

**CLAY COUNTY BOARD OF COMMISSIONERS**  
**8:30 AM, TUESDAY, JULY 14, 2026**  
Meeting Room A / B – 3rd Floor – Courthouse  
**MINUTES**

The Clay County Board of Commissioners met in regular session with the following Commissioners present: Paul Krabbenhoft, Ezra Baer, Jenny Mongeau, Kevin Campbell, and David Ebinger. Others present: County Administrator Stephen Larson, County Attorney Brian Melton, Assistant County Administrator Darren Brooke, and Senior Administrative Assistant Sarah Hellem.

**Call to Order**

Commissioner Mongeau called the meeting to order at 8:30 a.m.

**Approval of Agenda**

On motion by Commissioner Ebinger, seconded by Commissioner Krabbenhoft, and unanimously carried, the Board approved the agenda.

**Approval to Replace Full-Time LPN Due to Status Change**

By consent, the Board approved to replace a full-time LPN due to a status change.

**Approval to Refill Child Protection Specialist Position**

By consent, the Board approved to refill a Child Protection Specialist position.

**Approval to Refill Vacant Legal Assistant Position Due to Resignation**

By consent, the Board approved to refill vacant Legal Assistant position due to resignation.

**Citizens to be Heard**

There were no citizens to be heard.

**Approval of Payment of Bills and Vouchers**

On motion by Commissioner Campbell, seconded by Commissioner Ebinger, and unanimously carried, the Board approved the bills and vouchers totaling \$514,054 from 144 vendors. There were 105 warrants issued under \$2,000 (\$47,973) and the following 39 were over \$2,000.

|                                          |           |                                     |             |
|------------------------------------------|-----------|-------------------------------------|-------------|
| Advanced Correctional Healthcare, Inc.   | \$ 71,481 | Fuchs Sanitation Inc                | \$ 4,818.00 |
| Earthwork Services Inc.                  | \$ 55,293 | MN Counties Intergovernmental Trust | \$ 4,751    |
| Enterprise FM Trust                      | \$ 53,607 | Uline                               | \$ 4,646    |
| Red River Regional Dispatch Center       | \$ 45,328 | Verizon-386550144                   | \$ 4,037    |
| Prairie Lakes Municipal Solid Waste Auth | \$ 28,055 | Barnesville C-Store                 | \$ 3,624    |
| Turnkey Corrections                      | \$ 15,996 | Petro Serve USA-SW                  | \$ 3,159    |
|                                          |           | Valley Mortuary Transportation      |             |
| Powerplan                                | \$ 15,122 | Services                            | \$ 3,118    |
| Patchin Messner Appraisals, Inc.         | \$ 14,000 | Nancy Hein-Kolo, P.C.               | \$ 3,065    |
| Chiller Systems Inc                      | \$ 12,552 | Wex Bank (fleet)                    | \$ 3,022    |
| Dakota Plains Mechanical, Inc.           | \$ 12,370 | Freed/Kecia                         | \$ 3,010    |
| TrueNorth Steel                          | \$ 11,249 | Amazon Capital Services             | \$ 3,007    |
| Petro Serve Usa-Hwy                      | \$ 11,091 | Homemakers Villa                    | \$ 2,882    |
| Sabin C Store                            | \$ 8,553  | Pete's Gas & Service                | \$ 2,878    |

|                               |          |                                       |          |
|-------------------------------|----------|---------------------------------------|----------|
| Patio World Inc.              | \$ 8,228 | West Central Regional Juvenile Center | \$ 2,787 |
| Forum Communications Printing | \$ 8,155 | Mettler-Toledo, LLC                   | \$ 2,657 |
| Psychlogics                   | \$ 7,742 | River Valley Forensic Services, PA    | \$ 2,650 |
| Farmers Coop Oil Co           | \$ 7,302 | MidStates Wireless, Inc.              | \$ 2,414 |
| Kennedy Scales                | \$ 6,495 | Mn Dept Of Revenue                    | \$ 2,102 |
| Butler Machinery Co           | \$ 6,420 | Fevig Oil Co                          | \$ 2,048 |
| Pomp's Tire Service, Inc.     | \$ 6,354 |                                       |          |

### **Approval of Work Group Session Minutes from June 9, 2026**

On motion by Commissioner Ebinger, seconded by Commissioner Krabbenhoft, and unanimously carried, the Board approved the work group session minutes from June 9, 2026.

