



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

October 23, 2012
Immediately following the Board Meeting, which begins at 9:30 A.M.
City Hall, 327 First Street South, Virginia, 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 October 9, 2012

Environment & Natural Resources Committee – Commissioner Dahlberg, Chair

1. Cancellation of Contract for Purchase of State Tax Forfeited Land – Taylor [12-400]
2. Cancellation of Contract for Purchase of State Tax Forfeited Land – Hollman [12-401]
3. Special Sale to Duluth Independent School District No. 709 [12-402]

Public Works & Transportation Committee – Commissioner Forsman, Chair

4. Request for Easement Sponsorship across State of Minnesota and Federal Property [12-403]
5. Permanent Closure of Two Railroad Crossings and Revocation of State Aid Designation of CSAH 127 (Iron Junction) [12-404]

Finance & Budget Committee – Commissioner Raukar, Chair

6. 2013 Memorandum of Agreement with University of Minnesota Extension [12-405]
7. 2012 Third Quarter Budget Changes [12-406]
8. On-Sale and Sunday On-Sale Intoxicating Liquor Licenses – Dawghouse Bar & Grill (Northland Township) [12-407]
9. Award 2011 and 2012 Emergency Service Grant (ESG) Funding to Agency Emergency Solutions Grant (ESG) Funding to Agency Projects [12-408]
10. Acceptance of County Veterans Service Office Community Outreach Grant [12-409]

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

11. Reallocation of an Information Specialist II to a Technical Services Analyst III for Database Administration [12-410]
12. Reallocation of Contract & Procurement Specialist to Purchasing Division [12-411]
13. Designation of Safety & Risk Manager to discharge the duties of county mine inspector; and Reallocation of Assistant Mine Inspector position [12-412]
14. Civil Service Supervisory Unit Bargaining Agreement– 2012/2013 [12-413]

Public Safety & Corrections Committee – Commissioner Sweeney, Chair

15. Acceptance of Amendment to the 2012 Boundary Waters Drug Task Force Grant [12-414]
16. FFY 2012 Emergency Management Performance Grant [12-415]
17. Authorization of Revised Contract with CenturyLink and Rescind County Board Resolution No. 12-550 [12-416]

ESTABLISHMENT OF PUBLIC HEARINGS:

Finance & Budget Committee – Commissioner Raukar, Chair

18. Establish Public Hearing to Consider Off-Sale Intoxicating Liquor License – Dawghouse Bar & Grill (Northland Township) November 6, 2012, 9:40 a.m., St. Louis County Courthouse, Duluth, MN [12-417]

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 Raukar, Chair

1. **Request for Reimbursement of Property Tax Relief Related to June 2012 Flood Event [12-418]**
Resolution authorizing the County Assessor to request reimbursement from the State of Minnesota for flood related property tax relief to eligible taxpayers.
2. **2011 HUD Shelter Plus Care Grant Agreement and MOU for New Moon Supportive Housing Project [12-419]**
Resolution authorizing agreement for HUD Shelter Plus Care grant and Memorandum of Understanding for the New Moon Supportive Housing Program.
3. **Authorization to Apply For and Accept Debris Removal Funding for Regional Flood Assistance [12-420]**
Resolution authorizing the application and acceptance of debris removal funding from the Minnesota Department of Public Safety.
4. **Minnesota Investment Fund – Disaster Recovery Financing [12-421]**
Resolution authorizing the submittal of an application for Minnesota Investment Fund Disaster Recovery Financing and authorizing related agreements and guidelines.

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 30, the County Board may reconvene to address these agenda items. The next County Board/Committee of the Whole meeting will be held on November 6, 2012, Courthouse, Duluth.

NEXT COMMITTEE OF THE WHOLE MEETING DATES:

November 6, 2012 Commissioners' Conference Room, Courthouse, Duluth, MN
November 13, 2012 Commissioners' Conference Room, Courthouse, Duluth, MN
November 27, 2012 City Council Chambers-City Hall, 401 East 21st Street, Hibbing, 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 9, 2012

Location: County Board Conference Room, Duluth Courthouse, Duluth, MN

Present: Commissioners Jewell, Dahlberg, Sweeney, Forsman, O’Neil, Raukar and Chair Nelson

Absent: None

Convened: Chair Nelson called the meeting to order at 11:13 a.m.

CONSENT AGENDA

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

- Minutes of October 2, 2012
- Grant Contract with MnDOT for Emergency Bridge Assessments – June 2012 Flood
- Abatement List for Board Approval
- Establish Public Hearing to Consider Renaming a Creek in Fairbanks and Bassett Townships as “Petrell Creek” – November 13, 2012, 9:50 a.m., St. Louis County Courthouse, Duluth, MN

Department of Natural Resources RE: Upcoming Metallic Mineral Lease Sale

Assistant Director of the Division of Lands and Minerals, John Engesser and Attorney, Vicki Sellner, offered a presentation on Minnesota State Mineral Leasing and Metallic Mineral Exploration. Assistant Director Engesser explained that it is the policy of the state to provide diversification of the state’s mineral economy through long-term support of mineral exploration, evaluation, environmental research, development, production, and commercialization. Attorney Sellner explained the history of mineral leases and the lease types throughout the State. Assistant Director Engesser presented a map showing areas under consideration for a 2012 metallic mineral lease sale. Attorney Sellner provided explanation of the auction process and anyone needing more information may access the Minnesota Department of Resources website for detailed information.

At 12:00 p.m., Commissioner Sweeney left the meeting.

Public Works & Transportation Committee

Forsman/Nelson moved to approve a resolution authorizing an agreement with LHB Corporation for design and construction inspection services for reconstruction of various bridges in the county damaged in the June 2012 flood event. James Foldesi, Public Works Director/County Highway Engineer, explained that is in the County’s best interest to package the 15 bridge projects into one large project rather than 15 small projects. Public Works will continue to manage the project, approve the design, and be involved in the construction phase as well. After further discussion, the motion passed. (6-0) - Commissioner Sweeney, absent.

Commissioner Discussion Items and Reports

Commissioner Jewell suggested a loggers/logging presentation. Chair Nelson stated that a Board workshop would be better suited.

Commissioner O'Neil commented on St. Scholastica's 100th Anniversary celebration planned for tonight. On October 25, 2012, Commissioner O'Neil states that a Paul Wellstone ceremony will be held at the crash site. Commissioner O'Neil said the Public Health and Human Services conference is in its second day with record attendance.

Commissioner Dahlberg said that on October 25, 2012, soil testing will be held at the Evergreen Civic Center, Duluth, MN, at 6:00 p.m.

At 12:50 p.m., O'Neil/Raukar moved to adjourn. (6-0) - Commissioner Sweeney absent.

Keith Nelson, Chair of the County Board

Brandon Larson, Clerk of County Board

BOARD LETTER NO. 12 - 400

ENVIRONMENT & NATURAL RESOURCES COMMITTEE CONSENT NO. 1

BOARD AGENDA NO.

DATE: October 23, 2012 **RE:** Cancellation of Contract for
Purchase of State Tax
Forfeited Land - Taylor

FROM: Kevin Z. Gray
County Administrator

Robert Krepps, Land Commissioner
Land and Minerals

Donald Dicklich
County Auditor

RELATED DEPARTMENT GOAL:

Performing public services; financial return to the county and taxing districts.

ACTION REQUESTED:

The St. Louis County Board is requested to cancel a contract for purchase of state tax forfeited land.

BACKGROUND:

The County Auditor has attached information in reference to a state tax forfeited land contract which has been entered into under the provisions of Minn. Stat. Chapter 282. The purchase agreement has defaulted due to the purchaser's failure to provide proof of insurance. The purchaser, Jessica Taylor of Duluth, MN, has been served with Notice of Cancellation of Contract by civil process but has failed to cure the default.

RECOMMENDATION:

It is recommended that the St. Louis County Board approve cancellation of this contract and authorize the disposal of abandoned personal property that may remain on the site.

Jessica Taylor, Duluth, MN

Legal Description	CITY OF DULUTH LOTS 1 AND 2 AND SLY 17 FT OF LOT 3 MACFARLANES GRASSY POINT ADD TO DULUTH Parcel Code: 010-3140-00700 C22100102
Purchase Price	\$57,750.00
Principal Amount Remaining	\$51,975.00
Date of Last Payment	05/09/2011
Installment Payments Not Made	\$0.00
Subsequent Del Taxes and Fees	\$66.59
Amount Needed to Cure Default	\$66.59
Insurance	Failure to provide insurance

Cancellation of Contract for Purchase of State Tax Forfeited Land - Taylor

BY COMMISSIONER _____

WHEREAS, the contract with Jessica Taylor of Duluth, MN, for the purchase of state tax forfeited land is in default for failure to provide proof of insurance; and

WHEREAS, the purchaser was properly served with Notice of Cancellation of Contract by civil process and has failed to cure the default for lands legally described as:

CITY OF DULUTH
LOTS 1 AND 2 AND SLY 17 FT OF LOT 3 MACFARLANES GRASSY POINT
ADD TO DULUTH
Parcel Code: 010-3140-00700
C22100102

WHEREAS, Minn. Stat. § 282.04, Subd, 2(d) and 504B.271 authorizes the County Auditor to dispose of abandoned personal property; and

WHEREAS, the previous owner(s) of the property will be notified by posting of property or by mail.

NOW, THEREFORE, BE IT RESOLVED, that the St. Louis County Board approves the cancellation of contract for the purchase of state tax forfeited land described above, according to the provisions of Minn. Stat. § 282.01, Subd. 5, and Minn. Stat. § 282.40, and according to the procedures of Minn. Stat. § 559.21.

RESOLVED FURTHER, that the County Auditor is authorized to dispose of abandoned personal property from the above described state tax forfeited property.



St. Louis County Land Department Tax Forfeited Land Sales

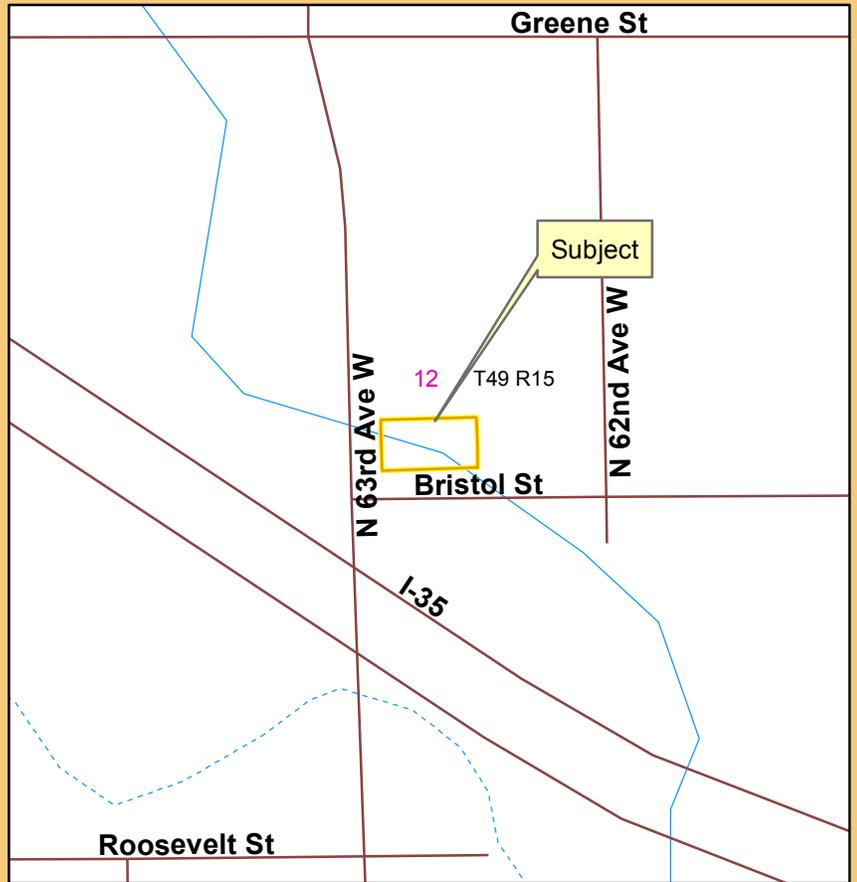
Cancellation of Contract

Legal : CITY OF DULUTH
LOTS 1 AND 2 AND SLY 17 FT OF LOT 3
MACFARLANES GRASSY POINT ADD TO
DULUTH

Parcel Code : 010-3140-00700

LDKEY : 70356

Address: 306 N 63RD AVE W
Duluth 55807

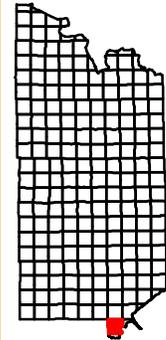


City of Duluth

Sec: 12 Twp: 49 Rng: 15

Commissioner District # 3

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

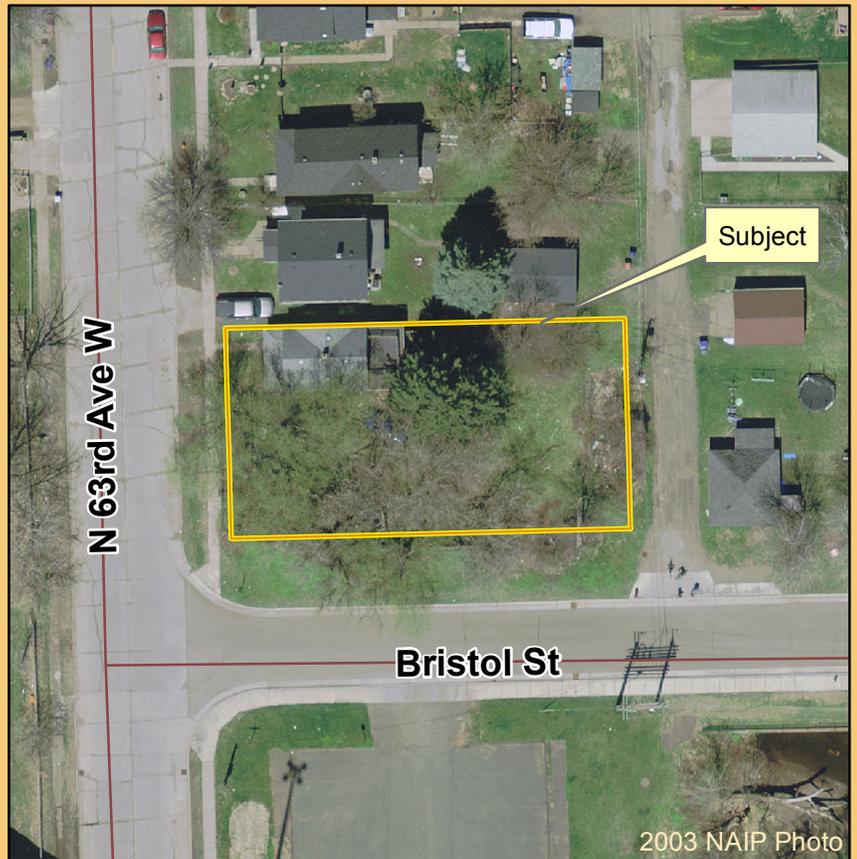


St. Louis County, Minnesota

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**

Fall 2012



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BOARD LETTER NO. 12 - 401

ENVIRONMENT & NATURAL RESOURCES COMMITTEE CONSENT NO. 2

BOARD AGENDA NO.

DATE: October 23, 2012 **RE:** Cancellation of Contract for
Purchase of State Tax
Forfeited Land - Hollman

FROM: Kevin Z. Gray
County Administrator

Robert Krepps, Land Commissioner
Land and Minerals

Donald Dicklich
County Auditor

RELATED DEPARTMENT GOAL:

Performing public services; financial return to the county and taxing districts.

ACTION REQUESTED:

The St. Louis County Board is requested to cancel a contract for purchase of state tax forfeited land.

BACKGROUND:

The County Auditor has attached information in reference to a state tax forfeited land contract which has been entered into under the provisions of Minn. Stat. Chapter 282. The purchase agreement has defaulted due to the purchaser's failure to provide proof of insurance. The purchaser, Bruce Hollman of Buhl, MN, has been served with Notice of Cancellation of Contract by publication but has failed to cure the default.

RECOMMENDATION:

It is recommended that the St. Louis County Board approve cancellation of this contract and authorize the disposal of abandoned personal property that may remain on the site.

Bruce Hollman, Buhl, MN

Legal Description	TOWN OF FAYAL PART OF LOT 5 BEG 98 22/100 FT E OF SW CORNER OF PLAT THENCE CONTINUE ALONG SAME LINE 118 55/100 FT THENCE S 13 DEG E 214 70/100 FT THENCE S 77 DEG W 115 FT THENCE N 13 DEG W 243 49/100 FT TO POINT OF BEG Sec 10 Twp 57 Rge 17 Parcel Code: 340-0010-01847 C22100042
Purchase Price	\$15,000.00
Principal Amount Remaining	\$12,146.40
Date of Last Payment	08/09/2011
Installment Payments Not Made	\$0.00
Subsequent Del Taxes and Fees	\$66.59
Amount Needed to Cure Default	\$66.59
Insurance	Failure to provide insurance

Cancellation of Contract for Purchase of State Tax Forfeited Land - Hollman

BY COMMISSIONER _____

WHEREAS, the contract with Bruce Hollman of Buhl, MN, for the purchase of state tax forfeited land is in default for failure to provide proof of insurance; and

WHEREAS, the purchaser was properly served with Notice of Cancellation of Contract by publication and has failed to cure the default for lands legally described as:

TOWN OF FAYAL

PART OF LOT 5 BEG 98 22/100 FT E OF SW CORNER OF PLAT THENCE
CONTINUE ALONG SAME LINE 118 55/100 FT THENCE S 13 DEG E 214
70/100 FT THENCE S 77 DEG W 115 FT THENCE N 13 DEG W 243 49/100 FT
TO POINT OF BEG

Sec 10 Twp 57 Rge 17

Parcel Code: 340-0010-01847

C22100042

WHEREAS, Minn. Stat. § 282.04, Subd, 2(d) and 504B.271 authorizes the County Auditor to dispose of abandoned personal property; and

WHEREAS, the previous owner(s) of the property will be notified by posting of property or by mail.

NOW, THEREFORE, BE IT RESOLVED, that the St. Louis County Board approves the cancellation of contract for the purchase of state tax forfeited land described above, according to the provisions of Minn. Stat. § 282.01, Subd. 5, and Minn. Stat. § 282.40, and according to the procedures of Minn. Stat. § 559.21.

RESOLVED FURTHER, that the County Auditor is authorized to dispose of abandoned personal property from the above described state tax forfeited property.



St. Louis County Land Department Tax Forfeited Land Sales

Cancellation of Contract

Legal : TOWN OF FAYAL
 PART OF LOT 5 BEG 98 22/100 FT E OF
 SW CORNER OF PLAT THENCE
 CONTINUE ALONG SAME LINE
 118 55/100 FT THENCE S 13 DEG
 E 214 70/100 FT THENCE S 77 DEG W
 115 FT THENCE N 13 DEG W 243 49/100
 FT TO POINT OF BEG,
 Sec 10 Twp 57 Rge 17
 Parcel Code : 340-0010-01847
 Acres: .60
 LDKEY : 62481
 Address: 7511 ELY LAKE DR
 EVELETH MN 55734

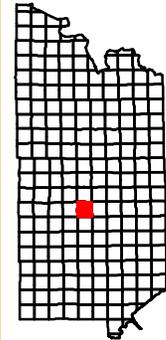


Town of Fayal

Sec: 10 Twp: 57 Rng: 17

Commissioner District # 6

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



St. Louis County, Minnesota

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St. Louis County
Land Department

Fall 2012



2003 NAIP Photo

BOARD LETTER NO. 12 - 402

ENVIRONMENT & NATURAL RESOURCES COMMITTEE CONSENT NO. 3

BOARD AGENDA NO.

DATE: October 23, 2012 **RE:** Special Sale to Duluth
Independent School District
No. 709

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 the sale of state tax forfeited land to Duluth Independent School District No. 709, adjacent to the Homecroft School, in Rice Lake Township.

BACKGROUND:

Duluth Independent School District No. 709 has asked to acquire a parcel for an outdoor classroom and natural area for the school science curriculum. Pheasants Forever is interesting in donating funds for the purchase of this piece.

RECOMMENDATION:

It is recommended that the St. Louis County Board approve the sale of state tax forfeited land to Duluth Independent School District No. 709 for the appraised value of \$18,000, plus the following fees: 3% assurance fee of \$540, deed fee of \$25, deed tax of \$59.40, recording fee of \$46; for a total of \$18,670.40, to be deposited into Fund 240 (Forfeited Tax Fund).

Special Sale to Duluth Independent School District No. 709

BY COMMISSIONER _____

WHEREAS, Duluth Independent School District No. 709 has requested to purchase the following described state tax forfeited land for the value of \$18,000, plus fees, for the purpose of outdoor classroom and natural area:

Legal: LOT: 0566 BLOCK: 000
HOMECROFT PARK TOWN OF RICE LAKE
Township: Rice Lake
Parcel Code: 520-0130-01770
Acres: 0.89
LDKEY: 45929

WHEREAS, Minn. Stat. § 282.01, Subd. 1(a) authorizes the sale of state tax forfeited land to an organized governmental subdivision for any public purpose for which the subdivision is authorized to acquire property; and

WHEREAS, this lot has not been withdrawn from sale pursuant to Minn. Stat. § 85.012, 92.461, 282.01, Subd. 8; and 282.018, and other statutes that require the withholding of state tax forfeited lands from sale; and

WHEREAS, this lot has been classified as conservation land pursuant to Minnesota Statutes Section 282.01.

NOW, THEREFORE, BE IT RESOLVED, that the St. Louis County Board approves the sale of state tax forfeited land, as described, to Duluth Independent School District No. 709 for the appraised value of \$18,000, plus the following fees: 3% assurance fee of \$540, deed fee of \$25, deed tax of \$59.40, recording fee of \$46; for a total of \$18,670.40, to be deposited into Fund 240 (Forfeited Tax Fund).

RESOLVED FURTHER, that the St. Louis County Auditor shall offer for sale at public auction the state tax forfeited land described here if Duluth Independent School District No. 709 does not purchase the land by December 31, 2012.

Date:

To: St. Louis County Board
c/o Land and Minerals Department
320 West 2nd Street, Room 607
Duluth, MN 55802

From: _____
City/Town Clerk

Re: Application to Withhold Tax Forfeited Land From Sale Pending Acquisition

The ISD#709 of Duluth does hereby request the following-described
City Council/Town Board City/Town
parcel of tax forfeit land be withheld from public sale for six (6) months.

Legal Description

Lot 566, Homecroft Park, Town of Rice Lake

Type of Acquisition

- Free conveyance for an authorized public use.
- Purchase for appraised value for an authorized public purpose.

Describe public purpose or use in detail:

Outdoor classroom and natural area for school
Science curriculum

Note: Please attach a certified copy of a City Council/Town Board Resolution specifying the means of acquisition and a description of the proposed public *purpose* (for purchase) or proposed public *use* (for free conveyance), and a copy of the statute, law, or local charter which authorizes the intended public purpose or use.

Minutes of the Regular School Board Meeting

Of the School Board of Independent School District No. 709 held at the Historic Old Central High School, 215 North First Avenue East, Duluth, Minnesota 55802, on

Tuesday, June 19, 2012

Members Present:

Mary Cameron
Tom Kasper
Mike Miernicki
Art Johnston
Judy Seliga Punyko
Ann Wasson
Bill Westholm

Others Present:

Bill Gronseth, Superintendent
Bill Hanson, Deputy Clerk
Melinda Thibault, Secretary

Student Representatives

Alex Livesay

- Chair Wasson called the regular school board meeting of June 19, 2012 to order at 6:30 p.m., and the pledge of allegiance to the American flag was given.

