

**AMENDED AGENDA**

**REGULAR MEETING  
OF THE BOARD OF COMMISSIONERS OF  
ST. LOUIS COUNTY, MINNESOTA**



**Tuesday, July 26, 2011, 9:30 A.M.**

**Floodwood City Hall  
111 West 8<sup>th</sup> Avenue  
Floodwood, MN 55736**

*Directions: From South, take U.S. Highway 2 into Floodwood. Turn right onto Minnesota Highway 73 (Elm Street). Take the 2<sup>nd</sup> left onto West 8<sup>th</sup> Avenue. City Hall is on the right.*

**STEVE O'NEIL, Chair  
Second District**

**FRANK JEWELL  
First District**

**CHRIS DAHLBERG  
Third District**

**MIKE FORSMAN  
Fourth District**

**PEG SWEENEY  
Fifth District**

**KEITH NELSON, Vice-Chair  
Sixth District**

**STEVE RAUKAR  
Seventh District**

County Auditor  
Don Dicklich

County Administrator  
Kevin Gray

County Attorney  
Mark Rubin

Clerk of the Board  
Patricia Stolee

The St. Louis County Board of Commissioners welcomes you to this meeting. This agenda contains a brief description of each item to be considered. The Board encourages your participation. If you wish to speak on an item contained in the agenda, you will be allowed to address the Board when a motion is on the floor. If you wish to speak on a matter which does not appear on the agenda, you may do so during the public comment period at the beginning of the meeting. Except as otherwise provided by the Standing Rules of the County Board, no action shall be taken on any item not appearing in the agenda.

When addressing the Board, please sign in at the podium and state your name and address for the record. Please address the Board as a whole through the Chair. Comments to individual Commissioners or staff are not permitted. The St. Louis County Board promotes adherence to civility in conducting the business of the County. Civility will provide increased opportunities for civil discourse in order to find positive resolutions to the issue before the Board. Tools of civility include: pay attention, listen, be inclusive, do not gossip, show respect, be agreeable, apologize, give constructive criticism and take responsibility [County Board Resolution No. 560, adopted on September 9, 2003]. Speakers will be limited to five (5) minutes.

**\*\*In compliance with the Americans with Disabilities Act, those requiring accommodation for this meeting should notify Property Management 72 hours prior to the meeting at (218)725-5085.\*\***

All supporting documentation is available for public review in the County Auditor's Office, 100 North 5th Avenue West - Room No. 214, St. Louis County Courthouse, Duluth, MN, during regular business hours 8:00 A.M. - 4:30 P.M., Monday through Friday. Agenda is also available on our website at <http://www.stlouiscountymn.gov/GOVERNMENT/BoardofCommissioners.aspx>

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9:30 A.M. Pledge of Allegiance  
Roll Call

AT THIS TIME CITIZENS WILL BE ALLOWED TO ADDRESS THE BOARD ON ITEMS NOT ON THE AGENDA. [Speakers will be limited to 5 minutes each.]

FOR ITEMS ON THE AGENDA, CITIZENS WILL BE ALLOWED TO ADDRESS THE BOARD AT THE TIME A MOTION IS ON THE FLOOR.

9:35 A.M. Public hearing, pursuant to Resolution No. 396, adopted July 12, 2011, to consider the issuance of an Off-Sale Intoxicating Liquor license for Kristina Carl d/b/a Saginaw Grand Lake Station, Solway Township. **{11-275}**

9:40 A.M. Public hearing, pursuant to Resolution No. 370, adopted July 5, 2011, to consider the suspension/revocation of liquor licenses for non-payment of property taxes. **{11-281}**

9:45 A.M. Public hearing, pursuant to Resolution No. 371, adopted July 5, 2011, to consider allegations of liquor law violations at the Dry Dock Bar & Restaurant, Midway Township. **{11-276}**

9:50 A.M. Public hearing, pursuant to Resolution No. 372, adopted July 5, 2011, to consider allegations of liquor law violations at Cold Country Liquor, Inc., Embarrass Township. **{11-277}**

9:55 A.M. Public hearing, pursuant to Resolution No. 373, adopted July 5, 2011, to consider allegations of liquor law violations at Hi Banks Resort, Fredenberg Township. **{11-278}**

10:00 A.M. Public hearing, pursuant to Resolution No. 374, adopted July 5, 2011, to consider allegations of liquor law violations at Island Lake Inn, Gnesen Township. **{11-279}**

10:05 A.M. Public hearing, pursuant to Resolution No. 375, adopted July 5, 2011, to consider allegation of liquor law violations at K.T.'s Floodwood Lake Resort & Campground, Cedar Valley Township. **{11-280}**

CONSENT AGENDA: Approval of business submitted on the Consent Agenda.

**REPORTS OF BOARDS AND COMMITTEES**

**Finance & Budget Committee – Commissioner Nelson, Chair**

1. Funding for the Volunteer Attorney Program. **[Without recommendation.] {11-274}**

**Public Works & Transportation Committee – Commissioner Forsman, Chair**

2. Bid award – Reconstruction of CSAH 4 near Markham, MN. **[Rules must be suspended. Has not been to committee.] {11-296}**



Included in the Committee of the Whole packet is a letter that was sent to selected county commissioners in July of 2010, requesting funding for the organization, and a background paper prepared by Patty Murto, Executive Director of the Volunteer Attorney Program.

**RECOMMENDATION:**

Should the County Board decide, as a matter of policy, to supplement the reduction of State of Minnesota Judicial Branch funding that had been granted to the Volunteer Attorney Program, a resolution is provided to direct the establishment of an additional Public Service Contract for that purpose.

Additionally, the County Board must determine the level of funding support to be offered the organization, and direct County Administration to transfer monies from identified designated fund balances.

