



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

July 3, 2012

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

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 June 26, 2012

Finance & Budget Committee – Commissioner Raukar, Chair

1. Abatement List for Board Approval [12-278]
2. Board Travel Policy Meal Allowance Rates [12-279]

TIME SPECIFIC PRESENTATION:

11:00 a.m. “Pictometry Presentation” – Barbara Hayden, Director of Planning & Community Development and Mark Monacelli, Director of Public Records & Property Valuation

REGULAR AGENDA:

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

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

1. **Explore Regional Collaboration of Child Support [12-280]**
Resolution authorizing the Public Health and Human Services Director to seek support from the Minnesota Department of Human Services for a pilot study of a regional collaboration model of the child support program.
2. **Arrowhead Health Alliance [12-281]**
Resolution authorizing St. Louis County to join the Arrowhead Health Alliance and enter into the Joint Powers Agreement.

Public Works & Transportation Committee – Commissioner Forsman, Chair

1. **Award of Bids – CP 111484 and 121195, Stuntz Bay Access Road, Frith Drive and Access Road near Soudan [12-282]**
A call for bids is scheduled for June 28, 2012. Bid results and a resolution for consideration will be provided at the July 3, 2012 Committee of the Whole meeting.

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:

July 10, 2012 **Commissioners' Conference Room, Courthouse, Duluth, MN**

July 24, 2012 **Floodwood City Hall, 111 West 8th Avenue, Floodwood, MN**

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

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

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

Tuesday, June 26, 2012

Location: Semer's Park Pavilion, Ely, MN
Present: Commissioners Dahlberg, Forsman, Nelson, Sweeney and Raukar
Absent: Commissioners Jewell and O'Neil
Convened: Chair Nelson called the meeting to order at 3:07 p.m.

CONSENT AGENDA

Sweeney/Forsman moved to approve the consent agenda. Commissioner Sweeney noted the public hearing scheduled on July 24, 2012, in Floodwood. (5-0)

- Minutes of June 12, 2012

1. Drug Testing Contract Amendments – Arrowhead Center and Duluth Bethel Society
2. Permanent Conservation Easement on State Tax Forfeited Land (Town of Duluth-North)
3. Repurchase of State Tax Forfeited Land - Wayzata Hospitality Group
4. Special Sale to the Duluth Housing and Redevelopment Authority
5. Special Sale to the Eveleth-Virginia Airport Authority
6. Road and Utility Easement Across State Tax Forfeited Land – Trygg
7. Acceptance of Grant for Bridge Replacement Project – CP 61896 (Duluth Township)
8. Sale of Surplus Fee Land Section 25 (Unorganized Township T57N, R16W)
9. Dedication of Permanent Highway Easements over County Fee Owned Property
10. Authorize Use of the 2011 Buffer Zone Protection Program Grant for End User Radios
11. Establish Public Hearing for Suspension/Revocation of Liquor Licenses for Property Tax Non-Payment (9:40 a.m., Tuesday, July 24, 2012, City Hall, Floodwood, Minnesota)

REGULAR AGENDA

At 3:10 p.m., Commissioners Jewell and O'Neil joined the meeting.

Dahlberg/Sweeney moved to approve a resolution to retain tax-forfeited land due to its valuable state and county minerals assets. Land and Minerals Commissioner Bob Krepps said the county was advised by the state not to sell the property due to the valuable minerals on the surface, as well as subsurface. (7-0)

Forsman/Nelson moved to award a contract for South St. Louis County Crack Sealing project to Asphalt Surface Technologies Corp. a/k/a ASTECH Corp., St. Cloud, MN, on their low bid of \$308,356.40 (5.22% over the engineers estimate). (7-0)

Forsman/Sweeney moved to award a contract for North St. Louis County Crack Sealing project to Fahrner Asphalt Sealers, LLC, Eau Claire, WI, on their low bid of \$391,773.20 (13.04% over the engineers estimate). (7-0)

Raukar/Forsman moved to award a contract for a bridge construction project in Great Scott Township to KGM Contractors, Inc., Angora, MN, on their low bid of \$713,675.50. (7-0)

Raukar/O'Neil moved to authorize agreements with the Minnesota Department of Transportation for grant funds for a bridge replacement project in Great Scott Township. (7-0)

Raukar/Nelson move to authorize the purchase of county property insurance from Chubb Group of Insurance Companies through Otis-Magie Insurance Agency. Administrator Gray said the request is twofold and includes entering into a contract for the premium, and approve the rate. Administrator Gray said this company is currently providing the insurance coverage and is the lowest cost to the county. (7-0)

Jewell/Sweeney moved to authorize a change order for the window replacement project at the Duluth Courthouse in the amount of \$117,779. Administrator Gray said as the project progressed, unexpected items were discovered such as deteriorating terra cotta, inability to use some of the trim spots, and dead air space requiring foam insulation. Commissioner Nelson said this is reasonable in comparison to the entire scope of the project. (7-0)

At 3:38 p.m., Raukar/O'Neil moved to adjourn. (7-0)

Keith Nelson, Chair of the County Board

Patricia Stolee, Clerk of the County Board

BOARD LETTER NO. 12 - 278

FINANCE & BUDGET COMMITTEE CONSENT NO. 1

BOARD AGENDA NO.

DATE: July 3, 2012 **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. 59401.

