



**COMMITTEE OF THE WHOLE AGENDA**  
**Board of Commissioners, St. Louis County, Minnesota**

**January 10, 2012**  
**Immediately following the Board Meeting, which begins at 9:30 A.M.**  
**Commissioners' Conference Room, St. Louis County Courthouse, Duluth, MN**

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**CONSENT AGENDA:**

*All matters listed under the consent agenda are considered routine and/or non-controversial and will be enacted by one unanimous motion. If a commissioner requests, or a citizen wishes to speak on an item on the consent agenda, it will be removed and handled separately.*

**Minutes of January 3, 2012**

**Health & Human Services Committee – Commissioner O’Neil, Chair**

1. Designation of Northern Common Entry Point [12-10]

**Public Safety & Corrections Committee – Commissioner Sweeney, Chair**

2. Authorization to Apply for and Accept the 2011 Port Security Grants [12-11]

**ESTABLISHMENT OF PUBLIC HEARINGS:**

**Environment & Natural Resources Committee – Commissioner Dahlberg, Chair**

3. Establish Public Hearing to Consider Adoption of Proposed Ordinance 60, Subdivision Regulations (February 14, 2012, 9:40 a.m., St. Louis County Courthouse, Duluth, MN) [12-12]

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**REGULAR AGENDA:**

*For items on the Regular Agenda, citizens will be allowed to address the Board at the time a motion is on the floor.*

**Health & Human Services Committee – Commissioner O’Neil, Chair**

1. **Memorandum of Understanding for the TXT 4 LIFE Program [12-13]**  
Resolution authorizing a Memorandum of Understanding with the Carlton County Public Health and Human Services Department for the TXT 4 LIFE program.

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

1. **Amend Business Subsidy Agreement with Cirrus Design Corporation for Tax Abatement Financing [12-14]**  
Resolution authorizing an amended Business Subsidy Agreement with Cirrus Design Corporation for the years 2011 through 2017.

**Central Management & Inter-Governmental Committee – Commissioner Jewell, Chair**

1. **Co-Tenancy Agreement with the City of Duluth for Joint Maintenance and Use of the Public Safety Building [12-15]**  
Resolution authorizing a fifty year co-tenancy agreement with the City of Duluth.

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**COMMISSIONER DISCUSSION ITEMS AND REPORTS:**

*At this time, Commissioners may introduce items for discussion or report on past and future activities.*

**ADJOURNED:**

**NEXT COMMITTEE OF THE WHOLE MEETING DATES:**

**January 24, 2012**      **Grand Lake Town Hall, Twig, MN**

**February 7, 2012**      **Commissioners' Conference Room, Courthouse, Duluth, MN**

**February 14, 2012**      **Commissioners' Conference Room, Courthouse, Duluth, MN**

**BARRIER FREE:** *All St. Louis County Board meetings are accessible to the handicapped. Attempts will be made to accommodate any other individual needs for special services. Please contact St. Louis County Property Management (218-725-5085) early so necessary arrangements can be made.*

**COMMITTEE OF THE WHOLE  
ST. LOUIS COUNTY BOARD OF COMMISSIONERS**

Tuesday, January 3, 2012

Location: Duluth Courthouse, County Commissioners Conference Room  
Present: Commissioners Jewell, O'Neil, Dahlberg, Forsman, Sweeney, Nelson and Raukar  
Absent: None  
Convened: Chair Nelson called the meeting to order at 11:26 a.m.

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**CONSENT AGENDA**

O'Neil/Sweeney moved to approve the consent agenda. (7-0)

-Minutes of December 20, 2011

1. Agreement with the Community Health Board for public health emergency preparedness activities.
2. Reinstatement of contract for repurchase of state tax-forfeited land- Baumchen.
3. Renovation project for the Central Range Public Works Facility, Hibbing.
4. Waiver of Ordinance No. 28, Section 11.05, Billy's Bar, Rice Lake Township, for warm-up and restroom facilities for participants in the John Beargrease Sled Dog Race.
5. Professional Services Agreement for Horticulture and Educational activities.
6. Professional Services Agreement for Agricultural and Educational activities.

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**REGULAR AGENDA**

Nelson/Forsman moved to approve appointment of Joseph (Dale) Long, Orr, MN, to the St. Louis County Board of Adjustment. Commissioner Forsman said the individual leaving the Board of Adjustment is from his district and this would insure continued representation in the northern half of the county. Commissioner Nelson said both Dale Long and the other applicant, Steve Kuchera, would be a good addition; however, Mr. Long's background and geographical location are important for this appointment. Commissioner Raukar said Steve Kuchera would also make a great addition and suggested keeping his application for future consideration. (7-0)

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**COMMISSIONER DISCUSSION ITEMS**

Commissioner O'Neil said federal cuts in community development have negatively affected St. Louis County, including housing projects and jobs.

Commissioner Jewell suggested the topic of clean water initiatives as a listening session or board workshop.

Commission Sweeney requested limiting board workshops to two topics so there is time to ask questions and receive proper education on the topic.

County Attorney Mark Rubin recognized Administrator Gray on his quick response on the Cook Courthouse shooting, and his encouragement for the St. Louis County Attorney's Office to provide assistance. County Attorney Rubin said he is working with Sheriff Ross Litman on security measures for the Duluth Courthouse.

Commissioner Nelson recognized the board's investment in courthouse safety including the sally port in Duluth, the Hibbing Courthouse remodel and the current remodel project of the Virginia Courthouse.

Commissioner Dahlberg discussed adult foster care concerns on safety and occurrences of violence, adding he recently met with the Lucinda Jesson, Commissioner of the MN Department of Human Services, regarding these concerns. Commissioner Dahlberg said overall they do good work and provide jobs; however, concerns with safety and host county concurrence do exist as more people are coming to this area for services, rather than their local community.

Commissioner Jewell recognized the speed in which the Administrator worked with regard to the Cook Courthouse shooting, but is also concerned about felons having access to guns and would like to see work done in that area.

At 11:59 a.m. p.m., Sweeney/Jewell moved to adjourn the committee of the whole meeting. (7-0)

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Keith Nelson, Chair of the County Board

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Patricia Stolee, Clerk of the County Board

# BOARD LETTER NO. 12 – 10

HEALTH & HUMAN SERVICES COMMITTEE CONSENT NO. 1

BOARD AGENDA NO.

**DATE:** January 10, 2012                      **RE:** Designation of Northern  
Common Entry Point

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

Ann M. Busche, Director  
Public Health & Human Services

**RELATED DEPARTMENT GOAL:**

Adults will live in the least restrictive living arrangement that meets their health and safety needs.

**ACTION REQUESTED:**

The St. Louis County Board is requested to designate the Public Health and Human Services (PHHS) office in Virginia as the second Common Entry Point for St. Louis County.

**BACKGROUND:**

Pursuant to Minn. Stat. § 626.557, all Minnesota counties must designate the Common Entry Point (CEP) and related contact information for referral of reports of suspected maltreatment of vulnerable adults. Since inception of the CEP in 1995, the county's PHHS office in Duluth has been designated as the required CEP for St. Louis County. All referrals regardless of originating location were directed to the Duluth office and internal procedures were developed to relay information as appropriate to northern PHHS staff for appropriate response and follow up. While this process has worked adequately, it has not been optimum. The department recommends that a second CEP be established in the PHHS Virginia office.

In October 2011, PHHS staff reviewed the situation with the Minnesota Department of Human Services (DHS), and was advised that DHS will allow a county to have more than one CEP site. In further evaluating that option, PHHS staff strongly concurred that establishing a second CEP location will improve the county's response to referrals of suspected maltreatment of vulnerable adults by ensuring the report is received by the appropriate location. This change also compliments the ongoing efforts of both the PHHS Department and DHS to provide more effective adult protection services.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board designate the county's PHHS office in Virginia as the second common entry point for St. Louis County.

## Designation of Northern Common Entry Point

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

WHEREAS, pursuant to Minn Stat. § 626.557, all Minnesota counties must designate the Common Entry Point (CEP) and related contact information for referral of reports of suspected maltreatment of vulnerable adults; and

WHEREAS, since the inception of the CEP in 1995, St. Louis County has designated the county's Public Health and Human Services office in Duluth as the county's required CEP; and

WHEREAS, the Minnesota Department of Human Services has advised PHHS that it will allow a county to have more than one CEP site; and

WHEREAS, establishing a second CEP site will improve the county's response to suspected maltreatment of vulnerable adults.

NOW THEREFORE BE IT RESOLVED, that the St Louis County Board designates the county's Public Health and Human Services office in Virginia, MN, as the second Common Entry Point for St. Louis County for referral of reports of suspected maltreatment of vulnerable adults.

# BOARD LETTER NO. 12 – 11

## PUBLIC SAFETY & CORRECTIONS COMMITTEE

CONSENT NO. 2

BOARD AGENDA NO.

**DATE:** January 10, 2012      **RE:** Authorization to Apply for and  
Accept the 2011 Port Security  
Grants

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

Ross Litman  
Sheriff

### **RELATED DEPARTMENT GOAL:**

To enhance public safety.

### **ACTION REQUESTED:**

The St. Louis County Board is requested to authorize the application and acceptance of the State of Minnesota Homeland Security & Emergency Management Division FY 2011 Port Security Grants.

### **BACKGROUND:**

The Department of Homeland Security, Office of Grants and Training has made funding available for eligible port areas as part of the Fiscal Year 2011 Infrastructure Protection Program: Port Security. The Port Security program pertains to local agencies that provide layered security protection to federally regulated facilities in accordance with an Area Maritime Security Plan. The St. Louis County Sheriff's Office is a member of the Western Lake Superior Area Maritime Security Committee and provides a response on Lake Superior and in the Duluth/Superior Harbor area for water emergencies and general patrol activities. The State of Minnesota, through its Department of Homeland Security and Emergency Management Division, is the fiduciary agent on behalf of port-area partners for purposes of this grant.

The allowable expenditures for these grants include a \$21,000 grant to be used for mobile ARMER Radios for watercraft, and a \$150,000 grant to upgrade the Sheriff's Office underwater robotics equipment. There is no match required for these grants.

### **RECOMMENDATION:**

It is recommended that the St. Louis County Board authorize application and acceptance of the 2011 Port Security Grant Program awards in the amount of \$21,000 and \$150,000, to be accounted for in Fund 100, Agency 129999, Grant 12938, Year 2011.

## **Authorization to Apply for and Accept the 2011 Port Security Grants**

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

WHEREAS, St. Louis County is eligible for grant funding under the 2011 Port Security Grant Program as administered by the State of Minnesota Department of Public Safety Homeland Security and Emergency Management Division; and

WHEREAS, the St. Louis County Sheriff's Office provides response service to the Duluth Port, and the St. Louis County Communications Division provides emergency communications for public safety partners in the Duluth-Superior Harbor; and

WHEREAS, the Minnesota Department of Public Safety, Homeland Security and Emergency Management has offered the St. Louis County Sheriff's Office two Port Security grants, which include a \$21,000 grant to be used for mobile ARMER Radios for watercraft, and a \$150,000 grant to upgrade the Sheriff's Office underwater robotics equipment.

NOW THEREFORE, BE IT RESOLVED, that the St. Louis County Board authorizes application and acceptance of the 2011 Port Security Grant Program awards in the amounts of \$21,000 and \$150,000, with no matching fund requirements, to be accounted for in Fund 100, Agency 129999, Grant 12938, Year 2011.

RESOLVED FURTHER, that the St. Louis County Board authorizes the appropriate county officials to sign any associated contract documents.

GRANT APPROVAL FORM

# 150,000

GRANT NAME: 2011 Port Security Grants GRANT AMOUNT: \$21,000 and \$150,000

GRANTOR: MN HSEM MATCH AMOUNT: None

FUND: 100 AGENCY: 129999 GRANT: 12938 GRANT YEAR: 2011

AGENCY NAME: Sheriff - In as a recurring grant > \$25,000

CONTACT PERSON: Nancy Sandstrom PHONE: 2389

GRANT PERIOD: BEGIN DATE: Upon Execution END DATE: \_\_\_\_\_

STATE GRANT AWARD NUMBER OR FEDERAL CFDA # \_\_\_\_\_

FILL IN THE ABOVE INFORMATION ON THIS FORM AND IDENTIFY THE CATEGORY OF THE GRANT FROM THE CHOICES BELOW. ATTACH THIS FORM TO THE GRANT APPLICATION AND ANY OTHER PERTINENT OTHER DOCUMENTATION AND ROUTE THE PACKET TO THE INDIVIDUALS LISTED FOR THE TYPE OF GRANT.

IT IS ESSENTIAL THAT DEPARTMENTS SUBMIT THE COMPLETED APPROVAL FORM ON THOSE GRANTS THAT DO NOT REQUIRE BOARD RESOLUTION TO THE AUDITOR'S OFFICE ACCOUNTING DEPARTMENT FOR BUDGETING PURPOSES. NO GRANT ACTIVITY WILL BE RECORDED WITHOUT AN ESTABLISHED BUDGET.

**GRANTS OF \$25,000 OR LESS**

A grant of \$25,000 or less may be applied for and/or accepted by the department without a separate County Board Resolution if it meets the following:

1. The grant fits within the department's functions, and
2. If the grant requires a County match (not to exceed in money or value an amount equal to the actual grant), and if that match is "in kind", that "in-kind" match is part of the ongoing operations, or if the match is monetary, that the department can find the necessary amount within its existing budget.

**DOES THIS GRANT QUALIFY UNDER "GRANTS OF \$25,000 OR LESS"?**

YES  NO

If so, this type of grant requires the following review approval:

County Auditor	_____	Date:	_____
County Administrator	_____	Date:	_____
County Attorney	_____	Date:	_____

The Grant Budget must be entered into the accounting system. Send a copy of the grant, this signed approval form and any other pertinent information to the Auditor's Office-Accounting, so the budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.

**NEW GRANTS GREATER THAN \$25,000**

All new grants that exceed \$25,000 and all recurring grants that exceed \$25,000 that contain changes in the grant's requirements which may affect either County resources or the scope of the grant need two (2) board resolutions. One board resolution is required to apply for the grant and a second resolution is required to accept the grant.

**DOES THIS GRANT QUALIFY UNDER "GRANTS GREATER THAN \$25,000"?**

YES  NO

If this is a new grant greater than \$25,000, it requires the following review approval:

County Auditor \_\_\_\_\_ Date: \_\_\_\_\_  
County Administrator \_\_\_\_\_ Date: \_\_\_\_\_

**The Grant Budget must be entered into the accounting system. Send a copy of the grant, this completed approval form and the Board Resolution to the Auditor's Office-Accounting, so a budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.**

**RECURRING GRANTS GREATER THAN \$25,000**

A recurring grant greater than \$25,000 that is a repeat of a grant which has been received by the County in past year(s) and that has no changes in the use of County resources or in the scope of the grant, requires one Board Resolution to both apply for and/or accept the grant.

**DOES THIS GRANT QUALIFY AS "RECURRING GRANTS GREATER THAN \$25,000"?**

YES  NO

If yes, this recurring grant greater than \$25,000 requires the following review approval:

County Auditor Don Dicklich Date: 1-3-12  
County Administrator Barry Fickelberg Date: 1-5-12

**The Grant Budget must be entered into the accounting system. Send a copy of the grant, this completed approval form and the Board Resolution to the Auditor's Office-Accounting, so a budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.**

# BOARD LETTER NO. 12 – 12

ENVIRONMENT & NATURAL RESOURCES COMMITTEE

CONSENT NO. 3

BOARD AGENDA NO.

**DATE:** January 10, 2012      **RE:** Establish Public Hearing to Consider Adoption of Proposed Ordinance 60, Subdivision Regulations

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

Barbara Hayden, Director  
Planning and Community Development

**RELATED DEPARTMENT GOAL:**

To administer county ordinances and state regulations pertaining to land use in the most effective and efficient manner.

**ACTION REQUESTED:**

The St. Louis County Board is requested to establish a public hearing to consider adoption of proposed Ordinance 60, Subdivision Regulations.

**BACKGROUND:**

The Subdivision Regulations of St. Louis County, Ordinance 33, was originally adopted in 1993. The Planning and Community Development Department has been working in consultation with the St. Louis County Planning Commission to rewrite the regulations for clarity and consistency with state statutes, and to take advantage of recent revisions to Minn. Stat. § 505 which allows for more flexibility in the subdivision platting process.

Proposed draft Ordinance 60, Subdivision Regulations, was distributed for public review and comment on April 25, 2011. A press release was issued, and the department sent individual notice to all cities and towns in St. Louis County, the Duluth Area Association of Realtors, the Range Association of Realtors, the Arrowhead Chapter of the Minnesota Society of Professional Surveyors, and all surveyors and attorneys who have represented clients who have platted property in the recent past.

The Planning Commission held a public hearing on August 11, 2011, to consider public input regarding the proposed ordinance. The proposed subdivision regulations were presented at a County Board Workshop on October 18, 2011. On December 8, 2011, the Planning Commission held another public hearing, after which the commission voted unanimously to adopt final changes to proposed Ordinance 60, Subdivision Regulations, and to send the proposed ordinance to the Board with a recommendation that the Board adopt the ordinance.

**RECOMMENDATION:**

It is recommended that the County Board establish a public hearing to consider adoption of proposed Ordinance 60, Subdivision Regulations, on February 14, 2012, at 9:40 a.m., at the St. Louis County Courthouse in Duluth, Minnesota.

**Establish Public Hearing to Consider Adoption of  
Proposed Ordinance 60, Subdivision Regulations**

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

WHEREAS, the St. Louis County Planning Commission held a public hearing on proposed Ordinance 60, Subdivision Regulations; and

WHEREAS, the Planning Commission voted to recommend that the St. Louis County Board of Commissioners adopt the proposed ordinance.

NOW THEREFORE, BE IT RESOLVED, that the St. Louis County Board authorizes a public hearing to be held on Tuesday, February 14, 2012, at 9:40 a.m., at the St. Louis County Courthouse in Duluth, Minnesota, for the purpose of receiving citizen comments on proposed Ordinance 60, Subdivision Regulations.

# BOARD LETTER NO. 12 – 13

HEALTH & HUMAN SERVICES COMMITTEE NO. 1

BOARD AGENDA NO.

**DATE:** January 10, 2012                      **RE:** Memorandum of  
Understanding for the TXT 4  
LIFE Program

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

Ann M. Busche, Director  
Public Health & Human Services

**RELATED DEPARTMENT GOAL:**

Our community will be a place where all people are safe and healthy.

**ACTION REQUESTED:**

The St. Louis County Board is requested to authorize a Memorandum of Understanding for the TXT 4 LIFE program.

**BACKGROUND:**

Minnesota has experienced one of the fastest growing rates of suicide in the United States. Between 2000-2005, the rate of suicides increased by 15.7%, as compared to the national average of 4.2%. In addition, Minnesota Department of Health statistics indicated that the seven counties in northern Minnesota had the highest suicide rates of all 87 counties during that same period. These counties included Carlton, St Louis, Lake, Cook, Itasca, Koochiching and Aitkin.

Carlton County Public Health and Human Services (CPHHS) applied for a federal grant on behalf of the counties in the northeast region (Cook, Lake, St Louis, Aitkin, Itasca, and Koochiching) and the Fond du Lac, Grand Portage, Red Lake, and Bois Forte tribes for the TXT 4 LIFE program. TXT 4 LIFE builds on existing multi-agency collaborations to strengthen suicide prevention efforts which serve 22,000 school-aged youth who live in the rural and reservation areas of northeastern Minnesota.

A three year, \$1.4 million federal Garrett Lee Smith grant has been awarded for this initiative and CPHHS will serve as the fiscal agent and will take the lead in implementing TXT 4 LIFE strategies. This will be accomplished through education and outreach to an estimated 1,400 individual advocates and service providers who work with youth in crisis. The St Louis County Public Health and Human Services Department is being asked to sign a Memorandum of Understanding to participate in this program. Its main responsibilities will be to support public awareness, education, and outreach campaigns targeted within St Louis County, display signage, posters and marketing materials advocating use of TXT 4 LIFE, encourage staff and community participation in trainings, and participate in data collection as applicable.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board authorize a Memorandum of Understanding with the Carlton County Public Health and Human Services Department for the TXT 4 LIFE program

## **Memorandum of Understanding for the TXT 4 LIFE Program**

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

WHEREAS, the rate of suicides in the seven counties of the northeast region of Minnesota are higher than in other parts of the state; and

WHEREAS, Carlton County Public Health and Human Services (CPHHS) applied for a federal grant on behalf of the counties in the northeast region (Cook, Lake, St Louis, Aitkin, Itasca, and Koochiching) and the Fond du Lac, Grand Portage, Red Lake, and Bois Forte tribes for the TXT 4 LIFE program; and

WHEREAS, a three year, \$1.4 million federal Garrett Lee Smith grant was awarded to CPHHS for the TXT 4 LIFE initiative, whose primary mission is to reduce the incidence of suicidal ideation and suicide attempts for northeastern Minnesota youth; and

WHEREAS, the St Louis County Public Health and Human Services Department has been asked to sign a Memorandum of Understanding to participate in the TXT 4 LIFE program.

NOW THEREFORE, BE IT RESOLVED, the St Louis County Board authorizes the Public Health and Human Services Department to enter into a Memorandum of Understanding with the Carlton County Public Health and Human Services Department for the TXT 4 LIFE program.

## MEMORANDUM OF UNDERSTANDING

December 2011

### Between the Carlton County Public Health and Human Services and Txt for Life Partners

This MEMORANDUM OF UNDERSTANDING is hereby made and entered into by and between Carlton County Public Health and Human Services and **St. Louis County Public Health & Human Services**, in an effort to facilitate planning for development and expansion of the Txt for Life Project, funded by a federal Garrett Lee Smith grant beginning in August of 2011. **TXT 4 LIFE** builds on existing multi-agency collaborations to strengthen suicide prevention efforts which serve 22,000 school-aged youth who live in rural and reservation areas of Northeastern Minnesota. *TXT 4 LIFE will begin in Carlton County, expand to Cook, Lake, St. Louis, Aitkin, Itasca, Koochiching Counties and Fond du Lac, Grand Portage, Red Lake, and Bois Forte/Nett Lake tribal reservations, and then continue across Minnesota.* As estimated, 1400 individual advocates and service providers who deal with youth in crises are targeted to benefit from the training and collaboration made possible through this grant and its associated MOU partners. An estimated 1500 youth are targeted to benefit from involvement in at least one level of youth suicide prevention response system efforts made possible through this initiative.