## Request to Fund the Volunteer Attorney Program

BY COMMISSIONER \_\_\_\_\_

**WHEREAS**, the Volunteer Attorney Program is a nonprofit organization founded in 1981 as one of five nationwide American Bar Association pro bono pilot projects; and

**WHEREAS**, the services provided by the Volunteer Attorney Program are designed to assure the basics that most citizens take for granted, such as a safe and decent place in which to live, the ability to obtain medical treatment health care, and income to survive; and

**WHEREAS**, the Volunteer Attorney Program provides free legal services to income-eligible clients in Northeastern Minnesota, including the full range of civil legal services from advice and brief service, representation before courts and administrative agencies, to cases appealed to the Minnesota Supreme Court; and

**WHEREAS**, the Volunteer Attorney Program provides free legal services for eligible clients in St. Louis, Lake, Cook, Itasca, Carlton, Pine, Kanabec, Aitkin, Cass and Crow Wing counties, covering a service area of 23,171 square miles with a population of 447,785 persons, with poverty rates in the majority of the service area exceed the state average of 10.2%; and

**WHEREAS**, due to a reduction of nearly 40% of its funding from the State of Minnesota Judicial Branch on June 30, 2011, a full-time Volunteer Attorney Program office in Virginia, MN will close as of July 1, 2011, unless additional funding is received.

**NOW THEREFORE BE IT RESOLVED**, the St. Louis County Board approves the establishment of a Public Service Contract with the Volunteer Attorney Program in the amount of \$25,000 to supplement the reduction of funds by the State of Minnesota Judicial Branch beginning July 1, 2011 through December 31, 2011, and directs the transfer of \$10,000 from Fund 100, Agency 113001, Object 610100 (County Attorney), and \$15,000 from Fund 100, Agency 104001, Object 610100 (Administration) to Fund 230 (Public Service Contracts) for this purpose.

VOLUNTEER ATTORNEY PROGRAM  
NORTHLAND MEDIATION SERVICE  
1000 Torrey Building  
Duluth, MN 55802

July 19, 2010

County Commissioners  
St. Louis County

Dear County Commissioner:

The Volunteer Attorney Program has provided legal and mediation services to your constituents since 1981. Many of you have referred people to us who needed legal help.

We are facing another major cutback from the Supreme Court and will certainly have to cut staff and services. The Volunteer Attorney Program laid off 3 staff after the cuts in 2008. Additional cuts will leave us with less than half of the staff we had in 2008 and minus the office on the Range.

The only way to avoid the closing of this office is to receive an additional \$48,675. We will still lose staff in the Duluth office, but the additional funding will save the Range office.

We receive funding from Lake and Cook Counties in proportion to the clients served from those counties.

We would appreciate your financial assistance in keeping this office open, and our Range staff person employed.

Sincerely,

Patty Murto  
Director

## **ORGANIZATION: Volunteer Attorney Program**

The Volunteer Attorney Program is a 501(c)3 nonprofit corporation providing legal services to those persons unable to receive assistance from Legal Aid. The program was established by the American Bar Association as one of five pilot projects in 1981. The program provides compassionate, high-quality, and comprehensive free and low-fee legal services to the low and moderate income residents of a ten county region of Northeastern Minnesota. Volunteer attorneys serve the highest calling of the legal profession, providing without compensation, justice to people who under the law should have it, but because of being disadvantaged, would not receive it. Our staff and volunteers are committed to the proposition that all people deserve equal access to justice, not just those who get to Legal Aid first or cannot be served due to limited resources at the Legal Aid provider.

The Volunteer Attorney Program has a long history of providing free legal assistance to people who cannot afford the services of an attorney. We strive to achieve equal access in order that individuals and families can pursue and obtain lawful solutions to their civil legal problems. For almost thirty years, our attorneys have ensured that justice and fairness, the most vital of democratic commodities, are secured for the neediest in our society by promoting the concept that access to justice is a fundamental value in our society.

While the state and nation try to figure out how best to provide representation to those people who need an attorney but cannot afford one, we continue to give advice and provide representation on a daily basis. As the needs of the low income clients increased, the Volunteer Attorney Program has been innovative in trying various methods to keep up with the demand for services.

The VAP expanded to include mediation services in 1983, long before the lawyers or the public were very aware of an alternative to the court system for resolving disputes. We found that if we diverted the division of property and parenting time disputes, a divorce was easier to refer out to a volunteer attorney.

In 1991, the VAP also added a parenting education component for divorcing parents, Kids 1st. We noticed an increase in contested custody cases and were interested in reducing that caseload. It worked for many years, but we are seeing a surge in contested custody cases at this time.

The Program has implemented "Ask An Attorney" in courthouses throughout the service area, and continues to expand those opportunities. It is both a service to the community and a method of helping those people who need legal assistance that didn't know where to turn for help. The service is available in 6 courthouses at the present time, and we will be expanding to 8 in the next few months.

In the last audited year, more than \$2.7 million dollars in donated services were provided by attorneys in the VAP region. The program closed almost 2,025 cases in the region last year. The majority of those cases were in the family law area with consumer problems, including bankruptcy, which ranked second.

The Volunteer Attorney Program (VAP) has always been dedicated to the principal that our legal system should be available to every person. We believe that access to justice is a basic human right and for thirty years our staff and volunteers have strived to provide hope, economic stability, and independence to low-income families and economically needy elderly persons.

The VAP is the only provider in the entire region offering sliding fee mediation services. While private pay mediators are available to the general population, only Northland Mediation is available to low-income clients.

Mediation was made available to VAP clients in 1983, in an attempt to appease volunteer lawyers handling family law cases. Lawyers were unwilling to go to trial over who was going to get the Tupperware. We were able to reduce the contested issues that volunteer lawyers had to handle, therefore, they were willing to handle more cases. At that time we also shifted all requests for an attorney

for visitation issues to the mediation component. There was no possible way then or now to handle that number of clients with lawyer time.

Northland Mediation Service is the only provider of certified mediation training in Northeastern Minnesota. We have trained most of the lawyer mediators in the region who provide mediation services to our clients in exchange for the training received.

With a supplemental grant from the Supreme Court received in 2007, the VAP was able to open an office in Mora, share offices on an as needed basis in Grand Rapids, and the newest addition was a part-time office in Virginia. The office in Virginia was added in February of 2007 and expanded to full time in June of 2007. The office has expanded services greatly in the northern and most rural part of our service area. Since the supplemental grant was received, substantial cuts have come from the Supreme Court Interest on Lawyer Trust accounts and the Civil legal services filing fee surcharge. There are no offices in the expansion areas except the Range. We provide services in those areas with the remaining Duluth staff circuit riding to these other counties.

If additional funding is not received, the Range office will close in June of 2011. We are expected to lose almost 40% of our State funding in June of 2011, and will lose a minimum of two staff persons. This level of funding will leave us with the lowest staff levels for more than 10 years.

