



Saint Louis County

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March 14, 2013

MEMORANDUM

TO: County Commissioners

FROM: Chris Dahlberg
County Board Chair

Kevin Z. Gray
County Administrator

RE: County Board Workshop – March 19, 2013

A County Board Workshop has been scheduled for **Tuesday, March 19, 2013, beginning at 9:30 A.M. in the IRRRB Board Room, Highway 53, Eveleth, MN.** The agenda for the meeting is as follows:

- | | |
|------------|---|
| 9:30 A.M. | Capital Improvement Plan (CIP) - Administration |
| 10:30 A.M. | Legislative Update - Administration
Legislative Impacts - PHHS |
| 11:30 A.M. | CIP Financing - Administration |

NOTE: County Board Workshops will not be assigned an adjournment time, but rather will continue until Commissioners are satisfied with the completed policy discussion on the topics presented the day of the workshop.

LEGISLATIVE TRACKING

March 8, 2013

Bill Description	House File #	House Author(s)	Senate File #	Senate Author(s)	House Status	Senate Status
Minerals Management/Mine Inspector	1320	Anzelc			To Gov't Op Committee week of 3/11/13	
Intermediate Auction Sales	374	Anzelc	371	Saxhaug	Awaiting Committee Hearing	Awaiting Committee Hearing
ARMER/Sales Tax Exemption Using 9-1-1 Fee to reimburse eligible counties	499	Simonson	599	Tomassoni		Tax Committee Chair has indicated he would be will to use this vehicle, if necessary, to help achieve sales tax rebate for counties for our levy dollars spent on ARMER implementation. High priority, however, is to still use General Fund dollars.
ARMER/Sales Tax Exemption Using State General Fund Revenues	428	Anzelc	472	Koenen	Heard in House Tax Subcommittee for possible inclusion in Omnibus Tax Bill	Heard in Senate Tax Subcommittee for possible inclusion in Omnibus Tax Bill
PILT/Restore Inflation Adjustments	413	Dill	387	Saxhaug	Heard in House Tax Subcommittee for possible inclusion in Omnibus Tax Bill	Heard in Senate Tax Subcommittee for possible inclusion in Omnibus Tax Bill. Senate Tax Chair would like to significantly increase payments for lowest level of flat rate PILT Payments.
Conservation Easements/Legacy Funding	1161	Dill	1012	Skoe	Working to obtain a tax committee hearing and/or rider in Omnibus Tax Bills	Working to obtain a tax committee hearing and/or rider in Omnibus Tax Bills
Greater MN Parks & Trails Funding	1605	Metsa	1021	Tomassoni	Passed out of House Environment Policy Committee	
Unresolved or New Flood Related Issues	No legislation is needed. State DPS/Homeland Security Director, Kris Eide, has assured us that she can move unspent dollars form most flood fund to other accounts that need additional dollars. Local Roads and Bridges are the only uncertain area and she will check with State MMB to clarify.					
NERCC Bonding	Last Minute addition. Legislation will be formally introduced early next week (3/11/13)					

ADDITIONAL ISSUES:
 Stone Lake Dam
 Vulnerable Adults & Children Act (VCA) Formula
 Transportation Funding
 M.A. for Prisoners

Introduction - St. Louis County Capital Improvement Program for Fiscal Years FY 2013 – FY 2017

Each year, as an integral part of its annual budget process, St. Louis County updates its Capital Improvement Program plan. The Capital Improvement Program (CIP) is a plan that matches the county's major capital needs regarding long-term physical asset development with the financial ability to meet these needs in a manner that attempts to better ensure the effective and efficient provision of government services and operations while maintaining a strong county infrastructure. The county's CIP identifies projects that have been designed to support existing or projected needs in the following areas: transportation infrastructure (roads and bridges), county facilities, land improvement/development/acquisition, equipment purchases, and technology. CIP projects require a total expenditure of at least \$100,000 and must provide for or extend the useful life of the asset for at least 5 years.

The CIP is vital to the county because it is the principal planning tool designed, and utilized strategically, to achieve growth and development as envisioned in the county's Departmental Business Plans. The county strives to balance debt issuance with current property tax levels for capital projects in a concerted effort to minimize tax burden while at the same time better aligning the organization to meet the ever changing demands placed upon local governments.

In so doing, the county maintains its strong financial standing with an assigned "Aa2" rating from Moody's Investor Services, which has been achieved on all bonds since 2005. Further, the county continually strives to more effectively and completely integrate its capital and operating budgets; as such it is as a tool to balance capital needs and associated operating cost implications.

Through a detailed process of prioritization, project selection, and implementation detail, the CIP serves to guide the use of the limited resources that are available for capital projects. By providing a planned schedule, cost estimates, location of public sector improvements, project rationale, operating budget implications, and energy conservation considerations, the CIP provides local elected officials and the public with valuable information concerning proposed public facilities, transportation infrastructure, technology and capital equipment needs and their associated costs; while at the same time providing private sector decision makers with valuable information upon which to base investment decisions. Ultimately, the county will benefit from the coordination of orderly and efficient programs of private and public investment intended to maximize outside revenue sources and effectively plan for the growth and maintenance of the county's infrastructure.

Goals of the CIP

The CIP is prepared in consideration of two major goals:

1. To address the County's immediate and long-term capital needs, the CIP is guided by the following priorities, which were adopted by the County Board of Commissioners in 2007:

- Maintaining a strong county infrastructure (buildings, equipment, information infrastructure and personnel) in order to protect the County's investment.
- Expanding the tax base in a way that will benefit the health and well-being of citizens.
- Managing and encouraging orderly growth in coordination with other units of government and the private sector to promote a healthy local economy.
- Providing County services in the most efficient, effective and safe manner.

- Maintaining and improving a healthy, viable ecosystem and the community's quality of life.

2. To explore all feasible funding sources (as time and resources permit) in order to finance the County's capital needs.

Funding Priorities: Projects with the following characteristics are given priority for funding:

- Maintenance and/or improvement of the county's infrastructure
- Enhancement of County service delivery.
- Public health and public safety – prevents or corrects a major health or safety hazard.
- Legal requirements – clearly demonstrates a mandate by State or Federal law.
- Economic development – directly increases net annual revenues and creates indirect community wealth, i.e. jobs, business retention, etc.
- Budget impact – reduces operating costs or is eligible for available funding sources.
- Relationship to other projects – completes a project that is underway or advances the effectiveness of another project.
- Implementation of Business Plans or governing body policies – directly referenced in existing plan or policy or is essential to the implementation of programs adopted by the Board of Commissioners.
- Joint use – combines two or more projects resulting in immediate or future savings.

Relationship of the CIP to the Operating Budget

The operating budget and the CIP are closely related. The CIP is a plan that matches the County's major capital needs with the financial ability to meet them. As a plan, it is subject to change, however, a sound and reliable CIP is an invaluable planning tool that serves to aid the process of maintaining the good financial health of the County. That said, the CIP remains a living document that provides a constant reference point for broad ranging organizational discussions relating to the intrinsic relationship of capital infrastructure to the operation and mission of the county as expressed in the exploration of program and service delivery modalities, the increasing need for organizational efficiencies, downward budgetary pressures from state and federal sources, and increased burdens on tax payers. As local governments are forced to evolve in a climate trending toward increasing budgetary restriction, the continued refinement of strategies that integrate all elements of an organization into any decision-making matrix is paramount to the effective provision of government services in this day and age.

CIP projects that are proposed to be funded by General Fund revenues are intended to be included in the Budget in the appropriate year(s). Even so, because circumstances may change between the adoption of the CIP and the Budget, CIP projects must be resubmitted as part of each department's annual budget request, a step which promotes additional review of project details in light of new budget realities. Funds for such projects are not available unless and until they are included in the budget approved by the County Board of Commissioners.

The completion of capital projects directly impacts a department's operating budget as projects are completed and require maintenance and upkeep. Also, some facilities may require additional staffing and utilities, such as electricity and water, above current levels. Or, conversely, some departments may find that capital investments will positively impact their operating budget through energy conservation, strategic co-locations, and other operational impacts that influence how departmental resources are utilized. County-wide strategies which are moving the organization toward energy efficiency, co-located departments, consolidated

customer service centers, and the like are continually influencing CIP decision-making in a manner that seeks to improve rather than detract from operational budgets. Said impacts may not be readily evident when projects are funded and are constructed over several years. Consequently, the impacts of capital projects on the annual operating budget are estimated when available. Most projects will not have an operating impact in the year during which they are funded, thus continual tracking of associated costs on operations due to completed CIP projects feeds back into the decision-making process on CIP projects under consideration. Efforts in the area of tracking project cost payback due to energy efficiencies or other cost saving measures, which have been engineered into a CIP project, can prove to be a cost-saving measure for the county over time. Additionally, over the past two years the county has been implementing an asset management system to define and provide estimates for infrastructure needs to further aid in the development of a capital investment strategy that reduces operating costs over time while maximizing the direct impact of project funding.