### **Request Approval to Replace Two Jail Transport Vehicles Through Enterprise Fleet Leasing**

Sheriff Mark Empting requested approval to replace two jail transport vehicles through enterprise fleet leasing and stated the Clay County Jail currently utilizes a transport van (2017) and a Ford Explorer (2019) for prisoner transportation to appointments. Both vehicles are approaching the end of their useful service life and are experiencing increasing maintenance and reliability concerns. To ensure continued safe and efficient transportation operations, the Sheriff's Office is requesting authorization to replace both vehicles through Enterprise Fleet Leasing. The proposed replacement vehicles are two Chrysler Pacifica transport vans. These vehicles will provide improved prisoner transport capabilities, increased reliability, and reduced maintenance costs compared to the existing fleet. Following delivery, Code 4 Services will install secure prisoner transport partitions and any additional equipment necessary to meet correctional transport requirements.

Discussion ensued regarding the leasing terms, funding, and the current vehicles being sold at auction.

On motion by Commissioner Ebinger, seconded by Commissioner Baer, and unanimously carried, the Board approved the replacement of the current jail transport van and Ford Explorer with two Chrysler Pacifica transport vans through Enterprise Fleet Leasing at a cost of \$819.60 per month per vehicle (\$1,639.20 total monthly lease obligation), and authorize Code 4 Services to install the required prisoner transport partitions and related equipment at an estimated cost of \$4,994.42.

### **Request Approval of the Public Health Emergency Preparedness All-Hazards Plan**

Public Health, Emergency Preparedness Manager, Sylvanus Domah, and Public Health Director Jessica Mickelson requested approval of the Public Health Emergency Preparedness All-Hazards Plan and provided the Board with a presentation.

Mr. Domah discussed the purpose of the plan, why it matters, key hazards, how the plan works, notification levels, response priorities, the key emergency partnerships in Clay County, the operational workflow, and the recovery & improvement plan.

Discussion ensued regarding training, and reimbursement from FEMA and the Minnesota Department of Health.

On motion by Commissioner Ebinger, seconded by Commissioner Krabbenhoft, and

unanimously carried, the Board approved to implement the Clay County Public Health All-Hazards Plan and to obtain the necessary signatures.

### **Request Approval to Contract with Medica to Provide Special Needs Basic Care Coordination Services**

Ms. Mickelson requested approval to contract with Medica to provide Special Needs Basic Care Coordination Services (SNBC) and stated Clay County Public Health currently provides care coordination services for members enrolled in Special Needs Basic Care. SNBC is a Minnesota managed care program for people with disabilities, ages 18 to 64, who are eligible for Medicaid. UCare and Medica have entered into an agreement in which Medica will acquire certain UCare contracts and assets in 2026, which has been approved by the Department of Human Services (DHS) and the Center for Medicare and Medicaid Services (CMS). As part of this transition, Clay County Public Health will need to enter into a new SNBC case management participation agreement with Medica effective October 1, 2026.

The scope of work for Clay County Public Health will remain generally consistent with the current SNBC care coordination services. The Medica agreement requires Clay County to comply with Medica and DHS SNBC requirements, complete required documentation, and meet applicable timelines for care coordination activities.

The most significant operational change is that Clay County will no longer be responsible for providing ongoing care coordination to unengaged SNBC members. Under UCare, the county provided care coordination to both engaged and unengaged members. Under the Medica agreement, care coordination will focus only on engaged members. Clay County currently receives \$185 per member, per month (PMPM) for engaged members and \$25 PMPM for unengaged members. Under the Medica agreement, reimbursement will be \$135 PMPM for engaged members only. While this represents a reduction of \$50 PMPM for engaged members, it also reduces average caseloads from approximately 210 members per care coordinator to approximately 73 members per care coordinator.

Although the agreement results in lower reimbursement for engaged members, it also creates a more manageable care coordination model by eliminating responsibility for approximately 761 unengaged members. Entering into the Medica agreement allows Clay County Public Health to continue providing local care coordination services during the health plan transition while maintaining continuity of care for a vulnerable population.

