



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

April 9, 2013

Immediately following the Board Meeting, which begins at 9:30 A.M.
Canosia Town Hall, 4896 Midway Road, Duluth, MN
(located on the corner of Midway and Martin Roads)

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 April 2, 2013

Environment & Natural Resources Committee – Commissioner Nelson, Chair

1. Award of Bid: Mechanical Site Scarification by Disk Trench [13-131]
2. Special Sale to Resolve an Occupancy Trespass – Frielund [13-132]

Public Works & Transportation Committee – Commissioner Forsman, Chair

3. Agreements for Wetland Boundary Delineation Services for Various Projects [13-133]
4. Agreement for Archeological Survey Services for Various Projects [13-134]
5. Acceptance of Grant for Bridge Replacement on CSAH 16 (Hibbing) [13-135]
6. Acceptance of Grant for Bridge Replacement on CR 444 (Hibbing) [13-136]
7. Revocation of Portions of Lindahl, Rose, Swan Lake and Sundby Roads and Reversion to the City of Hermantown [13-137]
8. Purchase of Two GPS Units and Related Equipment [13-138]

Finance & Budget Committee – Commissioner Raukar, Chair

9. Agreement with SuperiorUSA Corporation for Flexible Spending Account Plan Administration [13-139]

ESTABLISHMENT OF PUBLIC HEARINGS:

Finance & Budget Committee – Commissioner Raukar, Chair

10. Establish Public Hearing to Consider Tax Abatement for P&H MinePro Services (Virginia) – Tuesday, May 7, 2013, 9:40 a.m., St. Louis County Courthouse, Duluth, MN [13-140]
11. Establish Public Hearing to Consider an Amendment to the Minnesota Investment Fund Disaster Recovery Grant Application – Tuesday, May 7, 2013, 9:45 a.m., St. Louis County Courthouse, Duluth, MN [13-141]

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.

Public Works & Transportation Committee – Commissioner Forsman, Chair

1. **Award of Bids: Reconstruction CSAH 146 and 147 (Eveleth), Signal Modification CSAH 90 (Duluth) and GRIP South 2013 [13-142]**
Bid was opened on April 4. The County Board will be provided bid results and recommendations for consideration at the April 9 Committee of the Whole meeting.

Finance & Budget Committee – Commissioner Raukar, Chair

1. Award of 2013 Fleet Vehicle Purchases [13-143]

Resolution authorizing the purchase of 2013 fleet vehicles from various vendors in accordance with bid specifications.

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

1. Appointment of 2013 Special Board of Appeal and Equalization [13-144]

Resolution authorizing appointments to the 2013 Special Board of Appeal and Equalization.

2. Theft and Vandalism Reward Policy [13-145]

Resolution to establish a County Board Policy directing that a reward be offered for information that directly leads to the arrest and conviction of the person or people responsible for theft or vandalism on St. Louis County public works or building construction sites.

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:

April 23, 2013	St. Louis County Courthouse, 300 South 5th Avenue, Virginia, MN
May 7, 2013	Commissioners' Conference Room, Courthouse, Duluth, MN
May 14, 2013	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, April 2, 2013

Location: St. Louis County Courthouse, Duluth, Minnesota

Present: Commissioners Jewell, O'Neil, Forsman, Stauber, Nelson, Raukar,
and Chair Dahlberg

Absent: None

Convened: Chair Dahlberg called the meeting to order at 11:43 a.m.

CONSENT AGENDA

Raukar/Jewell moved to approve the consent agenda. (7-0)

- Minutes of March 26, 2013
 - Acquisition of Right of Way – Reconstruction of Rossini Road and Bridge 832 (Pequaywan Township) [13-123]
 - 2013 Agreements with Cities of Aurora, Chisholm and Floodwood for Crack Sealing [13-124]
 - Lawful Gambling Application (Gnesen Township) [13-125]
 - Digital Voice Services Agreement – Enventis [13-126]
-

REGULAR AGENDA

Public Works & Transportation

Forsman/Nelson moved to award a bid to Ulland Brothers, Inc., of Cloquet, MN, in the amount of \$357,550.00 for project WO 153784, Gravel Road Investment Program, North, 2013. [13-127] After further discussion, the motion passed. (7-0)

Forsman/Raukar moved to award a bid to Landwehr Construction, Inc., of St. Cloud, MN, in the amount of \$400,518.77 for project SAP 69-616-052, CP 174690. [13-127] After further discussion, the motion passed. (7-0)

Raukar/Forsman moved to award a bid to Landwehr Construction, Inc., of St. Cloud, MN, in the amount of \$239,988.82 for project SAP 69-598-053, CP 182669. [13-127] After further discussion, the motion passed. (7-0)

Forsman/Raukar moved to support the Minnesota Legislature to pass and the Governor to sign a bill that brings adequate funding to Minnesota's statewide transportation system. [13-128] After further discussion, the motion passed. (7-0)

Finance & Budget Committee

Raukar/Nelson moved to authorize the Human Resources Director and the Auditor to negotiate and execute a contract, subject to County Attorney approval, with WorkForce Software of Livonia, Michigan to purchase, implement, and host a Time and Scheduling application for St. Louis County, in the amount of \$96,000 plus \$6,600 sales tax for Software Licenses, a three year Hosting Term for \$64,800, Training Services for \$34,800, Implementation Services not to exceed \$372,780 plus travel expenses related to the training and implementation; that first year maintenance of \$22,080 plus \$303.60 sales tax is authorized. [13-129] After further discussion, the motion passed. (6-0, Jewell absent).

COMMISSIONER DISCUSSION ITEMS

Commissioner Nelson discussed a standing reward for vandalism or theft at a county project. Commissioner Nelson stated that he intends to bring a standing reward plan to the next committee meeting.

Commissioner Raukar said that Hibbing will be hosting the Last Chance International curling bonspiel this weekend. Commissioner Raukar said he is participating in a special events recycling program in conjunction with the Last Chance bonspiel.

Commissioner Dahlberg discussed the March 28, 2013 Highway 23 resurfacing meeting held at Spirit Mountain. Commissioner Dahlberg said that on April 17, 2013 a 7:00 p.m. meeting will be held at Clyde Iron Works to discuss the Highland Street project. Commissioner Dahlberg encouraged the public to attend the Highland Street project meeting.

At 1:05 p.m., Raukar / Nelson moved to adjourn the committee of the whole meeting. (5-0)

Chris Dahlberg, Chair of the County Board

Roberta Museta, Clerk of the County Board

BOARD LETTER NO. 13 – 131

ENVIRONMENT & NATURAL RESOURCES COMMITTEE
CONSENT NO. 1

BOARD AGENDA NO.

DATE: April 9, 2013 **RE:** Award of Bid: Mechanical Site
Scarification by Disk Trench

FROM: Kevin Z. Gray
County Administrator

Robert Krepps, Land Commissioner
Land and Minerals

RELATED DEPARTMENT GOAL:

Maintaining and improving forest health and productivity.

ACTION REQUESTED:

The St. Louis County Board is requested to award a contract for mechanical site scarification by disk trench.

BACKGROUND:

The 2013 Land and Minerals Department budget includes funding for treating 1,015.5 acres for mechanical site scarification by disk trench. Vendors were notified of the request for bids through DemandStar and postcard mailing. One bid was received from Future Forests Inc. of Askov, MN, in the amount of \$99,519.

Purchasing Division and Land and Minerals Department staff have reviewed the bid and recommend award to Future Forests Inc. of Askov, MN.

RECOMMENDATION:

It is recommended that the St. Louis County Board award the contract for mechanical site scarification by disk trench to Future Forests Inc. of Askov, MN, at its bid price of \$99,519, payable from Fund 290, Agency 290001, and authorize the appropriate county officials to enter into a contract with Future Forests Inc., subject to approval of the County Attorney.

Award of Bid: Mechanical Site Scarification by Disk Trench

BY COMMISSIONER: _____

WHEREAS, The 2013 Land and Minerals Department budget includes funding for treating 1,015.5 acres with mechanical site scarification by disk trench on state tax forfeited lands in the summer of 2013; and

WHEREAS, The Purchasing Division solicited bids for mechanical site scarification by disk trench with Future Forests Inc. of Askov, MN, submitting the only bid in the amount of \$99,519;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes the appropriate county officials to execute a contract with Future Forests Inc. of Askov, MN, for the mechanical site scarification by disk trench on 1,015.5 acres, in accordance with the specifications of Bid No. 5076, at its bid price \$99,519, subject to approval of the County Attorney, payable from Fund 290, Agency 290001.

BOARD LETTER NO. 13 - 132

ENVIRONMENT & NATURAL RESOURCES COMMITTEE CONSENT NO. 2

BOARD AGENDA NO.

DATE: April 9, 2013 **RE:** Special Sale to Resolve an
Occupancy Trespass – Frielund

FROM: Kevin Z. Gray
County Administrator

Robert Krepps, Land Commissioner
Land and Minerals

Donald Dicklich
County Auditor

RELATED DEPARTMENTAL GOAL:

Financial return to the county and taxing districts.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize a private sale of state tax forfeited land to resolve an occupancy trespass.

BACKGROUND:

On September 3, 2002, Andrew Frielund sought and was approved for a building permit for a garage on Lots 103 and 105, Block 137 of Duluth Proper Third Division. However, the garage was constructed on a tax forfeited parcel, rather than on one he owned (see attached permit application). A subsequent survey confirmed the occupancy trespass. To resolve this trespass, special legislation was sought and approved to allow a direct sale to Mr. Frielund (Minnesota Session Laws 2011, Chapter 98, Section 24).

RECOMMENDATION:

It is recommended that the St. Louis County Board approve the private sale of this state tax forfeited land to Andrew Frielund for the appraised value of \$16,050, plus 3% assurance fee of \$481.50, administrative fee of \$500, appraisal fee of \$1,500, deed fee of \$25, deed tax of \$52.97, and recording fee of \$46; for a total of \$18,655.47, to resolve an occupancy trespass. Funds from this purchase will be deposited in Fund 240 (Forfeited Tax Fund).

Special Sale to Resolve an Occupancy Trespass – Frielund

BY COMMISSIONER: _____

WHEREAS, Pursuant to Laws of Minnesota 2011, Chapter 98, Section 24, St. Louis County may sell by private sale the following described state tax forfeited land to remedy a trespass:

Lot 101, Block 137, Duluth Proper Third Division
Parcel Code: 010-1350-10560 (part of)

WHEREAS, This parcel of land has been classified as non-conservation land pursuant to Minn. Stat. § 282.01; and

WHEREAS, This parcel of land is not withdrawn from sale pursuant to Minn. Stat. § 85.012, 92.461, 282.01, subdivision 8; and other statutes that require the withholding of state tax forfeited lands from sale;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board approves the special sale of state tax forfeited land described here to Andrew Frielund, to remedy a trespass for the appraised value of \$16,050, plus 3% assurance fee of \$481.50, administrative fee of \$500, appraisal fee of \$1,500, deed fee of \$25, deed tax of \$52.97, and recording fee of \$46; for a total of \$18,655.47, to be deposited in Fund 240 (Forfeited Tax Fund).

CITY OF DULUTH
BUILDING PERMIT APPLICATION

Date: 08/27/2002 Appl# 57638

Property Addr: 619 W 9TH ST

File # 15- 19- 2

Legal Description:
DULUTH PROPER THIRD DIVISION
BLOCK 137
LOTS 103 AND 105

Plat-Parcel 1350-10590

Proposed Use: Garage/carport

Proposed Improvement:
CONSTRUCT 30'X40' POLE BUILDING

Cost of Improvement: \$9,600

Name	Mailing Address	Phone
Ownr: FRIELUND ANDREW	619 W 9TH ST DULUTH MN 55806	348-0659

Cntr: OWNER

NOTE: The owner of this building and the undersigned agree to conform to all applicable laws of DULUTH, MN.

Firm: _____ Will new construction be over or under any existing utility services? Yes No
If yes, contact the appropriate inspector.

Authorized Signature [Signature] Date 9/3/02

Permit Fee:	\$162.25
Plan Checking Fee:	\$105.46
State Surcharge:	\$4.80
TOTAL FEE :	\$272.51

Approved by: O'Donnell Date permit issued 9/3/02 Permit # 84224

CITY OF DULUTH

Date: 08/19/2002 Building Inspection Division Room 210 City Hall

REQUEST INFORMATION RELATING TO A BUILDING OR FILL PERMIT, described as:
CONSTRUCT 30'X40' POLE BUILDING

Appl: FRIELUND ANDREW ADDR: 619 W 9TH ST 15- 19- 2
Legal Desc: DULUTH PROPER THIRD DIVISION
BLOCK 137
LOTS 103 AND 105

Note: Building will require access to: none

Information to be furnished by the Engineering Division:	Yes - No	Wtr Mgt Ord
Does the property abut a maintainable street?	<u>YES</u>	Use Permit Required Special Use Prmt Req Wetland within Property
Does the improvement impact public utilities/street?	<u>NO</u>	
Is there a public easement on the property?	<u>NO</u>	
Is there a natural watercourse through property?	<u>NO</u>	
Are additional plans required for drainage?	<u>NO</u>	
If yes, approved by: _____		
Other relevant considerations, such as:		
- Is the right-of-way width adequate?	<u>YES</u>	
- Is abutting street at established or proposed grade?	<u>NO</u>	
- Is a permit required for curb cuts and/or driveway?	<u>NO</u>	
- Is an adequate public sewer available?	<u>N/A</u>	

Remarks: _____

Date 8/20/02 Engineering data certification by [Signature]
City Engineering Div.

Information to be furnished by the Water and Gas Dept:	Yes - No	(Pressure) lbs.
Does the property have water service?	_____	_____
Does the property have gas service?	_____	_____
Has application for services been made?	_____	_____

Remarks: _____

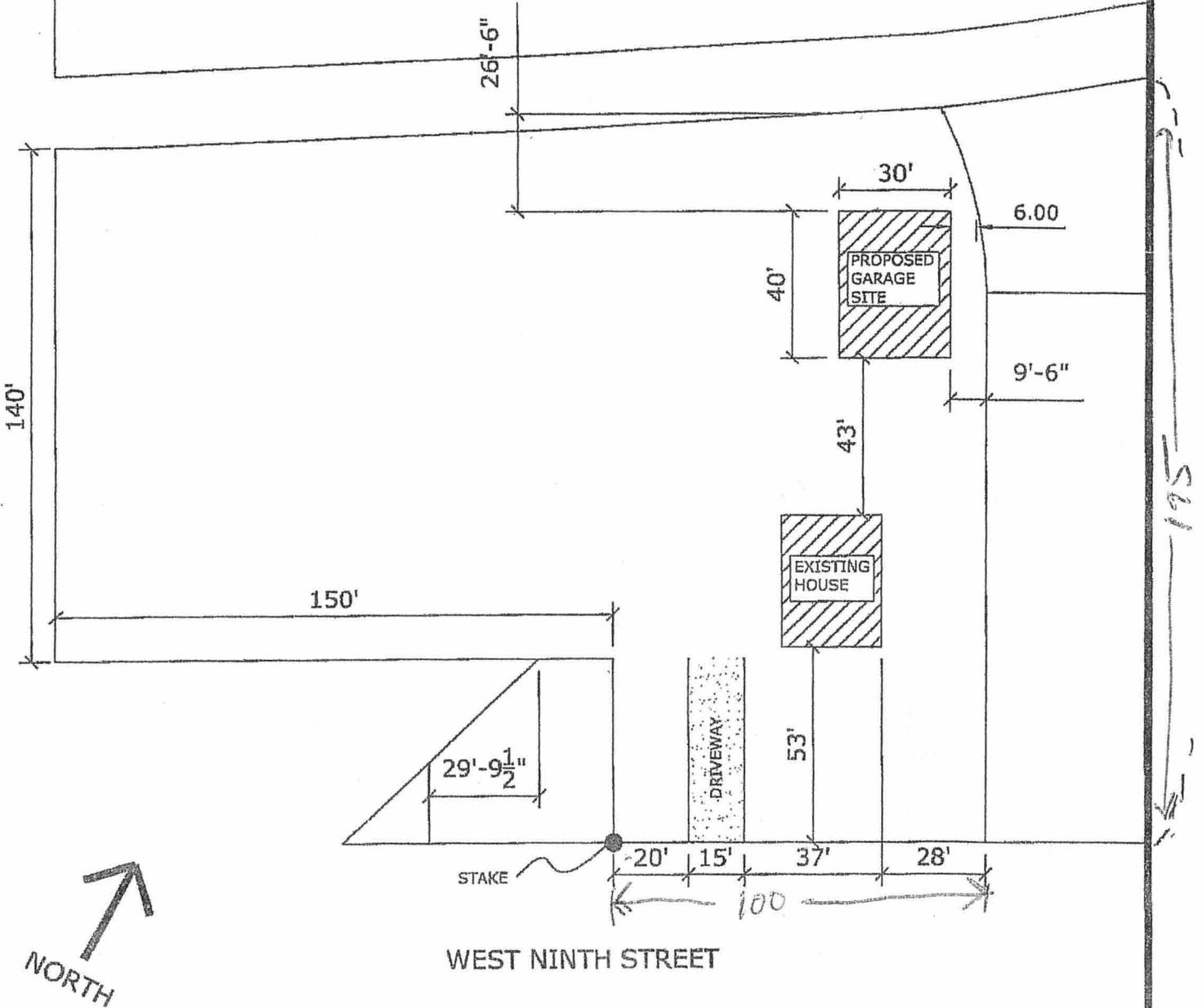
Date _____ Water & Gas data certification by _____
Water & Gas Department

Information to be furnished by the Fire Department:	Yes - No	(1 & 2 Family Dwell exempt)
Does the property have adequate water service?	_____	_____
Will access to building be maintained during construction and after completion?	_____	_____
Have plans for sprinkler system, hose cabinets, Fire Dept. connections, extinguishers and all fire protection equipment been submitted?	_____	_____

Remarks: _____

Date _____ Fire Marshal data certification by _____
Fire Department

7TH AVE. W.



