



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

February 11, 2014
Immediately following the Board Meeting, which begins at 9:30 A.M.
Proctor City Hall/Community Center, 100 Pionk Drive, Proctor, MN

Directions: Take Highway 2 into Proctor. Turn west at stoplight onto 2nd Street. Proceed one block, turn south (left) onto Pionk Drive, the Proctor Community Center is one block in on your right.

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 February 4, 2014

Health & Human Services Committee, Commissioner Stauber, Chair

1. CY 2014 Mental Health Contracts with Range Mental Health Center [14-58]
2. CY 2014 Mental Health Contracts with Human Development Center [14-59]

Environment & Natural Resources Committee, Commissioner Dahlberg, Chair

3. Withdrawal of State Tax Forfeited Land from Memorial Forest Status [14-60]

Public Works & Transportation Committee, Commissioner Raukar, Chair

4. Purchase of Trackless MT-6 Municipal Tractor with Snow Blower Attachment [14-61]

Finance & Budget Committee, Commissioner Nelson, Chair

5. Letter of Understanding for 2013 Audit by State Auditor's Office [14-62]
6. Abatement List for Board Approval [14-63]

REGULAR AGENDA:

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

Health & Human Services Committee, Commissioner Stauber, Chair

1. **Position Reallocation of Information Specialist II to Child Support Officer I [14-64]**
Resolution authorizing the reallocation of an Information Specialist II to a Child Support Officer I position in the Public Health and Human Services Department.
- *2. **Resolution of Support for the Pursuit of a Regional Health and Wellness Center**
Commissioner Stauber has requested that the County Board consider supporting this initiative.

Public Works & Transportation Committee, Commissioner Raukar, Chair

1. **Purchase of Three Wheel Loaders [14-65]**
Resolution authorizing the purchase of three CASE model wheel loaders from low bidder Titan Machinery of Duluth, MN.
2. **Cleaning Services – Public Works Facility, Hibbing [14-66]**
Resolution authorizing a contract with Roufs Property Maintenance of Hermantown, MN for cleaning services at the Public Works facility in Hibbing.

3. **Cleaning Services – Public Works Facility, Linden Grove [14-67]**
Resolution authorizing a contract with K&K Cleaning Inc., of Mountain Iron, MN, for cleaning services at the Public Works facility in Linden Grove.
4. **Cleaning Services – Public Works Facility, Ely [14-68]**
Resolution authorizing a contract with K&K Cleaning Inc., of Mountain Iron, MN, for cleaning services at the Public Works facility in Ely.

Finance & Budget Committee, Commissioner Nelson, Chair

1. **Purchase of Audio Visual Equipment for the Government Services Center – Duluth [14-69]**
Resolution authorizing the purchase of audio visual equipment for the Government Services Center in Duluth from Parsons Technologies of Duluth, MN.

COMMISSIONER DISCUSSION ITEMS AND REPORTS:

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

ADJOURNED:

NEXT COMMITTEE OF THE WHOLE MEETING DATES:

February 25, 2014 City Council Chambers, City Hall, Hibbing, MN

March 11, 2014 Commissioners' Conference Room, Courthouse, Duluth, MN

March 25, 2014 Ely Public Works Facility, 2210 East Sheridan, Ely, 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, February 4, 2014

Location: St. Louis County Courthouse, Duluth, Minnesota

Present: Commissioners Jewell, Boyle, Dahlberg, Stauber, Nelson, Raukar, and Chair Forsman

Absent: None

Convened: Chair Forsman called the meeting to order at 11:09 a.m.

CONSENT AGENDA

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

- Minutes of January 28, 2014
- Amend Zoning Ordinance No. 46, Zoning Map (Grand Lake Township) [14-50]
- Sponsorship and Maintenance of City of Floodwood Safe Routes to School Grant Project [14-51] (Board Letter proposes two resolutions)
- Lease Amendment for PHHS Storage – Arvig Building [14-52]
- Amend County Board Resolution No. 13-781 – Remodeling Change of Scope for County Extension Office [14-53]
- Request for Sponsorship of Snowmobile Trail Grooming Equipment Purchase – Eveleth Trail Hawks Snowmobile Club [14-54]
- Support for Legislation Allowing Counties to Designate their County Websites to Publish Public Notices [14-55]
- Establish a Public Hearing on the FY 2014 Action Plan for CDBG, HOME and ESG Funding Tuesday, March 11, 2014, 9:40 a.m., St. Louis County Courthouse, Duluth, MN [14-56]

REGULAR AGENDA

Public Works & Transportation

Forsman/Raukar moved to award a bid to Asphalt Surface Technologies, Corp., a.k.a. Astech Corp., of St. Cloud, MN, in the amount of \$919,705.39 for project SAP 69-030-032, CP 0000-204768 Micro Surfacing in Pike, Embarrass, and Greenwood Townships [14-57]. Public Works Director Jim Foldesi discussed the benefits of utilizing micro surfacing technology. After further commissioner discussion, the motion passed. (7-0)

COMMISSIONER DISCUSSION ITEMS

Commissioner Nelson discussed consent item #3 - Lease Amendment for PHHS Storage.

Commissioner Jewell said the Heart of the Continent quarterly meeting took place last Thursday and Friday. Commissioner Forsman and three commissioners from other counties participated in the meeting. Commissioner Jewell said there is training next Tuesday and Wednesday with a reception being held next Tuesday at 6:00 p.m.

Commissioner Dalberg said that he spoke on behalf of the Board at the Polymet/Supplemental Draft EIS held in St. Paul. Commissioner Dahlberg asked the Committee's opinion on requesting that Polymet representatives address the Board. After further commissioner discussion, County Administration was asked to coordinate an appropriate venue and time for Polymet representatives to speak to the Board. Commissioner Dahlberg said the tax forfeited sealed bid timber auction is being held on February 20, 2014.

Commissioner Nelson said that Commissioner Dahlberg did an outstanding job representing the Board at the Polymet/Supplemental Draft EIS held in St. Paul. Commissioner Nelson noted that Jim Hofsommer of Markham, MN, gave up his opportunity to speak at the meeting so that Commissioner Dahlberg could express his views on behalf of St. Louis County. Commissioner Nelson discussed a recent meeting with The Arrowhead Center regarding Camp Esquagama and expects them to give a presentation to the Board in March.

Commissioner Jewell discussed concerns he had regarding Camp Esquagama reporting.

Commissioner Stauber said his younger brother is an assistant coach for the U.S. Women's Olympic Hockey Team and wished all U.S. athletes success and safety in Russia.

At 11:50 a.m., Dahlberg/Stauber moved to adjourn the Committee of the Whole meeting. (7-0)

Mike Forsman, Chair of the County Board

Phil Chapman, Clerk of the County Board

2. **Adult MH-TCM contract.** Range Mental Health Center also provides MH-TCM services for adults with serious and persistent mental illness who are eligible for Title XIX Medical Assistance program funds. The 2013 rate was \$354 per month per client for up to 56 clients per month. The department proposes no change for 2014.

In addition to TCM services, Range Mental Health Center has entered into two county-funded grant agreements (one for adults and one for children) to provide other mental health services for clients who are not eligible for Medical Assistance or Children's Therapeutic Services and Supports (CTSS).

3. **Other children mental health services.** Range Mental Health Center also provides services similar to CTSS such as court services, case consultation, emergency services, and psychiatric consultation for children who are not eligible for Medical Assistance and who do not qualify for CTSS. The total contract maximum for these services is \$90,000.
4. **Other adult mental health services** to Medical Assistance ineligible adults. Range Mental Health Center also provides other Mental Health Services for adults with functional disorders who are not eligible for Medical Assistance. These services include supportive remedial services, court services, case consultation, emergency services, and psychiatric consultation. The total contract maximum for these services is \$101,088.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the following agreements with Range Mental Health Center for the period January 1, 2014 through December 31, 2014. The county's required share is paid as indicated below:

1. Children MH-TCM contract (7-10 cases per month)
\$688 per month per client, 50% of which is the county share of the rate.
Fund 230, Agency 232008, Object 601600
2. Adult MH-TCM contract (maximum 56 cases)
\$354 per month per client, 50% of which is the county share of the rate.
Fund 230, Agency 232006, Object 604400
3. Other children's mental health services contract
Not to exceed \$90,000 per year
Fund 230, Agency 232008, Object 601600
4. Other adult mental health services
Not to exceed \$101,088 per year
Fund 230, Agency 232006, Object 604400

CY 2014 Mental Health Contracts with Range Mental Health Center

BY COMMISSIONER _____

WHEREAS, Range Mental Health Center helps people with mental illness to remain safe and as independent as possible by providing a full range of community mental health services; and

WHEREAS, The Public Health and Human Services Department has contracted with Range Mental Health Center to provide needed community mental health services in northern St. Louis County for many years; and

WHEREAS, County funds must be set aside to pay the non-federal share of Medical Assistance for mental health services for residents of northern St. Louis County;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes the following agreements with Range Mental Health Center for the period January 1, 2014 through December 31, 2014. The county's required share is paid as indicated below:

1. Children Mental Health-Targeted Case Management (MH-TCM) contract
(7-10 cases per month)
\$688 per month per client, 50% of which is the county share of the rate.
Fund 230, Agency 232008, Object 601600
2. Adult MH-TCM contract (maximum 56 cases)
\$354 per month per client, 50% of which is the county share of the rate.
Fund 230, Agency 232006, Object 604400
3. Other children's mental health services contract
Not to exceed \$90,000 per year
Fund 230, Agency 232008, Object 601600
4. Other adult mental health services
Not to exceed \$101,088 per year
Fund 230, Agency 232006, Object 604400

BOARD LETTER NO. 14 – 59

HEALTH & HUMAN SERVICES COMMITTEE CONSENT NO. 2

BOARD AGENDA NO.

DATE: February 11, 2014

RE: CY 2014 Mental Health
Contracts with Human
Development Center

FROM: Kevin Z. Gray
County Administrator

Ann M. Busche, Director
Public Health & Human Services

RELATED DEPARTMENT GOAL:

Children will be born healthy, live a life free from abuse and neglect, and will have a permanent living arrangement. Parents will be emotionally and financially able to provide for their children. Adults will live in the least restrictive living arrangement that meets their health and safety needs.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize agreements with Human Development Center for Mental Health-Targeted Case Management (MH-TCM) for Calendar Year 2014.

BACKGROUND:

Human Development Center (HDC) is licensed by the Minnesota Department of Human Services as a community mental health center. HDC provides a full array of mental health services to residents of southern St. Louis County. The Public Health and Human Services Department (PHHS) has contracted with HDC for many years to provide needed community mental health services in southern St. Louis County.

St. Louis County has two separate contracts with HDC. The department proposes to renew those contracts for the period January 1, 2014 through December 31, 2014. Service payments for Targeted Case Management (TCM) for children and adults are paid directly to the provider by the Minnesota Department of Human Services using Title XIX Medical Assistance program funds. The state bills the county for the non-federal share (approximately 50%).

1. **Children MH-TCM contract.** The Human Development Center provides MH-TCM services for children with Emotional Disturbance and Severe Emotional Disturbance who are eligible for Title XIX Medical Assistance program funds. The 2013 rate was \$510 per month per client for the 30 clients served each month. The department proposes no change for 2014.

2. **Adult MH-TCM contract.** The Human Development Center also provides MH-TCM services for adults with serious and persistent mental illness who are eligible for Title XIX Medical Assistance program funds. The 2013 rate was \$364 per month per client for the 80 clients served each month. The department proposes a 5% increase for 2014 bringing the rate to \$382.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the following agreements with Human Development Center for the period January 1, 2014 through December 31, 2014. The county's required share is paid as indicated below:

1. Children MH-TCM contract (30 cases per month)
\$510 per month per client, 50% of which is the county share of the rate
Fund 230, Agency 232008, Object 601600
2. Adult MH-TCM contract (80 cases per month)
\$382 per month per client, 50% of which is the county share of the rate
Fund 230, Agency 232006, Object 604400

CY 2014 Mental Health Contracts with Human Development Center

BY COMMISSIONER _____

WHEREAS, Human Development Center (HDC) helps people with mental illness to remain safe and as independent as possible by providing a full range of community mental health services; and

WHEREAS, The Public Health and Human Services Department has contracted with HDC to provide needed community mental health services in southern St. Louis County for many years; and

WHEREAS, County funds must be set aside to pay the non-federal share of Medical Assistance for mental health services for residents of southern St. Louis County;

THEREFORE, BE IT RESOLVED, that the St. Louis County Board authorizes two agreements with Human Development Center for the period January 1, 2014 through December 31, 2014. The county's required share is paid as indicated below:

1. Children MH-TCM contract (30 cases per month)
\$510 per month per client, 50% of which is the county share of the rate
Fund 230, Agency 232008, Object 601600
2. Adult MH-TCM contract (80 cases per month)
\$382 per month per client, 50% of which is the county share of the rate
Fund 230, Agency 232006, Object 604400

BOARD LETTER NO. 14 - 60

ENVIRONMENT & NATURAL RESOURCES COMMITTEE CONSENT NO. 3

BOARD AGENDA NO.