Chair Wasson asked board members to notify her if they would be absent from board meetings.

M-Kasper, S-Westholm, to approve the agenda as presented.

Member Seliga Punyko presented the resolution:

RESOLUTION

Authorizing the Application for Conveyance and Purchase of Tax Forfeited Land – Near Homecroft School

WHEREAS, Minnesota Statute 123B.51 SCHOOLHOUSES AND SITES; USES FOR SCHOOL AND NONSCHOOL PURPOSES; CLOSINGS provides that the board may locate and acquire necessary sites of schoolhouses or enlargements, or additions to existing schoolhouse sites by lease, purchase or condemnation under the power of eminent domain; and

WHEREAS, there exist currently a parcel of Tax Forfeited Land contiguous to the Homecroft School site, said parcel legally described as Lot 566, Homecroft Park, Town of Rice Lake also known as Parcel 520-0130-01770; and

WHEREAS, Pheasants Forever is a group interested in the District purchasing this .8 acre parcel of land wherein they will donate the funds required for this land purchase; and

WHEREAS, the acquisition of said parcel by the District will provide additional space for outdoor education for Homecroft Elementary School students

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS: The School Board hereby authorizes the Administration to make Application for Conveyance and Purchase of this Tax Forfeited Land and hereby authorizes the School Board Chair to sign the applications and execute all other documents required for completing and closing these transactions.

B-6-12-3034

June 19, 2012

M-Seliga-Punyko, S-Kasper, to approve Resolution B-6-12-3034 – Authorizing the Application for Conveyance and Purchase of Tax Forfeited Land – Near Homecroft School. Upon a vote, the same was approved – unanimously.



St. Louis County Land Department Tax Forfeited Land Sales

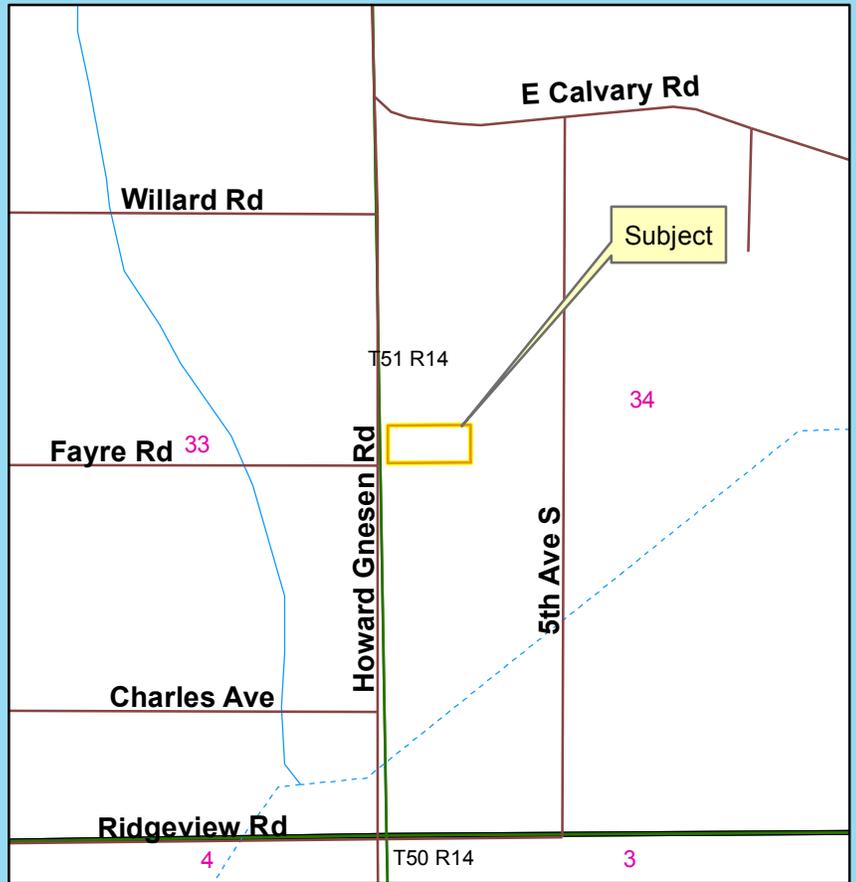
Special Sale

Legal : TOWN OF RICE LAKE
LOT: 0566 BLOCK:000
HOMECROFT PARK TOWN OF
RICE LAKE

Parcel Code : 520-0130-01770

Acres: .89

LDKEY : 45929

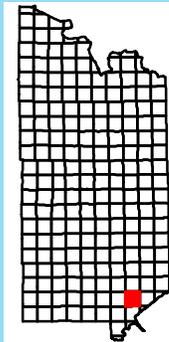


Town of Rice Lake

Sec: 34 Twp: 51 Rng: 14

Commissioner District # 5

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



St. Louis County, Minnesota

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St. Louis County
Land Department

October 2012



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BOARD LETTER NO. 12 - 403

PUBLIC WORKS & TRANSPORTATION COMMITTEE
CONSENT NO. 4

BOARD AGENDA NO.

DATE: October 23, 2012 **RE:** Request for Easement
Sponsorship across State of
Minnesota and Federal
Property

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 Public Works Department to acquire a permanent road easement across State of Minnesota and federal land for use by the Hanson Lake Road Association, Inc. The Board is also requested to authorize an agreement with the Hanson Lake Road Association, Inc. regarding the acquisition expenses of these easements and the future expenses related to construction and maintenance of the access road to be located on the easements.

BACKGROUND:

In recent years, parcels of private property on the northeasterly shore of the North Arm of Burntside Lake in Section 35, Unorganized Township 64-13, have been proposed for sub-division and are being improved and developed with both seasonal and year-round occupancies. Road access to these eight (8) or so properties is by way of an existing forestry road which extends southwesterly from the Echo Trail (CSAH 116) approximately 2.85 miles and terminates on private property east of Burntside Lake. The northeasterly 1.75 miles of this road is designated by the Minnesota Department of Natural Resources (DNR) as the Hanson Lake State Forest Management Road. This designation ends at the Hanson Lake Public Access. Use of the existing un-named forestry road which continues on 1.1 miles from the lake access to the private parcels is currently permitted by a lease granted by the DNR to the Hanson Lake Road Association. Such a license interest does not suffice as either public or permanent road right of way. The Hanson Lake Road Association desires to secure permanent legal road access.

The State of Minnesota cannot grant permanent road easements to individuals or private road associations on trust land. Easements can only be granted to public road authorities such as counties or townships. Therefore, St. Louis County may acquire a permanent public road easement across State of Minnesota land. The entire 2.85 mile course of this road lies on eleven (11) forties of state land in Sections 25, 35, and 36 in Unorganized Township 64-13 and two forties of federal land in Section 30, Unorganized Township 64-12.

The existing Hanson Lake Road is not sufficiently improved to be designated as a County Road or Unorganized Town Road and then be maintained at public expense. Public Works has no plans to make such improvements and recommends that the road remain privately maintained through the establishment of a road association comprised of those property owners benefiting from the existence of the access road. These property owners have legally incorporated, under Minn. Stat. Chapter 317, as the Hanson Lake Road Association, Inc.

It is proposed that St. Louis County make application to the State of Minnesota, and the Superior National Forest, on behalf of the Hanson Lake Road Association, Inc., for a permanent, public road easement across state and federal land. The easement to be a minimum width of 33 feet and run more or less over the existing course of the Hanson Lake Forestry Road. Specific location of the easement area will be provided and described by the association when surveys are complete. By formal agreement with St. Louis County, the road association will be responsible for any road construction or improvement costs and any ongoing maintenance necessary to conform to standards as contained in the Right of Way Easement to be issued by the State of Minnesota.

The Hanson Lake Road Association will be responsible for all acquisition costs for this easement and will make all necessary payments directly to the DNR and the Superior National Forest as may be incurred. There will be no direct costs to the county for this acquisition.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the acquisition of the necessary right of way easements from the State of Minnesota and the Superior National Forest and authorize an agreement with the Hanson Lake Road Association, regarding the costs of the road easement, construction, and future maintenance.

Request for Easement Sponsorship across State of Minnesota and Federal Property

BY COMMISSIONER _____

WHEREAS, the St. Louis County Public Works Department has been approached by the Hanson Lake Road Association, Inc., a non-profit corporation pursuant to Minnesota Statutes Chapter 317 and representing several owners of property located generally in Section 35, Unorganized Township 64-13, to apply to the State of Minnesota for a roadway right of way easement over State Trust Land and to the Superior National Forest for a roadway right of way easement over Federal land; and

WHEREAS, the State of Minnesota can only grant easements over school trust land to governmental entities and such easements must have continuous access to a public road; and

WHEREAS, the Hanson Lake Association, Inc. will be solely responsible for the road construction, improvements, and ongoing maintenance necessary to conform to Minnesota Department of Natural Resources Standards as contained in the Right of Way Easement to be issued by the State of Minnesota.

NOW, THEREFORE, BE IT RESOLVED, that the State of Minnesota Department of Natural Resources is hereby requested to provide St. Louis County with easement across the following described property:

A thirty-three foot wide permanent easement for public roadway purposes over, under, and across:

the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$, the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$, the SW of the SE $\frac{1}{4}$, and the SE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 25;

the NE $\frac{1}{4}$ of the NW $\frac{1}{4}$, the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$, the SE $\frac{1}{4}$ of the NW $\frac{1}{4}$, the NE $\frac{1}{4}$ of the SW $\frac{1}{4}$, the SE $\frac{1}{4}$ of the SW $\frac{1}{4}$, and the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 36;

and the SE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 35;

all in Township 64 North, Range 13 West of the Fourth Principal Meridian more or less over the course of the existing Hanson Lake Forest Road. A complete centerline description of the easement area will be provided by the Hanson Lake Road Association, Inc. when the survey of same is completed, prior to formal application for the easement to the State of Minnesota.

RESOLVED FURTHER, that to provide continuity to the above described easement with County State Aid Highway 116 (the Echo Trail), the Superior National Forest is hereby requested to provide St. Louis County with easement across the following described property:

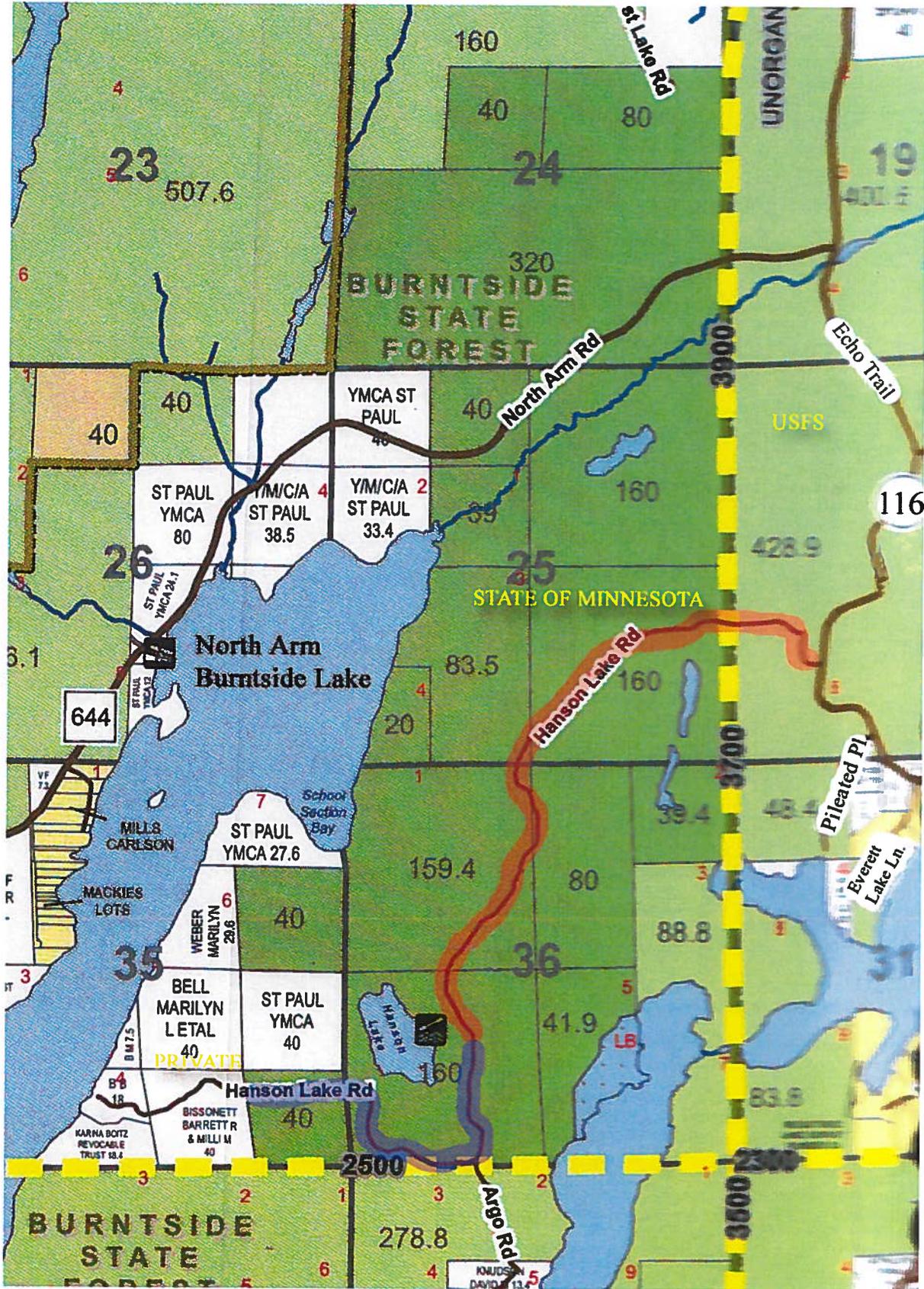
A thirty-three foot wide permanent easement for public roadway purposes over, under, and across:

the NW $\frac{1}{4}$ of the SW $\frac{1}{4}$ and the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 30, Township 64 North, Range 12 West of the Fourth Principal Meridian more or less over the course of the existing Hanson Lake Forest Road. A complete centerline description of the easement area will be provided by the Hanson Lake Road Association, Inc. when the survey of same is completed, prior to formal application for the easement to the Superior National Forest.

RESOLVED FURTHER, that the St. Louis County Board authorizes the appropriate county officials to execute an agreement with the Hanson Lake Road Association, Inc., and any amendments thereto as approved by the County Attorney's office, for future improvement and maintenance expenses of the road and for payments to the Minnesota Department of Natural Resources and/or the Superior National Forest for the acquisition of this permanent road easement.

HANSON LAKE ROAD

T64N R12 & 13N



-  Existing Designation of Hanson Lake State Forest Road
-  Existing Hanson Lake Lease road

BOARD LETTER NO. 12 - 404

PUBLIC WORKS & TRANSPORTATION COMMITTEE CONSENT NO. 5

BOARD AGENDA NO.

DATE: October 23, 2012 **RE:** Permanent Closure of Two
Railroad Crossings and
Revocation of State Aid
Designation of CSAH 127 (Iron
Junction)

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 the Wisconsin Central, Ltd. (a subsidiary of the Canadian National Railroad), and the City of Iron Junction to provide for the permanent closure of two active public railroad crossings on County State Aid Highway (CSAH) 127 (Main Street) in Iron Junction and approve the revocation of 0.54 mile of CSAH 127 and designate the revoked route as County Road (CR) 789.

BACKGROUND:

There are three active railroad crossings within Iron Junction. The first railroad crossing (DOT No. 251967P) is on CR 452 (Iron Junction Road). This is a dual track railroad crossing with signals and gates. Approximately 1,500 feet north of this railroad crossing there are two railroad crossings (DOT No. 251968W & 251990J) on CSAH 127. The easterly railroad crossing is protected only with a stop sign while the westerly railroad crossing is protected by flashing lights.

All at-grade railroad crossings present significant risks to highway users. Therefore, railroad companies and transportation agencies have been actively working to improve railroad crossing safety in Minnesota and across the United States. The railroad crossing safety strategies primarily used in Minnesota are the installation of signals and gates, and permanent closure. Since the late 1990s and early 2000s, officials from the Canadian National Railroad (CN), Minnesota Department of Transportation (MnDOT), St. Louis County and the City of Iron Junction have discussed and reviewed the best strategies to improve safety at the two crossings on CSAH 127. The most significant safety deficiency at

these crossings is the potential for a stopped train to preclude the necessary sight distance for a highway user and therefore block the view of an approaching train at the other railroad crossing. Because of this significant safety deficiency, it is imperative to implement a safety strategy.

MnDOT administers a federally funded railroad crossing safety program. Under this program, there are regular railroad crossing safety reviews between the railroad company, the affected highway agency and MnDOT. The review of the railroad crossings on CSAH 127 found that the best safety strategy is permanent closure. Permanent closure will have minimal adverse effects on the traveling public, businesses and emergency services.

The easterly railroad crossing (DOT No. 251990J) will remain in place but will be converted to a private crossing with a locked gate. The westerly railroad crossing (DOT No. 251968W) will be completely removed. Both MnDOT and the CN have committed to compensate the City of Iron Junction for the loss of these two railroad crossings with a one-time payment of \$100,000. In May, 2012, St. Louis County presented Iron Junction with the proposal to close these two railroad crossings and the incentive payment. By Council Resolution, the city agreed to these terms.

The county's obligations in these agreements will be to (a) extinguish its claim to any rights it may hold in the railroad right of way underlain by the closed railroad crossings, (b) remove, change, or upgrade regulatory and informational signage appropriate to the closed railroad crossings, (c) construct any turnarounds that may be required for highway maintenance and other traffic, and (d) serve as intermediary to receive funds from MnDOT and the railroad, and to distribute these to the City of Iron Junction. St. Louis County will have no direct financial responsibility to the city.

County State Aid Highways are selected to form an integrated network of highways. This generally means that they are to "connect" other state aid or trunk highways. The above described closure will truncate CSAH 127 such that it no longer will meet the criteria. Therefore, the state aid designation should be removed from this route and the highway reverted to a County Road in accordance with Minnesota Rules 8820.0800.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize agreements to close two railroad crossings on CSAH 127 and to revoke CSAH 127 to a County Road, all within the City of Iron Junction, Minnesota.

**Agreement with City of Junction for Permanent Closure
of Two Railroad Crossings**

BY COMMISSIONER _____

WHEREAS, representatives of the Wisconsin Central Ltd., the Minnesota Department of Transportation, St. Louis County and the City of Iron Junction have been meeting and evaluating those railroad crossings known as DOT No. 251968W and 251990J located on County State Aid Highway 127 (Main Street) within the City of Iron Junction; and

WHEREAS, these representatives have agreed that the described railroad crossings can be permanently closed in the interest of public safety and convenience without significant adverse effects upon the traveling public, business, and the delivery of emergency services; and

WHEREAS, adequate plans have been developed to mitigate the loss of access to instrumentalities of the City of Iron Junction and the Railroad, and to compensate the City of Iron Junction for the loss of convenience caused by this closure.

NOW, THEREFORE, BE IT RESOLVED, that the St. Louis County Board authorizes the appropriate county officials to execute an agreement, and any amendments approved by the County Attorney, with the City of Iron Junction, setting forth the terms and conditions for the permanent closure of the two railroad crossings of CSAH 127 (Main Street) described above.

Agreement with Wisconsin Central, Ltd., for Permanent Closure of Two Railroad Crossings (City of Iron Junction)

BY COMMISSIONER _____

WHEREAS, representatives of the Wisconsin Central Ltd., the Minnesota Department of Transportation, St. Louis County and the City of Iron Junction have been meeting and evaluating those railroad crossings known as DOT No. 251968W and 251990J located on County State Aid Highway 127 (Main Street) within the City of Iron Junction; and

WHEREAS, these representatives have agreed that the described railroad crossings can be permanently closed in the interest of public safety and convenience without significant adverse effects upon the traveling public, business, and the delivery of emergency services; and

WHEREAS, adequate plans have been developed to mitigate the loss of access to instrumentalities of the City of Iron Junction and the Railroad, and to compensate the City of Iron Junction for the loss of convenience caused by this closure.

NOW, THEREFORE, BE IT RESOLVED, that the St. Louis County Board authorizes the appropriate county officials to execute an agreement, and any amendments approved by the County Attorney, with Wisconsin Central Ltd., a Limited Liability company under the laws of the State of Illinois, setting forth the terms and conditions for the permanent closure of the two railroad crossings of CSAH 127 (Main Street) described above.

Revocation of State Aid Designation of CSAH 127 (City of Iron Junction)

BY COMMISSIONER _____

WHEREAS, under the provision of Minnesota Laws as County State Aid Highway 127 may no longer meet the intent of Minnesota Rules 8820.0500 to form part of an integrated network of highways.

NOW, THEREFORE, BE IT RESOLVED, that subject to the approval of the Commissioner of Transportation of the State of Minnesota, the St. Louis County Board revokes as a County State Aid Highway, the highways described as follows:

County State Aid Highway No. 127, from the intersection with County State Aid Highway No. 7 westerly 0.16 mile to the intersection with County Road 452.
(State Aid Segment # 69-727-010)

which is hereby designated as St. Louis County Road No. 452.

And

County State Aid Highway No. 127, from the intersection with County Road 452 north and then easterly 0.38 mile to the intersection with County State Aid Highway No. 7.
(State Aid Segment # 69-727-030)

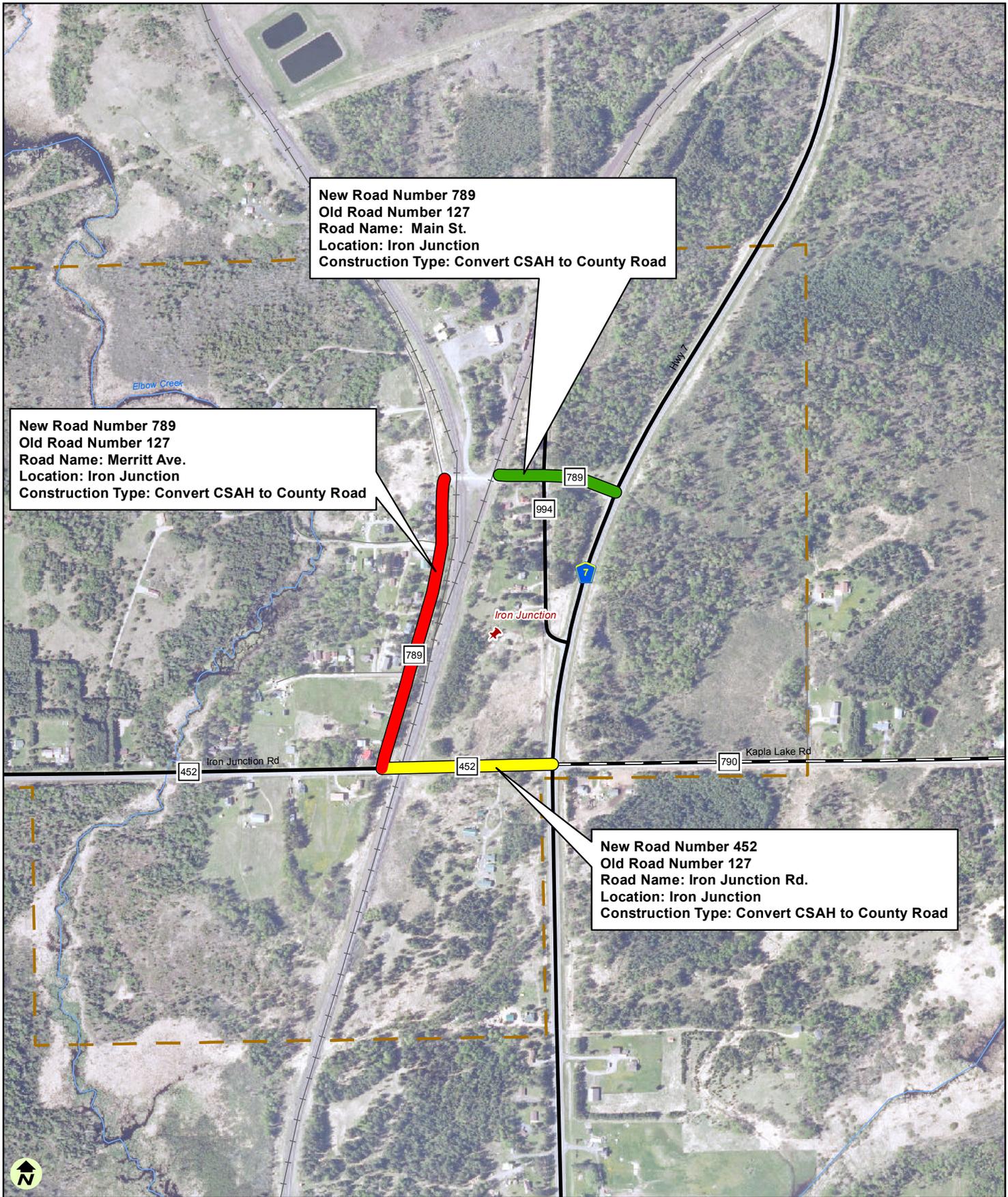
which is hereby designated as St. Louis County Road No. 789.