Site Address *619 W 9TH ST*

Andrew Faselund

[Signature] 8/15/02

Legal Description

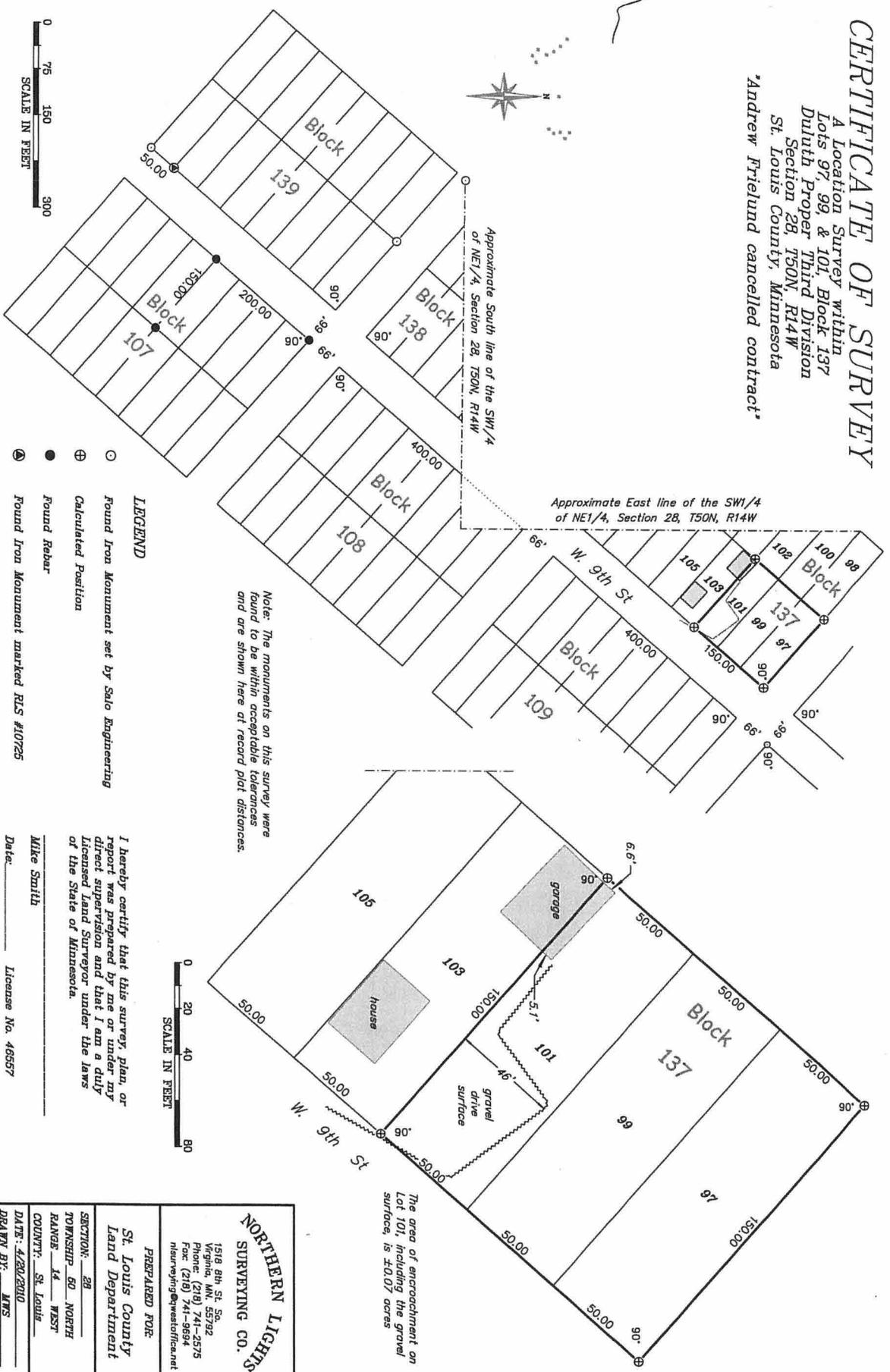
*Delista proper 3rd
 Division Block 137
 Lots 103 + 105
 Also Delista through
 1st Division*

Scale: 1" = 40'

Block 035 Lots 17 + 18

CERTIFICATE OF SURVEY

A Location Survey within
 Lots 97, 99, & 101, Block 137
 Duluth Proper Third Division
 Section 28 T50N, R14W
 St. Louis County, Minnesota
 Andrew Frielund cancelled contract.



Note: The monuments on this survey were found to be within acceptable tolerances and are shown here at record plot distances.

- LEGEND**
- Found Iron Monument set by Sajo Engineering
 - ⊕ Calculated Position
 - Found Rebar
 - ⓐ Found Iron Monument marked RLS #10725

I hereby certify that this survey, plan, or report was prepared by me or under my direct supervision and that I am a duly licensed Land Surveyor under the laws of the State of Minnesota.

Mike Smith
 Date: _____ License No. 46557

The area of encroachment on Lot 101, including the gravel surface, is 40.07 acres

<p>NORTHERN LIGHTS SURVEYING CO. 1212 8th St SE Virginia, MN 55792 Phone: (218) 741-2575 Fax: (218) 741-9824 nlsurveying@earthlink.net</p>	
<p>PREPARED FOR: St. Louis County Land Department</p>	
SECTION: 28	TOWNSHIP: 50 NORTH
RANGE: 14 WEST	COUNTY: St. Louis
DATE: 4/20/2010	DRAWN BY: MTS
JOB NO.: V2010-036	DRAWING NO.: V2010036



St. Louis County Land Department Tax Forfeited Land Sales

Special Sale Parcel

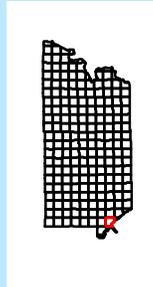
Legal: Lot 101, Block 137,
Duluth Proper Third Division
City: Duluth
Sec 28 , Twp 50 Rng 14
Parcel Code: 10-1350-10560 (part of)
0.17 Acres
LDKEY: TBA



City of Duluth-Duluth Proper Third Division

Commissioner District #1

- State Tax Forfeited Land
- Water
- Road
- Area of Interest
- Tract

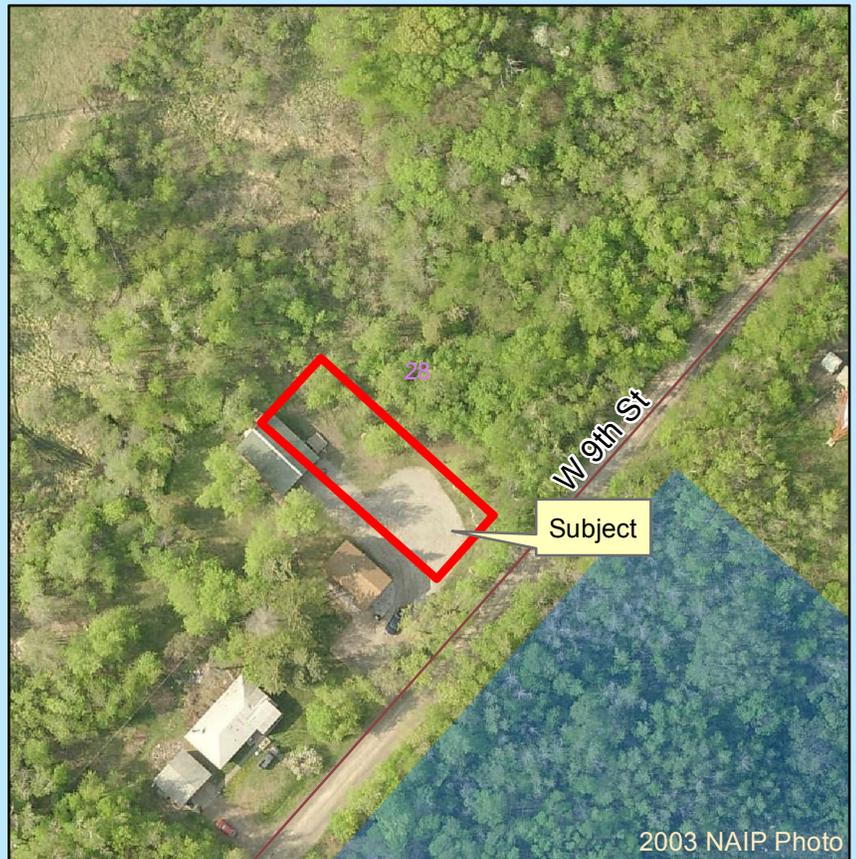


St. Louis County, Minnesota

This drawing is neither a legally recorded map nor a survey and is not intended to be used as such. This drawing is a compilation of recorded information and data located in various city, county, state and federal offices. St. Louis County is not responsible for any incorrectness herein.

St. Louis County
Land Department

April 9, 2013



2003 NAIP Photo

BOARD LETTER NO. 13 - 133

PUBLIC WORKS & TRANSPORTATION COMMITTEE
CONSENT NO. 3

BOARD AGENDA NO.

DATE: April 9, 2013 **RE:** Agreements for Wetland
Boundary Delineation Services for
Various Projects

FROM: Kevin Z. Gray
County Administrator

James T. Foldesi
Public Works Director/Highway Engineer

RELATED DEPARTMENT GOAL:

Provide a safe, well maintained road and bridge system.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize agreements with three consultants for wetland boundary delineation services for various projects.

BACKGROUND:

The Public Works Department advertised for Request for Qualifications to professional service consultants for wetland boundary delineation services and delineation report preparation for various upcoming projects through June 30, 2014. Three firms submitted proposals, and after reviewing the proposals, it was determined that the following three firms have the training, experience and knowledge to provide these services: LHB Corporation, Duluth, MN; SEH, Inc., Duluth, MN; and MSA Professional Services, Inc., Duluth, MN.

The factors considered to determine the best choice were cost, experience, ability to conduct work within the growing season, and delivery of data within the project time frame. The agreements state that those services shall include delivery of a final wetland delineation report and boundary data. By entering into these capped agreements, the Public Works Department will be able to streamline the design process, eliminate paperwork for multiple agreements, and deliver projects in a more timely manner since Purchase Orders will be generated on a project by project basis. These projects will be funded by local funds and the agreements shall not exceed \$25,000 each.

RECOMMENDATION:

It is recommended the St. Louis County Board authorize agreements for the purchase of professional services from: LHB Corp, SEH Inc., and MSA Professional Services, all of Duluth, MN, for wetland boundary delineation services. The cost of these services is \$25,000 per consultant or \$75,000 total, payable from Fund 200, Object 626600.

Agreement with LHB Corp for Wetland Boundary Delineation Services

BY COMMISSIONER _____

RESOLVED, That the St. Louis County Board authorizes an agreement and any amendments authorized by the County Attorney, with LHB Corp., Duluth, MN for wetland boundary delineation services through June 30, 2014. The total cost of these services is not to exceed \$25,000, payable from Fund 200, Object 626600.

Agreement with SEH, Inc. for Wetland Boundary Delineation Services

BY COMMISSIONER _____

RESOLVED, that the St. Louis County Board authorizes an agreement, and any amendments authorized by the County Attorney, with SEH Inc., Duluth, MN, for wetland boundary delineation services through June 30, 2014. The total cost of these services is not to exceed \$25,000, payable from Fund 200, Object 626600.

**Agreement with MSA Professional Services, Inc., for Wetland
Boundary Delineation Services**

BY COMMISSIONER _____

RESOLVED, That the St. Louis County Board authorizes an agreement, and any amendments authorized by the County Attorney, with MSA Professional Services, Inc., Duluth, MN, for wetland boundary delineation services through June 30, 2014. The total cost of these services is not to exceed \$25,000, payable from Fund 200, Object 626600.

BOARD LETTER NO. 13 - 134

PUBLIC WORKS & TRANSPORTATION COMMITTEE
CONSENT NO. 4

BOARD AGENDA NO.

DATE: April 9, 2013 **RE:** Agreement for Archeological
Survey Services for Various
Projects

FROM: Kevin Z. Gray
County Administrator

James T. Foldesi
Public Works Director/Highway Engineer

RELATED DEPARTMENT GOAL:

Provide a safe, well maintained road and bridge system.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize an agreement with Duluth Archaeology Center, L.L.C., Duluth, MN for archeological survey services for various projects.

BACKGROUND INFORMATION:

The Public Works Department advertised for Request for Qualifications to professional service consultants for archaeological survey services and report preparation for various upcoming projects through June 30, 2014. One firm submitted a proposal, and after reviewing the proposal, it was determined that Duluth Archaeology Center, L.L.C., Duluth, MN, has the training, experience, and knowledge to provide these services.

The factors considered to determine this choice were cost, experience, ability to conduct work within the frost-free season, and delivery of data within the project time frame. The agreement states that those services shall include delivery of a final report and survey boundary data. By entering into the capped agreement, the Public Works Department will be able to streamline the design process, eliminate paperwork for multiple agreements, and deliver projects in a more timely manner since Purchase Orders will be generated on a project by project basis. These projects will be funded by local funds and the agreement shall not exceed \$25,000.

RECOMMENDATION:

It is recommended the St. Louis County Board authorize an agreement with Duluth Archaeology Center, Duluth, MN, for archaeological survey services. The cost of these services is not to exceed \$25,000, payable from Fund 200, Object 626600.

Agreement for Archeological Survey Services for Various Projects

BY COMMISSIONER _____

RESOLVED, That the St. Louis County Board authorizes an agreement, and any amendments authorized by the County Attorney, with Duluth Archaeology Center, L.L.C. of Duluth, MN for archaeological survey services through June 30, 2014. The total cost of these services is not to exceed \$25,000, payable from Fund 200, Object 626600.

BOARD LETTER NO. 13 - 135

PUBLIC WORKS & TRANSPORTATION COMMITTEE
CONSENT NO. 5

BOARD AGENDA NO.

DATE: April 9, 2013 **RE:** Acceptance of Grant for Bridge
Replacement on CSAH 16
(Hibbing)

FROM: Kevin Z. Gray
County Administrator

James T. Foldesi
Public Works Director/Highway Engineer

RELATED DEPARTMENT GOAL:

Provide a safe, well maintained road and bridge system.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize an agreement accepting a Minnesota State Transportation Fund grant and committing to the use of State Aid funds to pay for that portion of the cost of bridge replacement which exceeds the grant amount for County Project (CP) 0016-174690.

BACKGROUND:

Bids for the reconstruction of State Bridge 69K06 on County State Aid Highway 16 in Hibbing were let on March 28 and appear on the April 9 County Board meeting consent agenda (Board Letter No. 13-127R) for consideration. Landwehr Construction, Inc. submitted the successful bid of \$400,518.77 for this project. Tentative approval of a grant for bridge replacement from the Minnesota State Transportation Fund was received on February 14, 2013, with final approval received on March 29, 2013 based on the bid amount. The grant will offset \$338,554.52 in State Aid Funds which were anticipated for this project.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize agreements with the Minnesota Department of Transportation which accept Minnesota State Transportation Grant funds and commit to the use of State Aid Funds for costs of CP 0016-174690 which exceed the grant amounts.

Acceptance of Grant for Bridge Replacement on CSAH 16 (Hibbing)

BY COMMISSIONER _____

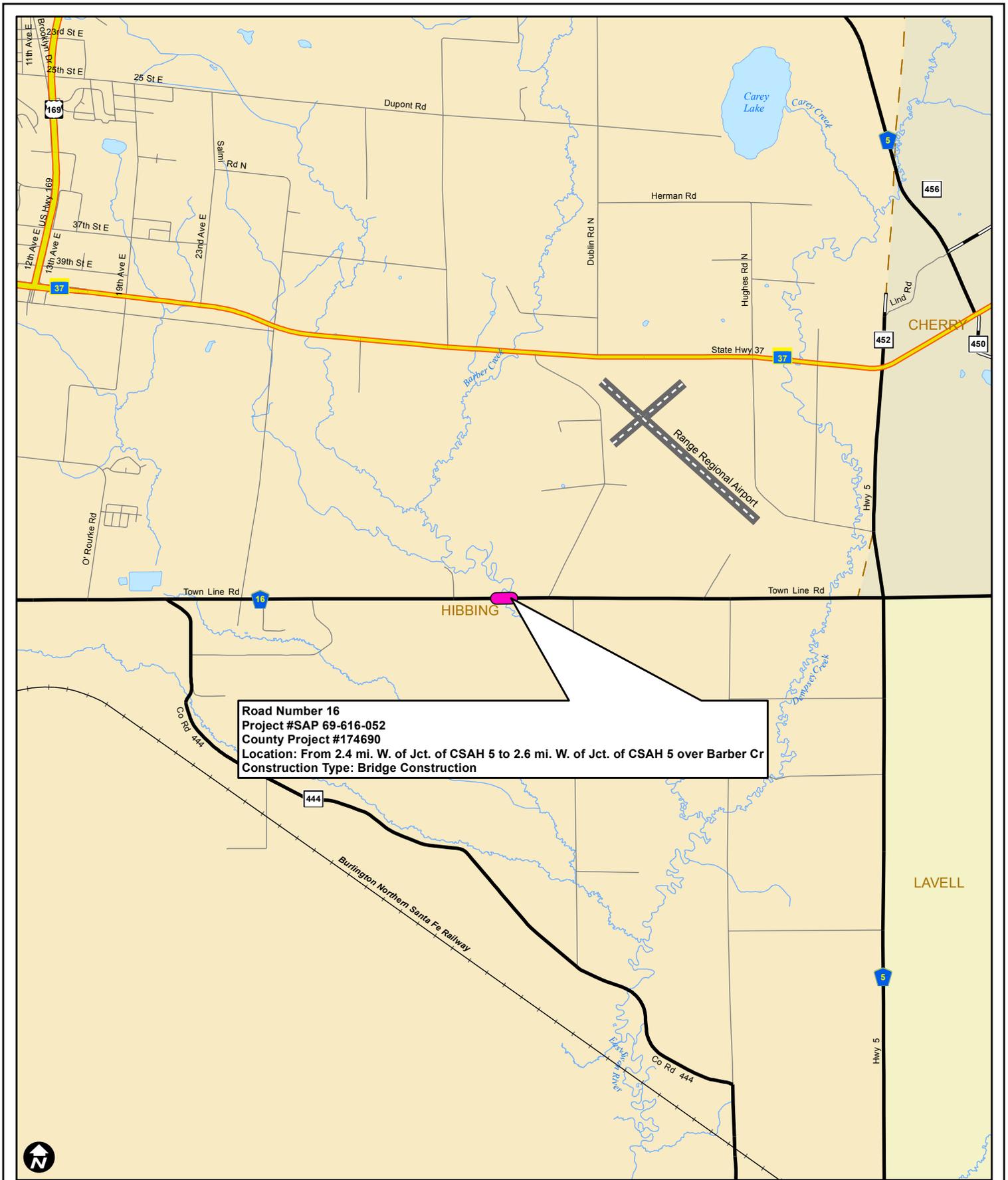
WHEREAS, St. Louis County has applied to the Minnesota Commissioner of Transportation for a grant from the Minnesota State Transportation Fund for the construction of project SAP 69-616-052, State Bridge 69K06 on County State Aid Highway 16 in Hibbing, MN; and

WHEREAS, The Commissioner of Transportation has given notice that funding for this bridge is available; and

WHEREAS, The amount of the grant has been determined to be \$338,554.52;

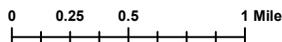
THEREFORE, BE IT RESOLVED, That the St. Louis County Board agrees to the terms and conditions of the grant consistent with Minn. Stat., Section 174.50, Subd. 5, (3), and will pay any additional amount by which the cost exceeds the estimate, and will return to the Minnesota State Transportation Fund any amount appropriated for the bridge but not required. The appropriate county officials are authorized to execute a grant agreement with the Minnesota Commissioner of Transportation concerning the above-referenced grant.

Fund 29 Bridge Bond Funds	\$338,554.52
SLC State Aid Funds	\$61,964.25
Total Project:	\$400,518.77



Road Number 16
Project #SAP 69-616-052
County Project #174690
Location: From 2.4 mi. W. of Jct. of CSAH 5 to 2.6 mi. W. of Jct. of CSAH 5 over Barber Cr
Construction Type: Bridge Construction

St. Louis County 2013 Road & Bridge Construction



Map Components	
2013 Road & Bridge Construction	County/Unorg. Twp. Road - Paved
Bridge Construction	County/Unorg. Twp. Road - Gravel
Interstate Highway	Local Road/City Street
U.S./State Highway	Railroad
	Commissioner District
	Township Boundary
	City/Town
	Lake
	River/Stream

BOARD LETTER NO. 13 - 136

PUBLIC WORKS & TRANSPORTATION COMMITTEE
CONSENT NO. 6

BOARD AGENDA NO.

DATE: April 9, 2013 **RE:** Acceptance of Grant for Bridge
Replacement on CR 444 (Hibbing)

FROM: Kevin Z. Gray
County Administrator

James T. Foldesi
Public Works Director/Highway Engineer

RELATED DEPARTMENT GOAL:

Provide a safe, well maintained road and bridge system.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize an agreement accepting a Minnesota State Transportation Fund grant and committing to the use of Local Funds to pay for that portion of the cost of bridge replacement which exceeds the grant amount for County Project (CP) 0444-182669.

BACKGROUND:

Bids for the reconstruction of State Bridge 69K05 on County Road 444 in Hibbing were let on March 28 and appear on the April 9 County Board meeting consent agenda (Board Letter No. 13-127R) for consideration. Landwehr Construction, Inc. submitted the successful bid of \$239,988.82 for this project. Tentative approval of a grant for bridge replacement from the Minnesota State Transportation Fund was received on February 14, 2013, with final approval received on March 29, 2013 based on the bid amount. The grant will offset \$180,665.84 in Local Funds which were anticipated for this project.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize agreements with the Minnesota Department of Transportation which accept Minnesota State Transportation Grant funds and commit to the use of Local Funds for costs of CP 0444-182669 which exceed the grant amounts.

Acceptance of Grant for Bridge Replacement on CR 444 (Hibbing)

BY COMMISSIONER _____

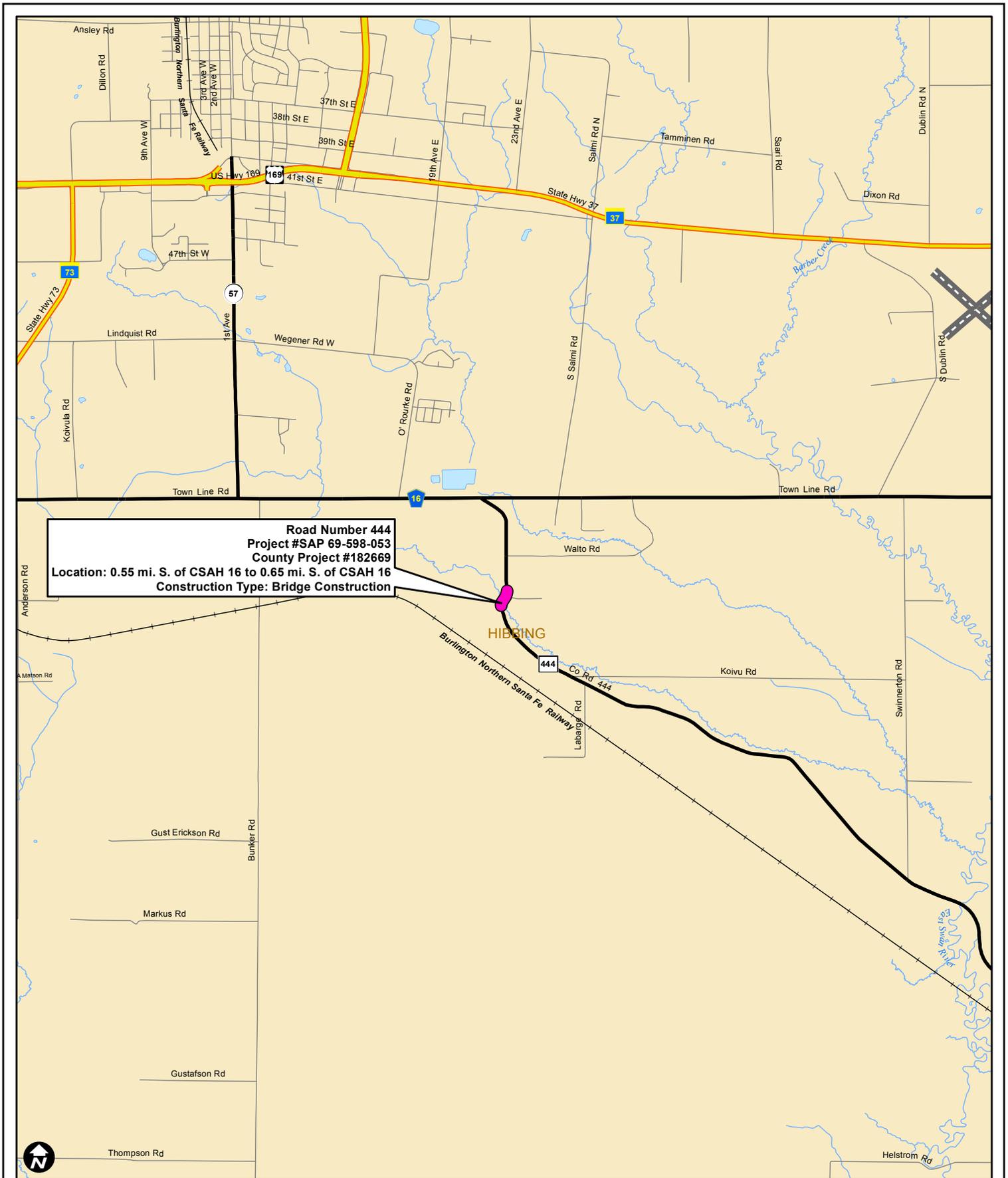
WHEREAS, St. Louis County has applied to the Minnesota Commissioner of Transportation for a grant from the Minnesota State Transportation Fund for the construction of project SAP 69-598-053, State Bridge 69K05 on County Road 444 in Hibbing, MN; and

WHEREAS, The Commissioner of Transportation has given notice that funding for this bridge is available; and

WHEREAS, The amount of the grant has been determined to be \$180,665.84;

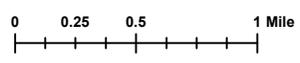
THEREFORE, BE IT RESOLVED, That the St. Louis County Board agrees to the terms and conditions of the grant consistent with Minn. Stat., Section 174.50, Subd. 5, (3), and will pay any additional amount by which the cost exceeds the estimate, and will return to the Minnesota State Transportation Fund any amount appropriated for the bridge but not required. The appropriate county officials are authorized to execute a grant agreement with the Minnesota Commissioner of Transportation concerning the above-referenced grant.

Fund 29 Bridge Bond Funds	\$180,665.84
Local Funds	\$59,322.98
Total Project:	\$239,988.82



Road Number 444
Project #SAP 69-598-053
County Project #182669
Location: 0.55 mi. S. of CSAH 16 to 0.65 mi. S. of CSAH 16
Construction Type: Bridge Construction

St. Louis County 2013 Road & Bridge Construction



Map Components	
2013 Road & Bridge Construction	County/Unorg. Twp. Road - Paved
Bridge Construction	County/Unorg. Twp. Road - Gravel
Interstate Highway	Local Road/City Street
U.S./State Highway	Railroad
	Commissioner District
	Township Boundary
	City/Town
	Lake
	River/Stream

BOARD LETTER NO. 13 - 137

PUBLIC WORKS & TRANSPORTATION COMMITTEE CONSENT NO. 7

BOARD AGENDA NO.

DATE: April 9, 2013 **RE:** Revocation of Portions of Lindahl,
Rose, Swan Lake and Sundby
Roads and Reversion to the City
of Hermantown

FROM: Kevin Z. Gray
County Administrator

James T. Foldesi
Public Works Director/Highway Engineer

RELATED DEPARTMENT GOAL:

Provide a safe, well maintained road and bridge system.

ACTION REQUESTED:

The St. Louis County Board is requested to revoke as county roads (CR) parts of the Lindahl (CR 898), Rose (CR 890), Swan Lake (CR 724), and Sundby (CR 601) Roads and revert them to the City of Hermantown as city streets in accordance with Minn. Stat. 163.11 subd. 1 and subd. 5.

BACKGROUND:

Hermantown is an urban municipality (population of 5,000 or over), and therefore may designate 20 percent of the county road and locally improved mileage within its boundaries as Municipal State Aid Streets (MSAS). Designation of MSAS allows access to state aid funding on this road mileage. County Roads that have reverted to the municipality may be included in this 20 percent limitation. The St. Louis County Public Works Department, the City of Hermantown, and the Minnesota Department of Transportation (MnDOT) have met and agreed to a reversion of four segments of county road to Hermantown for inclusion in the city's MSAS system. The Municipal State Aid Needs Manager at MnDOT has given preliminary approval of this transaction pending receipt of the appropriate St. Louis County Board and Hermantown City Council resolutions.

The four segments of county road to be reverted total 2.11 miles, all located entirely within the corporate limits of Hermantown, are described as follows:

1. Lindahl Road (CR 898) – Established and legalized by the County Board as the North Martz Road and subsequently renamed the Lindahl road in 1924. That part of said Lindahl Road beginning at the intersection of the Miller Trunk Road (State Road

No. 1 now T.H. 53) thence northerly on line between Sections 4 and 5, Township 50 North, Range 15 West and terminating at the north Town Line of Township 50, Range 15, a distance of 0.45 mile.