The VAP provided services to 2025 clients in 2009. An additional **438** clients were served through the mediation service. Services provided through the mediation service saved the VAP from having to turn away 292 people who called looking for an attorney. VAP client satisfaction surveys show that 98.4% of clients served felt that their attorney provided them with the time and expertise that was required to handle their matter. Client satisfaction was high for all clients, with the only issue being the length of time that it took to secure representation for a contested dissolution with custody matter. NMS client satisfaction questionnaires reveal that 98.9% of clients believed that the mediators were impartial and gave both parties the opportunity to explain their positions during the mediation session. Additionally 99% of mediation clients reported that the problem which resulted in their involvement with Northland Mediation Service had been completely resolved.

VAP has an established reputation in the communities that it has served for the past 30 years. We are still building trust and respect in those communities new to the VAP service area. Our Outreach staff person travels from Mora, Grand Rapids, Brainerd and Carlton. He spends time with attorneys and referral agencies in Aitkin, Carlton, Cass and Crow Wing counties. While we had a good rapport and reputation on the Range, adding an office and staff has increased our presence significantly. We have traveled to each and every county in the service area numerous times and **have recruited 32 new attorneys** in the new service area.

With present staffing we are able to provide services to the client population with a minimal wait list time. Losing the Range position would increase tremendously wait list time for access to justice and an attorney.

Assisted Pro Se cases had been handled by the Carlton County Courts since inception in 1995. St. Louis County has agreed to schedule our assisted pro se clients on Mondays at 1:30. All dissolution paperwork including children/property, children/no property, no children/property, no children/no property, had to be revised to no longer refer to changing venue and other changes requested by the Judge in St. Louis County. This will be a tremendous convenience to clients who will no longer have to travel to Carlton County to finalize their divorces. We do not use the state dissolution forms as they have way more information requested than any of our clients need. We save time and money in copying costs by streamlining our paperwork to fit the majority of our clients.

**Our Program provides Legal Representation, in the following areas of law:**

- Community Economic Development**
- Consumer**
- Economic Assistance**
- Education**
- Employment**
- Family law; domestic abuse**
- Health**
- Housing**
- Immigration**
- Individual Rights**
- Nonprofit and Representation**
- Seniors**
- Mediation**
- Human Rights Ordinance Violations**
- Assistance to Minnesota Prisoners**

#### **Priorities of Services Provided**

The Board of Directors of the VAP establishes priorities. The Board reviews the priorities every two years.

**Highest Priority:** Those clients who have been served papers in a civil matter who cannot be served by Legal Aid because of a conflict of interest.

**Second Highest Priority:** Those clients who cannot be served by Legal Aid because of caseload management, priority setting process or the Legal Services Corporation restrictions. Examples of those types of cases are: incarcerated individuals, aliens, persons convicted or charged with drug crimes in public housing evictions, clients with interests before administrative agencies engaged in rulemaking, or self-help lobbying before agencies or legislative bodies.

**Third Highest Priority:** Clients who are directed to our program because the private bar possesses greater expertise in the matter than legal services staff.

The VAP supplements those services provided by the Legal Services Corporation program in our region and do not compete in any way for clients. Since resources in greater Minnesota are so limited, there is certainly no competition between LASNEM, VAP and Indian Legal.

It is clear from the statistical data for the past year that the addition of the Range office has yielded great results.

The Volunteer Attorney Program also provides mediation services through Northland Mediation Service. As stated earlier, the program provided mediation services to **438** individuals, who would have been denied services of the VAP due to limited services in the family law area. The majority of those matters were custody and parenting time issues post decree.

In addition to mediation services the VAP has 3 qualified custody evaluators who have been specifically requested to provide custody evaluations when a Legal Aid client is involved in the family law matter before the court. While we have had a few requests for evaluations that did not involve Legal Aid clients, the greatest majority have. We provide all services on a sliding fee scale, including custody evaluations.

Parenting time expeditors through Northland Mediation are in great demand. We have three staff persons who provide this service to the courts and clients. In each one of these files, at least one of the parties is a person who would be eligible for services from the Volunteer Attorney Program.

Our services are provided to the general income eligible public and not restricted to one segment of society. The VAP provides the full range of civil legal services from advice and brief service, representation before courts and administrative agencies to cases appealed to the Minnesota Supreme Court. The services provided by the VAP are designed to assure the basics that most of us take for granted – a safe and decent place in which to live, the ability to obtain medical treatment health care, and income to survive.

The VAP's struggles over the years with limited staffing and shortage of funding has resulted in the development of guiding principles that encourage working in partnership with other agencies and legal service providers, avoiding inefficient and undesirable duplication, maximizing and promoting the effective collaborative to serve the clients in Northern Minnesota.

### **The need for the services our program provides**

The service area has a population of 447,785 persons and covers an area of 23,172 square miles. Poverty rates in the majority of our service area exceed the state average of 10.2%. Census reports indicate a poverty rate in St. Louis County of 12.1%.

Unlike the metro areas of the state, Northern Minnesota has very limited agencies providing legal services to the low income residents of our communities.

The service area has twelve courthouses and three judicial districts. I do not believe that any other non Legal Aid Program has such a large and complex delivery area.

LSAC and IOLTA, the Supreme Court sources of funding, fund at least twenty non Coalition programs in the metro area. There may be many more agencies providing services as well that are not funded by LSAC and IOLTA. In our region there are no other legal service providers than those funded by LSAC and IOLTA. The three programs combined cannot handle the requests for service in the region and each of us turn clients away for lack of resources.

Median household incomes in Northern Minnesota are substantially below the state average, with 66,278 persons living below 125% of poverty.

No other program in our region has the capacity to handle immigration cases. While our caseload is small, we are the only program with volunteers who have experience in immigration.

The main office of the Volunteer Attorney Program is in downtown Duluth. The office houses 4 tenant lawyers and their staff as well as 3 volunteer lawyers and 4 full time VAP staff and one part time

paralegal bankruptcy specialist. Until very recently all cases in St. Louis, Lake, Cook, and Itasca were referred from this office.

The Virginia office is located in the Phillips Law firm to provide attorney oversight for our staff. This office was opened after 27 years of lack of funding to secure a staff person and office on the Range. This office has had a tremendous impact on legal services on the Range. However, without additional funding, it will close on June 30, 2011.