CIP Strategy, Review & Adjustment

In an effort to further the integration of capital and operating budgets while defining appropriate levels of capital infrastructure investment, St. Louis County Administration Department has worked together with the Auditor's Office, Sheriff's Office, Public Works, Property Management, IT, Land and Minerals, Environmental Services and the Planning & Development departments to strategically improve the CIP process by bringing it into closer alignment with overall county strategies as represented in the Board of Commissioner's key priority areas as stated above.

Over the past year, strategic CIP efforts have included:

- Working with Public Works to streamline its CIP submission process by building on their 10-year State Transportation Improvement Plan, developing a new project submission form that aligns with their road and bridge asset management system, and implementing a common asset management system for facilities that includes Facility Condition Index ratings for each facility as a key facility performance indicator county-wide. In 2012, Public Works inventoried half of its buildings and plans to complete the rest in 2013. Property Management will run asset management system for all Property Management and Public Works facilities.
- Working with Property Management more closely on submissions so that prioritization, energy efficiency, building life cycle management, facility integrity, departmental lease costs (for office space), co-locations of departments/functions, safety/security, and project decision-making happens in advance of bonding cycles and in-line with broad county facility goals. As mentioned above, the county purchased and implemented an asset management system that assists the Property Management Department (and other participating county departments with facilities) to more effectively track and measure facility and system life cycles, manage energy consumption and measure facility efficiency, replacement and/or improvement cost. This system will in turn promote more effective alignment of capital improvement needs with operating budget realities by providing a tool to measure the impact of capital investment on facility integrity and departmental operational budgets.
- Working with the Auditor's Office to continue to improve the information collected as part of the annual update to the CIP so as to provide the most solid basis for bond work possible.

- Working with the IT and Planning departments to include a technology section for the first time in the CIP, this inclusion provides for large-scale infrastructure projects and systems such as our Land Records Portal.
- Working with all departments on CIP submission to enhance the information provided.
- County Administration has been working closely with departments to identify more customer friendly interface options for county facilities, which would serve to ensure public and employee safety, create a welcoming center for the delivery of county services, promote inter-departmental synergies across like or complimentary service areas, and provide for more effective and efficient utilization of current county facilities. Such projects include the Public Health and Human Services Department's centralized client in-take centers (Duluth, Virginia, Hibbing), the property/planning/records/taxation customer center (Virginia), and other projects that encourage collaboration and enhance customer service.
- Changes in the CIP submission form included the addition of Energy Conservation Considerations, a building Facility Condition Index rating, project payback information, project prioritization and rationale, and an asset life cycle determination for all projects related to facilities.
- Additional strategic CIP submission form changes include the requirement to provide the date of the last project cost estimate update to ensure more accurate cost estimation or to trigger the cost estimate updates; and guidance to county departments to select "other" as the funding sources on the form to trigger discussion on potential funding sources, strategies, and other considerations at present undefined.

Financial Assumptions

The FY 2013- FY 2017 CIP has been prepared with the following financial assumptions:

- A bond issuance in mid 2013 is currently being planned and, when issued, will include financing for new construction and building upgrades.
- All contributions from the General Fund have been incorporated into forecasted budgets for 2013. Projects funded through contributions from the General Fund include transportation and operations infrastructure (buildings, roads, communications tower). The planned contributions are included in the five year projection for financial planning purposes. However, funds for such projects will not be available unless and until they are approved by the Board of Commissioners. As such, contributions to specific projects in later years are subject to change.

Criteria for Inclusion in the CIP

Conformance with Chapter 473.53

Chapter 475.53 of the Minnesota State Statutes contains laws that are specific to net debt limits including for counties.

Conformance with Chapter 373.40 Criteria

Chapter 373.40 requires the County to prepare its capital improvement program (CIP) consistent with the eight criteria contained in Section 2, Subdivision 3 of Chapter 373.40. The information required is summarized below for each of the eight criteria.

Condition of the County's Infrastructure

St. Louis County's infrastructure includes roads and bridges, three court houses, office buildings, highway maintenance facilities, and landfill service stations and the like totaling 170 structures, 3,000 miles of road and 601 bridges. The condition of the infrastructure is reviewed on an annual basis. The CIP contains several projects that are intended to upgrade and preserve these facilities in-line with the Board of Commissioner's strategic focus area *Strong County Infrastructure*. Additionally, proactive management, upgrade and maintenance of county facilities directly translates to cost-savings overall when facilities and infrastructure investments are planned and implemented as part of an overall county asset management strategy.

The Likely Demand for the Improvement

All the improvements proposed in the CIP have been evaluated for alternative actions including the "do nothing" alternative. Also, the CIP projects for each department are reviewed by the County Administrator's Office to ensure that each project is designed to meet a future demand of the public and the county. County efforts to develop and implement broad infrastructure improvements are continually refined in light of overall budget strategies, staffing and service efficiencies, asset condition/life cycle, energy efficiency, existing long-range plans, present cost-effectiveness, projected financial implications, and Board of Commissioner's key priority areas.

Estimated Costs of the Improvements

The County's CIP process requires each project's cost estimate to be as accurate as possible at the time the project is proposed and, additionally, that a project description form be submitted with each project estimate. The process requires annual review and updating of each non-capital budget item. The continual review of project cost estimates, as a practice, is a critical component of the county's strategy for CIP decision-making and implementation. On-going collaborative planning between Administration and other county departments will be further enhanced by the integration of the county's new facility asset management system into the cost estimation process made possible by virtue of system tools and data informed by continually updated *RS Means* construction cost estimation matrix (market based national construction cost index).

Available Public Resources

St. Louis County has examined all potential funding alternatives to each proposed project, and has carefully protected its ability to borrow funds for infrastructure projects. The County's low level of direct debt is evidence of the success of this policy. The County Board reviews the level of direct debt on a regular basis and strives to maintain direct debt at a consistently low level. Additional consideration has been and will continue to be given to expanded bonding opportunities and strategies, which may, in turn, provide for accelerated project implementation in cases where current market conditions matched with internal county operational strategies and infrastructure requirements may indicate a favorable congruence for such investment initiatives.

The Level of Overlapping Debt in St. Louis County

The CIP contains information required by Subdivision 3 of Chapter 373.40, and the process is mindful of the impacts of overlapping debt. The CIP process includes an analysis of the

financial and property tax ramifications for all projects proposed for general obligation bond funding.

Relative Costs and Benefits of Alternative Uses of Funds

The CIP process requires each department to evaluate alternatives to the proposed project, as well as alternative funding for each identified project option. The CIP process further requires that the County Administrator's Office review all proposed projects to ensure that the financing options are viable and all encompassing. All projects are evaluated for lease financing versus other financing options. The county's capital infrastructure needs exceed available resources, and the county is always forced to make choices among numerous projects. Thus, careful consideration of county-wide as well as departmental priorities and strategies are a must, and as currently expressed, the CIP process allows for an open debate of the relative costs and merits of each major project. During said debates, alternative means of producing the resources necessary to complete a given project may emerge as a viable alternative to the use of bond proceeds for capital improvements.

Operating Costs of the Proposed Improvements

The CIP process requires that each department and the County Administrator's Office examine the estimated annual operating cost for each proposed project. Projects are reviewed for their impacts on utility costs, employee safety and productivity, number of employees, and any other factor that would have a negative impact on the County's general fund or require substantial increases in fees charged to facility users. County Administration continually strives to align capital improvement needs with the regular operations of the county as an organization. The impact of capital projects on the operating budget can be severe and as such Administration works to thoroughly examine all impact areas and to develop viable methods to provide for the impact of said projects; and, in some case, to eliminate projects from the CIP due to adverse and/or cost-ineffective project proposals. Throughout the project review process, deference is given to the tempering impacts of current budgetary realities, overarching strategies and priorities of elected officials, current departmental business plans, and defined needs in light of all of the preceding elements.

Alternatives for Providing Services More Efficiently Through Shared Facilities with Other Counties or Local Units of Government

The CIP process requires each department to examine alternatives that involve the use of shared facilities. The County Administrators' Office provides a final review to ensure that each CIP and annual capital budget item has been thoroughly reviewed for use with existing facilities in other governmental jurisdictions, and for opportunities for sharing new facilities.

The county is continuing to seek methods to improve inter-departmental synergies for internal management and external service functions, and has been making great strides in this direction over the last year. Property Management, with its asset management system is working to eventually include all county facilities such as those serving Public Works, Land & Minerals, and Environmental Services departments' functions/needs. As a policy, the St. Louis County Board of Commissioners has directed the county Property Manager to work toward housing all county departments in county facilities. The cost-benefit analysis of using external leases versus housing county departments in county facilities has shown that the latter is more cost-effective for the tax-payers of St. Louis County. With the planned Duluth Government Service Center remodel, the goal of eliminating leases and centrally locating county services will be accomplished for offices/services in Duluth, and only the remodel of the Northland Office Center in Virginia will remain to fully meet this policy directive.

