

TUESDAY, APRIL 27, 2010

**APPROVED MINUTES OF THE
COMMITTEE OF THE WHOLE MEETING HELD**

**STATE OF MINNESOTA)
DODGE COUNTY)**

**COUNTY ADMINISTRATION OFFICE
MANTORVILLE, MN**

2010-08 C.O.W.

The Dodge County Commissioners met in Committee of the Whole April 27, 2010, in the Commissioner's Room at the Dodge County Courthouse Annex, Mantorville, MN, at 9:00 a.m. CST. Lyle Tjosaas opened the meeting at 9:03 a.m. CST.

Meeting Convened

The Chair acknowledged those present:

Those Present

Members present:	Klaus Alberts	District #1
	Lyle Tjosaas	District #2
	David Erickson	District #3
	Don Gray	District #4
	David Hanson	District #5

Members absent: None

Also present:	Jim Elmquist	County Administrator
	Becky Lubahn	Deputy County Clerk

Dodge County EDA Representative Chris Giesen provided the Board with a quarterly report.

EDA Quarterly
Report

The EDA Representative shared with the Board the following background information on the Recovery Zone Bond Program:

Recovery Zone
Bond Program
Update

At the March EDA meeting, Mr. Giesen briefly discussed the recovery zone bond program that was made available to counties through the federal American Recovery and Reinvestment Act (ARRA) of 2009. Dodge County's EDA Representative was instructed to investigate the interest among the cities of Dodge County in using this program themselves.

There are two parts of this program, one for public infrastructure, Recovery Zone Economic Development (RZED Bonds) and the other which allows the public to assist a private entity, Recovery Zone Facility Bonds (RZFB Bonds). Both require the county to use its bonding authority.

For the infrastructure bonds, the county would receive a 45% reimbursement of the interest it pays on those bonds. In addition, the county must also pay federal wages and abide by other federal reporting standards.

The RZFB Bonds program allows the county to assist qualified, private entities through tax-exempt borrowing. Under current law, the county could only use this authority in areas outside of its cities (or townships who have bonding authority).

The county has the option to use this bonding authority itself, reallocate it to the cities within its jurisdiction or send it back to the state. All bonds must be issued before January 1, 2011.

The state has requested that any county not interested in using these programs notify them by June 1, 2010 so that they can pool the remaining portions for use elsewhere.

At the April EDA meeting, the Recovery Zone Bond program was again discussed. The EDA unanimously passed a resolution stating it was their recommendation that the county allow the cities to express their interest before May 26, 2010 at which time any remaining portions of the bonding authority would be returned to the state in order to create a statewide pool.

Mr. Giesen reviewed the following findings that were shared at the April EDA meeting:

Due to the small allocation the county received under these programs, we will most likely not benefit from the Recovery Zone Program. For example, if the county used the entire \$174,000 RZED infrastructure bonding authority that it was allocated, at current rates, the county might only save about \$3,000-5,000. Depending on the type of project being done, those savings could quickly disappear with the additional required labor costs (federal Davis-Bacon wage standards).

This program was most likely geared towards larger counties like Ramsey, Hennepin or Dakota as they were allocated millions of dollars in bonding authority.

For the facility bonds, the county would essentially be issuing bonds for a private business. This can be very risky. In addition, the county's ability to help private businesses to the fullest extent is minimized by the fact that the county is only authorized to undertake projects in areas outside of cities (or townships with bonding authority) under this part of the program.

Only the City of Kasson expressed slight interest in the infrastructure bond program. They will be discussing this opportunity within the next week.

Mr. Giesen had the following recommendation for the Board:

Because of the minimized affects the two parts of the Recovery Zone Bond Program would have in Dodge County, Chris Giesen suggested that the EDA recommend that the Board of Commissioners allow the cities in Dodge County the opportunity to utilize both programs until Wednesday May 26, 2010, at which time the county would reallocate any remaining portions back to the state.

The Board will take action on the Recovery Zone Bond request during the regular session.

The EDA Representative discussed with the Board the expansion of broadband technology in Dodge County.

Mr. Giesen provided the Board with the following background on the request:

At the March EDA meeting, the lack of access to broadband telecommunications was discussed.

Private companies across the nation have been seeking the support of local governments in order to show a need for broadband technology so they can secure stimulus package grant funds to install broadband infrastructure. Some of these companies have approached Dodge County and its residents to support their efforts and grant applications.

Broadband
Technology
Resolution
Discussed

At the April EDA meeting a resolution was unanimously passed stating that the Dodge County EDA supports the expansion of broadband technology in Dodge County, and that they support private entities that are willing and capable of such projects. The resolution also recommends that the County Board approve a similar resolution.

The following findings were shared:

It was the consensus of the EDA that a lack of access to broadband technology is a disadvantage to the county and its residents. Rather than pick and choose private companies to support in their grant application process it was decided a better approach would be supporting the expansion of this technology in general.

If these private companies were awarded grant dollars they would install state of the art infrastructure (fiber optic or wireless) in under-served areas or expand services in existing service areas. The private companies would charge their customers for services accordingly as their goal is to make a profit from this expansion of infrastructure.

It would be more prudent to support this type of expansion in general, opposed to the county picking winners and losers.

Supporting the EDA's recommendation would allow the appropriate county staff to indicate the county's support to such telecommunication companies.

The Dodge County Economic Development Authority recommends that the Dodge County Board of Commissioners support the expansion of broadband technology and that they also support those private entities that are willing and capable of accomplishing the task of expanding sustainable broadband technology in Dodge County.

The Board will take action on the Broadband Technology request during the regular session.

The Board thanked Mr. Giesen for the information.

The Chair adjourned the meeting at 9:25 a.m. CST.

Meeting Adjourned

ATTEST:

LYLE TJOSAAS
CHAIR, COUNTY BOARD

BECKY LUBAHN
DEPUTY CLERK

DATED: