

**OFFICIAL PROCEEDINGS OF THE MEETING
OF THE BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF ST. LOUIS, MINNESOTA,
HELD ON DECEMBER 2, 2014**

The Board of County Commissioners of the County of St. Louis, Minnesota, met this 2nd day of December 2014, at 9:37 a.m., at the St. Louis County Courthouse, Duluth, Minnesota, with the following members present: Commissioners Frank Jewell, Patrick Boyle, Chris Dahlberg, Pete Stauber, Keith Nelson, Steve Raukar, and Chair Mike Forsman - 7. Absent: None - 0.

Chair Forsman asked for a moment of silence in honor of the armed forces, public safety workers, law enforcement, attorneys, court workers, and for all of the innocent victims of conflicts throughout the world.

An Employee Recognition Ceremony was held for retirees and employees with 25, 30, 35 and 40+ years of service to St. Louis County.

Chair Forsman then opened the meeting to persons who wanted to address the Board concerning issues not on the agenda, and no one came forth.

Pursuant to Resolution No. 14-550, adopted October 14, 2014, the St. Louis County Board considered bids received for the sale of surplus fee owned land. Commissioner Raukar, supported by Commissioner Nelson, pursuant to the requirements and procedures of Minn. Stat. § 373.01, moved to authorize appropriate county officials to execute a quit claim deed conveying the property described in County Board File No. 59806, to Douglas Spillers and Sherri Spillers of Alborn, MN, for the bid amount of \$16,200.00. The deed will be made out to "The Clip Joint Tavern, Incorporated". The motion passed; seven yeas, zero nays. Resolution No. 14-662.

At 9:49 a.m., a public hearing, pursuant to Resolution No. 14-614, adopted November 4, 2014, to consider an amendment to the Capital Improvement Plan for the years 2014 through 2018, was opened by Chair Forsman. St. Louis County Deputy Administrator Linnea Mirsch and St. Louis County Capital Planning Manager Pete Miller discussed the plan. Chair Forsman asked if there was any testimony from representatives of other governmental entities and no one came forth. Chair Forsman asked if there were any supporters or opponents and no one came forth. After further discussion, Commissioner Nelson, supported by Commissioner Boyle moved to close the public hearing at 9:54 a.m. The motion passed; seven yeas, zero nays. Commissioner Nelson, supported by Commissioner Dahlberg moved to approve the amended Capital Improvement Plan for years 2014 through 2018. The motion passed; seven yeas, zero nays. Resolution No. 14-663.

Commissioner Jewell, supported by Commissioner Raukar, moved to approve the consent agenda. The motion passed; seven yeas, zero nays.

Commissioner Stauber, supported by Commissioner Jewell, moved to authorize the Public Health and Human Services Department to replace one State Operated Services employee by increasing the complement of social workers by one FTE, at an annual cost of \$69,500, to provide adult mental health case management services to eligible residents from St. Louis County; and further, should the

state funding be discontinued, this FTE will be eliminated from the department's FTE complement. The motion passed; seven yeas, zero nays. Resolution No. 14-664.

Commissioner Raukar, supported by Commissioner Stauber, moved to authorize and implement a 0.5% sales tax and an excise tax of \$20 per motor vehicle as provided for in Minnesota Statutes beginning April 1, 2015, for the purpose of funding transportation improvements as identified in the "St. Louis County Greater MN Transportation Sales and Use Tax Transportation Improvement Plan", dated December 2, 2014 (County Board File No. 59971). Chair Forsman opened the floor to persons who wished to address the Board concerning the proposal. The following persons addressed the Board: David Brenna, Mayor of the City of Proctor, expressed concerns regarding the distribution of the tax proceeds and the impact the proposal may have on the City of Proctor's proposed sales tax. Commissioner Jewell, supported by Commissioner Boyle, put forth an amendment to the original proposal to include additional projects. Chair Forsman asked if anyone wished to address the Board regarding the proposed amendment, and no one came forth. After further Commissioner discussion, the amendment failed; three yeas (Boyle, Dahlberg, Jewell), four nays (Stauber, Nelson, Raukar, Forsman). Commissioner Jewell stepped out of the meeting from 11:03 a.m. to 11:05 a.m.