Commissioner Ebinger asked if this could result in more individuals wanting the engaged status. Ms. Mickelson stated that's the goal, yes, and to focus more on the outreach. Discussion ensued regarding deadlines, health plans and services, and the cost impact and funding.

On motion by Commissioner Campbell, seconded by Commissioner Ebinger, and unanimously carried, the Board approved Clay County Public Health to enter into a contract with Medica to provide SNBC care coordination services effective October 1, 2026, at a reimbursement rate of \$135 per member, per month.

### **Budget Presentation - Recorder's Office**

County Recorder Kimberly Savageau presented the Recorder's Office 2027 Budget and discussed revenues including general service charges for recording fees and online services, equipment fees, the compliance fund, surcharges for vital record fees, interest revenue, and

plat book sales. Discussion ensued regarding the equipment fees and the technology fund.

Ms. Savageau further discussed expenses including salaries, health insurance, PFML, telephone, printing and publishing, association dues and memberships, other professional services, technology fund, and computer software.

### **Budget Presentation - Highway Department**

County Engineer Justin Sorum and Highway Accountant Ann Rodke-Leshovsky presented the Highway Department budget for 2027 and stated the budget broken down into 4 sections: Highway Maintenance, Highway Construction, Highway Administration, and Highway Equipment Maintenance and Shop.

Mr. Sorum first discussed highway maintenance revenues including State Aid funds, Town Road, and the Township Maintenance contract. Expenditures include overtime, on call pay, CDL Policy, uniforms, road materials, traffic supplies, and intergovernmental payments. Discussion ensued regarding traffic supplies, and weed & brush control.

Mr. Sorum discussed highway construction revenues including trends from State Aid & the 5-year plan, bridge bonding for CSAH 21, regular construction, and federal grants. Expenditures include salaries, overtime, engineering consultant technical service, boots, right-of-way CSAH 11, equipment over \$500, new county construction funding. Discussion ensued regarding right-of-way costs, seal coating and striping, wheelage tax, and permit application fees.

Mr. Sorum discussed highway administration revenues including moving and utility permits, and the Joint Facility admin fees. Expenditures include postage, accounting software, travel and expenses, and conference registration.

Lastly, Mr. Sorum discussed highway equipment maintenance and shop revenues including Joint Facility expenses. Expenditures include on call pay, equipment repair and maintenance, fuel lubrication, and uniforms. Discussion ensued regarding fuel lubricants.

### **BREAK**

The Board took a break from 10:00 a.m. to 10:05 a.m.

### **Budget Presentation - Technology Services**

Technology Services Director Rory Schmitz presented the Technology Services 2027 Budget and stated overall there is a 0.54% increase.

Mr. Schmitz discussed expenditures including computer software, other professional services, training, data processing supplies, and equipment over \$500. Discussion ensued regarding the gas and oil line item.

### **Informational Update – Long-Term Services & Supports (LTSS) County Cost Share**

Social Services Director Quinn Jaeger provided the Board with an information update regarding the Long-Term Services (LTSS) County cost share. Mr. Jaeger stated LTSS are funded through Medical Assistance (MA) services that provide ongoing assistance to older adults and individuals with disabilities who require support to safely live in their communities. These services include home and community-based services, residential supports, nursing home care, and other long-term care programs. Historically, the cost of these MA services has been shared

between the federal government and the State, with counties responsible for administering many aspects of the programs but not directly contributing toward the cost of these residential services.

During the 2025 legislative session, the State identified rapidly increasing LTSS costs as a significant state-budget challenge. Disability waiver residential spending alone has grown substantially over the past several years and was projected to continue increasing. Rather than immediately shifting costs to counties, the Legislature adopted a contingent county cost share for 4 specific disability waiver residential services. This contingent cost share is scheduled to go into effect July 1, 2027, unless enough statewide savings are identified and implemented.

At the same time, the Legislature established the LTSS Advisory Council, directing it to develop recommendations to reduce approximately \$177.5 million in LTSS expenditures for the FY 2028-2029 biennium. The Advisory Council includes representatives from counties, providers, advocacy organizations, individuals receiving services, family members, and other stakeholders. Public town halls are currently being held to gather input before final recommendations are submitted to the Legislature for approval.

