

MW's men's
basketball team
set for season
See Page B1

WEDNESDAY

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★ Counties deal with tax issues on turbines

EDITOR'S NOTE: This is the first in a series of stories about wind turbines and their impact on the rural landscape. Future articles will look at projects coming to Nobles and Jackson counties and the impact wind farms have on our region's transportation system.

BY JULIE BUNTJER
DAILY GLOBE

WORTHINGTON — A couple of years ago, Murray County collected more than \$1 million in production tax revenue from the wind turbines that span the horizon along the Buffalo Ridge.

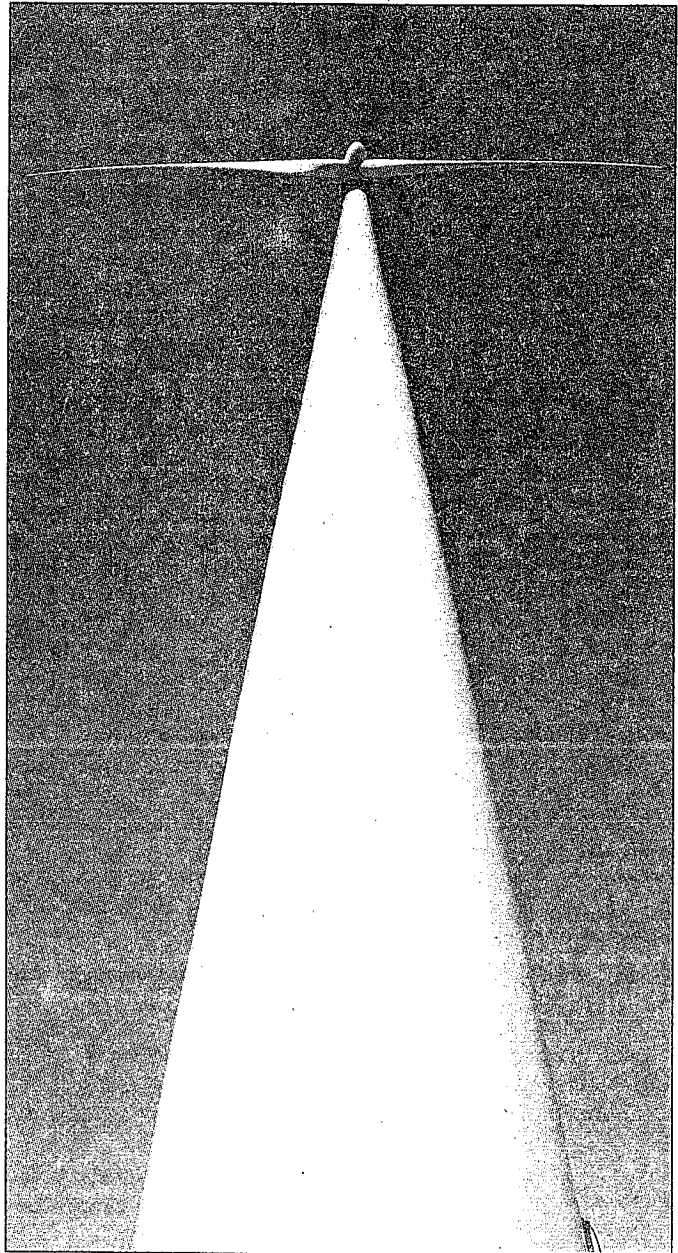
For several years, in fact, the county collected large amounts of tax dollars from the wind turbines and spent the money on special projects.

They built a new grandstand at the Murray County Fairgrounds, constructed a new county human services building on the edge of Slayton and erected a new storage building for county property.

"We had some major building projects," said Murray County Deputy Auditor Barb Lewis. "The (production tax revenue) went a long ways to help."

Then, in 2008, the Minnesota Legislature decided to make a change. Instead of letting all of the production tax dollars flow into a county for use as the county saw fit, lawmakers told counties the production taxes received must be included in the calculations used to determine maximum levies.

