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# Le Sueur County, MN

Tuesday, May 2, 2017

Board Meeting

## Item 8

**10:05 a.m. Darrell Pettis, County Administrator/Engineer (15 min)**

*RE: Department of Revenue Service Agreement*

*RE: CD43 Record Correction*

*RE: CD44 Record Correction*

*RE: Wheelage Tax Discussion*

*RE: TRUE JPA*

*RE: Request for County issued credit card for Allan Sowieja, Deputy Sheriff*

*RE: ADA Transition Plan*

*RE: Le Sueur Shop Bid Opening date changed to Monday, May 22nd at 1:00 p.m.*

Staff Contact:

**Service Level Agreement  
Administration of Revenue Recapture**

Date \_\_\_\_\_

State of Minnesota  
Minnesota Department of Revenue

And

\_\_\_\_\_  
Agency Name

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## Introduction

This Revenue Recapture Service Level Agreement between \_\_\_\_\_ (claimant agency, you, your) and the Minnesota Department of Revenue (the department, we, us) defines the statutes and policies you must follow when using Revenue Recapture to resolve debts.

## Statutory Authorization

Minnesota Statutes, Chapter 270A, also known as the Revenue Recapture Act, authorize the commissioner of revenue to collect debts for claimant agencies. Minnesota Administrative Rules 8150.0100 – 8150.0400 provide additional guidelines for managing agency access.

## Definitions

The following definitions apply to this Service Level Agreement:

- A. **Claimant Agency**  
Any agency qualified to submit Revenue Recapture claims.
- B. **Commissioner**  
The Commissioner of Revenue.
- C. **Contested Claim**  
A claim in which the debtor has disputed the validity of the claim.
- D. **Debtor**  
A natural person who owes a debt to a claimant agency.
- E. **Debt**  
A specific amount of money a natural person is legally obligated to pay a claimant agency.
- F. **e-Services**  
The online system claimant agencies use to manage Revenue Recapture claims. You must use this system to manage claims submitted to us.
- G. **Notice to Debtor**  
Notice you must provide a debtor when using Revenue Recapture to collect a debt.
- H. **Priority of Claim**  
The order in which debts are paid.
- I. **Refund**

Income tax refund, political contribution refund, property tax credit or refund, sustainable forest incentive payment, lottery prize, or payment made by recommendation of the Joint House-Senate Subcommittee on Claims.

**J. Revenue Recapture**

The department can take (recapture) state refunds and use them to pay claimant agencies through the Revenue Recapture process.

**K. Service Level Agreement**

The document describing the duties and responsibilities of the department and the claimant agency.

**L. Statute of Limitations**

The time a debt can legally be collected.

**M. Reconciliation Report**

A report in e-Services available to you to reconcile Revenue Recapture claims.

**Limitations**

- A. Claims submitted for Revenue Recapture must be at least \$25.
- B. We will close claims when the balance is less than \$15.

**Duties of Claimant Agency**

- A. The law requires an authorized user to be an employee within your agency. Third party access to Revenue Recapture is not allowed.
- B. Attend mandatory training annually, which includes anti-browsing, disclosure, and Revenue Recapture training to maintain access to e-Services.
- C. Update Revenue Recapture administrators and e-Services users when changes in staff occur.
- D. Each authorized user must have their own User ID and password. They may not be shared. All access must be for business purposes only.
- E. Ensure all debts referred to Revenue Recapture meet the following statutory requirements:
  - a. The statute of limitations for collecting the debt has not expired.
  - b. There is not a written payment agreement in place that prohibits use of Revenue Recapture.

