



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

**October 11, 2011**

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

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**CONSENT AGENDA:**

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

**Minutes of October 4, 2011**

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

1. Abatement List for Board Approval [11-387]
2. Submission of Shelter Plus Care Application to Support Bois Forte New Moon Supportive Housing Project [11-388]
3. Lawful Gambling Application (Fredenberg Township) [11-389]

**ESTABLISHMENT OF PUBLIC HEARING:**

4. Establish Public Hearing to Consider Adoption of 2012 Fee Schedule (Tuesday, November 8, 2011, 9:40 a.m., St. Louis County Courthouse, Duluth, MN) [11-390]

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**TIME SPECIFIC PRESENTATION:**

**11:00 A.M. Minnesota Inter-County Association, Keith Carlson – End of Session Report**

**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.*

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

1. **Virginia Courthouse Remodeling and New Addition Construction Project [11-391]**  
Resolution authorizing a contract with Max Gray Construction of Hibbing, MN for remodeling and construction of an addition to the Virginia Courthouse.
2. **Jail Energy Efficiency Upgrades – Water Systems Installation [11-392]**  
Resolution authorizing a contract with Bob Hecimovich Mechanical of Hibbing, MN for the installation of water system upgrades at the St. Louis County Jail in Duluth.

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**COMMISSIONER DISCUSSION ITEMS AND REPORTS:**

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

**ADJOURNED:**

*Because there is no Board meeting scheduled for October 18<sup>th</sup>, the County Board may reconvene to address these agenda items.*

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

**October 25, 2011**     **McDavitt Town Hall, Zim, MN**

**November 1, 2011**     **Commissioners' Conference Room, Courthouse, Duluth, MN**

**November 8, 2011**     **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, October 4, 2011

Location: County Board Conference Room, Duluth, MN  
Present: Commissioners O'Neil, Jewell, Dahlberg, Forsman, Sweeney, Nelson and Raukar  
Absent: None  
Convened: Chair O'Neil called the meeting to order at 3:18 p.m.

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**CONSENT AGENDA**

Raukar/Nelson moved to approve the consent agenda. At the request of Commissioner Sweeney, the abatement list was pulled for separate consideration. Commissioner Sweeney noted the public hearing scheduled on October 25, 2011. The remainder of the consent agenda was approved. (7-0)

- Minutes of September 27, 2011
- Repurchase of State Tax Forfeited Land – Wells Fargo Bank
- Reinstatement of Contract for Repurchase of State Tax Forfeited Land – Schweiger
- Cancellation of Contract for Purchase of State Tax Forfeited Land – McFarland
- Land Atlas and Plat Book Development and Printing
- Advertising for Applicants to the St. Louis County Board of Adjustment
- New Job Class – County Extension Administrator
- Consolidation of Communications Center “Effects Bargaining” Agreement
- Establish Public Hearing to Consider an Off-Sale Intoxicating Liquor License – Fredenberg Township (October 25, 2011, 9:40 a.m., McDavitt Town Hall, Zim, MN)

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**REGULAR AGENDA**

Nelson/Raukar moved to approve the abatement list. Administrator Gray said the action requested is to approve the abatement list, noting Commissioner Sweeney has a potential conflict of interest. The motion passed. (6-0-1 abstention- Commissioner Sweeney)

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**COMMISSIONER DISCUSSION ITEMS**

Commissioner Forsman referred to an article in the Ely Echo regarding AT&T's appeal in the cell tower lawsuit, located in Lake County. Commissioner Forsman discussed whether St. Louis County should bring any action and said he would bring additional information to a future meeting.

Commissioner Dahlberg attended the WWII Honor Flight take-off and said it was a very emotional experience. Commissioner Dahlberg announced Boo at the Zoo starts on Saturday and noted there is a Branson Country Dance fundraiser for the Bethany Crisis Center at St. Margaret Mary's Church on October 15, 2011, at 7:00 p.m.

Commissioner O'Neil reminded everyone that next week is the 29<sup>th</sup> annual Health and Human Services Conference held at the Duluth Entertainment and Convention Center.

