to be respectable in the rentals. Helle recommended that since the state requires a license already, the county should not have an additional license for the same subject.

Karen Helle, 39080 Shady Road, Onamia. Helle stated that their guests need to sign and agree to the rules of their rentals and that they enforce quiet time from 10 p.m. to 8 a.m. She also stated that the state license fee is \$298 annually for their three rentals.

Douglas Lyback, 40868 47th Avenue, Wahkon. Lyback stated that his neighborhood is not the same as it used to be. Short-term rental owners in the area are not actively on the properties to be able to manage and regulate the rental properties. He suggested the County consider a dual tier system, thoroughly inspects rental units to commercial standards, limit the number of rentals in a neighborhood, tax rentals as hotels/resorts, have deputies and DNR enforce noise, fire and dog ordinances, consider the capacity of septic systems, and establish and enforce rules for shoreline management. Lyback also stated that the increase in short-term rentals is causing professionals difficulty in finding long-term rentals.

Brian Lee, 4657 Grove Street, Wahkon. Lee stated he bought his first rental six years ago in Aitkin County. The neighboring properties love meeting the new people who visit their property. There are minimal resorts and hotels to stay at in the area that are not already at full capacity. Lee stated he enforces quiet times from 10 p.m. to 7 a.m., no fireworks, and no loud music. He stated there is a right way and a wrong way to do things. A responsible owner should care about how their neighbors feel. Lee stated that if a problem arises, he addresses them immediately. He is on the property at least once a week. He also stated that these rental properties do have to pay lodging taxes and that this is a great opportunity to bring new business to the community.

Joseph Dalton, 40877 47th Avenue, Wahkon. Dalton stated that he bought his rental property in 2020 and currently lives about an hour from the property. He also bought property in Florida in 2019 as a short-term rental property. Since 2020, he has hosted 88 families and 87 of them have left 5-star reviews. He stated that this is his and his wife's passion, and that they were not seeking to make a large sum of money. Dalton stated that he responds quickly to complaints and knows the neighbors personally, and makes sure they know their intentions and standards for the rental property. He stated that communication is a huge part of a successful short-term rental business and that a few bad apples shouldn't spoil the experience for everyone else. When people go on vacation, they want to spend money. This boosts the communities' economies by bringing more business. Dalton has his guests agree to rules and policies in writing prior to booking, guest limits are enforced, and he has a minimum age requirement of 25 to book. Dalton stated that he is in favor of setting up regulations, policies and county ordinances and is happy to be involved in assisting develop these guidelines.

Sue Lyback, 40868 47th Avenue, Wahkon. Lyback expressed her concerns for the future and the community regarding the decrease in available long-term rental units, lack of regulation of vacation rental units, and that the unit's function more as a resort but are not regulated as such.

Will Christian, 12268 170th Street, Milaca. Christian stated that he lives next door to an Airbnb, and believes the county should enforce a license process.

Paul Klemz, Wahkon. Klemz stated that he moved to take care of his dad four years ago, and would recommend looking at a lodging tax because it brings income to the area. He stated that there needs to be guidelines for licenses such as living within a certain distance from the property, or hire a manager that does. Klemz added that not only do the rental properties get rated, but the guests get rated as well. So, if there is a bad experience, their rating goes down and other rental units can see those ratings. There are a lot of benefits to short-term rentals, but it needs to be done the right way.

Kathy, 38491 80th Avenue, Onamia. Kathy stated that she is a property manager, investor, and realtor. She managed up to 50 properties at one time in the cities. She stated that when managing Airbnb's, she hosts bachelor and bachelorette parties and holiday family get-togethers. She also stated that Airbnb's are taxed for lodging and other taxes.

Elly Christian, 8014 Par 5 Drive, Onamia. Christian stated that she has owned this property for three years, and also has an Airbnb property in Elk River. She stated that she has never had any complaints at either property.

A motion was made by Commissioner Tellinghuisen, seconded by Commissioner Wilhelm and unanimously carried to close the public hearing at 10:14 a.m.