RESOLVED FURTHER, that the County Auditor is authorized and directed to forward two certified copies of this resolution and attached maps to the Commissioner of Transportation for consideration.

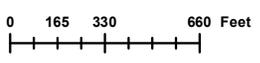
New Road Number 789
Old Road Number 127
Road Name: Main St.
Location: Iron Junction
Construction Type: Convert CSAH to County Road

New Road Number 789
Old Road Number 127
Road Name: Merritt Ave.
Location: Iron Junction
Construction Type: Convert CSAH to County Road

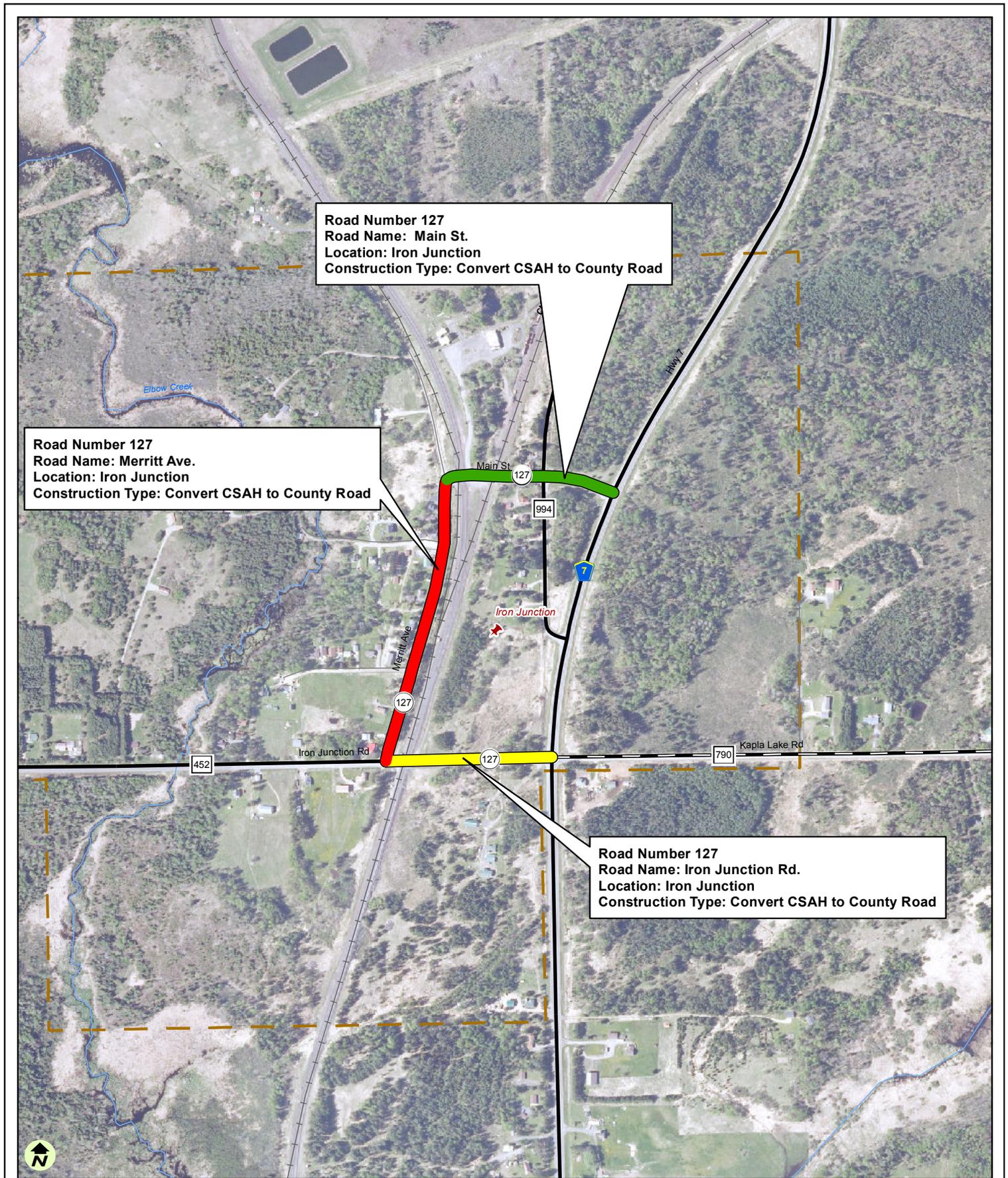
New Road Number 452
Old Road Number 127
Road Name: Iron Junction Rd.
Location: Iron Junction
Construction Type: Convert CSAH to County Road



St. Louis County 2012 Road & Bridge Construction



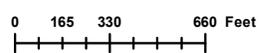
Map Components	
2012 Road & Bridge Construction	County Road - Paved
Yellow line	County Road - Gravel
Green line	Railroad
Red line	Township Boundary
	City/Town
	Lake
	River/Stream

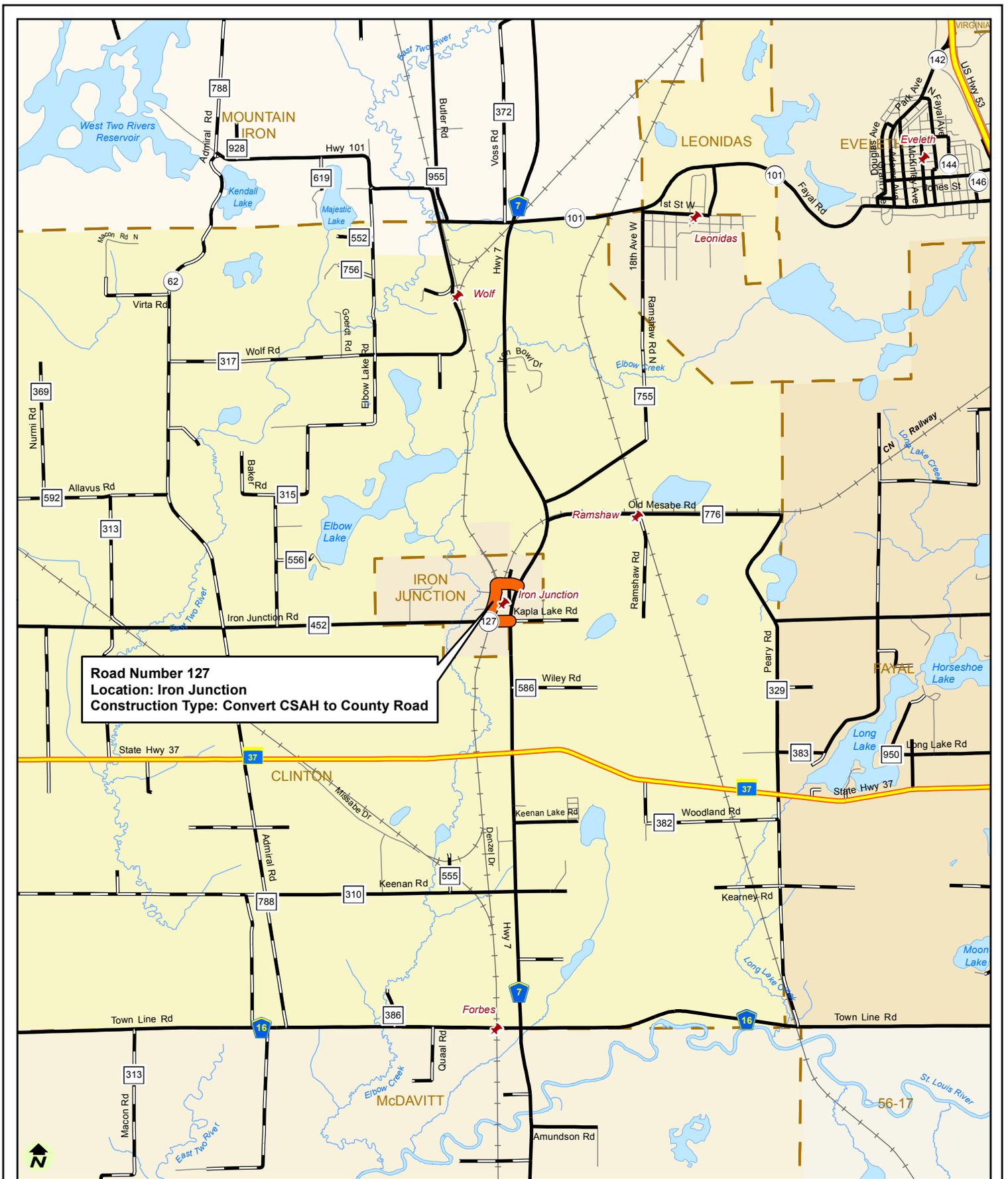


St. Louis County 2012 Road & Bridge Construction

Map Components

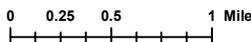
	2012 Road & Bridge Construction Iron Junction Rd		County Road - Paved		City/Town
	Main St		County Road - Gravel		Lake
	Merritt Ave		Railroad		River/Stream
	Township Boundary				





Road Number 127
Location: Iron Junction
Construction Type: Convert CSAH to County Road

St. Louis County 2012 Road & Bridge Construction



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

BOARD LETTER NO. 12 - 405

FINANCE & BUDGET COMMITTEE CONSENT NO. 6

BOARD AGENDA NO.

DATE: October 23, 2012

RE: 2013 Memorandum of Agreement
University of Minnesota Extension

FROM: Kevin Z. Gray
County Administrator

RELATED DEPARTMENT GOAL:

To connect community needs and University resources to address critical issues in St. Louis County by involving people in improving the quality of life and enhancing the economy and the environment through education and applied research.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize the annual Memorandum of Agreement with the University of Minnesota to provide Extension programs in St. Louis County.

BACKGROUND:

On May 23, 2012 the County Extension Committee recommended that the County Board approve the attached Memorandum of Agreement (MOA) between St. Louis County and University of Minnesota to provide specific Extension programs within St. Louis County and for Extension staff to perform these services. The proposed MOA is for one year beginning January 1, 2013 through December 31, 2013. The contract services include three positions identified as 4-H Program Coordinator (2.75 FTEs) and a 1% increase for a total contract price of \$180,263. The University has informed St. Louis County that MOA contract prices will increase 1.5% in 2014 and 1.5% in 2015.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the 2013 Memorandum of Agreement with the University of Minnesota, payable from Fund 184, Agency 184001, Object 629900; and Fund 184, Agency 186002, Object 629900.

**2013 Memorandum of Agreement between University of Minnesota Extension
and St. Louis County**

BY COMMISSIONER _____

WHEREAS, on May 23, 2012 the County Extension Committee recommended that the St. Louis County Board of Commissioners approve a Memorandum of Agreement (MOA) between the County and University of Minnesota to provide specific Extension programs within St. Louis County and for Extension staff to perform these services; and

WHEREAS, the proposed MOA is for one year beginning January 1, 2013 through December 31, 2013, including three positions identified as 4-H Program Coordinator (2.75 FTEs) for a total contract price of \$180,263.

NOW, THEREFORE, BE IT RESOLVED, the St. Louis County Board authorizes the appropriate county officials to sign the 2013 Memorandum of Agreement with the University of Minnesota to provide Extension programs totaling \$180,263, payable from Fund 184, Agency 184001, Object 629900; and Fund 184, Agency 186002, Object 629900.

2013
Memorandum of Agreement
Between the University of Minnesota
And
St. Louis County
For providing Extension programs locally and Employing
Extension Staff

This Agreement (“Agreement”) between the County of St. Louis Minnesota (“County”) and the Regents of the University of Minnesota on behalf of its Extension unit, 240 Coffey Hall, St. Paul, Minnesota, 55108 (“University”) is effective January 1, 2013, and supersedes and replaces any and all current or existing agreements relating to Extension and its programs that may exist between the County and University.

The term of this Agreement shall be one (1) year, beginning on January 1, 2013 and ending on December 31, 2013, unless earlier terminated as provided in paragraphs 7 and 8.

WITNESSETH:

WHEREAS, Minn. Stat. §38.34 authorizes a Board of County Commissioners to incur expenses and spend money for County Extension work; and

WHEREAS, the money set aside and appropriated by the County Board in the County Extension Fund may be paid out by orders of the University’s Director of Extension, or the Director’s designee, as identified in Minn. Stat. §38.36, Subd. 3; and

WHEREAS, Minn. Stat. §38.37 provides that Extension educators must be employed according to University personnel procedures and must be University employees; and

WHEREAS, it is the intention of the County and University that the University shall provide Extension services on behalf of the County in exchange for considerations as detailed herein.

NOW THEREFORE, in consideration of the mutual undertaking and agreements contained within this Agreement, the County and University hereby agree as follows:

1. In accordance with Minn. Stat. §38.37 St. Louis County will pay to University of Minnesota the amount of \$180,263 for the University’s Extension programs.

Table A

Program	FTE	2013 Price
Wade Herbranson, 4-H Program Coordinator (PC)	1.0	\$65,550
Valerie Coit, 4-H Program Coordinator (PC)	1.0	\$65,550
Carol Dinius, 4-H PC – Incredible Exchange	0.75	\$49,163

2. The educators and coordinators in Table A will be University employees and the University will be responsible for providing the following for the programs in Table A: salary & fringe benefits for the positions, enhanced programming from regional extension educator staff, program supervision, travel (mileage, meals, and lodging), in-service training within program area, payroll, and accounting services. St. Louis County will reimburse the University through its payments.

In addition to reimbursing the University for the costs of these employees, the County agrees to provide local support in the form of office space, telephone, computer, network connections for email and other communications, software, support staff and other general office supplies. The University will recommend technology needs and other office standards. Nevertheless, the level of availability and type of such support will be determined by the County.

3. University will bill the County on a quarterly basis and the County will submit payment within thirty (30) days of receipt of the bill. The total annual amount to be paid by the County shall be paid in four (4) equal quarterly payments.
4. As vacancies occur, and if the County and University agree to continue to support the desired program and position, University will hire new personnel with involvement and concurrence of the County Extension Committee. The County will not be billed for a position during the time that position is vacant.
5. The University will complete an annual performance evaluation of each University Extension employee working in the County and supporting the programs identified in paragraph 1. The County Extension Committee will have the option to provide input to University on such evaluation. The University in accordance with University personnel guidelines will determine salary adjustment of each University Extension employee.
6. Annually, the County Extension Committee, in coordination with University, will be responsible for approving the County Extension educational programming and services, as provided for in Minn. Stat. §38.34. The parties acknowledge that County extension educational programming includes University's Nutrition Education Program educational programming.
7. Nothing in this Agreement precludes the County or University at any time during the term of this Agreement from requesting a modification of the County Extension program, including an adjustment of the number of University Extension personnel working in the County. The County or University will provide a minimum of three (3) months written notice if either party desires a change in programs that results in a decrease in the staffing or funding level, and both parties agree to enter into good faith discussions to address such request.
8. If University or the County in good faith determines that funding is no longer available to support the programs or positions providing services locally, either party may terminate this Agreement. Termination of the Agreement in its entirety requires a minimum of ninety (90) days prior notice. Notice shall be dated and provided in writing to the parties listed below as the contacts for this Agreement.

If to County: Don Dicklich
County Auditor
Courthouse, Room 214
100 N 5th Avenue W
Duluth, MN 55802

If to University: University of Minnesota
Minnesota Extension
Attn: Chief Operating Officer
246 Coffey Hall
1420 Eckles Avenue
St. Paul, MN 55108
Facsimile No.: 612-625-6227
E-mail: werne012@umn.edu

9. Each party agrees that it will be responsible for its own actions and the results thereof to the extent authorized by law and shall not be responsible for the acts of the other party or the results thereof. The County's liability is

governed by the provisions of Minn. Stat. Chap. 466 and other applicable laws. The University's liability is governed by the provisions of the Minnesota Tort Claims Act, Minn. Stat. §3.736 and other applicable law.

- 10. Pursuant to Minn. Stat. §16C.05, Subd. 5, the University agrees that County, the State Auditor, or any of their duly authorized representatives at any time during normal business hours and as often as they may reasonably deem necessary, shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., which are pertinent to the accounting practices and procedures of relating to this Agreement. University agrees to maintain these records in accordance with applicable law.
- 11. All data collected, created, received, maintained, or disseminated for any purposes by the activities of University because of this Agreement is governed by the Minnesota Government Data Practices Act, Minn. Stat. Chap. 13, as amended, the Minnesota Rules implementing such Act now in force or as adopted, as well as Federal Regulations on data privacy.
- 12. The University is committed to the policy that all persons shall have equal access to its programs, facilities, and employment without regard to race, color, creed, religion, national origin, sex, age, marital status, disability, public assistance status, veteran status, sexual orientation or other classifications protected by state or federal law. In adhering to this policy, the University abides by the Minnesota Human Rights Act, Minnesota Statute Ch. 363; by the Federal Civil Rights Act, 42 U.S.C. 2000e; by the requirements of Title IX of the Education Amendments of 1972; by Sections 503 and 504 of the Rehabilitation Act of 1973; by the Americans With Disabilities Act of 1990; by Executive Order 11246, as amended; by 38 U.S.C. 2012, the Vietnam Era Veterans Readjustment Assistance Act of 1972, as amended; and by other applicable statutes and regulations relating to equality of opportunity.

IN WITNESS WHEREOF, the parties by their respective authorized agents or officers have executed this Agreement.

COUNTY of St. Louis

Regents of the University of Minnesota

BY _____
Chair, County Board of Commissioners

BY _____

DATE _____

DATE _____

BY _____
Chair, County Extension Committee

DATE _____

BY _____
County Auditor

DATE _____

Approved as to form:

BY _____
County Attorney

DATE _____

Damion No. **2012 - 7323**

BOARD LETTER NO. 12 – 406

FINANCE & BUDGET COMMITTEE CONSENT NO. 7

BOARD AGENDA NO.

DATE: October 23, 2012 **RE:** 2012 Third Quarter Budget Changes

FROM: Kevin Z. Gray
County Administrator

Donald Dicklich
County Auditor

RELATED DEPARTMENT GOAL:

Provide professional finance and accounting services in keeping with best practices, ensuring that public dollars are used exclusively for authorized public purposes.

ACTION REQUESTED:

It is requested that the St. Louis County Board authorize the budgetary revenue and expenditure changes incurred in the third quarter of 2012.

BACKGROUND:

Each year, the County Board adopts a resolution which allows for transfers and appropriations within funds for the current budget year. In addition, the 2012 Budget Resolution No. 11- 636, dated Dec. 13, 2011 requires that increases to the original governmental funds revenue and expenditure budgets cannot be made without County Board approval. The following represents the transfers and budgetary changes requested during the third quarter of 2012.

RECOMMENDATION:

It is recommended that the St. Louis County Board approve the 2012 third Quarter budget changes.

2012 Third Quarter Budget Changes

BY COMMISSIONER: _____

WHEREAS, all increases in original governmental funds revenue and expenditure budgets require County Board approval; and

WHEREAS, departments anticipate being notified of additional revenues throughout the year and need approval to increase revenue and expenditure budgets; and

WHEREAS, proposed budget adjustments are levy neutral.

NOW, THEREFORE, BE IT RESOLVED, that the St. Louis County Board of Commissioners authorizes the following budget changes:

1. Use of depreciation reserve/leasehold improvement fund to have a water heater moved for the Jail energy upgrade projects (\$264.00).
2. Use of depreciation reserve/leasehold improvement fund to purchase solar equipment for the Jail roof project (Phase II energy upgrades) (\$1,492.00).
3. Increase intra-county revenue budget for insurance charges in the Property Casualty Liability fund and decrease use of fund balance as a result (\$304,648.32).
4. Use of Attorney Trust Accounts-Victim/Witness fund balance to purchase parking passes for victims of crime who have little or no means to pay for parking meters so they may attend trial (\$180.00).
5. Establish revenue and expense budget for new fund created in Mitchell Humphrey accounting software to track Boundary Waters Drug Task force buy money; account was previously tracked in Quicken software (\$20,000.00).
6. Increase revenue and expense budgets in capital project fund to account for unexpected power grant rebate revenue for energy efficiency (\$3,872.60).
7. Use of fund balance restricted for Recorder's Equipment to purchase new computers for Assessor's and Recorder's employees (\$70,000.00) and to have microfilm of Torrens documents scanned and indexed (\$25,000.00).
8. Transfer from Auditor (\$10,000.00) and Administration (\$8,025.00) to capital projects fund for design fees associated with Auditor's license center relocation.
9. Increase revenue and expense budget in HAVA (Help America Vote Act) grant to account for interest earned (\$8.55).
10. Reallocate Senior Engineer position to Principal Engineer position within Public Works – no budget changes as the \$4,597.00 annual increase can be absorbed within existing 2012 personnel budget.
11. Reallocate Social Service Supervisor III position to Social Worker position within Public Health & Human Services; reduce expense budget and increase contribution to fund balance by annual savings amount prorated for remaining three months of 2012 (\$5,817.00).

12. Use of Public Health & Human Services technology improvements fund balance for a one-time investment in technology (\$25,000).
13. Reallocate Information Specialist I position to Information Specialist II position within Public Health & Human Services – no budget changes as the \$2,976 annual increase can be absorbed within existing personnel budget.