DATE: February 11, 2014 **RE:** **Withdrawal of State Tax
Forfeited Land from Memorial
Forest Status**

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

**Mark Weber, Director
Land and Minerals**

RELATED DEPARTMENT GOAL:

Financial return to the county and taxing districts.

ACTION REQUESTED:

The St. Louis County Board is requested to withdraw state tax forfeited land from memorial forest status pursuant to Minn. Stat. § 459.06, Subd. 3.

BACKGROUND:

State tax forfeited land which has been included in an established memorial forest and found more suitable for other purposes may be withdrawn from the memorial forest if the Commissioner of Natural Resources approves the sale of such land. The Land and Minerals Department has determined that it would be in the best interest of St. Louis County to sell the parcels described below because they are more suitable for purposes other than forest management.

RECOMMENDATION:

It is recommended that the St. Louis County Board approve the withdrawal of state tax forfeited land from memorial forest status.

Withdrawal of State Tax Forfeited Land from Memorial Forest Status

BY COMMISSIONER _____

WHEREAS, The state tax forfeited parcels described here are currently included in an established memorial forest; and

WHEREAS, Pursuant to Minn. Stat. § 459.06, Subd. 3, state tax forfeited land which has been included in an established memorial forest and found more suitable for other purposes may, by resolution of the County Board, be withdrawn from the forest for disposal if the Commissioner of Natural Resources approves the sale of such land; and

WHEREAS, The state tax forfeited parcels described here are more suitable for purposes other than forest management.

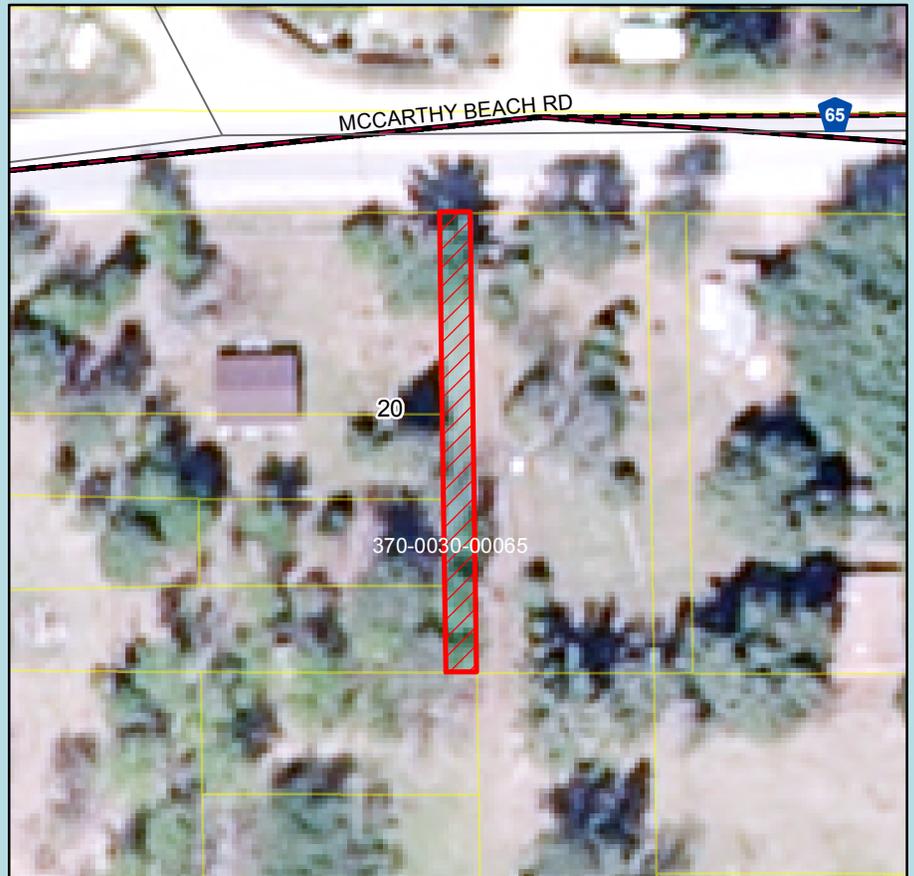
THEREFORE, BE IT RESOLVED, That the state tax forfeited parcels described in County Board File No. _____ shall be withdrawn from Sturgeon Lake, Island Lake, Central Lakes, Lake Vermilion, Pelican Lake, and Lake Upham Memorial Forests.

MEMORIAL FOREST RELEASE

<i>PARCEL</i>	<i>TWP</i>	<i>RGE</i>	<i>SEC</i>	<i>LEGAL</i>	<i>ACRES</i>	<i>FOREST</i>	
370-0030-00065	0	0	0	E 10 FT OF W 90 FT OF N 150 FT	0	Sturgeon Lake	Map 1
475-0010-00580	52	17	4	NE 1/4 OF SW 1/4	40	Lake Upham	Map 2
210-0046-00420	53	12	17	LOTS 12 THRU 15, BLOCK 3	0.36	Island Lake	Map 3
230-0010-00430	55	12	3	LOT 6 EX PART PLATTED AS INDIAN LAKE BEACH	1.1	Island Lake	Map 4
320-0010-05430	55	16	33	UND 1/2 SE1/4 NW1/4	40	Island Lake	Map 5
320-0010-05431	55	16	33	UND 1/2 SE1/4 NW1/4	40	Island Lake	Map 5
320-0100-00010	55	17	6	LOTS 1 AND 2	1.15	Central Lakes	Map 6
320-0170-00155	55	17	6	PART OF OUTLOT A BEG AT NW CORNER THENCE S 86 4/100 FT THENCE NELY 97 18/100 FT THENCE W 42 62/100 FT TO POINT OF BEGINNING	0.19	Central Lakes	Map 6
420-0020-00300	56	19	2	NW1/4 SE1/4	40	Central Lakes	Map 7
565-0010-03140	60	14	20	SE1/4 NW1/4	40	Lake Vermilion	Map 8
370-0010-02495	60	21	15	LOT 1 EX E 1020 FT & EX W 300 FT & EX PART PLATTED AS PERCH LAKE SHORES	0.07	Sturgeon Lake	Map 9
370-0010-02632	60	21	15	LOT 2 EX E 195 FT & EX W 1125 FT & EX PART PLATTED AS PERCH LAKE SHORES	0.32	Sturgeon Lake	Map 9
625-0010-00711	61	13	5	S1/2 OF S1/2 OF NW1/4 OF SE1/4	10	Lake Vermilion	Map 10
317-0075-00150	62	14	23	LOT 7 BLOCK 2	5.16	Lake Vermilion	Map 11
317-0075-00160	62	14	23	LOT 8 EX ELY 40 FT	4.74	Lake Vermilion	Map 11
317-0075-00162	62	14	23	ELY 40 FT OF LOT 8	0.58	Lake Vermilion	Map 11
510-0040-00536	66	18	4	S1/2 OF W1/2 OF LOT 3	10.12	Pelican Lake	Map 12
205-0010-03430	52	18	19	SW1/4SE1/4	40.0	Lake Upham	Map 2
405-0010-02310	54	18	14	W1/2 of NE1/4 of NW1/4	20.0	Lake Upham	Map 13
305-0020-01260	54	17	8	N1/2 SW1/4	80.0	Lake Upham	Map 13



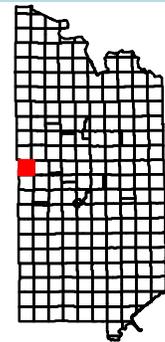
TOWN OF FRENCH
 E 10 FT OF W 90 FT OF N 150 FT
 CLEMENT TOWN OF FRENCH
 S20, T60N, R21W
 PARCEL CODE: 370-0030-00065



Town of French Sec: 20 Twp: 60 Rng: 21

Commissioner District # 4

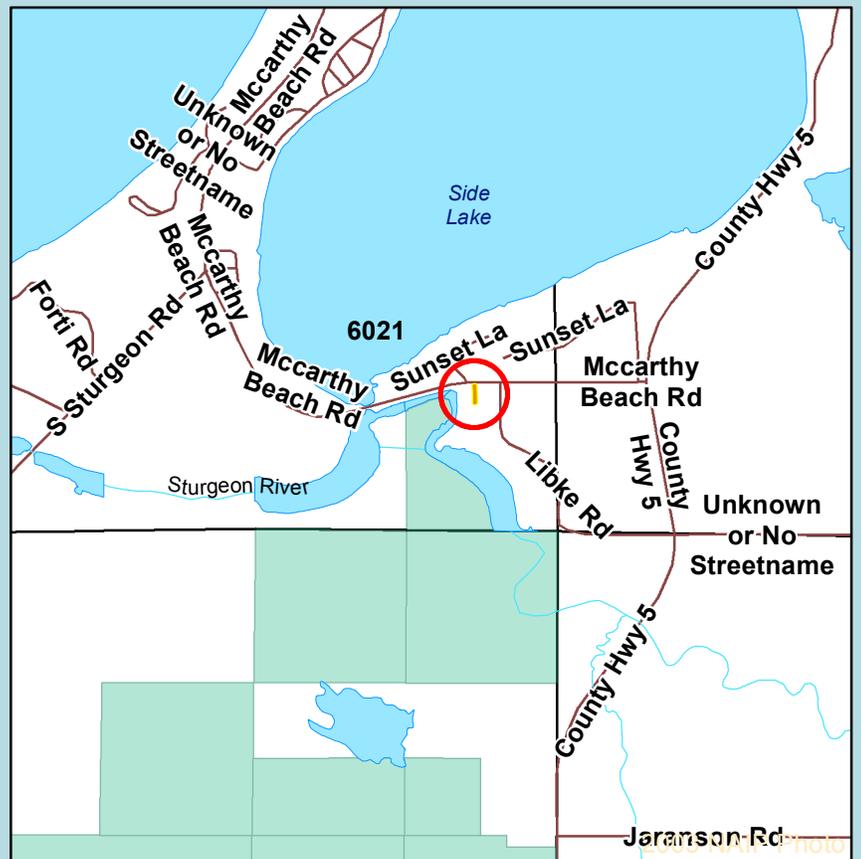
-  State Tax Forfeited Land
-  Water
-  Road
-  Area of Interest
-  Tract



St. Louis County, Minnesota

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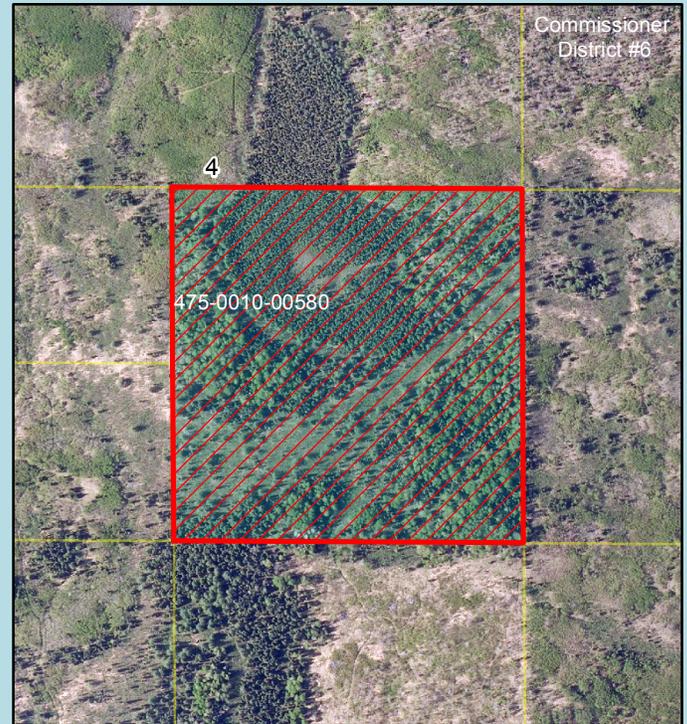
St. Louis County Land and Minerals Department