See TURBINES, Page A3



A turbine stands tall against a fall blue sky at the Fenton Wind Farm near Chandler.

BRIAN KORTHALS/DAILY GLOBE

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WORTHINGTON — "Finding a Cure for p.m., with Dr. Brian Flanagan, U of M
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Briefs

Funeral planned for Minn. soldier

MAPLEWOOD (AP) — Funeral arrangements are being planned for a Minnesota soldier who was killed at Fort Hood last week.

Pfc. Kham Xiong of St. Paul was among the 13 people who died in the shooting spree at the Army base in Texas. Another 29 people were wounded.

Yee Vang, a manager at Legacy Funeral Home in St. Paul, said a traditional three-day Hmong funeral for Xiong will begin at 9 a.m. on Sat., Nov. 28, at Legacy's Maplewood chapel. It will run through Monday afternoon, Nov. 30. Xiong will then be buried with military honors at Fort Snelling National Cemetery. The time hasn't been determined.

Xiong was 23 years old, married, with three young children. He had been preparing to deploy to Afghanistan.

Martin Luther King memorial unveiled

WATERLOO, Iowa (AP) — Fifty years after the Rev. Martin Luther King Jr. spoke at Waterloo's West High School, its renovated auditorium will be rededicated with a memorial to the slain civil rights leader.

West Principal Gail Moon said civil rights activist Anna Mae Weems, who brought King to Iowa, will speak during the ceremony, which will showcase the school's band, choir, orchestra and drama students.

Moon said the memorial is "designed around commemorating a significant person in a moment in time." The auditorium will retain its name. It was named after Edgar W. Kersensbrock, who was a West vice principal.

Woman accused of police assault

IOWA CITY, Iowa (AP) — An Iowa City woman has been accused of assaulting a police officer who responded to a report the woman was lying in the street.

TURBINES: Funds could support special projects

from Page A1

In essence, the move limited how high counties could set their levies, thereby providing some tax relief to property owners.

Because of the limits, counties can no longer afford to do special projects or, in some cases, maintain what they have.

In Cottonwood County, Auditor Jan Johnson said only about \$3,000 was collected in production tax in the year before the change took effect. It wasn't enough to do a special project with, but it was a start.

In 2009, Cottonwood County collected more than \$78,800 in production tax from 35 wind turbines.

"The sad thing about the whole thing is it means nothing," said Johnson. "There are no dollars for the county. In fact, with that law change, the county actually loses money on this."

With the way the legislation was written, 100 percent of the production tax must go toward the county's levy. From there, the county had to distribute 14 percent of the proceeds to the townships where the towers are located, with the remaining 6 percent paid to the school district.

In 2010, school districts will be removed from the funding formula, shifting 20 percent of the production tax income to the townships while the county retains 80 percent of the share.

"On the outside, it appears that we break even, but in our case, it cost us a little over \$15,000 in 2009," Johnson said.

Cottonwood County has the production tax issue at the top of its priority list, and county officials have repeatedly talked with state leaders to request the production tax be removed from the levy limit.

"The idea behind the production tax was to give the county and the townships extra income to pay for infrastructure," said Johnson. "(The heavy loads) do some

severe damage to the roads."

Annette Bair, a staff member with the Rural Minnesota Energy Board, said not only was the option taken away from counties to use the income for special projects, but the money can't be used on road or infrastructure projects either.

"It may be that special projects were never done because there weren't the funds to do it," she said.

That was the case in Murray County.

In 2009, Murray County collected nearly \$1.3 million in production tax from its 228 wind turbines in operation. After paying the township and school shares, it was left with little more than \$1 million and no option to use the funds as it sees fit.

Pipestone County, on the other hand, had used its proceeds from the production tax for property relief even before the state enacted the legislation requiring counties to do so.

Sharon Hanson, who has served as Pipestone County administrator for the last five years, said the funds in that time have always been used to offset the levy.