						Expense Budget	Transfer Out	Accumulation of Fund Balance	Revenue Budget	Transfers In	Use of Fund Balance
1	402	402005	66300			264.00					
	402	402001	630900			(264.00)					
2	402	402005	66300			1,492.00					
	402	402001	630900			(1,492.00)					
3	720	720001	553020						(304,648.32)		
	720	99999	311202								304,648.32
4	169	169001	635500			180.00					
	169	999999	311030								(180.00)
5	187	187001	583213						(20,000.00)		
	187	187001	642700			20,000.00					
6	400	400015	545117						(417.00)		
	400	400015	545137						(3,455.60)		
	400	400015	663000			3,872.60					
7	100	999999	311104								(95,000.00)
	100	121002	640400			70,000.00					
	100	121001	623900			25,000.00					
8	100	104001	629900			(8,025.00)					
	100	115011	629900			(10,000.00)					
	400	400035	660265			18,025.00					
	100	115011	697600				10,000.00				
	100	104001	697600				8,025.00				
	400	400035	590100							(18,025.00)	
9	100	127999	571000	12701	2006				(8.55)		
	100	127999	629900	12701	2006	8.55					
10	200	200008	610100			4,597.00					<i>(this is the annual increase amount - no entry was made as they are able to absorb in their personnel budget)</i>
11	230	230006	610600			(5,817.00)					
	230	999999	311200					5,817.00			
12	230	999999	311401								(25,000.00)
	230	230038	640400			25,000.00					
13	230	230019	610100			2,976.00					<i>(this is the annual increase amount - no entry was made as they are able to absorb in their personnel budget)</i>

BOARD LETTER NO. 12 - 407

FINANCE & BUDGET COMMITTEE CONSENT NO. 8

BOARD AGENDA NO.

DATE: October 23, 2012 **RE:** On-Sale and Sunday On-Sale
Intoxicating Liquor Licenses –
Dawghouse Bar & Grill (Northland
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 consider On-Sale and Sunday On-Sale Intoxicating Liquor Licenses for Dawghouse Bar & Grill, LLC d/b/a Dawghouse Bar & Grill, Northland Township.

BACKGROUND:

Dawghouse Bar & Grill, LLC, has made application for On-Sale and Sunday On-Sale Intoxicating Liquor Licenses for the establishment known as Dawghouse Bar & Grill, Northland Township. Minn. Stat. Chapter 340A.404, Subdivision 6, Paragraph (a), states “A county board may issue an annual on-sale intoxicating liquor license within the area of the county that is unorganized or unincorporated to a bowling center, restaurant, club, or hotel with the approval of the commissioner”.

The County Liquor Licensing Committee considered and approved the application and recommends Board approval. This establishment is located in Area 3 and the annual license fee is \$950.00.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the issuance of On-Sale and Sunday On-Sale Intoxicating Licenses for Dawghouse Bar & Grill, Northland Township.

**On-Sale and Sunday On-Sale Intoxicating Liquor Licenses –
Dawghouse Bar & Grill (Northland Township)**

BY COMMISSIONER _____

WHEREAS, Dawghouse Bar & Grill, LLC d/b/a Dawghouse Bar & Grill, Northland Township, St. Louis County, Minnesota, has applied for On-Sale and Sunday On-Sale Intoxicating Liquor Licenses; and

WHEREAS, Minn. Stat. Chapter 340A.404, Subdivision 6, Paragraph (a), “permits the county board to issue an on-sale intoxicating liquor license within the area of the county that is unorganized or unincorporated to a bowling center, restaurant, club, or hotel with the approval of the commissioner”.

WHEREAS, with regard to the application for said licenses, Dawghouse Bar & Grill has complied in all respects with the requirements of Minnesota Law and St. Louis County Ordinance No. 28.

NOW, THEREFORE, BE IT RESOLVED, that On-Sale Intoxicating Liquor License (License Number CMB13150) and Sunday On-Sale Intoxicating Liquor License (License Number SUN13150) shall be issued to Dawghouse Bar & Grill, LLC d/b/a Dawghouse Bar & Grill, Northland Township, located in Area 3, for an annual fee of \$950.00.

RESOLVED FURTHER, that said liquor license shall be effective November 1, 2012, through June 30, 2013;

RESOLVED FURTHER, that said license is approved contingent upon payment of real estate taxes when due;

RESOLVED FURTHER, that said license is approved contingent upon proof of liquor liability and workers’ compensation insurance and approval from Minnesota Department of Health and St. Louis County Environmental Services.

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

BOARD LETTER NO. 12 - 408

FINANCE & BUDGET COMMITTEE CONSENT NO. 9

BOARD AGENDA NO.

DATE: October 23, 2012 **RE:** Award 2011 and 2012 Emergency Service Grant (ESG) Funding to Agency Emergency Solutions Grant (ESG) Funding to Agency Projects

FROM: Kevin Z. Gray
County Administrator

Barbara Hayden, Director
Planning and Community Development Director

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 authorize agreements for all referenced 2011 and 2012 Emergency Solutions Grant (ESG) projects.

BACKGROUND:

The U.S. Department of Housing and Urban Development (HUD) has awarded St. Louis County \$60,203 in additional FY 2011 Emergency Solutions Grant (ESG) program funding and \$190,582 in FY 2012 Emergency Solutions Grant (ESG) program funding. Acceptance of the HUD ESG contract was authorized by County Board Resolution No. 12-357 dated June 26, 2012.

The Planning and Community Development and Public Health and Human Services Departments conducted a joint request for proposals with the City of Duluth to allocate the 2011 and 2012 ESG funding. Agencies applied separately for county or city ESG funding depending upon each project's area of service. The joint request for proposals process created greater coordination of homelessness services and improved Continuum of Care strategy implementation.

The applications were reviewed by county and city staff and the Heading Home Leadership Council through the St. Louis County Homeless Continuum of Care. The funding recommendation that follows with specific agency projects is the result of this process.

2011 and 2012 ESG Program - St. Louis County	
Project	Amount
Arrowhead Economic Opportunity Agency – Homeless Assistance (Shelter Operations)	\$44,063
Arrowhead Economic Opportunity Agency – Flex Fund Administration (Rapid Re-Housing)	\$136,837
Range Transitional Housing – Homeless Assistance (Case Management)	\$25,400
Legal Aid Service of NE Minnesota Virginia Office – Legal Services	\$15,000
Amherst H. Wilder Foundation – HMIS (data collection and reporting)	8,000
St. Louis County – Administration	\$21,485
Total - ESG	\$250,785

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the Planning and Community Development Director and a representative of the County Attorney to execute the agreements for all of the referenced 2011 and 2012 ESG projects. ESG funding supports homeless prevention and rapid re-housing projects, payable from Fund 173.

**Award 2011 and 2012 Emergency Service Grant (ESG) Funding to Agency
Emergency Solutions Grant (ESG) Funding to Agency Projects**

BY COMMISSIONER _____

WHEREAS, the U.S. Department of Housing and Urban Development has awarded St. Louis County \$60,203 in FY 2011 Emergency Solutions Grant funding and \$190,582 in FY 2012 Emergency Solutions Grant funding; and

WHEREAS, the Planning and Community Development and Public Health and Human Services Departments conducted a joint request for proposals with the City of Duluth to allocate the 2011 and 2012 ESG funding; and

WHEREAS, the applications were reviewed by county and city staff and the Heading Home Leadership Council through the St. Louis County Homeless Continuum of Care process resulting in funding recommendations to the St. Louis County Board and the Duluth City Council.

NOW, THEREFORE, BE IT RESOLVED, the St. Louis County Board allocates FY 2011 and FY 2012 projects from grants and authorizes the appropriate county officials to execute agreements for approved projects and that disbursements related to the ESG agreements be made from ESG Fund 173 as follows:

Agency-ESG Fund 173

2011 and 2012 ESG Program - St. Louis County	
Project	Amount
Arrowhead Economic Opportunity Agency – Homeless Assistance (Shelter Operations)	\$44,063
Arrowhead Economic Opportunity Agency – Flex Fund Administration (Rapid Re-Housing)	\$136,837
Range Transitional Housing – Homeless Assistance (Case Management)	\$25,400
Legal Aid Service of NE Minnesota Virginia Office – Legal Services	\$15,000
Amherst H. Wilder Foundation – HMIS (data collection and reporting)	8,000
St. Louis County – Administration	\$21,485
Total - ESG	\$250,785

BOARD LETTER NO. 12 - 409

FINANCE & BUDGET COMMITTEE CONSENT NO. 10

BOARD AGENDA NO.

DATE: October 23, 2012 **RE:** Acceptance of County Veterans
Service Officer Community
Outreach Grant

FROM: Kevin Z. Gray
County Administrator

Sherry Rodriguez
County Veterans Service Officer

RELATED DEPARTMENT GOAL:

To assist eligible veterans in obtaining all benefits from the Department of Veterans Affairs through community outreach.

ACTION REQUESTED:

The St. Louis County Board is requested to accept a County Veterans Service Office Community Outreach Grant from the Minnesota Department of Veterans Affairs.

BACKGROUND:

The Minnesota Department of Veterans Affairs received a one-time appropriation of \$200,000 specifically designated for use by County Veterans Service Offices for community outreach. In order to provide a fair and equitable distribution of these funds, it was determined that the \$200,000 would be divided equally among the 87 counties. As a result, each county will receive \$2,298.00. This is a one-time grant.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the acceptance of a County Veterans Service Office Community Outreach Grant from the Minnesota Department of Veterans Affairs for \$2,298.00 deposited into Fund 100, Agency 124999, Grant 12403, and Year 2013.

Acceptance of County Veterans Service Officer Community Outreach Grant

BY COMMISSIONER _____

WHEREAS, the 2013 Minnesota State Legislature funded the County Veterans Service Office Community Outreach Grant, allowing the Minnesota Department of Veterans Affairs to open a grant process for County Veteran Service Offices to put forth proposals for grants to provide community outreach services to Minnesota veterans; and

WHEREAS, the St Louis County Veterans Service Officer prepared a grant application for \$2,298.00 for community outreach to be used within a seven month period.

NOW THEREFORE, BE IT RESOLVED, that the St. Louis County Board accepts the Minnesota Department of Veterans Affairs County Veterans Service Office Community Outreach Grant in the amount of \$2,298.00 for outreach as defined in Minn. Stat. Section 197.608, to all eligible veterans regarding the availability of benefits they have earned and especially those relating to posttraumatic stress disorder for all veterans, including World War II, Korean War, and Vietnam War era veterans, and should not be used to supplant or replace other funding.

RESOLVED FURTHER, the appropriate county officials are authorized to execute the grant agreement and documents.

RESOLVED FURTHER, the St Louis County Veterans Service Office 2013 budget is amended to include receipt of \$2,298.00 from the MDVA, with funds deposited into Fund 100, Agency 124999, Grant 12403, and Year 2013.

ST. LOUIS COUNTY BOARD POLICIES
GRANT MANAGEMENT
CHAPTER 11
GRANT APPROVAL FORM

GRANT NAME: Community Outreach GRANT AMOUNT: \$2,298.00

GRANTOR: Minnesota Department of Veterans Affairs MATCH AMOUNT: _____

FUND: 100 AGENCY: 124999 GRANT: 12403 GRANT YEAR: 2013

AGENCY NAME: County Veterans Service Office

CONTACT PERSON: Sherry Rodriguez PHONE: 218-725-5287

GRANT PERIOD: BEGIN DATE: October 1, 2012 END DATE: May 31, 2013

STATE GRANT AWARD NUMBER OR FEDERAL CFDA # _____

FILL IN THE ABOVE INFORMATION ON THIS FORM AND IDENTIFY THE CATEGORY OF THE GRANT FROM THE CHOICES BELOW. ATTACH THIS FORM TO THE GRANT APPLICATION AND ANY OTHER PERTINENT OTHER DOCUMENTATION AND ROUTE THE PACKET TO THE INDIVIDUALS LISTED FOR THE TYPE OF GRANT.

IT IS ESSENTIAL THAT DEPARTMENTS SUBMIT THE COMPLETED APPROVAL FORM ON THOSE GRANTS THAT DO NOT REQUIRE BOARD RESOLUTION TO THE AUDITOR'S OFFICE ACCOUNTING DEPARTMENT FOR BUDGETING PURPOSES. NO GRANT ACTIVITY WILL BE RECORDED WITHOUT AN ESTABLISHED BUDGET.

GRANTS OF \$25,000 OR LESS

A grant of \$25,000 or less may be applied for and/or accepted by the department without a separate County Board Resolution if it meets the following:

1. The grant fits within the department's functions, and
2. If the grant requires a County match (not to exceed in money or value an amount equal to the actual grant), and if that match is "in kind, that "in-kind" match is part of the ongoing operations, or if the match is monetary, that the department can find the necessary amount within its existing budget.

DOES THIS GRANT QUALIFY UNDER "GRANTS OF \$25,000 OR LESS"?

YES NO

If so, this type of grant requires the following review approval:

County Auditor

Don Deibel

Date:

10-18-12

County Administrator

Carl Fickensberg

Date:

10-18-12

County Attorney

Date: _____

The Grant Budget must be entered into the accounting system. Send a copy of the grant, this signed approval form and any other pertinent information to the Auditor's Office-Accounting, so the budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.

ST. LOUIS COUNTY BOARD POLICIES
GRANT MANAGEMENT
CHAPTER 11

NEW GRANTS GREATER THAN \$25,000

All new grants that exceed \$25,000 and all recurring grants that exceed \$25,000 that contain changes in the grant's requirements which may affect either County resources or the scope of the grant need two (2) board resolutions. One board resolution is required to apply for the grant and a second resolution is required to accept the grant.

DOES THIS GRANT QUALIFY UNDER "GRANTS GREATER THAN \$25,000"?
YES ___ NO X

If this is a new grant greater than \$25,000, it requires the following review approval:

County Auditor _____ Date: _____
County Administrator _____ Date: _____

The Grant Budget must be entered into the accounting system. Send a copy of the grant, this completed approval form and the Board Resolution to the Auditor's Office-Accounting, so a budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.

RECURRING GRANTS GREATER THAN \$25,000

A recurring grant greater than \$25,000 that is a repeat of a grant which has been received by the County in past year(s) and that has no changes in the use of County resources or in the scope of the grant, requires one Board Resolution to both apply for and/or accept the grant.

DOES THIS GRANT QUALIFY AS "RECURRING GRANTS GREATER THAN \$25,000"?
YES ___ NO X

If yes, this recurring grant greater than \$25,000 requires the following review approval:

County Auditor _____ Date: _____
County Administrator _____ Date: _____

The Grant Budget must be entered into the accounting system. Send a copy of the grant, this completed approval form and the Board Resolution to the Auditor's Office-Accounting, so a budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.



October 8, 2012

Sherry Rodriguez, CVSO
St Louis County
Amendola Building, Suite 130
405 E. Superior St.
Duluth, MN 55802

Re: CVSO Outreach Grant

Dear CVSO,

During the 2012 Legislative Session, the Minnesota Department of Veterans Affairs (MDVA) received a one-time appropriation of \$200,000 that was specifically designated for use by the CVSOs for community outreach. In order to provide a fair and equitable distribution of these funds, it was determined that the \$200,000 would be divided equally among the 87 counties. As a result, each county will receive \$2,298. This one-time funding is not tied to CVSO certification.

Since the \$2,298 is a grant, the MDVA will follow the same procedures as with previous department grants. Enclosed with this letter are the county Grant Contract, CVSO Outreach Grant Items Approved/Disapproved list (Attachment A), the Board Resolution form and instructions. **Please note that any item or expense being considered for payment with these funds that is not on the list MUST receive prior written approval.** Once the signed Grant Contract and County Resolution are received, MDVA will secure the remaining signatures, provide you with a fully executed original, and electronically transfer the funds to your county treasurer.

You will have until **May 31, 2013** to spend the \$2,298 on qualified items. By that date, the funds must be spent, documentation of the qualified expenditures received by the MDVA, and any unused funds returned. However, MDVA will not provide any grant dollars to your county until the signed Grant Contract (in triplicate) and a **certified** County Resolution form are received.

Along with the notification of payment to your county auditor/treasurer, you will receive copies of a Compliance Report and an Expenditure form that will have to be filled out, signed and returned by the due date. **All paid receipts, the Compliance Report, the Expenditure form and any unused grant funds must be returned to the MDVA by May 31, 2013. No purchases can be made beyond that date.**

Please keep in mind that legislation authorizes the department to recover from the county any grant funds that are not used for qualified purchases as outlined in the list of approved expenditures, Attachment A of the Grant Contract.

If you have any questions, please feel free to contact Linda McDonald at linda.mcdonald@state.mn.us or call her at 651-757-1540.

Sincerely,

A handwritten signature in cursive script that reads "Bradley A. Lindsay".

Brad Lindsay, Senior Director of
Programs and Services
Minnesota Department of Veterans Affairs

Enclosures:

Grant Contract (3 copies)
County Resolution
Instructions

BOARD LETTER NO. 12 - 410

CENTRAL MANAGEMENT & INTERGOVERNMENTAL
COMMITTEE CONSENT NO. 11

BOARD AGENDA NO.

DATE: October 23, 2012 **RE:** Reallocation of an Information
Specialist II to a Technical
Services Analyst III for
Database Administration

FROM: Kevin Z. Gray
County Administrator

Barbara Hayden, Director
Planning and Community Development

Martin Buscombe, Director
Information Technology

RELATED DEPARTMENT GOAL:

To provide effective and efficient government.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize the reallocation of an Information Specialist II position to a Technical Services Analyst III for Database Administration and enterprise support of Land Records and Geographic Information Systems (GIS).

BACKGROUND INFORMATION:

As information technology continues to expand within St. Louis County, a strong data administration, infrastructure, and data quality program is a critical foundation to support county department business operations via web applications, web services, and reports. The Planning and Community Development Department has held an Information Specialist II position open while reviewing staffing in light of revenue reductions. At this time, the department has identified its top enterprise business need as a database administrator for land records and GIS to support county-wide department business operations.

Planning and Community Development began discussions with Information Technology (IT) to implement the strategic plan for integration of Land Records and GIS. A critical need is improved database administration as all departments work on data quality,

integration, and use each other's data for various business needs. The proposed position will focus on supporting the enterprise land records and GIS program.

After reviewing work duties with IT, the Technical Services Analyst III (TSA III) job description was selected. The specific focus areas/job duties will include: administration of the Spatial Database Engine Server, ArcGIS Server, Structured Query Language (SQL) compliant queries and scripts, Data Views, Legacy Data, Web Services, application data support, Database Documentation and Infrastructure and related duties.

The proposed TSA III will be managed through a shared coordination model, which has been developed in conjunction with Human Resources, and is increasingly commonplace in overlapping areas (such as IT and GIS).

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the reallocation of an Information Specialist II (position code 0421-005) from the Planning and Community Development Department to a Technical Services Analyst III in the Information Technology Department, Fund 100, Agency 117013, effective upon the start of the next pay period, November 3, 2012.

**Reallocation of an Information Specialist II to a Technical Services Analyst III
for Database Administration**

BY COMMISSIONER _____

WHEREAS, the Planning and Community Development Department continues to review office staffing requirements and has determined that a current Information Specialist II position assigned to community development work will not be filled; and

WHEREAS, the Planning and Community Development Department in its capacity as lead on the county's Geographic Information System (GIS) program has identified a critical need for database administration; and

WHEREAS, the Information Technology (IT) Department in its capacity as lead on the county's land records databases has identified a critical need for database administration; and

WHEREAS, the Planning and Community Development Department has discussed this need with the IT and Human Resources Departments and the three have decided a Technical Services Analyst III position is the best fit for the technical needs, with the position managed through a shared coordination model; and

WHEREAS, the IT Department has sufficient personnel savings to fund this position for the rest of 2012 and it will be built into its 2013 budget; and

WHEREAS, County Fiscal Policies specify that any position change greater than three pay grades must go to the County Board for approval.

NOW, THEREFORE, BE IT RESOLVED, that the St. Louis County Board authorizes the reallocation of the Information Specialist II (pay grade 10) position in Planning and Community Development Department to a Technical Services Analyst III (pay grade 25) in the Information Technology Department (Fund 100, Agency 117013) and make associated budgetary changes effective November 3, 2012.

BOARD LETTER NO. 12 - 411

CENTRAL MANAGEMENT & INTERGOVERNMENTAL COMMITTEE CONSENT NO. 12

BOARD AGENDA NO.

DATE: October 23, 2012 **RE:** Reallocation of Contract &
Procurement Specialist to
Purchasing Division

FROM: Kevin Z. Gray
County Administrator

Tony Mancuso, Director
Property Management

RELATED DEPARTMENT GOAL:

To provide effective and efficient government.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize the reallocation of one full time equivalent (FTE) Contract & Procurement Specialist from the Property Management Department to the Purchasing Division of the Administration Department.

BACKGROUND:

The former incumbent in the job class of Contract and Procurement Specialist recently retired from Property Management, leaving the position vacant. In analyzing the needs of the department and the most appropriate means of replacing the incumbent, it was determined that the position would be best situated in the county's Purchasing Division where it could be a shared resource with several departments rather than dedicated solely to Property Management.

It is anticipated that the responsibilities and duties of this position will continue to serve Property Management, but will also provided needed support for the Sheriff's Office and the Public Works Department. The Contract & Procurement Specialist job class is in Civil Service Basic Unit (pay grade B17).

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the reallocation of one (1) FTE Contract & Procurement Specialist (Fund 100, Agency 128002) from Property Management to the Purchasing Division of the Administration Department, and authorize the appropriate budgetary transfers, effective November 3, 2012.

Reallocation of Contract & Procurement Specialist to Purchasing Division

BY COMMISSIONER _____

WHEREAS, the former incumbent in the job class of Contract and Procurement Specialist recently retired from the Property Management Department, leaving the position vacant; and

WHEREAS, in analyzing the needs of the department and the most appropriate means of replacing the incumbent, it was determined that the position would be best situated in the county's Purchasing Division where it could be a shared resource with several departments including the Sheriff's Office, Public Works, and Property Management.

NOW, THEREFORE, BE IT RESOLVED, that the St. Louis County Board authorizes the reallocation of one (1) full time equivalent Contract & Procurement Specialist from the Property Management Department (Fund 100, Agency 128002), to the Purchasing Division of the Administration Department (Fund 100, Agency 119001).

RESOLVED FURTHER, that the personnel complement for Property Management is reduced by one (1) full time equivalent Contract & Procurement Specialist, and the personnel complement for the Administration Department, Purchasing Division, is increased by one (1) full time equivalent effective with the start of the next pay period, November 3, 2012.

BOARD LETTER NO. 12 - 412

CENTRAL MANAGEMENT & INTERGOVERNMENTAL COMMITTEE CONSENT NO. 13

BOARD AGENDA NO.

DATE: October 23, 2012

RE: Designation of Safety & Risk Manager to discharge the duties of county mine inspector; and Reallocation of Assistant Mine Inspector position

FROM: Kevin Z. Gray
County Administrator

James R. Gottschald, Director
Human Resources

RELATED DEPARTMENT GOAL:

To provide effective and efficient government.

ACTION REQUESTED:

The St. Louis County Board is requested to designate an appropriate county official to discharge the duties of county mine inspector and to approve the reallocation of an existing, vacant Assistant Mine Inspector position to Loss Control Specialist (Mine Safety Specialist).

BACKGROUND INFORMATION:

Minnesota Statutes §180.01 requires counties with active, inactive or idled mines to appoint a mine inspector or designate an appropriate county official to discharge the duties of a county mine inspector. St. Louis County records indicate that the county has appointed such a mine inspector since at least 1943. The Mine Inspector currently reports directly to the Safety and Risk Manager, and it is the County Administrator's responsibility to determine appropriate division policies and procedures regarding the conduct of the county's mine inspection program under current statute.