TOWN OF ALBORN
SW 1/4 OF SE 1/4
S19, T52N, R18W
PARCEL CODE: 205-0010-03430

TOWN OF NEW INDEPENDENCE
NE 1/4 OF SW 1/4
S4, T52N, R17W
PARCEL CODE: 475-0010-00580

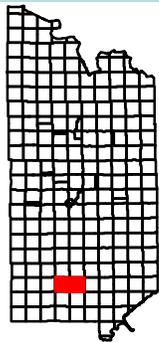


Town of Alborn Sec: 19 Twp: 52 Rng: 18

Town of New Independence Sec: 4 Twp: 52 Rng: 17

Commissioner Districts # 6, 7

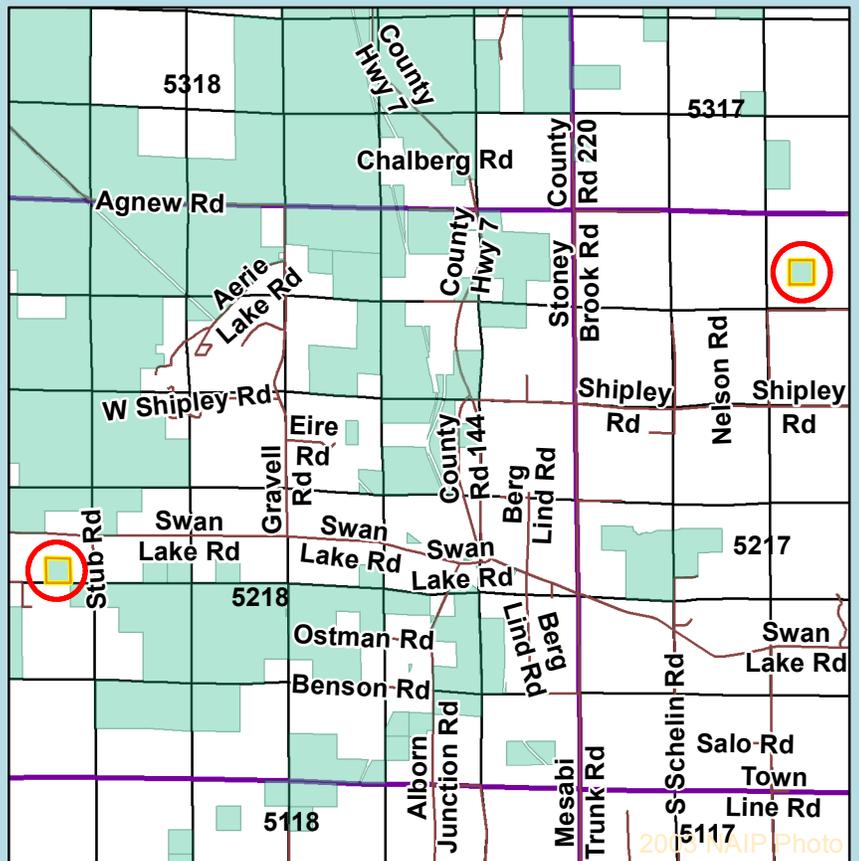
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St. Louis County Land and Minerals Department





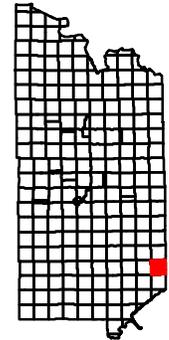
TOWN OF ALDEN
 LOTS 12 THRU 15
 PARADISE LAKE SHORES 1ST
 ADDITION ALDEN
 S17, T53N, R12W
 PARCEL CODE: 210-0046-00420



Town of Alden Sec: 17 Twp: 53 Rng: 12

Commissioner District # 4

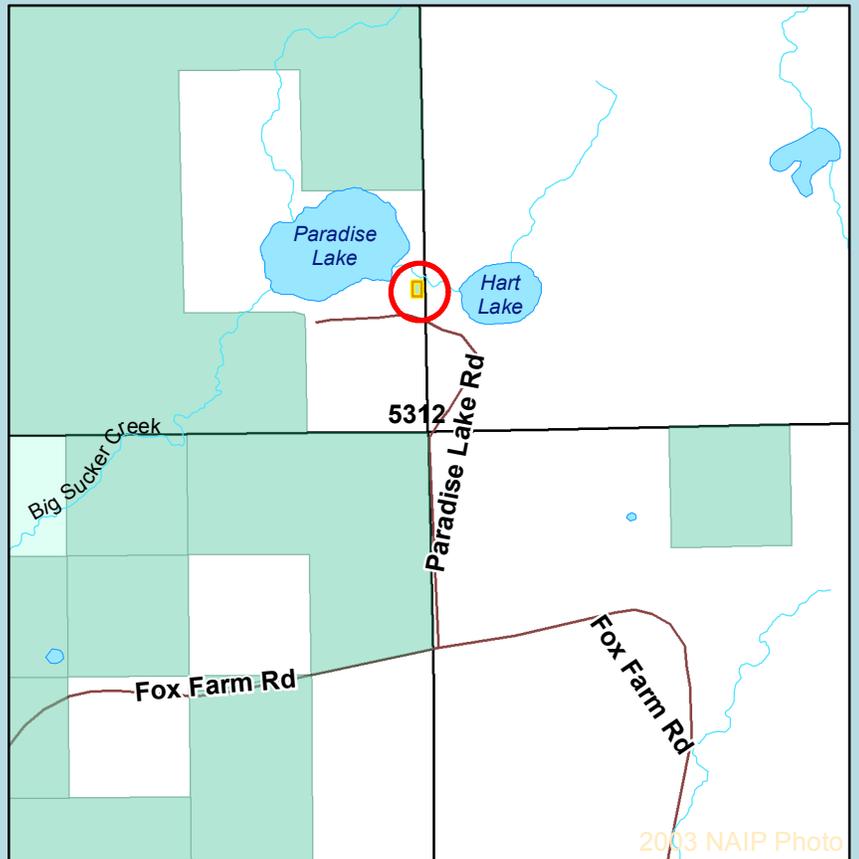
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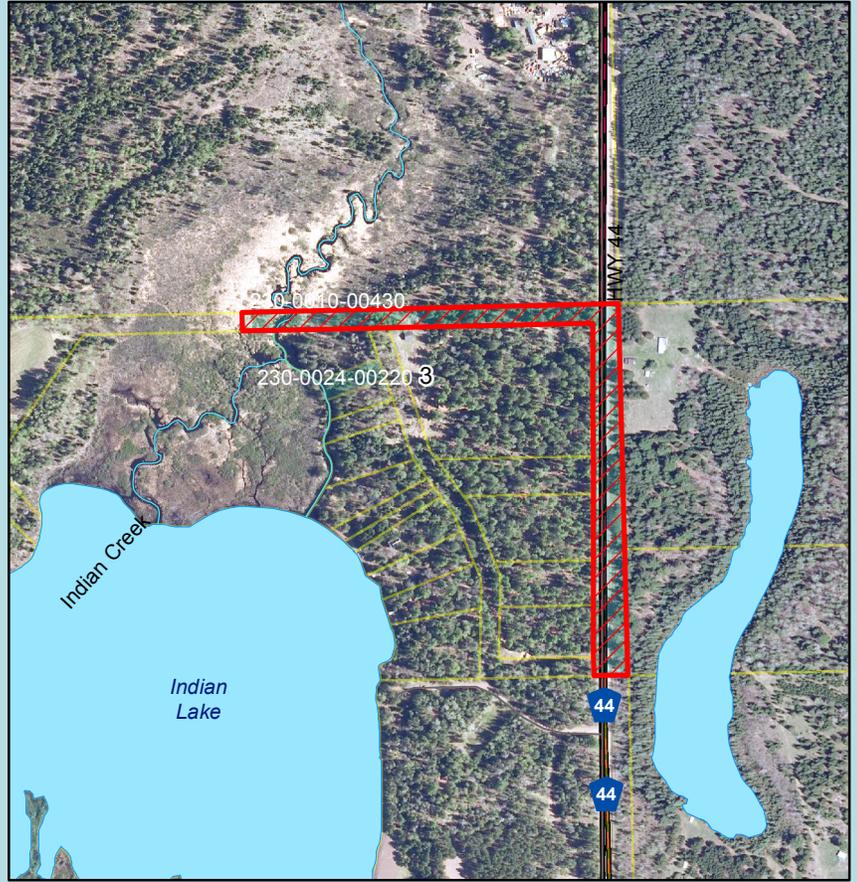
**St. Louis County Land
 and Minerals Department**



2003 NAIP Photo



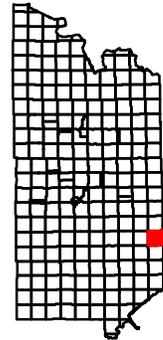
TOWN OF AULT
 LOT 6 EX PART PLATTED AS INDIAN
 LAKE BEACH
 S3, T55N, R12W
 PARCEL CODE: 230-0010-00430



Town of Ault Sec: 3 Twp: 55 Rng: 12

Commissioner District # 4

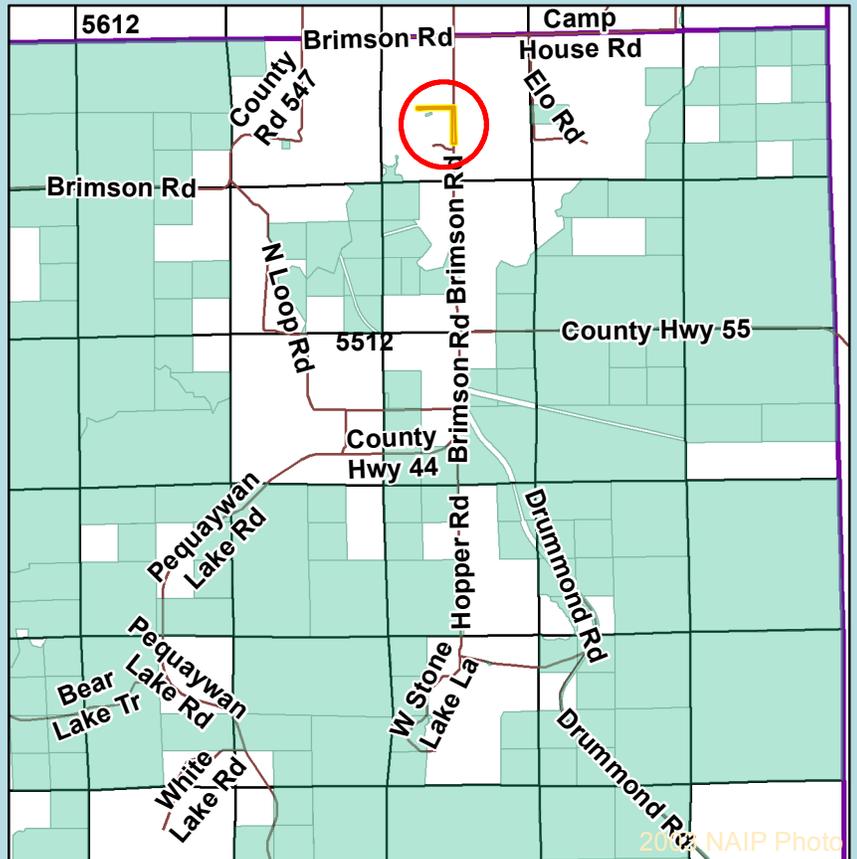
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- Road
- Area of Interest
- Tract



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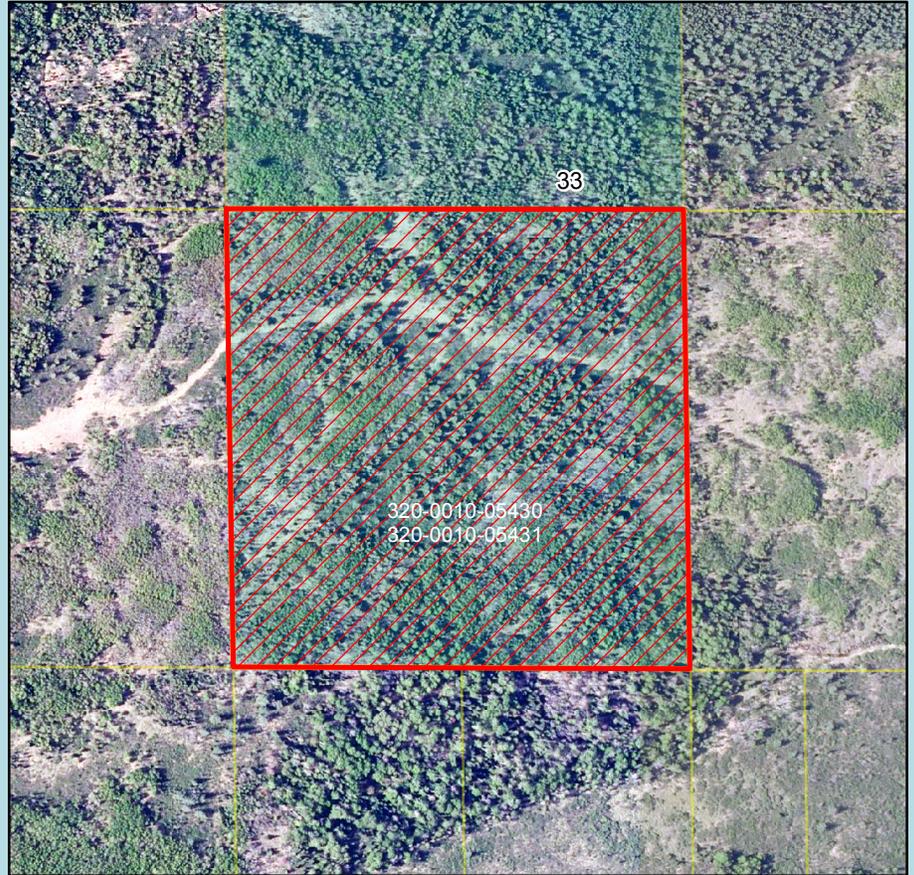
St. Louis County Land and Minerals Department