**Describe the financial guidelines, case priority guidelines, and other factors you use for determining who receives services.**

The VAP uses the Federal Legal Services poverty figure of 125% of poverty. Over 99% of our clients are eligible under that guideline. Another 1% of the clients served fall under 187% of poverty and are served through a modest means panel accepting \$35 per hour from those clients. We do not serve any clients over 187% of poverty.

For the fiscal year 2009, 2025 cases were closed.

The program requires self disclosure for the majority of services offered. Bankruptcy clients and family law clients are required to provide pay stubs as a part of the service process.

Case acceptance and priorities are always dependent upon the lawyers capabilities and availability. Volunteers have handled contested custody cases as well as an appeal in employment law to the Supreme Court. The attorney who handled the case to the Supreme Court is a solo practitioner.

Our case priorities are stated elsewhere in this application. A further breakdown of those priorities are:

1. Clients who need a divorce and are in physical danger of being harmed.
2. Clients who are facing homelessness.
3. Clients who are in danger of losing income.

**The intake process.**

Clients served by the VAP are referred from Legal Aid, the courts, private lawyers and other agencies serving the low-income population. Our office on the Range has initiated free advertising on cable television and the newspapers.

Our staff are well trained paralegals some with years of experience that screen each caller for eligibility and priorities. When the caller is determined eligible, a more detailed interview is performed for case acceptance. All clients are asked if they have contacted Legal Aid prior to calling us. Hotline client's information is gathered and given to the attorney supervisor. If the call is of an emergency nature, the attorney may speak to that client immediately; otherwise a call-back occurs later in that same day.

Clients seeking help with bankruptcy or family law are sent out a packet of forms that ask the information that is needed to prepare their legal documents.

If applicants for service have been served papers, they are asked to either come in with those papers immediately or fax them to us. We then do an interview to determine what the issues may be for a volunteer attorney. While there may be an occasional surprise, most volunteers are aware of the issues prior to accepting a file.

We accept walk in clients in all offices daily. Legal Aid offices will routinely send their walk in clients down the street to us if they cannot assist them. Clients are seen for an intake immediately to determine eligibility and if their case is something that our volunteers can handle. If an emergency exists with a walk in client and a tenant attorney is available, the tenant attorney will see the client. The case may need further legal work and will then be referred to a volunteer attorney.

The Duluth office has two primary intake staff and two back up intake persons. The office has 5 telephone lines and four staff persons. There are times when all in the office are answering client calls.

Case acceptance is determined by case priorities, attorney availability and merit. Staff reviews requests for service twice weekly with the Director. Accepted cases are then referred to an attorney who has the expertise to handle the matter.

Our client database is web based and accessible from all offices. There are very few practicing attorneys who are not volunteers. We are proud of the high quality legal services provided by our volunteers.



**Public Hearing to Consider Off-Sale Intoxicating Liquor License  
- Saginaw Grand Lake Station (Solway Township)**

**BY COMMISSIONER** \_\_\_\_\_

**WHEREAS**, Kristina Carl d/b/a Saginaw Grand Lake Station, Solway Township, St. Louis County, Minnesota, has applied for an off-sale intoxicating liquor license; and

**WHEREAS**, Minn. Stat. § 340A.405, Subd. 2(d), requires that a public hearing be held prior to the issuance of an off-sale intoxicating liquor license; and

**WHEREAS**, a public hearing was held on July 26, 2011, at 9:35 A.M. in the Floodwood City Hall, Floodwood, Minnesota, for the purpose of considering the granting of the off-sale intoxicating liquor license; and

**WHEREAS**, with regard to the application for the license, Saginaw Grand Lake Station has complied in all respects with the requirements of Minnesota Law and St. Louis County Ordinance No. 28; and

**WHEREAS**, the Liquor Licensing Committee of the St. Louis County Board of Commissioners has considered the nature of the business to be conducted and the propriety of the location and has recommended approval of the application.

**NOW THEREFORE, BE IT RESOLVED**, that Off-Sale Intoxicating Liquor License (License Number CMB12143) shall be issued to Kristina Carl d/b/a Saginaw Grand Lake Station, located in Area 1, for an annual fee of \$500, effective through June 30, 2012, contingent upon payment of real estate taxes when due.

**RESOLVED FURTHER**, that said license is approved contingent upon Solway Township approval and upon proof of liquor liability insurance.

**RESOLVED FURTHER**, that expansion of the service area to include the deck is contingent upon installation of a railing.

**RESOLVED FURTHER**, that if named license holder sells the licensed place of business, the County Board, at its discretion, may, after an investigation, transfer the license to a new owner, but without pro-rated refund of license fee to the license holder.

# BOARD LETTER NO. 11 - 276

## FINANCE & BUDGET COMMITTEE

JULY 26, 2011 BOARD AGENDA 9:45 A.M.  
PUBLIC HEARING

**DATE:** July 26, 2011

**RE:** Public Hearing to Consider  
Allegations of Liquor Law  
Violations – Dry Dock Bar &  
Restaurant (Midway Township)

**FROM:** Kevin Z. Gray  
County Administrator

Donald Dicklich  
County Auditor

Mark Rubin  
County Attorney

**RELATED DEPARTMENT GOAL:**

Provide mandated and discretionary licensing services in a timely manner.

**ACTION REQUESTED:**

The St. Louis County Board is requested to consider suspension, revocation, or other sanctions of the liquor licenses for alleged violation of the liquor law by Van Gillen's Dry Dock, Inc. d/b/a Dry Dock Bar & Restaurant, Midway Township.

**BACKGROUND:**

The County Attorney and the County Auditor have received reports from the St. Louis County Sheriff's Office concerning a liquor law violation on May 2, 2011, by Van Gillen's Dry Dock, Inc. d/b/a Dry Dock Bar & Restaurant, Midway Township.

On June 21, 2011, the St. Louis County Liquor Licensing Committee met to discuss the alleged liquor law violation against Dry Dock Bar & Restaurant. After consideration of the allegations and circumstances, the committee recommended a ten (10) day license suspension and \$1,000 civil penalty, with nine (9) days and \$1,000 of the civil penalty stayed for one (1) year on the condition that the licensee have no same or similar violations during that year. The date of the one (1) day suspension will be August 1, 2011.