Abatements Submitted for Approval by the St. Louis County Board
on 7/10/2012

<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>	
140	80	2430	0	14483	BALL, MARY	R	Hibbing	Bruce Sandberg	HOMESTEAD	2012	750.04
530	10	3532	0	14484	BURGER, CHARLES	R	Solway	Jan Jackson	HOMESTEAD	2012	198.86
485	10	6290	0	14485	CHESNEY, JAMES	R	Normanna	Dave Christensen	HOMESTEAD	2011	297.86
495	10	4205	0	14487	CITY OF COOK	R	Owens	Mike Harvey	EXEMPT	2012	10.46
495	10	4211	0	14486	CITY OF COOK	R	Owens	Mike Harvey	EXEMPT	2012	333.38
60	110	10	0	14486	CITY OF GILBERT	R	Gilbert	Cindy Okstad	VALUATION	2012	2,263.36
175	70	1710	0	14490	COUNTY AUDITOR	R	Mt. Iron	Kerry Welsh	CANCEL FORFEITURE	2012	0.00
375	20	670	0	14489	COUNTY AUDITORS	R	Gnesen	Kerry Welsh	CANCEL FORFEITURE	2012	0.00
520	140	2090	0	14491	ELDER, JAKE	R	Rice Lake	Noah Mittlefehldt	HOMESTEAD	2012	344.18
10	2990	10	0	14492	GARTLAND, NICHOLAS	R	City of Duluth	Diane Suomi	HOMESTEAD	2012	326.72
435	10	1380	0	14493	GISH, LARRY S	R	McDavitt	Mike Harvey	HOMESTEAD	2012	588.74
385	30	315	0	14494	GRIMES, TAMMY	R	Great Scott	Jan Jackson	HOMESTEAD	2012	543.34
10	1840	670	0	14495	HALE, LINDA	R	City of Duluth	Diane Suomi	HOMESTEAD	2012	316.50
10	4290	3190	0	14496	KELLY, JOHN	R	City of Duluth	Diane Suomi	HOMESTEAD	2012	261.64
10	2910	300	0	14497	LANG, MICHAEL	R	City of Duluth	Diane Suomi	HOMESTEAD	2012	306.30
10	2640	1585	0	14498	LENT, BRYAN	R	City of Duluth	Diane Suomi	HOMESTEAD	2012	319.06
698	75	41	0	14499	LOKKEN, JORDAN M	R	63-17	Dan Christensen	HOMESTEAD	2012	404.74
305	20	1910	0	14500	MAUS, GARY	R	Cotton	Andy Plesha	HOMESTEAD	2012	208.52
10	2220	670	0	14501	MORRISON, CHRISTOPHE	R	City of Duluth	Diane Suomi	HOMESTEAD	2012	292.24
395	10	2952	2415	14502	MYHRE, RYAN	M	Hermantown	Noah Mittlefehldt	PP CANCEL	2010	62.08
175	70	1491	0	14503	NEGEN, BYRON	R	Mt. Iron	Mike Harvey	HOMESTEAD	2012	603.34
142	24	1540	0	14504	SCOTT, CHAD	R	Hoyt Lakes	Beth Sokoloski	HOMESTEAD	2012	751.54
475	10	4841	0	14506	ST LOUIS CO SCH DIST	R	New Independence	Jan Jackson	EXEMPT	2012	290.62
20	40	2140	0	14505	ST NICHOLAS RUSSIAN	R	Chisholm	Bob Wiinanen	VALUATION	2012	155.66
10	390	895	0	14507	STOCKARD, ALICIA	R	City of Duluth	Diane Suomi	HOMESTEAD	2012	283.32
325	10	460	0	14508	VANDUKER, JAMES	R	Elmer	Jan Jackson	VALUATION	2012	580.88

BOARD LETTER NO. 12 - 279

FINANCE AND BUDGET COMMITTEE
CONSENT NO. 2

BOARD AGENDA NO.

DATE: July 3, 2012

**RE: Board Travel Policy Meal
Allowance Rates**

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

**Donald Dicklich
County Auditor/Treasurer**

RELATED DEPARTMENT GOAL:

To provide efficient, effective government.

ACTION REQUESTED:

The St. Louis County Board is requested to update the county travel policy meal allowance reimbursement rates.

BACKGROUND:

The St. Louis County Board adopted a travel policy, Resolution No. 87-706 on November 9, 1987. Meal allowance reimbursement rates were established at that time as part of the policy: Breakfast - \$5.00; Lunch - \$7.00; and Dinner \$13.00. There have been a number of minor changes to the policy since inception, but none to adjust the meal allowance.

A review of the United States General Services Administration (GSA) conus reimbursement rates indicates that after nearly 25 years, adjustment is warranted. Based on the GSA reimbursement rates, current county meal allowance reimbursement rates should be adjusted as follows: Breakfast - \$7.00; Lunch - \$11.00; and Dinner \$23.00.

RECOMMENDATION:

It is recommended the St. Louis County Board authorize an adjustment to the St. Louis County Board Travel Policy Meal Allowance Reimbursement Rates, in accordance with current U.S. General Services Administration reimbursement rates.

Board Travel Policy Meal Allowance Rates

BY COMMISSIONER _____

WHEREAS, the St. Louis County Board adopted a Travel Policy on November 9, 1987 by Board Resolution No. 87-706; and

WHEREAS, meal allowance reimbursement rates were established at that time as part of the policy; and

WHEREAS, there has been no adjustment to the meal allowance reimbursement rates since policy inception; and

WHEREAS, the U.S. General Services Administration table of meal allowance reimbursement rates for St. Louis County indicates adjustment is warranted.

NOW THEREFORE, BE IT RESOLVED, the St. Louis County Board authorizes an adjustment to the St. Louis County Board Travel Policy Meal Allowance Reimbursement Rates as follows: Breakfast - \$7.00; Lunch - \$11.00; and Dinner - \$23.00.

BOARD LETTER NO. 12 - 280

HEALTH & HUMAN SERVICES COMMITTEE NO. 1

BOARD AGENDA NO.

DATE: July 3, 2012 **RE:** Explore Regional Collaboration of Child Support

FROM: Kevin Z. Gray
County Administrator

Ann M. Busche, Director
Public Health & Human Services

RELATED DEPARTMENT GOAL:

Children will be born healthy, live a life free from abuse and neglect, and will have a permanent living arrangement.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize the Public Health and Human Services (PHHS) Director to join with the six other counties of Region 3 in seeking support from the Department of Human Services (DHS) for a pilot study of a regional collaboration model of the child support program.

BACKGROUND:

Minnesota Child Support is a state administered, county run program that works with parents to establish and enforce support orders. The Child Support Program helps children receive the basic financial support, medical support, and child care support they deserve, helps families work toward becoming and remaining self-sufficient, and helps parents establish a financial partnership with each other.

In the spirit of collaboration, Child Support Supervisors from the seven county Arrowhead Region have been meeting over the past year and have suggested a number of enhanced service ideas worthy of exploration. These ideas, during the planning stage, would be of little or no cost to St. Louis County. Areas to be studied might include:

- Electronic Document Management System
- ITV-interactive communication systems for court, clients, and staff
- Shared supervision
- Regional Child Support Procedures Manual and regional trainers
- Specialization across county lines, sharing expertise, etc. in the following areas: Interstate, Financial Institution Data Match, Excess Support, Judgment tracking and renewals, Arrears Only, Recreational License suspension, and Account Review
- Shared special projects
- Waivers from DHS from the responsibility of collection of child care and unreimbursed medical

- Grants-pursue the possibility of obtaining regional grants to assist in planning, restructuring, and maintaining momentum in regional collaborative efforts.