"Hopefully, what we're able to do with those savings then is to prioritize one project or another," she said.

Pipestone County, while home to 199 wind turbines, collected \$443,937 in production taxes in 2009. In 2010, Hanson said the county stands to collect \$357,000.

"Our wind turbines are smaller than the ones that are being sold now," she said.

While the change in state legislation didn't really impact Pipestone County, Hanson said, "We don't really need the state telling us how to spend the money. I think locally we can make the right decisions. It's better to do it that way and not have strings attached."

Thursday: The impact on Nobles and Jackson counties with major wind farms projects planned in 2010.

Pawlenty sl but struggle

MINNEAPOLIS (AP) — Gov. Tim Pawlenty shot a buck during the Governor's Deer Opener last weekend, but he and his hunting companions were unable to find the wounded animal.

Pawlenty hunted near Thief River Falls in northwestern Minnesota on Saturday morning on land owned by former state Rep. Wally Sparby. The buck ran off into the brush after the governor shot it.

"We gave her the old college try two days in a row," said Mark Johnson, executive director of the Minnesota Deer Hunters Association and an organizer of Pawlenty's annual outing.

Johnson said the governor fired from over 200 yards away, which Johnson said is a "fairly long shot" but still a reasonable distance. He said Pawlenty and his brother, Dan, then "went by the book," following the normal protocol of waiting at least 30 minutes to let the deer settle down and expire peacefully. Then they found blood on the ground showing where the deer had been hit, and reported it to their crew.

Most guides to hunting ethics say hunters should

make every wounded animal

Pawlenty w. cerned" Johr the governor- keep up the s he had to leave lenty, a potentia dential candid Republican Pa there Saturday

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...in civilian courts.

"Our military justice system is not bloodthirsty. That's clear," said Eugene R. Fidell, who teaches military law at Yale.

Much about Hasan's case

federal court. There hasn't been a military execution since 1961, though five men sit on the military's death row at Fort Leavenworth, Kan.

See SHOOTER, Page A5

Turbine tax named No. 1 priority

Editor's Note: This is the second in a series of stories about wind turbines and their impact on the rural landscape.

BY JULIE BUNTJER
DAILY GLOBE

WORTHINGTON — The Rural Minnesota Energy Board and the Association of Minnesota Counties have identified the wind turbine production tax as their No. 1 priority to be resolved in the upcoming legislative session. What they want is for the state to reverse its 2008 action that calculated production tax payments into a county's maximum levy. The move limited a county's ability to finance projects.

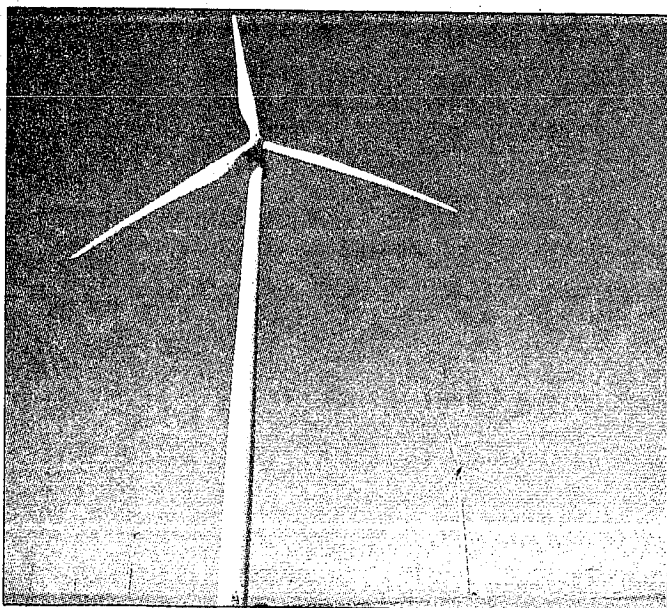
Both Nobles and Jackson counties have a keen eye on the outcome of the production tax issue, as major wind farm projects are planned for construction in each county in 2010.