Chair Forsman asked if anyone else would like to address the Board concerning the proposal. Tom Rukavina discussed the proposal and made various recommendations to the Board. Marsh Stenerson said that he is a Duluth resident and is supportive of both the original and amended proposal. Commissioner Jewell exited the meeting at 11:11 a.m. City of Duluth Mayor Don Ness said he was disappointed that the amendment was voted down so quickly and said that he hoped that the City of Duluth and St. Louis County can find ways to work together on projects. Mayor Ness also stated that he would never question the need to improve infrastructure. Commissioner Dahlberg stepped out of the meeting from 11:18 a.m. to 11:19 a.m. Commissioner Stauber stepped out of the meeting from 11:25 a.m. to 11:27 a.m. After further Commissioner discussion, a recess was taken from 11:56 a.m. to 12:08 p.m. Commissioner Nelson stated that Commissioner Jewell left the meeting due to county business. Commissioner Nelson, supported by Commissioner Raukar moved to call the question (5-1, Dahlberg). The motion passed; five yeas (Boyle, Stauber, Nelson, Raukar, Forsman), one nay (Dahlberg), one absent (Jewell). Resolution No. 14-665.

Commissioner Stauber, supported by Commissioner Nelson, moved that St. Louis County Administration and the Public Works Department engage with all municipalities and townships for discussion on mutually beneficial projects that may be incorporated into future plans for the revenues collected by the Transportation Sales and Use Tax. The motion passed; six yeas, zero nays (Jewell absent). Resolution No. 14-666.

The following Board and contract files were created as a result of documents received at this Board meeting:

Kevin Gray, County Administrator, and Ann Busche, Public Health & Human Services Director, submitting Board Letter No. 14-464R, Mental Health Case Management – Replacement of State Operated Services Employee.—59991

Purchase of Service Agreement, Contract No. 15365, between the St. Louis County Board of Commissioners and Larson Construction, Inc., Hibbing, MN, for Chore Services during the period November 1, 2014 through May 31, 2015.—14-1142

Purchase of Service Agreement, Contract No. 15362, between the St. Louis County Board of Commissioners and Daniel Wiswell, Aurora, MN, for Chore Services during the period October 1, 2014 through May 31, 2015.—14-1143

Upon motion by Commissioner Jewell, supported by Commissioner Raukar, resolutions numbered 14-659 through 14-661, as submitted to this Board on the consent agenda, were unanimously adopted as follows:

BY COMMISSIONER JEWELL:

RESOLVED, That the workers' compensation report of claims by employees for work-related injuries, dated November 28, 2014, on file in the office of the County Auditor, identified as County Board File No. 59787, is hereby received and ratified as payable from Fund 730, Agency 730001.

Adopted December 2, 2014. No. 14-659

RESOLVED, That pursuant to St. Louis County Ordinance No. 51, the applications for licenses to sell tobacco products at retail, on file in the office of the County Auditor, identified as County Board File No. 59866, are hereby approved and the County Auditor is authorized to issue the licenses as follows:

Gateway Store, LLC, d/b/a Gateway Store, LLC, Township of Unorganized 68-21,

Tobacco Products License No. T1555;

Hi Banks Resort, Inc., d/b/a Hi Banks Resort, Township of Fredenberg, Tobacco Products License No. T15187;

Timbuktu Marina, LLC, d/b/a Timbuktu Marina, Township of Greenwood,

Tobacco Products License No. T15161;

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

Adopted December 2, 2014. No. 14-660

RESOLVED, That pursuant to St. Louis County Ordinance No. 51, the applications for license to sell tobacco products at retail, on file in the office of the County Auditor, identified as County Board File No. 59866, are hereby approved and the County Auditor is authorized to issue the licenses as follows.

The following license holders were issued a tobacco violation citation on the dates as stated:

Susan Chalstrom/John Chalstrom, d/b/a Chalstrom's Bait, Township of Rice Lake, Tobacco Products License No. T1524, December 31, 2002, December 22, 2004, November 22, 2008;

T. Musech Enterprise, Inc., d/b/a Country Store, City of Cook, Tobacco Products License No. T15280, August 25, 2001, November 4, 2011, November 15, 2012;

Stutzman Group, Inc., d/b/a Hoyt Lakes IGA, City of Hoyt Lakes, Tobacco

Products License No. T15247, December 16, 2010;
Jeffrey/Betty Schanche, d/b/a Schanche's Side Lake Store, Township of French,
Tobacco Products License No. T15211, November 4, 2011, November 15, 2012;