The primary mission of TXT 4 LIFE is to reduce the incidence of suicidal ideation and suicide attempts for NE MN youth by a minimum of 20 percent by 1) Increasing access and utilization among youth of the Minnesota suicide prevention crisis response system by updating infrastructure to include text-messaging to encourage help-seeking behavior, 2) Improving local suicide prevention planning/services and increase protective factors and reduce risk factors among youth through implementation of culturally appropriate, evidence based youth suicide prevention and early intervention strategies, 3) Increasing gatekeeper awareness and understanding of youth suicide, willingness to intervene, and skills for appropriate intervention and referral. TXT 4 LIFE strategies include:

- Expansion of local public awareness efforts utilizing social media marketing (i.e. texting)
- Strengthen collaborative infrastructure within the NE Minnesota region
- Development of partnerships in NE Minnesota to expand suicide prevention efforts
- Combine efforts of the student originated “Life is for Everyone” (LIFE), Department of Public Health, the Minnesota Department of Human Services, and Suicide Awareness Voices of Education (SAVE), and Carlton County Suicide Prevention Taskforce
- Ensure sustainability of youth suicide prevention programs.
- Provide leadership and informational training for consumer and community stakeholders
- Continue to provide training for key gatekeepers in recognizing and responding to suicide risk.

**Governance Structure** for this initiative is provided by Carlton County Public Health and Human Services (CCPHHS), Human Services Inc./Crisis Connection (HSI) and Carlton County Children and Family Services Collaborative (CCCFSC). The CCPHHS takes the lead in implementing TXT 4 LIFE strategies. The CCCFSC will take the lead on grant management and the fiscal accountability for the project. HSI takes the lead on providing access and utilization of the Minnesota suicide prevention crisis response system/National hotline to include text-messaging. There is a TXT 4 LIFE advisory committee with representatives from additional organizations for implementation of this project. Overall direction for this initiative will be provided through Dave Lee, Director of Carlton County Public Health and Human Services. Donna LeKander, Carlton County Collaborative Director, who is supervised by Dave Lee, will provide overall grant management and fiscal accountability, convene meetings relative to TXT 4 LIFE implementation, and assure that all MOU partners communicate regularly and effectively. Primary facilitators of public awareness and training for this project are Meghan Condit a (.5 FTE) and Joanne Erspamer a (.5 FTE), both Carlton County employees. The contributions and commitment of this partnership is to support the attended goals of this project as highlighted above and the contributions outlined below.

1. Partner Information:

Organization Type

School     Government Agency     Mental Health Provider     Reservation  
 Nonprofit     Business     Other: \_\_\_\_\_

Service Area

Aitkin     Carlton     Cook     Lake     Itasca     St. Louis  
 Koochiching     State     National     Other: \_\_\_\_\_

2. Identity of partner organization:

Partner institute/agency name: **St. Louis County Public Health & Human Services**

Primary Contact: **Ann Busche**

Title: **Director**

Address: \_\_\_\_\_

\_\_\_\_\_

Email: \_\_\_\_\_

Telephone: \_\_\_\_\_

2. Partner Contributions and Commitments Description:

Relative to the implementation of TXT 4 LIFE, **St. Louis County Public Health & Human Services** agrees to:

- 1) Support public awareness, education, and outreach campaigns targeted within the county
- 2) Allow display of signage, posters, and marketing materials advocating use of TXT 4 LIFE
- 3) Encourage staff and community participation in QPR and ASIST trainings
- 4) Participate in all applicable data collection pertinent to Garrett Lee Smith Cross Site Evaluation processes for the TXT for LIFE Project
- 5) Work together to achieve stated project goals and to sustain the project



# BOARD LETTER NO. 12 - 14

FINANCE & BUDGET COMMITTEE NO. 1

BOARD AGENDA NO.

**DATE:** January 10, 2012      **RE:** Amend Business Subsidy Agreement with Cirrus Design Corporation for Tax Abatement Financing

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

Barbara Hayden, Director  
Planning and Community Development

**RELATED DEPARTMENT GOAL:**

Assist communities in achieving housing, economic development, and community development objectives.

**ACTION REQUESTED:**

The St. Louis County Board is requested to amend a Business Subsidy Agreement with Cirrus Design Corporation, Duluth, Minnesota, providing ten-year tax abatement financing for years 2011 through 2017.

**BACKGROUND DATA**

In April 2006, Cirrus Design Corporation (Cirrus) located at 4515 Taylor Circle, Duluth, Minnesota, submitted an application to St. Louis County for tax abatement financing on the expansion of its Duluth facility. The abatement was to be used to offset required soil correction and site preparation expenditures. The City of Duluth, through the 1200 Fund and Recovery Loan Fund, provided upfront financing for the site work. Cirrus was to repay a portion of these funds with city and county tax abatement. Cirrus requested a ten-year county tax abatement in the amount of \$27,770 per year, for a total of \$277,700. The St. Louis County Board approved the Cirrus request on June 5, 2007, County Board Resolution No. 07-330.

Cirrus executed the Business Subsidy Agreement with St. Louis County on July 6, 2007. A provision of the agreement was that Cirrus would add 220 jobs with a net total of 931 full-time equivalents after two years at the Duluth facility and maintain that level until 2022. Unfortunately, the economic downturn starting in 2009 has been devastating to the aviation industry. Cirrus's current employment base in Duluth is approximately 400 employees.

In June 2011, Cirrus and China Aviation Industry General Aircraft Co., Ltd. (CAIGA) announced the two companies had merged. The partnership will allow Cirrus to expand and invest in the Duluth facility.

Cirrus has requested to amend the St. Louis County Business Subsidy Agreement for the years 2011 through 2017. Cirrus received a county tax abatement for 2008 in the amount of \$27,770, but they did not receive county tax abatement in 2009 or 2010 due to not being able to meet the employment goals. The amended Business Subsidy Agreement would allow Cirrus to fulfill repayments to the City of Duluth and would also serve to further secure Cirrus operations in Duluth and St. Louis County through 2022. If employment payroll numbers at the Duluth facility drop below 300 employees prior to 2022, all abatement funds plus interest would need to be repaid by Cirrus.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board authorize an amended Business Subsidy Agreement with Cirrus Design Corporation for the years 2011 through 2017. Abatement will be payable from Fund 100, Agency 100001, Object 500900.

**Amend Business Subsidy Agreement with Cirrus Design  
Corporation for Tax Abatement Financing**

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

WHEREAS, Cirrus Design Corporation (Cirrus), a Minnesota Corporation, was approved for a ten year tax abatement (Resolution No. 07-330) to assist with contaminated soil correction and site preparation costs on a \$14 million expansion of its Duluth facility; and

WHEREAS, in July 2007, Cirrus entered into a Business Subsidy Agreement with St. Louis County and a provision of the agreement was that Cirrus would add more than 200 jobs to the Duluth facility and maintain that level until 2022; and

WHEREAS, the economic downturn starting in 2009 was particularly devastating to the aviation industry compelling Cirrus to significantly reduce its workforce, failing to meet the employment requirements in the 2007 Business Subsidy Agreement, but Cirrus has now stabilized its workforce at about 400 employees based in Duluth; and

WHEREAS, Cirrus has requested St. Louis County amend the Business Subsidy Agreement between the county and Cirrus in order to maintain operations in Duluth and St. Louis County.