Over the past year, counties, providers, DHS, and legislators have worked collaboratively to identify numerous opportunities to reduce LTSS spending while maintaining quality services and strengthening program integrity. Although several proposals have advanced, DHS has advised counties that the legislative process and the additional required federal approval through the Centers for Medicare & Medicaid Services (CMS) make it unlikely these changes will be implemented before the contingent cost share is scheduled to begin. As counties prepare their 2027 budgets, they are faced with a difficult planning decision. Although legislative efforts to reduce or eliminate this contingent cost share continue, current law requires the cost share to begin on July 1, 2027. As a result, counties must determine whether to budget for this additional expense while significant uncertainty remains regarding future legislative action and the timing of any required federal approvals.

Because the actual county obligation will ultimately be based on future disability waiver residential expenditures rather than a fixed appropriation, counties cannot calculate an exact amount today. Instead, planning estimates rely on historical spending data, projected expenditure growth, and the cost share methodology provided by DHS and county fiscal analysts. As a result, counties developing their 2027 budgets must estimate a potential liability that will continue to fluctuate as service utilization, residential placements, waiver rates, and state policy change.

For Clay County, current projections indicate a potential cost of approximately \$505,000 - \$543,000 during the second half of 2027, with annual costs projected to exceed \$1.3 - \$1.4 million beginning in 2028. This represents a significant potential impact to the county levy unless the Legislature takes action before July 1, 2027. Under current law, the contingent cost share would shift a portion of an existing state and federal Medicaid obligation to county property taxpayers.

Commissioner Krabbenhoft asked if our local Representatives and Senators were aware of this. Mr. Jaeger stated he believes so. County Administrator Stephen Larson stated he did have the opportunity to speak with Senator Kupec last week regarding this. Discussion ensued regarding how counties are able to take this on.

### **Request Approval to Fill the Auditor/Treasurer Position Due to Retirement and Approve Position PDQ**

Mr. Larson requested approval to fill the Auditor/Treasurer position due to retirement and to approve the position PDQ. Mr. Larson stated following nearly 39 years of dedicated service to Clay County, Auditor-Treasurer Lori Johnson has notified the County of her intent to retire. Her final day of employment will be December 18, 2026, with her last working day scheduled for November 25, 2026. Given the complexity of the Auditor-Treasurer position and the extensive statutory, financial, and operational responsibilities of the Auditor-Treasurer office, DMV and elections, it's being requested to authorize an overlap period between Ms. Johnson and her successor. This transition period will allow for the transfer of institutional knowledge, completion of critical year-end responsibilities, and onboarding of the new Auditor-Treasurer, helping to ensure continuity of operations and minimize disruption to the services provided by the department.

In addition, when this position transitioned from an elected official to an appointed position, Ms. Johnson was placed on a separate grid, therefore, approving the draft PDQ for his position is also requested. This has been reviewed by both the Human Resources Director, David Drowns & Associates, and Ms. Johnson herself.

Commissioner Baer asked what year this position went from elected to appointed. Assistant County Administrator Darren Brooke didn't have that information but would provide it at a later time.

Commissioner Ebinger asked if David Drowns & Associates would be conducting the hiring process, or if it would be internal function through our Human Resources Department. Mr. Larson stated Clay County Human Resources will be handling the applications. Commissioner Ebinger asked if this position would be posted on a national level. Mr. Larson stated that would be up to this Board, but what was discussed at the Personnel Issues Committee is we would utilize the normal state and local advertisements that we've done in the past.

On motion by Commissioner Campbell, seconded by Commissioner Baer, and unanimously carried, the Board approved the rehiring of the Auditor/Treasurer position due to retirement, and to include overlap.

On motion by Commissioner Campbell, seconded by Commissioner Baer, and unanimously carried, the Board approved the Draft PDQ for the Auditor/Treasurer position through the current Clay County Grid at Grade 28.

### **Unfinished Business**

#### **Clay County Board of Commissioners Will Consider Modification to the University of Minnesota Extension Contract - Staffing Levels**

On motion by Commissioner Krabbenhoft, seconded by Commissioner Baer, and unanimously carried, the Board approved to take The Consideration to Modify the University of Minnesota Extension Contract – Staffing Levels off the table to continue the discussion.