At 3:29 p.m., Raukar/Sweeney moved to adjourn the committee of the whole meeting. (7-0)

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Steve O'Neil, Chair of the County Board

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Patricia Stolee, Clerk of the County Board

# BOARD LETTER NO. 11 - 387

FINANCE & BUDGET COMMITTEE CONSENT NO. 1

BOARD AGENDA NO.

**DATE:** October 11, 2011                      **RE:** Abatement List for Board Approval

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

Mark Monacelli, Director  
Public Records & Property Valuation

David L. Sipila  
County Assessor

**RELATED DEPARTMENT GOAL:**

The County Assessor will meet all state mandates for classifying and valuing taxable parcels for property tax purposes as outlined in Minn. Stat. § 270 through 273.

**ACTION REQUESTED:**

The St. Louis County Board is requested to approve the attached abatements.

**BACKGROUND:**

The intent of abatements is to provide equitable treatment to individual taxpayers while at the same time exercising prudence with the tax monies due to the taxing authorities within St Louis County. Abatements are processed in conformance with St. Louis County Board Resolution No. 861, dated November 30, 1993, outlining the Board's policy on abatement of ad valorem taxes. This Policy provides direction for the abatement of: 1) Current year taxes; 2) Current year penalty and costs; 3) Past year taxes; and 4) Past year penalty, interest, and costs.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board approve the attached list of abatements.

## Abatement List for Board Approval

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

**RESOLVED**, that the St. Louis County Board approves the applications for abatements, correction of assessed valuations and taxes plus penalty and interest, and any additional accrual, identified in County Board File No. 59185.

10/3/2011  
9:54:17AM

Abatements Submitted for Approval by the St. Louis County Board  
on 10/25/2011

<u>PARCEL CODE</u>	<u>AUD NBR</u>	<u>NAME</u>	<u>TYPE</u>	<u>LOCATION</u>	<u>APPRAISER</u>	<u>REASON</u>	<u>YEAR</u>	<u>REDUCTION</u>
260 15 52	0 14213	DAVEY ROBERT	R	Biwabik	Bob Kivela	HOMESTEAD	2011	598.94
10 3430 13230	0 14214	DUBLA, DIANE	R	City of Duluth	Diane Suomi	HOMESTEAD	2011	234.80
175 15 110	0 14215	HEIKKILA, DON	R	Mt. Iron	Mike Harvey	HOMESTEAD	2011	597.94
370 10 2950	0 14216	WEIDENKOPF, VIRGINIA	R	French	John Hultstrand	VALUATION	2011	382.02

# BOARD LETTER NO. 11 - 388

FINANCE & BUDGET COMMITTEE CONSENT NO. 2

BOARD AGENDA NO.

**DATE:** October 11, 2011                      **RE:** Submission of Shelter Plus  
Care Application to Support  
Bois Forte New Moon  
Supportive Housing Project

**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 approve St. Louis County as the applicant for U.S. Department of Housing and Urban Development (HUD) Shelter Plus Care funding to support the Bois Forte Band of Chippewa – New Moon Supportive Housing Project.

## **BACKGROUND INFORMATION:**

HUD has published its Notice of Funding Availability (NOFA) for the Continuum of Care Homeless Assistance Programs that includes the Shelter Plus Care Program (S+C). The S+C Program will provide 5 years of rental assistance for homeless persons entering the New Moon rental units. The Bois Forte Band must match the rental assistance, dollar for dollar, with supportive services to assist the tenants with transition from homelessness to permanent stable housing and independent living.

The S+C Program limits eligible applicants to states, units of local government, or public housing agencies. The applicant may then manage the rental assistance itself and directly provide the supportive services or subcontract with an entity to undertake these activities.

St. Louis County is proposing to be the S+C applicant and subcontract with the Bois Forte Band of Chippewa as the owner of the assisted units to administer the rental

assistance and to provide all supportive services and matching funding. St. Louis County will retain oversight responsibility for ensuring that HUD-required reporting and grant compliance are achieved.