NOW, THEREFORE, BE IT RESOLVED, that the St. Louis County Board amends the Business Subsidy Agreement with Cirrus and waives repayment requirements for \$27,770 and related interest in tax abatement funds Cirrus has received to date.

RESOLVED FURTHER, that Cirrus will be eligible for tax abatement of \$27,770 for years 2011 through 2017, payable from Fund 100, Agency 100001, Object 500900, provided that Cirrus maintains a minimum employee payroll at the Duluth operations of 300 employees until 2022.

RESOLVED FURTHER, that if employment payroll numbers at the Duluth facility drop below 300 employees prior to 2022, all abatement funds plus interest would need to be repaid by Cirrus.



*Resolution*  
*of the*  
**Board of County Commissioners**  
**St. Louis County, Minnesota**

*Adopted on: June 5, 2007*

*Resolution No. 330*

*Offered by Commissioner: Sweeney*

WHEREAS, Cirrus Design Corporation (Cirrus), a Minnesota Corporation, is a leading designer and manufacturer of Federal Aviation Administration (FAA) certified small aircraft and currently has an annual payroll of over \$36.5 million; and

WHEREAS, Cirrus has completed a \$14 million expansion which included contaminated soil correction and site preparation costs; and

WHEREAS, Cirrus submitted an application to St. Louis County requesting up to \$277,700 in tax abatement financing to expand their Duluth facility; and

WHEREAS, St. Louis County Economic Committee July 2006 review, staff review and independent reviews and analysis of the applicant's financial information and prevailing wage requirements were conducted; and

WHEREAS, the findings of these reviews are that public benefits received from this project exceed the costs to the county and further meet other criteria established under Minnesota Statutes for Tax Abatement Financing and Business Subsidy Act, County Tax Abatement Financing Policy, County Business Subsidy Criteria and other local, state and federal policies.

NOW, THEREFORE, BE IT RESOLVED, that the County Board of Commissioners hereby affirms those findings and approves the abatement of the County's tax allocation of up to \$27,770 per year on the property for a ten year period, commencing with taxes payable in 2008.

RESOLVED FURTHER, that Cirrus agrees to add 220 full-time jobs within two years and maintain that level of employees until 2022;

RESOLVED FURTHER, the appropriate County officials are hereby authorized to execute a business subsidy agreement with the Cirrus Design Corporation and any other related documents after final review and approval by a representative of the County Attorney's Office.

Commissioner Sweeney moved the adoption of the Resolution and it was declared adopted upon the following vote:

Yeas - Commissioners Fink, O'Neil, Sweeney, Nelson, Raukar, and Chair Kron - 6

Nays - None

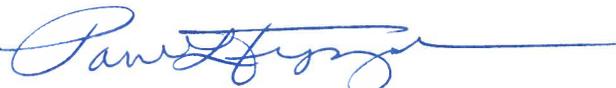
Absent - Commissioner Forsman - 1

STATE OF MINNESOTA  
Office of County Auditor, ss.  
County of St. Louis

I, **DONALD DICKLICH**, Auditor of the County of St. Louis, do hereby certify that I have compared the foregoing with the original resolution filed in my office on the 5th day of June, A.D. 2007, and that this is a true and correct copy.

WITNESS MY HAND AND SEAL OF OFFICE at Duluth, Minnesota, this 5th day of June, A.D., 2007

DONALD DICKLICH, COUNTY AUDITOR

By 

Deputy Auditor/Clerk of County Board

# BOARD LETTER NO. 12 – 15

## CENTRAL MANAGEMENT & INTERGOVERNMENTAL COMMITTEE NO. 1

### BOARD AGENDA NO.

**DATE:** January 10, 2012

**RE:** Co-Tenancy Agreement with  
the City of Duluth for Joint  
Maintenance and Use of the  
Public Safety Building

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

Ross Litman  
County Sheriff

Tony Mancuso, Director  
Property Management

#### **RELATED DEPARTMENT GOAL:**

Administer county lease activities and identify and pursue cost saving measures between local government entities.

#### **ACTION REQUESTED:**

The St. Louis County Board is requested to approve a co-tenancy agreement with the City of Duluth for the St. Louis County Public Safety Building located in Duluth, Minnesota.

#### **BACKGROUND:**

County Board Resolution No. 09-498, dated November 3, 2009, approved a fifty (50) year land lease between St. Louis County and the City of Duluth for the purpose of constructing a law enforcement center, housing the Sheriff's Office Emergency Communications Center/Law Enforcement Division and the Duluth Police Department. The new building design was a joint effort by county and city representatives to maximize the sharing opportunities for both space and staff.

Representatives of St. Louis County and the City of Duluth have drafted a serviceable, fair, flexible, equitable, and sustainable co-tenancy agreement which has been reviewed by attorneys representing both entities. The Duluth City Council passed a resolution accepting the agreement in December 2011 (Resolution No. 11-0684R). The agreement has provisions to ensure each party is financially responsible for its appropriate and documented share of all facility expenses with the flexibility to adjust for cost fluctuations or proportional shared space allotments.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board approve the execution of a fifty year co-tenancy agreement with the City of Duluth and authorize the appropriate county officials to finalize and execute the agreement upon approval of the County Attorney.

Monthly proportional cost reimbursements from the City of Duluth will be deposited into Fund 100, Agency 128015 (General Fund, Public Safety Building).

**Co-Tenancy Agreement with the City of Duluth for Joint Maintenance  
and Use of the Public Safety Building**

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

WHEREAS, the St. Louis County Public Safety Building was constructed and opened in 2007; and

WHEREAS, the Public Safety Building was designed and constructed to accommodate a potential future co-location with the Duluth Police Department; and

WHEREAS, County Board Resolution No. 09-498, dated November 3, 2009, authorized a fifty year land lease with the City of Duluth for the purpose of constructing a law enforcement center on the site; and

WHEREAS, the new Public Safety Building design housing the Duluth Police Department was a joint effort by county and city representatives to maximize the opportunities for sharing both space and staff; and

WHEREAS, representatives of St. Louis County and the City of Duluth have drafted a serviceable, fair, flexible, equitable, and sustainable co-tenancy agreement which has been reviewed by attorneys representing both entities; and

WHEREAS, the Duluth City Council passed a resolution accepting the co-tenancy agreement in December, 2011 (Resolution No. 11-0684R); and

WHEREAS, the co-tenancy agreement runs concurrently with the original fifty (50) year land lease and contains provisions to ensure each party is financially responsible for their appropriate and documented share of all facility expenses with the flexibility to adjust for cost fluctuations or proportional shared space allotment alterations.

NOW, THEREFORE, BE IT RESOLVED, the St. Louis County Board approves the execution a fifty (50) year co-tenancy agreement with the City of Duluth found in County Board File No. \_\_\_\_\_ and authorizes the appropriate county officials to finalize and execute the agreement upon review and approval of the County Attorney. Funds from this agreement are to be deposited into Fund 100, Agency 128015 (General Fund, Public Safety Building).



*Resolution*  
*of the*  
**Board of County Commissioners**  
**St. Louis County, Minnesota**  
*Adopted on: November 3, 2009 Resolution No. 498*  
*Offered by Commissioner: O'Neil*

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WHEREAS, the City of Duluth desires a long term land lease with St. Louis County for the construction of a new Law Enforcement facility to be located at the St. Louis County Public Safety Campus.