2011 NAIP Photo



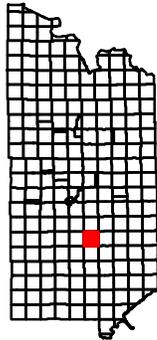
TOWN OF ELLSBURG
UND 1/2 SE1/4 OF NW1/4
PARCEL CODE: 320-0010-05430
UND 1/2 SE1/4 OF NW1/4
PARCEL CODE: 320-0010-05431
S33, T55N, R16W



Town of Ellsburg Sec: 33 Twp: 55 Rng: 16

Commissioner District # 6

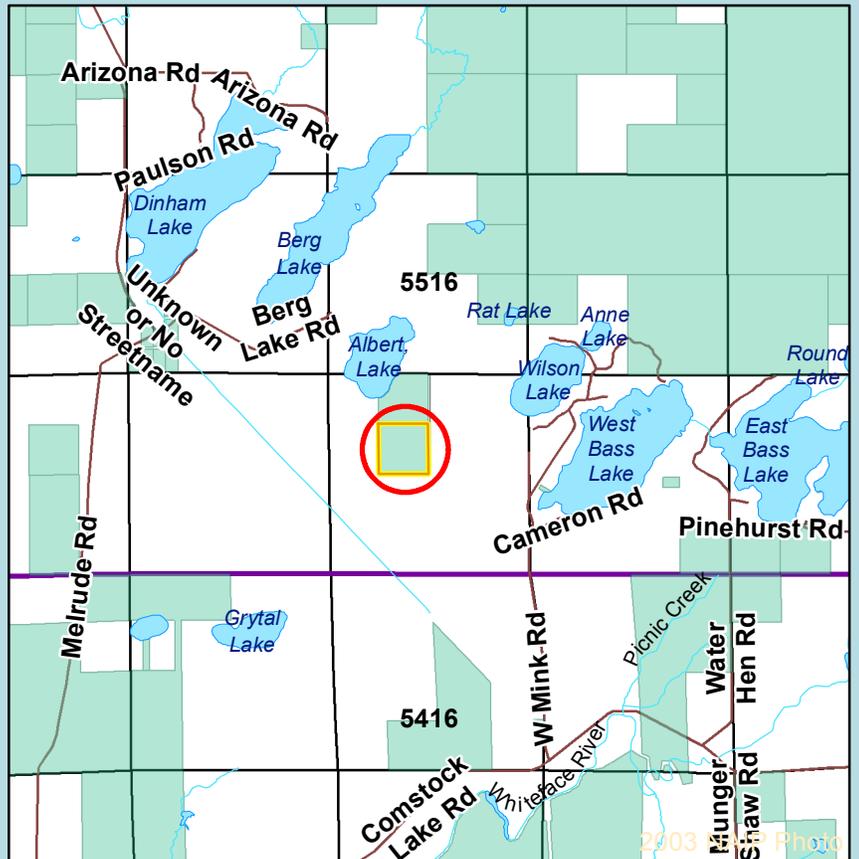
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St. Louis County Land and Minerals Department



2003 Photo



TOWN OF ELLSBURG
 LOTS 1 AND 2
 MICHAELS BEACH TOWN OF ELLSBURG
 S6, T55N, R17W
 PARCEL CODE: 320-0100-00010

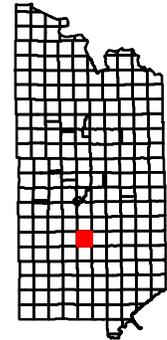
TOWN OF ELLSBURG
 PART OF OUTLOT A BEG AT NW CORNER THENCE S
 86 4/100 FT THENCE NELY 97 18/100 FT THENCE W
 42 62/100 FT TO POINT OF BEGINNING
 SWEENEYS STONE LAKE LOTS ELLSBURG
 S6, T55N, R17W
 PARCEL CODE: 320-0170-00155



Town of Ellsburg Sec: 6 Twp: 55 Rng: 17

Commissioner District # 6

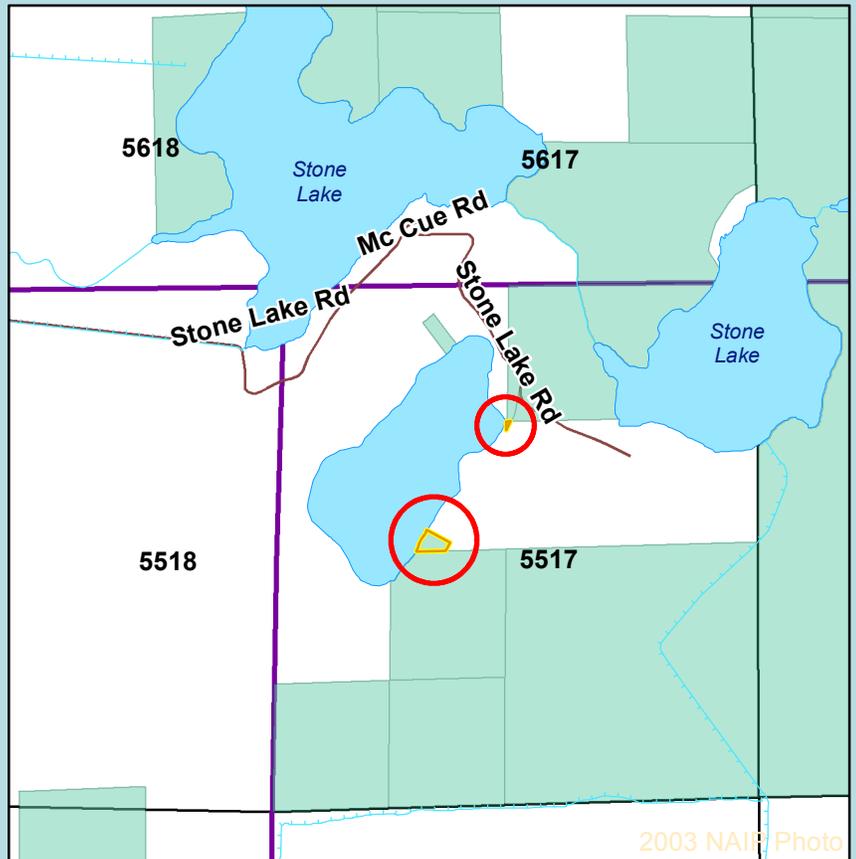
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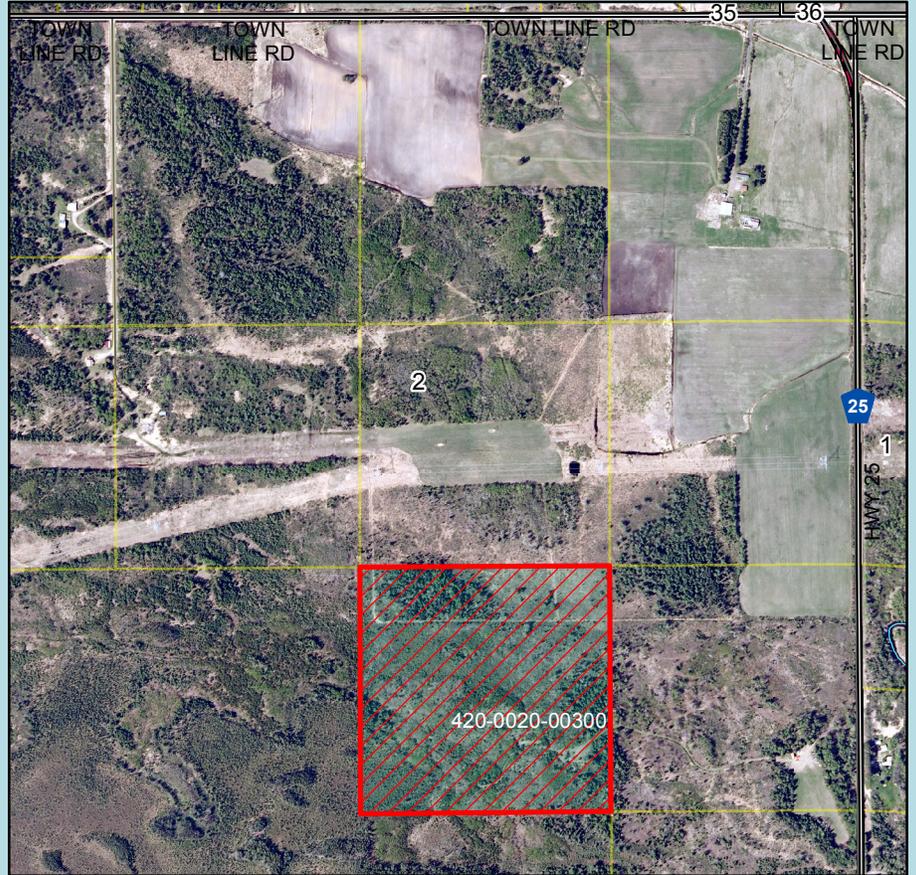
St. Louis County Land and Minerals Department



2003 NAIP Photo



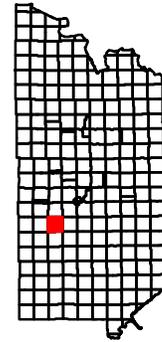
TOWN OF LAVELL
 NW 1/4 OF SE 1/4
 S2, T56N, R19W
 PARCEL CODE: 420-0020-00300



Town of Lavell Sec: 2 Twp: 56 Rng: 19

Commissioner District # 7

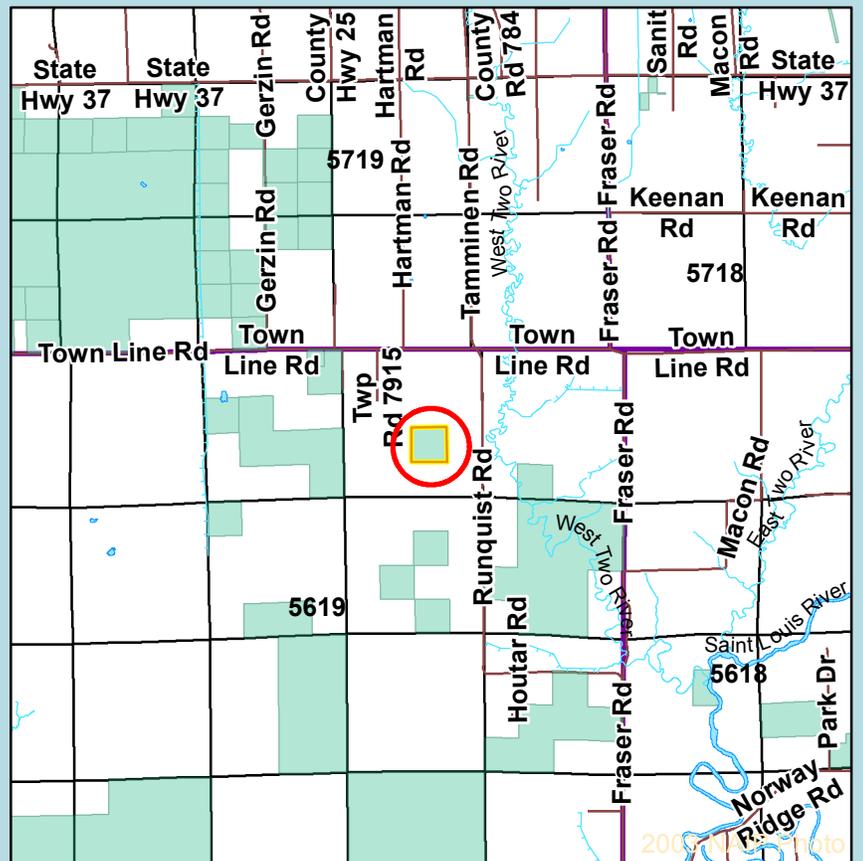
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-  Tract