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

Adopted December 2, 2014. No. 14-661

BY COMMISSIONER RAUKAR:

WHEREAS, The Property Management Team had identified the property described in County Board File No. 59806 as surplus county fee owned land and said property was advertised for sale and a bid was received; and

WHEREAS, Douglas Spillers and Sherri Spillers of Alborn, MN, submitted the minimum bid of \$16,200.00 for said parcel;

THEREFORE, BE IT RESOLVED, That pursuant to the requirements of and procedures of Minn. Stat. § 373.01, the St. Louis County Board authorizes the appropriate county officials to execute a quit claim deed, conveying the above listed property to Douglas Spillers and Sherri Spillers, for the bid amount of \$16,200, payable to Fund 100, Agency 128014, Object 583202;

RESOLVED FURTHER, That at the buyer's request the deed will be to "The Clip Joint Tavern, Incorporated a Minnesota Corporation", and the buyer is responsible for deed tax and recording fees.

Unanimously adopted December 2, 2014. No. 14-662

BY COMMISSIONER NELSON:

RESOLVED, By the St. Louis County Board of Commissioners (the "Board") as follows:

The Board, pursuant to Minn. Stat. § 373.40, previously approved a Capital Improvement Plan. Following a public hearing on December 2, 2014, as required, the Board considered a proposed annual amendment to the Capital Improvement Plan and the Board has considered the following for each project described in the proposed amendment and the overall plan:

- (i) The condition of the county's existing infrastructure, including the projected need for repair or replacement;
- (ii) The likely demand for the improvement;
- (iii) The estimated cost of the improvement;
- (iv) The available public resources;
- (v) The level of overlapping debt in the county;
- (vi) The relative benefits and costs of alternative uses of the funds;
- (vii) Operating costs of the proposed improvements; and
- (viii) Alternatives for providing services more efficiently through shared facilities with other cities or local government units.

The Board, based on the considerations set forth in the amendment and overall plan and as set forth herein, hereby approves the Capital Improvement Plan, as amended for the years 2014 through 2018, as presented to the Board, and on file as County Board Document File No. 59969.

Unanimously adopted December 2, 2014. No. 14-663

BY COMMISSIONER STAUBER:

WHEREAS, When the State of Minnesota closed the Moose Lake Regional Treatment Center, the state established and funded the Region III Adult Mental Health Initiative (AMHI); and

WHEREAS, This initiative was charged with the development of community based services for those persons relocated from the Moose Lake facility; and

WHEREAS, The state funding for the Region III AMHI has supported services to individuals with mental illness including two (2) state employees (State Operated Services – SOS); one (1) SOS employee in northern St. Louis County and one (1) SOS employee in southern St. Louis County; and

WHEREAS, The state has determined that it is discontinuing these SOS employees no later than July 1, 2015; however, should the incumbent retire or leave, the state will not rehire but instead provide funding to allow the county to hire a replacement county employee; and

WHEREAS, On July 1, 2014, the SOS employee for northern St. Louis County retired; and

WHEREAS, The Region III AMHI has agreed to fund the position from the annual AMHI grant funds provided by the State of Minnesota, Department of Human Services;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes the Public Health and Human Services Department to replace one (1) State Operated Services employee by increasing the complement of social workers by one (1) FTE, at an annual cost of \$69,500, to provide adult mental health case management services to eligible residents from St. Louis County;

RESOLVED FURTHER, That should the state funding be discontinued, this FTE will be eliminated from the department’s FTE complement.

Budget References:

230-232006-610100-99999-999999999-9999

230-232006-550727-99999-999999999-9999

Unanimously adopted December 2, 2014. No. 14-664

BY COMMISSIONER RAUKAR:

WHEREAS, St. Louis County’s transportation infrastructure has a direct impact on current and future economic development; and

WHEREAS, Funding for transportation systems in Minnesota has remained stagnant and is failing to keep pace with growing population and growing demands; and

WHEREAS, The 2008 Minnesota State Legislature authorized a local option sales tax for transportation (Chapter 152), and the 2013 Minnesota State Legislature authorized counties to adopt the local option sales tax for transportation by resolution after holding a public hearing (Chapter 117, Article 3, Section 25, now incorporated into Minn. Stat. § 297A.993, Subd. 1); and