2. Rose Road (CR 890) – Established and legalized by the county board in 1918. That part of said Rose Road beginning at the intersection with Midway Road (CSAH 13) thence westerly along the section line between Sections 6 and 7, Township 50 North, Range 15 West and terminating at the west line of Township 50, Range 15 (Solway Road, CR 889), a distance of 1.02 mile.
3. Swan Lake Road (CR 724) – Part of the Swan Lake Road as it existed in August 1978 beginning at the intersection with Sundby Road (CR 601 aka CR 296), thence east and southerly across the Plat of Arrowhead Acres, and the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$, in Section 12, Township 50 North, Range 15W terminating at the east line of Township 50, Range 15 (Haines Road, CSAH 91), a distance of 0.38 mile.
4. Sundby Road (CR 601 aka CR 296) – Part of the Sundby Road as it existed in August 1978 beginning at the intersection with Swan Lake Road (CR 724) thence southerly through the Plat of Arrowhead Acres terminating at the intersection with the Airbase Road (CSAH 17), a distance of 0.26 mile.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize revocation of the described segments of county road and revert them to the City of Hermantown, and enter into an agreement for such if necessary.

**Revocation of Portions of Lindahl, Rose, Swan Lake and Sundby Roads and
Reversion to the City of Hermantown**

BY COMMISSIONER _____

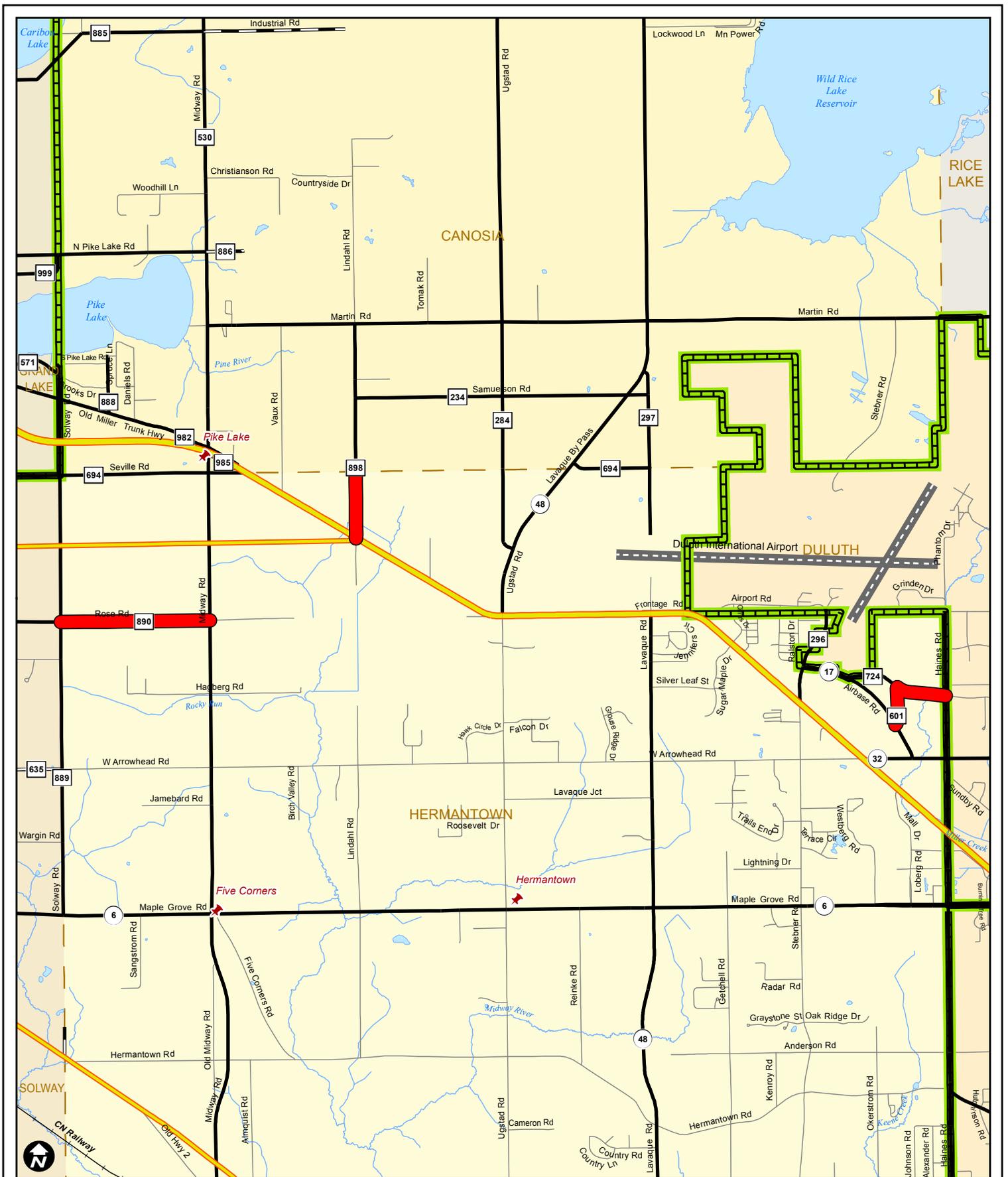
WHEREAS, Authorized representatives of the St. Louis County Public Works Department, the City of Hermantown, and the Minnesota Department of Transportation (MnDOT) have met and agreed that the City of Hermantown can and will accept the reversion of certain county roads, located entirely within the corporate limits of the city, for inclusion in the city's system of Municipal State Aid Streets (MSAS); and

WHEREAS, The MnDOT Municipal State Aid Needs Manager has given preliminary approval to the city's request for MSAS designation to these specified county roads;

THEREFORE, BE IT RESOLVED, That pursuant to Minn. Stat. Chapter 163.11, subdivisions 1 and 5, the St. Louis County Board revokes the following roads as county roads which shall then become streets of the City of Hermantown:

1. Lindahl Road (CR 898) – That part of the Lindahl Road beginning at the intersection of the Miller Trunk Road (T.H. 53) thence northerly on section line between Sections 4 and 5, Township 50 North, Range 15 West and terminating at the north Town Line of Township 50, Range 15, a distance of 0.45 mile.
2. Rose Road (CR 890) - That part of the Rose Road beginning at the intersection with Midway Road (CSAH 13) thence westerly along the section line between Sections 6 and 7, Township 50 North, Range 15 West and terminating at the west line of Township 50, Range 15 (Solway Road, CR 889), a distance of 1.02 mile.
3. Swan Lake Road (CR 724) – That part of the Swan Lake Road beginning at the intersection with Sundby Road (CR 601) thence east and southerly across the Plat of Arrowhead Acres, and the NE ¼ of the SE ¼, in Section 12, Township 50 North, Range 15W terminating at the east line of Township 50, Range 15 (Haines Road, CSAH 91), a distance of 0.38 mile.
4. Sundby Road (CR 601) – That part of the Sundby Road beginning at the intersection with Swan Lake Road (CR 724) thence southerly through the Plat of Arrowhead Acres terminating at the intersection with the Airbase Road (CSAH 17), a distance of 0.26 mile.

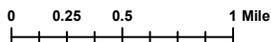
RESOLVED FURTHER, That the St. Louis County Board authorizes an agreement, and any amendments approved by the County Attorney, with the City of Hermantown for the reversion of these county roads if necessary, and that the Clerk of the County Board is instructed to forward two certified copies of this resolution to the City of Hermantown.



St. Louis County 2013 County Road Reversions to the City of Hermantown

Map Components

- | | | |
|------------------------|----------------------------------|-------------------|
| County Road Reversion | County/Unorg. Twp. Road - Paved | Township Boundary |
| Interstate Highway | County/Unorg. Twp. Road - Gravel | City/Town |
| U.S./State Highway | Railroad | Lake |
| Local Road/City Street | Commissioner District | River/Stream |



St. Louis County Public Works - March 21, 2013

Purchase of Two GPS Units and Related Equipment

BY COMMISSIONER _____

WHEREAS, The Public Works Department 2013 budget includes funding for the purchase of two GPS units and related equipment to replace aging units; and

WHEREAS, the Purchasing Division sought quotes and recommends the purchase of two Trimble GPS Units and related equipment from Frontier Precision, Inc., Maple Grove, MN through the State of Minnesota Contract in the amount of \$60,096;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes the purchase of two Trimble GPS Units and related equipment from Frontier Precision, Inc., Maple Grove, MN, in the amount of \$60,096, payable from Fund 200, Agency 200008, Object 664800.

BOARD LETTER NO. 13 - 139

FINANCE & BUDGET COMMITTEE CONSENT NO. 9

BOARD AGENDA NO.

DATE: April 9, 2013 **RE:** Agreement with SuperiorUSA Corporation for Flexible Spending Account Plan Administration

FROM: Kevin Z. Gray
County Administrator

James R. Gottschald
Human Resources Director

RELATED DEPARTMENT GOAL:

To provide efficient and effective government.

ACTION REQUESTED:

The St. Louis County Board is requested to approve a two year Flexible Spending Accounts Program plan service agreement with SuperiorUSA Corporation.

BACKGROUND:

Since 1993, St. Louis County has contracted with SuperiorUSA Corporation (formerly Employer Data Communications, Inc. and SuperiorUSA Benefits Corporation) for the administration of its Flexible Spending Accounts Plan. SuperiorUSA has accepted the county's proposal to renew a two-year contract (2013-2014) under the same terms and conditions as contained in each two-year agreement since 1997-1998.

The work and service performed by SuperiorUSA Corporation over the previous 20 years has been very satisfactory. Based on the present enrollment of 712 participants in the program, the 2013 participation cost to the county is \$23,996. Assuming a marginal increase in the 2014 enrollment to 720 participants, the participation cost to the county would be \$24,260.00. In addition, postage and envelopes will be billed to the county at cost.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize an administrative services agreement with SuperiorUSA Corporation for the county's flexible spending accounts plan, payable from Fund 100, Agency 12300, Object 620200.

**Agreement with SuperiorUSA Corporation for Flexible
Spending Account Plan Administration**

BY COMMISSIONER _____

WHEREAS, Staff from the Human Resources Department, County Attorney's Office and SuperiorUSA Corporation have worked together in the preparation and review of a 2013-2014 administrative services agreement;

THEREFORE BE IT RESOLVED, That the St. Louis County Board authorizes the 2013-2014 proposal agreed to by SuperiorUSA Corporation, for the administration of the Flexible Spending Accounts Plan payable from Fund 100, Agency 123001, Object 620200, as contained in County Board File No. _____, on file in the office of the County Auditor;

RESOLVED FURTHER, That the appropriate county officials are authorized to sign the agreement on behalf of St. Louis County.

PLAN SERVICES AGREEMENT FOR FLEXIBLE COMPENSATION PLAN

This Agreement is entered into between the **COUNTY OF ST. LOUIS** (County), 100 North Fifth Avenue West, Duluth, Minnesota 55802 and **SUPERIORUSA CORPORATION**, (SuperiorUSA), 310 East Superior Street, Suite 225, Duluth, Minnesota 55802.

WITNESSETH:

WHEREAS, the County of St. Louis and Arrowhead Regional Corrections (ARC) have determined that it is in their best interest, and the best interest of eligible participating employees thereof, to have a joint plan of flexible compensation as authorized by Section 125 of the Internal Revenue Code of 1986, as amended, for the benefit of such eligible participating employees as determined by the County of St. Louis and ARC to be known as the St. Louis County and Arrowhead Regional Corrections, hereinafter referred to as the "Plan"; and

WHEREAS, St. Louis County has agreed to provide personnel administration services for Arrowhead Regional Corrections, including the administration of the Plan; and

WHEREAS, in furtherance of such determination, and in accordance with applicable provisions of such Plan, St. Louis County deems it advisable to delegate certain claims processing and management to a person or entity with the capability of providing such functions; and

WHEREAS, the County has elected to appoint SuperiorUSA as the Contract Administrator of the Plan and has and does hereby delegate certain ministerial powers and authority to such Contract Administrator and the parties hereto do hereby desire to set forth their agreement concerning the respective rights, duties and responsibilities of such parties relative to such delegation of ministerial authority as described herein.

NOW, THEREFORE, for, and in consideration of, the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the County and SuperiorUSA do hereby agree as follows:

ARTICLE I

- 1.1 SuperiorUSA shall assist the County in maintaining a Plan to be used by the County and ARC. The Plan shall provide benefit elections for eligible participating employees. The benefit elections may, but need not, include the following:
- (a) Provisions of funds for a medical care reimbursement account for the benefit of participating employees and their dependents;
 - (b) Provisions of dependent care reimbursement account for eligible participating employees, and such other benefit elections consistent with the provisions of Sections 79, 105, 106, 125 and 129 of the Internal Revenue Code of 1986;
 - (c) Provisions of funds for an adoption assistance account for eligible participating employees consistent with Section 137 of the Internal Revenue Code of 1986.

- 1.2 SuperiorUSA shall provide the County with vouchers, claims forms or other documents necessary to implement the Plan.
- 1.3 SuperiorUSA shall provide accounting services sufficient to show the amount of benefit available to eligible participating employees on a quarterly basis sufficient to meet the needs of the claims procedure established by the Plan. SuperiorUSA shall additionally provide a bi-weekly statement of benefits paid by the County on behalf of each participating employee receiving benefits under the Plan on a Plan Year basis which final statement and reminder letter shall be provided to each such participant within thirty (30) days before the end of each Plan Year.
- 1.4 SuperiorUSA shall receive applications for benefits made by eligible participating employees and shall process the same and issue payment to eligible employees in accordance with the eligibility standards as set forth in the Plan to the extent that accounting information provided to SuperiorUSA indicates that benefits will be available to permit payment of the benefits applied for by the employees. In the event that the application for benefits is appropriate under the Plan and benefits will be available in the appropriate account for payment thereof, SuperiorUSA shall issue payment and forward the same to the employee. If SuperiorUSA determines that a given application for benefits is not eligible under the Plan for whatever reason, SuperiorUSA shall forward a notice to the employee providing the reason for denial and describing any additional information which might be necessary to perfect or complete the denied application.
- 1.5 SuperiorUSA shall make eligibility determinations on behalf of the County in accordance with the claims procedure set forth in the Plan based upon

information provided to SuperiorUSA by the employee and by the County and shall, in no event, be liable in any manner for payment of benefits based upon information fraudulently or erroneously supplied to SuperiorUSA. It is understood that SuperiorUSA is acting on behalf of the County as a recordkeeper only and shall have no responsibility to investigate the accuracy or truthfulness of any information provided to SuperiorUSA. SuperiorUSA shall incur no liability for wrongful payment of any claim due to fraudulent or erroneous information supplied by County or employee.

- 1.6 SuperiorUSA will conduct discrimination testing to ensure compliance with the Internal Revenue Code using prescribed formulas in I.R.C. §§ 125, 129, 105 and 106.

ARTICLE II

- 2.1 This agreement shall be in effect for Plan Years 2013 and 2014 and shall terminate when SuperiorUSA has completed all activities for Plan Year 2014, including final statements to employees and processing of all claims for Plan Year 2014.
- 2.2 For the Plan Year 2013, SuperiorUSA shall receive an estimated fee of \$23,996 which includes \$500.00 for Annual Re-enrollment Fee, a monthly administrative fee in the amount of \$2.75 per participant for an estimated total of 712 participants, which includes the handling costs. In addition, postage and envelopes will be billed to the County at cost. For the Plan Year 2014, SuperiorUSA shall receive an estimated fee of \$24,260.00 which includes \$500.00 for Annual Re-enrollment Fee, a monthly administrative fee in the amount of \$2.75 per participant for an estimated total of 720 participants, which

includes handling costs. In addition, postage and envelopes will be billed to the County at cost. If SuperiorUSA is not under contract with County to administer Plan Year 2015, SuperiorUSA agrees to complete the administration of Plan Year 2014 by processing all claims by March 1, 2015, or sooner if required by law, and transferring County records to County or a person designated by County, for the total payment of \$750.00.