A public hearing was scheduled before the St. Louis County Board on July 26, 2011. The purpose of the hearing, pursuant to St. Louis County Ordinance No. 28, Section 13.01, is for the County Board to determine whether the licensee violated any liquor laws, regulations, or provisions of Ordinance No. 28, and, if so, what consequence should be imposed upon the licensee. Ordinance No. 28 permits that a liquor license may be suspended or revoked for up to sixty days, a civil penalty of up to \$2,000 may be imposed for each violation, or a combination of any of these sanctions.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board receive testimony at the public hearing and consider suspension, revocation, or other sanctions of the Combination On/Off-Sale and Sunday On-Sale Intoxicating Liquor Licenses issued to Van Gillen's Dry Dock, Inc. d/b/a Dry Dock Bar & Restaurant, including but not limited to, imposition of civil penalties for the violation.

**Public Hearing to Consider Alleged Liquor Law Violations –  
Dry Dock Bar and Restaurant (Midway Township)**

**BY COMMISSIONER** \_\_\_\_\_

**WHEREAS**, the St. Louis County Liquor Licensing Committee met on June 21, 2011, to consider recommending action to be taken by the County Board as a result of an alleged liquor law violation on May 2, 2011, against Van Gillen's Dry Dock, Inc. d/b/a Dry Dock Bar & Restaurant, Midway Township; and

**WHEREAS**, the Liquor Licensing Committee recommended a ten (10) day suspension and \$1,000 civil penalty, with nine (9) days of the suspension and \$1,000 of the civil penalty stayed, for one year with no same or similar violations during that year.

**WHEREAS**, after hearing testimony on the matter at a public hearing conducted on July 26, 2011, at 9:45 a.m. in the Floodwood City Hall, Floodwood, MN, the St. Louis County Board determined the recommendation of the St. Louis County Liquor Licensing Committee to be an appropriate penalty for the liquor law violation.

**NOW, THEREFORE, BE IT RESOLVED**, that the Combination On/Off-Sale Intoxicating Liquor License No. CMB1217 and Sunday On-Sale Intoxicating Liquor License No. SUN1217, issued to Van Gillen's Dry Dock, Inc. d/b/a Dry Dock Bar & Restaurant, Midway Township, are hereby suspended for ten (10) days and a \$1,000 civil penalty is due, with nine (9) days of the suspension and \$1,000 of the civil penalty stayed for one (1) year, with no same or similar violations during that period.

**RESOLVED FURTHER**, that the date of suspension of the liquor licenses will be August 1, 2011.

**RESOLVED FURTHER**, that a new violation within the next year (ending July 26, 2012), will result in the imposition of the remainder of the suspension and civil penalty, and may also be cause for additional action against the liquor licenses of the licensee pursuant to St. Louis County Ordinance Number 28, Section 13.

# BOARD LETTER NO. 11 - 277

## FINANCE & BUDGET COMMITTEE

JULY 26, 2011 BOARD AGENDA 9:50 A.M.  
PUBLIC HEARING

**DATE:** July 26, 2011

**RE:** Public Hearing to Consider  
Allegations of Liquor Law  
Violation – Cold Country  
Liquor, Inc. (Embarrass  
Township)

**FROM:** Kevin Z. Gray  
County Administrator

Donald Dicklich  
County Auditor

Mark Rubin  
County Attorney

### **RELATED DEPARTMENT GOAL:**

Provide mandated and discretionary licensing services in a timely manner.

### **ACTION REQUESTED:**

The St. Louis County Board is requested to consider suspension, revocation, or other sanctions of the liquor license for alleged violation of the liquor law by Cold Country Liquor, Inc. d/b/a Cold Country Liquor, Inc., Embarrass Township.

### **BACKGROUND:**

The County Attorney and the County Auditor have received reports from the St. Louis County Sheriff's Office concerning a liquor law violation on February 10, 2011, by Cold Country Liquor, Inc. d/b/a Cold Country Liquor, Inc., Embarrass Township.

On June 21, 2011, the St. Louis County Liquor Licensing Committee met to discuss the alleged liquor law violation against Cold Country Liquor, Inc. After consideration of the allegations and circumstances, the committee recommended a ten (10) day license suspension and \$1,000 civil penalty, with nine (9) days and \$1,000 of the civil penalty stayed for one (1) year on the condition that the licensee have no same or similar violations during that year. The date of the one (1) day suspension will be August 1, 2011.

A public hearing was scheduled before the St. Louis County Board on July 26, 2011. The purpose of the hearing, pursuant to St. Louis County Ordinance No. 28, Section 13.01, is for the County Board to determine whether the licensee violated any liquor

laws, regulations, or provisions of Ordinance No. 28, and, if so, what consequence should be imposed upon the licensee. Ordinance No. 28 permits that a liquor license may be suspended or revoked for up to sixty days, a civil penalty of up to \$2,000 may be imposed for each violation, or a combination of any of these sanctions.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board receive testimony at the public hearing and consider suspension, revocation, or other sanctions of the Off-Sale Intoxicating Liquor License issued to Cold Country Liquor, Inc. d/b/a Cold Country Liquor, Inc., including but not limited to, imposition of civil penalties for the violation.

**Public Hearing to Consider Alleged Liquor Law Violations –  
Cold Country Liquor, Inc., (Embarrass Township)**

**BY COMMISSIONER** \_\_\_\_\_

**WHEREAS**, the St. Louis County Liquor Licensing Committee met on June 21, 2011, to consider recommending action to be taken by the County Board as a result of an alleged liquor law violation on February 10, 2011, against Cold Country Liquor, Inc. d/b/a Cold Country Liquor, Inc., Embarrass Township; and

**WHEREAS**, the Liquor Licensing Committee recommended a ten (10) day suspension and \$1,000 civil penalty, with nine (9) days of the suspension and \$1,000 of the civil penalty stayed, for one year with no same or similar violations during that year.

**WHEREAS**, after hearing testimony on the matter at a public hearing conducted on July 26, 2011, at 9:50 a.m. in the Floodwood City Hall, Floodwood, MN, the St. Louis County Board determined the recommendation of the St. Louis County Liquor Licensing Committee to be an appropriate penalty for the liquor law violation.

**NOW, THEREFORE, BE IT RESOLVED**, that the Off-Sale Intoxicating Liquor License No. OFSL1218, issued to Cold Country Liquor, Inc. d/b/a Cold Country Liquor, Inc., Embarrass Township, is hereby suspended for ten (10) days and a \$1,000 civil penalty is due, with nine (9) days of the suspension and \$1,000 of the civil penalty stayed for one (1) year, with no same or similar violations during that period.