St. Louis County, Minnesota

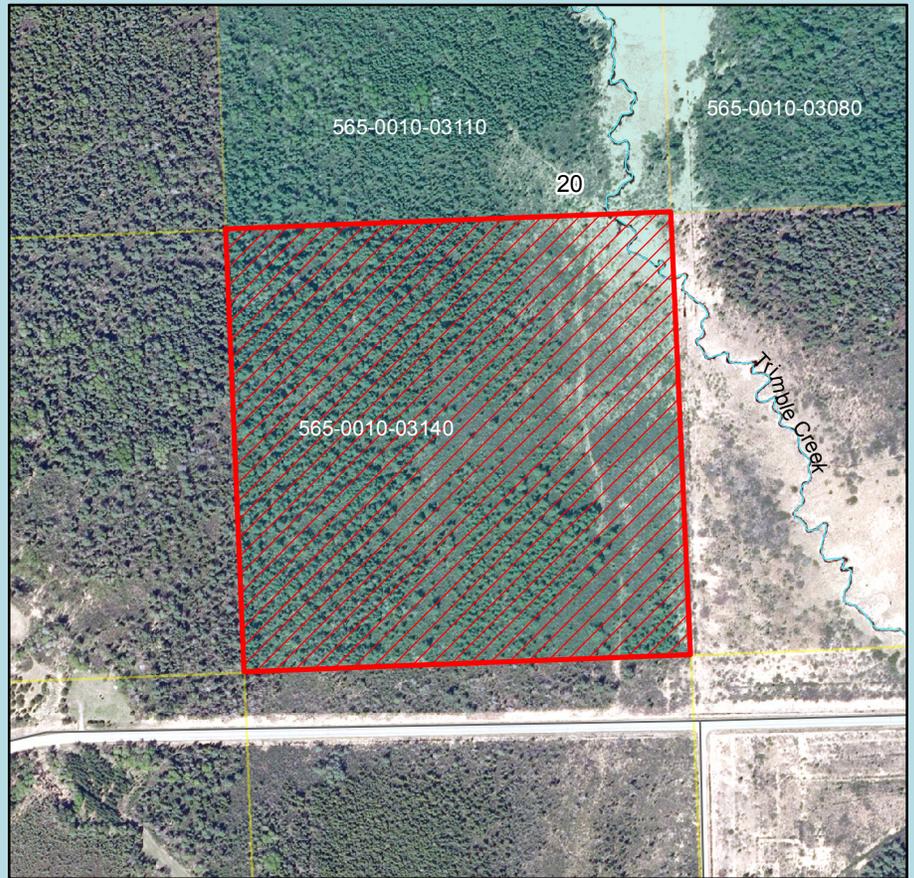
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St. Louis County Land and Minerals Department





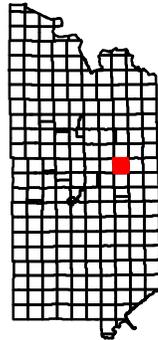
TOWN OF WAASA
SE 1/4 OF NW 1/4
S20, T60N, R14W
PARCEL CODE: 565-0010-03140



Town of Waasa Sec: 20 Twp: 60 Rng: 14

Commissioner District # 4

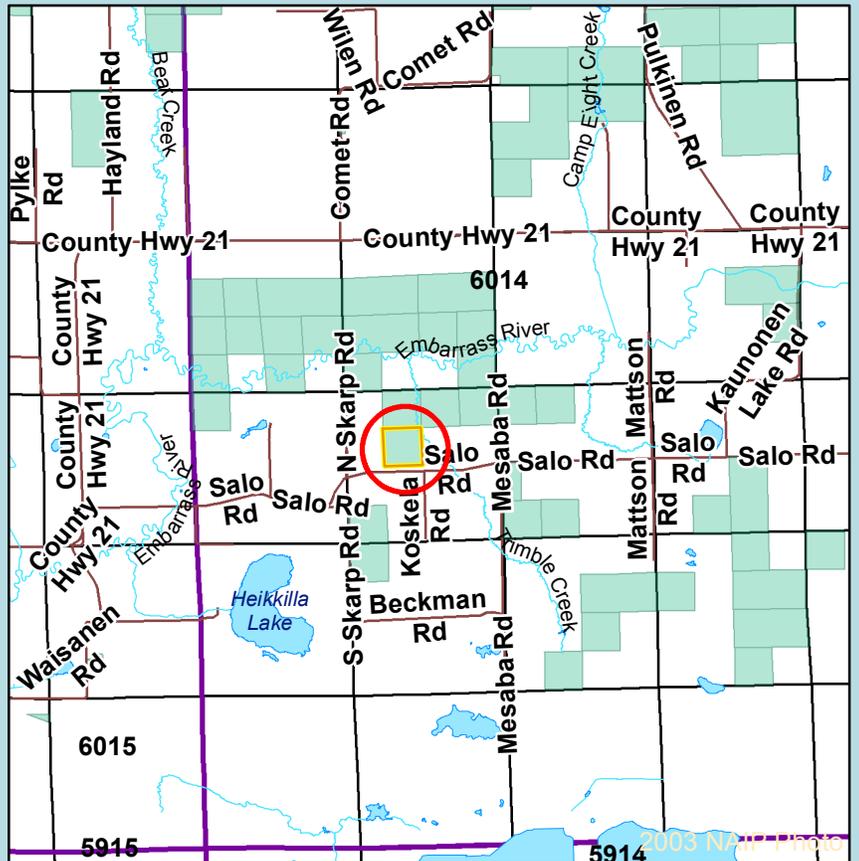
-  State Tax Forfeited Land
-  Water
-  Road
-  Area of Interest
-  Tract



St. Louis County, Minnesota

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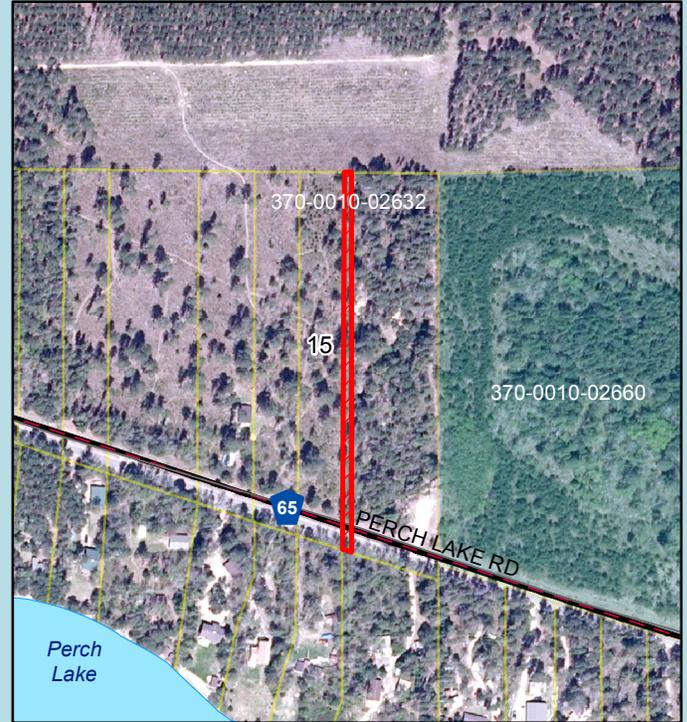
St. Louis County Land and Minerals Department





TOWN OF FRENCH
 LOT 1 EX E 1020 FT & EX W 300 FT & EX
 PART PLATTED AS PERCH LAKE SHORES
 S15, T60N, R21W
 PARCEL CODE: 370-0010-02495

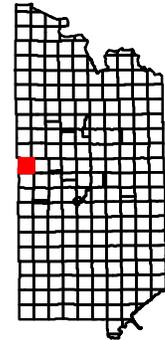
TOWN OF FRENCH
 LOT 2 EX E 195 FT & EX W 1125 FT & EX
 PART PLATTED AS PERCH LAKE SHORES
 S15, T60N, R21W
 PARCEL CODE: 370-0010-02632



Town of French Sec: 15 Twp: 60 Rng: 21

Commissioner District # 4

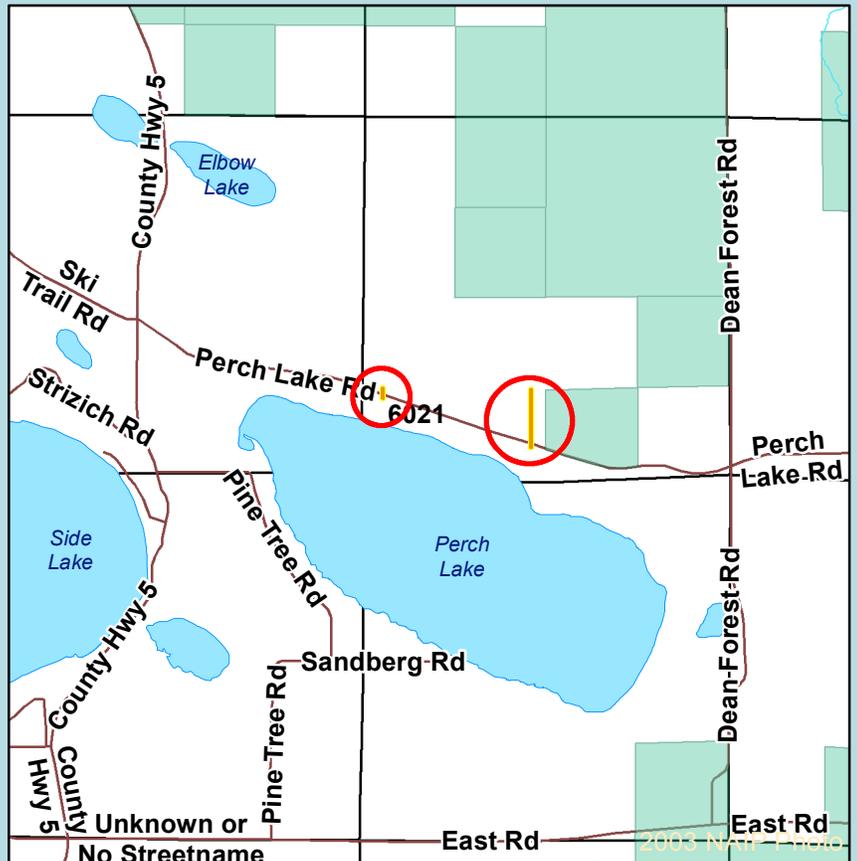
-  State Tax Forfeited Land
-  Water
-  Road
-  Area of Interest
-  Tract



St. Louis County, Minnesota

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St. Louis County Land and Minerals Department





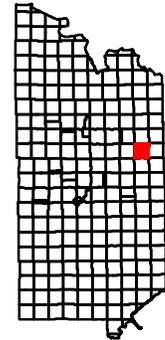
UNORGANIZED 61-13
 S1/2 OF S1/2 OF NW1/4 OF SE1/4
 S5, T61N, R13W
 PARCEL CODE: 625-0010-00711



Unorganized 61 13 Sec: 5 Twp: 61 Rng: 13

Commissioner District # 4

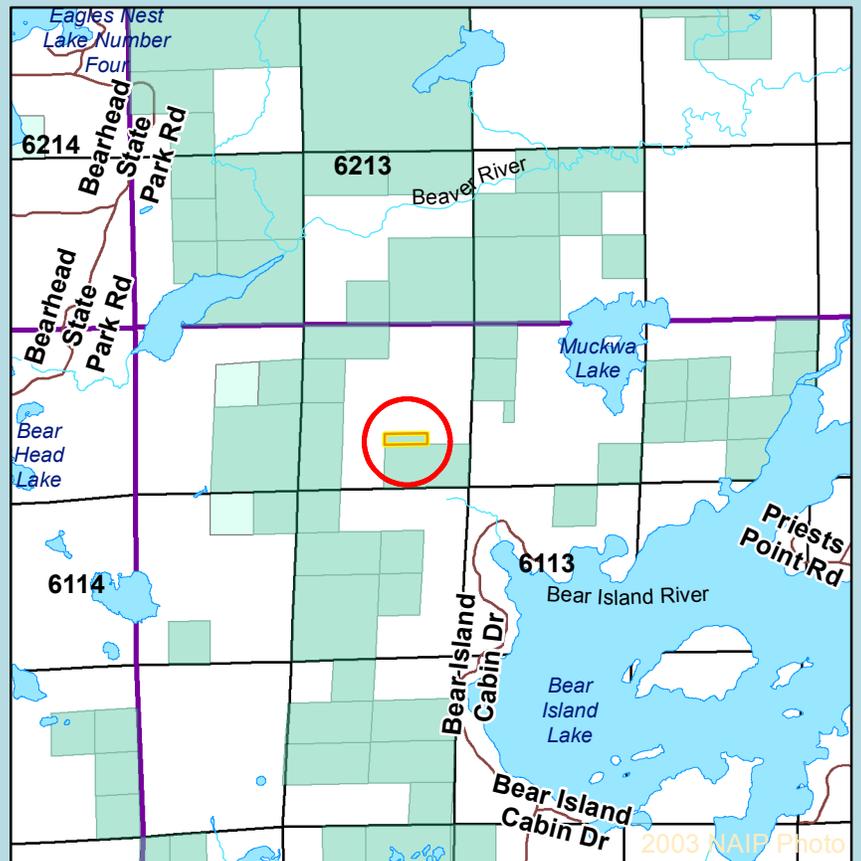
- State Tax Forfeited Land
- Water
- Road
- Area of Interest
- Tract



