

Chairman Peterson called the meeting to order at 9:03 a.m. with the following members present: Chairperson Phil Peterson, Commissioners Jack Edmonds, Frank Courteau and David Tellinghuisen. The Pledge of Allegiance was recited.

Additions were made to the agenda. A motion was made by Cmsr Courteau, seconded by Cmsr D. Tellinghuisen, to approve the agenda as amended. The motion carried.

COUNTY BUSINESS, CONSENT AGENDA

A motion was made by Cmsr Courteau, seconded by Cmsr D. Tellinghuisen, to approve the following consent agenda items:

- Approve minutes of 11/20/07 and 11/27/07 Board meetings;
- Approve recommendations from Social Service Advisory Committee and Welfare Board to approve the Employment Services Contract with Pine Technical College Employment Training Center from January 1, 2008 through December 31, 2009;
- Adopt Resolution No.: HD 12-4-07-30, allowing the transfer of Municipal Construction Account funds to the Regular Construction Account:

*RESOLUTION
TRANSFER OF STATE AID FUNDS
HD 12-4-07-30*

WHEREAS, the Minnesota Statutes, Section 162.08, Subd 4 (3d), provides that accumulated balances in excess of two years of municipal account apportionments may be spent on projects located outside of municipalities under 5000 population when approved solely by resolution of the County Board, and

WHEREAS, a total of \$349,158.00 was appropriated to the municipal account in 2006 and 2007. The account has a balance of \$438,800.61 which establishes \$89,642.61 eligible for transfer, and

WHEREAS, said transfer does not affect the use or expenditure of funds in municipalities in the County, and

WHEREAS, it is in the best interest of the County to transfer said funds allowing more flexibility in their expenditure.

NOW THEREFORE, BE IT RESOLVED that the Mille Lacs County Board authorizes and directs the staff to request that the Commissioner of Transportation transfer \$89,642.61 from the Municipal Construction Account to the Regular Construction Account.

- Direct all employees within the County to use timesheets approved by the Auditor-Treasurer's Office to track all paid and unpaid time, effective March 2008;
- Approve the Chairman and Sheriff to sign the 2008-2009 Snowmobile Grant, for the amount of \$3,247 for each of the two years.

Motion carried.

REQUEST FOR ABATEMENT

Phil Thompson, County Auditor-Treasurer, presented a request by John and Sharon Westling to abate interest and penalties on three parcels they own in the City of Princeton, due to their current financial circumstances. Auditor-Treasurer Thompson stated that he has not seen taxes abated under these circumstances. Cmsr D. Tellinghuisen suggested that a Confession of Judgment may be an option for Mr. and Mrs. Westling. A motion was made by Cmsr Courteau, seconded by Cmsr D. Tellinghuisen, to deny the request for abatement. Cmsrs Courteau and D. Tellinghuisen voted aye. Cmsr Edmonds voted nay. The motion carried.

REQUEST FOR PROPERTY TAX REDUCTION

Dale and Julie Van Steenwyk appeared before the Board to request a reduction in property taxes payable for 2006 and 2007. Pat Stotz, County Assessor, joined the meeting to discuss the assessment of the Van Steenwyk's property. A motion was made by Cmsr D. Tellinghuisen, seconded by Cmsr Courteau, to deny the request to reduce property taxes payable for 2006 and 2007. The motion carried. Mr. and Mrs.

Van Steenwyk were advised that taking their request to tax court would be their next step. Assessor Stotz confirmed that she would provide them with the necessary paperwork to do so.

COUNTY SURVEYOR WORK PLAN

Dan Nickols, County Surveyor, presented his proposed work plan to the Board. With an assumed staff of three, Surveyor Nickols projects a section corner remonumentation completion date of 2026.

PURCHASE REQUEST BY COUNTY SURVEYOR

Surveyor Nickols presented a request to purchase a pickup topper. A motion was made by Cmsr Courteau, seconded by Cmsr Edmonds, to authorize the purchase of a pickup topper from Auto Trends in Elk River for the amount of \$1,461, to be taken from account 01-103-6603, the County Surveyor's Equipment, Furniture and Fixtures account. The motion carried.

SURVEYOR'S OFFICE BUSINESS

Surveyor Nickols passed out proposed disclaimer language that could be handed out at the Recorder's Office to individuals requesting corner certificates.