DHS is exploring a pilot in the southeast part of the state where a state takeover of the child support system is being tested. There is a desire among all seven County Public Health & Human Service Directors to offer an alternative model as comparison; that model being a regional child support system. The goal is to pursue a regional pilot and develop a practical operational plan. The desired outcome is greater service to the public and long term financial savings through program and technological efficiencies.

As a part of the ongoing discussions on redesign, representatives from the seven counties met in January and the commissioners present voted to pursue the concept of a regional child support system. At that meeting each county was represented by two commissioners; St Louis County was represented by Commissioners O'Neil and Jewell. County Administrator Kevin Gray and PHHS Director Ann Busche also attended.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the PHHS Director to join with the six other counties of Region 3 in seeking support from the Department of Human Services for a pilot study of a regional collaboration model of the child support program.

Explore Regional Collaboration of Child Support

BY COMMISSIONER _____

WHEREAS, Minnesota Child Support is a state administered, county run program that works with parents to establish and enforce support orders; and

WHEREAS, Child Support Supervisors from the seven county Arrowhead Region have been meeting over the past year and have suggested a number of enhanced service ideas worthy of exploration; and

WHEREAS, there is a desire among all seven county Public Health and Human Services Directors to test these options by requesting formal support from the MN Department of Human Services; and

NOW THEREFORE, BE IT RESOLVED, that the St. Louis County Board authorizes the St. Louis County Public Health and Human Services Director to join with the six other counties of Region 3 in seeking support from the Department of Human Services for a pilot study of a regional collaboration model of the child support program.

BOARD LETTER NO. 12 - 281

HEALTH & HUMAN SERVICES COMMITTEE NO. 2

BOARD AGENDA NO.

DATE: July 3, 2012 **RE:** Arrowhead Health Alliance

FROM: Kevin Z. Gray
County Administrator

Ann Busche, Director
Public Health & Human Services

RELATED DEPARTMENT GOAL:

To provide for a community where all are safe and healthy.

ACTION REQUESTED:

The St. Louis County Board is requested to join the Arrowhead Health Alliance and authorize execution of the joint powers agreement.

BACKGROUND:

Arrowhead Health Alliance (AHA) was formed in 2007 as a way to integrate health care and human services in Carlton, Cook, Koochiching and Lake Counties. AHA is not a county-based purchasing entity; it is a model of partnership for county health and human services agencies. Please see the attached graph which articulates the differences between AHA and county based purchasing. Since its inception, AHA has used this model to partner with health plans, apply for grants (local, state & federal), and connect with local area providers to develop a network of health and human services related organizations.

AHA Partnership with Health Plans

Health plans are responsible to care for the health needs of their covered members, and counties are responsible for the public health and safety of their citizens. AHA allows health plans and counties to mutually decide on services that increase outreach, are preventative and cost effective. In other words, health plans have an interest in preventing more acute injury or illness. It is more cost effective to prevent these from occurring than paying for them after they happen. Counties have the unique ability to deliver services at the local level. Similar to the existing contracts that counties have with managed care organizations for the delivery of services to seniors through the Minnesota Senior Health Options (MSHO) program, health plans contract with AHA to deliver mutually agreed upon services to their members. Examples of programs or services delivered through this model of AHA counties and health plans include attempts to:

- Increase Childhood Lead Testing
- Reduce Churn Rate (health plan enrollment)
- Reduce Inpatient Admissions (behavioral/mental health)
- Reduce Emergency Room (ER) admissions

Health plans contracting for services have included FirstPlan of Minnesota and Blue Cross/Blue Plus. AHA is currently working with UCare of Minnesota to develop initiatives focused on reducing ER Admissions and improving behavioral health services.

AHA as Applicant/Recipient of Grant Dollars

AHA also serves as a legal entity for the region to apply for local, state or federal grants. AHA has received grants which have established or maintained home visiting, improved mental health services through virtual crisis services, and channeled dollars to individual counties for increased children's health insurance enrollment. Sources of grant funds have included the Health Resource Service Administration, Generations and UCare of Minnesota.

AHA Establishing Health and Human Services Network

Another goal of AHA is to improve the overall Health and Human Services Network in the Arrowhead Region. To that end, AHA has worked to establish relationships with agencies including, but not limited to:

Arrowhead Regional Development Commission, Department of Human Services, FirstPlan, Blue Cross, UCare, Generations, Community Health Board, Integrity, Community Health Information Collaborative, Prime West, South County Health Alliance, Health Resources and Services Administration, Lloyd K. Johnson Foundation, University of Minnesota-Duluth Medical School, Rural Health Resource Center, Region 3 Adult Mental Health Initiative (AMHI)

A recent example of this networking would include the relationship between AHA and the Region 3 AMHI, which includes the counties of the Arrowhead region (Carlton, Cook, Itasca, Koochiching, Lake and St. Louis) and Lake Superior Chippewa Bands of Bois Forte, Fond du Lac, and Grand Portage.

As of August 1, 2011, AHA provides meeting facilitation and coordination services to the Region 3 AMHI through a contract, allowing for a better understanding of mental health services in the region. As a result, it opens the door for AHA to work with health plans, counties, and tribes to identify gaps and develop a response which enhances the work of the AMHI. This includes the development of a Virtual Collaborative Consultation network that will improve mental health services to the entire region.

AHA and Regional Positioning

Public/private partnerships often require systems to be in place to respond to immediate opportunities. Grant applications now require a list of network or regional partners and a proven structure (director level position, governing board, etc.). There are very few national grants awarded to individual entities and the emphasis in many areas of business is now on regional relationships and regional partners.

An example is the recent TXT4Life grant that Carlton County applied for on behalf of the region. It took extra administrative efforts to bring this grant to the region. Using the structure of AHA would allow the participating counties to be more efficient and responsive to future opportunities. It is interesting to note that in May, 2012, 180 individuals reached out for help through TXT4Life and of those, 106 were in St Louis County.