St. Louis County, Minnesota

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St. Louis County Land and Minerals Department



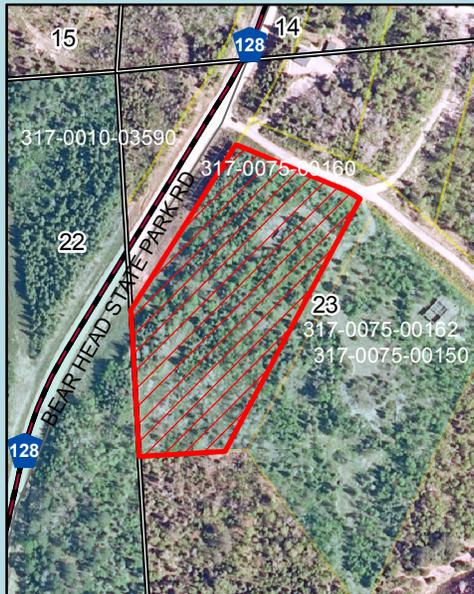
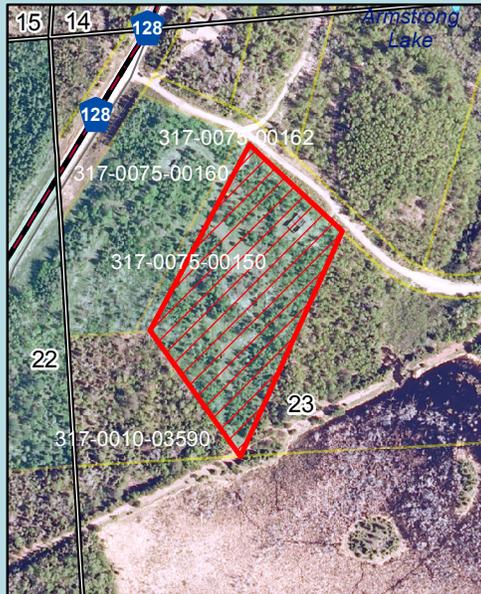
2003 NAIP Photo



TOWN OF EAGLES NEST
 LOT 7 BLOCK 2
 DOREM TOWN OF EAGLES NEST
 S23, T62N, R14W
 PARCEL CODE: 317-0075-00150

TOWN OF EAGLES NEST
 LOT 8 EX ELY 40 FT, BLOCK 2
 DOREM TOWN OF EAGLES NEST
 S23, T62N, R14W
 PARCEL CODE: 317-0075-00160

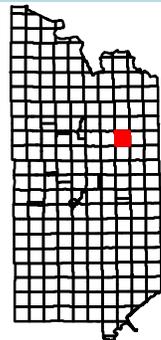
TOWN OF EAGLES NEST
 ELY 40 FT OF LOT 8, BLOCK 2
 DOREM TOWN OF EAGLES NEST
 S23, T62N, R14W
 PARCEL CODE: 317-0075-00162



Town of Eagles Nest Sec: 23 Twp: 62 Rng: 14

Commissioner District # 4

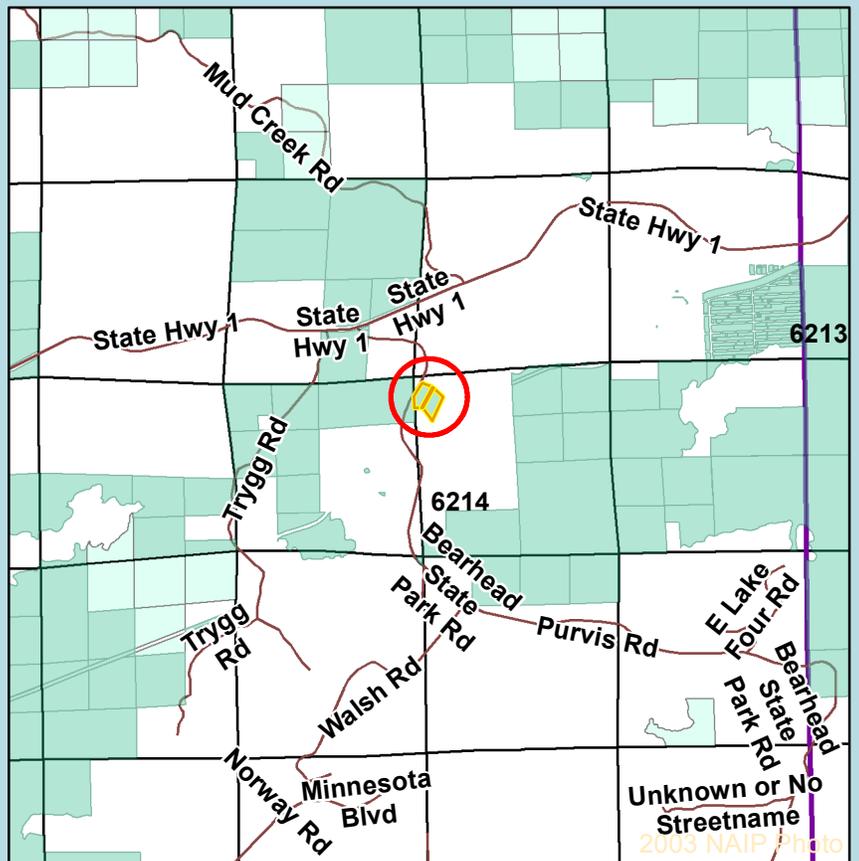
- State Tax Forfeited Land
- Water
- Road
- Area of Interest
- Tract



St. Louis County, Minnesota

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St. Louis County Land and Minerals Department





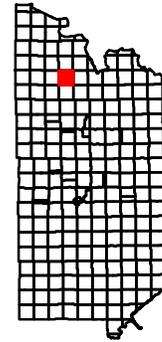
TOWN OF PORTAGE
 S1/2 OF W1/2 OF LOT 3
 S4, T66N, R18W
 PARCEL CODE: 510-0040-00536



Town of Portage Sec: 4 Twp: 66 Rng: 18

Commissioner District # 4

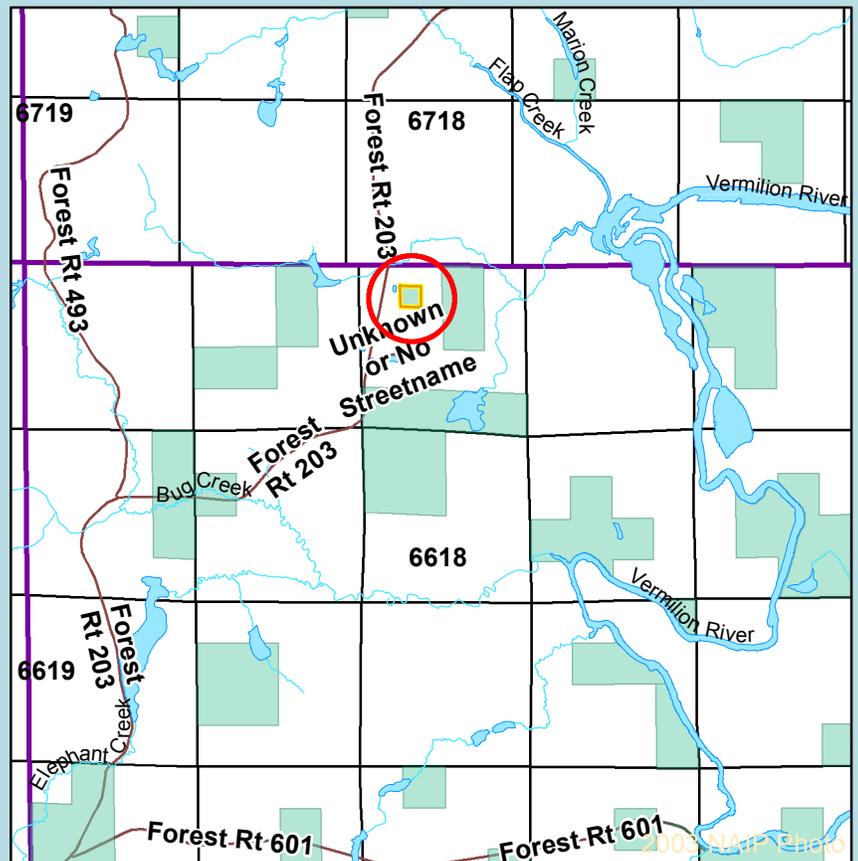
-  State Tax Forfeited Land
-  Water
-  Road
-  Area of Interest
-  Tract



St. Louis County, Minnesota

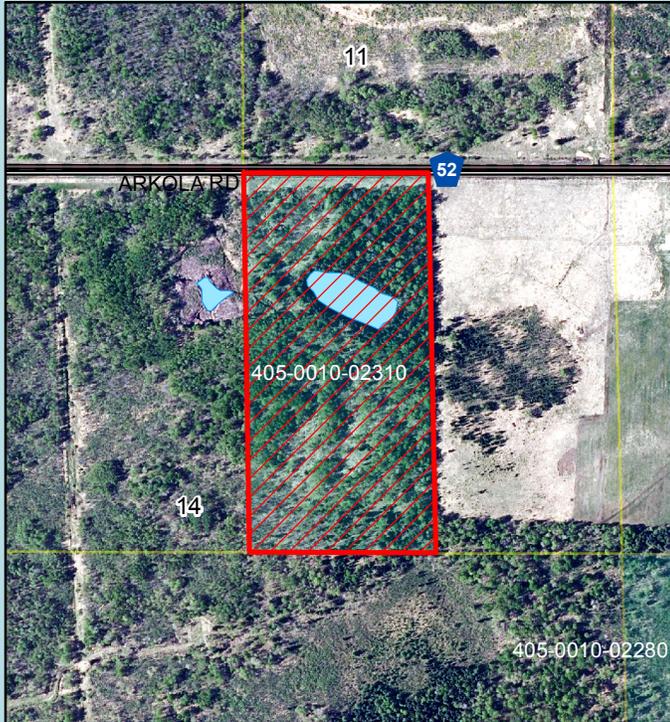
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St. Louis County Land and Minerals Department



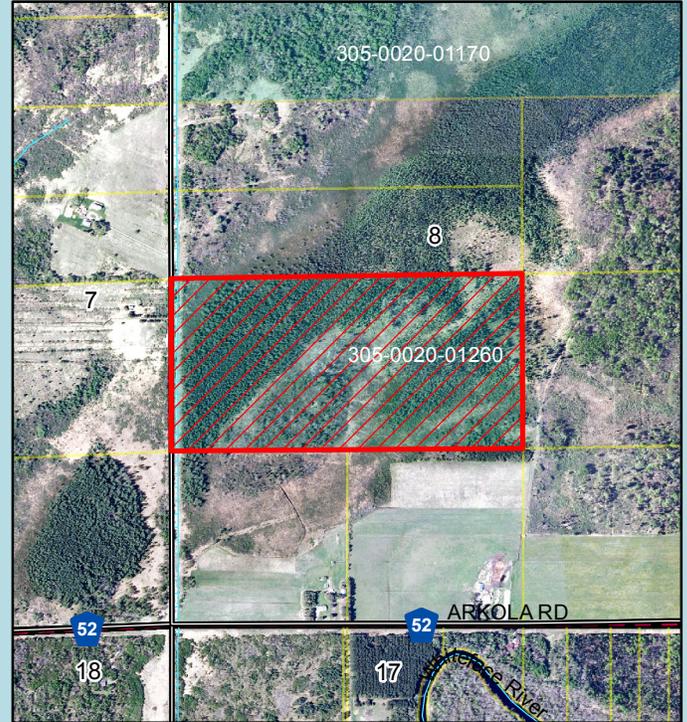


TOWN OF KELSEY
 W1/2 OF NE1/4 OF NW1/4
 S14, T54N, R18W
 PARCEL CODE: 405-0010-02310



Town of Kelsey Sec: 14 Twp: 54 Rng: 18

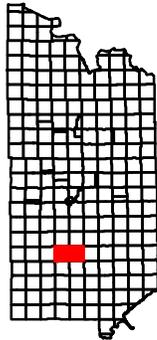
TOWN OF COTTON
 N 1/2 OF SW 1/4
 S8, T54N, R17W
 PARCEL CODE: 305-0020-01260