CORNER CERTIFICATE REVIEW

Cmsr D. Tellinghuisen suggested having Surveyor Nickols review all of the corner certificates in the Recorder's Office. Discussion took place over verifying the accuracy of the certificates.

REQUEST TO PURCHASE NETWORK TESTER FOR I.S. DEPARTMENT

Michael Virnig, I.S. Director, presented a request to purchase a network tester. A motion was made by Cmsr Courteau, seconded by Cmsr D. Tellinghuisen, to purchase a Test-Um Validator, Ethernet System Speed Certifier from NDR Cables in Andover for the amount of \$1,331.25. The motion carried.

PBX MAINTENANCE AGREEMENT

I.S. Director Virnig presented a one year telephone system maintenance agreement with Spectrum Solutions for \$7,065. A motion was made by Cmsr D. Tellinghuisen, seconded by Cmsr Courteau, to approve the system maintenance agreement for one year with Spectrum Solutions for the amount of \$7,065, to be taken from account 01-063-6209, Information Services PBX Lease account. The motion carried.

OFFICE COORDINATOR JOB DESCRIPTION CHANGES FOR EXTENSION OFFICE

Roxy Traxler, County Coordinator, presented a revised job description for the Office Coordinator position in the Extension Office. The Extension Office and the Veterans Service Office currently share secretarial support; however, Veterans Service Office grants recently awarded to the County will provide for full time secretarial support in the County Veterans Service Office and necessitate splitting of the duties. Coordinator Traxler stated that the revised job description has been reviewed by the Extension Office. A motion was made by Cmsr D. Tellinghuisen, seconded by Cmsr Courteau, to approve the revised Office Coordinator position description for the Extension Office and forward it to the consultant for rating. The motion carried.

VETERANS SERVICES TECHNICIAN JOB DESCRIPTION

Coordinator Traxler presented a job description for the newly created Veterans Service Technician position. The newly created position is tied to the two-year grant awarded to the County for providing additional veterans services. A motion was made by Cmsr D. Tellinghuisen, seconded by Cmsr Edmonds, to approve the Veterans Service Technician position description and forward it to the consultant for rating. The motion carried.

ACCEPTANCE OF VSO GRANTS

Coordinator Traxler presented two Fiscal Year 2008-2009 County Veterans Service Officer Enhancement Grants awarded to Mille Lacs County. The grants were awarded to Mille Lacs County for outreach and collaboration. A motion was made by Cmsr Edmonds, seconded by Cmsr Courteau, to accept the Veterans Service Office Enhancement Grants for the total amount of \$67,000 and to authorize the Chairman and the County Coordinator to sign said grants. The motion carried.

The meeting was recessed at 9:54 a.m.

The meeting was reconvened at 10:00 a.m.

PUBLIC HEARING REGARDING NEXUS ABATEMENT REQUEST

A request by Nexus Diversified Community Services for abatement of property taxes on property described as Government Lot 1 (north east except 6.2 acres to the highway and except north 660 feet of the west 330 feet of Section 1) Township 41, Range 27, of Mille Lacs County. The meeting was opened up to the public for comments. Curt Lukens, from the Onamia Area Citizens for Responsible Growth, expressed concern over the expansion of Nexus, stating that we don't know at this time if it will affect the environment and that it would increase demand on existing services. Mr. Lukens requested that the public hearing be continued at the next Board meeting. Jim D'Angelo, CEO of Nexus, stated that their expansion plans have been in the works for over a year, and that they're hoping to finish the abatement process and start building in 2008. Mr. D'Angelo also stated that Nexus is requesting a ten year abatement. J. J. Swift stated that she has studied the company and has found discrepancies in their numbers. Ms. Swift requested a continuance of the public hearing, stating that the items Nexus had been given points for on the Tax Abatement Checklist didn't 'jive' with the information residents had been given in the past. David Barsody, member of the Onamia Area Citizens for Responsible Growth, read part of the County's tax abatement policy, which states that the "County Board reserves the right to deny any abatement..." and requested that the Board deny the abatement for Nexus. Mark Seagren stated that he concurred and that more time is needed. Chairman Peterson declared the public hearing closed.

Discussion took place concerning the necessity of an environmental assessment worksheet or environmental impact statement; however, these items would be related to Nexus' initial building permit, not a tax abatement. Mr. Lukens cited concern over the Tax Abatement Checklist and the points Nexus had been given for various items. Coordinator Traxler stated that points had been awarded based on conversation with the Zoning Office. Cmsr D. Tellinghuisen stated that the procedure the County has in place needs to be followed, which in this case would allow for a seven (7) year tax abatement for Nexus.