While the county mine inspection function has been required by Minnesota Statutes since 1905, the current law has not evolved in relation to the modern mining industry, litigious social climate and creation of the Mine Safety and Health Administration (MSHA). A business improvement analysis was conducted by County Administration in 2011 with an objective to modernize county mine inspector office functions and to

develop a succession plan to ensure continuity and increase the overall value of this important function to St. Louis County citizens, the mining industry, and its employees.

The current St. Louis County Mine Inspector has given notice of his retirement. After consultation with the County Attorney's Office and Human Resources, the county has elected to pursue modernization of the mine inspector statute as part of its 2013 legislative agenda. Until this statute is updated to reflect current safety and mine contexts, the County Board is requested to designate the Safety and Risk Manager as the appropriate county official to discharge the duties of county mine inspector and support the work of the Assistant Mine Inspectors. In this interim period, the Safety and Risk Manager will continue to oversee the operations of this function, directing the statutory work and improving the overall value this role can provide to the mining industry.

The mine inspection function has been operating with a vacant Assistant Mine Inspector position for a number of years. It is requested that the county board approve the upgrade and reallocation of this vacant 1.0 Full Time Equivalent (FTE) position to a Loss Control Specialist which, under the work title of Mine Safety Specialist will conduct mine inspections as well as initiate mining related loss control initiatives.

In accord with County Fiscal Policies, each department has the authority to add and delete positions within their staffing complement, as long as the total number of full-time equivalents does not exceed the total number of authorized positions approved by the County Board. In addition, the fiscal policies specify that the position added or deleted must be within three pay grades of each other and must be approved by the County Administrator. Since these positions are more than three grades apart (pay grade B17 to pay grade 25), the County Board must approve the reallocation.

RECOMMENDATION:

It is recommended that the St. Louis County Board designate the Safety and Risk Manager as the appropriate county official to discharge the duties of county mine inspector. It is further recommended that the Board authorize the reallocation of a vacant Assistant Mine Inspector 1.0 FTE to Loss Control Specialist (working title of Mine Safety Specialist) and make the associated budget changes.

Designation of Safety & Risk Manager to discharge the duties of county mine inspector; and Reallocation of Assistant Mine Inspector position

BY COMMISSIONER _____

WHEREAS, St. Louis County has a unique value added role to provide the mining industry through the county mine inspector function; and

WHEREAS, the present County Mine Inspector will retire effective October 19, 2012 and County Administration has been involved in business improvement analysis and a stakeholder analysis during the past two years in preparation of succession planning for this county function; and

WHEREAS, it is the desire of the county to designate the Safety and Risk Manager as the appropriate county official to discharge the duties of mine inspector on an interim basis; and

WHEREAS, the county has determined that the reallocation of an existing vacant Assistant Mine Inspector (pay grade b17)1.0 Full Time Equivalent (FTE) position to a Loss Control Specialist (pay grad B25), with a working title of Mine Safety Specialist, who will conduct mine inspections as well as initiate mining related loss control initiatives, would add value to this work; and

WHEREAS, County Fiscal Policies require any position change greater than three pay grades go to the County Board for approval; and

WHEREAS, funding is available within the Safety and Risk Management budget and the County Attorney's Office and Human Resources Department have reviewed both requested items.

NOW, THEREFORE, BE IT RESOLVED, that the St. Louis County Board designates the Safety and Risk Manager as the appropriate county official to discharge the duties of county mine inspector in St. Louis County effective immediately; and

FURTHER RESOLVED that the County Board authorizes the reallocation of 1.0 FTE Assistant Mine Inspector position (pay grade B17) to 1.0 FTE Loss Control Specialist (pay grade B25) (Mine Safety Specialist) and make associated budgetary changes effective November 3, 2012.

BOARD LETTER NO. 12 - 413

CENTRAL MANAGEMENT & INTERGOVERNMENTAL COMMITTEE CONSENT NO. 14

BOARD AGENDA NO.

DATE: October 23, 2012 **RE:** Civil Service Supervisory Unit
Bargaining Agreement–
2012/2013

FROM: Kevin Z. Gray
County Administrator

James R. Gottschald, Director
Human Resources

RELATED DEPARTMENT GOAL:

To assist the county to meet and negotiate with employees in appropriate bargaining units and reduce the negotiations to a written agreement.

ACTION REQUESTED:

It is requested that the St. Louis County Board approve the 2012/2013 Civil Service Supervisory contract and authorize execution of the agreement with the St. Louis County Employees Association.

BACKGROUND:

The county's labor agreement with the Civil Service Supervisory Unit expired on December 31, 2011. St. Louis County and the St. Louis County Employees Association reached agreement on terms of a new collective bargaining agreement. The agreement is effective January 1, 2012 to December 31, 2013.

The 2012/2013 collective bargaining agreement contains the following negotiated provisions:

- 1% general wage increase effective December 17, 2011; and a 1.5% increase effective December 15, 2012;
- Inclusion of revised paid leave benefits (reflected in Appendix A) that are applicable to employees hired after January 1, 2013. The paid leave benefits that are affected are personal leave, vacation and sick leave accruals, funeral leave and sick leave accumulation;

- Payment of a one-time lump sum cash payment, not added to base, in the gross amount of \$600.00, subject to usual payroll deductions;
- Deletion of both “premium” and “explosives” pay. Premium and explosives pay are pay differentials of \$2.07 per hour payable for operation of equipment and handling of explosives.
- Reallocation of the Engineering Technician Principal and Fleet/Property Manager classes to the E2 pay plan (8 hour day) effective the start of the pay period following ratification by the County Board.

RECOMMENDATION:

It is recommended that the St. Louis County Board ratify the 2012/2013 Civil Service Supervisory Unit collective bargaining agreement and authorize County officials to execute a written agreement consistent with negotiations.

Civil Service Supervisory Unit Bargaining Agreement– 2012/2013

BY COMMISSIONER _____

RESOLVED, that the 2012/2013 Civil Service Supervisory Unit contract is ratified and County officials are authorized to execute the Collective Bargaining Unit Agreement, a copy of which is on file in County Board File No. _____.

**Acceptance of Amendment to the Boundary Waters
Drug Task Force Grant**

BY COMMISSIONER _____

WHEREAS, the St. Louis County Sheriff's Office is a member of the Boundary Waters Drug Task Force, and the county serves as its fiscal agent; and

WHEREAS, the Minnesota Department of Public Safety, Office of Justice Programs, is offering an amended 2012 Boundary Waters Drug Task Force grant, increasing the amount from \$96,043 to \$192,086 and changing the expiration date from December 31, 2012 to December 31, 2013.

NOW THEREFORE, BE IT RESOLVED, that the St. Louis County Board accepts the amendment to the 2012 Boundary Waters Drug Task Force Grant in the amount of \$192,086, to be accounted for in Fund 100, Agency 129999, Grant 12901, Year 2012.

RESOLVED FURTHER, that the St. Louis County Board authorizes the appropriate county officials to sign any associated contract documents.

GRANT APPROVAL FORM

GRANT NAME: BWDTF Grant GRANT AMOUNT: 192,086

GRANTOR: MN Department of Public Safety MATCH AMOUNT: 0

FUND: 100 AGENCY: 129999 GRANT: 12901 GRANT YEAR: 2012

AGENCY NAME: Sheriff

CONTACT PERSON: Dawn Sathers PHONE: 218-726-2389

GRANT PERIOD: BEGIN DATE: 01/01/12 END DATE: 12/31/13

STATE GRANT AWARD NUMBER OR FEDERAL CFDA # _____

FILL IN THE ABOVE INFORMATION ON THIS FORM AND IDENTIFY THE CATEGORY OF THE GRANT FROM THE CHOICES BELOW. ATTACH THIS FORM TO THE GRANT APPLICATION AND ANY OTHER PERTINENT OTHER DOCUMENTATION AND ROUTE THE PACKET TO THE INDIVIDUALS LISTED FOR THE TYPE OF GRANT.

IT IS ESSENTIAL THAT DEPARTMENTS SUBMIT THE COMPLETED APPROVAL FORM ON THOSE GRANTS THAT DO NOT REQUIRE BOARD RESOLUTION TO THE AUDITOR'S OFFICE ACCOUNTING DEPARTMENT FOR BUDGETING PURPOSES. NO GRANT ACTIVITY WILL BE RECORDED WITHOUT AN ESTABLISHED BUDGET.

GRANTS OF \$25,000 OR LESS

A grant of \$25,000 or less may be applied for and/or accepted by the department without a separate County Board Resolution if it meets the following:

1. The grant fits within the department's functions, and
2. If the grant requires a County match (not to exceed in money or value an amount equal to the actual grant), and if that match is "in kind", that "in-kind" match is part of the ongoing operations, or if the match is monetary, that the department can find the necessary amount within its existing budget.

DOES THIS GRANT QUALIFY UNDER "GRANTS OF \$25,000 OR LESS"?

YES NO

If so, this type of grant requires the following review approval:

County Auditor	<input type="text"/>	Date:	<input type="text"/>
County Administrator	<input type="text"/>	Date:	<input type="text"/>
County Attorney	<input type="text"/>	Date:	<input type="text"/>

The Grant Budget must be entered into the accounting system. Send a copy of the grant, this signed approval form and any other pertinent information to the Auditor's Office-Accounting, so the budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.

NEW GRANTS GREATER THAN \$25,000

All new grants that exceed \$25,000 and all recurring grants that exceed \$25,000 that contain changes in the grant's requirements which may affect either County resources or the scope of the grant need two (2) board resolutions. One board resolution is required to apply for the grant and a second resolution is required to accept the grant.

DOES THIS GRANT QUALIFY UNDER "GRANTS GREATER THAN \$25,000"?

YES NO

If this is a new grant greater than \$25,000, it requires the following review approval:

County Auditor _____ Date: _____
County Administrator _____ Date: _____

The Grant Budget must be entered into the accounting system. Send a copy of the grant, this completed approval form and the Board Resolution to the Auditor's Office-Accounting, so a budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.

RECURRING GRANTS GREATER THAN \$25,000

A recurring grant greater than \$25,000 that is a repeat of a grant which has been received by the County in past year(s) and that has no changes in the use of County resources or in the scope of the grant, requires one Board Resolution to both apply for and/or accept the grant.

DOES THIS GRANT QUALIFY AS "RECURRING GRANTS GREATER THAN \$25,000"?

YES NO

If yes, this recurring grant greater than \$25,000 requires the following review approval:

County Auditor Don Dickler Date: 10-17-12
County Administrator Sam Fickenberg Date: 10-17-12

The Grant Budget must be entered into the accounting system. Send a copy of the grant, this completed approval form and the Board Resolution to the Auditor's Office-Accounting, so a budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.

BOARD LETTER NO. 12 - 415

PUBLIC SAFETY & CORRECTIONS COMMITTEE CONSENT NO. 16

BOARD AGENDA NO.

DATE: October 23, 2012 **RE:** FFY 2012 Emergency
Management Performance
Grant

FROM: Kevin Z. Gray
County Administrator

Ross Litman
Sheriff

RELATED DEPARTMENT GOAL:

To enhance public safety.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize application and acceptance of the 2012 State of Minnesota, Emergency Management Performance Grant.

BACKGROUND:

The Emergency Management Division of the St. Louis County Sheriff's Office receives the Emergency Management Performance Grant (EMPG) each year to supplement the county's civil defense program. The grant supports the development, maintenance, and improvement of local emergency management programs to include mitigation, preparedness response, and recovery capabilities for all hazards. The grant award is based on a formula including population and net tax capacity, the current Emergency Management budget, and the total EMPG monies that the state has available. The 2012 available funding is \$78,117 and will support up to 50% of the Emergency Management Agency's 2013 operating expenses.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the application and acceptance of the 2012 State of Minnesota Emergency Management Performance Grant in the amount of \$78,117, to be accounted for in Fund 100, Agency 132001, Revenue Code 540901.

FFY 2012 Emergency Management Performance Grant

BY COMMISSIONER _____

WHEREAS, the State of Minnesota has made \$78,117 available through the Emergency Management Performance Grant to assist the St. Louis County Sheriff's Office for local emergency management programs.

NOW THEREFORE, BE IT RESOLVED, that the St. Louis County Board authorizes application and acceptance of the 2012 State of Minnesota, Emergency Management Performance Grant in the amount of \$78,117, to be accounted for in Fund 100, Agency 132001, Revenue Code 540901.

RESOLVED FURTHER, that the St. Louis County Board authorizes the appropriate county officials to sign any associated contract documents

GRANT APPROVAL FORM

GRANT NAME: EMPG Grant GRANT AMOUNT: 78,117

GRANTOR: State of Minnesota MATCH AMOUNT: 0

FUND: 100 AGENCY: 132001 GRANT: 99999 GRANT YEAR: 9999

AGENCY NAME: Sheriff

CONTACT PERSON: Dawn Sathers PHONE: 218-726-2389

GRANT PERIOD: BEGIN DATE: 01/01/13 END DATE: 12/31/13

STATE GRANT AWARD NUMBER OR FEDERAL CFDA # _____

FILL IN THE ABOVE INFORMATION ON THIS FORM AND IDENTIFY THE CATEGORY OF THE GRANT FROM THE CHOICES BELOW. ATTACH THIS FORM TO THE GRANT APPLICATION AND ANY OTHER PERTINENT OTHER DOCUMENTATION AND ROUTE THE PACKET TO THE INDIVIDUALS LISTED FOR THE TYPE OF GRANT.

IT IS ESSENTIAL THAT DEPARTMENTS SUBMIT THE COMPLETED APPROVAL FORM ON THOSE GRANTS THAT DO NOT REQUIRE BOARD RESOLUTION TO THE AUDITOR'S OFFICE ACCOUNTING DEPARTMENT FOR BUDGETING PURPOSES. NO GRANT ACTIVITY WILL BE RECORDED WITHOUT AN ESTABLISHED BUDGET.

GRANTS OF \$25,000 OR LESS

A grant of \$25,000 or less may be applied for and/or accepted by the department without a separate County Board Resolution if it meets the following:

1. The grant fits within the department's functions, and
2. If the grant requires a County match (not to exceed in money or value an amount equal to the actual grant), and if that match is "in kind", that "in-kind" match is part of the ongoing operations, or if the match is monetary, that the department can find the necessary amount within its existing budget.

DOES THIS GRANT QUALIFY UNDER "GRANTS OF \$25,000 OR LESS"?

YES NO

If so, this type of grant requires the following review approval:

County Auditor	_____	Date: _____
County Administrator	_____	Date: _____
County Attorney	_____	Date: _____

The Grant Budget must be entered into the accounting system. Send a copy of the grant, this signed approval form and any other pertinent information to the Auditor's Office-Accounting, so the budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.

NEW GRANTS GREATER THAN \$25,000

All new grants that exceed \$25,000 and all recurring grants that exceed \$25,000 that contain changes in the grant's requirements which may affect either County resources or the scope of the grant need two (2) board resolutions. One board resolution is required to apply for the grant and a second resolution is required to accept the grant.

DOES THIS GRANT QUALIFY UNDER "GRANTS GREATER THAN \$25,000"?

YES NO

If this is a new grant greater than \$25,000, it requires the following review approval:

County Auditor _____ Date: _____
County Administrator _____ Date: _____

The Grant Budget must be entered into the accounting system. Send a copy of the grant, this completed approval form and the Board Resolution to the Auditor's Office-Accounting, so a budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.

RECURRING GRANTS GREATER THAN \$25,000

A recurring grant greater than \$25,000 that is a repeat of a grant which has been received by the County in past year(s) and that has no changes in the use of County resources or in the scope of the grant, requires one Board Resolution to both apply for and/or accept the grant.

DOES THIS GRANT QUALIFY AS "RECURRING GRANTS GREATER THAN \$25,000"?

YES NO

If yes, this recurring grant greater than \$25,000 requires the following review approval:

County Auditor Don Dickel Date: 10-17-12
County Administrator Ann Guckenberg Date: 10-17-12

The Grant Budget must be entered into the accounting system. Send a copy of the grant, this completed approval form and the Board Resolution to the Auditor's Office-Accounting, so a budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.

BOARD LETTER NO. 12 - 416

PUBLIC SAFETY & CORRECTIONS COMMITTEE

CONSENT NO. 17

BOARD AGENDA NO.

DATE: October 23, 2012 **RE:** Authorization of Revised
Contract with CenturyLink and
Rescind County Board
Resolution No. 12-550

FROM: Kevin Z. Gray
County Administrator

Ross Litman
Sheriff

RELATED DEPARTMENT GOAL:

To enhance public safety.

ACTION REQUESTED:

The St. Louis County Board is requested to rescind Resolution No. 12-550 dated October 9, 2012, and approve a revised contract with CenturyLink Government for upgrades to the 911 phone system.

BACKGROUND:

On October 9, 2012, the County Board adopted Resolution No. 12-550, authorizing continuation of a maintenance agreement with CenturyLink Government (formally Qwest) for the county's 911 phone system and the purchase of two additional Power 911 Intelligent workstations.

The two new workstations would have been required to be programmed with Windows XP to match the other ten workstations; however, Windows XP does not allow natural migration to Next Generation 911. Therefore, the two new workstations and the existing ten will need to be upgraded at an additional cost. Next Generation 911 is the current project that will allow for emergency calls to be placed via text messaging and will allow sending additional forms of media to public safety answering points.

This revised agreement with CenturyLink Government is to purchase two new workstations and upgrade all existing workstations to the advanced platform. The current workstations are nearing end of service and are scheduled to be replaced early next year. Completing the work simultaneously will reduce costs and ensure all workstations are operating on the same platform providing additional stability for the 911 system. The total cost of these upgrades is \$206,000, plus tax not to exceed \$14,000 for the installation and hardware portions. E911 funds will be used to fund this request.

RECOMMENDATION:

It is recommended that the St. Louis County Board rescind Resolution No. 12-550 dated October 9, 2012, and authorize a contract and purchase of equipment through CenturyLink Government in the amount of \$206,000, plus tax not to exceed \$14,000 for the installation and hardware portions, payable from E911, Fund 179, Agency 179001, Object 665900.

**Authorization of Revised Contract with CenturyLink
and Rescind County Board Resolution No. 12-550**

BY COMMISSIONER _____

WHEREAS, On October 9, 2012, by Resolution No. 12-550, the County Board approved a maintenance agreement with CenturyLink and the purchase of two power stations; and

WHEREAS, purchasing two new 911 workstations and upgrading the current ten workstations simultaneously will ensure stability of the county's 911 system and allow for the migration to Next Generation 911; and

WHEREAS, ten 911 workstations are nearing end of service and will need to be upgraded early next year.

NOW THEREFORE, BE IT RESOLVED, that the St. Louis County Board authorizes an agreement with CenturyLink Government to upgrade the 911 phone system and purchase 2 new workstations in the amount of \$206,000, plus tax not to exceed \$14,000 for the installation and hardware portions, to be accounted for in Fund 179, Agency 179001, Object 665900.

RESOLVED FURTHER, that the St. Louis County Board authorizes the appropriate county officials to sign any associated contract documents.

RESOLVED FURTHER, that the County Board Resolution No. 12-550, dated October 9, 2012, is hereby rescinded.



*Resolution
of the
Board of County Commissioners*

St. Louis County, Minnesota

Adopted on: October 9, 2012 Resolution No. 12-550

Offered by Commissioner: Raukar

CenturyLink Government Extended Maintenance Agreement

WHEREAS, the St. Louis County Sheriff's Office would like to continue the maintenance agreement with CenturyLink Government for the Power 911 and VIPER Systems; and

WHEREAS, the current maintenance agreement expires on January 31, 2012; and

WHEREAS, two new Power 911 Intelligent workstations will allow the Sheriff's Office Communications Division to migrate from the end of life Foreign Exchange Office gateways and facilitate the upgrade to Windows 7.

NOW, THEREFORE, BE IT RESOLVED, that the St. Louis County Board authorizes the appropriate county officials to enter into an agreement with CenturyLink Government for maintenance for a one year term in the amount of \$23,622.91, payable from Fund 100, Agency 135001, Object 629900.

RESOLVED FURTHER, that the St. Louis County Board authorizes the purchase of two (2) new Power 911 Intelligent workstations in the amount not to exceed \$55,537.11, payable from Fund 100, Agency 135001, Object 665900.

RESOLVED FURTHER, that the St. Louis County Board authorizes the appropriate county officials to sign any associated contract documents.

Commissioner Raukar moved the adoption of the Resolution and it was declared adopted upon the following vote:

Yeas – Commissioners Jewell, O'Neil, Dahlberg, Forsman, Sweeney, Raukar, and Chair Nelson - 7

Nays – None

STATE OF MINNESOTA
Office of County Auditor, ss.
County of St. Louis

I, DONALD DICKLICH, Auditor of the County of St. Louis, do hereby certify that I have compared the foregoing with the original resolution filed in my office on the 9th day of October, A.D. 2012, and that this is a true and correct copy.

WITNESS MY HAND AND SEAL OF OFFICE at Duluth, Minnesota, this 9th day of October, A.D., 2012.

DONALD DICKLICH, COUNTY AUDITOR

By

Deputy Auditor/Clerk of the County Board

BOARD LETTER NO. 12 - 417

FINANCE & BUDGET COMMITTEE CONSENT NO. 18

BOARD AGENDA NO.

DATE: October 23, 2012 **RE:** Establish Public Hearing to
Consider Off-Sale Intoxicating
Liquor License – Dawghouse Bar
& Grill (Northland Township)

FROM: Kevin Z. Gray
County Administrator

Don Dicklich
County Auditor

RELATED DEPARTMENT GOAL:

To provide mandated and discretionary licensing services in a timely manner.

ACTION REQUESTED:

The St. Louis County Board is requested to establish a public hearing to consider an off-sale intoxicating liquor license for an establishment in Northland Township.

BACKGROUND:

Dawghouse Bar & Grill, LLC has made application for an Off-Sale Intoxicating Liquor License for the establishment known as Dawghouse Bar & Grill, Northland Township. M.S. 340A.405, subdivision 2d, relating to the issuance of off-sale intoxicating liquor licenses provides that "No license may be issued under this subdivision unless a public hearing is held on the issuance of the license. Notice must be given to all interested parties and to any city located within three miles of the premises to be licensed. At the hearing the county board shall consider testimony and exhibits presented by interested parties and may base its decision to issue or deny a license upon the nature of the business to be conducted and its impact upon any municipality, and the character and reputation of the applicant, and the propriety of the location."

The County Liquor Licensing Committee considered and approved the application and recommends Board approval. This establishment is located in Area 3 and the annual license fee is \$150.00.

RECOMMENDATION:

It is recommended that the St. Louis County Board establish a public hearing at 9:40 a.m., November 6, 2012, St. Louis County Courthouse, Duluth, Minnesota, to consider the Off-Sale Intoxicating Liquor License request of Dawghouse Bar & Grill, LLC, Northland Township.

**Establish Public Hearing to Consider Off-Sale Intoxicating Liquor License
(Northland Township)**

BY COMMISSIONER _____

RESOLVED, that a public hearing will be held at 9:40 a.m., November 6, 2012, St. Louis County Courthouse, Duluth, Minnesota, for the purpose of considering an Off-Sale Intoxicating Liquor License for Dawghouse Bar & Grill, LLC d/b/a Dawghouse Bar & Grill, Northland Township.

BOARD LETTER NO. 12 - 418

FINANCE & BUDGET COMMITTEE NO. 1

BOARD AGENDA NO.

DATE: October 23, 2012 **RE:** Request for Reimbursement of
Property Tax Relief Related to
June 2012 Flood Event

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 authorize a request for State of Minnesota reimbursement of property tax abatements and credits to be granted to property owners for the flood disaster that occurred on June 19 and 20, 2012.