WHEREAS, The 2008 Minnesota State Legislature also authorized a \$20 per motor vehicle excise tax for vehicles purchased or acquired from any person engaged in the business of selling motor vehicles at retail (Chapter 152), and the 2013 Minnesota State Legislature authorized counties to adopt the \$20 per motor vehicle excise tax by resolution after holding a public hearing (Chapter 117, Article 3, Section 25, now incorporated into Minn. Stat. § 297A.993, Subd. 1); and

WHEREAS, Chapter 117, Article 3, Section 26, Subd. 2 of the 2013 Session Laws (now incorporated into Minn. Stat. § 297A.993, Subd. 2) further requires that the proceeds of the tax be dedicated exclusively to payment of the capital cost of a specific transportation project or improvement designated by the County Board, and that the tax must terminate when revenues raised are sufficient to finance the project or improvement; and

WHEREAS, The St. Louis County Board desires to implement the local option sales tax for transportation and have the State Department of Revenue collect the same; and

WHEREAS, The proceeds of such a sales tax must be spent on projects identified in the “St. Louis County Greater MN Transportation Sales and Use Tax Transportation Improvement Plan”, herein adopted by the St. Louis County Board on December 2, 2014 (County Board File No. 59971); and

WHEREAS, The “St. Louis County Greater MN Transportation Sales and Use Tax Transportation Improvement Plan” funded by the Local Option Sales Tax for Transportation may be amended by future actions of the St. Louis County Board after holding a public hearing; and

WHEREAS, The St. Louis County Board held public hearings for the purpose of receiving citizen comments on the proposed tax on Tuesday, November 18, 2014, in the St. Louis County Courthouse, Duluth, MN, on Tuesday, November 25, 2014, in the City Council Chambers, City Hall, Hibbing, MN, and on Monday, December 1, 2014, in the Hermantown Governmental Services Building, Hermantown, MN;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board of Commissioners authorizes and implements a 0.5% sales tax as provided for in Minnesota Statutes beginning April 1, 2015, for the purpose of funding transportation improvements as identified in the “St. Louis County Greater MN Transportation Sales and Use Tax Transportation Improvement Plan”, dated December 2, 2014 (County Board File No. 59971);

RESOLVED FURTHER, That the St. Louis County Board of Commissioners authorizes an excise tax of \$20 per motor vehicle as provided for in Minnesota Statutes beginning April 1, 2015, to fund transportation improvements as identified in the “St. Louis County Greater MN Transportation Sales and Use Tax Transportation Improvement Plan”, dated December 2, 2014;

RESOLVED FURTHER, That the provisions of Minn. Stat. § 297A.99, Subdivisions 4, and 6 through 12, shall govern the imposition, administration, collection and enforcement of the tax;

RESOLVED FURTHER, That the St. Louis County Board of Commissioners hereby directs the County Auditor to certify the tax to the Minnesota Department of Revenue for collection of the sales and excise tax on or before December 31, 2014.

Yeas – Commissioners Boyle, Stauber, Nelson, Raukar and Chair Forsman - 5
Nays – Commissioner Dahlberg – 1
Absent – Commissioner Jewell – 1
Adopted December 2, 2014. No. 14-665

BY COMMISSIONER STAUBER:

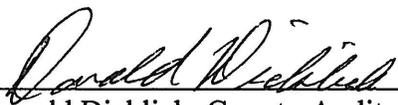
RESOLVED, That St. Louis County Administration and the Public Works Department engage with all municipalities and townships for discussion on mutually beneficial projects that may be incorporated into future plans for the revenues collected by the Transportation Sales and Use Tax.

Yeas – Commissioners Boyle, Dahlberg, Stauber, Nelson, Raukar and Chair Forsman - 6
Nays – 0
Absent – Commissioner Jewell – 1
Adopted December 2, 2014. No. 14-666

At 12:20 p.m., December 2, 2014, Commissioner Nelson, supported by Commissioner Raukar, moved to adjourn the meeting. The motion passed; six yeas, zero nays (Jewell absent).


Mike Forsman, Chair of the Board
of County Commissioners

Attest:


Donald Dicklich, County Auditor
and Ex-Officio Clerk of the Board
of County Commissioners

(Seal of the County Auditor)