In Nobles County, enXco is planning a 201-megawatt Nobles Wind Farm to consist of 134 turbines. The wind farm will be concentrated in Olney, Dewald, Larkin and Summit Lake townships.

In neighboring Jackson County, two projects are being developed for 2010 construction. Iberdrola Renewables will erect 58 turbines in Enterprise and Wisconsin townships near Jackson, while enXco plans to construct 134 turbines in Heron Lake and Hunter townships near Lakefield.

Nobles County Commissioner David Benson, who is also former chairman of the Rural Minnesota Energy Board (RMEB), said he was among those that fought hard to get the wind energy production tax in place. Now the counties are back where they started.

See TURBINE TAX, Page A3



BRIAN KORTHALS/DAILY GLOBE

A clear day highlights the windmills of Fenton Wind Farm near Chandler.

Murray County Central Superintendent Summer Pankonen (left) and Vice Commander Bill Brockberg congratulate Korean War veteran receiving his diploma Wednesday afternoon during the Veterans Day program.

Vet receives

Daily Globe 11-12-09

Oertli surprised at MCC event

BY JUSTINE WETTSCHRECK
DAILY GLOBE

SLAYTON — Most students receive a high school diploma at age 18, but Leander Oertli of Adrian waited considerably longer than that.

More than 60 years after dropping out of school at age 14, and to his total surprise, Oertli was handed a diploma from Murray County Central Wednesday during the Veterans Day program at the high school.

When his older brother left to serve in the military during World War II, Oertli left school to take his place on the family farm on the edge of Slayton. By the time his brother returned from the war, Oertli was too old to return to school.

"It was just too late to go back," he explained.

In 1951 he enlisted in the U.S. Army, serving two years primarily with the allied occupational forces in Germany during the Korean

War. He and his wife of 40 years, Colletta, live in Adrian. They have two daughters and two granddaughters, one a kindergartner at MCC.

In 1999, the Minnesota Department of Veterans Affairs and the state education agency, the Department of Children, Families and Learning, proposed to local school districts that they award high school diplomas to Minnesota veterans whose education was interrupted by World War II.

In his many files and clippings about Veterans Administration benefits and veteran news, Oertli found information about getting a diploma. He contacted Nobles County Veterans Service Officer Bill Brockberg with a request and filed an application in June.

"I would like to apply for my high school diploma," Oertli wrote. "I had to drop out of school, as my brother was in the service and I had to help on the farm. A copy of my honorable discharge is in your file."

See VET, Page A5



Commander Brockberg presents the veteran with his diploma at the Veterans Day program at Murray County Central High School.

RL-B presents 'Nunsens

BY LAURA GREVAS
DAILY GLOBE

ROUND LAKE — Get ready to laugh along with a crew of scheming nuns and a male Julia "Child of God," as Round Lake-Brewster High School presents "Nunsens: The Mega-Musical Version" at 7 p.m. Friday and Saturday in the school's Round Lake gymnasium.

In Dan Goggin's "Nunsens," the Little Sisters of Hoboken's trouble begins when their cook makes some bad soup — some real-

ly bad soup.

"The sisters are found face down, not breathing," explained Shari Nelson, who serves as the drama director along with music director Melissa Morris. "They had to spend the money to bury the sisters, but they were a little short. ... so they have sisters in the freezer, and they're doing a fundraiser."

The surviving sisters contribute their talents to the fundraising show at Mount St. Helen's School, all the

while singing "We Have to Freeze" and "Be a Star."

Nelson said she was chosen to almost all, although she and her sister, Ch...

"I like to break the stereotype of nuns not being able to sing, but it's still a challenge. I get a lot of scenes with them, aren't quite

Fascinating facts

PLOT, THICKENING

Can you believe this?