- c. The collection attempt will not result in the loss of federal funds.
  - d. The debtor's name, and social security number are available to submit with the claim.
  - e. The debt is not barred by statute.
- F. Send Notice to Debtor no later than five (5) days after filing the claim. If the notice was not delivered, you must resend the letter to the debtor's last known address we have on file.
- G. The Notice to the Debtor must include, at a minimum, the following information:
- a. Your intent to request refunds to pay the debt until the account is paid in full or the statute of limitations has expired.
  - b. State law allows refunds to be applied to the debt as provided in Minnesota Statutes, Chapter 270A.
  - c. Why the debt is owed.
  - d. The total amount of the claim, including the amount and date of each debt included in the claim.
  - e. The debtor has the right to contest the validity of the debt at a contested case hearing through the Office of Administrative Hearings.
  - f. According to Minnesota Statute 270A.02 Subd. 5, a debtor may be exempt from Revenue Recapture if:
    - i. The debt is based on overpayment of an assistance grant, the debtor is a current recipient of assistance and that payment is based on a client waiver or there is an administrative or judicial finding of an intentional program violation.
    - ii. The debt is owed to a program and the debtor is a client of that program at the time of notification, and the debtor is a current recipient of food stamps or food support, transitional childcare, or transitional medical assistance.
    - iii. The debt is for an obligation to pay medical care, including hospitalization and the debtor's income is below specified levels at the time of service.
- H. Notify us when a debt has been fully satisfied or the balance has changed within 30 days of the change.
- I. Adhere to the priority of claims by:
- a. Sending a Notice to Debtor for each claim filed.
  - b. Submitting Revenue Recapture claims for each debt.
  - c. Contacting us before issuing any refund of Revenue Recapture overpayment to the debtor.
- J. Have procedures to administer a contested case hearing.
- K. Comply with department audits and correct issues found within the time limits given.

- L. Notify us if you no longer qualify to participate in Revenue Recapture. Existing claims must be ceased.

### **Duties of the Minnesota Department of Revenue**

- A. Provide mandatory training and support for agency staff who administer Revenue Recapture.
- B. Send debtors a Revenue Recapture notice when a refund has been applied to a debt. This written notice must include the following information:
  - a. The refund amount that applied to the debt.
  - b. Your address and phone number.
  - c. The right of the debtor to contest the validity of the Revenue Recapture claim.
  - d. For joint refunds, a non-liable spouse has the right to request their portion of the refund.
- C. Process Revenue Recapture claims and account updates you submit by the next business day.
- D. Remit refund payment(s) to you each business day.
- E. Make Reconciliation Reports available to you through e-Services.
- F. Notify you before making changes to Revenue Recapture requirements or procedures and provide an anticipated schedule for the changes.
- G. Audit you to ensure compliance with Minnesota Statutes and this Service Level Agreement.
- H. Make annual training available via Computer Based Training.
- I. Inactivate users who have not accessed e-Services in fifteen (15) months.

### **Data Practice Responsibilities**

- A. Private and confidential data on individuals may be exchanged between the department, the Taxpayer Rights Advocate, the Attorney General, the claimant agency, and the debtor as necessary to accomplish the intent of collecting debts using Revenue Recapture.
- B. Data we collect from you relating to claims filed under Revenue Recapture are private data on individuals.

- C. Revenue Recapture claims must be administered by employees of the claimant agency.
- D. Claimant agency employees who access the database must have disclosure and anti-browsing training within their agency.
- E. Any person employed by, or formerly employed by, a claimant agency who discloses any such information for other reason than collecting debts using Revenue Recapture, will be subject to civil and criminal penalties (Minnesota Statutes 270A.11).

**Legal Requirements**

- A. This agreement is effective for three (3) years unless canceled by either party.
- B. You will be suspended from participation in Revenue Recapture for a violation of the act. We will send you due notice, providing you an opportunity for a hearing before we suspend you.
- C. The authorized agent(s) for \_\_\_\_\_ (Agency Name)  
is/are: \_\_\_\_\_ (User Name)

The authorized agent for the Minnesota Department of Revenue is the Director of the Collection Division.

- D. You may not assign or transfer any rights or obligations under this Service Level Agreement without prior written approval of the department.
- E. The claimant agency and the department agree each party is responsible for their own acts and the results thereof to the extent authorized by law and will not be responsible for the acts of any others and the results thereof.
- F. Any amendments to this agreement must be in writing and must be executed by the same parties who executed the original agreement or their successors in office.