The County shall remit all sums payable under this Agreement within ten (10) days of presentation of a bill for such services by SuperiorUSA. SuperiorUSA shall bill for such services no more often than once each month.

- 2.3 It shall be the responsibility of the County to provide SuperiorUSA with appropriate requested documentation as to eligible participating employees on a monthly basis. The County shall further provide SuperiorUSA with all requested information as to benefit elections, benefit election amounts and payroll deduction amounts of each eligible participating employee.
- 2.4 The County shall make necessary changes in the payroll to accommodate salary reductions, medical reimbursements, child care assistance and any other necessary changes and insure that employee W-2 forms reflect the new gross taxable wages after the salary reduction. The County will report the amount of dependent care assistance in Box 10, Form W-2. County will notify employees who select Dependent Care benefits that they must report the Tax Identification Number or Social Security Number of their provider on Form 2441 with their tax return.
- 2.5 The County shall provide information on employee terminations to SuperiorUSA so that a final expense voucher can be generated and data base and billings can

be updated to reflect the termination. The fee will be charged in full for any part of a month that the employee is active.

- 2.6 The County will verify that employees receive statements and vouchers provided by SuperiorUSA on a timely basis.
- 2.7 The County shall insure that Plan documents have been prepared and filed and any signed Salary Reduction Agreements are filed in accordance with the Plan documents.
- 2.8 The County shall submit to SuperiorUSA promptly all claims for benefits filed pursuant to the Plan and shall further promptly submit any additional required information as requested by SuperiorUSA. Any objections to the denial of any claim by an eligible participating employee shall be promptly submitted to SuperiorUSA per the terms of the Plan Document.
- 2.9 SuperiorUSA shall utilize all funds provided by the County as employee salary reduction amounts to make payment of benefits properly payable according to the term of the Plan. SuperiorUSA shall, upon producing a draft for benefit payment under the Plan from such funds, submit a request to the County for the amount to be paid.
- 2.10 The County will advise all employees who are employed at the time the Plan goes into effect that employees are required to make their benefit elections in advance of the beginning of the Plan Year in order to participate in the Plan during the current Plan Year.

ARTICLE III

- 3.1 SuperiorUSA is and shall remain an independent contractor with respect to the services performed by SuperiorUSA and shall not, for any purpose, be deemed

an employee of the County, nor shall the relationship of the parties be deemed that of partners or joint ventures. SuperiorUSA does not assume any responsibility, risk, liability or obligation for the Plan, the adequacy of the funding thereof, or any act or omission or breach of duty by parties other than SuperiorUSA. SuperiorUSA shall not be deemed an insurer, underwriter or guarantor with respect to any benefits payable under the Plan.

- 3.2 SuperiorUSA shall execute the Certification or Worker's Compensation Insurance attached as Exhibit A.

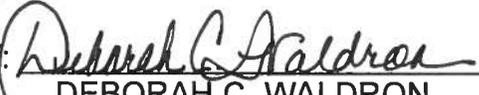
- 3.3 In providing services under this Agreement, SuperiorUSA agrees that it will strictly observe the provisions of the Minnesota Government Data Practices Act (Minn. Stat. Ch. 13) regarding protection of individual data and dissemination of information. No information which would specifically identify any individual Client will be released to third parties, including the County and ARC, without written consent of the Client. This provision does not prevent SuperiorUSA from releasing information to the County and ARC which is required by Section II. REPORTING or pursuant to authorization for release of information signed by a Client.

It is further understood that SuperiorUSA shall not, unless otherwise authorized by the County Board or the ARC Board, disclose any information to the media or other third parties relating to the specific details of any documents, discussion, or meetings which may arise during the performance of services under this Agreement. All requests for data or information from third parties shall be directed to the St. Louis County Administrator for response.

The parties agree to comply in all respects with applicable requirements of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations (45 CFR Parts 160-64)(“HIPAA”), to ensure the integrity and confidentiality of Protected Health Information. The parties agree to comply with the terms of Exhibit B attached hereto and incorporated herein.

- 3.4 This Agreement shall constitute the entire understanding of the parties with regard to the matters covered herein and shall not be modified except by written documents signed by the parties hereto.
- 3.5 This Agreement shall be construed according to the laws of the State of Minnesota.
- 3.6 This Agreement shall be binding upon the undersigned parties, their successors and assigns.

**SUPERIORUSA
CORPORATION**

BY: 
DEBORAH C. WALDRON
Service Manager

Dated: 3-19-2013

ST. LOUIS COUNTY

BY: _____
DONALD DICKLICH
County Auditor

Dated: _____

BY: _____
CHRISTOPHER DAHLBERG
Chair, St. Louis County Board

Dated: _____

APPROVED AS TO FORM & EXECUTION

BY: _____
THOMAS STANLEY
Assistant County Attorney

Dated: _____
Contract # 2013-006244

Exhibit A

**CERTIFICATION OF COMPLIANCE WITH
MINNESOTA WORKERS' COMPENSATION LAW - Minn. Stat. § 176.182**

This information is required by law, and licenses and permits to operate a business may not be issued or renewed if it is not provided and/or is falsely reported. In addition, the County shall not enter into a contract for the doing of any public work before receiving acceptable evidence of compliance with workers' compensation insurance coverage requirements. Furthermore, if this information is not provided or is falsely stated, it may result in a \$2,000 penalty assessed against the applicant by the Commissioner of the Department of Labor and Industry.

Insurance Company Name: Travelers, Ins (Not the insurance agency)
Policy No: UB1B493325
Dates of Coverage: 12/07/2012 - 12/07/2013

OR

Applicant is not required to have workers' compensation liability coverage because:
(check one)

- Applicant has no employees;
- Applicant is self-insured (include a copy of your permit to self-insure);
- Applicant has no employees who are covered by workers' compensation;

OR

Certificate of Insurance is attached.

GRANTEE/CONTRACTOR:

By: _____

Date: _____

EXHIBIT B HIPAA COMPLIANCE

The purpose of this Addendum is to satisfy certain obligations of St. Louis County ("COVERED ENTITY") and SUPERIORUSA CORPORATION ("BUSINESS ASSOCIATE") under the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations (45 C.F.R. Parts 160-64) ("HIPAA") to ensure the integrity and confidentiality of Protected Health Information. Business Associate and Covered Entity agree as follows:

1. **Definitions.** Capitalized terms used, but not otherwise defined, in this Addendum shall have the meanings given them in HIPAA. For convenience of reference, the definitions of "Individually Identifiable Health Information" and "Protected Health Information" as of the effective date are as follows:

1.1 **"Individually Identifiable Health Information"** means information that is a subset of health information, including demographic information collected from an individual, and (i) is created or received by a healthcare provider, health plan, employer, or health care clearinghouse; and (ii) relates to the past, present, or future physical or mental health or condition of an individual; the provision of healthcare to an individual; or the past, present, or future payment for the provision of health care to an individual; and (a) that identifies the individual, or (b) with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

1.2 **"Protected Health Information"** means Individually Identifiable Health Information that Business Associate receives from Covered Entity or from another business associate of Covered Entity or which Business Associate creates for Covered Entity which is transmitted or maintained in any form or medium. "Protected Health Information" shall not include education records covered by the Family Educational Right and Privacy Act, as amended, 20 U.S.C. §1232g, or record described in 20 U.S.C. §1232g(a)(4)(B)(iv), or employment records held by Covered Entity in its role as employer.

2. **Applicability of Terms; Conflicts.** This Addendum amends the attached agreement (the "Agreement") as of the effective date of the Agreement. In the event of any conflict or inconsistency between a provision of this Addendum and a provision of the Agreement or any other agreement between Business Associate and Covered Entity, the provision of this Addendum shall control unless: (i) Covered Entity specifically agrees to the contrary in writing, or (ii) the provision in the Agreement or such other agreement establishes additional rights for Covered Entity or additional duties for or restrictions on Business Associate with respect to Protected Health Information, in which case the provision of the Agreement or such other agreement will control.

3. **Obligations and Activities of Business Associate.**

3.1 Business Associate will not use or disclose Protected Health Information other than as permitted or required by this Addendum or as Required By Law or as otherwise authorized by Covered Entity.

3.2 Business Associate will use appropriate safeguards to prevent use or disclosure of the Protected Health Information other than as provided for by this Addendum. Business Associate will develop, implement, maintain and use appropriate administrative, technical and physical safeguards to preserve the integrity and confidentiality of and to prevent non-permitted or violating use or disclosure of Protected Health Information. Business Associate will document and keep these safeguards current.

3.3 Business Associate will mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Addendum.

3.4 Business Associate will report to the Privacy Officer of Covered Entity, in writing, any use and/or disclosure of Protected Health Information that is not permitted or required by this Addendum of which Business Associate becomes aware. Such report shall be made as soon as reasonably possible but in no event more than five (5) business days after discovery by Business Associate of such unauthorized use or disclosure. This reporting obligation shall include breaches by Business Associate, its employees, subcontractors and/or agents. Each such report of a breach will (i) identify the nature of the non-permitted or violating use or disclosure; (ii) identify the Protected Health information used or disclosed; (iii) identify who made the non-permitted or violating use or disclosure; (iv) identify who received the non-permitted or violating use or disclosure; (v) identify what corrective action Business Associate took or will take to prevent further non-permitted or violating uses or disclosures; (vi) identify what Business Associate did or will do to mitigate any deleterious effect of the non-permitted or violating use or disclosure; and (vii) provide such other information as Covered Entity may reasonably request.

3.5 Business Associate will ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity agrees to the same restrictions and conditions that apply through this Addendum to Business Associate with respect to such information.

3.6 Business Associate will provide access, within five (5) business days of receiving a written request from Covered Entity, to Protected Health Information from a Designated Record Set of Covered Entity, to Covered Entity (or, as directed by Covered Entity, to an individual) in order to meet the requirements under 45 C.F.R. § 164.524. This provision does not apply if Business Associate and its employees, subcontractors and agents have no Protected Health Information from a Designated Record Set of Covered Entity.

3.7 Business Associate will make, upon written request from Covered Entity, any amendment(s) to Protected Health Information in a Designated Record Set of Covered Entity that Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526. This provision does not apply if Business Associate and its employees, subcontractors and agents have no Protected Health Information from a Designated Record Set of Covered Entity.

3.8 Business Associate will make internal practices, books, and records, including policies and procedures and Protected Health Information, relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity available to the Secretary during regular business hours within five (5) business days of receiving a written request from Covered Entity, or sooner if requested by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with HIPAA.

3.9 Business Associate will document such disclosures by Business Associate and its employees, subcontractors and agents of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528. Business Associate agrees to provide to Covered Entity (or an Individual, at Covered Entity's request), within five (5) business days of receiving a written request from Covered Entity, information collected in accordance with the preceding sentence, to permit Covered Entity to respond to a request by an individual for such an accounting of disclosures.

3.10 At Covered Entity's request, Business Associate will implement reasonable alternative means or locations of communication with an Individual, as necessary to honor a request granted by Covered Entity pursuant to 45 C.F.R. §§ 164.522 or 164.526, respectively. Except as the Agreement or any other agreement between Covered Entity and Business Associate may provide otherwise, in the event Business Associate receives an access, amendment, disclosure accounting or confidential communications or other similar request directly from an Individual, Business Associate will redirect the Individual to appropriate Covered Entity personnel. Business Associate will maintain records related to disclosures of Protected Health Information for at least six (6) years after the date of the disclosure.

4. **Permitted Uses and Disclosures by Business Associate.**

4.1 **Functions and Activities on Covered Entity's Behalf.** Except as otherwise limited in this Addendum, the Agreement or any other agreement between Business Associate and Covered Entity, Business Associate may use or disclose Protected Health Information on behalf of, or to provide services to, Covered Entity only for purposes authorized by Covered Entity in the Agreement or through specific oral instruction, if such use or disclosure of Protected Health Information would not violate HIPAA if done by Covered Entity itself.

4.2 **Business Associate's Operations.** Except as otherwise limited in this Addendum, the Agreement or any other agreement between Business Associate and Covered Entity: (a) Business Associate may use Protected Health Information for Business Associate's proper management and administration or to carry out Business Associate's legal responsibilities; (b) Business Associate may disclose Protected Health Information for Business Associate's proper management and administration, provided that disclosures are Required By Law, or Business Associate obtains reasonable assurances from the person to whom the Protected Health Information is disclosed that (i) it will remain confidential and will be used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and (ii) the person will

notify Business Associate of any instances of which it is aware in which the confidentiality of the Protected Health Information has been breached.

5. **"Trading Partner" Provisions: Use and Disclosure in Connection with Standard Transactions.** If Business Associate conducts Standard Transactions (as defined in 45 C.F.R. Part 162) for or on behalf of Covered Entity, Business Associate will comply, and will require each subcontractor or agent involved with the conduct of such Standard Transactions to comply with each applicable requirement of 45 C.F.R. Part 162. Business Associate will not enter into, or permit its subcontractors or agents to enter into any trading partner Agreement in connection with the conduct of Standard Transactions for or on behalf of Covered Entity that: (i) changes the definition, data condition, or use of a data element or segment in a Standard Transaction; (ii) adds any data elements or segments to the maximum defined data set; (iii) uses any code or data element that is marked "not used" in the Standard Transaction's implementation specification or is not in the Standard Transaction's implementation specification; or (iv) changes the meaning or intent of the Standard Transaction's implementation specification.

6. **Term and Termination**

6.1 **Term.** The term of this Addendum shall commence as of the effective date of the Agreement, and shall terminate when all of the Protected Health Information provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, for purposes of the Agreement is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy Protected Health Information, protections are extended to such Protected Health Information in accordance with the provisions of this Section 6.

6.2 **Termination for Cause.** As provided in HIPAA, including 45 C.F.R. §164.504(e)(2)(iii), upon Covered Entity's reasonable determination that Business Associate has breached a material term of this Addendum, Covered Entity shall be entitled to do any one or more of the following:

- (a) Give Business Associate written notice of the existence of such breach and give Business Associate an opportunity to cure upon mutually agreeable terms. If Business Associate does not cure the breach or end the violation according to such terms, or if Covered Entity and Business Associate are unable to agree upon such terms, Covered Entity may immediately terminate the Agreement.
- (b) Immediately terminate the Agreement.
- (c) Immediately stop all further disclosures of Protected Health Information to Business Associate pursuant to the Agreement.

6.3 **Effect of Termination.** Upon receipt of written demand from Covered Entity, Business Associate agrees to immediately return or destroy, except to the extent infeasible, all Protected Health Information demanded by Covered Entity, including all such Protected Health Information which Business Associate has disclosed to its

employees, subcontractors and/or agents. Destruction shall include destruction of all copies including backup tapes and other electronic backup medium. In the event the return or destruction of some or all of such Protected Health Information is infeasible, Protected Health Information not returned or destroyed pursuant to this paragraph shall be used or disclosed only for those purposes that make return or destruction infeasible.

6.4 **Continuing Privacy Obligation.** Business Associate's obligation to protect the privacy of Protected Health Information is continuous and survives any termination, cancellation, expiration, or other conclusion of this Addendum, the Agreement or any other agreement between Business Associate and Covered Entity.

7. **Notices.** All notices pursuant to this Addendum must be given in writing and shall be effective when received if hand-delivered or upon dispatch if sent by reputable overnight delivery service, facsimile or U.S. Mail to the appropriate address or facsimile number as set forth at the end of this Addendum.