GOLDSBORO, N.C. (AP) — A middle school in

Outside story

COLLECTOR: LEE COLLIER
is part of an Army unit that left a month ago for Iraq, a war front her brother-in-law

members like Viers filled a community center gymnasium to hear words of thanks

Sens. Al Franken and Amy Klobuchar and Rep. Betty McCollum also extended

Officials also offered well wishes to the 2,200 Minnesota residents currently serv-

moved passed him and again as Taps played near the end of the ceremony.

TURBINE TAX: Additional money could fund special projects

from Page A1

Initially when wind turbines began cropping up in rural Minnesota, counties were only collecting a tax on the base and the tower — a mere 10 percent of the value of the turbine, said Benson. “We, on the Rural Minnesota Energy Board, said that’s ridiculous — there’s not enough income to the local entities,” he added.

Eventually, RMEB backed a plan in which counties would collect property taxes on 30 percent of the assessed value of the entire tower — including the nacelle, which is the turbine’s generator. Benson said the nacelle is 90 percent of a turbine’s overall value.

Not long after the state changed the tax formula, one of the major wind energy companies took Lincoln County to tax court on the issue. Benson said the legal fight lasted for about 18 months and ended in a settlement. Still, the county was left with a legal bill of more than \$100,000.

“We saw that as just not fair,” said Benson.

The next year, RMEB convinced the state that the Minnesota Department of Revenue needed to do the assessments on wind towers and defend that assessment in a court of law if necessary.

As time went on and towers depreciated in value — at least

on paper — the Sustainable Energy for Economic Development (SEED) Coalition went to work to developing a tax that would be collected based on the amount of energy production from each turbine.

The wind energy production tax went into effect in 2003. “This was something that was supposed to be in addition to what the normal state aid is,” said Benson.

It was extra money until it was taken away by the Minnesota Legislature in 2008.

“Two years ago, this was all gravy for the counties,” said Nobles County Assessor Byron Swart. “Lincoln, Murray and Pipestone (counties) had big (wind turbine developments), so they got the most money.”

Swart said those counties could do special projects with the additional money coming in through the production tax — projects in which the county didn’t have to go to the taxpayers with either bonding projects or property tax increases.

“With the money (Nobles County) could build a library,” said Swart.

That would certainly be an option, agreed Benson. However, if the state does reverse its decision on the disbursement of production tax revenue, he said he would like to see the money spent on things like roads and bridges, or programs

that reduce crimes and benefit families.

“Transporting these large loads has an impact on our roads,” said Benson. “We have so many needs. We may lose our program aid, and I would like to put (the tax revenue) into preventive work.”

He specifically mentioned more funding for Community Correction’s Circle Sentencing program, early intervention with mental health and addressing the rising number of out-of-home placements managed by the county’s family services department.

“This would be something that we wouldn’t have to tap into reserves or raise the property taxes (to fund),” Benson said.

Rising revenues

In 2009, Nobles County collected approximately \$125,000 in wind energy production tax dollars from 37 turbines. That money, in essence, reduced what the county could levy in property taxes. Residents see a slight tax break as a result of the state’s change, but it has ramifications for counties already struggling to keep within their budgets.

It will only get worse if changes aren’t made to the formula before the 2010 wind farm developments are completed.

Swart said Nobles County anticipates property tax rev-

enues from turbines to jump to more than \$1 million by the time the turbines are fully online and producing energy in 2012.

In Jackson County, Auditor-Treasurer Kevin Nordquist said the county collected \$219,000 in wind energy production tax revenue in 2009. Of that, the county retained \$175,000, while \$31,000 went to the townships where wind turbines are located, and \$13,000 was paid to the school districts.

In 2010, with school districts taken out of the funding formula for wind energy production tax revenue, 80 percent of the tax stays with the county and the remaining 20 percent goes to the township. Nordquist said Jackson County will collect \$350,000 and the townships will get \$90,000. The county currently has 114 wind turbines in production.

“We do not expect to see full production revenues from the new towers until payable 2013,” Nordquist said.