This agreement must be signed by your authorized agent and returned to us by 4:00 p.m. Friday, June 2, 2017. This agreement will become effective on the date signed by the Director of the Minnesota Department of Revenue Collection Division. This agreement supersedes all prior formal and/or informal agreements between the two agencies.

AGENCY NAME: \_\_\_\_\_  
SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_  
NAME (Printed): \_\_\_\_\_ TITLE: \_\_\_\_\_  
EMAIL: \_\_\_\_\_ PHONE: \_\_\_\_\_

APPROVED BY:  
Department of Revenue  
Collection Division

\_\_\_\_\_  
Sara Westly  
Director

DATE \_\_\_\_\_

**STATE OF MINNESOTA  
LE SUEUR COUNTY BOARD OF COMMISSIONERS, DRAINAGE AUTHORITY FOR LE SUEUR  
COUNTY DITCH 43**

**FINDINGS AND ORDER DIRECTING PROCEEDINGS TO REESTABLISH AND CORRECT DRAINAGE  
SYSTEM RECORD FOR LE SUEUR COUNTY DITCH 43 (Statutes §103E.101, subd. 4a)**

Commissioner \_\_\_\_\_ offered the following Resolution and moved its adoption, seconded by Commissioner \_\_\_\_\_:

**FINDINGS**

1. The Le Sueur County Board of Commissioners is the Drainage Authority for Le Sueur County Ditch (CD) 43.
2. After thorough investigation of the drainage system record, the Drainage Authority finds that the records establishing the alignment, profile, and right-of-way of CD 43 are incomplete.
3. Statutes Section 103E.101, subd. 4a allows the Drainage Authority to initiate proceedings to reestablish records defining the alignment; cross-section; profile; hydraulic structure locations, materials, dimensions, and elevations; or right-of-way of a drainage system as originally constructed or subsequently improved.

Therefore, the Drainage Authority makes the following:

**ORDER**

- A. The Drainage Authority shall follow the procedures of Statutes Section 103E.101, subd. 4a to reestablish and correct the drainage system record for CD 43 to reflect the functional alignment, dimension, grade and right-of-way of the system.
- B. The Drainage Authority appoints the engineering firm of ISG, Chuck Brandel, P.E., to investigate and report findings defining the alignment; cross-section; profile; hydraulic structure locations, materials, dimensions, elevations; and right-of-way of the drainage system.
- C. Drainage Authority staff, upon completion of the engineer's investigation, shall set a date, time and location for an informational meeting on the reestablished and corrected drainage system records.

[15741-0007/2640907/1]

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- D. Drainage Authority staff, upon completion of the informational meeting, shall set a date, time and location for a hearing on the reestablished and corrected drainage system records.
- E. Drainage Authority staff shall give notice of the hearing by mail to the commissioner of natural resources, the executive director of the Board of Water and Soil Resources, and all property owners benefited or damaged by the drainage system and shall give additional notice either in a newspaper of general circulation in the drainage system area or by publication on Drainage Authority's website and in all other ways as required by Board policy.

The question was on the adoption of the Resolution, and after discussion, the motion passed and the Findings and Order were adopted by a vote of \_\_ yes and \_\_ no.

Dated this 2nd day of May, 2017.

LE SUEUR COUNTY BOARD OF COMMISSIONERS,  
SEATED AS DRAINAGE AUTHORITY UNDER  
STATUTES CHAPTER 103E FOR LE SUEUR COUNTY  
DITCH 43

By \_\_\_\_\_  
Chairman, Board of Commissioners

\* \* \* \* \*

I, Pam Simonette, Le Sueur County Auditor-Treasurer, do hereby certify that I have compared the above resolution with the original thereof as the same appears of record and on file with the County and find the same to be a true and correct transcript thereof.