NOW, THEREFORE, BE IT RESOLVED, that the St. Louis County Board agrees to the general terms negotiated with the City of Duluth for the lease of approximately 175,000 square feet (4.0 acres) of land located at the St. Louis County Public Safety Campus in Duluth, MN. The term of the lease will be fifty (50) years in duration, with negotiable extension options. The City of Duluth will pay an annual lease payment of \$1,000 and will equally share in the reconstruction costs of the access road from Arlington Avenue to Rice Lake Road. The future maintenance requirements for the access road will be borne by the City of Duluth, and the city will divest all interest in the city's current space occupied by the Duluth Police Department in the St. Louis County Government Services Center, located at 320 West Second Street, Duluth, MN.

RESOLVED FURTHER, that the appropriate county officials are authorized to negotiate the final terms and execute a Land Lease Agreement with the City of Duluth upon review and approval by the County Attorney.

Commissioner O'Neil moved the adoption of the Resolution and it was declared adopted upon the following vote:

Yeas – Commissioners O'Neil, Dahlberg, Forsman, Sweeney, Nelson, Raukar, and Chair Fink - 7

Nays – None

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STATE OF MINNESOTA  
Office of County Auditor, ss.  
County of St. Louis

I, **DONALD DICKLICH**, Auditor of the County of St. Louis, do hereby certify that I have compared the foregoing with the original resolution filed in my office on the 3rd day of November, A.D. 2009, and that this is a true and correct copy.

WITNESS MY HAND AND SEAL OF OFFICE at Duluth, Minnesota, this 3rd day of November, A.D., 2009

DONALD DICKLICH, COUNTY AUDITOR

By

Deputy Auditor/Clerk of County Board

PUBLIC SAFETY COMMITTEE

11-0684R

RESOLUTION AUTHORIZING AGREEMENT WITH ST. LOUIS COUNTY  
CO-TENANCY AGREEMENT FOR JOINT MAINTENANCE AND USE OF  
THE PUBLIC SAFETY BUILDING.

CITY PROPOSAL:

RESOLVED, that the proper city officials are authorized to enter into a grant agreement with St. Louis County, substantially in the form of that on file in the office of the city clerk as Public Document No. \_\_\_\_\_, for the joint occupancy, maintenance and use of the new public safety building by the city's police department along with the St. Louis County Sheriff's Department, with the City's share of costs therefore to be payable from Fund 110-160-1610-5460 (General, Police, Administration and Investigation).

Approved:



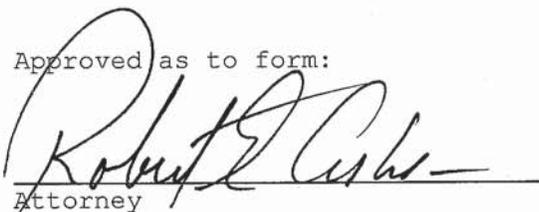
Department Director

Approved for presentation to council:



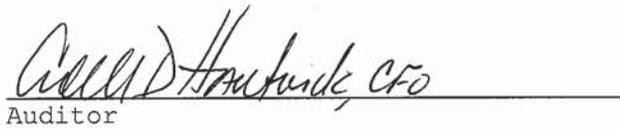
Chief Administrative Officer

Approved as to form:



Attorney

Approved:



Auditor

DPD/ATTY REA:dma 12/09/2011

STATEMENT OF PURPOSE: This resolution authorizes an agreement with St. Louis County for the joint operation, maintenance and use of the new Public Safety Building and the sharing of the costs of the joint operation.

The St. Louis County Sheriff's Department has occupied a public safety building on the old work farm site adjacent to the Chris Jensen Home facility for a number of years. The City recently leased a portion of the property from the County for the purpose of constructing a new and more adequate facility to serve the needs of its police department operations. To secure the best economies of operation for both jurisdictions, the new building was designed to integrate into the

existing county facility, providing for joint use of facilities wherever possible and allowing free flow of traffic in so far as possible. The result is a facility that can be used jointly by both parties to their mutual benefit.

Because of the joint use of facilities and operations, the most beneficial way to operate the existing County facility and the new City facility is to operate them as one unit and to share the costs of that operation. Based on present anticipated uses, the City will have exclusive use of about 43% of the combined facility, the County will have exclusive use of about 17% of the facility and about 40% of the facility will be used jointly by both parties. The agreement allocates the costs of operation between the parties based on the space that they will have exclusive use of and each party will pay one-half of the costs of the jointly-used space. There is a mechanism to adjust these allocations if and when the relative uses of the parties changes.

The Agreement is for a term of 50 years, reflective of the life of the buildings and the fact that the facilities were designed to be used together.

**CO-TENANCY AGREEMENT BETWEEN  
COUNTY OF ST. LOUIS AND CITY OF DULUTH**

THIS AGREEMENT, entered on the \_\_\_\_\_ day of \_\_\_\_\_, 2011, by and between the County of St. Louis, a body politic and corporate (hereinafter "County"); and the City of Duluth, a municipal corporation created and existing under the laws of the State of Minnesota (hereinafter "City"), referred to collectively as the parties.

WHEREAS, County is the owner of property located at 2030 North Arlington Avenue in Duluth, Minnesota, upon which is located the St. Louis County and City of Duluth Public Safety Building; and

WHEREAS, City has constructed a new facility in which to locate headquarters for the City Police Department; and

WHEREAS, the parties entered into a Lease Agreement dated March 25, 2010 (identified as DAMION # 2010-5651) for the purposes constructing the new facility for the City Police Department at the site and it is physically connected to the St. Louis County Public Safety Building (hereinafter "Campus"); and

WHEREAS, the parties agree that joint maintenance of the Campus is in the best public interest and agree to pay their fair share of the cost of operations, repair, and maintenance incurred directly because of the joint use of the Campus; and

WHEREAS, the parties desire to establish an agreement setting forth the rights and obligations of the parties regarding cost sharing and service policies and procedures;

WHEREAS, for clarification purposes, attachments cited and silent in this agreement, relating to the Public Safety Building operations are identified as; **Attachment A** - original land lease with access road considerations, **Attachment A-1** - GSC building vacate, **Attachment A-2**, **Attachment B** - graphic drawings identifying shared spaces, day one, **Attachment C** - Information Technologies (IT) operational details, **Attachment D** - storm water maintenance agreement, **Attachment D-1** - storm water system maps, **Attachment E** - 2012 staffing levels, **Attachment F** - Impound Lot agreement, **Attachment G** - Proportional Share calculations.

NOW, THEREFORE, the parties agree as follows:

**I. TERM OF AGREEMENT**

The language in this Agreement supersedes any language in any other Agreement to the extent that such language conflicts with the language contained in this Agreement and the terms of this Agreement shall be deemed to commence on the date of issuance of the occupancy certificate for the Campus (Anniversary Date), and shall run for a term of Fifty

(50) years thereafter.