Mr. Larson stated, as you may recall, this past week there was a discussion regarding a potential addendum to our current contract due to the Extension Educator Youth

Development (4-H) opening within the extension office. With the challenging upcoming budget, the discussion has been to either continue to fund this position at 1.0 FTE or reduce the position to 0.80 FTE.

Northwest 4-H Program Leader Kari Robideau discussed data related to the 4-H grown in Clay County, 4-H Community Clubs, 4-H Afterschool Programs, Stie-based 4-H programs, and Program Planning for growth. Discussion ensued regarding afterschool programs, the partnership between Clay County Extension and the Clay County Fair Board, and staffing levels.

Commissioner Monguea discussed her frustrations with cutting locally wanted programs due to unwanted mandates from the state.

On motion by Commissioner Krabbenhoft, seconded by Commissioner Ebinger, and unanimously carried, the Board approved to amend the contract MOA between the University of Minnesota Extension and Clay County and move forward with funding the Extension Educator Youth Development (4-H) position at a .8 FTE.

The Board of Commissioners conducted a roll call vote to approve the motion as follows:

Commissioner Ebinger – Aye  
Commissioner Krabbenhoft – Aye  
Commissioner Mongeau – Nay  
Commissioner Campbell – Aye  
Commissioner Baer – Aye

### **Extension Budget Presentation for 2027**

On motion by Commissioner Krabbenhoft, seconded by Commissioner Baer, and unanimously carried, the Board approved to take the Extension Budget Presentation for 2027 off the table.

Extension Regional Director Cecilia Amadou presented the Extension budget for 2027 and discussed salaries, marketing, office supplies, and per diem.

### **Committee Reports/County Administrator Update/Discussions**

- Commissioner Ebinger reported on meetings for NW Emergency Communication Board; and Clay County Fair Government Day.
- Commissioner Krabbenhoft reported on meetings for Clay SWCD; Clay County Fair Government Day; Clay County Fair Historical & Cultural Society; Clay County Fair Extension Award Ceremony; AMC Lunch & Learn; and BRRWD.
- Commissioner Campbell reported on meetings for Personnel Issues Committee; Lakes Country Service Co-op annual conference; Clay County Fair Government Day; and Highway Tracking.
- Commissioner Baer reported on meetings for Wild Rice Watershed District; met with Senator Kupec to discuss LTSS and SNAP error rates; Clay SWCD; Clay County Fair Government Day; Morken Township Community Picnic to discuss the rural water project.
- Commissioner Mongeau reported on meetings for Personnel Issues Committee; met with Senator Kupec regarding LTSS and SNAP error rates; Highway Tracking; Skree Township meeting; Clay County Fair Government Day.

- County Administrator Stephen Larson reported on meetings for Personnel Issues Committee; Per-Budget meetings for the Assessor's Office and Facilities Department; County Management; Pre-Budget meeting for the Attorney's Office; met with Dale Arnold from Probation; met with James O'Donnell regarding a stabilization grant; met with Senator Kupec regarding LTSS and SNAP error rate; met with Joe Olson, Kevin Kassenborg and Tony Nelson regarding the SWCD Tree program; Clay County Fair Government Day; Pre-Budget meeting for Juvenile Detention; and Highway Tracking.
- Assistant County Administrator Darren Brooke reported on meetings for Personnel Issues Committee; met with Pemberton Law; Per-Budget meetings for the Assessor's Office and Facilities Department; County Management; Pre-Budget meeting for the Attorney's Office; met with Brian Melton, Solid Waste staff, and Grossman & Kelly Law Firm regarding PFAS contamination; worked on Data Requests; reviewed a complaint packet regarding a personnel matter; met with Kimberly Savageau regarding deed and mortgage recordings; worked on citizen concern form; Clay County Fair Government Day; met with Quinn Jaeger and Social Services Supervisors to discuss data practices; Pre-Budget meeting for Juvenile Detention; and had a call with Anna Moore and the Corrections Union Business Agent regarding their contract.
- County Attorney Brian Melton reported on the Clay County Fair Government Day.

## **Adjourn**

The meeting was adjourned at 11:35 a.m.

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Jenny Mongeau, Chair  
County Board of Commissioners

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Stephen Larson, County Administrator