IN TESTIMONY WHEREOF, I hereunto set my hand this \_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Pam Simonette, Auditor-Treasurer

RESOLUTION \_\_\_\_\_

**STATE OF MINNESOTA  
LE SUEUR COUNTY BOARD OF COMMISSIONERS, DRAINAGE AUTHORITY FOR LE SUEUR  
COUNTY DITCH 44**

**FINDINGS AND ORDER DIRECTING PROCEEDINGS TO REESTABLISH AND CORRECT DRAINAGE  
SYSTEM RECORD FOR LE SUEUR COUNTY DITCH 44 (Statutes §103E.101, subd. 4a)**

Commissioner \_\_\_\_\_ offered the following Resolution and moved its adoption, seconded by Commissioner \_\_\_\_\_:

**FINDINGS**

1. The Le Sueur County Board of Commissioners is the Drainage Authority for Le Sueur County Ditch (CD) 44.
2. After thorough investigation of the drainage system record, the Drainage Authority finds that the records establishing the alignment, profile, and right-of-way of CD 44 are incomplete.
3. Statutes Section 103E.101, subd. 4a allows the Drainage Authority to initiate proceedings to reestablish records defining the alignment; cross-section; profile; hydraulic structure locations, materials, dimensions, and elevations; or right-of-way of a drainage system as originally constructed or subsequently improved.

Therefore, the Drainage Authority makes the following:

**ORDER**

- A. The Drainage Authority shall follow the procedures of Statutes Section 103E.101, subd. 4a to reestablish and correct the drainage system record for CD 44 to reflect the functional alignment, dimension, grade and right-of-way of the system.
- B. Drainage Authority appoints the engineering firm of ISG, Chuck Brandel, P.E., to investigate and report findings defining the alignment; cross-section; profile; hydraulic structure locations, materials, dimensions, elevations; and right-of-way of the drainage system.
- C. Drainage Authority staff, upon completion of the engineer's investigation, shall set a date, time and location for an informational meeting on the reestablished and corrected drainage system records.

[15741-0033/2640905/1]

1 of 2

- D. Drainage Authority staff, upon completion of the informational meeting, shall set a date, time and location for a hearing on the reestablished and corrected drainage system records.
- E. Drainage Authority staff shall give notice of the hearing by mail to the commissioner of natural resources, the executive director of the Board of Water and Soil Resources, and all property owners benefited or damaged by the drainage system and shall give additional notice either in a newspaper of general circulation in the drainage system area or by publication on Drainage Authority's website and in all other ways as required by Board policy.

The question was on the adoption of the Resolution, and after discussion, the motion passed and the Findings and Order were adopted by a vote of \_\_ yes and \_\_ no.

Dated this \_\_ day of \_\_\_\_\_ 2017.

LE SUEUR COUNTY BOARD OF COMMISSIONERS,  
SEATED AS DRAINAGE AUTHORITY UNDER  
STATUTES CHAPTER 103E FOR LE SUEUR COUNTY  
DITCH 44

By \_\_\_\_\_  
Chairman, Board of Commissioners

\* \* \* \* \*

I, Pam Simonette, Le Sueur County Auditor-Treasurer, do hereby certify that I have compared the above resolution with the original thereof as the same appears of record and on file with the County and find the same to be a true and correct transcript thereof.

IN TESTIMONY WHEREOF, I hereunto set my hand this \_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Pam Simonette, Auditor-Treasurer



Alcohol  
and Gambling  
Enforcement

Bureau of  
Criminal  
Apprehension

Driver  
and Vehicle  
Services

Emergency  
Communication  
Networks

Homeland  
Security and  
Emergency  
Management

Minnesota  
State Patrol

Office of  
Communications

Office of  
Justice Programs

Office of  
Pipeline Safety

Office of  
Traffic Safety

State Fire  
Marshal

## Driver and Vehicle Services

445 Minnesota Street • Saint Paul, Minnesota 55101

Driver Services Phone: 651.297.3298 • Vehicle Services Phone: 651.297.2126

Fax: 651.797.1120 • TTY: 651.282.6555

dps.mn.gov

April 18, 2017

Mr. Keith Carlson  
Executive Director  
Minnesota Inter-County Association  
161 St. Anthony, Suite 850  
St. Paul, MN 55103

Dear Mr. Carlson,

I am seeking your assistance in reaching out to all Minnesota counties with a message about the wheelage tax.