## II. DEFINITIONS

The following words, when used in this Agreement, shall have the following meanings:

- A. "Campus" shall mean and refer to the real property, as legally described in Attachment A-2, which is attached hereto and incorporated herein upon which is located at the Public Safety Building and all structures existing or to be constructed on that real property.
- B. "Public Safety Building" shall mean the shared structure located on the Campus as described in Attachment B, attached hereto and incorporated herein.
- C. "Shared Areas" shall mean and refer to the areas of the Public Safety Building which are open to the common use by the parties as indicated on Attachment B.
- D. "Individual Areas" shall mean and refer to the areas of the Public Safety Building which are designated for the sole use of an individual party to this Agreement as indicated on Attachment B, or otherwise referenced herein.
- E. "Campus Manager" shall mean the County's Property Manager or his or her designee who shall have the primary responsibility for the day to day operations, maintenance, repairs, and improvements of the campus.
- F. "City Area" shall mean that portion of the Public Safety Building shown as the City Area on Attachment B, occupied and used solely by the City's Police Department.
- G. "County Area" shall mean that portion of the Public Safety Building shown as the County Area on Attachment B, occupied and used solely by the County's Sheriff's Office.
- H. "Proportional Share" attributed to each party shall mean a percentage for each party determined pursuant to the following formula during any period of allocations of costs. The Proportional Share of the City from the effective date of this Agreement until changes in City Areas and/or County Areas and/or Shared Areas pursuant to Paragraph IV above, and is hereby stipulated to be 63%, and for the County to be 37%, all set forth in Attachment G:

$$\frac{\text{Subject Party's Individual Area (square feet)}}{92,085 \text{ square feet (total area)}} = \text{Percent Figure A}$$

$$\frac{\text{Shared Areas (square feet)}}{2} = \text{Percentage Figure B}$$

Percent Figure A + Percent Figure B = **Subject Party's Proportional Share**

### III. OCCUPANCY

#### A. CAMPUS

All parties will have equal access and use of the Shared Areas of the Campus. However, no party's access and use of the Campus shall unreasonably interfere with the access and use by the other party in such a way as to result in a material negative effect on such party's carrying out its law enforcement functions.

#### B. PUBLIC SAFETY BUILDING

County shall have the right to occupy and use the County Area and Shared Areas as designated in Attachment B. City shall have the right to occupy and use the City Area and Shared Areas as designated in Attachment B.

### IV. MANAGEMENT COMMITTEE

The Campus shall have a Management Committee responsible for the operation and maintenance of the Campus, and for resolution of issues and disputes relating to the operation and maintenance of the Campus. The Management Committee shall have the right to reallocate and change the designation of any space in the Public Safety Building as between County Area, City Area, or Shared Area, subject to the limitations contained in paragraph IV-C below to reflect actual needs and usage of the parties. In the event of any such change, such changes will be memorialized by means of a written resolution of the Management Committee, to which is attached a modified and dated Attachment B, which resolution and modified Attachment B shall be sent to the parties in a manner provided for in Paragraph XIV below.

#### A. MEMBERSHIP

Each party to this Agreement may appoint two representatives to the Management Committee and replace its designated representatives to the Committee, at its sole discretion. In the event that either party shall determine to appoint representatives other than those named below, such representatives shall be approved by the County's "County Administrator" (County's Management Committee Representatives), or by the City's "Chief Administrative Officer" (City's representative) respectively. The initial representatives to the Management Committee are as follows:

1. St. Louis County Sheriff, or their designee
2. St. Louis County Director of Property Management, or their designee
3. City of Duluth Police Chief, or their designee

4. City of Duluth Property Manager, or their designee

B. MEETINGS OF THE MANAGEMENT COMMITTEE

The Management Committee shall meet on a frequency, “as deemed necessary”, for Campus operational decisions, and a minimum of one time annually during the remaining term of the Agreement. Meetings shall be called at the request of any two (2) members of the Committee, but a quorum for action by the Committee shall be four (4) members

C. VOTING

Each member shall have one (1) vote.

A majority vote of the members shall constitute the decision of the Management Committee, and in the event consensus on an issue is not reached, the terms of the Agreement for such issue, defaults to the preceding year’s Agreement provided for in that paragraph of the Agreement or Attachment.

D. DUTIES OF THE MANAGEMENT COMMITTEE

The Campus Management Committee shall have the following powers and duties:

1. The Committee shall establish and as necessary, review and/or modify the management, operations, and use policies for the Shared Facilities as identified in Attachment A-2, subject to provisions in this Agreement.
2. The Committee may reallocate use of space, or reallocate space in the Public Safety Building (Attachment B) as provided for in paragraph IV above.
3. The Committee may determine, as necessary, the appropriate level of maintenance and janitorial services to be provided to the shared facilities, and determine the number and type of personnel necessary (County staff or City staff or private contractors) to maintain the Campus at acceptable levels which do not negatively compromise the building’s life cycle, operational efficiency, proper maintenance, safety, or levels of cleanliness.
4. The Committee shall review and approve the annual facility budget as provided by the Campus Manager.
5. The Committee shall review and approve all joint capital improvement projects to the Campus to determine if they are necessary, prudent, or

advantageous to the facility's operations, County Sheriff's Office, and Duluth Police Department. All major capital improvement projects are subject to both parties Purchasing rules, policies, and procedures.

6. They shall review and approve the annual reconciliation of all operational, repair, and maintenance costs as submitted by the Campus Manager.

E. **DUTIES OF THE CAMPUS MANAGER**

Subject to review by the Management Committee, the Campus Manager shall set, develop, implement, and manage:

1. Policies and procedures for the operation, maintenance, repair, and use of the Campus not otherwise addressed by the Management Committee or this Agreement.
2. Maintain ongoing communication with the Management Committee.
3. Policies and Procedures pertaining to Campus signage.
4. Oversee supervision of maintenance and janitorial staff subject to Paragraph IV -D -3 of this Agreement.
5. Oversee procurement of all materials, supplies, and consumables required for Campus operations, maintenance, and repairs.
6. Annual operational & capital budget development/ preparation and presentation to the Management Committee.
7. Annual reconciliation of all operational/repair/maintenance costs and presentation to the Management Committee.
8. All aspects, responsibilities, and duties required for the daily operation of the Campus.

V. **OPERATION, MAINTENANCE, AND CAPITAL IMPROVEMENTS OF CAMPUS AND MAINTENANCE FACILITY**

- A. The staffing needs and types will be determined by the Management Committee as provided for in Paragraph IV-D-3 above. The County and City agree that the staffing and the cost allocations for operations, repair, and maintenance for the Campus from the date of this agreement until modified or changed by the Management Committee, shall be as set forth in Attachment E.

- B. The Campus Manager shall operate and maintain the Campus and pay all associated costs within the Management Committee's budget limits, subject to the right of the Campus Manager to request an amendment thereto by the Management Committee and to emergencies beyond the reasonable anticipation or control of the Campus Manager. In the event of such an emergency, the Campus Manager shall immediately notify the Management Committee, request a meeting if necessary, shall secure confirmation of costs incurred, and amend the annual Campus budget to identify the additionally incurred costs.
- C. On a monthly basis the County will prepare the financial documents setting forth the amount and description of the previous month's expenses incurred for the Campus, and provide these documents to the City as provided for in Paragraph XIV below. The City shall promptly reimburse the County for its Proportional Share of such costs and expenses, subject to the right of the City's Finance Director to request and receive such additional documentation of such expenses as she/he shall reasonably request. The County will keep and maintain files, records, and documents for all such costs and expenses, to be available upon request by either party.
- D. Cost of operation and maintenance shall include, but not limited to, all costs of contracted services, fully burdened costs of Campus operational, janitorial, maintenance staff, trash disposal, equipment, consumables, inspection fees, permit fees, licensing fees, life safety related costs, hazardous waste costs, other regulatory agency fees, and other ancillary costs of Campus operations and maintenance providing benefit to the Campus.
- E. The parties agree that the payments of utilities metered and consumed for the operation and benefit the portions of the Public Safety Building constructed by each of the party shall be the responsibility of such party. Costs of metered utilities shall not be included as part of the costs pursuant to Paragraph C above.
- F. All other costs not specifically addressed herein shall be governed by Article VI of the Lease Agreement (DAMION # 2010-5651 - Attachment A).
- G. The County has the right to build or make improvements, including the construction of buildings upon the Campus at its own expense provided the improvements or buildings do not prohibit the access, occupancy or operations of the City. It is understood that in the event the County does make improvements, including the construction of buildings solely for County use pursuant to this provision, the County will be solely responsible for any and all other costs and expenses associated with the improvement or construction, including but not

limited to maintenance, repair, and utilities. Any County initiated capital improvements that are connected to, part of, or affect the Public Safety Building are subject to article V-D of this agreement.