8. **Miscellaneous.** Business Associate and Covered Entity agree that Individuals who are the subject of Protected Health Information are not third-party beneficiaries of this Addendum. In the event that any provision of this Addendum violates any applicable statute, ordinance or rule of law in any jurisdiction that governs this Addendum, such provision shall be ineffective to the extent of such violation without invalidating any other provision of this Addendum. This Addendum may not be amended, altered or modified except by written agreement signed by Business Associate and Covered Entity. No provision of this Addendum may be waived except by an agreement in writing signed by the waiving party. A waiver of any term or provision shall not be construed as a waiver of any other term or provision. Nothing in Section 3 of this Addendum shall be deemed a waiver of any legally-recognized claim of privilege available to Business Associate. All references herein to specific statutes, codes or regulations shall be deemed to be references to those statutes, codes or regulations as may be amended from time to time.

BOARD LETTER NO. 13 - 140

FINANCE & BUDGET COMMITTEE CONSENT NO. 10

BOARD AGENDA NO.

DATE: April 9, 2013

RE: Establish Public Hearing to
Consider Tax Abatement for P&H
MinePro Services (Virginia)

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 establish a public hearing for input on proposed tax abatement financing for P&H MinePro Services to expand business operations in Virginia, MN.

BACKGROUND:

The City of Virginia has entered into private development agreement with P&H Equipment Inc. doing business as P&H MinePro Services. The parent company for P&H MinePro Services is JoyGlobal Inc., based out of Milwaukee, Wisconsin. The city's development agreement included a \$100,000 request from St. Louis County for tax abatement financing payable over 10 years.

JoyGlobal Inc. is a worldwide leader in high-productivity mining solutions for both surface and underground mining operations. It manufactures and markets original equipment and aftermarket parts and services for the mining industry. The company is the direct successor to Harnischfeger Industries Inc., a business which began over 125 years ago. The affiliate P&H MinePro products include blasthole drills, draglines and electric shovels.

P&H MinePro has constructed a new 92,000 square foot building in Virginia, which allows the company to relocate from leased facilities in Mountain Iron and Hibbing to the new Virginia location. The facility is designed to serve the mining industry in performing repairs on equipment. The estimated market value for the new facility is approximately \$12 million. In addition, the company is expending approximately \$4 million on machinery and equipment. P&H MinePro has 53 employees in Virginia and expects to hire an additional 8 full time employees.

The City of Virginia has agreed to provide \$3.39 million in tax abatement over 20 years and has requested St. Louis County provide \$100,000 over 10 years.

County Board Resolution No. 02-187, adopted March 1, 2002, approved a tax abatement financing policy (TAF) as authorized under Minn. Stat. §§469.1812 through 469.1815 (2000).

RECOMMENDATION:

It is recommended that the St. Louis County Board establish a public hearing on the P&H MinePro Services/City of Virginia tax abatement financing on Tuesday, May 7, 2013 at 9:40 a.m. at the St. Louis County Courthouse in Duluth, Minnesota.

**Establish Public Hearing to Consider Tax Abatement for
P&H Mine Pro Services (Virginia)**

BY COMMISSIONER _____

WHEREAS, Minn. Stat. §§469.1812 469.1815, Abatement Authority, requires that a public hearing be conducted prior to approving a tax abatement; and

WHEREAS, P&H MinePro Services and the City of Virginia, Minnesota have requested St. Louis County to consider up to \$100,000 tax abatement payable over 10 years for the expansion of its Virginia facility;

THEREFORE, BE IT RESOLVED, the St. Louis County Board establishes a public hearing on Tuesday, May 7, 2013, at 9:35 a.m., at the St. Louis County Courthouse in Duluth, Minnesota, to solicit public input prior to considering the proposed tax abatement.

BOARD LETTER NO. 13 - 141

FINANCE & BUDGET COMMITTEE CONSENT NO. 11

BOARD AGENDA NO.

DATE: April 9, 2013

RE: Establish Public Hearing to
Consider an Amendment to the
Minnesota Investment Fund
Disaster Recovery Grant
Application

FROM: Kevin Z. Gray
County Administrator

Barbara Hayden, Director
Planning and Community Development

RELATED DEPARTMENT GOALS:

Assist communities in achieving housing, economic development and community development objectives. Secure and administer federal, state and other funding which implement county policies and maximize local resources.

ACTION REQUESTED:

The St. Louis County Board is requested to set a public hearing on May 7, 2013 at 9:45 a.m., at the St. Louis County Courthouse in Duluth, Minnesota. The public hearing is required by the Minnesota Department of Employment and Economic Development for amendments to the Minnesota Investment Fund Disaster Recovery Grant Application.

BACKGROUND:

On October 23, 2012 the County Board adopted Resolution No. 12-588 authorizing the Planning and Community Development Department to apply for \$170,000 in Minnesota Investment Fund Disaster Recovery Financing. The funds are to assist two businesses that have requested assistance: Lake States Insulation for approximately \$150,000 located in Proctor, the Retreat Golf Course for approximately \$15,000 located in Floodwood and \$5,000 in administrative costs. The application was approved and a grant agreement has been executed.

An additional business, Gardenwood Resort in Duluth Township, has requested assistance under this program. The County Board is also requested to authorize the Planning and Community Development Director to amend the application for additional eligible businesses or if eligible loan amounts change. The Minnesota Department of Employment and Economic Development requires the county to hold a public hearing to amend the Minnesota Investment Fund Disaster Recovery Grant Application.

RECOMMENDATION:

It is recommended that the St. Louis County Board establish a public hearing on Tuesday, May 7, 2013, at 9:45 a.m. at the Duluth Courthouse to receive public input to the amendments. Following the hearing, the Board will consider formal action to amend the Minnesota Investment Fund Disaster Recovery Grant Application.

Establish Public Hearing to Consider an Amendment to the Minnesota Investment Fund Disaster Recovery Grant Application

BY COMMISSIONER _____

WHEREAS, The Minnesota Department of Employment and Economic Development requires the county to conduct a public hearing prior to amending the Minnesota Investment Fund Disaster Recovery Financing Grant Application; and

WHEREAS, St. Louis County has submitted a \$170,000 application and the application has been approved and a grant agreement executed; and

WHEREAS, an additional business, Gardenwood Resort in Duluth Township, has requested assistance under this program;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board will hold a public hearing on Tuesday, May 7, 2013, at 9:45 a.m., at the St. Louis County Courthouse in Duluth, Minnesota, for the purpose of receiving citizen comments on amendments to the Minnesota Investment Fund Disaster Recovery Grant Application.

BOARD LETTER NO. 13 - 142

PUBLIC WORKS & TRANSPORTATION COMMITTEE NO. 1

BOARD AGENDA NO.

DATE: April 9, 2013

RE: Award of Bids: Reconstruction of
CSAH 146 and 147 (Eveleth),
Signal Modification CSAH 90
(Duluth) and GRIP South 2013

FROM: Kevin Z. Gray
County Administrator

James T. Foldesi
Public Works Director/Highway Engineer

RELATED DEPARTMENT GOAL:

Provide a safe, well maintained road and bridge system.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize an award of projects to the low bidders for public works projects in the cities of Eveleth, Duluth, Floodwood, and Arrowhead and Duluth Townships.

BACKGROUND:

County staff is authorized under Resolution No. 88-381, dated May 24, 1988, to call for bids on projects which are already included in the budget document. Bids were requested for: a reconstruction project funded with County State Aid funds in Eveleth, MN, a signal modification project funded with county local funds in Duluth, MN, a GRIP (Gravel Road Investment Program) project funded with county local funds in Floodwood, Arrowhead and Duluth Townships.

A call for bids was received by the St. Louis County Public Works Department on April 4, 2013, for the following projects in accordance with the plans and specifications on file in the office of the County Highway Engineer:

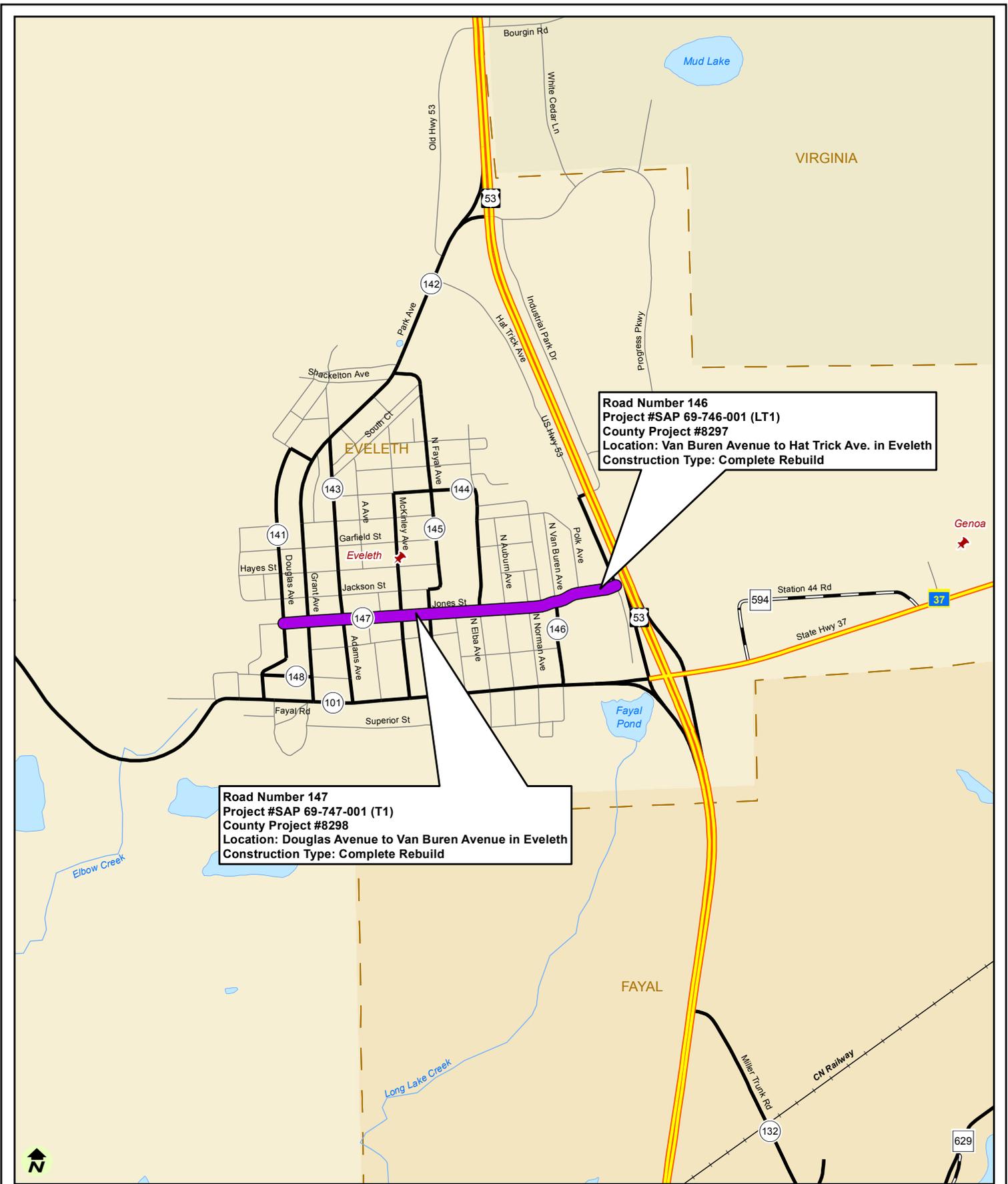
- Project:** SAP 69-746-001(Low), CP 8297, & SAP 69-747-001, CP 8298
Location: Combined Project
A) SAP 69-746-001(Low) CSAH 146, (Jones Street) from Van Buren Avenue to Hat Trick Avenue in Eveleth, MN, length 0.36 mi (see attached map)

Traffic: 634
PQI: N.A.
Construction: Grading, Aggregate Base, Curb and Gutter, Bituminous Surfacing, and Storm Sewer

- Funding:** Fund 220, Agency 220287, Object 652700
B.) SAP 69-747-001(Tied) CSAH 147 (Jones Street) from Douglas Avenue to Van Buren Avenue in Eveleth, MN, length 0.68 mi.
- Traffic:** 1,690
PQI: N.A.
Construction: Grading, Aggregate Base, Curb and Gutter, Bituminous Surfacing, and Storm Sewer
- Funding:** Fund 220, Agency 220288, Object 652700
Anticipated Start Date: May 20, 2013
Anticipated Completion Date: October 5, 2013
Engineer's Estimate: To be provided after bid opened
2. **Project:** CP 0090-183523, CP 183523
Location: Intersection of CSAH 90 (Arlington Avenue) and TH 194 (Central Entrance) in Duluth, length 0.1 mi.
Traffic: 10,700
PQI: N.A.
Construction: Revise Signal System
Funding: Fund 200, Agency 203280, Object 652800
Anticipated Start Date: June 3, 2013
Anticipated Completion Date: July 5, 2013
Engineer's Estimate: To be provided after bid opened
3. **Project:** WO 181984, Gravel Road Investment Program, South 2013, Aggregate Base, Aggregate Stabilization, Calcium Chloride
- Location:** A. CR 258 (Bergquist Road) between CR 276 (Lismore Road) and CSAH 43 (Shilhon Road), Duluth Township, northeast of Duluth and;
B. CSAH 8 between CR 965 and CSAH 5, Arrowhead Township, east of Floodwood, MN, combined length 6.68 mi
- Traffic:** A. 519, B. 791
PQI: N.A.
Construction: Gravel Road Investment Program, South 2013, Aggregate Base, Aggregate Stabilization, Calcium Chloride
Funding: Fund 200, Agency 203283, Object 652805
Anticipated Start Date: June 10, 2013
Anticipated Completion Date: August 5, 20123
Engineer's Estimate: To be provided after bid opened

RECOMMENDATION:

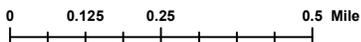
The bid was opened on April 4. The County Board will be provided bid results and recommendations for consideration at the April 9 Committee of the Whole meeting.