The 2013 Minnesota Legislature authorized all counties to collect a \$10 wheelage tax to support local transportation needs and beginning January 1, 2018 counties may increase the wheelage tax up to \$20 per year. Counties intending to start or increase the wheelage tax must notify Driver and Vehicle Services (DVS) of their intentions by August 1 by submitting a copy of the county board declaration or meeting minutes.

The declaration or meeting minutes must show the board approved the adoption of the wheelage tax, the amount to be collected and it must be received at DVS by August 1, 2017. This also applies to all counties that currently collect the wheelage tax and wish to change the tax from an amount other than \$10 or intend to end the collection of wheelage tax altogether.

The counties currently collecting the wheelage tax and not making a change in the tax amount for 2018 do not need to notify DVS; we will simply carry all programming forward to 2018.

I very much appreciate the help that the Minnesota Inter-County Association can provide DVS in getting this message out. Please feel free to contact me if you have any questions.

Sincerely,

Thomas Henderson  
Vehicle Services Program Director  
Driver and Vehicle Services Division  
Direct: 651-201-7654  
Email: thomas.henderson@state.mn.us

Enclosure: Minnesota Statutes Chapter 163.051

EQUAL OPPORTUNITY EMPLOYER

**163.051 COUNTY WHEELAGE TAX.**

Subdivision 1. **Tax authorized.** (a) Except as provided in paragraph (c), the board of commissioners of each county is authorized to levy by resolution a wheelage tax at the rate specified in paragraph (b), on each motor vehicle that is kept in such county when not in operation and that is subject to annual registration and taxation under chapter 168. The board may provide by resolution for collection of the wheelage tax by county officials or it may request that the tax be collected by the state registrar of motor vehicles. The state registrar of motor vehicles shall collect such tax on behalf of the county if requested, as provided in subdivision 2.

(b) The wheelage tax under this section is at the rate of:

(1) from January 1, 2014, through December 31, 2017, \$10 per year for each county that authorizes the tax; and

(2) on and after January 1, 2018, up to \$20 per year, in any increment of a whole dollar, as specified by each county that authorizes the tax.

(c) The following vehicles are exempt from the wheelage tax:

(1) motorcycles, as defined in section 169.011, subdivision 44;

(2) motorized bicycles, as defined in section 169.011, subdivision 45; and

(3) motorized foot scooters, as defined in section 169.011, subdivision 46.

(d) For any county that authorized the tax prior to May 24, 2013, the wheelage tax continues at the rate provided under paragraph (b).

Subd. 2. **Collection by registrar of motor vehicles.** The wheelage tax levied by any county, if made collectible by the state registrar of motor vehicles, shall be certified by the county auditor to the registrar not later than August 1 in the year before the calendar year or years for which the tax is levied, and the registrar shall collect such tax with the motor vehicle taxes on the affected vehicles for such year or years. Every owner and every operator of such a motor vehicle shall furnish to the registrar all information requested by the registrar. No state motor vehicle tax on any such motor vehicle for any such year shall be received or deemed paid unless the applicable wheelage tax is paid therewith.

Subd. 2a. **Tax proceeds deposited; costs of collection; appropriation.** Notwithstanding the provisions of any other law, the state registrar of motor vehicles shall deposit the proceeds of the wheelage tax imposed by subdivision 2, to the credit of the county wheelage tax account of each county. The amount necessary to pay the costs of collection of said tax is appropriated from the county wheelage tax account of each county to the state registrar of motor vehicles.

Subd. 3. **Distribution to county; appropriation.** On a monthly basis, the registrar of motor vehicles shall issue a warrant in favor of the treasurer of each county for which the registrar has collected a wheelage tax in the amount of such tax then on hand in the county wheelage tax account. There is hereby appropriated from the county wheelage tax account each year, to each county entitled to payments authorized by this section, sufficient moneys to make such payments.