Current Issue – Invitation to Join

Part of the vision of Arrowhead Health Alliance is to serve all of Northeast Minnesota. This is simply not possible without the addition of St. Louis County. Therefore, the AHA Board has extended an invitation to St Louis County to join the AHA. There is certainly value to AHA in having St Louis County participate, with its significant population and medical community. There is value to St Louis County as well, in that the AHA structure can be used to bring in non-levy resources to offer needed services.

The risk in joining rests in two basic areas. The first is programmatic risk which is very low. To date, AHA has not entered into any contractual obligations involving financial risk. In the future, should there be a proposed venture with a financial risk, a unanimous vote is required by the joint powers board.

The second area of risk is ongoing operations. In 2007 when AHA was initiated, each county contributed dollars for startup costs in the following amounts: Cook \$15,200; Carlton \$126,000; Lake \$39,000; and Koochiching \$69,000. Approximately 48% of those funds remain and are available to support AHA going forward. While St Louis County is being asked to contribute dollars to join AHA, it is not being asked to contribute a proportionate amount. This is in recognition of the value St Louis County brings to the AHA. Instead, St. Louis County is being asked to contribute 48% of the highest amount contributed, which amounts to \$60,480. The Public Health and Human Services Department has one-time money reserved which could be used for this purpose should the County Board desire to join AHA.

The AHA operational budget has averaged \$103,000 per year based on the past four years of operations. Attached is a copy of the proposed amended joint powers board agreement for the AHA.

The County Board discussed this invitation to join at its June 19, 2012 County Board workshop and asked Administration and PHHS to bring the issue forward to the Committee of the Whole for action.

RECOMMENDATION:

It is recommended that the St. Louis County Board accept the invitation to join the Arrowhead Health Alliance and authorize the appropriate county officials to execute the Arrowhead Health Alliance joint powers agreement, and authorize the PHHS Department to contribute funding to the AHA as a joining partner in the amount of \$60,480, payable from Fund 230, Agency 232006, Object 629900.

It is further recommended that the St. Louis County Board appoint the Chair of the Health and Human Services Committee to serve as its representative, and appoint one other commissioner to serve as an alternate.

Arrowhead Health Alliance

BY COMMISSIONER _____

WHEREAS, Arrowhead Health Alliance (AHA) was formed in 2007 as a way to integrate health care and human services in Carlton, Cook, Koochiching and Lake Counties; and

WHEREAS, AHA has used this model to partner with health plans, apply for local, state and federal grants, and connect with local area providers to develop a network of health and human services related organizations; and

WHEREAS, the AHA Board has extended an invitation to St Louis County to join the AHA; and

WHEREAS, the Public Health and Human Services Department believes there is value in joining AHA as St Louis County has a significant population and medical community, and can benefit from the existing AHA structure to bring in non-levy resources to offer needed services.

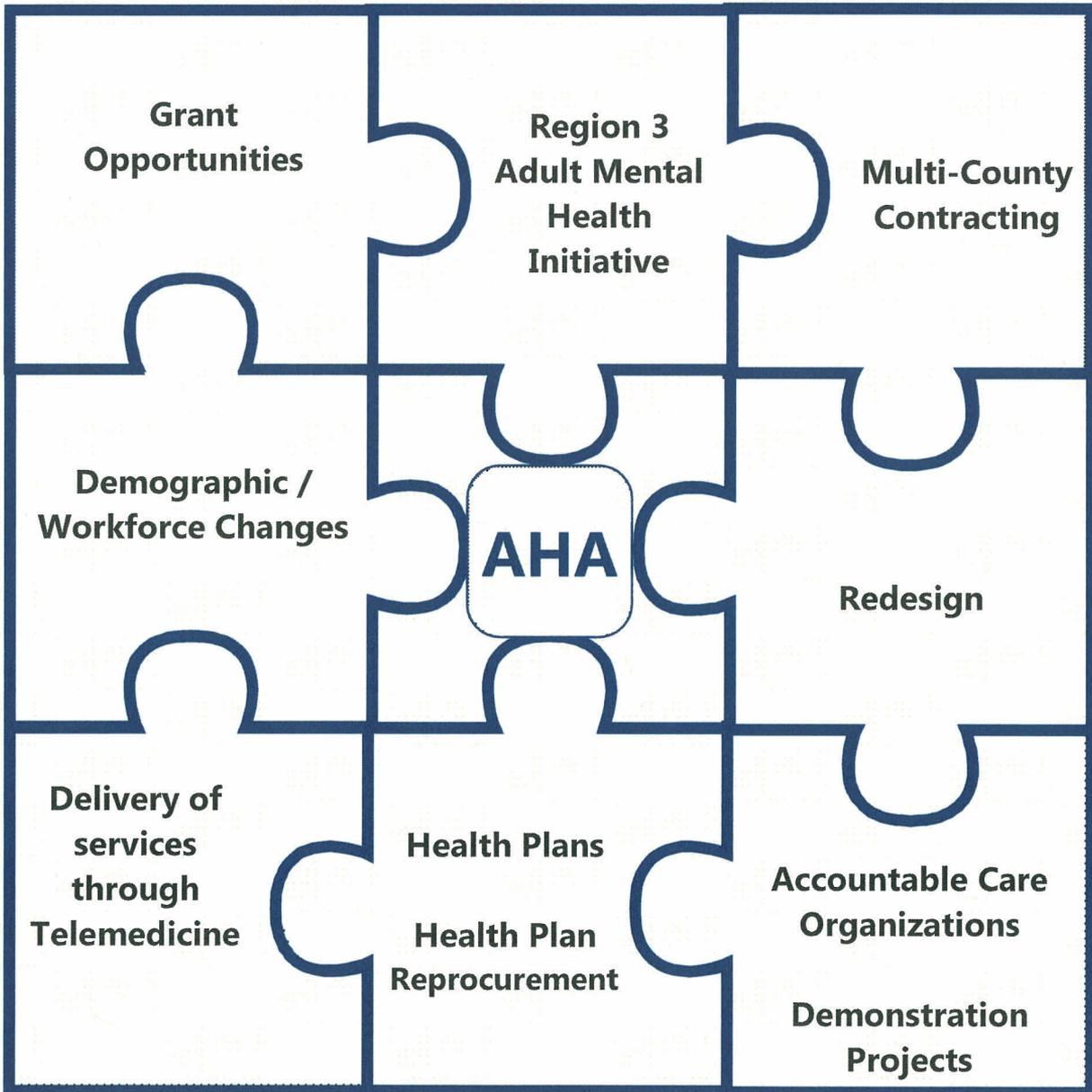
NOW THEREFORE, BE IT RESOLVED, that the St. Louis County Board authorizes the appropriate county officials to execute the Arrowhead Health Alliance (AHA) Joint Powers Agreement, and authorizes the Public Health and Human Services (PHHS) Department to contribute funding to the AHA as a joining partner in the amount of \$60,480, payable from Fund 230, Agency 232006, Object 629900.