NEXUS TAX ABATEMENT RESOLUTION

A motion was made by Cmsr Courteau, seconded by Cmsr D. Tellinghuisen, to approve the Nexus Diversified Tax Abatement Resolution, No.: 12-04-07-1. The motion carried.

*RESOLUTION NO.: 12-04-07-1
RESOLUTION APPROVING PROPERTY TAX ABATEMENT
FOR THE NEXUS DIVERSIFIED, INC EXPANSION PROJECT*

BE IT RESOLVED by the County Board (the "Board") of Mille Lacs County, Minnesota (the "County"), as follows:

1) Recitals.

- (a) Nexus Diversified, Inc (the "Developer") has requested the County to abate the County's share of the property taxes to be generated, with respect to property taxes on property legally described as: Government Lot 1 (north east except 6.2 acres to the highway and except north 660 feet of the west 330 feet of section 1 Township 41 Range 27 of Mille Lacs County) (the "Property") to be acquired by the Developer for the construction of a residential treatment facility (the "Project"). The abatement (the "Abatement") for the seven (7) year period will not exceed \$253,470.*
- (b) On December 4, 2007 the County Board held a public hearing on the question of the Abatement, and said hearing was preceded by at least 10 days, but not more than 30 days, prior published notice hereof.*
- (c) The Abatement is authorized under Minnesota Statutes, Sections 469.1812 through 469.1815 (the "Abatement Law").*

2) Findings for the Abatement. The County Board hereby makes the following findings:

- (a) The Board expects the benefits to the County of the Abatement to at least equal the costs thereof.*
- (b) Granting the Abatement is in the public interest because it will increase or preserve the tax base of the County and help increase the tax base and provide employment opportunities in areas in the County.*

(c) *The Board expects the public benefits described in (b) above to be derived from the Abatement.*

(d) *The Property is not located in a tax increment financing district.*

(e) *In any year, the total amount of property taxes abated by the County by this and other resolutions does not exceed the greater of ten percent (10%) of the current levy or \$200,000.*

3) Terms of Abatement. *The Abatement is hereby approved. The terms of the abatement are as follows:*

(a) *The Abatement shall not exceed seven (7) years, not to exceed a total amount of \$253,470 and shall apply to the taxes payable in the years 2010 through 2017, inclusive.*

(b) *The abatement may not be modified or changed during the term set forth in (a) above, except with the prior written consent of the County and Authority.*

(c) *The Abatement shall be subject to all the terms and limitations of the Abatement Law.*

(d) *In order to be entitled to the Abatement, the Developer shall not be in default within the County of any of its payment obligations respecting any taxes, assessments, utility charges or other governmental impositions.*

(e) *The Developer shall enter into a Tax Abatement Agreement outlining the terms and conditions of performance by the Developer and the County.*

(f) *The Developer shall submit annually to the Auditor/Treasurer a completed Department of Employment and Economic Development Minnesota Business Assistance Form.*

(g) *The property described must be acquired and annexed into the City of Onamia or the abatement is null and void.*

COMMITTEE REPORTS

Cmsr Courteau gave a report from the Negotiations Committee: a tentative agreement with the AFSCME Courthouse unit has been reached, the 2008-2010 contract with Teamsters has been ratified, a negotiations meeting is scheduled with AFSCME Welfare for December 5, and a negotiations meeting with AFSCME Assistant County Attorneys is scheduled for December 18. Chairman Peterson reported that the DAC Holiday party is scheduled for December 21. Cmsr Courteau reported that the County had supplied the Mille Lacs Band with a counter-offer concerning the Mutual Aid Agreement, and requested that the Board meeting be recessed until December 11 to consider items at that point. Cmsr Edmonds reported that there is an ECRL Board meeting on December 10 and that they are hoping for good news at that time concerning the computer system. The Board decided to conduct annual Department Head performance reviews on January 8, 2008, following the Board meeting.

ADDITIONAL SQUAD CAR PURCHASE COST

The Board approved the purchase of two squad cars at the November 27 meeting from Pine Car/Truck City in Pine City for the amount of \$18,081.15 each; however, Pine Car/Truck City does not have any cars available. Denny Hecker has cars available for the amount of \$18,505.15 each. A motion was made by Cmsr D. Tellinghuisen, seconded by Cmsr Courteau, to approve an additional cost of \$424 per car. The motion carried.

