

**LINCOLN COUNTY BOARD OF COMMISSIONERS  
MEETING MINUTES**

February 5, 2019  
Courthouse Commissioner Room  
Ivanhoe, MN 56142

The meeting was called to order at 9:00 a.m. by Board Chair Mic VanDeVere, followed by the Pledge of Allegiance. Commissioners present were Joe Drietz, Rick Hamer, Corey Sik, Mic VanDeVere and Jack Vizecky. Also present were Lincoln County Auditor-Treasurer, Deb Vierhuf and Lincoln County Attorney, Glen Petersen. No conflicts of interest were noted.

Motion by Hamer, seconded by Drietz to approve the January 22, 2019 minutes. All voted in favor.

Motion by Vizecky, seconded by Sik to approve the February 5, 2019 agenda. All voted in favor.

Motion by Vizecky, seconded by Hamer to approve the 3.2 "Off Sale" Malt Liquor License and the Tobacco License for 19 & 75 Filling Station, LLC. All voted in favor.

The Public Hearing for the Citizen Participation in the Small Cities Grant Program was called to order at 9:05 a.m.

Teresa Schreurs, Director of Community Development, presented information about the Small Cities Development Program. Lincoln County is seeking \$595,937 through the Small Cities Development Program to assist rental property owners with rehabilitation funding for health and safety issues, energy efficiency, accessibility, and lead based paint hazards in the cities of Tyler and Lake Benton. The project is seeking funding for 5 single family rental units, 6 duplex rental units, and 36 multifamily units in buildings with 3 or more units.

The financing structure that will be used includes a 70% deferred loan from the SCDP funding. 100% is deferred after 5 years provided the rental property owner maintains income and rent requirements. The balance is reduced by 20% each year. Local loan funds will be made available for interested rental property owners for up to 15% of the construction costs. Applicants would be allowed to repay this amount over the course of 10 years. The remaining 15% of the project cost is the owner's share.

Eligible rental property owners will be able to apply for up to \$20,000 per unit for single family rental units and \$12,500 per unit for rental properties with 2 or more units.

The SCDP application will be submitted in February and award announcements are expected in June. Outreach to rental property owners on the waiting list is expected to occur in approximately October. It is estimated that projects will be bid and awarded in January/February 2020. Proposals will be sought for an experienced grant administrator. If DSI is selected, they have past experience with the City of Tyler in administering SCDP projects. Applicants will be required to comply with all federal requirements including historic requirements. None of the properties on the waiting list are on the National Register of Historic Places.

Schreurs inquired if there would be a conflict of interest with any of the Commissioners and stated that each of the Commissioners will need to sign a Tennessee Warning and a conflict of interest form.

Schreurs presented Local Government Resolution No. 11-2019. Motion by Vizecky, seconded by Hamer to approve Resolution 11-2019 Local Government Resolution. All voted in favor.

**Local Government Resolution**

**No. 11-2019**

Applicant Name: Lincoln County

BE IT RESOLVED that Lincoln County act as the legal sponsor for the project contained in the Application to be submitted on February 28, 2019 and that Lincoln County Board Chair and Auditor-Treasurer are hereby authorized to apply to the Department of Employment and Economic Development for funding of this project on behalf of Lincoln County.

BE IT FURTHER RESOLVED that Lincoln County has the legal authority to apply for financial assistance, and the institutional, managerial and financial capability to ensure adequate construction, operation, maintenance and replacement of the proposed project for its design life.

BE IT FURTHER RESOLVED that Lincoln County has not violated any Federal, State or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that upon approval of its application by the State, Lincoln County may enter into an agreement with the State of Minnesota for the approved project, and that Lincoln County certifies that it will comply with all applicable laws and regulations as stated in all contract agreements.

NOW, THEREFORE BE IT RESOLVED that Lincoln County Board Chair and Auditor-Treasurer, or their successors in office, are hereby authorized to execute such agreements, and amendments thereto, as are necessary to implement the project on behalf of the Applicant.

I CERTIFY THAT the above resolution was adopted by the Board of Commissioners of Lincoln County on February 5, 2019.

ATTEST:

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Mic VanDeVere, 2019 Board Chair

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Deb Vierhuf, County Auditor-Treasurer

Schreurs presented Resolution 13-2019 a Resolution for Cooperative Agreement FY'2019 Small Cities Development Grant. Motion by Hamer, seconded by Sik to approve Resolution 13-2019 A Resolution for Cooperative Agreement FY'2019 Small Cities Development Grant. All voted in favor.