BACKGROUND:

As a result of the June flood event, property owners who sustained damage are eligible for abatements of 2012 property taxes and credits on 2013 property taxes. These abatements and credits are reimbursable by the State of Minnesota if minimum requirements are met; these requirements have been met in St. Louis County.

Damage assessment reports are included as part of the resolution. The total damage estimate to homestead property as a result of the flood event is \$2,621,500, and the total damage estimate to non-homestead property is \$1,206,900. The County Assessor will be making application to the State Executive Council for property tax relief as a disaster area under Minn. Stat. 273.1231. A Board resolution is required as part of the county's application for relief.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the County Assessor to request reimbursement from the State of Minnesota for flood related property tax relief to eligible taxpayers.

**Request for Reimbursement of Property Tax Relief
Related to June 2012 Flood Event**

BY COMMISSIONER _____

WHEREAS, St. Louis County experienced a flood-related disaster on June 19 and 20, 2012; and

WHEREAS, the disaster caused extensive property damage to residential, seasonal, agricultural, and commercial properties in St. Louis County; and

WHEREAS, St. Louis County was declared a disaster area by Presidential declaration on July 6, 2012, and;

WHEREAS, Minn. Stat., Sections 273.1231-273.1235 provide for property tax relief upon reassessment of properties damaged by disaster, and upon application to the Governor of the State of Minnesota and the Executive Council, and;

WHEREAS, the minimum requirements of the aforementioned statutes have been met as demonstrated in the damage assessment reports found in County Board File No.

_____.

NOW, THEREFORE, BE IT RESOLVED, that the St. Louis County Board requests that the property tax abatements and credits granted to property owners under sections 273.1231-273.1235 for the disaster that occurred on June 19 and 20, 2012, be reimbursed pursuant to the provisions of Minn. Stat., Section 273.1231-273.1235.

Homestead Property Damage Assessment Report

St. Louis County

Date of Disaster: June 19-20, 2012

Date Report Prepared: October 17, 2012

	Property ID Number	Classification	Pre-Disaster		Post-Disaster		Total Loss in Value Due to Disaster	Type of Damage	Local Option?
			House/Garage 2012 Assmt.	Outbuilding 2012 Assmt.	House/Garage 2012 Assmt.	Outbuilding 2012 Assmt.			Yes or No
1	110-0020-01020	Residential Homestead	\$ 30,100	\$ 1,900	\$ 1,500	\$ 1,900	\$ 28,600	Water 4.5 ft up walls	No
2	110-0020-01170	Residential Homestead	\$ 71,600	\$ 10,500	\$ 19,700	\$ 10,500	\$ 51,900	Water above 1st floor	No
3	110-0020-01240	Residential Homestead	\$ 70,900	\$ 2,200	\$ 6,900	\$ 2,200	\$ 64,000	Water reached 37" in living area, foundation cracked	No
4	110-0020-01280	Residential Homestead	\$ 130,100	\$ -	\$ 14,600	\$ -	\$ 115,500	Water reached 2+ feet above floorline, damage to in-floor heating	No
5	110-0040-00015	Residential Homestead	\$ 58,100	\$ -	\$ 19,400	\$ -	\$ 38,700	Water filled basement, into main floor	No
6	125-0010-01450	Residential Homestead	\$ 33,600	\$ -	\$ 3,000	\$ -	\$ 30,600	Basement filled with sanitary backup, foundation damaged, City condemned the property. Water reached 1st floor.	No
7	125-0010-01870	Residential Homestead	\$ 22,000	\$ -	\$ 1,100	\$ -	\$ 20,900	All building mechanical systems damaged, 8 inches of water above main floor	No
8	290-0010-01200	Residential Homestead, Rural Vacant Land	\$ 14,000	\$ 900	\$ 2,000	\$ 900	\$ 12,000	Water flooded basement and reached above baseboard in main home	No
9	310-0010-04750	Residential Homestead, Rural Vacant Land	\$ 144,000	\$ -	\$ 39,000	\$ -	\$ 105,000	Water was at least 2 feet over first floor, sauna had at least 4 feet of water. Garage/Pole Bldg OK.	No
10	365-0010-03266	Residential Homestead	\$ 136,100	\$ 5,700	\$ 67,800	\$ 5,700	\$ 68,300	Bowing in structure	No
11	365-0040-00040	Residential Homestead	\$ 133,700	\$ -	\$ 16,200	\$ -	\$ 117,500	Water 8" over main floor	No
12	365-0040-00100	Residential Homestead	\$ 67,900	\$ 1,800	\$ 10,600	\$ 1,800	\$ 57,300	Water above main floor baseboards, major damage	No
13	365-0040-00120	Residential Homestead	\$ 48,800	\$ 300	\$ 3,400	\$ 300	\$ 45,400	Water level 2-3' above crawlspace, foundation shifted, building likely destroyed	No
14	390-0010-01410	Residential Homestead, Rural Vacant Land	\$ 24,400	\$ 2,700	\$ 4,500	\$ 2,700	\$ 19,900	Basement caved in, house subsequently torn down	No
15	390-0010-02490	Residential Homestead, Rural Vacant Land	\$ 43,000	\$ -	\$ 4,100	\$ -	\$ 38,900	1 1/2 feet of water on main level of home	No
16	395-0010-05330	Residential Homestead	\$ 106,000	\$ -	\$ 50,000	\$ -	\$ 56,000	Basement caved in	No
17	415-0070-00520	Residential Homestead	\$ 29,600	\$ -	\$ 4,400	\$ -	\$ 25,200	Jack posts moved, air ducts falling per owner. Gypsum wallboard cracked and falling.	No
18	440-0020-02110	Residential Homestead	\$ 28,200	\$ 1,700	\$ -	\$ 1,700	\$ 28,200	Water mark was just below the windows on the first floor	No
19	520-0010-00540	Residential Homestead	\$ 52,500	\$ 800	\$ 23,700	\$ 800	\$ 28,800	Water damage to finished basement	No
20	105-0080-00804	Residential Homestead	\$ 62,000	\$ 2,300	\$ 50,800	\$ 2,300	\$ 11,200	Water damage in basement- carpeting removed in 2/3 of bm, water damage to trim and paneling up to 5" off slab.	No

Homestead Property Damage Assessment Report

St. Louis County

Date of Disaster: June 19-20, 2012

Date Report Prepared: October 17, 2012

	Property ID Number	Classification	Pre-Disaster		Post-Disaster		Total Loss in Value Due to Disaster	Type of Damage	Local Option?
			House/Garage 2012 Assmt.	Outbuilding 2012 Assmt.	House/Garage 2012 Assmt.	Outbuilding 2012 Assmt.			Yes or No
21	110-0020-00690	Residential Homestead	\$ 25,100	\$ -	\$ 22,700	\$ -	\$ 2,400	Water into floor joists. Home vacant.	No
22	110-0020-00795	Residential Homestead	\$ 31,400	\$ 400	\$ 28,600	\$ 400	\$ 2,800	Water to bottom of floor joists in crawl space. Sink hole in yard near old septic tank.	No
23	125-0010-00100	Residential Homestead	\$ 58,500	\$ -	\$ 47,700	\$ -	\$ 10,800	1' of water in finished basement. Water heater works, furnace and cent air unknown	No
24	125-0010-00970	Residential Homestead	\$ 68,600	\$ 300	\$ 62,000	\$ 300	\$ 6,600	Less than 1' of water, removed carpet	No
25	125-0010-01640	Residential Homestead	\$ 38,800	\$ -	\$ 35,100	\$ -	\$ 3,700	2 1/2" of water in partial basement	No
26	125-0010-04280	Residential Homestead	\$ 62,600	\$ 900	\$ 45,000	\$ 900	\$ 17,600	Finished basement and mechanical- lost water heater and furnace	No
27	125-0010-04810	Residential Homestead	\$ 19,200	\$ -	\$ 15,400	\$ -	\$ 3,800	7" of water in finished basement	No
28	125-0011-00177	Residential Homestead	\$ 88,000	\$ -	\$ 73,700	\$ -	\$ 14,300	Water damage to finished basement.	No
29	185-0010-02350	Residential Homestead	\$ 88,200	\$ 1,200	\$ 78,900	\$ 1,200	\$ 9,300	Water damage to all basement floor coverings and 2 ft of sheet rock in one room	No
30	185-0030-01570	Residential Homestead	\$ 119,400	\$ -	\$ 115,900	\$ -	\$ 3,500	Warped vinyl siding about 3' up on detached garage	No
31	185-0050-01130	Residential Homestead	\$ 100,000	\$ -	\$ 72,000	\$ -	\$ 28,000	Water 2-3 ft in finished basement	No
32	185-0060-00270	Residential Homestead	\$ 63,900	\$ 1,300	\$ 44,100	\$ 1,300	\$ 19,800	6 ft of water in finished basement	No
33	185-0170-01470	Residential Homestead	\$ 57,100	\$ -	\$ 51,900	\$ -	\$ 5,200	2 feet of water in unfinished basement, lost water heater and furnace	No
34	185-0180-00130	Residential Homestead	\$ 48,100	\$ -	\$ 43,300	\$ -	\$ 4,800	Water in unfinished basement, lost furnace and water heater	No
35	185-0180-00150	Residential Homestead	\$ 55,000	\$ -	\$ 49,900	\$ -	\$ 5,100	4 feet of water in unfinished basement	No
36	185-0210-02900	Residential Homestead	\$ 139,100	\$ 300	\$ 126,200	\$ 300	\$ 12,900	5" of water in finished basement, damage to sheetrock and insulation	No
37	185-0235-00020	Residential Homestead	\$ 141,500	\$ -	\$ 127,400	\$ -	\$ 14,100	Water damage to all basement floor coverings and 2 ft of sheet rock in one room	No
38	205-0010-00402	Residential Homestead, Rural Vacant Land	\$ 178,700	\$ -	\$ 126,800	\$ -	\$ 51,900	Water in finished basement	No
39	230-0024-00240	Residential Homestead	\$ 12,100	\$ 4,200	\$ 6,800	\$ 4,200	\$ 5,300	Guest cabin, detached garage and sauna all had 3 feet plus of water in them	No
40	275-0010-00276	Residential Homestead	\$ 36,500	\$ 600	\$ 33,400	\$ 600	\$ 3,100	5" of water in finished basement. Flooring removed, some damage to paneling.	No

Homestead Property Damage Assessment Report

St. Louis County

Date of Disaster: June 19-20, 2012

Date Report Prepared: October 17, 2012

	Property ID Number	Classification	Pre-Disaster		Post-Disaster		Total Loss in Value Due to Disaster	Type of Damage	Local Option?
			House/Garage 2012 Assmt.	Outbuilding 2012 Assmt.	House/Garage 2012 Assmt.	Outbuilding 2012 Assmt.			Yes or No
41	275-0010-00278	Residential Homestead	\$ 140,600	\$ 11,800	\$ 127,400	\$ 11,800	\$ 13,200	Appliances OK. Flooring removed/drywall+paneling damaged	No
42	275-0013-00780	Residential Homestead	\$ 91,500	\$ 14,300	\$ 67,600	\$ 14,300	\$ 23,900	18" of water in finished basement. Furnace+WH damaged, Electric Panel OK. Septic flowed into home.	No
43	275-0019-01485	Residential Homestead	\$ 184,200	\$ 200	\$ 167,200	\$ 200	\$ 17,000	Some sheetrock was damaged	No
44	275-0023-00040	Residential Homestead	\$ 140,400	\$ 300	\$ 88,600	\$ 300	\$ 51,800	36" of water in basement. Basement 4' gutted, Furnace+WH damaged, electric pannel OK.	No
45	275-0025-00802	Residential Homestead	\$ 139,400	\$ 21,700	\$ 126,500	\$ 21,700	\$ 12,900	3" of water in basement, damage to sheetrock and insulation	No
46	280-0015-00358	Residential Homestead	\$ 118,800	\$ -	\$ 108,300	\$ -	\$ 10,500	8" of water in finished basement. Wicked up 3'	No
47	280-0040-01030	Residential Homestead	\$ 91,000	\$ -	\$ 81,900	\$ -	\$ 9,100	5" of water in finished basement. Wicked up walls.	No
48	285-0010-00980	Agricultural Homestead, Rural Vacant Land	\$ 30,200	\$ 11,300	\$ 27,500	\$ 11,300	\$ 2,700	18" of water in unfinished basement. Water heater, well pump, furnace damaged	No
49	305-0020-01470	Residential Homestead, Rural Vacant Land	\$ 107,800	\$ 3,400	\$ 83,000	\$ 3,400	\$ 24,800	Flooding of basement with minimal finish, mechanical systems damaged. 16" of water in garage.	No
50	305-0020-02840	Residential Homestead	\$ 77,500	\$ 8,900	\$ 65,300	\$ 8,900	\$ 12,200	Flooding of crawlspace and outbuildings/ Finished garage	No
51	305-0020-02956	Residential Homestead	\$ 93,500	\$ 7,800	\$ 80,600	\$ 7,800	\$ 12,900	Removal of wood panelling in partially finished basement. Cracks in foundation	No
52	310-0010-00138	Residential Homestead	\$ 98,600	\$ 900	\$ 91,600	\$ 900	\$ 7,000	15-16 inches of water in unfinished basement, mechanical systems damaged	No
53	310-0010-00190	Residential Homestead, Rural Vacant Land	\$ 130,500	\$ 13,900	\$ 118,200	\$ 13,900	\$ 12,300	6-8 inches of water in finished basement. Replace wood panelling and electrical baseboards	No
54	310-0010-00210	Residential Homestead	\$ 90,900	\$ 500	\$ 82,400	\$ 500	\$ 8,500	Water in finished basement, damage to furnace and flooring	No
55	310-0010-02645	Residential Homestead, Rural Vacant Land	\$ 66,000	\$ -	\$ 56,300	\$ -	\$ 9,700	1-2 feet of water in partly-finished basement (sump failed)	No
56	310-0010-05111	Agricultural Homestead, Rural Vacant Land	\$ 59,400	\$ 14,900	\$ 44,500	\$ 14,900	\$ 14,900	6" of water in fully finished basement with bedrooms, no mechanical failure	No
57	310-0010-05595	Residential Homestead	\$ 151,600	\$ 3,000	\$ 121,100	\$ 3,000	\$ 30,500	Water damage to finished basement	No
58	315-0020-03120	Residential Homestead, Rural Vacant Land	\$ 67,400	\$ 6,300	\$ 46,600	\$ 6,300	\$ 20,800	House is on stilts. Water came over 1st floor. No water heater or furnace.	No
59	355-0010-00010	Residential Homestead, Rural Vacant Land	\$ 147,700	\$ 12,300	\$ 122,900	\$ 12,300	\$ 24,800	2+ inches of water in finished walkout basement, lost large patio door and hard wood flooring	No
60	355-0010-04568	Residential Homestead	\$ 158,800	\$ -	\$ 129,200	\$ -	\$ 29,600	Flooded finished basement	No

Homestead Property Damage Assessment Report

St. Louis County

Date of Disaster: June 19-20, 2012

Date Report Prepared: October 17, 2012

	Property ID Number	Classification	Pre-Disaster		Post-Disaster		Total Loss in Value Due to Disaster	Type of Damage	Local Option?
			House/Garage 2012 Assmt.	Outbuilding 2012 Assmt.	House/Garage 2012 Assmt.	Outbuilding 2012 Assmt.			Yes or No
61	365-0010-03175	Residential Homestead, Rural Vacant Land	\$ 112,500	\$ 14,100	\$ 101,300	\$ 14,100	\$ 11,200	Water damage to flooring, wall cover, and mechanical in finished basement	No
62	365-0040-00160	Residential Homestead	\$ 115,800	\$ 500	\$ 85,800	\$ 500	\$ 30,000	4+ of water in finished basement, flooring and wall cover damaged	No
63	380-0010-00903	Residential Homestead	\$ 107,400	\$ -	\$ 87,900	\$ -	\$ 19,500	Basement water above baseboards, minor cracking in foundation	No
64	380-0010-05390	Residential Homestead	\$ 176,400	\$ 4,800	\$ 132,800	\$ 4,800	\$ 43,600	Water in finished basement, furnace lost, damage to floor covering, lower basement walls	No
65	380-0020-04125	Residential Homestead	\$ 156,000	\$ 24,100	\$ 156,000	\$ 19,700	\$ 4,400	No damage to main house, damage was only to guest house which sits close to the lake, 24" of water	Yes
66	380-0020-04190	Residential Homestead	\$ 292,900	\$ 1,000	\$ 205,000	\$ 1,000	\$ 87,900	5' of water in finished basement	No
67	380-0020-04415	Residential Homestead	\$ 229,200	\$ 16,900	\$ 170,600	\$ 16,900	\$ 58,600	3' of water in finished basement	No
68	380-0020-04680	Residential Homestead, Rural Vacant Land	\$ 159,800		\$ 140,100		\$ 19,700	Water 6" over blocks in detached garage, main house unaffected	No
69	395-0010-01591	Residential Homestead	\$ 108,100	\$ 1,300	\$ 97,300	\$ 1,300	\$ 10,800	3 feet of water in finished basement, furnace and water heater damaged	No
70	395-0010-07093	Residential Homestead	\$ 198,200	\$ 800	\$ 180,000	\$ 800	\$ 18,200	Water wicked up over 2'	No
71	395-0010-07395	Residential Homestead	\$ 172,400	\$ 15,100	\$ 155,200	\$ 15,100	\$ 17,200	Wallboard in attached garage affected. Actual damage to house is 10%.	No
72	395-0010-07559	Residential Homestead	\$ 177,000	\$ 3,100	\$ 161,000	\$ 3,100	\$ 16,000	8" of water in finished basement. Wicked up wallboard	No
73	395-0010-07703	Residential Homestead	\$ 69,100	\$ 9,500	\$ 62,800	\$ 9,500	\$ 6,300	Water damage to finished basement	No
74	395-0010-08953	Residential Homestead	\$ 109,200	\$ 6,100	\$ 99,400	\$ 6,100	\$ 9,800	Water damage to finished basement	No
75	395-0010-09462	Residential Homestead	\$ 109,000	\$ 40,500	\$ 76,300	\$ 40,500	\$ 32,700	Water damage to finished basement, sheetrock, doors, heat, water heater	No
76	395-0010-09465	Residential Homestead	\$ 120,900	\$ 10,500	\$ 89,200	\$ 10,500	\$ 31,700	Water damage to finished basement, sheetrock, doors, heat, water heater	No
77	395-0040-00120	Residential Homestead	\$ 71,600	\$ -	\$ 65,000	\$ -	\$ 6,600	Water damage to finished basement - sheetrock	No
78	395-0073-00130	Residential Homestead	\$ 133,700	\$ 1,200	\$ 121,800	\$ 1,200	\$ 11,900	Water damage to finished basement, water wicked up 18" into wall	No
79	395-0102-00160	Residential Homestead	\$ 186,100	\$ -	\$ 160,500	\$ -	\$ 25,600	Water damage to finished basement, concrete floor cracked, sheetrock	No
80	395-0103-00080	Residential Homestead	\$ 193,100	\$ 2,400	\$ 175,300	\$ 2,400	\$ 17,800	Water damage to finished basement, sheetrock, doors	No

Homestead Property Damage Assessment Report

St. Louis County

Date of Disaster: June 19-20, 2012

Date Report Prepared: October 17, 2012

	Property ID Number	Classification	Pre-Disaster		Post-Disaster		Total Loss in Value Due to Disaster	Type of Damage	Local Option?
			House/Garage 2012 Assmt.	Outbuilding 2012 Assmt.	House/Garage 2012 Assmt.	Outbuilding 2012 Assmt.			Yes or No
81	395-0110-00240	Residential Homestead	\$ 112,200	\$ 1,800	\$ 101,500	\$ 1,800	\$ 10,700	Water damage to finished basement, sheetrock	No
82	395-0127-00080	Residential Homestead	\$ 219,100	\$ 27,100	\$ 176,700	\$ 27,100	\$ 42,400	8"+ of water in basement for 2 days. Damaged baseboard heat, sheetrock, insulation, cracks in foundation	No
83	395-0129-00040	Residential Homestead	\$ 136,000	\$ 1,700	\$ 123,700	\$ 1,700	\$ 12,300	Damage to sheetrock, doors, trim	No
84	395-0220-00430	Residential Homestead	\$ 67,600	\$ -	\$ 61,600	\$ -	\$ 6,000	Basement flooding, loss of mechanical systems	No
85	395-0225-00010	Residential Homestead	\$ 407,600	\$ -	\$ 370,200	\$ -	\$ 37,400	Damage to sheetrock	No
86	400-0010-00455	Residential Homestead	\$ 85,500	\$ 22,400	\$ 78,400	\$ 22,400	\$ 7,100	Geothermal system for heating and cooling was affected	No
87	400-0010-06252	Residential Homestead	\$ 145,200	\$ 900	\$ 132,100	\$ 900	\$ 13,100	Flooding in finished basement	No
88	400-0020-00094	Residential Homestead	\$ 167,700	\$ 6,100	\$ 120,400	\$ 6,100	\$ 47,300	6" of water, furnace lost, t&g lost	No
89	415-0010-04020	Residential Homestead, Rural Vacant Land	\$ 168,100	\$ 700	\$ 151,300	\$ 700	\$ 16,800	Water in unfinished basement	No
90	415-0010-06090	Residential Homestead	\$ 76,100	\$ 11,700	\$ 60,900	\$ 11,700	\$ 15,200	Water damage to mechanical systems, partly finished basement	No
91	415-0010-06444	Residential Homestead	\$ 62,000	\$ -	\$ 57,000	\$ -	\$ 5,000	Unfinished basement, sump pump quit, loss of furnace and water heater	No
92	415-0100-00330	Residential Homestead	\$ 143,000	\$ -	\$ 104,100	\$ -	\$ 38,900	Damage to water heater, finished basement walls	No
93	450-0010-04320	Residential Homestead	\$ 113,100	\$ 500	\$ 103,900	\$ 500	\$ 9,200	Damage is to garage and driveway, garage is unuseable	No
94	450-0070-00320	Residential Homestead	\$ 98,100	\$ -	\$ 93,800	\$ -	\$ 4,300	Minor damage to unfinished basement. Minor cracking in basement	No
95	450-0070-00480	Residential Homestead	\$ 33,400	\$ -	\$ 27,900	\$ -	\$ 5,500	4+ inches of water in unfinished basement, lots of cracking in foundation	No
96	475-0010-05420	Agricultural Homestead, Rural Vacant Land	\$ 86,800	\$ 8,200	\$ 63,600	\$ 8,200	\$ 23,200	24" of water in finished basement, damage to flooring, walls, mechanical	No
97	485-0010-03980	Residential Homestead	\$ 127,200	\$ 600	\$ 116,700	\$ 600	\$ 10,500	Water heater, furnace ok. Wall damage	No
98	485-0010-05610	Residential Homestead	\$ 119,400	\$ 27,600	\$ 106,200	\$ 27,600	\$ 13,200	3" water wicked up wallboard and panelling	No
99	485-0010-06070	Residential Homestead	\$ 161,900	\$ 17,200	\$ 117,800	\$ 17,200	\$ 44,100	Water damage to finished basement	No
100	520-0012-01176	Residential Homestead	\$ 152,500	\$ -	\$ 138,600	\$ -	\$ 13,900	Water wicked up drywall 2'	No