St. Louis County 2013-2017 Capital Improvement Program

Procedures

For each proposed capital improvement project, departments are required to complete a CIP inventory form. These forms provide both general background information pertaining to the projects and detailed information, which is used to evaluate the projects. The projects are compiled by the county administrator's office. Using the inventory forms as a basis for its review, the county administrator produces a preliminary list of items. Final approval and authorization comes from the county board.

In order to provide direction and conformity in compiling the CIP, it is essential that policies and guidelines are identified to direct county decisions regarding physical improvements and the sources of funding to be utilized. In prior budgets and related documents, the St. Louis County Board has identified the following policies regarding capital budgeting:

Capital Improvement Budget Policies

- The county makes all capital improvements in accordance with an adopted capital improvement program.
- The county develops a multi-year plan for capital improvements and updates it annually.
- The county enacts an annual capital budget based on the multi-year capital improvement plan. Future capital expenditures necessitated by changes in population, real estate development, or economic base are reviewed and included in capital budget projections.
- The county coordinates development of the capital improvement budget with development of the operating budget. Future operating costs associated with new capital improvements are projected and included in operating budget forecasts.
- The county uses intergovernmental assistance to finance only those capital improvements that are consistent with the adopted capital improvement plan and county priorities in which operating and maintenance costs have been included in operating budget forecasts.
- The county maintains its assets at a level adequate to protect its capital investment and minimize future maintenance and replacement costs.
- County staff identifies the estimated costs and potential funding sources for each capital project proposal before it is submitted to the county board for approval.
- Expenditures must be a minimum of \$100,000.
- Equipment purchases must have a minimum life of five years.
- The county determines the least costly financing method for all new county projects.
- Each capital project should be fully justified in terms of reducing operating costs, improving quality or quantity of service, adhering to appropriate regulations, protecting the health and safety of employees or clients, or meeting a clearly demonstrated demand for a service.
- There should be a thorough review of alternative actions to the proposed project including the development of shared facilities, the use of non-county services or methods to meet the need, or the use of non-capital alternatives.
- Each capital project should be reviewed to determine the amount of coordination required between county departments and with non-county agencies to implement the project.
- Projects should be evaluated regarding possible deferment to a later date if such action would not adversely affect the program.
- All auxiliary costs, such as site development, utilities, or parking, must be considered as

part of the capital project.

- With the exception of the Land & Minerals, Environmental Services, and Public Works departments, the Property Management Department will serve as the Capital Improvement Construction Management Unit for county facilities in St. Louis County. All Department of Public Works road and bridge projects will be managed by the department of Public Works in coordination with the Administrator's Office. All departments are instructed to coordinate capital improvement projects with the Director of Property Management.

Debt Policies

- The county maintains its ability to support current debt and incur additional debt at minimal interest rates and in the amounts required for infrastructure and other capital assets without endangering the ability of the county to finance essential services.
- Projects should be evaluated regarding possible deferment to a later date if such action would not adversely affect the program.
- Debt is used sparingly and only after other means of financing are fully investigated.
- No debt which becomes an obligation of the county or any of its agencies may be issued for a term longer than the reasonably expected useful life of the asset being funded, but in no event for longer than 20 years for real property or 5 years for equipment.
- The proceeds of all debt issues must be expended in compliance with all applicable state and federal laws and rules and in conformity with all covenants of the issue. Such laws, rules, and covenants must be strictly construed.
- No debt may be issued to fund normal operations of the county or any of its agencies. This does not exclude the possibility of issuing Tax Anticipation Notes as a financial and investment strategy.
- Debt must not be issued in excess of any statutory limit. The county must strive to keep the total debt burden of the county when measured as a percent of taxable market value from exceeding the median of similarly sized counties in the nation based upon figures available at the time of authorizing the issuance.
- Property tax supported debt including capital notes must not be issued beyond the point where annual debt service levy demands exceed 10% of the property tax levy (including HACA and disparity aid).
- The county must avoid, where possible, the issuance of general obligation debt by utilizing available funds, reserves, and revenue or other types of issues.

CIP Process

The CIP process begins at the beginning of the year (January) with a request to county departments for modifications, updates, additions or deletions from the previous CIP as part of the budget process. Detailed instructions for submission are provided by the Administration Department to guide the preliminary submission process, and, once complete, are followed up by in-depth project discussions, board workshop(s), public hearing and formal adoption of the CIP (updated) each winter.