The St. Louis County HRA assisted the Bois Forte Band of Chippewa with \$150,000 in construction funding to aid in the development of the 20 rental units in the New Moon Supportive Housing Project. The Shelter Plus Care application will assist the tenants with payment of rent to support the operations of these units.

Shelter Plus Care funding is being requested for 8 of the 19 units created in the New Moon Development. The rental subsidy for the 8 units amounts to \$278,402 annually with adjustments for fair market rent. The application will be for 5 years of rental subsidy, and renewal of the Shelter Plus Care grant may be requested at the end of the initial 5-year term.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board direct and authorize the Planning and Community Development Director to prepare and submit all documents associated with the Bois Forte-New Moon Supportive Housing Project Shelter Plus Care application.

**Submission of Shelter Plus Care Application to Support Bois Forte  
New Moon Supportive Housing Project**

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

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) Office of Community Planning and Development has issued its Notice of Funding Availability (NOFA) for Continuum of Care Homeless Assistance Programs including the Shelter Plus Care Program; and

WHEREAS, St. Louis County is an eligible applicant for the Shelter Plus Care Program and has received a request from the Bois Forte Band of Chippewa for Shelter Plus Care rental subsidy assistance for the Band's New Moon Supportive Housing Project; and

WHEREAS, the Bois Forte Band of Chippewa is the owner of the 8 rental units to be assisted by the Shelter Plus Care rental subsidy and will provide the rental assistance administration, client eligibility documentation, supportive service provision, Homeless Management Information System (HMIS) reporting, and all matching funding commitment required to support the project.

NOW, THEREFORE, BE IT RESOLVED, that the Planning and Community Development Director is authorized to prepare and submit a Shelter Plus Care application including all assurances and understanding required therein for \$278,402 in annual rental subsidy for 5 years to cover 8 units in the Bois Forte Band of Chippewa - New Moon Supportive Housing Project.

# BOARD LETTER NO. 11 - 389

FINANCE & BUDGET COMMITTEE CONSENT NO. 3

BOARD AGENDA NO.

**DATE:** October 11, 2011

**RE:** Lawful Gambling Application  
(Fredenberg Township)

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

Donald Dicklich  
County Auditor

**RELATED DEPARTMENT GOAL:**

Provide mandated and discretionary licensing services in a timely manner.

**ACTION REQUESTED:**

The St. Louis County Board is requested to approve a lawful gambling application in Fredenberg Township.

**BACKGROUND:**

The following Lawful Gambling Application has been reviewed by the members of the Liquor Licensing Committee and is recommended for approval.

Reservoir Riders, Inc. to operate out of Blue Max, Fredenberg Township,  
6139 LaVaque Road, Duluth, MN 55803, new.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board approve the above Lawful Gambling application.

## Lawful Gambling Application (Fredenberg Township)

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

RESOLVED, that pursuant to Minnesota Statutes 349.213, Subd. 2, the St. Louis County Board approves the following Lawful Gambling License Application (Pull-tabs and Tipboards) on file in the office of the County Auditor, identified as County Board File No. 59219, for the following organization:

Reservoir Riders, Inc. to operate out of Blue Max, Fredenberg Township,  
6139 LaVaque Road, Duluth, MN 55803, new.

# BOARD LETTER NO. 11 - 390

FINANCE & BUDGET COMMITTEE CONSENT NO. 4

BOARD AGENDA NO.

**DATE:** October 11, 2011

**RE:** Establish Public Hearing to  
Consider Adoption of 2012 Fee  
Schedule

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

**RELATED DEPARTMENT GOAL:**

Manage the preparation of the County Budget and make budget recommendations to the County Board.

**ACTION REQUESTED:**

The St. Louis County Board is requested to establish a public hearing to receive comment on and adopt a 2012 Fee Schedule.