CLOSED SESSION TO DISCUSS PENDING LITIGATION IN THE MATTER OF DENNIS D. PEDERSON VS. THE COUNTY OF MILLE LACS

A motion was made by Cmsr D. Tellinghuisen, seconded by Cmsr Edmonds, to close the meeting at 10:31 a.m. under Minnesota Statute 13D.05 Subd. 3 (b), Attorney-Client Privilege, Dennis D. Pederson vs. The County of Mille Lacs. The motion carried.

A motion was made by Cmsr D. Tellinghuisen, seconded by Cmsr Edmonds, to open the meeting at 10:52 a.m. The motion carried.

NOVEMBER PLANNING COMMISSION REPORT

Michele McPherson, Zoning and Environmental Services Administrator, presented items from the November Planning Commission meeting.

A request by Wanda Jensen for a commercial kennel permit to breed and sell Miniature Poodles was considered. The meeting was opened up to the public for comments. The applicant, Wanda Jensen, informed the Board that she was present. Hearing nothing further, Chairman Peterson declared the public hearing closed. A motion was made by Cmsr Edmonds, seconded by Cmsr Courteau, to approve the request, on property legally described as SECT-36 TWP-038 RANG-26 S 387 FT OF W 182 FT OF E 632 FT OF SW OF SE, Borgholm Township (02-036-1401), subject to the following conditions:

1. Adult dogs shall be vaccinated for rabies. The applicant shall maintain records of vaccination and submit them annually to the Zoning Office.
2. The miscellaneous building materials stored outside to the rear of the home shall be properly disposed of or placed in a structure by December 31, 2007.
3. The size of dog shall be limited to the AKC Toy or Small classification.

The motion carried.

A request by Patricia Chen for a commercial kennel permit to breed and sell Boxers, Bichons, and Bulldogs was tabled to allow written comment from the Township.

A request by Bill and Shirley Havisto for a Conditional Use Permit for a highway business for the sale of organic farm products was considered. The meeting was opened up to the public for comments; hearing none, Chairman Peterson declared the public hearing closed. A motion was made by Cmsr D. Tellinghuisen, seconded by Cmsr Courteau, to approve the request, on property legally described as SECT-10 TWP-037 RANG-26 W 340 FT OF E 1040 FT OF N 660 FT OF NE OF NE, SKETCH and SECT-10 TWP-037 RANG-26 NE OF NE, EX W 340 FT OF E 1040 FT OF N 660 FT, Bogus Brook Township (01-010-0100, 0101), subject to the following conditions:

1. The structure shall meet the building code requirements, including any required bathroom facilities.
2. The applicants shall make and maintain the operational changes required to meet the feedlot rules.
3. There shall be no slaughtering or processing of meat on site.

The motion carried.

A request by Jason Frank for a Conditional Use permit for a home occupation for the processing of rough lumber to paneling and flooring was considered. The meeting was opened up to the public for comments; hearing none, Chairman Peterson declared the public hearing closed. A motion was made by Cmsr Edmonds, seconded by Cmsr Courteau, to approve the request, on property legally described as SECT-28 TWP-039 RANG-27 NW OF NE, Page Township (15-028-0102), subject to the following conditions:

1. Hours of operation shall be 6:00 a.m. to 10:00 p.m.
2. The finishing equipment (planers, shapers, molders or related wood working tools) shall be operated within an enclosed structure.

The motion carried.

A request by Dale Cazett for a Conditional Use Permit for an accessory structure without a dwelling in the S-2, Shoreland District was considered. The meeting was opened up to the public for comments; hearing none, Chairman Peterson declared the public hearing closed. A motion was made by Cmsr Courteau, seconded by Cmsr D. Tellinghuisen, to approve the request, on property legally described as SECT-22 TWP-043 RANG-25 LOT-1 BLK-1 MU-HA-PI ACRES FIRST ADDITION REVISED & UNDIV 1/27 INT IN N 21 FT OF LOT 15 BLK 1, East Side Township (05-560-0010), subject to the following conditions:

1. There shall be no commercial use in the structure.
2. The structure may not be used as living quarters.

The motion carried.