Implementation Rate

Not all projects included in the 2013 capital budget will be completed during the budget year. Many projects require coordination with other agencies and businesses. St. Louis County accounting policies allow for carry forward of encumbered funds to allow for completion of projects started in one year but not finalized.

CIP Format

The 2013-2017 Capital Improvement Program is comprised of four major areas for capital improvement: roads and bridges, equipment, facilities, and technology. The project description form provides a brief description of the project and its location, the underlying purpose and justification for the project, estimated impacts on the operating budget, energy conservation considerations (if applicable), implementation details (date), funding source, cost breakdown and total project cost (estimates).

2013-2017 CIP by Category & Department

Facilities Capital Projects

Projects initiated under this category include improvements aimed at maintaining the life and integrity of all county-owned facilities, reducing operating or maintenance costs through initiatives such as energy efficiency projects, acquiring new/additional office space, providing a safe and productive work environment, and ensuring safe access for the public.

The following table shows the planned contributions to capital projects:

PROPERTY MANAGEMENT	FY 2013	FY2014	FY2015	FY2016	FY2017
Downtown Duluth Parking Lot Repair	0	550,000	0	0	0
GSC Remodel & Infrastructure Repair	22,000,000	0	0	0	0
North Rescue Squad Storage & Office Facilities	0	250,000	250,000	250,000	250,000
GSC Exterior Repairs & Windows	0	0	0	0	1,300,000
Jail Energy Upgrades - Phase II	240,000	0	0	0	0
Jail Security Control Upgrade - Hibbing	105,000	0	0	0	0
Capital Improvements Dictated by Asset Mgmt System	2,170,623	1,317,266	3,000,051	1,902,249	1,221,959
Public Safety Storage Facility	0	0	0	0	700,000
Hibbing Courthouse & Annex Controls	485,000	0	0	0	0
Northland Office Building Remodel	0	0	0	0	9,000,000
Safety Building Remodel	150,000	250,000	150,000	150,000	250,000
Virginia Motor Pool Car Building	2,000,000	0	0	0	0
Hibbing Courthouse AC Unit Replacement	0	0	0	0	500,000
TOTAL PROP. MGMT	27,150,623	2,367,266	3,400,051	2,302,249	13,221,959

Sources of revenue include property tax, fees, interest earnings, unrestricted grants and aids, and other forms of unrestricted local income. Actual expenditures are based on the costs of the projects and the use of carry-over balances.

Solid Waste Projects

The Solid Waste Fund accounts for the management and operations of solid waste activities in St. Louis County outside of the Western Lake Superior Sanitary District Service area. This department is now called the Environmental Services Department. The fund includes general management of solid waste activities, recycling, canister sites, transfer stations, demolition facilities, household hazardous waste, and landfill operations.

The CIP projects for this category include:

ENVIRONMENTAL SERVICES	FY2013	FY2014	FY2015	FY2016	FY2017
Landfill Gas Collection & Mgmt. System - Virginia	0	150,000	575,000	1,185,000	0
Leachate Field Expansion - RLF - Virginia	0	900,000	0	0	0
Household Hazardous Waste - Virginia	150,000	50,000	0	0	0
TOTAL ENVIRONMENTAL SERVICES	150,000	1,100,000	575,000	1,185,000	0

Adequate cash flows are available in the Solid Waste Fund accounts to deliver the projects shown. The Environmental Services Department has provided cash flow analyses for the revenue that tie to each project.

Land & Minerals Department

The Land & Minerals Department manages tax forfeited trust lands for St. Louis County maximize forest health and productivity and to optimize revenue-generating capabilities. Proposed projects include:

LAND & MINERALS	FY2013	FY2014	FY2015	FY2016	FY2017
Virginia Land Office Space Addition	0	276,000	0	0	0
TOTAL LAND & MINERALS	0	276,000	0	0	0

Communications

The Sheriff's Office - Communications Division is responsible for Public Safety Wireless Voice Communications throughout the County. The Federal Communications Commission has mandated that all VHF and UHF licensees meet new narrowband requirements by December 31, 2012 forcing the replacement of all of St. Louis County and partner agency communications infrastructure and end user equipment.

COMMUNICATIONS	FY2013	FY2014	FY2015	FY2016	FY2017
Wireless Communication Systems Infrastructure Upgrade	1,100,000	0	0	0	0
TOTAL COMMUNICATIONS	1,100,000	0	0	0	0

Technology

The 2010 CIP includes a section on planned technology investments submitted by the Information Technology (IT) Department and the Planning and Development Department.