**VI. SHARED DATA CENTER**

- A. See Information Technology - Attachment C

**VII. GENERAL OPERATING POLICIES**

- A. The Campus shared areas shall be available for use by the parties to this Agreement, 24 hours per day, every day of the year, provided the use is approved by the Management Committee.
- B. The Public Safety Building shall be a non-smoking building.
- C. Each party shall use all reasonable precautions to prevent waste, damage, or injury to all areas of the Public Safety Building and Campus.
- D. No party shall interfere with the other parties' use of the Public Safety Building or Campus.

**VIII. MATERIALS AND SUPPLIES**

- A. Any party to this agreement purchasing materials and supplies for the operation of maintenance of the Campus shall comply with all State laws and regulations when purchasing materials and supplies, subject to Paragraph B below.
- B. Each party shall be responsible for purchasing its own office supplies, office furniture, office equipment, and other equipment in Individual Areas.
- C. The parties agree to maintain the material safety data sheets (MSDS) for their individual activities and functions. These are necessary to comply with the Employee Right-To-Know Act.

**IX. LIABILITY**

- A. The parties agree that any and all persons employed by or on behalf of a party to perform any work or duties as an agent of a party, shall not be considered employees of the other party. In particular, the liability of the parties, under the circumstances set forth below, shall be as follows:
  - 1. Each party shall be liable for damages arising out of the acts or omissions of its own officers, agents, servants, employees and contractors wherever said acts or omissions occur on the Campus.

2. Each party shall be liable for costs or expenses related to their own officers, agents, servants, employees and contractors arising under the Minnesota Workers Compensation Law occurring anywhere on the Campus.
  3. As between the parties hereto, each party shall be responsible for any and all liability arising out of claims based on the design and construction of any portion of the Campus which said party designed or constructed. Provided that nothing herein shall be deemed to create any liability to any third party where such liability did not already exist.
  4. In the event that either party contracts for the performance of services of any kind to occur on the Campus, it shall include the other party as an indemnified and additionally insured party in any contract for such services in the same manner and amount as the contracting party is indemnified and insured.
- B. The liability of County and City is governed by Minn. Stat. Chapter 466 and Article XII of the Lease Agreement (DAMION # 2010-5651).
- C. Each party shall be responsible for complying with applicable Federal and State regulatory rules and requirements. Each party shall be responsible for any penalties imposed for its violation of those rules and regulations.
- D. In the event that the Occupational Safety and Health Administration (OSHA), Minnesota Pollution Control Agency (PCA), or Environmental Protection Agency (EPA) issues a violation citation that exists in any Shared Area or on the grounds of the Campus and it can be determined which individual party is responsible for the violation, that party shall be responsible for all fines and related costs, including fines levied against the non-violating party. If a violation citation is issued to all parties and it cannot be determined who is responsible for the violations, each party shall be responsible for their own fines and related costs as determined by the issuing agency.

X. **MERGER, ASSIGNMENT, AND AMENDMENTS**

This Agreement, the Lease Agreement identified as DAMION # 2010-5651 (Attachment A), and the storm-water management agreement identified as DAMION # 2010-5941(Attachment D) collectively constitute the Contract Documents. The Contract Documents are the final expression regarding the use and occupancy of the Campus and Public Safety Building between the parties and the complete and exclusive statement of

the terms agreed upon, and shall supersede all prior negotiations, understandings, or agreements. Any amendments to or deletions from this Agreement shall be made in writing and properly executed by the parties.

**XI. AUDIT**

Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices of the parties relevant to this Agreement shall be subject to examination by the County, City, Legislative Auditor, or State Auditor. Such evidences are also subject to review by the Comptroller General of the United States, or a duly authorized representative, if Federal funds are used for any work under this Agreement. The parties agree to maintain such evidences for a period of six (6) years from the date services or payment were last provided or made or longer if any audit in progress requires a longer retention period.

**XII. NONDISCRIMINATION**

Civil Rights Assurances

Both parties and their officers, agents, servants and employees as part of the consideration under this Agreement, do hereby covenant and agree that:

- A. No person on the grounds of race, color, creed, religion, national origin, ancestry, age, sex, marital status, status with respect to public assistance, sexual orientation and/or disability shall be excluded from any participation in, denied any benefits of or otherwise subjected to discrimination with regard to the work to be done pursuant to this Agreement.
- B. That all activities to be conducted pursuant to this Agreement shall be conducted in accordance with the Minnesota Human Rights Act of 1974, as amended (Chapter 363), Title 7 of the U.S. Code and any regulations and executive orders which may be affected with regard thereto.

**XIII. DISPUTE RESOLUTION**

The parties agree that they shall, in good faith, attempt to settle any dispute arising with respect to the terms of this Agreement but that in the event they are unable to do so it is hereby agreed that:

- A. Mediation: the parties shall attempt to resolve the dispute through mediation. The parties shall agree to the identity of a qualified mediator within twenty days of either party's demand for mediation; if they are unable to do so, either party may request that the Chief Judge of the District Court for the 6<sup>th</sup> Judicial District appoint a mediator to mediate the dispute. The mediation costs will be split evenly between both parties. If the dispute is not resolved by mediation then:

Arbitration: the parties shall submit the dispute to binding arbitration administered by the American Arbitration Association. There shall be one arbitrator agreed to by the parties within twenty (20) days of an unsuccessful mediation and the cost of arbitration shall be split evenly between both parties.

**XIV. NOTICE**

Whenever notice is required by the terms hereof, it shall be in writing and directed to:

In the case of the County:     St. Louis County  
  Property Manager  
  100 North 5<sup>th</sup> Avenue West  
  Room 2, Court House  
  Duluth, MN 55802

In the case of the City:        City of Duluth  
  Property Manager  
  Rm. 208, City Hall  
  Duluth, MN 55802

**XV. COMPLIANCE WITH LAWS**

The parties shall abide by all Federal, State, and local laws, statutes, ordinances, rules, and regulations now in effect or hereinafter adopted pertaining to this Agreement or to the facilities, programs and staff for which the parties are responsible. This includes, but is not limited to, all applicable Alcohol, Tobacco, Firearms regulations, Federal and State OSHA regulations, MPCA, EPA, NFPA (National Fire Protection Association), and Collective Bargaining contracts..

**XVI. APPLICABLE LAW**

This Agreement together with all of its Articles, paragraphs, terms and provisions is made in the State of Minnesota and shall be construed and interpreted in accordance with the laws of the State of Minnesota.

**XVII. TERMINATION OF LEASE**

In the event that the Lease Agreement referenced in the "Whereas" clauses of this Agreement is terminated, this Agreement shall terminate coextensively therewith; provided that both parties shall continue to be responsible to fulfill all payment obligations incurred up to the date of termination which were entered into in reliance upon this Agreement.