RESOLVED FURTHER, that the County Board appoints the Chair of the Health and Human Services Committee to serve as its representative, and appoints Commissioner _____ to serve as an alternate.

RESOLVED FURTHER, that the County Board directs the PHHS Director to work with Administration to provide a report back to the Board on a quarterly basis.

Arrowhead Health Alliance		County Based Purchasing
	Governance	
Joint Powers Board made up of county commissioners from the member counties; PHS directors serve as advisors		Joint Powers Board made up of county commissioners from the member counties; health care providers or actuarial experts serve as advisors
	Operations	
<ul style="list-style-type: none"> • Counties, through the JPB, enter into mutually agreed upon contracts with a health plan to enhance services in areas covered by county health and human services • The JPB provides the governance structure to act on mutually agreed upon initiatives or grants that require multi-county collaborations • The JPB provides the governance structure to act on mutually agreed upon initiatives promoting public/private partnerships 		<ul style="list-style-type: none"> • Counties, through the JPB, act as health plans and enter into a contract with the State of Minnesota. • Responsible for all aspects of a health plan including enrollment, offering a standard benefit set of covered services, paying health care providers, etc. ,
	Upside "Risk" Revenue /Profit	
<ul style="list-style-type: none"> • Mutually agreed upon contracts with a health plan to enhance services in areas covered by county health and human services should at a minimum cover all fully loaded costs; opportunity for profitability exists. • Revenues and/or cost reductions often realized directly by individual counties. (example – grant funds, reduction of county costs due to deliver of preventive services) 		<ul style="list-style-type: none"> • Dependent on many variables such as the capitated rate paid by the State for the covered enrollees, the utilization of those enrollees, the contracts negotiated with health care providers, etc. • If the capitated amount received is greater than cost of services delivered, there is opportunity for profitability.

<ul style="list-style-type: none"> Potential revenue for AHA specific activities may remain within AHA or may be passed on to individual counties. 		
	Downside "Risk" Cost/Loss	
<ul style="list-style-type: none"> Limited to Administrative Expense and ventures entered into by unanimous support of the board. Downside risk is measurable with each budget cycle. 		<ul style="list-style-type: none"> Dependent on many variables such as the capitated rate paid by the State for the covered enrollees, the utilization of those enrollees, the contracts negotiated with health care providers, etc. If the capitated amount received is less than cost of services delivered, there is opportunity for cost/loss. When losses occur counties are required to subsidize losses. Downside Risk is measurable but difficult to budget.



ARROWHEAD HEALTH ALLIANCE

AMENDED JOINT POWERS AGREEMENT FOR HEALTH CARE SERVICES

THIS AMENDED JOINT POWERS AGREEMENT FOR HEALTH CARE SERVICES (the "Amended Agreement") is made as of _____ (the "Effective Date") under authority M.S. 471.59 (Joint Exercise of Powers) with reference to M.S. 256B.692 (County-Based Purchasing) by and between Cook County, Carlton County, Lake County, and Koochiching County (the "Initial Member Counties" and each a "Member County").

R E C I T A L S

WHEREAS, the Initial Member Counties entered into a Joint Powers Agreement in 2007 and reaffirmed membership under an amended agreement in 2008, by which they agreed to form a separate joint powers entity for the purpose of establishing a multi-county board of directors (the "Board") to organize, govern, plan, and administer health care services; and

WHEREAS, the Initial Member Counties now enter into this Amended Agreement and reconfirm the establishment of the Board and the joint powers entity, to continue operations as Arrowhead Health Alliance ("AHA"); and

WHEREAS, the Board may, from time to time, adopt a new business name for AHA, as need may arise; and

WHEREAS, additional counties may become members of AHA (the "New Member Counties" and each a "Member County"), as further detailed below in Paragraph 1b below; and

WHEREAS, AHA is an entity separate and distinct from the Member Counties, and the Board is separate from the Boards of Commissioners from each of the Member Counties.

NOW THEREFORE, the Members hereby agree as follows:

1. **Membership.**

- a. The Initial Member Counties are Cook, Carlton, Lake, and Koochiching. The counties became Initial Members by indicating their intent by adopting a county board resolution prior to March 31, 2007, thereby making this Agreement effective. These Initial Member Counties agree to remain Member Counties for two (2) full calendar years after the Services have been established.
- b. New Member Counties may join AHA by submitting to the AHA Board a resolution of their respective Board of Commissioners indicating a desire and intent to become an AHA Member County and commitment to remain a Member County for two (2) full calendar years after admission. Acceptance of New Member Counties is subject to majority approval of the Board. In addition, the Board may establish other membership requirements for Additional Members at its own discretion.

- c. Subject to the applicable provisions of this Agreement, a Member County may withdraw from this Agreement by filing with the Board a resolution of their respective Board of Commissioners indicating that intention. Such resolution must be filed at least twelve (12) months prior to the desired withdrawal date, which withdrawal will become effective on December 31 of the following year. Upon receipt of a notice of intent to withdraw, the Board chair shall send a copy of said resolution to each Member County. The withdrawing county shall fulfill any outstanding contractual responsibilities it may have with AHA, the Member Counties, DHS, CMS, or other parties following its withdrawal from the Agreement.

2. **Purpose and Powers.**

- a. The purpose of AHA is to organize, govern, plan, and administer a health care services entity serving each of the Member Counties.
- b. AHA may restructure its existing business model to improve the social and health outcomes of its clients and of all citizens of its Member Counties.
- c. The Member Counties may participate in prepaid health care programs administered through the Minnesota Department of Human Services ("DHS") and the federal Centers for Medicare and Medicaid Services ("CMS") or other health and social service related collaborations and/or contracts (all of which are referred to throughout as the "Services") entered into for the realization of its purpose.
- d. AHA may enter into separate contracts and undertakings for the purpose of meeting its established purpose. AHA is an entity separate and distinct from the Member Counties and not an aggregation or mere association of those counties.