Homestead Property Damage Assessment Report

St. Louis County

Date of Disaster: June 19-20, 2012

Date Report Prepared: October 17, 2012

	Property ID Number	Classification	Pre-Disaster		Post-Disaster		Total Loss in Value Due to Disaster	Type of Damage	Local Option?
			House/Garage 2012 Assmt.	Outbuilding 2012 Assmt.	House/Garage 2012 Assmt.	Outbuilding 2012 Assmt.			Yes or No
101	520-0140-00015	Residential Homestead	\$ 104,200	\$ -	\$ 85,400	\$ -	\$ 18,800	Furnace and water heater OK, wet insulation and walls	No
102	520-0240-00330	Residential Homestead	\$ 26,700	\$ 3,600	\$ 24,000	\$ 3,600	\$ 2,700	Water in unfinished basement	No
103	530-0010-01062	Residential Homestead	\$ 159,900	\$ 7,000	\$ 145,400	\$ 7,000	\$ 14,500	Furnace+WH ok. 4-5" water in basement, doors/ drywall+paneling to be removed.	No
104	530-0010-01063	Residential Homestead	\$ 156,200	\$ 14,300	\$ 112,000	\$ 14,300	\$ 44,200	4" of water in fully finished basement, no mechanical failure.	No
105	530-0010-02632	Residential Homestead	\$ 141,400	\$ 700	\$ 129,000	\$ 700	\$ 12,400	Furnace/ WH damaged. Flooring removed, some drywall damage.	No
106	530-0010-03463	Residential Homestead	\$ 110,900	\$ 3,900	\$ 101,700	\$ 3,900	\$ 9,200	1-2" water in finished basement. Furnace+WH are OK. Damage to flooring and paneling	No
107	530-0010-04135	Residential Homestead	\$ 289,900	\$ -	\$ 210,600	\$ -	\$ 79,300	17 1/2" water in finished basement. Furnace+WH running. Interior finish to be removed.	No
108	530-0010-05120	Residential Homestead, Rural Vacant Land	\$ 151,400	\$ 4,200	\$ 137,600	\$ 4,200	\$ 13,800	1" water. Flooring/ drywall removed. Furnace+WH are ok.	No
109	555-0010-03065	Residential Homestead	\$ 70,800	\$ 4,000	\$ 51,900	\$ 4,000	\$ 18,900	1-2 feet of water in finished basement	No
110	676-0010-03043	Residential Homestead	\$ 86,300	\$ 200	\$ 72,200	\$ 200	\$ 14,100	Basement and garage flooded	No

TOTALS \$ 11,902,800 \$ 487,800 \$ 2,621,500

Number of damaged or destroyed parcels = 108
 Average value of damaged or destroyed parcel = \$ 24,273

Non-Homestead Property Damage Assessment Report

St. Louis County

Date of Disaster: June 19-20, 2012

Date Report Prepared: October 17, 2012

	Property ID Number	Classification	Pre-Disaster	Post-Disaster	Total Loss in Value Due to Disaster	Type of Damage	Local Option?
			Building Value 2012 Assmt.	Building Value 2012 Assmt.			Yes or No
1	110-0020-00390	Seasonal Recreational Residential	\$ 16,000	\$ 1,100	\$ 14,900	At least 3 ft of water in the house	Yes
2	110-0020-00840	Residential 2-3 units Nonhomestead	\$ 53,700	\$ 11,000	\$ 42,700	42 inches of water in living area of house	Yes
3	110-0040-00020	Seasonal Recreational Residential	\$ 112,100	\$ 6,200	\$ 105,900	Water had been as high as 3 ft in the structure. The structure was not complete at the time of the flood	Yes
4	185-0020-00090	Commercial	\$ 47,100	\$ 2,400	\$ 44,700	3 plus feet of water, plus roof leaked	Yes
5	185-0110-01130	Residential Nonhomestead, Commercial	\$ 57,300	\$ 27,900	\$ 29,400	Basement was totally under water - lost furnace and heater. Water was 1 ft on main floor	Yes
6	185-0110-01140	Commercial	\$ 43,000	\$ 21,500	\$ 21,500	Basement was totally under water - lost furnace and heater. Water was 1 ft on main floor, flooring warped	Yes
7	225-0080-00240	Residential Nonhomestead, Agricultural Homestead	\$ 24,100	\$ 2,600	\$ 21,500	Water line +1 foot over main floor level, propane tank rolled, pole bldg 3 foot over ground level	Yes
8	225-0080-00245	Seasonal Recreational Residential	\$ 49,000	\$ 3,000	\$ 46,000	2 seasonal park models and tt- more than 1ft above floor. Shed- 3 feet above ground level.	Yes
9	315-0020-00495	Residential Nonhomestead	\$ 43,400	\$ 24,100	\$ 19,300	Water above main floor	Yes
10	355-0015-00100	Seasonal Recreational Residential	\$ 32,800	\$ 4,100	\$ 28,700	Water above main floor in 2 cabins	Yes
11	355-0017-00090	Seasonal Recreational Residential	\$ 84,100	\$ 7,900	\$ 76,200	2+ feet of water in part of cabin	Yes
12	355-0017-00140	Seasonal Recreational Residential	\$ 19,400	\$ 2,100	\$ 17,300	Water above main floor in cabin, outbuildings	Yes
13	355-0017-00170	Seasonal Recreational Residential	\$ 14,900	\$ 3,800	\$ 11,100	3 1/2 feet+ of water in cabin	Yes
14	355-0020-00010	Seasonal Recreational Residential	\$ 10,700	\$ 1,800	\$ 8,900	Water above main floor in cabin	Yes
15	355-0020-00020	Seasonal Recreational Residential	\$ 13,000	\$ 700	\$ 12,300	Water above main floor in cabin	Yes
16	355-0020-00040	Seasonal Recreational Residential	\$ 20,800	\$ 11,100	\$ 9,700	Water reached 1st floor of cabin	Yes
17	355-0020-00050	Seasonal Recreational Residential	\$ 25,000	\$ 6,600	\$ 18,400	3 feet of water in cabins	Yes
18	355-0020-00200	Seasonal Recreational Residential	\$ 35,700	\$ 7,100	\$ 28,600	Water above main floor in cabin	Yes
19	355-0022-00070	Seasonal Recreational Residential	\$ 19,000	\$ 1,700	\$ 17,300	Water above main floor in cabin	Yes
20	355-0022-00110	Seasonal Recreational Residential	\$ 27,500	\$ 3,200	\$ 24,300	Water above main floor in cabin. Cabin gutted	Yes

Non-Homestead Property Damage Assessment Report

St. Louis County

Date of Disaster: June 19-20, 2012

Date Report Prepared: October 17, 2012

	Property ID Number	Classification	Pre-Disaster		Post-Disaster		Total Loss in Value Due to Disaster	Type of Damage	Local Option?
			Building Value 2012 Assmt.		Building Value 2012 Assmt.				Yes or No
21	365-0030-00010	Seasonal Recreational Residential	\$ 7,800	\$ -	\$ 7,800		Water 4' above floor	Yes	
22	365-0040-00070	Residential Nonhomestead	\$ 36,300	\$ 10,700	\$ 25,600		Water above main floor	Yes	
23	365-0040-00080	Seasonal Recreational Residential	\$ 30,200	\$ 3,800	\$ 26,400		Water above main floor	Yes	
24	365-0040-00140	Seasonal Recreational Residential	\$ 46,100	\$ 13,600	\$ 32,500		2-3 ft on main floor	Yes	
25	365-6000-28910	Residential Nonhomestead	\$ 33,700	\$ 6,700	\$ 27,000		Water above main floor	Yes	
26	380-0020-04128	Seasonal Recreational Residential	\$ 48,300	\$ 5,200	\$ 43,100		Water above main floor, destroyed	Yes	
27	380-0020-04150	Seasonal Recreational Residential	\$ 42,400	\$ 8,700	\$ 33,700		Water above main floor, questionable economic feasibility	Yes	
28	380-0020-04160	Seasonal Recreational Residential	\$ 37,600	\$ 500	\$ 37,100		3' of water in house, destroyed	Yes	
29	380-0075-00450	Seasonal Recreational Residential	\$ 15,900	\$ 8,000	\$ 7,900		Water 3" above floor, floor heaving	Yes	
30	415-0010-00340	Residential Nonhomestead	\$ 31,800	\$ 2,400	\$ 29,400		Water above 1st floor baseboards- entire section of wood flooring removed	Yes	
31	475-0010-05510	Seasonal Recreational Residential, Rural Vacant Land	\$ 34,100	\$ 3,300	\$ 30,800		There was approximately 1-1.5 ft of water on the first floor	Yes	
32	676-0010-03268	Seasonal Recreational Residential	\$ 16,000	\$ 800	\$ 15,200		MH flooded and moved off foundation, outbuildings also flooded	Yes	
33	676-0010-03275	Seasonal Recreational Residential	\$ 5,600	\$ 300	\$ 5,300		Flooded MH, trailer, and outbuildings	Yes	
34	110-0010-01290	Commercial	\$ 48,600	\$ 43,700	\$ 4,900		Water in basement, damage to walls, heating system and water heater	No	
35	125-0010-01030	Residential Nonhomestead	\$ 66,000	\$ 47,100	\$ 18,900		1'+ of water in finished bsmt, including bedroom. Furnace and water heater damaged	No	
36	185-0010-00680	Residential Nonhomestead	\$ 85,600	\$ 67,600	\$ 18,000		Basement full, lost furnace	No	
37	185-0010-01940	Residential Nonhomestead	\$ 34,500	\$ 27,300	\$ 7,200		Damage to floor cover and paneling	No	
38	185-0010-02260	Apartment	\$ 76,400	\$ 53,500	\$ 22,900		Extensive damage according to neighbor, per tenant 3 ft of water in in basement apt	No	
39	185-0060-00220	Residential Nonhomestead	\$ 125,600	\$ 89,700	\$ 35,900		Took out hot water heater, furnace & 1/2 finished basement apt	No	
40	185-0085-00270	Residential Nonhomestead	\$ 134,000	\$ 108,400	\$ 25,600		Water damage to basement	No	

Non-Homestead Property Damage Assessment Report

St. Louis County

Date of Disaster: June 19-20, 2012

Date Report Prepared: October 17, 2012

	Property ID Number	Classification	Pre-Disaster	Post-Disaster	Total Loss in Value Due to Disaster	Type of Damage	Local Option?
			Building Value 2012 Assmt.	Building Value 2012 Assmt.			Yes or No
41	185-0110-01210	Commercial	\$ 17,200	\$ 13,800	\$ 3,400	Basement totally under water, lost 2 furnaces	No
42	185-0110-01230	Residential 2-3 units Nonhomestead, Commercial	\$ 158,400	\$ 142,600	\$ 15,800	New furnace ruined. Floor coverings on main floor	No
43	185-0110-01490	Apartment	\$ 56,700	\$ 48,200	\$ 8,500	Water 2' high on main floor	No
44	225-0080-00855	Residential Nonhomestead, Rural Vacant Land	\$ 100,400	\$ 92,600	\$ 7,800	Water damage to basement	No
45	355-0017-00050	Seasonal Recreational Residential	\$ 64,600	\$ 47,300	\$ 17,300	Basement flooded	No
46	380-0060-00270	Seasonal Recreational Residential	\$ 39,000	\$ 31,200	\$ 7,800	6 inches of water in finished basement	No
47	390-0010-02510	Residential Nonhomestead, Agricultural Nonhomestead	\$ 40,200	\$ 36,900	\$ 3,300	Minor damage	No
48	395-0180-00050	Apartment	\$ 245,400	\$ 198,700	\$ 46,700	Water up to boiler baseboard heaters	No
49	400-0020-00090	Seasonal Recreational Residential	\$ 47,300	\$ 38,100	\$ 9,200	Water in sunken living room 4-6". Room gutted to studs and slab	No
50	450-0010-04340	Residential Nonhomestead, Rural Vacant Land	\$ 215,100	\$ 198,500	\$ 16,600	6+ inches of water in finished basement. Removed 2 feet of sheetrock	No
51	488-6000-29700	Seasonal Recreational Residential	\$ 172,400	\$ 155,800	\$ 16,600	18" of water above floor	No
52					\$ -		
53					\$ -		
54					\$ -		
55					\$ -		
56					\$ -		
57					\$ -		
58					\$ -		
59					\$ -		
60					\$ -		

Non-Homestead Property Damage Assessment Report

St. Louis County

Date of Disaster: June 19-20, 2012

Date Report Prepared: October 17, 2012

	Property ID Number	Classification	Pre-Disaster	Post-Disaster	Total Loss in Value Due to Disaster	Type of Damage	Local Option?
			Building Value 2012 Assmt.	Building Value 2012 Assmt.			Yes or No
61					\$ -		
62					\$ -		
63					\$ -		
64					\$ -		
65					\$ -		
66					\$ -		
67					\$ -		
68					\$ -		
69					\$ -		
70					\$ -		
71					\$ -		
72					\$ -		
73					\$ -		
74					\$ -		
75					\$ -		
76					\$ -		
77					\$ -		
78					\$ -		
79					\$ -		
80					\$ -		

Non-Homestead Property Damage Assessment Report

St. Louis County

Date of Disaster: June 19-20, 2012

Date Report Prepared: October 17, 2012

	Property ID Number	Classification	Pre-Disaster	Post-Disaster	Total Loss in Value Due to Disaster	Type of Damage	Local Option?
			Building Value 2012 Assmt.	Building Value 2012 Assmt.			Yes or No
81					\$ -		
82					\$ -		
83					\$ -		
84					\$ -		
85					\$ -		
86					\$ -		
87					\$ -		
88					\$ -		
89					\$ -		
90					\$ -		
91					\$ -		
92					\$ -		
93					\$ -		
94					\$ -		
95					\$ -		
96					\$ -		
97					\$ -		
98					\$ -		
99					\$ -		
100					\$ -		

BOARD LETTER NO. 12 - 419

FINANCE & BUDGET COMMITTEE NO. 2

BOARD AGENDA NO.

DATE: October 23, 2012 **RE:** 2011 HUD Shelter Plus Care Grant Agreement and MOU for New Moon Supportive Housing Project

FROM: Kevin Z. Gray
County Administrator

Barbara Hayden, Director
Planning and Community Development

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 authorize the Planning and Community Development Director to execute the U.S. Department of Housing and Urban Development (HUD) 2011 Shelter Plus Care (S+C) Program grant agreement in support of the Bois Forte Band of Chippewa – New Moon Supportive Housing Project; and further authorize execution of the memorandum of understanding between St. Louis County and the Bois Forte Band of Chippewa to implement the New Moon Shelter Plus Care Project.

BACKGROUND:

St. Louis County submitted an S+C application to HUD for the FY 2011 Continuum of Care Homeless Assistance Programs Notice of Funding Availability to provide rental assistance for the New Moon Supportive Housing Project owned and operated by the Bois Forte Band of Chippewa. The application was approved by County Board Resolution No. 11-546 dated October 11, 2011.

HUD has notified St. Louis County that the application received an award of \$215,280. The S+C funding will provide five years of rental assistance for homeless persons entering six of the New Moon rental units and related administrative costs. 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.

S+C funding was awarded for 6 of the 19 units created in the New Moon Development. The initial S+C award is five years of rental subsidy, and renewal of the S+C grant may be requested at the end of the initial five-year term.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the appropriate county officials to execute the FY 2011 HUD Shelter Plus Care grant agreement and all other necessary documents to accept the funding; and further authorize execution of the memorandum of understanding between St. Louis County and the Bois Forte Band of Chippewa to implement the New Moon Supportive Housing Program.

**2011 HUD Shelter Plus Care Grant Agreement and
MOU for New Moon Supportive Housing Project**

BY COMMISSIONER _____

WHEREAS, the U.S. Department of Housing and Urban Development has notified St. Louis County of the award of \$215,280 in Shelter Plus Care (S+C) Program funding from the FY 2011 Continuum of Care Homeless Assistance Programs competition; and

WHEREAS, the S+C funding will provide five years of rental assistance for homeless persons entering housing units of the New Moon Supportive Housing Program owned and operated by the Bois Forte Band of Chippewa and related administrative expenses; and

WHEREAS, construction of the New Moon development has been completed, the units are ready for occupancy, and the Bois Forte Band will provide supportive services and independent living skills training to assist the New Moon residents. The costs of these services will be reported as HUD-required match to the S+C funding.

NOW, THEREFORE, BE IT RESOLVED, that the St. Louis County Board authorizes execution of the FY 2011 HUD Shelter Plus Care grant agreement and all other necessary documents to accept the funding.

RESOLVED FURTHER, that the appropriate county officials are authorized to execute the memorandum of understanding between St. Louis County and the Bois Forte Band of Chippewa to implement the New Moon Supportive Housing Program; and

RESOLVED FURTHER, that funds will be received and payable from Fund 173, Agency 173999, Grant 17302, Grant Year 2012.

GRANT APPROVAL FORM

GRANT NAME: 2011 Shelter Plus Care GRANT AMOUNT: \$215,280
 GRANTOR: U.S. Department of HUD MATCH AMOUNT: \$215,280
 FUND: 173 AGENCY: 173999 GRANT: 17302 GRANT YEAR: 2012
 AGENCY NAME: HUD - Office of Community Planning and Development
 CONTACT PERSON: Tom Koon PHONE: 612-370-3093
 GRANT PERIOD: BEGIN DATE: October 15, 2012 END DATE: October 1, 2017
 STATE GRANT AWARD NUMBER OR FEDERAL CFDA # 14.238

FILL IN THE ABOVE INFORMATION ON THIS FORM AND IDENTIFY THE CATEGORY OF THE GRANT FROM THE CHOICES BELOW. ATTACH THIS FORM TO THE GRANT APPLICATION AND ANY OTHER PERTINENT OTHER DOCUMENTATION AND ROUTE THE PACKET TO THE INDIVIDUALS LISTED FOR THE TYPE OF GRANT.

IT IS ESSENTIAL THAT DEPARTMENTS SUBMIT THE COMPLETED APPROVAL FORM ON THOSE GRANTS THAT DO NOT REQUIRE BOARD RESOLUTION TO THE AUDITOR'S OFFICE ACCOUNTING DEPARTMENT FOR BUDGETING PURPOSES. NO GRANT ACTIVITY WILL BE RECORDED WITHOUT AN ESTABLISHED BUDGET.

GRANTS OF \$25,000 OR LESS

A grant of \$25,000 or less may be applied for and/or accepted by the department without a separate County Board Resolution if it meets the following:

1. The grant fits within the department's functions, and
2. If the grant requires a County match (not to exceed in money or value an amount equal to the actual grant), and if that match is "in kind", that "in-kind" match is part of the ongoing operations, or if the match is monetary, that the department can find the necessary amount within its existing budget.

DOES THIS GRANT QUALIFY UNDER "GRANTS OF \$25,000 OR LESS"?

YES NO

If so, this type of grant requires the following review approval:

County Auditor	<input type="text"/>	Date:	<input type="text"/>
County Administrator	<input type="text"/>	Date:	<input type="text"/>
County Attorney	<input type="text"/>	Date:	<input type="text"/>

The Grant Budget must be entered into the accounting system. Send a copy of the grant, this signed approval form and any other pertinent information to the Auditor's Office-Accounting, so the budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.

NEW GRANTS GREATER THAN \$25,000

All new grants that exceed \$25,000 and all recurring grants that exceed \$25,000 that contain changes in the grant's requirements which may affect either County resources or the scope of the grant need two (2) board resolutions. One board resolution is required to apply for the grant and a second resolution is required to accept the grant.

DOES THIS GRANT QUALIFY UNDER "GRANTS GREATER THAN \$25,000"?

YES NO

If this is a new grant greater than \$25,000, it requires the following review approval:

County Auditor

[Signature]

Date: 10-16-12

County Administrator

[Signature]

Date: 10-18-12

The Grant Budget must be entered into the accounting system. Send a copy of the grant, this completed approval form and the Board Resolution to the Auditor's Office-Accounting, so a budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.

RECURRING GRANTS GREATER THAN \$25,000

A recurring grant greater than \$25,000 that is a repeat of a grant which has been received by the County in past year(s) and that has no changes in the use of County resources or in the scope of the grant, requires one Board Resolution to both apply for and/or accept the grant.

DOES THIS GRANT QUALIFY AS "RECURRING GRANTS GREATER THAN \$25,000"?

YES NO

If yes, this recurring grant greater than \$25,000 requires the following review approval:

County Auditor

[Signature Line]

Date: [Date Line]

County Administrator

[Signature Line]

Date: [Date Line]

The Grant Budget must be entered into the accounting system. Send a copy of the grant, this completed approval form and the Board Resolution to the Auditor's Office-Accounting, so a budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.

BOARD LETTER NO. 12 - 420

FINANCE & BUDGET COMMITTEE NO. 3

BOARD AGENDA NO.

DATE: October 23, 2012 **RE:** Authorization to Apply For and
Accept Debris Removal Funding
for Regional Flood Assistance

FROM: Kevin Z. Gray
County Administrator

RELATED DEPARTMENT GOAL:

To maximize flood recovery funds available for the region.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize the application and acceptance of funding for debris removal to the Minnesota Department of Public Safety, allowing St. Louis County to facilitate access to dollars set aside by the Special Session for affected homeowners within St. Louis County; and to authorize a contract with United Way of Greater Duluth for administration of these funds.

BACKGROUND INFORMATION:

During its Special Session the State Legislature set aside \$500,000 in the Department of Public Safety budget for debris removal. Homeland Security representatives have told the Duluth/St. Louis County Long Term Recovery Committee that this money was set aside to pay for any debris removal costs not paid for by FEMA as well as to help cover the cost of debris removal during reconstruction.

The Long Term Recovery Committee, hosted by the United Way of Greater Duluth, contacted St. Louis County about this opportunity to apply for funds and access these dollars for county residents. The Long Term Recovery Committee anticipates significant rebuilding activity over the next eighteen months, and expects more than \$20 million of paid and donated work in the region on various forms of residential reconstruction. Debris removal costs are a significant cash expense, even with donated goods and services.

St. Louis County Environmental Services and Western Lake Superior Sanitary District (WLSSD) would pre-approve contractors, who would then be paid for work done either:

- as part of volunteer rebuilding efforts coordinated by Flood Homes with Hope, or
- through vouchers for individual debris removal projects on homes damaged by the flood but being reconstructed using Small Business Administration loans, or Quickstart funding or other flood recovery funds. Vouchers would be available through the United Way of Greater Duluth's Flood Recovery Work and Disaster

Assistance Case Workers on a first-come, first-serve basis to homes with verified flood damage.

St. Louis County will contract with the United Way of Greater Duluth to administer these funds for the benefit of the community. United Way of Greater Duluth is the fiscal host for the Long Term Recovery Committee. In its capacity as the fiscal host for the Regional Flood Fund, the United Way is also willing to serve as the host of financial resources specific to flood-related debris removal in St. Louis County. In addition to the \$200,000 being requested by St. Louis County, Carlton County is requesting \$200,000, Pine County \$50,000 and Aitkin County \$50,000.

St. Louis County was just recently made aware of this opportunity and is requesting the County Board to authorize application for and acceptance of these funds through a single board action in order to ensure these dollars are made available to meet individual homeowner needs as soon as possible.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the application for and acceptance of debris removal funding in the amount of \$200,000 and create the revenue and expense budget in Fund 100, Agency 104999, Grant 10403, Year 2012, and authorize a contract with United Way of Greater Duluth to administer the funds.