By then, the county will have approximately 306 towers in operation, generating an estimated \$1.34 million in wind energy production tax revenue for the county and townships.

The hope now is that before those new turbines come on line, the state will no longer tie production tax revenues to levy limits.

“Wind development is occurring in areas where we didn’t think it ever would,” said Benson, adding that with more counties realizing the tax formula needs to change, more support is being gathered to present to the legislature.

Benson said areas of the state that initially didn’t seem conducive to wind energy production are now looking to wind turbines as a source of revenue — including counties in northwest and west-central Minnesota, southeast Minnesota near Rochester and even along the state’s North Shore.

Wind energy development projects will continue to crop up as long as it’s profitable and, according to Benson, it is the major U.S. companies and international players that are reaping the benefits.

“We want wind energy for the benefit of the planet, but we should all be able to benefit,” Benson said.

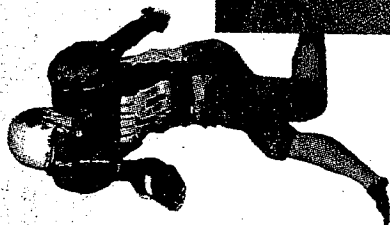
“The individual landowner that has a tower (contract) gets a good payment, but that’s just a miniscule of the profit these companies are getting.”

See Friday’s edition of the Daily Globe to read about the weighty issues of wind energy development in southwest Minnesota, in particular the impact wind farm construction has on the region’s roads and bridges.

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Adrian gears up for
state playoffs
See Page B1



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Turbines: Heavy loads damage roads

EDITOR'S NOTE: THIS IS THE FINAL SEGMENT IN A SERIES OF STORIES ABOUT WIND TURBINES AND THEIR IMPACT ON THE RURAL LANDSCAPE.

BY JULIE BUNTJER
DAILY GLOBE

WORTHINGTON — In southwest Minnesota, farmers have struggled through months, even years, of low commodity prices for the food they produce — from pork chops to a glass of milk. Then, along came companies like enXco, offering those same farmers and landowners an opportunity — a chance to take some of their land out of production and, in its place, erect wind

turbines to harvest one of the region's greatest natural resources.

The concept seems a win-win for landowners. They collect income from the utility company, and still have the ground underneath to plant crops or use as pasture for grazing livestock.

The townships and counties benefit as well, with each taking in a share of the wind energy production tax revenue. In 2010, townships will collect 20 percent of the tax revenue, while the remaining 80 percent goes to the county.

Until a year ago, counties used that money to complete special projects. In Murray County, a new grandstand was built at the fairgrounds,

a new human services building was constructed on the edge of Slayton, and a storage facility was also constructed in the county.

When changes were made in the tax code by the Minnesota legislature in 2008, counties no longer had the flexibility to use the funds for special projects. Instead, the money was put toward their operating levies.

In Nobles County, with just 38 wind turbines in operation, approximately \$125,000 in wind energy production tax was collected in 2009. That money lowered the total amount of tax dollars the county could collect from its residents.

At the same time, it all but eliminated a county's ability to

fund special projects without bonding for it or raising taxes.

That's a concern for counties that already face levy limits from the state. It's also a concern for those who work to maintain our rural roads and bridges.

Developing protocol

Tim Stahl, Jackson County Highway Engineer, is among a group of engineers from across southern Minnesota that, for more than a year, has examined the issues associated with the large loads hauling wind turbine parts through the county, and the toll those heavy loads are taking on the road system.

See **ROADS**, Page A3



Ana Luisa Fajer Flores, consul general of Mexico in St. Paul, answers a question Thursday night during a University of Minnesota panel discussion on immigration. She said within 10 years the numbers of Mexicans no longer will be moving the United States.

ROADS: Wind turbine revenue is 'wonderful' but comes 'with cost'

from Page A1

"What we're working on is to address the concerns we have as county engineers," said Stahl. Together, the group is working on a Best Management Practices plan for wind farm development as it pertains to local land use and road authorities.