**BACKGROUND:**

County departments were asked to review fees and submit to Administration fees reflecting increased costs due to inflation, wage settlements, and specific products necessary to perform the services. Some departments determined that current fees adequately covered the cost of the service, and justification for this decision was included in their submittals. Administration reviewed revisions and compiled a proposed fee schedule for various county services which was presented to the County Board at its August 11, 2011 Board workshop. It is necessary to hold a public hearing on the fees which have been included in the projected revenues proposed for the 2012 budget.

**RECOMMENDATION:**

It is recommended that the County Board establish a public hearing for Tuesday, November 8, 2011 at 9:40 a.m. at the St. Louis County Courthouse, Duluth, Minnesota, for the purpose of obtaining public comment and adopting a 2012 fee schedule.

**Establish Public Hearing to Consider Adoption  
of 2012 Fee Schedule**

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

RESOLVED, that the St. Louis County Board will convene a public hearing at 9:40 a.m. on Tuesday, November 8, 2011, St. Louis County Courthouse, Duluth, Minnesota, to consider the adoption of the fee schedule for various county services for the year 2012.

# BOARD LETTER NO. 11 - 391

FINANCE & BUDGET COMMITTEE NO. 1

BOARD AGENDA NO.

**DATE:** October 11, 2011

**RE:** Virginia Courthouse  
Remodeling and New Addition  
Construction Project

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

Tony Mancuso, Director  
Property Management

**RELATED DEPARTMENT GOAL:**

Provide safe, secure, efficient, and code compliant facilities and facility operations.

**ACTION REQUESTED:**

The St. Louis County Board is requested to authorize a construction services contract with Max Gray Construction of Hibbing, Minnesota for the construction of the Virginia Courthouse addition and remodeling project.

**BACKGROUND:**

The Virginia Courthouse is experiencing overcrowding, critical security issues, has obsolete HVAC and mechanical infrastructure, an energy inefficient shell and windows, and has no energy management system. The Sheriff's Office staff are in substandard space originally designed for storage, the County Attorney's Office and Arrowhead Regional Corrections offices are struggling to function in a safe, secure, and efficient manner, with both being over crowded. This project will complete the Virginia Courthouse long term master plan and bring the facility up to date for building safety, building code, and current efficiency standards.

The 2010A bond project package includes the remodeling, energy upgrades, window replacement, and new addition project for the courthouse in Virginia (October 5, 2010, Board Resolution No. 10-480).

The Purchasing Division solicited bids, which were opened on October 3, 2011, with the following results:

<b>Max Gray Construction - Hibbing, MN</b>	<b>\$5,706,800</b>
Merrimac Construction - East Bethel, MN	\$5,724,322
Johnson-Wilson Construction - Duluth, MN	\$5,737,000
Sheehy Construction - St. Paul, MN	\$5,938,800
Miron Construction - Neenah, WI	\$6,003,350
Shaw-Lundquist - St. Paul, MN	\$6,211,500

**RECOMMENDATION:**

It is recommended that the St. Louis County Board authorize a professional construction contract with Max Gray Construction of Hibbing, Minnesota, in the amount of \$5,706,800 to construct an addition to and remodel the existing Virginia Courthouse, payable from Fund 439 - 439001 - 662100, bond sale proceeds.

**Virginia Courthouse Remodeling and New Addition  
Construction Project**

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

WHEREAS, the Virginia Courthouse is experiencing overcrowding, critical security issues, has obsolete HVAC and mechanical infrastructure, an energy inefficient shell & windows, and has no energy management system; and

WHEREAS, the 2010A bond project package includes the remodeling, energy upgrades, window replacement, and new addition project for the courthouse in Virginia (October 5, 2010, County Board Resolution No. 10-480); and

WHEREAS, the Purchasing Division conducted a competitive bidding (Bid # 4914-1) process for the building addition and remodeling with Max Gray Construction of Hibbing, Minnesota providing the lowest qualified bid.

NOW, THEREFORE, BE IT RESOLVED, the St. Louis County Board authorizes the appropriate county officials to enter into a professional construction contract with Max Gray Construction of Hibbing, Minnesota, in an amount of \$5,706,800, for construction services for the Virginia courthouse remodeling/upgrade and new addition project, payable from Fund 439 - 439001-662100, bond sale proceeds.