**Authorization to Apply For and Accept Debris Removal
Funding for Regional Flood Assistance**

BY COMMISSIONER _____

WHEREAS, the August 24, 2012 Special Session of the State Legislature set aside \$500,000 in the Department of Public Safety budget for debris removal: and

WHEREAS, Homeland Security representatives have suggested that these funds should be used to pay for any debris removal costs not paid by FEMA as well as to help cover the cost of debris removal during reconstruction; and

WHEREAS, Homeland Security, through the regional Long Term Recovery Committee, has identified the county as the appropriate agency to apply for these funds; and

WHEREAS, the Long Term Recovery Committee, hosted by the United Way of Greater Duluth, identified a budget for this project totaling a request of \$200,000 from the Department of Public Safety.

NOW, THEREFORE, BE IT RESOLVED, that the St. Louis County Board authorizes the appropriate county officials to apply for and accept \$200,000 of Department of Public Safety funds designated for flood related debris removal and create the revenue and expense budget in Fund 100, Agency 104999, Grant 10403, Year 2012.

RESOLVED FURTHER, the St. Louis County Board authorizes the county to contract with United Way of Greater Duluth to administer these funds.

BOARD LETTER NO. 12 - 421

FINANCE & BUDGET COMMITTEE NO. 4

BOARD AGENDA NO.

DATE: October 23, 2012 **RE:** Minnesota Investment Fund –
Disaster Recovery Financing

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 authorize an application to the Minnesota Department of Employment and Economic Development (DEED) for Minnesota Investment Funds (MIF) Disaster Recovery Financing to assist businesses to recover from the 2012 flood. The Board is further requested to adopt guidelines, authorize execution of an agreement with the state, authorize project loan agreements and all necessary actions to administer the MIF Disaster Recovery Financing.

BACKGROUND:

On August 24, 2012 state legislation was passed which provided \$15 million in the MIF Disaster Recovery Financing for local units of government to assist businesses impacted from the 2012 flood. MIF is designed to fund capital expenses, reestablish operations and ultimately retain and create jobs for businesses damaged in the flood.

Assistance is provided in the form of an interest free loan that is 50% forgivable. Each loan will have a 10 year term. One half of the principal amount will be amortized over nine years. No payment is required the first year. The remaining one half of the principal amount will be forgiven if the business remains in the community for the full 10 years.

Minnesota DEED administers the MIF program and is currently taking applications for the 2012 MIF Disaster Recovery Financing. St. Louis County will serve as the sponsor and administer the program to St. Louis County businesses outside the city of Duluth, which will administer its own program.

Following outreach via the media and to individual businesses, the following two businesses are currently interested in pursuing MIF Disaster Recovery Financing:

1. Lake States Insulation, Proctor, Proposed Application \$150,000 for costs associated with clean up, repairs and loss of inventory.
2. Retreat Golf Course, Floodwood, Proposed Application \$15,000 for costs associated to repair tee boxes and cart paths.

It is proposed that St. Louis County enter into an agreement with the Northspan Group, Inc. to prepare the application to DEED, assist businesses with the application process, present applications to the County Loan Review Committee in accordance with the approved MIF Guidelines, and to submit individual loan applications to DEED for approval. The county will be responsible for collecting information from businesses and submitting annual reports to DEED. It is recommended that the county proceed with an application for \$170,000, \$165,000 in loans and \$5,000 the amount allowed to cover administrative expenses.

Enclosed are the proposed St. Louis County Guidelines for MIF. They must be approved by the Board and DEED. Under County Board Policy, the normal process for applying and accepting this type of funding is two steps: staff is authorized to apply for the funds, and then the Board accepts the financing once approved by DEED. In order to expedite assistance to these businesses, it is recommended that the Board authorize submittal of the application and necessary actions to fully implement the program.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize an application in the amount of \$170,000 to the Minnesota Department of Employment and Economic Development for Minnesota Investment Fund Disaster Recovery Financing; approve the MIF guidelines; authorize the state grant agreement and all other necessary documents to accept the MIF Disaster Recovery Financing; and authorize loan agreements with Lake States Insulation and the Retreat Golf Course in accordance with all St. Louis County and Minnesota Department of Employment and Economic Development requirements. Funds will be deposited in and dispersed from Fund 176, Agency 176999, Grant 17601, Year 2012.

Minnesota Investment Fund – Disaster Recovery Financing

BY COMMISSIONER _____

WHEREAS, on August 24, 2012 state legislation was passed which provided \$15 million in the Minnesota Investment Fund (MIF) Disaster Recovery Financing for local units of government to assist businesses impacted from the 2012 flood; and

WHEREAS, the Minnesota Department of Employment and Economic Development is currently taking applications for the 2012 MIF Disaster Recovery Financing; and

WHEREAS, two businesses have requested MIF Disaster Recovery Financing and an application for \$170,000 will be prepared to include funding Lake States Insulation for \$150,000, the Retreat Golf Course for \$15,000 and administration for \$5,000.

NOW THEREFORE BE IT RESOLVED, that St. Louis County will act as the legal sponsor for projects contained in the \$170,000 Minnesota Investment Fund Disaster Recovery Application to be submitted on or about November 1, 2012 and that the St. Louis County Planning and Community Development Director is authorized to apply to the Minnesota Department of Employment and Economic Development for funding on behalf of St. Louis County.

RESOLVED FURTHER, that St. Louis County has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure adequate administration of the projects.

RESOLVED FURTHER, that St. Louis County has not violated any federal, state, or local laws pertaining to fraud, bribery, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

RESOLVED FURTHER, that St. Louis County adopts the St. Louis County Guidelines for administering the Minnesota Investment Fund contended in County Board File No. _____.

RESOLVED FURTHER, that upon state approval of the application, St. Louis County may enter into an agreement with the state of Minnesota for the MIF Disaster Recovery Financing and that St. Louis County certifies that it will comply with all applicable laws and regulations as stated in all contract agreements.

RESOLVED FURTHER, that the St. Louis County Planning and Community Development Director is authorized to execute such agreements, and amendments thereto, as are necessary to implement the projects on behalf of St. Louis County.

RESOLVED FURTHER, that the St. Louis County Planning and Community Development Director and a representative of the County Attorney are authorized to execute loan agreements and all necessary documents for the approved projects.

RESOLVED FURTHER, that funds be deposited and dispersed into Fund 176, Agency 176999, Grant 17601, Year 2012.

GRANT APPROVAL FORM

GRANT NAME: MN Investment Fund GRANT AMOUNT: \$170,000
 GRANTOR: State of Minnesota MATCH AMOUNT: N/A
 FUND: 176 AGENCY: 176999 GRANT: 17601 GRANT YEAR: 2012
 AGENCY NAME: Department of Employment and Economic Development
 CONTACT PERSON: Bob Isaacson PHONE: 651-259-7459
 GRANT PERIOD: BEGIN DATE: 11-01-2012 END DATE: 12-31-2013
 STATE GRANT AWARD NUMBER OR FEDERAL CFDA # TBD

FILL IN THE ABOVE INFORMATION ON THIS FORM AND IDENTIFY THE CATEGORY OF THE GRANT FROM THE CHOICES BELOW. ATTACH THIS FORM TO THE GRANT APPLICATION AND ANY OTHER PERTINENT OTHER DOCUMENTATION AND ROUTE THE PACKET TO THE INDIVIDUALS LISTED FOR THE TYPE OF GRANT.

IT IS ESSENTIAL THAT DEPARTMENTS SUBMIT THE COMPLETED APPROVAL FORM ON THOSE GRANTS THAT DO NOT REQUIRE BOARD RESOLUTION TO THE AUDITOR'S OFFICE ACCOUNTING DEPARTMENT FOR BUDGETING PURPOSES. NO GRANT ACTIVITY WILL BE RECORDED WITHOUT AN ESTABLISHED BUDGET.

GRANTS OF \$25,000 OR LESS

A grant of \$25,000 or less may be applied for and/or accepted by the department without a separate County Board Resolution if it meets the following:

1. The grant fits within the department's functions, and
2. If the grant requires a County match (not to exceed in money or value an amount equal to the actual grant), and if that match is "in kind", that "in-kind" match is part of the ongoing operations, or if the match is monetary, that the department can find the necessary amount within its existing budget.

DOES THIS GRANT QUALIFY UNDER "GRANTS OF \$25,000 OR LESS"?

YES NO

If so, this type of grant requires the following review approval:

County Auditor	<input type="text"/>	Date:	<input type="text"/>
County Administrator	<input type="text"/>	Date:	<input type="text"/>
County Attorney	<input type="text"/>	Date:	<input type="text"/>

The Grant Budget must be entered into the accounting system. Send a copy of the grant, this signed approval form and any other pertinent information to the Auditor's Office-Accounting, so the budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.

NEW GRANTS GREATER THAN \$25,000

All new grants that exceed \$25,000 and all recurring grants that exceed \$25,000 that contain changes in the grant's requirements which may affect either County resources or the scope of the grant need two (2) board resolutions. One board resolution is required to apply for the grant and a second resolution is required to accept the grant.

DOES THIS GRANT QUALIFY UNDER "GRANTS GREATER THAN \$25,000"?

YES NO

If this is a new grant greater than \$25,000, it requires the following review approval:

County Auditor

[Signature]

Date: 10-17-12

County Administrator

[Signature]

Date: 10-18-12

The Grant Budget must be entered into the accounting system. Send a copy of the grant, this completed approval form and the Board Resolution to the Auditor's Office-Accounting, so a budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.

RECURRING GRANTS GREATER THAN \$25,000

A recurring grant greater than \$25,000 that is a repeat of a grant which has been received by the County in past year(s) and that has no changes in the use of County resources or in the scope of the grant, requires one Board Resolution to both apply for and/or accept the grant.

DOES THIS GRANT QUALIFY AS "RECURRING GRANTS GREATER THAN \$25,000"?

YES NO

If yes, this recurring grant greater than \$25,000 requires the following review approval:

County Auditor

[Signature Line]

Date: [Date Line]

County Administrator

[Signature Line]

Date: [Date Line]

The Grant Budget must be entered into the accounting system. Send a copy of the grant, this completed approval form and the Board Resolution to the Auditor's Office-Accounting, so a budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.

St. Louis County Guidelines for Administering Business Recovery Funds Awarded through the Minnesota Investment Fund (MIF)

I. Purpose of Guidelines

The purpose of these guidelines is to establish policies and procedures to regulate, coordinate and facilitate the process for underwriting new financing requests, servicing recovery loans, and ensuring borrower compliance with loan terms and conditions. These guidelines must be used for the administration of the MIF funds, however, under extraordinary circumstances exceptions may be made with permission from the MN Department of Employment and Economic Development.

II. Authorization and Funding Sources

Minnesota Statute 12A.07 and Chapters 1 and 2, 2012 1st Special Session authorize the distribution of financial assistance to local units of government in the area designated under Presidential Declaration of Major Disaster, DR-4069. Counties and tribal lands included in the declaration are: Aitkin, Carlton, Cass, Cook, Crow Wing, Dakota, Goodhue, Itasca, Kandiyohi, Lake, Meeker, Pine, Rice, Sibley, St. Louis, and the Fond du Lac Band of Lake Superior Chippewa, Grand Portage Band of Lake Superior Chippewa, and the Mille Lacs Band of Ojibwe.

St. Louis County (County) has requested funds to administer a local loan program to assist a business, cooperative, utility, commercial, retail and/or nonprofit organization that was directly and adversely affected by the June 2012 flood. The County has contracted with Northspan Group Inc. (Northspan) which will administer the program. The Business Recovery Loan Fund was capitalized by an appropriation of the Legislature of the State of Minnesota through the Minnesota Department of Employment and Economic Development.

III. Equal Opportunity and Affirmative Action

No one shall be denied assistance based upon race, color, creed, religion, national origin, sex, marital status, age, familial status, or disability. All loan recipients, developers, contractors and subcontractors must agree not to discriminate in any manner against an employee or applicants because of race, color, creed, religion, sex, marital status, age, familial status, or disability.

IV. Conflict of Interest

All officials and employees shall comply with the applicable conflict of interest laws set forth in Minnesota Statutes Section 471.87 and 471.88.

V. Staff Responsibility

County staff or its agent shall have the general responsibility for coordinating the application process, reviewing loan applications, preparing applications and summaries for review by the review committee, and coordinating the loan approval and servicing process.

VI. Eligibility

A. Eligible applicants.

1. Applicants may be any business, cooperative, utility, industrial, commercial, retail and or non-profit organization including those nonprofits that provide residential, health care, child care, social, or other services on behalf of the Dept. of Human Services to residents included in the disaster area.

2. Business applicants must be organized as a proprietorship, partnership, LLC, or a corporation.
 3. Applicants must have been in operation before June 14, 2012.
- B. Eligible activities. Loan funds may be used to assist businesses only in their recovery efforts but are not available to provide relief from economic losses.
- C. Eligible costs. Eligible costs may include the following: repair of buildings, leasehold improvements, fixtures and/or equipment, loss of inventory, and cleanup costs.

VII. Ineligible Activities

- A. Ineligible applicants. Any applicants not meeting the eligibility requirements are not ineligible to receive recovery loan funds.
- B. Ineligible activities. Funds may not be used for lending or investment organizations, land speculation, or any deemed illegal by federal, state, or local law or ordinance.
- C. Ineligible costs. Ineligible costs include but are not limited to: economic injury losses, relocation, management fees, financing costs, franchise fees, debt consolidation, moving costs, refinancing debt existing prior to the date of the disaster, June 14, 2012 and operating costs.

VIII. Loan Application

- A. Application process. All parties seeking recovery loan funds must file an application with the county. Applicants are encouraged to use DEED's Business Recovery Application, however, SBA application forms may be substituted, as long as the additional information as detailed in the application is submitted.
- B. Application information. Only completed applications will be reviewed for consideration. Submittal of the following information constitutes a complete application:
1. MIF Recovery Loan Fund Application;
 2. SBA Business Disaster Application, if applicable.
 3. Regional development organization or responsible local government application, if applicable;
 4. Administrative contact;
 5. Documentation through financial and tax records that the business was a viable operating entity at the time of the disaster;
 6. Amount of loan request;
 7. Business release for local government to review SBA damage assessment/loss verification, if applicable;
 8. Proof of loss statement from insurer; if not available, a letter from the insurance company stating insurance coverage;
 9. Documentation of damages incurred; this could include third party loss verification as provided by the SBA, insurance Proof of Loss statement, photographs, etc.;
 10. Construction cost estimates;
 11. Invoices for work completed;
 12. Quotes for Equipment;
 13. Proposed security;
 14. Applicant's historical financial statements for the 24 months immediately prior to the application date;
 15. Credit check release;
 16. Ownership or lease agreements of the subject property;
 17. Number of jobs to be retained and wages paid for those jobs;

18. Property taxes paid and current;
19. Judgments, tax and other liens, agreements, consent decrees, stipulations for settlements, or other such actions which would prevent the applicant from participating in any program administered by the responsible local, state, or regional government;
20. Compliance with all applicable local ordinances and plans;
21. Business Tax Identification Number;
22. Owner's Encumbrance Report from the county Recorder's Office; and,
23. Other documentation as requested.

C. Incomplete applications. County staff, in its sole discretion, will determine if the application is complete and actionable. Incomplete applications will be assigned pending status and the applicant will be informed in writing of the missing documentation.

D. Determination of eligibility. Applicant eligibility will be determined by staff using criteria enumerated in subsection VI. A. A credit check for the company and each of its principal owners may be conducted.

IX. Loan Review Process

County staff or agent will prepare loan applications and present summary information to the Review Committee.

- A. Loan Review Committee. The St. Louis County Auditor, Attorney and Director of Planning and Community Development or their designee will serve as the loan review committee. Anyone employed by Northspan cannot be a member of the Review Committee. The final determination on all recovery loan applications rests with the Review Committee.
- B. Review Committee agenda. Upon determining the eligibility of the completed application and reviewing for soundness of plan, including ability to repay, County staff will place the loan application on the agenda for the Committee's next scheduled meeting.
 1. Criteria. The Review Committee will base its decision on the economic benefit to County, the collateral offered to secure the loan, the number of jobs to be retained, wage rates of jobs retained and the borrower's ability to repay the loan.
 2. Review committee action. Upon placement on the agenda, the Review Committee shall approve, deny, or table for consideration at a future meeting the loan application request.
 3. Notification of Review Committee action. The applicant shall be notified in writing within fourteen (14) days of the Review Committee's decision.
- C. Approval. If approved, the applicant will be sent a written commitment letter that will outline the terms and conditions of the loan approval. County staff will prepare documentation and coordinate the loan closing with the Borrower or the Borrower's counsel.
- D. Loan denial. The Review Committee will not approve a loan if the applicant cannot provide: 1) firm project costs; 2) documentation of loss; 3) job retention; 4) ability to repay the loan. The Committee will consider Conditions 1, 2, and 3 as priority in reviewing the loan.
- E. Appeal. There will be a complaint and appeal procedure for aggrieved applicants:
 1. Written notice. Applicants will receive written notice of the denial of the loan and the reason(s) for the determination within fourteen (14) days of the determination.

2. Petition. The aggrieved applicant may petition the Review Committee in writing for reconsideration within fourteen (14) days from the date of the written notice of denial. Any request to appear before the Committee must be in writing and must be submitted at least seven (7) days prior to the Committee's scheduled meeting. Upon receipt of the written petition for reconsideration, the Review Committee shall consider the petition at its next scheduled meeting and advise the petitioner in writing of its decision within fourteen (14) days of that meeting. The Committee's decision will be final.
3. Re-application. Applicants aggrieved by the Committee's final decision may re-apply for recovery loan funds after ninety (90) days if the concerns in the preceding application are adequately and appropriately addressed.
4. Notice of award or denial. Applicants will be notified in writing not more than fourteen (14) days after final action has been taken on their recovery loan fund application by the Review Committee.

F. Upon approval by the Review Committee, the recovery loan application and the Review Committee's recommendation will be sent to DEED for final approval.

X. Loan Terms and Conditions

The County shall make available to eligible applicants an interest free loan of which fifty percent (50%) will be forgiven if the business remains in operation at the same location in the county for ten years.

A. Loan Terms.

1. Loan amount. The loan amount available is based on a documented need for the financing, less insurance proceeds. The minimum loan amount available for businesses located in counties served by the Northland Foundation is \$5,000 (or higher if grant award is higher). The minimum may increase (i.e., lower MIF loan) if equivalent assistance is available from other sources or other funding is available through other programs funding through Chapters 1 and 2, 2012 1st Special Session.
2. Installment loan. Fifty percent (50%) of each loan will be an installment loan amortized over nine (9) years which will be repaid to the County and remitted to DEED on an annual basis
4. Deferred payments. Payments will be deferred for the first year from the date of the loan.
5. Forgiveness. Fifty percent (50%) of each loan may be forgiven if the business remains in operation for ten (10) years from the date of the loan. If the business closes or moves during the 10-year period, the remaining outstanding balance of the loan will be due and payable.

B. Balance due. All balances will be due and payable if and when the loan recipient sells or otherwise transfers any or part of his/her interest in the property or fails to meet any of the guidelines established within this document or moves out of the community during the 10-year period.

C. Collateral requirements. All loans will be collateralized to the extent possible. The recovery fund may take a subordinate position to the primary lender on the assets financed. Mortgages and security agreements will be required for all loans.

D. Personal guaranty. Personal guarantees of persons with ownership interest of 20% or greater may be required.

E. Loan repayments. Repayment of the loan must begin no later than one year following loan closing.

- F. Loan prepayment. Prepayments are permitted where the Borrower makes the County whole for any losses or costs associated with the prepayment.
- G. Loan closing documents. The County will close the loan within sixty (60) days of final Review Committee approval of the loan application. At that time, the County will deliver to the Borrower all closing documents and a final debt service schedule. All loans must be closed no later than December 31, 2013.
- H. Post-closing amendments and modifications. Requests for amendments and modifications following award, closing or disbursement of funds to the underwriting of the original request require Review Committee approval and shall be presented at the next scheduled meeting of the Board.

XI. Delinquency

There shall be a notification procedure for delinquent loans.

- A. The County Auditor is responsible for the timely posting and accounting of all loan repayments.
- B. Thirty day notice. Upon thirty (30) days delinquency, the County Auditor will notify the County Director of Planning and Community Development of the delinquency and the Director shall send the borrower a delinquency notice requesting payment within fifteen (15) days.
- C. Forty-five day notice. If payment has not been received by the 45th day, a second delinquency notice will be sent to the Borrower by the Director of Planning and Community Development requesting payment within fifteen (15) days.
- D. Sixty day notice. If payment has not been received by the 60th day, the Director of Planning and Community Development will attempt to contact the Borrower by telephone to discuss the delinquency. The Director shall also send a notice of default to the borrower via certified mail requesting immediate payment and advising the borrower that the delinquency will be placed on the County Board agenda for discussion at the next scheduled meeting.
- E. Ninety day notice. If no repayment plan is submitted by the Borrower, or if there is no attempt by the Borrower to negotiate the amount due, the Director of Planning and Community Development will contact the County Administrator and the County Attorney to discuss sending a 90 day letter calling due the loan in full.
- F. Negotiation. Throughout this process, every attempt will be made to preserve the borrower's business operation, the jobs and the loan funds.

XII. Default

If the County determines a loan to be in default, it will pass a resolution declaring the entity in default and convey the matter to the County Attorney for disposition.

XIII. Loan Servicing

County staff will coordinate loan servicing activities.

- A. Monitoring. County staff will monitor loans for compliance with the accepted terms and conditions including job creation statistics and wage and benefit levels.
- B. Reports. County staff are responsible for ensuring that all required reports are filed in a timely manner.

- C. Records. Electronic files and conventional paper files will be maintained for the purpose of documenting, tracking, and monitoring program and project activities. Program and financial records will be maintained primarily by the County. Where applicable, the following records will be maintained:
 - 1. Program records. The following program information will be maintained in the program project file, including but not limited to:
 - a. Eligibility determination records as set forth in Section VI, A, B and C;
 - b. Review Committee Actions of Record;
 - c. Correspondence;
 - d. Loan documents and executed loan agreement.
 - e. Business Loan Application as set forth in Section VIII.
 - 2. Financial records. The following financial information will be maintained in the financial project file, including but not limited to:
 - a. Copy of the executed loan agreement;
 - b. Disbursement data;
 - c. Progress reports;
 - d. Repayment data; and
 - e. Amortization tables.

- D. Record retention. All program and financial records, supporting documents, statistical records, and other records pertinent to the recovery loan program shall be maintained for a period of at least seven (7) years from the date of the final loan payment.

XIV. Regulations of Minnesota Investment Fund Flood Recovery Loan Funds

- A. Labor Requirements. Minnesota Statutes, Section 116J.871, (Payment of Prevailing Wages to Contractors) applies if a business receives \$500,000 or more in State funds.

- B. Surety Deposits. Minnesota Statutes, Section 290.9705 (Surety Deposits Required for Construction Contracts) applies to this project.

- C. Job Listing Agreements. A business or private enterprise receiving grants or loans in amounts over \$200,000 shall as part of the grant or loan agree to list any vacant or new positions with a state workforce center.

- D. Job Retention and Wage Goals. Loan Agreements will establish goals for the number of jobs to be retained by each business and the wages for those jobs.

- E. Annual Reports. Businesses will be required to report on employment and wages to County on an annual basis until the loan is paid in full.

I certify that the St. Louis County Board has reviewed and approved these guidelines for the administration of Business Recovery Funds through the Minnesota Investment Fund program.

Signed:

Authorized Official

Title

Date