Subd. 4. **Use of tax.** The treasurer of each county receiving payments under subdivision 3 shall deposit such payments in the county road and bridge fund. The moneys shall be used for purposes authorized by law which are highway purposes within the meaning of the Minnesota Constitution, article 14.

Subd. 5. [Repealed, 2008 c 154 art 2 s 33]

Subd. 6. [Repealed by amendment, 2013 c 117 art 3 s 4]

Subd. 7. **Offenses; penalties; application of other laws.** (a) Any owner or operator of a motor vehicle who willfully gives any false information relative to the tax authorized by this section to the registrar of motor vehicles or any county, or who willfully fails or refuses to furnish any such information, is guilty of a misdemeanor.

(b) Except as otherwise provided in this section, the collection and payment of a wheelage tax and all matters relating thereto are subject to all provisions of law relating to collection and payment of motor vehicle taxes so far as applicable.

**History:** 1971 c 830 s 11; Ex1971 c 48 s 12; 1973 c 492 s 14; 1973 c 551 s 1,2; 1976 c 2 s 172; 1986 c 444; 2003 c 112 art 2 s 50; 2008 c 350 art 1 s 4; 2008 c 366 art 9 s 1; 2009 c 101 art 2 s 109; 2013 c 117 art 3 s 4



# **South Central Transit Joint Powers Agreement**

## **Article 1**

### **Enabling Authority**

THIS AGREEMENT is made by and between the political subdivisions of the County of Blue Earth, County of LeSueur, County of Nicollet organized and existing under the Constitution and laws of the State of Minnesota, hereafter collectively referred to as "Parties", and individually as "Party" which are signatories to this "Agreement."

Minnesota Statutes, Section 471.59 provides that two or more governmental units may by Agreement jointly exercise any power common to the contracting Parties; and

Minnesota Statutes, Section 174.24 provides that a political subdivision may join together to support the provision of public transit services; and

It is in the best interests of the people of Blue Earth County, LeSueur County and Nicollet County (hereinafter the "Service Area") to enter into such an agreement in order to provide the local share of funding needed to provide transit services in the participating counties.

In consideration of the mutual promises and agreements contained herein and subject to the provisions of Minnesota Statutes, Sections 471.59, Minnesota Statute Section 174.24, and all other applicable statutes, rules and regulations, the Parties enter into the following agreement.

## **Article 2**

### **Purpose**

The Parties desire to establish a mechanism whereby they may jointly exercise powers common to each participating Party on issues requiring:

- A. Provision of the local funding share of a public rural transit system.
- B. Provision of other similar or related services and programs as determined by the Board.
- C. Establishment of procedures to add qualifying entities to this Agreement.
- D. Establishment of a mechanism whereby additional and/or alternative programs and services may be developed for the benefit of the Parties and in furtherance of the objectives of the Parties.

## **Article 3**

### **Name**

The name of this entity shall be South Central Transit.

## **Article 4**

### **Agreement to Participate**

4.1. Charter Members. A Party desiring to become charter member of the South Central Transit shall indicate its intent by adoption of a board resolution prior to July 1, 2017

4.2. New Members. The addition of a new Party may be considered by the Board if the prospective Party submits a resolution prior to July 1 each year. A new Party will be allowed to join the board upon approval of a simple majority of the Parties. A new Party will be added at the beginning of the fiscal year (January 1) after submission of the requesting Party's resolution.

4.3. Compliance. A Party agrees to abide by the terms and conditions of the Agreement; including but not limited to the Joint Powers Agreement, bylaws, policies and procedures adopted by the Board.