TECHNOLOGY PROJECTS	FY2013	FY2014	FY2015	FY2016	FY2017
Primary DC/Backup SAN Upgrade	0	150,000	0	0	0
IT/GIS Enterprise Geo Data Interface	0	0	275,000	0	0
IT/GIS Enterprise GEO Data Infrastructure	300,000	300,000	300,000	0	0
IT Enterprise Network & Infrastructure	0	100,000	0	0	0
TOTAL TECHNOLOGY PROJECTS	300,000	550,000	575,000	0	0

Public Works Building Improvements

These projects consist of constructing or maintaining the garages, shops and support facilities used by the Public Works Department in performing road and bridge construction and maintenance activities. They are aimed at reducing the operating and maintenance costs through energy savings, extending the lives of the facilities, and reducing the degradation to facilities.

PUBLIC WORKS	FY2013	FY2014	FY2015	FY2016	FY2017
Repair Pike Lake Cover-All Building	200,000	0	0	0	0
Virginia 911 Renovation	200,000	0	0	0	0
Pike Lake Floor Drain Project	125,000	0	0	0	0
4th District Facility	0	4,000,000	0	0	0
Virginia Wash Bay	0	550,000	0	0	0
Maintenance Painting Vir, Hib, LG, JD, shops	0	125,000	0	0	0
Maintenance as dictated by Asset Mgmt System	442,000	375,000	500,000	500,000	500,000
TOTAL PUBLIC WORKS	967,000	5,050,000	500,000	500,000	500,000

Public Works Road and Bridge

Projects under this category are road construction, maintenance overlays, and bridge construction and repairs financed through various sources including local funds, state and federal aid.

St. Louis County is responsible for over 3,000 miles of road and 601 bridges over ten feet in length. The St. Louis County Public Works Department annually updates their 10-Year Project Plan of all construction and repairs projects. Projects are completed either by county Road and Bridge Maintenance crews or through a competitive bidding process. State and federal funding for St. Louis County averages over \$15,000,000 per year. Projects open for bid, under construction, or completed in the current year can be reviewed on the Public Works Department home page at

<http://www.stlouiscountymn.gov/GOVERNMENT/DepartmentsAgencies/PublicWorks.aspx>.

PUBLIC WORKS/ROAD & BRIDGE	FY2013	FY2014	FY2015	FY2016	FY2017
Road and Bridge Projects	45,733,458	30,148,175	22,793,200	18,982,000	15,150,000
TOTAL PUBLIC WORKS/R&B	45,733,458	30,148,175	22,793,000	18,982,000	15,150,000

2013-2017 CAPITAL IMPROVEMENTS PROGRAM SUMMARY

DEPARTMENT	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	TOTAL
COMMUNICATIONS						
Wireless Communication Systems Infrastructure Upgrade	1,100,000	0	0	0	0	1,100,000
TOTAL COMMUNICATIONS	1,100,000	0	0	0	0	1,100,000
LAND & MINERALS						
Virginia Land Office Space Addition	0	276,000	0	0	0	276,000
TOTAL LAND & MINERALS	0	276,000	0	0	0	276,000
PROPERTY MANAGEMENT						
Downtown Duluth Parking Lot Repair	0	550,000	0	0	0	550,000
GSC Remodel & Infrastructure Repair	22,000,000	0	0	0	0	22,000,000
North Rescue Squad Storage & Office Facilities	0	250,000	250,000	250,000	250,000	1,000,000
GSC Exterior Repairs & Windows	0	0	0	0	1,300,000	1,300,000
Jail Energy Upgrades - Phase II	240,000	0	0	0	0	240,000
Jail Security Control Upgrade - Hibbing	105,000	0	0	0	0	105,000
Capital Improvements Dictated by Asset Mgmt System	2,170,623	1,317,266	3,000,051	1,902,249	1,221,959	9,612,148
Public Safety Storage Facility	0	0	0	0	700,000	700,000
Hibbing Courthouse & Annex Controls	485,000	0	0	0	0	485,000
Northland Office Building Remodel	0	0	0	0	9,000,000	9,000,000
Safety Building Remodel	150,000	250,000	150,000	150,000	250,000	950,000
Virginia Motor Pool Car Building	2,000,000	0	0	0	0	2,000,000
Hibbing Courthouse AC Unit Replacement	0	0	0	0	500,000	500,000
TOTAL PROP. MGMT	27,150,623	2,367,266	3,400,051	2,302,249	13,221,959	48,442,148
TECHNOLOGY PROJECTS						
Primary DC/Backup SAN Upgrade	0	150,000	0	0	0	150,000
IT/GIS Enterprise Geo Data Interface & Applications	0	200,000	100,000	100,000	100,000	500,000
IT/GIS Enterprise GEO Data Infrastructure	0	100,000	100,000	400,000	100,000	700,000
TOTAL TECHNOLOGY PROJECTS	0	450,000	200,000	500,000	200,000	1,350,000