**No. 13-2019  
A Resolution for  
Cooperative Agreement  
FY'2019 Small Cities Development Grant**

WHEREAS, Lincoln County (County), the Lincoln County Housing and Redevelopment Authority (HRA), the City of Tyler (City or Cities) and the City of Lake Benton (City or Cities), combined become (the Parties) have jointly submitted a Preliminary Proposal for the Department of Employment & Economic Development's (DEED) Fiscal Year 2019 Small Cities Development Grant (SCDP); and,

WHEREAS, the Parties desire to jointly submit a full SCDP Grant application for Fiscal Year 2019 funds; and,

WHEREAS, it is important for administrative purposes to have arrangements in place which will guide the implementation of the Small Cities Development Grant if it is approved;

NOW THEREFORE BE IT RESOLVED, this following Cooperative Agreement is approved by the Parties listed below.

1. Purpose.

- 1.1. This Cooperative Agreement is intended to provide an efficient means by which a potential Fiscal Year 2019 Small Cities Development Grant will be jointly implemented in the Cities of Tyler and Lake Benton.
- 1.2. The Parties agree to submit an SCDP full application for the activity of rental housing rehabilitation in the Cities of Tyler and Lake Benton.
- 1.3. The Parties agree to an initial estimated overall goal of rehabilitating 47 rental units, contingent upon revisions which may be made or recommended by DEED. Furthermore, the Parties agree that units will be assisted on a first-come first-serve basis to rental property owners that submit a complete application and meet all eligibility requirements. Units will not be distributed by community. The following distribution of assistance is being requested through DEED:

Type of Rental Property	Rental Unit Goals
Single Family Units	5 units
Duplexes	6 units
Multifamily buildings containing 3 or more units	36 units

- 1.4. The Parties agree that if the application for grant funds to the SCDP is reduced by DEED, the sub-goals noted above and corresponding sub-budgets could be reduced proportionally.
- 1.5. The Parties understand that overall goals, sub-goals, and corresponding budgets may need to be adjusted as the number of interested parties and/or the average rehabilitation costs per unit run higher or lower in each community. The Parties agree to allow the grant administrator the latitude to adjust the rehabilitation budgets as may be appropriate and necessary to achieve the overall goals as established by DEED in the Grant Agreement. Budget changes affecting the overall grant, including administration, must be approved by DEED.

2. Lead Jurisdiction.
  - 2.1. The lead jurisdiction for the Small Cities grant will be the County, which will serve as the fiscal agent for the project by requesting, receiving, and processing SCDP grant funds from DEED.
  - 2.2. Necessary documents, such as the Grant Agreement, shall be signed and executed by the appropriate authorized official(s) of Lincoln County.
  - 2.3. Lincoln County authorizes all administrative duties of the grant to be administered and coordinated by the HRA. The environmental review of the project will include both Tyler and Lake Benton. However, the City of Tyler and the City of Lake Benton agree that, as the administrator for the SCDP grant, the HRA will be the environmental certifying officer and authorized agent in order to conduct an environmental review for the entire project.
  - 2.4. The Parties acknowledge that a Single Audit may need to be conducted on all DEED funds and that the audit will be of Lincoln County as the lead jurisdiction.
3. Administration.
  - 3.1. The HRA will serve as the primary administrator. The HRA will procure and select the services of an administrative entity to meet all federal grant requirements for administration of the grant funds. The HRA will comply with all federal procurement standards, "Common Rule," Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, at 24 CFR, Part 85, as amended in the selection of an administrative entity.
  - 3.2. The Parties agree that the HRA will enter into a joint contract with the selected administrative entity to outline functions, timelines, compensation, and billing procedures for the SCDP project.
  - 3.3. The administrative entity shall be responsible to see that the interests of all Parties is respected in the carrying out of the SCDP grant project and that both are kept fully informed of all developments affecting the entire grant.
4. Financial.
  - 4.1. Grant budget and implementation reports shall be prepared and presented to all Parties on a regular basis.
  - 4.2. All funds committed to the program by the Parties will be deposited on an as-requested basis into an escrow account maintained by the administrative entity or its assigns. No work will progress on grant implementation until all committed funds are pledged and assurances are in place authorizing the release of said funds on an as-requested basis for specific rehab projects. These funds will be the first expended for program-related project purposes. Except that any funds pledged for the administration of the SCDP grant will be forwarded to the administrative entity as of the date the grant agreement is signed by DEED.
5. Revolving Funds.
  - 5.1. The Parties understand that housing rehabilitation loans which may be repaid can constitute Program Income which must be accounted for, reported, and expended in accordance with SCDP rules as interpreted by DEED.
  - 5.2. The administrative entity will be responsible for administering loans and Program Income funds that are received on behalf of the County until grant close-out. Funds which are repaid as Program Income will be tracked separately by the HRA.
  - 5.3. Following close-out of the grant, the Parties agree that the HRA, as the primary administrator, will be responsible for the submission to DEED of annual post-closeout Program Income reports and expenditure reports. Furthermore, the Parties understand that such post-closeout reports will need to be made to DEED for an indefinite period of time.
6. Execution in Counterparts.
  - 6.1. This Cooperative Agreement may be executed in two or more counterparts, all of which together shall constitute one and the same agreement.