4.4. Financial Obligation.

It is intended and anticipated that funding for activities and services administered under this Joint Powers Agreement shall be limited to the local share requirements of a rural transit program. The financial commitment of each Party is limited to the Joint Powers Board's operating and capital costs obligation to VINE Faith in Action as determined annually by the South Central Transit Joint Powers Board after accounting for all state and federal funds, local fare box revenue and all other funds available to operate a rural transit program in the Service Area. The fiscal responsibility of South Central Transit shall be borne by the Parties in the following percentages and said allocation shall be evaluated annually during the budget development process:

County of Blue Earth 50%

County of Nicollet 25%

County of LeSueur 25%

If future additional funding is required of the Parties, this will be accomplished by separate resolution.

## **Article 5**

### **Governance**

5.1. Governing Board. A governing board shall be formed to oversee the operation of the South Central Transit and shall be known as the Board.

5.1.1. Membership. The Board shall be comprised of a County Commissioner appointed by the County of Blue Earth, a County Commissioner appointed by the County of LeSueur and a County Commissioner appointed by the County of Nicollet. Any Party represented on the Board may appoint an alternate County Commissioner, who may act in the place and stead of an absent Board member from that Party including the exercise of all voting rights of that member.

5.1.2 County Administrators or their designee shall be ex-officio members of the Governing Board.

5.1.3. Documentation. Resolutions or other documentation of designation shall be filed with the Secretary of the Board.

5.1.4. Members not Employees. Members of the Board will not receive compensation from the South Central Transit for their service.

5.2. Terms; Vacancies.

The terms of the Board members shall be up to two years and shall run through December 31. The members serve at the pleasure of their respective governing body. At the end of their terms, the individual Joint Powers Board members may be reappointed by their respective governing body. The appointing entity shall appoint a designee and/or alternate as soon as a vacancy occurs.

5.3. Officers of the Board. The Board shall elect a Chair and Vice Chair from its membership who shall serve through December 31 of the year following the initial election. Terms thereafter shall be for two years. This provision shall not prohibit an officer's reelection. Officers shall be chosen from among the voting Joint Powers Board members.

5.3.1. Election of Officers. The election of the Chair and Vice-Chair shall be conducted at the first meeting of the year.

5.3.2. Additions to the Board. The Board may elect or appoint such other officers as it deems necessary to conduct the affairs of the organization.

5.3.3. Secretary/Treasurer. The Board may elect or appoint a secretary/treasurer.

5.3.4. Committees. The Board shall have the authority to appoint such committees as it deems necessary to fulfill the purpose of the organization.

5.4. Meetings. The Board shall meet at least annually on a schedule determined by the Board and in all respects shall be in compliance with all applicable requirements of Minnesota Statutes, Chapter 13D. Notice of meetings to Board members will take place no less than seven (7) days prior to the meeting by phone, mail, or email.

5.5. Voting. A quorum shall consist of no less than fifty-one percent (51%) of board members or alternates eligible to vote. Board actions shall be determined by a majority of the votes cast at the meeting. Abstentions shall not be counted as votes cast for the purpose of this section. Proxy votes are not permitted.

5.6. By-Laws. The Board may adopt bylaws to govern its operations. Such bylaws shall be consistent with the Agreement and applicable law.

5.7. Amendments. This Agreement may be amended from time to time as deemed necessary.

5.8. Records, Accounts and Reports.

5.8.1. Records and Reports. The books and records, including minutes and the original fully executed Agreement, of the Board shall be subject to the provisions of Minnesota Statutes Chapter 13. Records, accounts and reports shall be maintained by the Secretary/Treasurer.

5.8.2. Receipts and Disbursements. The Board will ensure strict accountability for all funds of the organization and will require reports on all receipts and disbursements made to, or on behalf of the South Central Transit.

## **Article 6**

### **Powers of the Board**

6.1. General Powers. The Board is hereby authorized to exercise such authority and powers common to the Parties as is necessary and proper to fulfill its purposes and perform its duties. Such authority shall include the specific powers enumerated in this Agreement or in the bylaws.

6.2. Specific Powers.

6.2.1. Contracts. The Board may enter into contracts necessary for the exercise of its duties and responsibilities to govern the South Central Transit. The Board may take such action as is necessary to enforce such contracts to the extent available in equity or at law. Contracts let and purchases made pursuant to this Agreement shall conform to the requirements applicable to contracts required by law.