DEPARTMENT (CONTINUED)	FY2013	FY2014	FY2015	FY2016	FY2017	TOTAL
PUBLIC WORKS						
Repair Pike Lake Cover-All Building	200,000					200,000
Virginia 911 Renovation	200,000					200,000
Pike Lake Floor Drain Project	125,000					125,000
4th District Facility		4,000,000				4,000,000
Virginia Wash Bay	0	550,000	0	0	0	550,000
Maintenance Painting Vir, Hib, LG, JD, shops	0	125,000	0	0	0	125,000
Maintenance as dictated by Asset Mgmt System	442,000	375,000	500,000	500,000	500,000	2,317,000
TOTAL PUBLIC WORKS	967,000	5,050,000	500,000	500,000	500,000	7,517,000
PUBLIC WORKS/ROAD & BRIDGE						
Road and Bridge Projects	45,733,458	30,148,175	22,793,200	18,982,000	15,150,000	132,806,833
TOTAL PUBLIC WORKS/R&B	45,733,458	30,148,175	22,793,000	18,982,000	15,150,000	132,806,833
ENVIRONMENTAL SERVICES						
Landfill Gas Collection & Mgmt. System - Virginia	0	150,000	575,000	1,185,000	0	1,910,000
Leachate Field Expansion - RLF - Virginia	0	900,000	0	0	0	900,000
Household Hazardous Waste - Virginia	150,000	50,000	0	0	0	200,000
TOTAL ENVIRONMENTAL SERVICES	150,000	1,100,000	575,000	1,185,000	0	3,010,000
TOTAL ALL DEPARTMENTS	76,068,081	39,391,441	27,468,051	23,469,249	29,071,959	194,501,981

2013 – 2017 SUMMARY OF REVENUES BY DEPARTMENT

PROPERTY MANAGEMENT DEPARTMENT/FACILITIES

Department/Type	FY2013	FY2014	FY2015	FY2016	FY2017
Property Management/Facilities					
Property Tax	3,150,623	2,367,266	3,400,051	1,125,000	2,921,959
Bonding	24,000,000	0	0	0	10,300,000
Federal/State	0	0	0	0	0
Other	0	0	0	0	0
Total	27,150,623	2,367,266	3,400,051	2,302,249	13,221,959
Environmental Services					
Property Tax	0	0	0	0	0
Bonding	0	0	0	0	0
Federal/State	0	0	0	0	0
Other	150,000	1,100,000	575,000	2,205,000	0
Total	150,000	1,100,000	575,000	2,205,000	0
Land Department					
Property Tax	0	0	0	0	0
Bonding	0	0	0	0	0
Federal/State	0	0	0	0	0
Other	0	276,000	0	0	0
Total	0	276,000	0	0	0
Communications					
Property Tax	0	0	0	0	0
Bonding	0	0	0	0	0
Federal/State	0	0	0	0	0
Other	1,100,000	0	0	0	0
Total Communications	1,100,000	0	0	0	0
Technology					
Property Tax	0	0	0	0	0
Bonding	0	0	0	0	0
Federal/State	0	0	0	0	0
Other	0	450,000	200,000	500,000	200,000
Total Technology	0	450,000	200,000	500,000	200,000
Public Works Facilities					
Property Tax	967,000	1,050,000	500,000	500,000	500,000

Bonding	0	4,000,000	0	0	0
Federal/State	0	0	0	0	0
Other	0	0	0	0	0
Total Public Works Facilities	967,000	5,050,000	500,000	500,000	500,000

Revenues Continued	FY2013	FY2014	FY2015	FY2016	FY2017
Public Works Road & Bridge					
Property Tax	8,453,692	7,757,670	6,835,000	6,966,200	5,750,000
Bonding	0	0	0	0	0
Federal/State	34,205,667	21,993,245	14,700,160	10,984,800	9,400,000
Other	3,074,099	397,260	1,258,040	1,031,000	0
Total Public Works Road & Bridge	45,733,458	30,148,175	22,793,200	18,982,000	15,150,000