**RESOLVED FURTHER**, that the date of suspension of the liquor license will be August 1, 2011.

**RESOLVED FURTHER**, that a new violation within the next year (ending July 26, 2012), will result in the imposition of the remainder of the suspension and civil penalty, and may also be cause for additional action against the liquor license of the licensee pursuant to St. Louis County Ordinance Number 28, Section 13.



should be imposed upon the licensee. Ordinance No. 28 permits that a liquor license may be suspended or revoked for up to sixty days, a civil penalty of up to \$2,000 may be imposed for each violation, or a combination of any of these sanctions.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board receive testimony at the public hearing and consider suspension, revocation, or other sanctions of the On/Off-Sale 3.2 Percent Malt Liquor License and Consumption and Display Permit issued to Hi Banks Resort, Inc. d/b/a Hi Banks Resort, including but not limited to, imposition of civil penalties for the violation.

**Public Hearing to Consider Allegations of Liquor Law Violations –  
Hi Banks Resort (Fredenberg Township)**

**BY COMMISSIONER** \_\_\_\_\_

**WHEREAS**, the St. Louis County Liquor Licensing Committee met on June 21, 2011, to consider recommending action to be taken by the County Board as a result of an alleged liquor law violation on May 3, 2011, against Hi Banks Resort, Inc. d/b/a Hi Banks Resort, Fredenberg Township; and

**WHEREAS**, the Liquor Licensing Committee recommended a ten (10) day suspension and \$1,000 civil penalty, with nine (9) days of the suspension and \$1,000 of the civil penalty stayed, for one year with no same or similar violations during that year.

**WHEREAS**, after hearing testimony on the matter at a public hearing conducted on July 26, 2011, at 9:55 a.m. in the Floodwood City Hall, Floodwood, MN, the St. Louis County Board determined the recommendation of the St. Louis County Liquor Licensing Committee to be an appropriate penalty for the liquor law violation.

**NOW, THEREFORE, BE IT RESOLVED**, that the On/Off-Sale 3.2 Percent Malt Liquor License No. B1262 and Consumption and Display Permit No. S1216, issued to Hi Banks Resort, Inc. d/b/a Hi Banks Resort, Fredenberg Township, are hereby suspended for ten (10) days and a \$1,000 civil penalty is due, with nine (9) days of the suspension and \$1,000 of the civil penalty stayed for one (1) year, with no same or similar violations during that period.

**RESOLVED FURTHER**, that the date of suspension of the liquor licenses will be August 1, 2011.

**RESOLVED FURTHER**, that a new violation within the next year (ending July 26, 2012), will result in the imposition of the remainder of the suspension and civil penalty, and may also be cause for additional action against the liquor licenses of the licensee pursuant to St. Louis County Ordinance Number 28, Section 13.



should be imposed upon the licensee. Ordinance No. 28 permits that a liquor license may be suspended or revoked for up to sixty days, a civil penalty of up to \$2,000 may be imposed for each violation, or a combination of any of these sanctions.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board receive testimony at the public hearing and consider suspension, revocation, or other sanctions of the Combination On/Off-Sale and Sunday On-Sale Intoxicating Liquor Licenses issued to ILI, LLC d/b/a Island Lake Inn, including but not limited to, imposition of civil penalties for the violation.

**Public Hearing to Consider Allegations of Liquor Law Violations –  
Island Lake Inn (Gnesen Township)**

**BY COMMISSIONER** \_\_\_\_\_

**WHEREAS**, the St. Louis County Liquor Licensing Committee met on June 21, 2011, to consider recommending action to be taken by the County Board as a result of an alleged liquor law violation on May 2, 2011, against ILI, LLC d/b/a Island Lake Inn, Gnesen Township; and

**WHEREAS**, the Liquor Licensing Committee recommended a ten (10) day suspension and \$1,000 civil penalty, with nine (9) days of the suspension and \$1,000 of the civil penalty stayed, for one year with no same or similar violations during that year.

**WHEREAS**, after hearing testimony on the matter at a public hearing conducted on July 26, 2011, at 10:00 a.m. in the Floodwood City Hall, Floodwood, MN, the St. Louis County Board determined the recommendation of the St. Louis County Liquor Licensing Committee to be an appropriate penalty for the liquor law violation.

**NOW, THEREFORE, BE IT RESOLVED**, that the Combination On/Off-Sale Liquor License No. CMB12130 and Sunday On-Sale Intoxicating Liquor License No. SUN12130, issued to ILI, LLC d/b/a Island Lake Inn, Gnesen Township, are hereby suspended for ten (10) days and a \$1,000 civil penalty is due, with nine (9) days of the suspension and \$1,000 of the civil penalty stayed for one (1) year, with no same or similar violations during that period.

**RESOLVED FURTHER**, that the date of suspension of the liquor licenses will be August 1, 2011.

**RESOLVED FURTHER**, that a new violation within the next year (ending July 26, 2012), will result in the imposition of the remainder of the suspension and civil penalty, and may also be cause for additional action against the liquor licenses of the licensee pursuant to St. Louis County Ordinance Number 28, Section 13.

# BOARD LETTER NO. 11 - 280

## FINANCE & BUDGET COMMITTEE

JULY 26, 2011 BOARD AGENDA 10:05 A.M.  
PUBLIC HEARING

**DATE:** July 26, 2011

**RE:** Public Hearing to Consider  
Allegations of Liquor Law  
Violation – K.T.'s Floodwood  
Lake Resort & Campground  
(Cedar Valley Township)

**FROM:** Kevin Z. Gray  
County Administrator

Donald Dicklich  
County Auditor

Mark Rubin  
County Attorney

### **RELATED DEPARTMENT GOAL:**

Provide mandated and discretionary licensing services in a timely manner.

### **ACTION REQUESTED:**

The St. Louis County Board is requested to consider suspension, revocation, or other sanctions of the liquor licenses for alleged violation of the liquor law by Kathryn Brown d/b/a K.T.'s Floodwood Lake Resort & Campground, Cedar Valley Township.

### **BACKGROUND:**

The County Attorney and the County Auditor have received reports from the St. Louis County Sheriff's Office concerning a liquor law violation on May 26, 2011, by Kathryn Brown d/b/a K.T.'s Floodwood Lake Resort & Campground, Cedar Valley Township.