ATTEST:

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 Mic VanDeVere, 2019 Board Chair

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 Deb Vierhuf, County Auditor-Treasurer

Robert Olsen, Environmental, presented the Findings of Fact and Order – Redetermining JD #29. This system was redetermined in 1992 and the ditch authority at that time was reviewing a possible improvement. The improvement was challenged in court and the case was won resulting in one individual being excluded and removing the outlet fee for Watershed ditch #8. The Board at that time did not move forward with the improvement and the 1 rod was not acquired, but they did approve the viewers report. By approving the order today, the benefits can be redetermined and the 1 rod acquired. Motion by Hamer, seconded by Drietz to approve the Findings of Fact and Order – Redetermining JD #29 followed by a roll call vote of 5 ayes and 0 nays. Motion carried.

Olsen informed the Board that he has contacted other counties to see how much they pay their ditch viewers. The range is \$35-\$60. Olsen recommended raising the rate in our policy from \$35 to \$40 for the master viewer rate. If approved, each viewer will sign a new contract with the new rate. Motion by Hamer, seconded by Vizecky to raise the master viewer rate from \$35 to \$40 per hour effective 2/5/19. All voted in favor.

Olsen informed the Board that the high bid on the skid loader was \$12,750.00. It did not reach the minimum bid of \$16,000.00. The Board would like to wait and try to sell at a later date to see if the county can get a higher bid. Information only.

Olsen informed the Board that he has visited with Senator Weber regarding the DNR and the weed issue in the Lake Benton Lake. Senator Weber will be having the DNR Commissioner tour his district and will show them the lake as a point of interest. Information only.

Joe Wilson, Lincoln County Engineer, was present to give project updates. They were as follows:

- Hwy 7 widening project
- Bridge projects for 2019-2020

Wilson presented maintenance updates. They were as follows:

- Barricade building
- Working on the overhead doors
- Moving snow
- Putting together quotes for a new maintenance pickup – hoping to replace by June
- Looking at pricing on a tack tank for patching and rollers for behind the graders.

Wilson reported that a new diagnostic scan tool has been purchased to replace the current scan tool which was purchased in 2013. The new diagnostic tool is due to be paid in the Commissioner Warrants for \$9,047.72. Wilson requested to designate the current diagnostic tool as surplus. Motion by Drietz, seconded by Sik to designate the 2013 diagnostic tool as surplus to be sold on Minnbid. All voted in favor.

Wilson requested approval of Resolution 10-2019 Final payment on Contract 01-2018. Motion by Drietz, seconded by Vizecky to approve Resolution 10-2019 Final payment on Contract 01-2018. All voted in favor.

### RESOLUTION 10 – 2019

WHEREAS, the construction of Contract 01-2018 (Projects SP 041-601-031, SP 041-617-033, & SAP 041-617-034) has in all things been completed by Duinink Inc., the final contract costs as follows:

Original Contract Amount	\$ 1,125,888.69
Final Contract Amount	\$ 1,173,591.61
Final Payment Amount	\$ 59,305.88

NOW THEN, BE IT RESOLVED that we do hereby accept said completed project for and in behalf of the County of Lincoln and authorize final payment as specified above.

ADOPTED by the Lincoln County Board of Commissioners this 5<sup>th</sup> day of February, 2019.

ATTEST:

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 Mic VanDeVere, 2019 Board Chair

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 Deb Vierhuf, County Auditor-Treasurer

Wilson asked for approval of Resolution No. 12-2019 Resolution of Sponsorship for Sponsoring Agency. Motion by Hamer, seconded by VanDeVere to approve Resolution No. 12-2019 Resolution of Sponsorship for Sponsoring Agency. All voted in favor.