6.2.2 Annual Budget.

The Board shall prepare an annual budget presented to each member unit of government for review and comment no later than July 31 of each year. The Board shall consider any such comments received by a member unit of government in good faith, however the Board shall have exclusive and final decision making authority with respect to its budget.

6.2.3. Insurance. The Board shall obtain liability, property and auto insurance and may obtain such other insurance it deems necessary to indemnify the Board and its members for actions of the Board and its members arising out of this Agreement.

## **Article 7**

### **Indemnification and Hold Harmless**

7.1. Applicability. The South Central Transit shall be considered a separate and distinct public entity to which the Parties have transferred all responsibility and control for actions taken pursuant to this Agreement. South Central Transit shall comply with all laws and rules that govern a public entity in the State of Minnesota and shall be entitled to the protections of Minnesota Statutes 466.

7.2. Indemnification and Hold Harmless. The South Central Transit shall fully defend, indemnify and hold harmless the Parties against all claims, losses, liability, suits, judgments, costs and expenses by reason of the action or inaction of the Board and/or employees and/or the agents of the South Central Transit. This Agreement to indemnify and hold harmless does not constitute a waiver by any participant of limitations on liability provided under Minnesota Statutes, Section 466.04.

To the full extent permitted by law, actions by the Parties pursuant to this Agreement are intended to be and shall be construed as a “cooperative activity” and it is the intent of the Parties that they shall be deemed a “single governmental unit” for the purpose of liability, as set forth in Minnesota Statutes, Section 471.59, subd. 1a(a); provided further that for purposes of that statute, each Party to this Agreement expressly declines responsibility for the acts or omissions of the other Party.

The Parties of this Agreement are not liable for the acts or omissions of the other participants to this Agreement except to the extent to which they have agreed in writing to be responsible for acts or omissions of the other Parties.

## **Article 8**

### **Term**

This Agreement shall commence upon approval of the governing body of each Party and signature of the official with authority to bind the entity listed in Article 1.

The Agreement shall be in effect only with respect to the Parties who have approved and signed it.

## **Article 9**

### **Withdrawal and Termination**

9.1. **Withdrawal.** A Party may withdraw from the South Central Transit by providing the other Parties twelve (12) months' written notice of its withdrawal, delivered to each of the County Administrator(s) of the remaining Parties. The withdrawal will be effective on January 1<sup>st</sup> of the next calendar year. Upon receipt of such notice from one or more members, the remaining units of government may agree to continue this Agreement with the remaining members, add additional members, modify the Agreement, or discontinue the Agreement.

9.2. **Effective Date and Obligations.** Withdrawal shall be effective January 1. A withdrawing Party is obligated to meet all conditions of this agreement through December 31 of the last year of participation.

9.3. **Termination.** This Agreement shall remain in force until only one party remains at which time there will be dissolution of the Joint Powers Entity.

9.3.1 **Effects of Termination.** Termination shall not discharge any liability incurred by the Board or by the Parties during the term of the Agreement.

9.3.1A Financial obligations shall continue until discharged by law, this Agreement or any other agreement.

9.3.1B Property acquired by the South Central Transit shall be distributed to the remaining parties or sold and the proceeds distributed as surplus funds. Surplus funds of the South Central Transit shall be returned to the Parties in amounts in proportion to funds contributed.

**Article 10**  
**Counterparts**

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Counterparts shall be filed with the Chair who will maintain them.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed by the persons authorized to act for their respective Parties on the date shown below.

Each Party must complete the following. An original of each Party's execution of the Agreement should be attached to the Agreement and remain in a permanent file.

Approved as to form and execution:

\_\_\_\_\_ COUNTY OF \_\_\_\_\_  
County Attorney/Date By: \_\_\_\_\_  
Chair of Board

Date of Signature: \_\_\_\_\_

Attest: \_\_\_\_\_  
Clerk to Board