Road Number 146
Project #SAP 69-746-001 (LT1)
County Project #8297
Location: Van Buren Avenue to Hat Trick Ave. in Eveleth
Construction Type: Complete Rebuild

Road Number 147
Project #SAP 69-747-001 (T1)
County Project #8298
Location: Douglas Avenue to Van Buren Avenue in Eveleth
Construction Type: Complete Rebuild

St. Louis County 2013 Road & Bridge Construction

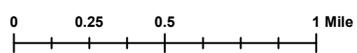


Map Components

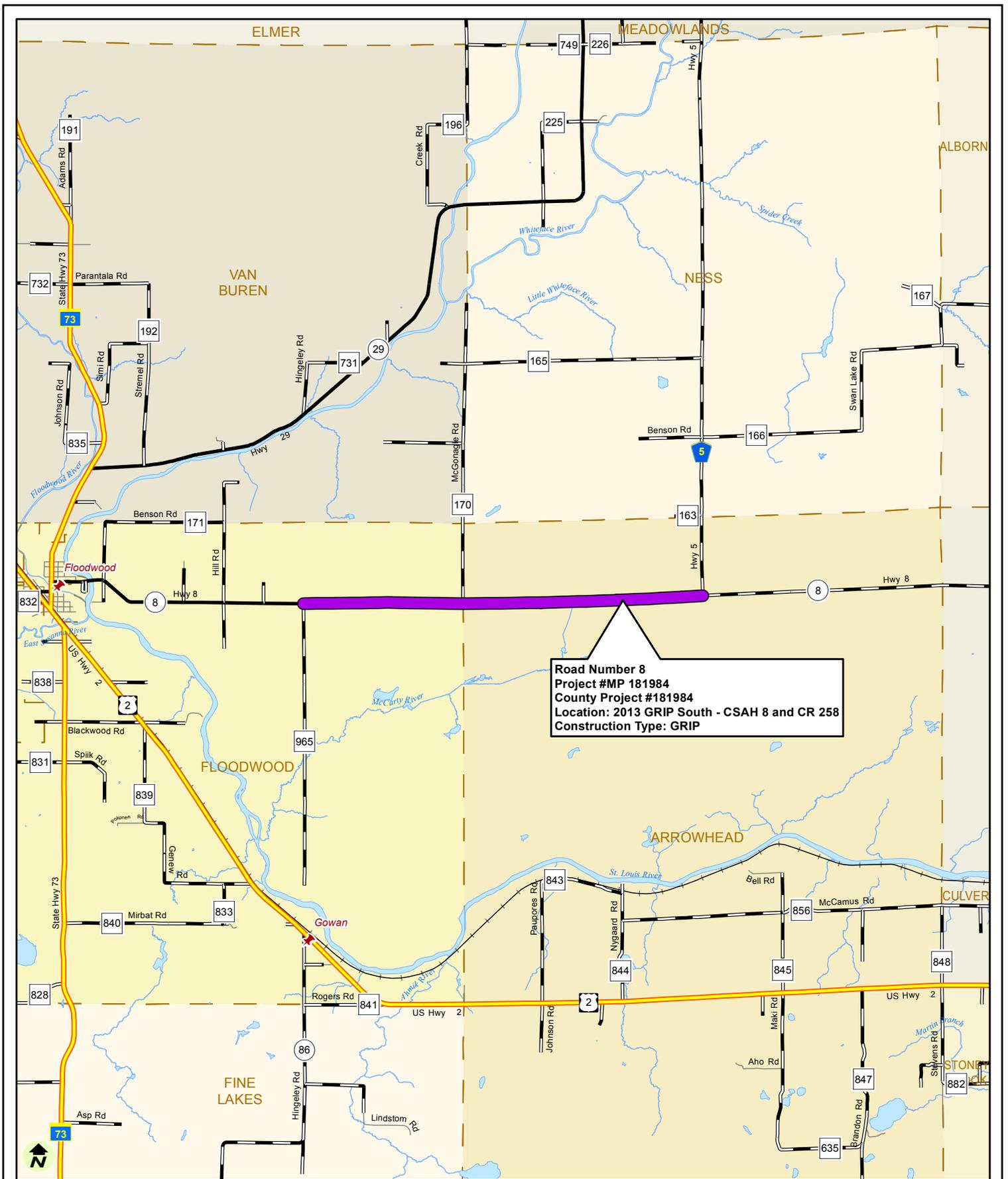
- | | | |
|--|-----------------------|-------------------|
| 2013 Road & Bridge Construction | County Road - Paved | Township Boundary |
| Complete Rebuild | County Road - Gravel | City/Town |
| Interstate Highway | Railroad | Lake |
| U.S./State Highway | Commissioner District | River/Stream |



St. Louis County 2013 Road & Bridge Construction

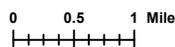


Map Components	
	County/Unorg. Twp. Road - Paved
	County/Unorg. Twp. Road - Gravel
	Traffic Signals
	Interstate Highway
	U.S./State Highway
	Local Road/City Street
	Railroad
	Commissioner District
	Township Boundary
	City/Town
	Lake
	River/Stream



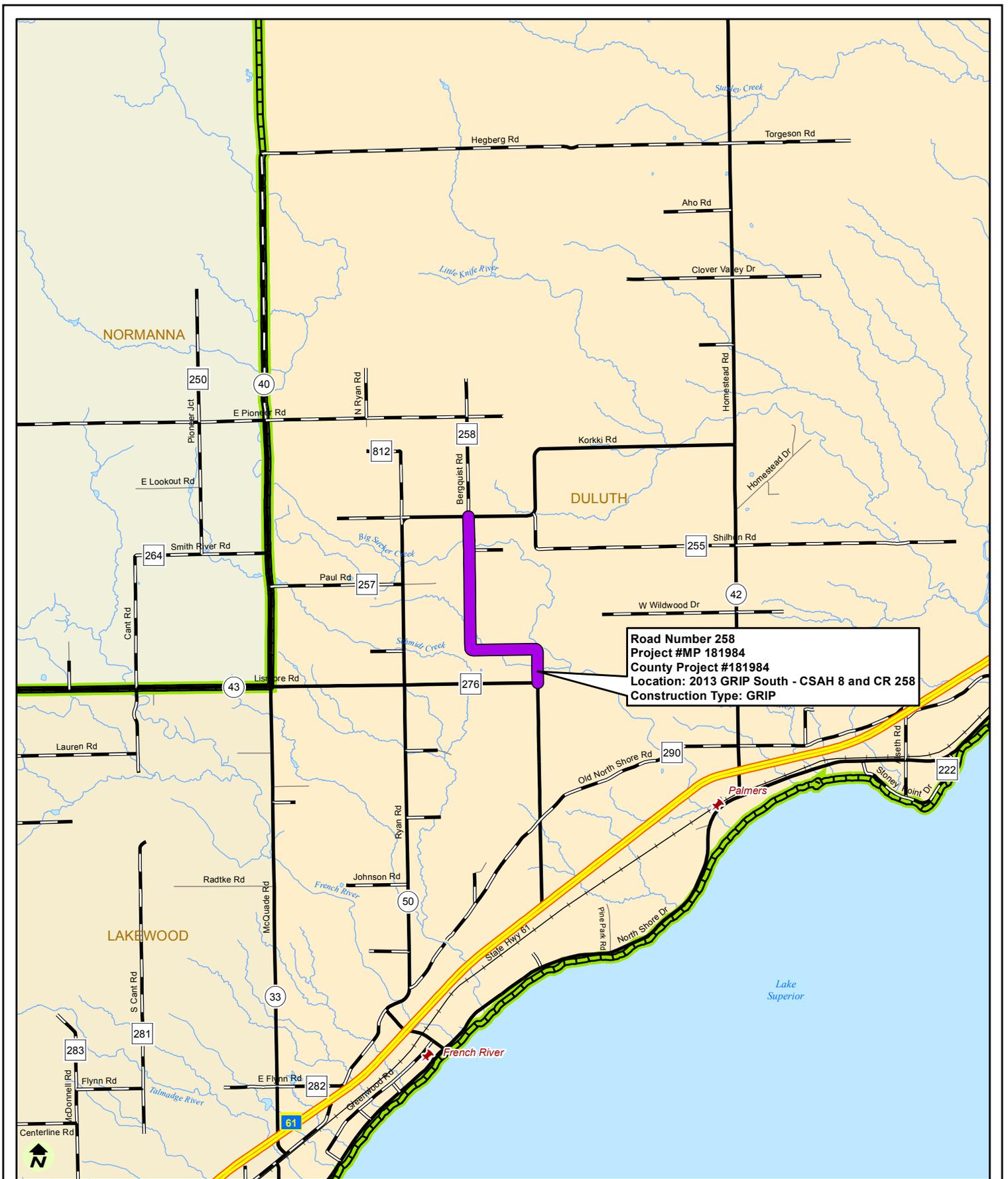
Road Number 8
Project #MP 181984
County Project #181984
Location: 2013 GRIP South - CSAH 8 and CR 258
Construction Type: GRIP

St. Louis County 2013 Road & Bridge Construction



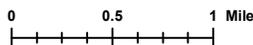
Map Components

- 2013 Gravel Road Investment Program (GRIP) South
- Interstate Highway
- U.S./State Highway
- County Road - Paved
- County Road - Gravel
- Railroad
- Commissioner District
- Township Boundary
- City/Town
- Lake
- River/Stream



Road Number 258
Project #MP 181984
County Project #181984
Location: 2013 GRIP South - CSAH 8 and CR 258
Construction Type: GRIP

St. Louis County 2013 Road & Bridge Construction



Map Components

- 2013 Gravel Road Investment Program (GRIP) South
- Interstate Highway
- U.S./State Highway
- County Road - Paved
- County Road - Gravel
- Railroad
- Commissioner District
- Township Boundary
- City/Town
- Lake
- River/Stream

BOARD LETTER NO. 13 - 143

FINANCE & BUDGET COMMITTEE NO. 1

BOARD AGENDA NO.

DATE: April 9, 2013

RE: Award of 2013 Fleet Vehicle Purchases

FROM: Kevin Z. Gray
County Administrator

Gary Eckenberg, Director
Purchasing Division

RELATED DEPARTMENT GOAL:

To enhance public safety in St. Louis County, provide a safe and well maintained highway and bridge system, and perform public services.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize the purchase of 2013 fleet vehicles.

BACKGROUND:

The Purchasing Division prepared bid specifications for new 2013 fleet vehicles, in anticipation of placing orders in April, to ensure delivery within a reasonable time period.

The following information indicates the department, quantity and type of vehicles requested:

<u>Department</u>	<u>Quantity</u>	<u>Description</u>	<u>Delivery Location</u>
Land and Minerals			
	2	6650 GVWR Full Size Ext Cab 4WD PU, 6.3'	Land Duluth
	<u>2</u>	6650 GVWR Full Size Ext Cab 4WD PU, 6.3'	Land Virginia
TOTAL	4		
Public Works			
	2	4 x 4 6400 GVWR Full Size PU, 8'	Div. 5 Duluth
	1	4 x 4 6400 GVWR Full Size PU, 8'	Div. 6 Virginia
	2	4 x 4 6400 GVWR Full Size PU, 8' w/Pow Windows	Div. 6 Duluth
	2	4 x 4 6400 GVWR Full Size PU, 8' w/Pow Windows	Div. 6 Virginia
	1	4 x 4 6650 GVWR Full Size Ext Cab PU, 6.3'	Div. 5 Duluth
	2	4 x 4 6650 GVWR Full Size Ext Cab PU, 6.3'	Div. 6 Virginia
	2	4 x 4 8200 GVWR Full Size PU, 8'	Div. 6 Duluth
	3	4 x 4 8200 GVWR Full Size PU, 8'	Div. 5 Virginia
	2	4 x 2 10000 GVWR Full Size Crew Cab PU, 8'	Div. 5 Duluth
	1	4 x 2 10000 GVWR Full Size Crew Cab PU, 8'	Div. 6 Virginia
	1	Class IIA Sedan Midsize	Motor Pool Duluth
	3	Class IIA Sedan	Midsize Motor Pool Virginia
	2	Class IIA Sedan	Economy Motor Pool Virginia
	<u>4</u>	Class IIA Sedan Economy	Motor Pool Duluth
TOTAL	28		

Sheriff	8	Class III Sedan w/Police	Motor Pool Virginia
	4	Class IIa Sedan w/Police (street)	Motor Pool Duluth
	1	SUV, 4WD with Police Package	Motor Pool Duluth
	1	SUV, AWD Police Package	Motor Pool Duluth
	1	SUV, AWD 4 Dr w/ Police (street)	Motor Pool Duluth
	1	7 Passenger Van with Extended Body	Motor Pool Duluth
	<u>4</u>	6500 GVWR 4WD Crew Cab Pickup SpcSrv	Motor Pool Duluth
TOTAL	20		
Property Management	1	8200 GVWR 4WD Reg Cab Pickup	Prop Management Duluth
TOTAL	1		
GRAND TOTAL	53		

Bids were submitted by the following vendors:

- Lundgren Motors - Eveleth MN
- Hibbing Chrysler Center – Hibbing MN
- Ranger GM - Hibbing MN
- Duluth Dodge – Hermantown MN
- Dodge of Burnsville – Burnsville MN

The Purchasing Division compared bids received to the State of Minnesota Contracts, and recommends purchases from State Contract vendors where prices are less than the county bid prices. However, it is anticipated the County Board may wish to pursue purchasing through local vendors in cases where the price differential is negligible. Negligible has been defined as \$300 or less per unit; the attached resolution is prepared using that same criterion. The recommendations reflect the additional cost to the county for sixteen (16) vehicles, a total of \$1,771.82 using the \$300 price differential.

The low bids meeting specifications on the 53 fleet vehicles requested by county departments total \$1,135,037.47 plus 6.5 % state sales tax of \$27,550.58 on taxable vehicles for a total purchase price of \$1,162,588.05. The state sales tax rate for motor vehicles remains at 6.5%

Bids opened March 8, 2013. At that time, some vehicles received no bids. Because of this, the Purchasing Division determined to re-bid the vehicles that did not receive bids. Those bids opened on March 22, 2013.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the purchase of 2013 fleet vehicles from the recommended vendors in accordance with the bid specifications, including state sales tax for a total amount of \$1,162,588.05.

Award of 2013 Fleet Vehicle Purchases

BY COMMISSIONER _____

WHEREAS, The St. Louis County Purchasing Division has prepared bid specifications for new 2013 fleet vehicles; and

WHEREAS, Bids were received and compared with the State of Minnesota contracts; and

WHEREAS, Local qualifying bids within \$300.00 of the State of Minnesota Contract prices will be awarded to local bidders; and

WHEREAS, Build-out dates are often announced with short lead times for placing orders; and

WHEREAS, Quantities are based upon the available funds for the purchase of 2013 fleet vehicles;

THEREFORE BE IT RESOLVED, That the Purchasing Division is authorized to purchase, in accordance with the specifications of Bid No. 5055, and State of Minnesota Contract Releases, 2013 fleet vehicles as follows:

- 1.0 **Eight (8)** Class III, full-size, four door sedans, with police package, RWD, (Dodge Charger Police LDDE48) from **Dodge of Burnsville** of Burnsville, MN, at low specification bid price of \$22,608.00 each delivered to Virginia for a total purchase price of **\$180,864.00**, tax exempt, payable from Fund 100, Agency 129003, Object Code 666100 (automobiles).
- 2.0 **One (1)** Class IIA, mid-size, four door sedan, (Dodge Avenger JSDH1) from **Dodge of Burnsville**, of Burnsville, MN, at low specification bid price of \$17,560.00 delivered to Duluth for a total of \$17,560.00, plus 6.5 % State Sales Tax of \$1,141.40 per unit, for a total purchase price of **\$18,701.40**, payable from Fund 407, Agency 407001, Object Code 666100 (automobiles).
- 2.1 **Three (3)** Class IIA, mid-size, four door sedans, (Dodge Avenger JSDH1) from **Dodge of Burnsville**, of Burnsville, MN at low specification bid price of \$17,560.00 each delivered to Virginia for a total of \$52,680.00, plus 6.5 % State Sales Tax of \$1,141.40 per unit, for a total purchase price of **\$56,104.20**, payable from Fund 715 (County Garage), Agency 715001 (Motor Pool), Object Code 666100 (automobiles).
- 3.0 **Four (4)** Class IIA, mid-size, four door sedans, Police Package (Chevy Impala Police Package, Street Appearance 1WS19) from **Ranger GM** of Hibbing MN, at low specification bid price of \$20,225.00 each delivered to Duluth for a total of \$80,900.00, plus 6.5% State Sales Tax of \$1,314.63 per unit, for a total purchase price of **\$86,158.50**, payable from Fund 100, Agency 129003, Object Code 666100 (automobiles). Local preference added \$130.55 per vehicle x 4 = \$522.20
- 4.0 **Four (4)** Class IIA, economy size, four door sedans, (Chevy Cruz 1PL69) from **Ranger GM** of Hibbing MN, at low specification bid price of \$17,190.00 each delivered to Duluth for a total of \$68,760.00, plus 6.5% State Sales Tax of \$1,117.35 per unit, for a total purchase price of **\$73,229.40**, payable from Fund 715, Agency 715001, Object Code 666100 (automobiles)
- 4.1 **Two (4)** Class IIA, economy size, four door sedans, (Chevy Cruz 1PL69) from **Ranger GM** of Hibbing MN, at low specification bid price of \$17,190.00 each delivered to Virginia for a total of \$34,380.00, plus 6.5% State Sales Tax of \$1,117.35 per unit, for a total purchase price of **\$36,614.70**, payable from Fund 715, Agency 715001, Object Code 666100 (automobiles)
- 5.0 **One (1)** 6500 GVWR SUV, 4-wheel drive with Special Services Package, (Chevy Tahoe CK10706) from **Ranger GM** of Hibbing, MN, at low specification bid price of \$29,555.75 delivered to Duluth for a total of \$29,555.75, tax exempt, for a total purchase price of **\$29,555.75**, payable from Fund 100, Agency 129003, Object Code 666200 (pickups/vans).