3. **Board of Directors.** The Board shall govern AHA and shall be have the characteristics indicated in this Paragraph 3.

a. **Representation.**

- i. The Board shall consist of one (1) County Commissioner from each Member County. These initial Member Counties have become party to this Agreement by resolution of their respective Boards of Commissioners.
- ii. A county that joins as a New Member County shall designate County Commissioner(s) to serve on the Board of Directors as outlined in the current AHA bylaws.
- iii. Each Member County shall designate a County Commissioner to serve as an alternate to the Board in the absence of the designated Director (County Commissioner). A Member County with more than one Director (County Commissioner) shall designate two alternates.

- b. Withdrawal. A county that withdraws from AHA shall no longer be represented on the Board, beginning on the day following the withdrawing county's final day of membership in AHA.
- c. Officers. The Board shall have a Chair, a Vice Chair, and a Secretary/Treasurer. This provision cannot be changed by the Bylaws. The initial officers shall be elected by a majority vote of the Directors at the first duly held meeting of the Board, and shall serve until new officers are elected pursuant to the Bylaws.
- d. Quorum. A quorum for a duly held meeting of the Board shall consist of no less than 75% of all member counties and a majority of Directors. This provision cannot be changed by the Bylaws.
- e. Powers. The powers and duties of the Board may include, but are not limited to, the following:
 - i. Exercising all lawful powers necessary and incidental to the implementation of the purposes and powers set forth herein including, but not limited to, the adoption of bylaws to govern the functioning of the Board.
 - ii. Appointing such committees as it deems necessary to exercise the powers of the Board.
 - iii. Engaging a Director and such other corporate officers, staff, consultants, and vendors as necessary to conduct the day-to-day activities of AHA. The Board shall evaluate the performance of the Director no less often than annually.
 - iv. Contracting for services, incurring expenses, and making expenditures necessary and incidental to the effectuation of its purpose and powers in conformance with the most common prevailing requirements applicable to contracts and purchases among the Member Counties.
 - v. Consulting with knowledgeable persons who can provide pertinent information to achieve its purpose.
 - vi. Cooperating or contracting with Minnesota and federal agencies, political subdivisions, or private or public organizations to achieve its purpose.
 - vii. Receiving and sharing data from appropriate State agencies and Member Counties as necessary and appropriate to accomplish its purposes.
 - viii. Receiving and expending funds associated with the administration of prepaid health care programs administered through DHS and CMS, or other funds from any lawful sources including government programs, public or private grants, or gifts for the purposes of AHA as described in this Agreement and by the Board.
 - ix. Approving annual budgeting procedures and the annual budget, using the calendar year as the fiscal year.

- x. Collecting money subject to the provisions of this Agreement from its Member Counties.
- xi. Purchasing such liability, stop-loss, or other insurance coverages as the Board deems necessary for the protection of the Member Counties, the Board, its property and staff.

Accumulating liability reserve and net surplus funds for the purposes herein mentioned, and investing funds not currently needed for its operations.
- xii. Commissioning an annual audit of the books and accounts of the Board and filing a report with its Member Counties at least once each year, once AHA has started providing Services and has exceeded the annual revenue requirements that trigger the audit requirement under Minnesota law. Strict accountability of all funds and reports of all receipts and disbursements shall be made.
- xiii. Buy, lease, or sell real estate or personal property in its own name of AHA.

4. **Bylaws.** The Bylaws shall include, but shall not be limited to:

- a. Election, removal, and resignation of officers.
- b. Duties of officers.
- c. Notice, quorum, voting, minutes, and procedures for meetings.
- d. Formation and duties of committees; whether standing, ad-hoc, or executive.
- e. Procedure for amendment of Bylaws.

5. **Financial Structure.**

- a. **Funds Management.** The Board shall, either directly in its own name or through a designated fiscal agent, establish a fund for the purpose of receiving revenues and making expenditures as necessary for the operation of AHA. Interest accruing on fund balances shall remain deposited in the fund and included in annual budget revenues. The Board shall establish policies and procedures to safeguard and ensure the prudent management of funds, including expenditure levels requiring Board authorization.
- b. **Annual Budget.** An annual budget shall be prepared at the direction of the AHA Director and submitted to the Board for approval.
- c. **Financial Commitments.** AHA may enter into contractual relationships including those involving financial risk. In the event that AHA is unable to meet its financial obligations from operations and surplus, the Board shall determine a total assessment amount necessary to fulfill its obligations.

This amount shall be assessed against current and former Member Counties. The formula for calculating assessments on obligations shall be determined prior to the start of the contractual obligations where current or future assessments may be required. The formula for determining obligations shall be approved by a unanimous vote of the Board and all Member Counties must

be represented by at least one (1) Director (County Commissioner). In the event an assessment is required where a predetermined formula has not been established, the assessment shall be approved by unanimous vote of the Board and all Member Counties must be represented by at least one (1) Director (County Commissioner).

- d. Obligations Following Withdrawal. Any Member County formally withdrawing from AHA remains obligated to pay any assessments that may be necessary under the terms of its financial guarantee and this Agreement for a period or two years following its withdrawal. Any assessments to a former Member County shall be limited to financial obligations associated with the period of time that the Member County participated in AHA, and shall not include obligations arising or occurring after the effective date of withdrawal. AHA shall retain any accumulated revenue, reserves, property or equipment owned by the Board. Provided, however, that a withdrawing Member County shall be entitled to repayment of monies pursuant to any loan agreement.
- e. Excess Funds Policy. The Board shall approve annually the procedure for reinvesting any excess funds in the health care delivery system of the region, consistent with applicable state and federal requirements.

6. **Property Transactions.** In addition to any enumerated powers granted to the Board in Paragraph 3f above, AHA shall have the following specific powers and authority related to property ownership:

- a. Property ownership. AHA, in its own name of Arrowhead Health Alliance, may buy, lease, acquire, own, hold, improve, plat, use, and deal in and with, real or personal property, or an interest in property, wherever located.
- b. Property disposition. AHA, by a majority of the votes cast at a meeting of the Board, may sell, convey, mortgage, create a security interest in, lease, license, dedicate, create easements, exchange, transfer, or dispose of all or a part of its real or personal property, or an interest in property, wherever located, upon those terms and conditions and for those considerations, which may be money, securities, or other instruments for the payment of money or other property, as the Board considers expedient.
- c. Procedures. The Chair shall sign and deliver in the name of AHA all deeds, mortgages, leases, contracts, declarations, easement agreements, or other instruments pertaining to the conveyance or encumbrance of AHA's property.