# BOARD LETTER NO. 11 - 392

FINANCE & BUDGET COMMITTEE NO. 2

BOARD AGENDA NO.

**DATE:** October 11, 2011

**RE:** Jail Energy Efficiency  
Upgrades – Water Systems  
Installation

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

Tony Mancuso, Director  
Property Management

**RELATED DEPARTMENT GOAL:**

Provide efficient, safe, secure, and code compliant facility operations.

**ACTION REQUESTED:**

The St. Louis County Board is requested to authorize a contract for the installation of high efficiency - commercial grade domestic hot water heating and HVAC preheat “mini condensing boiler” equipment for the energy efficiency upgrade project at the County Jail.

**BACKGROUND:**

The jail domestic water system (showers and fixtures) and domestic hot water heating system are 15 years old. The original design was inefficient and difficult to monitor. Utility rates have increased by double digits in the past three years and the equipment/fixtures have reached their life cycle. The timing is appropriate for this project regarding these two issues, plus the looming repair expenses for end of life cycle equipment/fixtures, and the present availability of a \$75,000 Minnesota Office of Energy Security stimulus grant (County Board Resolution No. 10-482, dated October 5, 2010) for the purchase of energy efficient upgrades. The entire project’s payback is approximately four years per engineer’s calculations at 2010 utility rates.

This phase of the project will include the installation of high efficiency domestic hot water heaters and a small condensing boiler in the HVAC system. This equipment purchase was authorized by the County Board in June 2011. The ancillary portion of this phase of the project is the solar water heating preheating equipment installation, which will reduce the payback period even more.

The next phase of the jail energy reduction and efficiency project will be the replacement of shower valves and other fixtures with low flow and automatic shut off fixtures. Once all of the efficient water systems are completed, the existing black roof will be replaced with a white roof. The next step will be to upgrade the HVAC controllers, automated energy management systems, and variable frequency electric motor controllers. The decision has been made to aggressively address the jail's energy consumption issues, currently at \$276,944 in annual utility expenses

The Purchasing Division solicited for and opened bids on September 27, 2011 and the bids received were as follows:

<b>Bob Hecimovich Mechanical - Hibbing, MN</b>	<b>\$147,140.00</b>
A. G. O'Brien Company - Hermantown, MN	\$163,480.00
R. J. Mechanical - Mora, MN	\$173,600.00
A. W. Kuettel - Duluth, MN	\$191,700.00

**RECOMMENDATION:**

It is recommended the St. Louis County Board authorize a contract with Bob Hecimovich Mechanical of Hibbing, MN in the amount of \$147,140 for the installation of water system upgrades at the St. Louis County Jail in Duluth, Minnesota, payable from Fund 400, Agency 400032 and Minnesota Office of Energy Security Stimulus Grant funds - Fund 400, Agency 400999, Grant 40001.

## Jail Energy Efficiency Upgrades – Water Systems Installation

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

WHEREAS, the St. Louis County jail domestic water systems are 15 years old, inefficient and in need of replacement; and

WHEREAS, utility rates have increased by double digits in the past three years and the equipment/fixtures have reached their life cycle; and

WHEREAS, there is presently a \$75,000 Minnesota Office of Energy Security stimulus grant available for the purchase of energy efficient upgrades; and

WHEREAS, Bob Hecimovich Mechanical of Hibbing, Minnesota provided the low bid proposal (bid #4959-1) in an amount of \$147,140 for the installation of water system upgrades.

NOW, THEREFORE, BE IT RESOLVED, the St. Louis County Board authorizes the appropriate county officials to execute an agreement with Bob Hecimovich Mechanical of Hibbing, Minnesota for the installation of high efficiency domestic hot water heaters and a high efficiency condensing boiler for the county jail facility, payable from Fund 400, Agency 400032 and Minnesota Office of Energy Security Stimulus Grant Funds (County Board Resolution No. 10-482) - Fund 400, Agency 400999, Grant 40001.