On June 21, 2011, the St. Louis County Liquor Licensing Committee met to discuss the alleged liquor law violation against K.T.'s Floodwood Lake Resort & Campground. After consideration of the allegations and circumstances, the committee recommended a ten (10) day license suspension and \$1,000 civil penalty, with nine (9) days and \$1,000 of the civil penalty stayed for one (1) year on the condition that the licensee have no same or similar violations during that year. The date of the one (1) day suspension will be August 1, 2011.

A public hearing was scheduled before the St. Louis County Board on July 26, 2011. The purpose of the hearing, pursuant to St. Louis County Ordinance No. 28, Section 13.01, is for the County Board to determine whether the licensee violated any liquor

laws, regulations, or provisions of Ordinance No. 28, and, if so, what consequence should be imposed upon the licensee. Ordinance No. 28 permits that a liquor license may be suspended or revoked for up to sixty days, a civil penalty of up to \$2,000 may be imposed for each violation, or a combination of any of these sanctions.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board receive testimony at the public hearing and consider suspension, revocation, or other sanctions of the On/Off-Sale 3.2 Percent Malt Liquor License and Consumption and Display Permit issued to Kathryn Brown d/b/a K.T.'s Floodwood Lake Resort & Campground, including but not limited to, imposition of civil penalties for the violation.

**Public Hearing to Consider Alleged Liquor Law Violations – K.T.'s Floodwood Lake Resort and Campground (Cedar Valley Township)**

**BY COMMISSIONER** \_\_\_\_\_

**WHEREAS**, the St. Louis County Liquor Licensing Committee met on June 21, 2011, to consider recommending action to be taken by the County Board as a result of an alleged liquor law violation on May 26, 2011, against Kathryn Brown d/b/a K.T.'s Floodwood Lake Resort & Campground, Cedar Valley Township; and

**WHEREAS**, the Liquor Licensing Committee recommended a ten (10) day suspension and \$1,000 civil penalty, with nine (9) days of the suspension and \$1,000 of the civil penalty stayed, for one year with no same or similar violations during that year.

**WHEREAS**, after hearing testimony on the matter at a public hearing conducted on July 26, 2011, at 10:05 a.m. in the Floodwood City Hall, Floodwood, MN, the St. Louis County Board determined the recommendation of the St. Louis County Liquor Licensing Committee to be an appropriate penalty for the liquor law violation.

**NOW, THEREFORE, BE IT RESOLVED**, that the On/Off-Sale 3.2 Percent Malt Liquor License No. B1267 and Consumption and Display Permit No. S1217, issued to Kathryn Brown d/b/a K.T.'s Floodwood Lake Resort & Campground, Cedar Valley Township, are hereby suspended for ten (10) days and a \$1,000 civil penalty is due, with nine (9) days of the suspension and \$1,000 of the civil penalty stayed for one (1) year, with no same or similar violations during that period.

**RESOLVED FURTHER**, that the date of suspension of the liquor licenses will be August 1, 2011.

**RESOLVED FURTHER**, that a new violation within the next year (ending July 26, 2012), will result in the imposition of the remainder of the suspension and civil penalty, and may also be cause for additional action against the liquor license of the licensee pursuant to St. Louis County Ordinance Number 28, Section 13.



## Public Hearing for Suspension of Liquor Licenses for Property Tax Non-Payment

**BY COMMISSIONER** \_\_\_\_\_

**WHEREAS**, St. Louis County Ordinance No. 28 (Liquor Ordinance), Section 4.15, requires all licensed establishments to pay all real and personal property taxes when due; and

**WHEREAS**, the Elbow Lake Investors, Inc. d/b/a Elbow Lake Lodge, Beatty Township, was issued Combination On/Off-Sale and Sunday On-Sale Intoxicating Liquor Licenses for the period of July 1, 2011 through June 30, 2012; and

**WHEREAS**, the establishment has past due or delinquent real or personal property taxes for 2011; and

**WHEREAS**, a public hearing was held on July 26, 2011, to consider suspension of the intoxicating liquor licenses for the establishment for failure to pay real or personal property taxes when due.

**NOW THEREFORE, BE IT RESOLVED**, that the Combination On/Off-Sale and Sunday On-Sale Intoxicating Liquor Licenses for Elbow Lake Investors, Inc. Beatty Township, are hereby suspended effective July 26, 2011 at 4:30 P.M.

**RESOLVED FURTHER**, said license will remain suspended until such time as the taxes are paid in full or the licenses expire or are revoked.

# BOARD LETTER NO. 11 - 296

## PUBLIC WORKS & TRANSPORTATION COMMITTEE

JULY 26, 2011 BOARD AGENDA NO. 2

**DATE:** July 26, 2011                      **RE:** Award of Bids for CP 9282R –  
Reconstruction of CSAH 4 near  
Markham, MN

**FROM:** Kevin Z. Gray  
County Administrator

James T. Foldesi  
Public Works Director/Highway Engineer

### **RELATED DEPARTMENT GOAL:**

Provide a safe, well maintained road and bridge system.

### **ACTION REQUESTED:**

The St. Louis County Board is requested to authorize the award for a reconstruction project on CSAH 4 near Markham, MN.

### **BACKGROUND:**

As authorized by the St. Louis County Board, bids were originally opened for a reconstruction project on CSAH 4 near Markham, MN on April 4, 2011. Due to circumstances beyond the county's control, the original bid award was delayed because the low bidder did not meet the required Disadvantaged Business Enterprise goal. On July 18, 2011 the project was re-bid with revised contract provisions.

This project received clearance from the Mn/DOT Office of Civil Rights for the Disadvantaged Business Enterprise participation goal on July 22, 2011. This project, along with its financing, is shown below:

- |                                     |  |                 |
|-------------------------------------|--|-----------------|
| <b>Project:</b>                     | SP 69-604-060, CP 9282 (Rebid)   |                 |
| <b>Location:</b>                    | CSAH 4 from CSAH 108 to 0.7 miles north of CR 340 in Markham, MN, length 4.17 mi |                 |
| <b>Traffic:</b>                     | 884  | <b>PQI:</b> 2.5 |
| <b>Construction:</b>                | Grading, Aggregate Base, Curb and Gutter, Bituminous Surfacing                   |                 |
| <b>Funding:</b>                     | Fund 220, Agency 220173, Object 652700   |                 |
| <b>Anticipated Start Date:</b>      | August 15, 2011  |                 |
| <b>Anticipated Completion Date:</b> | October 15, 2012   |                 |
| <b>Engineer's Estimate:</b>         | \$5,530,899.20   |                 |

**BIDS:**

<b>Hoover Construction Company, Virginia, MN</b>	<b>\$5,849,257.64 (+\$318,358.44, +5.76%)</b>
Ulland Brothers, Inc., Cloquet, MN	\$5,892,000.00
KGM Contractors, Inc., Angora, MN	\$5,893,439.61

**RECOMMENDATION:**

It is recommended the St. Louis County Board award the bid for County Project 9282R to low bidder Hoover Construction Company of Virginia, MN, in the amount of \$5,849,257.64, payable from Fund 220, Agency 220173, Object 652700.