**Resolution No. 12-2019  
Resolution of Sponsorship for Sponsoring Agency**

The following Resolution was offered by Commissioner Hamer and moved for adoption at a Regular Meeting held on February 5<sup>th</sup>, 2019 at the Lincoln County Courthouse in Ivanhoe, Minnesota:

**WHEREAS**, the City of Tyler is a city with a population under 5000; and

**WHEREAS**, the City of Tyler would like to submit a project for Local Road Improvement Program Funds; and

**WHEREAS**, the City of Tyler has requested Lincoln County be the sponsoring agency;

**NOW THEREFORE BE IT RESOLVED**, that Lincoln County, Minnesota agrees to act as sponsoring agency for a Local Road Improvement Program Project identified as Lincoln Street from CSAH 8 to CSAH 7 in the City of Tyler and has reviewed and approved the project as proposed. Sponsorship includes a willingness to secure and guarantee the local share of costs associated with this project and responsibility for seeing this project through to its completion, with compliance of all applicable laws, rules and regulations;

**BE IT FURTHER RESOLVED**, that the Lincoln County Highway Engineer is hereby authorized to act as agent on behalf of this applicant.

Seconded by Commissioner VanDeVere and the same being put to a vote was duly carried. This Resolution shall become effective immediately and without publication.

Adopted by the following vote: Ayes 5 Nays 0

Dated this 5<sup>th</sup> day of February, 2019

ATTEST:

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Mic VanDeVere, 2019 Board Chair

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Deb Vierhuf, County Auditor-Treasurer

Wilson informed the Board that meetings will be started to look over the Development Agreement with Blazing Star 2. Information only.

Wilson informed the Board that State funding has been decided for 2019. Funding for Township Roads is down 1%, Municipal State Aid down 1%, State aid roads up 2% and Town Bridge funding is down 15% due to the fact that we have completed quite a few of our bridge projects. Information only.

Commissioner Sik inquired on where we are at on the camera project. Wilson informed the Board that he has received a quote but is looking into other options. Information only.

Amber Scholten, Emergency Management, asked for approval of the 2019 SafeAssure contract. Scholten stated that SafeAssure did a walk-thru last week to point out areas to improve and they also provide the mandatory training for the county employees. Motion by Drietz, seconded by Sik to approve the 2019 SafeAssure contract in the amount of \$5,651.82. All voted in favor.

Committee Reports were given:

Drietz – Armor  
Hamer – None  
Sik – Personnel, Plum Creek, Highway Labor Management  
VanDeVere – Southern Prairie Community Care, ACE, Nurse Family Partnership(Southern Prairie Community Care)  
Vizecky – None

Auditor Warrants were presented.

Motion by Hamer seconded by Sik to approve the following Commissioner Warrants #9489- #9545 for the following amounts: Revenue - \$27,631.84, and Road & Bridge - \$36,440.42. Commissioner Hamer, Sik, VanDeVere and Vizecky voted in favor. Commissioner Drietz abstained due to a bill for Ivanhoe Service Center. Motion carried by majority vote.

The following bills were over \$2,000.00 per M.S. 375.12: Kyle Beckler - \$9,047.72, CNH Industrial Capital America LLC - \$3,699.80, Jones Law Office - \$9,206.77, Prairie Pride Cooperative - \$17,426.94, Tyler Oil Co. - \$2,114.95, and 52 payments less than \$2,000.00 - \$22,576.08.

Rick Drietz, newly hired Maintenance Supervisor, introduced himself to the Board. Drietz started with Lincoln County on January 24, 2019. Information only.

Deb Vierhuf, Lincoln County Auditor-Treasurer, asked for approval of a cell-phone allowance in the amount of \$70.00 for Rick Drietz once his cell phone is purchased. Motion by Hamer, seconded by Sik to approve a cell-phone allowance in the amount of \$70.00 for Rick Drietz once he has purchased a cell phone. Commissioner Hamer, Sik, Vizecky and VanDeVere voted in favor. Commissioner Drietz abstained. Motion carried by majority vote.

Motion by Drietz, seconded by Sik to approve the Agreement for Information Technology Services between Lincoln County and Southwest Health and Human Services. All voted in favor.

Motion by Hamer, seconded by Sik to approve the Lease Agreement between Lincoln County and Southwest Health and Human Services. All voted in favor.

Vierhuf presented a letter from Nextera Properties, LLC. Nextera has purchased Schuneman (parcel #20-0083-000) A resolution was passed in 2012 to abate parcel #20-0083-000 for 10 years to commence in payable 2014. A clause in the resolution states that the abatement cannot be transferred unless brought to the Board for approval. Motion by VanDeVere, seconded by Hamer to approve transferring the abatement from Schuneman to Nextera Properties, LLC. (Parcel #20-0083-000) for the remaining years originally approved in Resolution 08-2012. Commissioner Hamer, Sik, VanDeVere and Vizecky voted in favor. Commissioner Drietz voted in opposition. Motion carried by majority vote.

Motion by Drietz, seconded by Sik to adjourn at 10:28 a.m. All voted in favor.

ATTEST: (SEAL)

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Mic VanDeVere, 2019 Board Chair

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Deb Vierhuf, County Auditor-Treasurer