Town of Cotton Sec: 8 Twp: 54 Rng: 17

Commissioner District # 6

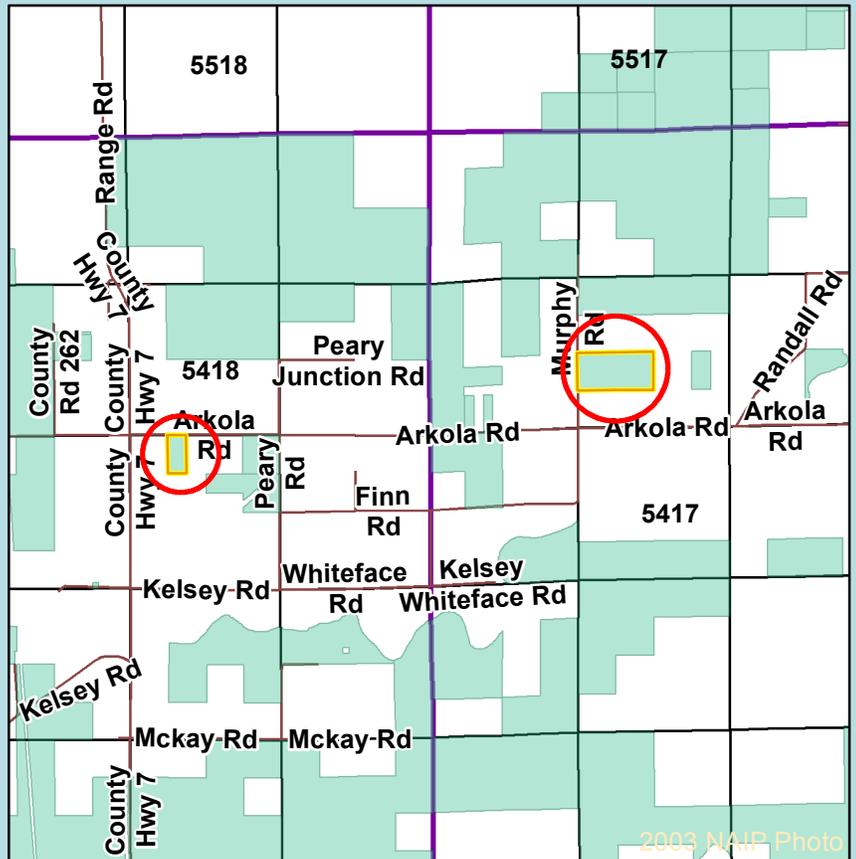
- State Tax Forfeited Land
- Water
- Road
- Area of Interest
- Tract



St. Louis County, Minnesota

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St. Louis County Land and Minerals Department



2003 NAIP Photo

BOARD LETTER NO. 14 - 61

PUBLIC WORKS & TRANSPORTATION COMMITTEE CONSENT NO. 4

BOARD AGENDA NO.

DATE: February 11, 2014 **RE:** Purchase of Trackless MT-6
Municipal Tractor with Snow
Blower Attachment

FROM: Kevin Z. Gray
County Administrator

James T. Foldesi
County Engineer/Public Works Director

RELATED DEPARTMENT GOAL:

Provide a safe, well maintained road and bridge system.

ACTION REQUESTED:

The St. Louis County Board is requested to approve the State Contract purchase of a Trackless MT-6 Municipal Tractor with snow blower attachment.

BACKGROUND:

The Public Works Department's 2014 equipment budget includes the purchase of a Trackless MT-6 Municipal Tractor with snow blower attachment. With new sidewalks installed during the Haines Road Project, the Public Works Department will maintain approximately twenty one miles of sidewalk in the Duluth Area. The department is currently struggling to meet the desired service level of snow removal and maintenance on these sidewalks. The Trackless MT-6 Municipal Tractor with snow blower attachment will fit the niche that Public Works needs to provide this service. The State of Minnesota contract pricing for this equipment was received from MacQueen Equipment Inc. in the amount of \$118,039.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the purchase of a Trackless MT-6 Municipal Tractor with snow blower attachment through the State of Minnesota contract with MacQueen Equipment, Inc. of St. Paul, MN, in the amount of \$118,039, payable from Fund 441, Agency 441001, Object 665900.

Purchase of Trackless MT-6 Municipal Tractor with Snow Blower Attachment

BY COMMISSIONER _____

WHEREAS, The Public Works Department's 2014 equipment budget includes the purchase of a Trackless MT-6 Municipal Tractor with snow blower attachment; and

WHEREAS, A quote in the amount of \$118,039 using State of Minnesota contract pricing was received from MacQueen Equipment Inc. of St. Paul, MN;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes the purchase of one Trackless MT-6 Municipal Tractor with snow blower attachment from MacQueen Equipment Inc. of St. Paul, at the State of Minnesota contract price of \$118,039, payable from Fund 441, Agency 441001, Object 665900.

BOARD LETTER NO. 14 - 62

FINANCE & BUDGET COMMITTEE CONSENT NO. 5

BOARD AGENDA NO.

DATE: February 11, 2014

RE: Letter of Understanding for 2013
Audit by State Auditor's Office

FROM: Kevin Z. Gray
County Administrator

Don Dicklich
County Auditor/Treasurer

RELATED DEPARTMENT GOAL:

Provide professional finance and accounting services in compliance with best practices.

BACKGROUND:

Minnesota statutes provide that the county be audited annually by the State Auditor's Office. The Letter of Understanding from Rebecca Otto, State Auditor, details the scope of the proposed audit of the county's 2013 financial records. The letter also references the professional standards on which the audit will be based.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the required signatories to execute the Letter of Understanding for the audit of the county's 2013 financial records.

Letter of Understanding for 2013 Audit by State Auditor's Office

BY COMMISSIONER _____

RESOLVED, That St. Louis County Board authorizes the required signatories to execute the Letter of Understanding which details the scope and basis of the 2013 proposed audit of St. Louis County by the State Auditor's Office.



REBECCA OTTO
STATE AUDITOR

STATE OF MINNESOTA

OFFICE OF THE STATE AUDITOR

SUITE 500
525 PARK STREET
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)
(651) 296-4755 (Fax)
state.auditor@state.mn.us (E-Mail)
1-800-627-3529 (Relay Service)

January 29, 2014

The Honorable Donald Dicklich
County Auditor/Treasurer
St. Louis County Courthouse
100 N 5th Avenue W
Duluth, Minnesota 55802

Board of Commissioners
County Administrator
St. Louis County

We are pleased to confirm our understanding of the services we are to provide pursuant to Minn. Stat. § 6.48 for St. Louis County for the year ended December 31, 2013. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of St. Louis County as of and for the year ended December 31, 2013. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement St. Louis County's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to St. Louis County's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- Management's discussion and analysis
- GASB-required supplementary other post-employment benefits schedules and related notes

We have also been engaged to report on supplementary information other than RSI that accompanies St. Louis County's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:



- Combining and individual fund statements
- Budgetary presentations for other funds
- Schedule of intergovernmental revenue
- Schedule of investments and interest earning deposits
- Schedule of expenditures of federal awards and related notes

We will also issue our management and compliance report that will include the schedule of expenditures of federal awards that will be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and upon which we will provide an opinion in relation to the financial statements as a whole.

The following other information accompanying the financial statements in your comprehensive annual financial report (CAFR) will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on it:

- Introductory section
- Statistical section

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct, and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The OMB Circular A-133 report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; the provisions of OMB Circular A-133; and the legal provisions of the *Minnesota Legal Compliance Audit Guide for Political Subdivisions*, and will include tests of accounting records, a determination of major program(s) in accordance with OMB Circular A-133, and other procedures we consider necessary to enable us to express such opinions and to render the required reports and to report in conformity with the provisions of the *Minnesota Legal Compliance Audit Guide for Political Subdivisions*. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements or the Single Audit compliance opinion are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for the basic financial statements, schedule of expenditures of federal awards, and all accompanying information as well as all representations contained therein. Management is also responsible for identifying all federal awards received, for understanding and complying with the compliance requirements, and for preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the requirements of OMB Circular A-133. In order to meet your responsibilities for the financial statements, notes, and schedule of expenditures of federal awards, you agree to have information completed and available for audit by the dates identified in a schedule of completion document provided to auditors. If you are unable to prepare the information needed for the financial statements, notes, or schedule of expenditures of federal awards, or if the completion schedule varies significantly, we will, based on our staffing availability, provide the additional nonaudit services necessary to assist in the preparation of your draft financial statements, notes, and schedule of expenditures of federal awards based on management's chart of accounts and other information determined and approved by management. These nonaudit services do not constitute an audit under *Government Auditing Standards*, and such services will not be conducted in accordance with *Government Auditing Standards*. The County understands this will result in additional costs and agrees to pay for these services.

You will be required to acknowledge in the written representation letter our assistance, if any, with preparation of the financial statements, notes, and schedule of expenditures of federal awards and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, and related notes and any other nonaudit services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements in conformity with accounting

principles generally accepted in the United States of America; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for ensuring that management is reliable and financial information is reliable and properly recorded. You are also responsible for providing us with (a) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (b) additional information that we may request for the purpose of the audit, and (c) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the entity involving (a) management, (b) employees who have significant roles in internal control, and (c) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements or abuse that we report. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings, if applicable, should be available for our review.

You are responsible for preparation of the schedule of expenditures of federal awards in conformity with OMB Circular A-133. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (a) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with OMB Circular A-133; (b) you believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with OMB Circular A-133; (c) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (d) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains, and

indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (a) you are responsible for presentation of the supplementary information in accordance with generally accepted accounting principles (GAAP); (b) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (c) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (d) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those financial audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to using the auditor's report, you understand that you must obtain our prior consent to reproduce or use our report in bond offering official statements or other documents.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and OMB Circular A-133.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of St. Louis County's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of St. Louis County's major programs. The purpose of those procedures will be to express an opinion on St. Louis County compliance with

requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

Audit Administration and Other

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse and, if appropriate, to pass-through entities. Additional copies of the reporting package may be required. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditor's reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for your audit.

We will provide your governing body, management, related organization representatives, and nonfederal grantor entities with copies of our reports. Management is responsible for all other distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of the Office of the State Auditor. We may be requested to make certain audit documentation available to a cognizant or oversight agency for audit or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. If requested, access to such audit documentation will be provided under our supervision. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained, pursuant to our record retention plan, for a period of ten years after the date the auditor's report is issued. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact those contesting the audit finding for guidance prior to destroying the audit documentation. We will be available throughout the year to answer questions, provide assistance, or assist you in implementing any of our recommendations.

Our fees are based on standard hourly rates plus travel and any out-of-pocket expenses. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Progress billings will be mailed to you every four weeks. The condition of your records and the assistance you are able to provide us affects both the timeliness and cost of the audit.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any subsequent peer review reports received during the period of the contract when requested by you. Our 2012 peer review report can be found on our website at www.auditor.state.mn.us.

We appreciate the opportunity to be of service to St. Louis County and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please contact me at (651) 282-2748 or Amy Ames, who will be in charge of this audit, at (651) 282-2392. If you agree with the terms of our engagement as described in this letter, please sign where provided below and return it to us at:

St. Louis County
January 29, 2014
Page 8

Office of the State Auditor
411 West First Street, Suite 206
Duluth, MN 55802-1190

Sincerely,



Dianne Syverson, CPA
Audit Manager

Approved: This letter correctly sets forth the understanding of St. Louis County.

Chair of Board of County Commissioners

Date

County Auditor/Treasurer

Date

County Administrator

Date

BOARD LETTER NO. 14 - 63

FINANCE & BUDGET COMMITTEE CONSENT NO. 6

BOARD AGENDA NO.

DATE: February 11, 2014 **RE:** Abatement List for Board Approval

FROM: Kevin Z. Gray
County Administrator

Mark Monacelli, Director
Public Records & Property Valuation

David L. Sipila
County Assessor

RELATED DEPARTMENT GOAL:

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

ACTION REQUESTED:

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

BACKGROUND:

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

RECOMMENDATION:

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

Abatement List for Board Approval

BY COMMISSIONER _____

RESOLVED, That the St. Louis County Board approves the applications for abatements, correction of assessed valuations and taxes plus penalty and interest, and any additional accrual, identified in County Board File No. 59797.