**Award of Bids for CP 9282R – Reconstruction of CSAH 4  
near Markham, MN**

**BY COMMISSIONER \_\_\_\_\_**

**WHEREAS**, bids have been received by the County Auditor for the following project:

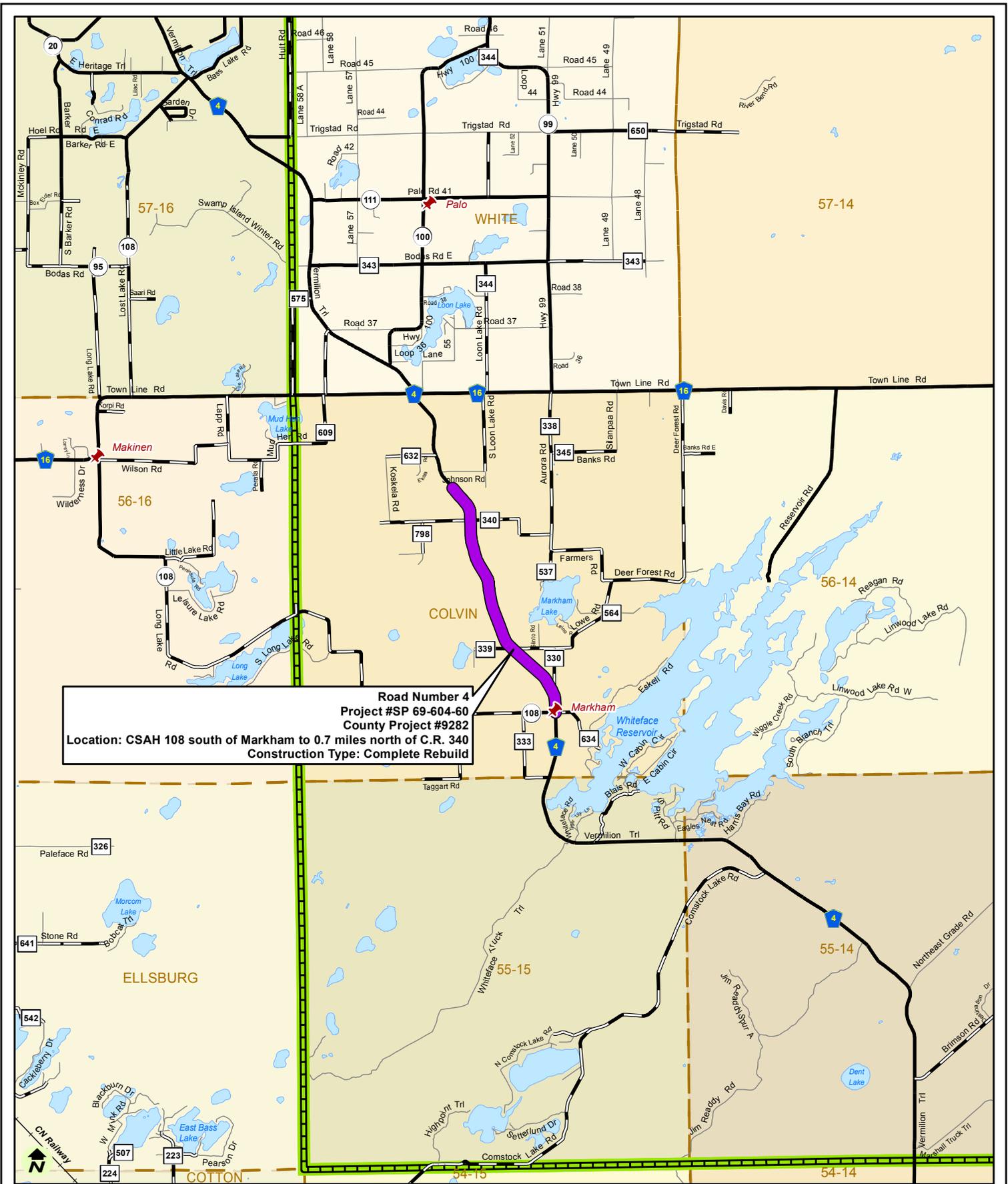
SP 69-604-060, CP 9282R, MN Proj. No. STPX 6911(84) located on CSAH 4 from CSAH 108 to .7 Mi. N. of CR 340.

**WHEREAS**, bids were opened in the County Board Room at 10:00 a.m., July 18, 2011, and the low responsible bidder determined.

**NOW, THEREFORE, BE IT RESOLVED**, that the St. Louis County Board approves the award on the above project to the lowest bidder.

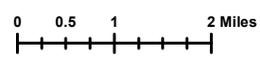
<u>LOW BIDDER</u>	<u>ADDRESS</u>	<u>AMOUNT</u>
Hoover Construction Co.	302 S. Hoover Rd. P.O. Box 1007 Virginia, MN 55792	\$5,849,257.64

**RESOLVED FURTHER**, that the Chairman of the County Board, the County Auditor, and the County Attorney are authorized to approve the Contractor's Performance Bonds and to execute the bonds and contract for the above listed project payable from Fund 220, Agency 220173, Object 652700.



**Road Number 4**  
**Project #SP 69-604-60**  
**County Project #9282**  
**Location: CSAH 108 south of Markham to 0.7 miles north of C.R. 340**  
**Construction Type: Complete Rebuild**

St. Louis County 2011 Road & Bridge Construction



**Map Components**

	Interstate Highway		Commissioner District
	U.S./State Highway		Township
	Paved County Road		City/Town
	Gravel County Road		Lake
	Railroad		