Discussion took place regarding the input provided by the public. Commissioner Oslin questioned Chief Deputy Sheriff Kyle Burton about the number of complaints the Sheriff's department received regarding the short-term rental properties. Chief Deputy Burton stated that they do not receive many calls at all, and stated that anyone visiting the county is subject to following the County Ordinances, which include the dog ordinances. Zoning Administrator Hayes stated that this draft of the ordinance, copied from Crow Wing County, was recommended by the County's land use attorney. Zoning Administrator Hayes also stated that most counties require dual licensing from the State and the County.

Discussion took place among the Commissioners regarding whether they believe this ordinance is ready to be adopted. Administrator Hayes stated his recommendation is that, if the board does not want to adopt the ordinance, they should provide staff specific directions about what to review and revise. A motion was made by Commissioner Oslin, seconded by Commissioner Peterson and unanimously carried to table the Short-Term Rental Licensing Ordinance to the next regularly-scheduled meeting on October 4, 2022.

CONSIDER PURCHASE OF OBLIQUE AND ORTHO IMAGERY USING THE LAND BASED-UNALLOCATED FUND.

Land Services Director Doug Hansen presented the agenda item and stated that there are currently no plans for the funds being presented to make this purchase. Commissioner Peterson stated that he is not in favor of approving this imagery, as he believes this causes distrust. Administrator Hayes stated that providing this imagery will cut back on staff time and increase efficiency and safety for staff. A motion was made by Commissioner Wilhelm to approve the purchase of oblique and Ortho imagery using the land based-unallocated fund. The motion failed for lack of a second.

COMMUNITY AND VETERAN SERVICES OFFICE

CONSIDER DONATION REQUESTS FOR HOLIDAY GIFTS FOR CHILDREN IN FOSTER CARE

Community and Veteran Services Director Beth Crook presented the agenda item and stated that historically, the board would approve \$25 gift donations for foster children and audit state wards. Crook stated this year the request is to accept donations to be able to make these purchases. A motion was made by Commissioner Wilhelm, seconded by Commissioner Peterson and unanimously carried to authorize soliciting donations for holiday gifts for children in foster care.

CONSIDER RFQ FOR EMPLOYMENT SERVICES PROVIDERS.

Director Crook presented the agenda item and stated this is a requirement to get financial assistance. A motion was made by Commissioner Wilhelm, seconded by Commissioner Oslin and unanimously carried to approve the RFQ for employment services providers.

PUBLIC WORKS

CONSIDER CSAH 1 RIGHT-OF-WAY ACQUISITION PROPOSALS

Construction Services Manager Steve Lembke presented the agenda item. Commissioner Wilhelm asked if we had used Stantec before as a contractor, and if we have been pleased with their work. Lembke stated that we have. A motion was made by Commissioner Wilhelm, seconded by Commissioner Tellinghuisen and unanimously carried to approve the CSAH 1 Right-of-Way acquisition proposals.

CONSIDER RESOLUTION 09-20-22-01: GREAT NORTHERN TRAIL DESIGNATION

Administrator Hayes presented the resolution and introduced Andrew Montgomery to present the plan. Montgomery presented a few different options for the trail and stated that there are 48,000 individuals that live within the 3 miles of the trail corridor. A motion was made by Commissioner Oslin, seconded by Commissioner Wilhelm and unanimously carried to adopt Resolution 09-20-22-01: Great Norther Trail Designation.

Board of County Commissioners

Mille Lacs County, Minnesota Resolution No.: 09-20-22-01

RESOLUTION SUPPORTING REGIONAL PARK OR TRAIL DESIGNATION APPLICATION IN GREATER MINNESOTA

BE IT RESOLVED that the County of Mille Lacs, as a joint applicant/partner, fully supports the application described in the Request for Designation as a Regional Park or Trail in Greater Minnesota and authorizes the applicant's submission on behalf of the partnership for the Great Northern Trail located in Sherburne and Mille Lacs Counties.