- 5.1 **One (1)** Utility, all-wheel drive with Police Package, (Ford Interceptor K8A) from **Nelson Auto Center** of Fergus Falls, MN, at low specification bid price of \$26,476.82 delivered to Duluth for a total of \$26,476.82, tax exempt, for a total purchase price of **\$26,476.82**, payable from Fund 100, Agency 129003, Object Code 666200 (pickups/vans).
- 5.2 **One (1)** Utility, all-wheel drive with Police Package, Street Appearance (Ford Interceptor K8A) from **Nelson Auto Center** of Fergus Falls, MN, at low specification bid price of \$27,239.82 delivered to Duluth for a total of \$27,239.82, plus 6.5% State Sales Tax off \$1,770.59 for a total purchase price of **\$29,010.41**, payable from Fund 100, Agency 129003, Object Code 666200 (pickups/vans).
- 6.0 **One (1)** Seven passenger van with extended body, (Dodge Caravan RTKH53) from **Duluth Dodge** of Hermantown, MN, at the state contract price of \$21,683.00 delivered to Duluth for a total of \$21,683.00, plus 6.5% State Sales Tax of \$1,409.40, for a total purchase price of **\$23,092.40**, payable from Fund 100, Agency 129003, Object Code 666200 (pickups/vans).
- 7.0 **Two (2)** 6400 GVWR, full size, regular cab, 4-wheel drive, pickup truck with long box, (Ford F-150 F1E) from **Lundgren Motors** of Eveleth, MN, at low specification bid price of \$19,448.00 each delivered to Duluth for a total of \$38,896.00, plus 6.5 % State Sales Tax of \$1,264.12 per unit, for a total purchase price of **\$41,424.24**, payable from Fund 407, Agency 407001, Object Code 666200 (pickups/vans).
Local preference added \$96.00 per vehicle x 2 = \$192.00
- 7.1 **One (1)** 6400 GVWR, full size, regular cab, 4-wheel drive, pickup truck with long box, (Ford F-150 F1E) from **Lundgren Motors** of Eveleth, MN, at low specification bid price of \$19,398.00 delivered to Virginia for a total of \$19,398.00, plus 6.5 % State Sales Tax of \$1,260.87 per unit, for a total purchase price of **\$20,658.87**, payable from Fund 407, Agency 407001, Object Code 666200 (pickups/vans).
Local preference added \$96.00 per vehicle x 1 = \$96.00
- 8.0 **Two (2)** 6400 GVWR, full size, regular cab, 4-wheel drive, pickup truck with long box, power windows, (Ford F-150 F1E) from **Lundgren Motors** of Eveleth, MN, at low specification bid price of \$20,208.68 each delivered to Duluth for a total of \$40,417.36 plus 6.5 % State Sales Tax of \$1,313.56 per unit, for a total purchase price of **\$43,044.49**, payable from Fund 407, Agency 407001, Object Code 666200 (pickups/vans).
Local preference added \$44.76 per vehicle x 2 = \$89.52
- 8.1 **Two (2)** 6400 GVWR, full size, regular cab, 4-wheel drive, pickup truck with long box, power windows, (Ford F-150 F1E) from **Lundgren Motors** of Eveleth, MN, at low specification bid price of \$20,158.68 delivered to Virginia for a total of \$40,317.36 plus 6.5 % State Sales Tax of \$1,310.31 per unit, for a total purchase price of **\$42,937.99**, payable from Fund 407, Agency 407001, Object Code 666200 (pickups/vans).
- 9.0 **One (1)** 6400 GVWR, full size, regular cab, 4-wheel drive, pickup truck with long box, (Ford F-250 F2B) from **Lundgren Motors** of Eveleth, MN, at low specification bid price of \$22,176.52 delivered to Duluth for a total of \$22,176.52, plus 6.5 % State Sales Tax of \$1,441.47 per unit, for a total purchase price of **\$23,617.99**, payable from Fund 100, Agency 128009, Object Code 666200 (pickups/vans).
- 10.0 **One (1)** 6650 GVWR, crew cab pickup, 4-wheel drive, pickup with short box, (Dodge Ram 1500 Tradesman) from **Duluth Dodge** of Hermantown, MN, at low specification bid price of \$21,805.00 delivered to Duluth for a total of \$21,805.00, plus 6.5% State Sales Tax of \$1,417.33, for a total purchase price of **\$23,222.33**, payable from Fund 407, Agency 407001, Object Code 666200 (pickups/vans).
Local preference added \$50.08 per vehicle x 1 = \$50.08
- 10.1 **Two (2)** 6650 GVWR, crew cab pickup, 4-wheel drive, pickup with short box, (Dodge Ram 1500 Tradesman) from **Duluth Dodge** of Hermantown, MN, at low specification bid price of \$21,805.00 each delivered to Virginia for a total of \$43,610.00, plus 6.5% State Sales Tax of \$1,417.33, for a total purchase price of **\$46,444.65**, payable from Fund 407, Agency 407001, Object Code 666200 (pickups/vans).
Local preference added \$50.05 per vehicle x 2 = \$100.10

- 11.0 **Two (2)** 8200 GVWR, regular cab pickup, 4-wheel drive, pickup with long box, (Ford F-250 F2B) from **Lundgren Motors** of Ely, MN, at low specification bid price of \$22,176.52 each delivered to Duluth for a total of \$44,353.04, plus 6.5% State Sales Tax of \$1,417.33, for a total purchase price of **\$47,235.99**, payable from Fund 407, Agency 407001, Object Code 666200 (pickups/vans).
Local preference added \$156.48 per vehicle x 2 = \$312.96
- 11.1 **Three (3)** 8200 GVWR, regular cab, 4-wheel drive, pickup with long box, (Ford F-250 F2B) from **Lundgren Motors** of Eveleth, MN, at low specification bid price of \$22,176.52 each delivered to Virginia for a total of \$66,529.56, with 6.5% State Sales Tax each of \$1,441.47, for a total purchase price of **\$70,853.98**, payable from Fund 407, Agency 407001, Object Code 666200 (pickups/vans).
Local preference added \$106.48 per vehicle x 3 = \$319.44
- 12.0 **Four (4)** Crew Cab Pickup, 4-wheel drive, with police package (Dodge Ram Crew with Special Services Package) from **Dodge of Burnsville** of Burnsville, MN, at low specification bid price of \$22,595.00 each delivered to Duluth for a total of \$90,380.00, tax exempt, for a total purchase price of **\$90,380.00**, payable from Fund 100, Agency 129003, Object Code 666200 (pickups/vans).
- 13.0 **Two (2) 6650** GVWR, extended cab pickup, 4-wheel drive, pickup with short box, (Ford F-150 X1E) from **Lundgren Motors** of Eveleth, MN, at low specification bid price of \$23,348.68, delivered to Duluth for a total of \$46,697.36, plus 6.5% State Sales Tax of \$1,517.66, for a total purchase price of **\$49,732.69**, payable from Fund 240, Agency 241008, Object Code 666200 (pickups/vans).
- 13.1 **Two (2) 6650** GVWR, extended cab pickup, 4-wheel drive, pickup with short box, (Ford F-150 X1E) from **Lundgren Motors** of Eveleth, MN, at low specification bid price of \$23,298.68, each delivered to Virginia for a total of \$46,597.36, plus 6.5% State Sales Tax of \$1,514.41, for a total purchase price of **\$49,626.19**, payable from Fund 204, Agency 241001, Object Code 666200 (pickups/vans).
- 14.0 **Two (2)** 10000 GVWR, regular cab pickup, 2-wheel drive, pickup with long box, (Ford F-350 W2A) from **Lundgren Motors** of Eveleth, MN, at low specification bid price of \$24,653.50 each delivered to Duluth for a total of \$49,307.00, plus 6.5% State Sales Tax of \$1,602.48, for a total purchase price of **\$52,511.96**, payable from Fund 407, Agency 407001, Object Code 666200 (pickups/vans)
- 14.1 **One (1)** 10000 GVWR, regular cab pickup, 2-wheel drive, pickup with long box, (Ford F-350 W2A) from **Lundgren Motors** of Eveleth, MN, at low specification bid price of \$24,603.52 delivered to Virginia for a total of \$24,603.52, plus 6.5% State Sales Tax of \$1,599.23, for a total purchase price of **\$26,202.75**, payable from Fund 407, Agency 407001, Object Code 666200 (pickups/vans)

BOARD LETTER NO. 13 - 144

CENTRAL MANAGEMENT & INTERGOVERNMENTAL COMMITTEE NO. 1

BOARD AGENDA NO.

DATE: April 9, 2013 **RE:** Appointment of 2013 Special
Board of Appeal and
Equalization

FROM: Kevin Z. Gray
County Administrator

Mark Monacelli, Director
Public Records & Property Valuation

David L. Sipila
County Assessor

RELATED DEPARTMENT GOAL:

To meet all state mandates for classifying and valuing taxable parcels outlined in Minnesota Statutes.

ACTION REQUESTED:

The St. Louis County Board is requested to appoint a 2013 Special Board of Appeal and Equalization and establish membership, powers, duties and compensation.

BACKGROUND:

Minn. Stat. § 274.13 requires that county commissioners shall constitute the County Board of Appeal and Equalization to hear complaints of taxpayers and review assessments of real and personal property throughout the county. This statute empowers the County Board of Appeal and Equalization to appoint a Special Board of Appeal and Equalization to which it may delegate all powers and duties of the County Board of Appeal and Equalization.

Qualified candidates serving as commissioner designees who have indicated a willingness to serve on a 2013 Special County Board of Appeal and Equalization are:

District 1	John Heino, Duluth
District 2	John Sillanpa, Duluth
District 3	Kevin O'Brien, Duluth
District 4	Leonard Cersine, Ely
District 5	Tim Peterson, Hermantown
District 6	Dawn Cole, Fayal Township
District 7	Frank Bigelow, Hibbing

The St. Louis County Board, as the County Board of Appeal and Equalization, may delegate all its powers and duties to the Special Board of Appeal and Equalization; require that the results of its deliberations be reported to the St. Louis County Board in the form of minutes kept by the Clerk of the Board; direct that at least one meeting day be held in the St. Louis County Court House, Duluth and one day at the Liz Prebich Conference Room of the Northland Office Center in Virginia; and direct that the Board convene at 10:00 AM, June 18, 2013, in the Commissioners Conference Room of the County Courthouse, Duluth, MN.

It is requested that the Special Appeal and Equalization Board members be compensated at the rate of \$200 per meeting day, with reimbursement for mileage and expenses at the current county rate.

RECOMMENDATION:

It is recommended the St. Louis County Board appoint the 2013 Special Board of Appeal and Equalization members and establish their powers, duties and compensation as identified above. Per diems and expenses will be paid from the Assessor's Department, Fund 100, Agency 118001, Object Codes 635300 and 635500.

Appointment of 2013 Special Board of Appeal and Equalization

BY COMMISSIONER _____

WHEREAS, Minn. Stat. § 274.13 requires that county commissioners constitute a County Board of Appeal and Equalization each year to hear complaints of taxpayers and review assessments of real and personal property throughout the county; and

WHEREAS, The statute empowers the County Board of Appeal and Equalization to appoint a Special Board of Appeal and Equalization to which it may delegate all powers and duties of the County Board of Appeal and Equalization; and

WHEREAS, The St. Louis County Board, having reviewed the matter, determines it is in the public interest to appoint said Special Board;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board appoints the following individuals to serve as the Special Board of Appeal and Equalization for Assessment Year 2013:

- | | |
|-----------------------------|--------------------------|
| • John Heino, Duluth | Commissioner District #1 |
| • John Sillanpa, Duluth | Commissioner District #2 |
| • Kevin O'Brien, Duluth | Commissioner District #3 |
| • Leonard Cersine, Ely | Commissioner District #4 |
| • Tim Peterson, Hermantown | Commissioner District #5 |
| • Dawn Cole, Fayal Township | Commissioner District #6 |
| • Frank Bigelow, Hibbing | Commissioner District #7 |

RESOLVED FURTHER, That the Special Board of Appeal and Equalization is:

- Delegated all powers and duties of the County Board of Appeal and Equalization;
- To report the results of their deliberations back to the St. Louis County Board in the form of minutes kept by the Clerk of the County Board;
- Directed to hold at least one meeting day in the St. Louis County Court House, Duluth, and one day at the Northland Office Center, in Virginia, Minnesota;
- To be compensated at the rate of \$200 per meeting day (payable from Assessor's Department Fund 100, Agency 118001, Object 635300 Non-employee fees) and be reimbursed for mileage and expenses at the current county rate (from Assessor's Department Fund 100, Agency 118001, Object 635500 - Non-employee travel);
- Directed to convene at 10:00 AM, June 18, 2013, in the Commissioner's Conference Room, St. Louis County Courthouse, Duluth, MN.

BOARD LETTER NO. 13 - 145

CENTRAL MANAGEMENT & INTEGGOVERNMENTAL COMMITTEE NO. 2

BOARD AGENDA NO.

DATE: April 9, 2013 **RE:** Theft and Vandalism Reward
Policy

FROM: Kevin Z. Gray
County Administrator

RELATED DEPARTMENT GOAL:

To exercise responsible stewardship of county resources; to manage the overall County Budget; make budget recommendations to the County Board.

ACTION REQUESTED:

The St. Louis County Board is requested to consider developing a theft and vandalism reward policy to provide for a reward offer for information leading to the arrest and conviction of criminals who victimize vendors working under contract to St. Louis County.

BACKGROUND:

Recently vendors under contract to St. Louis County for specified Public Works construction sites and capital building projects have been victimized by theft and vandalism of materials and equipment. By direction of the County Board, the county is currently offering a \$5,000 reward for information that directly leads to the arrest and conviction of the person or people responsible for the theft of copper wiring from contractors working on the Haines Road reconstruction project in West Duluth and Hermantown. The theft was discovered on March 11, the day blasting was to begin at the site. The contractor reported approximately 1,200 feet of wiring had been stolen overnight from three pieces of equipment. The loss is valued in excess of \$40,000.

Commissioner Nelson has proposed that the St. Louis County Board consider developing a theft and vandalism reward policy to address this kind of criminal activity. It is being proposed that the county, by policy, offer a reward of up to \$5000 for any information leading to the arrest and conviction of those involved in activity of this nature occurring on county project sites, funded by St. Louis County.

RECOMMENDATION:

It is recommended that the St. Louis County Board approve the implementation of a theft and vandalism reward policy and identify a budget source for the payment of such rewards, as outlined in the attached resolution.

Theft and Vandalism Reward Policy

BY COMMISSIONER _____

WHEREAS, Vendors under contract to St. Louis County for specified Public Works projects sites and construction projects have been victimized by theft and vandalism of materials and equipment; and

WHEREAS, The St. Louis County Board has directed that a \$5,000 reward be offered for information that directly leads to the arrest and conviction of the person or people responsible for the theft of copper wiring from contractors working on the Haines Road reconstruction project; and

WHEREAS, Public Works construction projects and county capital building projects represent significant investments of tax payer dollars in public safety and infrastructure for the future of the citizens of St. Louis County; and

WHEREAS, The St. Louis County Board feels it is imperative to take a stand against theft and vandalism resulting in the loss of materials and equipment on any county public works or building site, making it clear that the citizens of St. Louis County will not tolerate this crime;

THEREFORE, BE IT RESOLVED, The St. Louis County Board establishes a policy directing that a reward of up to \$5,000 be offered for information that directly leads to the arrest and conviction of the person or people responsible for the theft or vandalism of any materials and/or equipment located on public works or building construction project sites, funded by St. Louis County;

RESOLVED FURTHER, That County Administration shall annually identify a budget source for the payment of theft and vandalism rewards;

RESOLVED FURTHER, That the appropriate law enforcement agencies will be consulted related to the specific jurisdictions within which the crime occurs, so that all cooperative and strategic efforts may be utilized to ensure the capture and conviction of the person or people responsible.