

October 2, 2018  
Cottonwood County Board of Commissioners  
Regular Meeting  
Minutes

The Cottonwood County Board of Commissioners met in regular session on Tuesday, October 2, 2018 at 9:00 a.m. at the Cottonwood County Courthouse in Windom, MN. Present for all or portions of the meeting were: Commissioners Tom Appel, Donna Gravley, Kevin Stevens, Norm Holmen, Jim Schmidt; County Coordinator Kelly Thongvivong, County Attorney Nick Anderson, Auditor/Treasurer Jan Johnson, Kathy Marsh, Nick Klisch, Jesse Harmon, Tracy Henning, Drew Hage, Gale Bondhus, Steve Nasby, and Rahn Larson.

Chairman Gravley called the meeting to order. The Pledge of Allegiance was recited. Motion by Appel, second by Stevens, unanimous vote to approve the agenda as amended. Motion by Holmen, second by Schmidt, unanimous vote to approve the minutes of the September 18, 2018 regular board meeting.

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Jesse Harmon, Brown-Nicollet Community Health Director, met with the board regarding the Environmental Health Contract and 2018 license fees. Harmon informed the board that Karen Swenson retired as of May 31, 2018 and he took over the Director position as of June 1, 2018. Harmon informed the board that there will be no change to the license fees for establishments in 2019. Harmon did state that the special event license fee will increase \$5 in 2019. Harmon also stated that the new Minnesota Food Code will take effect January 1, 2019, and that public hearings will be held in each county. Harmon also presented a new contract and stated that there is an increase of 5% for services for 2019. Motion by Holmen, second by Schmidt, unanimous vote to approve the 2019 Environmental Health Contract with the Brown-Nicollet Community Health Board as presented and acknowledge the increase of 5% for services.

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Tracy Henning, Treatment Court Coordinator, met with the board and gave an update on the Cottonwood County Treatment Court program. Henning stated that the program is an 18 month program and that there have been 24 graduations to date. Henning also stated that that program was initially a 4 phase program and has been revised to a 5 phase program.

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A public hearing was held in regard to the residential property tax abatement applied for by Joel and Dawn Luitjens for the construction of a single family home on parcel number 19-723-0050. No opposition to the abatement was heard prior to or at the hearing. Motion by Appel, second by Schmidt, unanimous roll call vote to approve the Joel and Dawn Luitjens Home Initiative application and resolution 18-10-02 as follows:

**Resolution No. 18-10-02**

**RESOLUTION APPROVING TAX ABATEMENT FOR  
CERTAIN PROPERTY PURSUANT TO MINN. STAT. §469.1813**

**WHEREAS**, Minnesota Statutes §469.1813 gives authority to the County of Cottonwood to grant an abatement of property taxes imposed by the County if certain criteria are met; and

**WHEREAS**, in addition to the statutory requirements, on December 13, 2016, the Cottonwood County Commissioners adopted the Cottonwood County Home Initiative Guidelines (the "Guidelines") which must be met before an abatement of taxes will be granted for residential development; and

**WHEREAS**, Joel Luitjens and Dawn Luitjens, husband and wife, (the "Luitjens") are the owners of the following described real estate within Cottonwood County, Minnesota:

Parcel #: 19-723-0050

Address of Property: 1139 Bingham Lake Drive, Bingham Lake, MN 56118

Legal Description of Property: Lot 5 in Block 1 of Smith South Shore Addition in the City of Bingham Lake, Cottonwood County, Minnesota; and

**WHEREAS**, Luitjens propose to construct a new home on this property; and

**WHEREAS**, Luitjens have made application to Cottonwood County (the "County") for the abatement of taxes as to the above-described parcel; and

**WHEREAS**, Luitjens have met the statutory requirements outlined under Minnesota Statutes §469.1813 Subdivision 1(1) and Subdivision 1(2)(i) as well as the County's Home Initiative guidelines for tax abatement; and

**WHEREAS**, the County expects the benefits to the County of the proposed abatement agreement to at least equal the costs to the County of the proposed agreement and finds that the proposed abatement is in the public interest because it will increase or preserve the tax base.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF COTTONWOOD COUNTY, MINNESOTA, AS FOLLOWS:**