7. **Miscellaneous.**

- a. Confidentiality. The Board and staff shall take steps to ensure compliance at all times with Minnesota Statutes Chapter 13, relating to data practices. Data identifying individual members or medical data concerning them shall only be shared with staff and contractors of AHA on a need-to-know basis.
- b. Amendment; Effectiveness. The County Board of each Member County must approve any amendments or addendums to this Agreement. The Agreement shall remain in full force and effect, subject to the terms stated herein, until such time as the Member Counties amend, revise, or terminate the Agreement.

- c. Termination. This Agreement shall continue in force until the Board passes a unanimous vote of termination, or until the Board consists of only one Member County. Upon termination of this Agreement, the Board shall continue to exist after dissolution for a period of 12 months after the conclusion of the Services, or as is necessary to conclude the affairs subject to this Agreement, but for no other purpose. Following 12 months after the conclusion of the Services, all assets and property obtained, purchased or owned pursuant to this Agreement shall be sold and the proceeds thereof, together with monies on hand, shall be distributed to the Member Counties as of the date of termination based on their proportional share of premium in the final 24 months of Services, according to the formula stated in Paragraph 5e above.

- d. Counterparts. This Agreement may be executed in counterparts.

IN WITNESS WHEREOF, the county below named has caused this Agreement to be duly executed in its name and behalf as of the date first above written and does hereby commit the named county to participation in this Agreement according to the terms stated herein.

_____ County

Dated: _____

Chair, County Board

Attest:

Dated: _____

Title

BOARD LETTER NO. 12 - 282

PUBLIC WORKS & TRANSPORTATION COMMITTEE NO. 1

BOARD AGENDA NO.

DATE: July 3, 2012

RE: Award of Bids – CP 111484 and
121195, Stuntz Bay Access Road,
Frith Drive and Access Road near
Soudan

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 the award of bids to the low responsible bidder.

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 construction projects on Stuntz Bay Access Rd, and Frith Drive and Access Road near Soudan, MN.

A call for bids is to be received by the St. Louis County Public Works Department on June 28, 2012, for the following projects in accordance with the plans and specifications on file in the office of the County Highway Engineer:

- Project:** SAP 69-600-040(Low), CP 111484, and SAP 69-600-042, CP 121195

Location: Combined Project
A.) SAP 69-600-040(Low) Stuntz Bay Access Road from 0.5 mi. No. of TH 169 to Lake Vermilion, in Soudan, MN, length 0.75 mi (see attached map)

Traffic: less than 100

PQI: N.A.

Construction: Grading, Aggregate Base, Bituminous Surface and Culverts

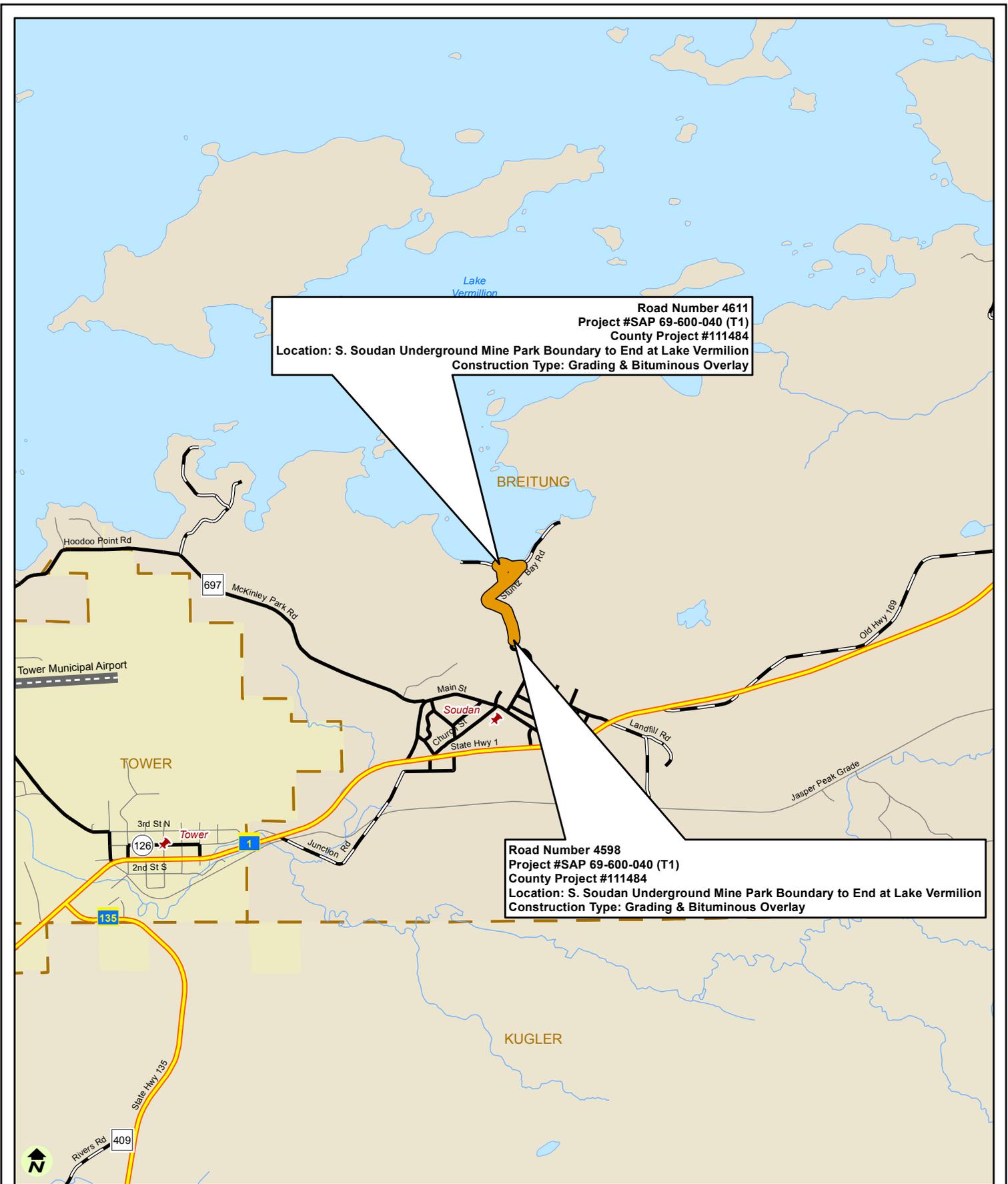
Funding: Fund 220, Agency 220267, Object 652700