Once completed, the plan will quantify the damage large loads have on the roads and provide protocol that will explain the responsibility utility companies have to keep the roads maintained.

"These companies want to start (construction) before spring load restrictions are lifted," said Stahl. "Just a few loads in the spring will destroy a road. I've heard 80 percent of damage to a road can occur in the six to eight weeks of spring load restrictions."

There are other issues, too, like who should pay for bridge structure analyses on roads where the overweight vehicles travel, and what the developer's responsibility is with regard to traffic flow.

The long loads require moving stop signs at rural intersections to provide enough room for the trucks to turn. Stahl questioned who pays for the costs of relocating stop signs and monitoring temporary, moveable stop signs during construction.

"By using this (Best Management Plan), we can show the legislature that these things don't come without a fee," he said.

"The revenue (from wind turbines) is wonderful, but it

Component	Weight (lbs)	Number of Trucks
Tower - base	43	1
Tower - lower mid	25	1
Tower - upper mid	40	1
Tower - top	37	1
Blade (each)	9	2 or 3
Nacelle	58	1
Hub	25	1
Concrete (per foundation)		50
Reinforcing Steel (per foundation)	30	1 or 2

This graphic shows the weight of various parts needed to construct a wind turbine, and the number of trucks that will transport the parts and materials to their destination.

doesn't come without a cost. The amount of damage we've seen on the two projects we had in Jackson County was that the road life is consumed by these projects," he added. "We are trying to get a handle on this ahead of time — sharing information with these companies so better decisions are made."

Collecting fees

Already, Jackson County charges an additional fee for overweight and over-dimension loads that travel the county's road system. Murray County does as well, while Rock, Pipestone and Cottonwood counties do not charge an added fee.

In Nobles County, Public Works Director Stephen

county (should) get income to do projects and catch up on some of the back log," he said.

With just 38 wind turbines operating in Nobles County today, Schmieder said the county hasn't seen any damage yet to local roads and bridges. However, he said few of the county's roads were used to bring in parts for the largest wind farm — part of the Fenton Wind project in northern Nobles County.

"This (next project) is a bit different," Schmieder said. "All of the loads are going to come across Nobles County."

Even with a fee schedule in place, Schmieder said the income will be far below what will be needed for road maintenance.

"We may get \$10,000 in fees, but we'll have half a million dollars in costs to repair the roads," he said.

Among the fees the county is considering is a fee for visual repairs and a fee for unseen damage to the roadways that can't be seen at the time of the project. It is also looking at how many miles the overweight and over-dimension loads are traveling and may end up charging a rate per mile for those vehicles, said Schmieder.

There is another factor in Nobles County that is also driving the need to implement fees — the economy.

"Public Works took a 15-percent reduction in 2010," said Schmieder. "When you're looking at a loss of revenue ... we're looking at recouping some of those maintenance costs."

Taking a toll

Stahl said establishing a fee system for overweight and over-dimension loads is "not to be prohibitive of development, but protective of the road development" counties have in place.

Road damage caused by overweight loads may not be seen for years.

"Cracks start on the bottom and work their way up," he said. Cracks shorten the road life, causing counties to put more money into repairs and reconstruction projects.

Schmieder said roads are built with a 25-year design, meaning that after 25 years, counties know they will likely begin to see wear issues on the roadway. With excessive travel by overweight vehicles, however, he said roads may need to be redone in 12 or 15 years instead.

"The surface of the road won't last as long," said Schmieder, adding that the public may start to see issues like ruts in the road, shoulders that have worn away and stripping wear due to overweight loads traveling over fog line and center striping. Gravel roads would need additional maintenance and material for proper upkeep, and additional cribbing may be needed underneath bridges to add more support for the overweight loads.

"Our interest is always the public," Schmieder said. "Who pays for the roads (damaged by wind energy companies)? It shouldn't be the taxpayers."