1. Cottonwood County does hereby grant an abatement to Joel Luitjens and Dawn Luitjens, husband and wife, of the County's share of real estate taxes upon the above-described parcel based on the proposed construction of a new single-family home on said parcel.
2. The tax abatement will be for no more than five (5) years commencing on the first year of taxes payable for the assessed value related to the capital improvement (new home) outlined above.
3. The County shall provide the awarded abatement payment following payment by the property owners of the real estate taxes due annually. One single payment of the County's share of the abatement shall be made to the property owners of record by December 30th of that calendar year.
4. The tax abatement shall be for the residential capital improvements only. Land values and the current base value are not eligible and will not be abated.
5. The abatement shall be null and void if construction of the new home is not commenced within six (6) months of the approval of this resolution or if real estate taxes are not paid on or before the respective annual payment deadlines.

Adopted this 2nd day of October, 2018.

S/Donna L. Gravley, Board Chairman

S/Jan Johnson, Auditor/Treasurer

A public hearing was also held in regard to the residential property tax abatement applied for by LaCanne Funeral Homes, LLC for the construction of a three single family homes on parcel numbers 25-362-0020, 25-362-0030, and 25-362-0040. No opposition to the abatement was heard prior to or at the hearing. Motion by Holmen, second by Stevens, unanimous roll call vote to approve the LaCanne Funeral Homes, LLC Home Initiative application and resolution 18-10-02A as follows:

**Resolution No. 18-10-02A****RESOLUTION APPROVING TAX ABATEMENTS FOR  
CERTAIN PROPERTIES PURSUANT TO MINN. STAT. §469.1813**

**WHEREAS**, Minnesota Statutes §469.1813 gives authority to the County of Cottonwood to grant an abatement of property taxes imposed by the County if certain criteria are met; and

**WHEREAS**, in addition to the statutory requirements, on December 13, 2016, the Cottonwood County Commissioners adopted the Cottonwood County Home Initiative Guidelines (the "Guidelines") which must be met before an abatement of taxes will be granted for residential development; and

**WHEREAS**, LaCanne Funeral Homes, LLC ("LaCanne") is the owner of the following described real estate within Cottonwood County, Minnesota:

Parcel #s: 25-362-0020, 25-362-0030, & 25-362-0040

Addresses of Properties: 2275 Seventh Avenue, Windom, MN 56101  
2265 Seventh Avenue, Windom, MN 56101  
2255 Seventh Avenue, Windom, MN 56101

Legal Descriptions of Properties: Lot 2, Block 1; Lot 3, Block 1; and Lot 4, Block 1  
all in Hoffmann LaCanne Subdivision in the City  
of Windom, Cottonwood County, Minnesota and

**WHEREAS**, LaCanne proposes to a construct a new home on each of the three lots listed above; and

**WHEREAS**, LaCanne has made application to Cottonwood County (the "County") for the abatement of taxes as to the above-described three parcels; and

**WHEREAS**, LaCanne has met the statutory requirements outlined under Minnesota Statutes §469.1813 Subdivision 1(1) and Subdivision 1(2)(i) as well as the County's Home Initiative guidelines for tax abatement; and

**WHEREAS**, the County expects the benefits to the County of the proposed abatement agreements to at least equal the costs to the County of the proposed agreements and finds that the proposed abatements are in the public interest because they will increase or preserve the tax base.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF  
COTTONWOOD COUNTY, MINNESOTA, AS FOLLOWS:**

1. Cottonwood County does hereby grant abatements to **LaCanne Funeral Homes, LLC** of the County's share of real estate taxes upon the above-described parcels based on the proposed construction of a new single-family home on each of said lots.
2. The tax abatements will be for no more than five (5) years commencing on the first year of taxes payable for the assessed values related to the capital improvements (new homes) outlined above.
3. The County shall provide the awarded abatement payments following payments by the property owners of the real estate taxes due annually. One single payment of the County's share of the abatement for each lot shall be made to the property owners of record for said lot by December 30th of that calendar year.
4. The tax abatements shall be for the residential capital improvements only. Land values and the current base values are not eligible and will not be abated.
5. The abatements shall be null and void if construction of the new homes is not commenced within six (6) months of the approval of this resolution or if real estate taxes are not paid on or before the respective annual payment deadlines.

Adopted this 2nd day of October, 2018.

S/Donna L. Gravley, Board Chairman

S/Jan Johnson, Auditor/Treasurer

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Commissioner Norm Holmen gave an update on PrimeWest. Holmen stated that 11 of 12 counties are participating and that it will take effect on January 1, 2020.