B.) SAP 69-600-042, CP 121195, Frith Drive from Access Road to 500' West and Access Road between 1375' and 2250' No. of CR 697 in Soudan, MN, length 0.25 mi. (see attached map)

Traffic: less than 100
PQI: N.A.
Construction: Grading and Aggregate Base
Funding: Fund 220, Agency 220255, Object 652700
Anticipated Start Date: July 16, 2012
Anticipated Completion Date: October 1, 2012
Engineer's Estimate: To be provided after bid opened

RECOMMENDATION:

The call for bids is scheduled for June 28, 2012 and the County Board will be provided with bid results and a resolution for consideration at the July 3, 2012 Committee of the Whole meeting.



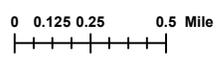
Road Number 4611
Project #SAP 69-600-040 (T1)
County Project #111484
Location: S. Soudan Underground Mine Park Boundary to End at Lake Vermillion
Construction Type: Grading & Bituminous Overlay

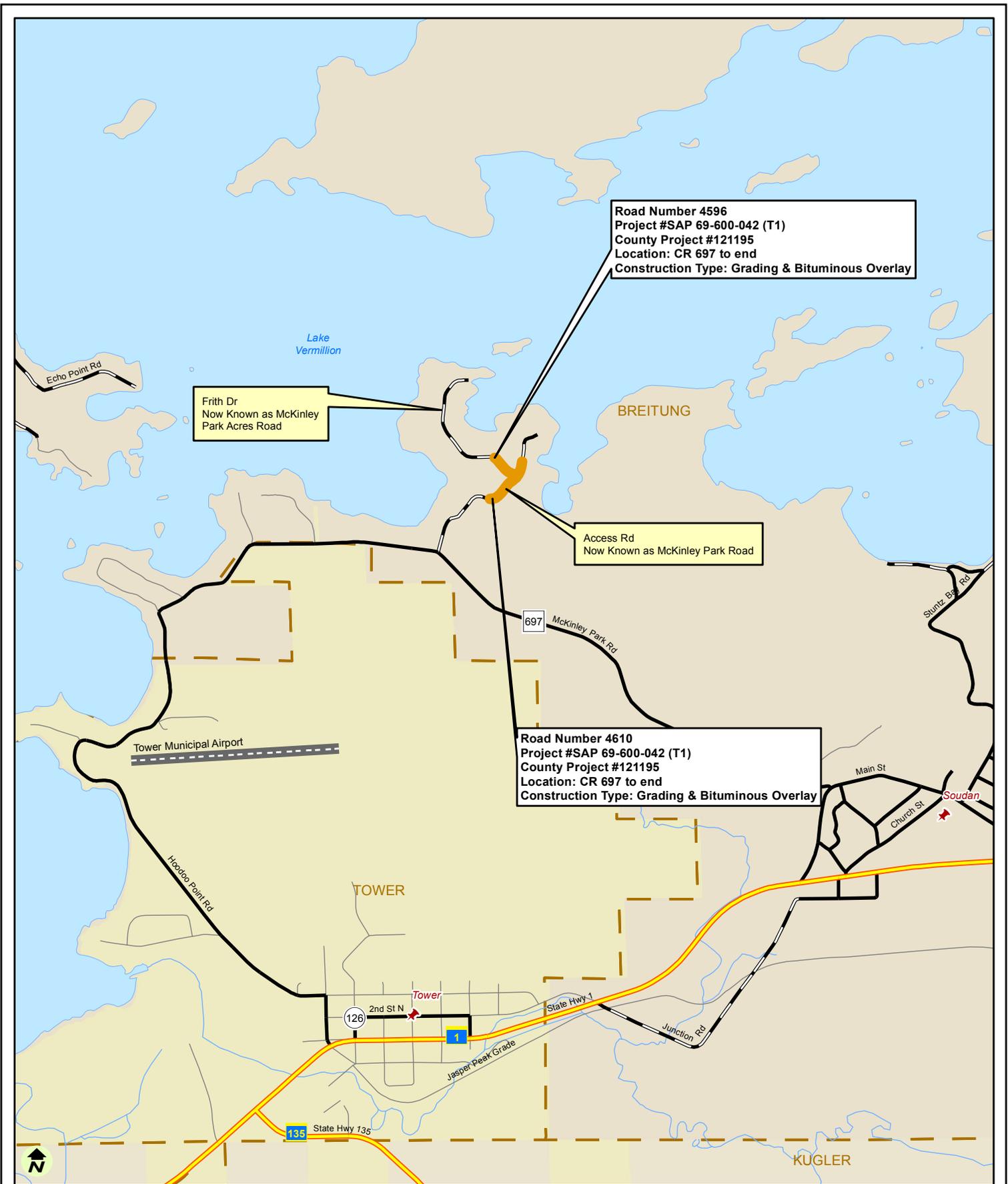
Road Number 4598
Project #SAP 69-600-040 (T1)
County Project #111484
Location: S. Soudan Underground Mine Park Boundary to End at Lake Vermillion
Construction Type: Grading & Bituminous Overlay

St. Louis County 2012 Road & Bridge Construction

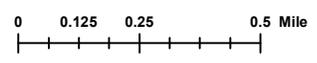
Map Components

2012 Road & Bridge Construction	County Road - Paved	Township Boundary
Grading & Bituminous Overlay	County Road - Gravel	City/Town
Interstate Highway	Railroad	Lake
U.S./State Highway	Commissioner District	River/Stream





St. Louis County 2012 Road & Bridge Construction



Map Components	
2012 Road & Bridge Construction	
Grading & Bituminous Overlay	County Road - Paved
Interstate Highway	County Road - Gravel
U.S./State Highway	Railroad
	Commissioner District
	Township Boundary
	City/Town
	Lake
	River/Stream