BE IT FURTHER RESOLVED that as a joint applicant/partner we are fully aware of the information provided in the application and associated responsibilities, including long-term commitments as defined in the application and related master plan and supporting information as submitted.

BE IT FURTHER RESOLVED that, should receive formal designation as a regional park or trail in Greater Minnesota by the Commission, that as the joint applicant we have the legal authority to enter into formal designation and funding agreements with the Commission for the referenced park or trail.

BE IT FURTHER RESOLVED that listed applicant and joint applicant/partner certify they will comply with all applicable laws and regulations associated with regional designation and any future grant funding for their respective portions of any project.

ADMINISTRATIVE SERVICES OFFICE

CONSIDER COLLECTIVE BARGAINING AGREEMENT WITH MNA

Administrator Hayes presented the agenda item. A motion was made by Commissioner Peterson, seconded by Commissioner Wilhelm and unanimously carried to approve the collective bargaining agreement with MNA.

CONSIDER RESOLUTION 09-20-22-02: 2023 PRELIMINARY LEVY

Administrator Hayes presented the resolution and stated that the current budget is approximately \$50,000 over budget to meet the 7.5% levy increase request from the Board. Administrator Hayes stated that he can make additional cuts to the budget to get to 7.5%, the board can approve a higher preliminary levy, or the board can table the resolution until a special meeting can be called on September 27, 2022 to provide for further review. Administrator Hayes also mentioned that, with the cuts previously authorized on September 13, 2022, adopting a 7.5% levy increase as currently budgeted would mean cutting funds from the Sheriff's department and necessitate rescinding prior motions to hire two deputies. An 11.5% levy increase is what would be needed to keep the positions in the Sheriff's department.

A motion was made by Commissioner Peterson to approve an 11.5% Preliminary Levy. The motion failed for lack of a second. A motion was made by Commissioner Tellinghuisen, seconded by Commissioner Peterson and unanimously carried to table Resolution 09-20-22-02: 2023 Preliminary Levy and call a special Board meeting to be held on September 27, 2022.

CONSIDER RESCINDING PRIOR MOTIONS

Administrator Hayes presented the agenda item and discussed the options with the board. Administrator Hayes' recommendation was to rescind these motions or table further action until a preliminary levy has been set and/or the Board was certain about which direction they would like to proceed in making the cuts necessary to meet the Board's expectation for a preliminary levy. Chief Deputy Kyle Burton discussed the county's crime rate in comparison to adjacent counties and stated the board should be cautious of cutting deputies due to the high crime rate. Administrator Hayes asked if it would be helpful for the Board to have data on the impact provided by the increased investment in staffing the Sheriff's Office when evaluating these positions, to which the Board responded in the affirmative. Chief Deputy Burton stated he would gather that information for the Board. A motion was made by Commissioner Peterson, seconded by Commissioner Wilhelm and unanimously carried to table the item for consideration at the September 27, 2022 special Board meeting.

CONSIDER FILLING SOCIAL WORKER VACANCY

Administrator Hayes presented the agenda item. A motion was made by Commissioner Wilhelm, seconded by Commissioner Peterson and unanimously carried to approve filling the social worker vacancy.

COMMITTEE REPORTS

Commissioner Tellinghuisen received an update on the MRC meeting and stated Dan Larson will be resigning. Commissioner Reynolds also attended the MRC meeting and stated she anticipates dues increasing in the future for MRC.

ADJOURN

A motion was made by Commissioner Tellinghuisen, seconded by Commissioner Wilhelm and unanimously carried to adjourn the meeting at 11:45 a.m.

WORK SESSION (COUNTY BOARD ROOM):

PRESENTATION FROM JAIL VOLUNTEERS

SNAKE RIVER 1W1P COMMENTS

COUNTY GOAL VOLUME FOR SOLID WASTE PLANNING

ATTEST:

Dillon Hayes
County Administrator

Genny Reynolds
County Board Chairperson