Commissioner Jim Schmidt gave an update on Pat's Grove. Schmidt stated that Ashley Soleta will take on the roof replacement on the building at Pat's Grove as her senior project. Schmidt stated that before the roof can be replaced some tuck-pointing will need to be done to the building. Schmidt also gave an update on the window grant. Schmidt stated that we did not get the grant and that one option would be to apply for a small \$20,000 grant to hire a historical architect to help with the process.

Commissioner Kevin Stevens updated the board on some of his findings regarding the east steps of the Courthouse. Stevens also gave an update on the Energy Board meeting he attended.

Commissioner Gravley wanted to remind Courthouse employees to be cooperative and patient as the hiring process for a Building and Grounds Worker proceeds.

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Nick Klisch, County Engineer/Public Works Director, presented bids for the bridge replacement in Storden Township, Project 017-599-108. Bids were as follows: Mathiowetz Construction Company - \$112,850.00 and Midwest Contracting, LLC - \$153,188.00. Motion by Schmidt, second by Stevens, unanimous vote to accept the bid from Mathiowetz Construction Company in the amount of \$112,950.00 for Project 017-599-108, bridge replacement in Storden Township.

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Kelly Thongvivong, County Coordinator, met with the board to discuss a few items. Motion by Appel, second by Stevens, unanimous vote to hire Terry Thompson as full-time Solid Waste Technician pending successful completion of all hiring requirements. He will begin on Range 10, Step A of the 2018 pay matrix.

Motion by Schmidt, second by Stevens, unanimous vote to hire Aimee Kruse-Sayavong as full-time Deputy Recorder pending successful completion of all hiring requirements. She will begin on Range 9, Step A of the 2018 pay matrix.

Consensus of the board is offer the Buildings and Grounds Worker position to the top candidate at a wage equal to Range 8, Step E of the 2018 pay matrix.

Thongvivong presented the Procurement Policy and stated that one comment had been received. Thongvivong stated the comment was to change the amount for Public Works from \$5,000 to \$7,500 in Section IV – Authority Levels. Motion by Schmidt, second by Stevens to adopt the Procurement policy as presented with an amendment to Section IV changing \$5,000 to \$7,500 for the Public Works Department and to eliminate Policy #470. Voting Aye – Appel, Schmidt, Stevens. Voting Nay – Holmen. Motion passed.

Thongvivong stated that the lease for the County Attorney's office will end on December 31, 2018, and that Tom White has approached the County Attorney as to the County's intentions. After much discussion, the County Attorney should draft a 6-month lease for the period of January 1 through June 30, 2019, with a rental rate increase equal to the 2019 levy increase, and that tenant will be responsible for snow removal.

Thongvivong stated that the SW/WC Service Cooperative previously

Extended their initial lease to June 30, 2019, and have since requested to extend the lease again to the fall of 2020. After much discussion, motion by Appel, second by Holmen, unanimous vote (Commissioner Schmidt absent) to extend the lease with SW/WC Service Cooperative until October 31, 2020, and to keep the rental rate the same, \$14.00 per square foot.

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Motion by Stevens, second by Holmen, unanimous vote to approve October warrants as follows:

County Revenue Fund	\$ 75,245.25
County Building Fund	\$ 4,279.07
Ditch Fund	\$ 237.60
County Revenue Fund	\$ 37.90
Road and Bridge Fund	\$ 26,204.37
Waste Abatement/Score Fund	\$ 2,725.00
Landfill Enterprise Fund	<u>\$ 8,467.28</u>
	\$117,196.47

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Commissioner Tom Appel led discussion regarding the Cottonwood County credit card policy. Appel stated that there is a credit card policy that was adopted in October 11, 2005. After much discussion, consensus of the board is to update the credit card policy and add to the personnel policy.

Appel also gave an update on the CPT meeting he attended on September 27<sup>th</sup> and an update on the 10<sup>th</sup> Street Office building. Motion by Holmen, second by Schmidt, unanimous vote to accept the proposal from ISG for the services of: design development, construction documents, bid administration, and construction administration, in the amount of \$22,300.

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There being no further business, the meeting was adjourned at 11:16 a.m.

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Jan Johnson, Auditor/Treasurer

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Donna L. Gravley, Board Chair

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Kelly Thongvivong, County Coordinator