A request by Knife River for a Conditional Use Permit for a 5.4 acre mining operation in the Sommerfield pit was considered. The meeting was opened up to the public for comments; hearing none, Chairman Peterson declared the public hearing closed. A motion was made by Cmsr Edmonds, seconded by Cmsr D. Tellinghuisen, to approve the request, on property legally described as SECT-16 TWP-038 RANG-27 SW OF SW, Milaca Township (11-016-1100), subject to the following conditions:

1. Require a 3 ft separation to the water table with operation activities.
2. Limit hours of operation to 7 AM to 7 PM Monday-Saturday, no operations on Sundays or holidays.

3. Require road maintenance and repair, as determined by the appropriate road authority. This shall include dust control practices.
4. Require orange snow fence placement (3 ft ht) on top of all working faces steeper than 1.5:1.
5. Require all slopes to be 3:1 at seasons end.
6. An irrevocable letter of credit in favor of the County in the amount of \$2,500.00 per acre shall be provided to the Zoning Administrator prior to start-up and in effect for at least 12 months after operation termination.
7. The applicant must reclaim land when mining is complete per submitted restoration plans.
8. Portable satellites shall be used for human septage.
9. Requires annual registration by December 31 of each year.
10. The applicant shall insure that erosion/sedimentation control devices are in place and maintained prior to and during operation.
11. The applicant shall comply with the NPDES permit, air emissions permit, and emergency spill response plan.
12. The applicant shall comply with the MN wetland conservation act. This includes maintaining the watershed to adjacent wetlands through appropriate slopes, berm gaps, and/or other means.
13. A 25 natural buffer area and mining setback from the edge of all wetlands shall be incorporated with accompanying signage per the zoning administrator. This signage shall be placed prior to site manipulation.
14. Lighting shall be directed in a downcast manner.
15. Access/haul road shall be through the adjacent Mattson gravel operation onto County Road 106 only.
16. Crushing is limited to 30 calendar days per year.
17. Any violations of any of the above conditions that are not resolved within 7 days of written notice from the Zoning Department shall result in revocation of the permit.

The motion carried.

UPDATE REGARDING PLANNING COMMISSION WORK TO ESTABLISH STANDARDS FOR FISH HOUSE PARKS, RECREATIONAL CAMPING, AND KENNELS

Zoning and Environmental Services Administrator McPherson gave the Board an update on standards the Planning Commission has established regarding fish house parks, recreational camping, and kennels. Differences between licenses and conditional use permits were discussed.

A motion was made by Cmsr Courteau, seconded by Cmsr Edmonds, to recess the meeting at 11:25 a.m. until Tuesday, December 11, 2007 at 10 a.m. The motion carried.

The meeting was reconvened at 10:05 a.m., Tuesday, December 11, 2007, with all members present.

REQUESTS FROM COUNTY SHERIFF

Brent Lindgren, County Sheriff, requested approval to hire three full-time deputy sheriffs. A motion was made by Cmsr D. Tellinghuisen, seconded by Cmsr R. Tellinghuisen, absent a Mutual Aid Agreement with the Band, to authorize the Sheriff to complete the hiring process for three (3) full-time deputy sheriffs effective January 1, 2008; with a tentative start date of January 15, 2008, dependent upon scheduling. The motion carried.

Sheriff Lindgren requested to purchase three squad cars, which will take four to six weeks to arrive. A motion was made by Cmsr Courteau, seconded by Cmsr D. Tellinghuisen, to authorize the purchase of three (3) squad cars, as are currently in the 2008 budget, from state bid for the amount of \$18,505.15 each, to be taken from account 01-201-6605, Sheriff's Vehicles account. The motion carried.

Sheriff Lindgren requested authorization to advertise for future full time deputy sheriff positions. A motion was made by Cmsr D. Tellinghuisen, seconded by Cmsr R. Tellinghuisen, to authorize advertising for a full time deputy sheriff eligibility list. The motion carried.

Sheriff Lindgren requested to purchase three Tasers. A motion was made by Cmsr D. Tellinghuisen, seconded by Cmsr Courteau, to approve the purchase of three Tasers for the amount of \$810 each. The motion carried.

A motion was made by Cmsr Courteau, seconded by R. Tellinghuisen, to adjourn the meeting at 11:13 a.m. The motion carried.

ATTEST:

Roxy Traxler
County Coordinator

Phil Peterson
County Board Chairman