Abatements Submitted for Approval by the St. Louis County Board
on 2/25/2014

<u>PARCEL CODE</u>			<u>AUD NBR</u>	<u>NAME</u>	<u>TYPE</u>	<u>LOCATION</u>	<u>APPRAISER</u>	<u>REASON</u>	<u>YEAR</u>	<u>REDUCTION</u>	
308	240	85	0	15018	BYSTROM, LEWIS	R	Crane Lake	Jan Jackson	VALUATION	2013	764.00
757	10	2320	0	15050	COUNTY AUDITOR	R	62-21	County Auditor	CANCEL FORFEITURE	2013	
140	270	1860	04609	15019	CRANDALL, WENDY	M	Hibbing	Patrick Orent	PP CANCEL	2012	24.58
140	270	1860	04609	15020	CRANDALL, WENDY	M	Hibbing	Patrick Orent	PP CANCEL	2013	32.44
175	51	590	00093	15021	DALL, RAYMOND	M	Mt. Iron	Brian Grahek	PP CANCEL	2012	113.80
10	3305	2130	0	15022	DEROCHER, DALE	R	City of Duluth	Mike Busick	HOMESTEAD	2013	384.12
10	4110	1140	10740	15002	DOWNS, LONI	M	City of Duluth	Mike Busick	HOMESTEAD	2013	121.90
10	3430	9450	0	15003	DURFEE, HOLLY	R	City of Duluth	Mike Busick	HOMESTEAD	2013	401.30
235	10	330	0	15023	EBERT, RON	R	Balkan	Chris Link	HOMESTEAD	2013	527.10
30	30	140	0	15004	ERCHUL, KELLY	R	Ely	Andrew Olson	HOMESTEAD	2013	782.02
535	10	990	0	15026	FOND DU LAC BAND	R	Stoney Brook	Jan Jackson	EXEMPT	2013	444.42
535	10	1160	0	15024	FOND DU LAC BAND	R	Stoney Brook	Jan Jackson	EXEMPT	2013	824.48
535	10	1200	0	15025	FOND DU LAC BAND	R	Stoney Brook	Jan Jackson	EXEMPT	2013	824.48
10	3110	2900	0	15027	GOLDISH, MELANIE	R	City of Duluth	Bruce Eichorn	HOMESTEAD	2013	219.30
10	2730	266	00662	15028	HAKALA, TANYA	M	City of Duluth	Mike Busick	HOMESTEAD	2013	98.08
250	110	90	0	15005	HARKONEN, TIMOTHY	R	Beatty	Dan Christensen	VALUATION	2011	132.62
250	110	90	0	15006	HARKONEN, TIMOTHY	R	Beatty	Dan Christensen	VALUATION	2012	150.86
250	110	90	0	15007	HARKONEN, TIMOTHY	R	Beatty	Dan Christensen	VALUATION	2013	153.82
10	1170	150	0	15029	HASHEY, KENNETH JR	R	City of Duluth	Bruce Eichorn	HOMESTEAD	2013	411.36
30	500	90	1111	15030	HENNEMAN, HARRY	M	Ely	Andrew Olson	PP CANCEL	2013	78.76
90	70	1690	0	15031	JOHNSON, CAROL	R	Virginia	Rick Puhek	HOMESTEAD	2013	672.56
10	620	2895	0	15032	KAHLSTORF, HEIDI	R	City of Duluth	Bemen Carlson	HOMESTEAD	2013	375.96
465	20	3681	0	15008	KEPLER, JAMES	R	Morse	Andrew Olson	HOMESTEAD	2013	435.38
520	16	860	0	15009	KEUTEN, DONALD	R	Rice Lake	Dave Christensen	HOMESTEAD	2013	448.02
10	2730	266	00183	15010	KIENITZ, SUSAN	M	City of Duluth	Mike Busick	HOMESTEAD	2013	172.20
20	270	270	00075	15033	KYLOCHKO, FRANCY	M	Chisholm	Chris Link	PP CANCEL	2012	49.06
545	10	1990	0	15036	LOKKEN, CHARLES	R	Sturgeon	Dan Christensen	HOMESTEAD	2012	78.60
545	10	1990	0	15037	LOKKEN, CHARLES	R	Sturgeon	Dan Christensen	HOMESTEAD	2013	80.60
545	10	2030	0	15038	LOKKEN, CHARLES	R	Sturgeon	Dan Christensen	HOMESTEAD	2012	168.12
545	10	2030	0	15039	LOKKEN, CHARLES	R	Sturgeon	Dan Christensen	HOMESTEAD	2013	84.12
545	10	2040	0	15040	LOKKEN, CHARLES	R	Sturgeon	Dan Christensen	HOMESTEAD	2012	103.88
545	10	2040	0	15041	LOKKEN, CHARLES	R	Sturgeon	Dan Christensen	HOMESTEAD	2013	87.62
545	10	2130	0	15034	LOKKEN, CHARLES	R	Sturgeon	Dan Christensen	HOMESTEAD	2012	398.94
545	10	2130	0	15035	LOKKEN, CHARLES	R	Sturgeon	Dan Christensen	HOMESTEAD	2013	454.40

<u>PARCEL CODE</u>			<u>AUD NBR</u>	<u>NAME</u>	<u>TYPE</u>	<u>LOCATION</u>	<u>APPRAISER</u>	<u>REASON</u>	<u>YEAR</u>	<u>REDUCTION</u>	
545	10	2160	0	15042	LOKKEN, CHARLES	R	Sturgeon	Dan Christensen	HOMESTEAD	2012	115.64
545	10	2160	0	15043	LOKKEN, CHARLES	R	Sturgeon	Dan Christensen	HOMESTEAD	2013	173.22
10	3240	450	0	15011	MAKI, SAVANNAH	R	City of Duluth	Mike Busick	HOMESTEAD	2013	404.30
520	19	170	0	15012	MCCELLAND, RAY	R	Rice Lake	Noah Mittlefehldt	VALUATION	2012	237.62
10	4520	9547	0	15013	NEWTON, GINGA	R	City of Duluth	Mike Busick	HOMESTEAD	2013	274.04
10	3500	270	0	15044	PIERCE, REBECCA	R	City of Duluth	Bemen Carlson	HOMESTEAD	2013	164.82
610	11	4180	09857	15045	SCHUYTEN, PETER	P	61-12	Ben Thomas	PP CANCEL	2013	68.28
175	13	160	0	15014	SEMO, JENNIFER	R	Mt. Iron	Brian Grahek	HOMESTEAD	2013	740.02
280	15	770	0	15046	SULLIVAN, CHRISTOPHE	R	Canosia	Noah Mittlefehldt	HOMESTEAD	2013	652.86
520	19	301	0	15051	VANDERSTEEN, DANIEL	R	Rice Lake	Dave Christensen	FIRE DISASTER	2012	2,383.12
250	35	15	0	15015	VERMILION LODGE LTD	R	Beatty	Beth Sokoloski	VALUATION	2011	140.06
250	35	15	0	15016	VERMILION LODGE LTD	R	Beatty	Beth Sokoloski	VALUATION	2012	162.34
250	35	15	0	15048	VERMILION LODGE LTD	R	Beatty	Beth Sokoloski	VALUATION	2013	166.92
761	10	2690	09780	15017	WRIGHT, JAMES	R	66-21	Beth Sokoloski	PP CANCEL	2013	52.34
10	280	180	0	15049	ZERVAS, STEPHANIE	R	City of Duluth	Mike Busick	HOMESTEAD	2013	408.62

BOARD LETTER NO. 14 – 64

HEALTH & HUMAN SERVICES COMMITTEE NO. 1

BOARD AGENDA NO.

DATE: February 11, 2014 **RE:** Position Reallocation of
Information Specialist II to
Child Support Officer I

FROM: Kevin Z. Gray
County Administrator

Ann M. Busche, Director
Public Health & Human Services

RELATED DEPARTMENT GOAL:

Adults will be self-sufficient, providing for their own welfare and that of their children.

ACTION REQUESTED:

The St. Louis County Board is requested to reallocate an Information Specialist II (IS II) to a Child Support Officer I (CSO I) position.

BACKGROUND:

Whenever a vacancy occurs in the Public Health and Human Services Department (PHHS), a review is done to determine if that position should be filled as is or if it should be reallocated to a level more aligned with the needs of the department and the customers it serves. PHHS conducted this review when an IS II become vacant in the Child Support unit and determined that a reallocation to a CSO I would assist the Child Support program in its work to help children receive the financial basic support, medical support, and child care support they deserve. Child support also helps families work toward becoming and remaining self-sufficient.

The St. Louis County Child Support program serves approximately 12,000 cases per year. Of these cases, 68% are connected to Public Assistance programs. Collections on these cases provide reimbursement of Public Assistance funds. With the Medical Assistance expansion which became effective on January 1, 2014, it is estimated that between 286 and 1,144 new child support cases will be generated due to the fact that any family receiving assistance must have their child support case handled through the appropriate county. To cover this increase in cases, PHHS is requesting that an IS II position be reallocated to a CSO I position to give better ability and flexibility in meeting program requirements.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the reallocation of an Information Specialist II (Pay Grade 12) to a Child Support Officer I (Pay Grade 18) position in the Public Health and Human Services Department, to be accounted for in Fund 230, Agency 231009, Object 610100.

Reallocation of Information Specialist II to Child Support Officer I

BY COMMISSIONER _____

WHEREAS, Whenever a vacancy occurs in the Public Health and Human Services Department (PHHS), a review is done to determine if that position should be filled as is or if it should be reallocated to a level more aligned with the needs of the department and the customers it serves; and

WHEREAS, PHHS conducted such a review when an Information Specialist II become vacant in the Child Support unit and determined that a reallocation to a Child Support Officer I would assist the Child Support program in its work to help children receive the financial basic support, medical support, and child care support they deserve; and

WHEREAS, Because this reallocation is more than three pay grades, County Board approval is required;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes the reallocation of an Information Specialist II (Pay Grade 12) to a Child Support Officer I (Pay Grade 18) position in the Public Health and Human Services Department, to be accounted for in Fund 230, Agency 231009, Object 610100.

Bonding Support for the Regional Health and Wellness Center

BY COMMISSIONER _____

WHEREAS, Preliminary discussions have occurred exploring the possibility of a regional health and wellness center serving south St. Louis County, MN; and

WHEREAS, Support and representation has been secured from municipal bodies in the region which is vital to addressing the health and wellness needs of individuals and families throughout south St. Louis County; and

WHEREAS, State of Minnesota bond funding is necessary for predesign and site preparation for a new regional wellness center;

NOW THEREFORE, BE IT RESOLVED, that the St. Louis County Board of Commissioners provides its support for state bond funding for the predesign and site preparation for a regional health and wellness center located in south St. Louis County, MN.

BOARD LETTER NO. 14 - 65

PUBLIC WORKS & TRANSPORTATION COMMITTEE NO. 1

BOARD AGENDA NO.

DATE: February 11, 2014 **RE:** Purchase of Three Wheel Loaders

FROM: Kevin Z. Gray
County Administrator

James T. Foldesi
County Engineer/Public Works Director

RELATED DEPARTMENT GOAL:

Provide a safe, well maintained road and bridge system.

ACTION REQUESTED:

The St. Louis County Board is requested to approve the purchase of three CASE model 821F wheel loaders from Titan Machinery of Duluth, MN.

BACKGROUND:

The Public Works Department's 2014 equipment budget includes the replacement of three wheel loaders. The three units will be replacing unit A3290 a 1993 John Deere 644G located at Linden Grove, unit A5429 a 1990 John Deere 544E located at Pike Lake, and unit A4112, a 1991 John Deere 644E located in Ely. All three of these units have reached the end of their usable life cycle, or have major mechanical issues not worth fixing.

State of Minnesota contract prices were received from the three area vendors selling loaders acceptable to the department. The total cost is within that budgeted for the purchase.

Vendor

Titan Machinery, Duluth, MN
(formerly St. Joseph's Equipment)
Nortrax, Duluth, MN
Ziegler Inc., Duluth, MN

Bid/w Trade-In

\$ 490, 476.00

\$ 521,049.00
\$ 500,520.00

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the purchase of three CASE model 821F wheel loaders from Titan Machinery of Duluth, MN, in the amount of \$490,476, payable from Fund 441, Agency 441001, and Object 665900.

Purchase of Three Wheel Loaders

BY COMMISSIONER _____

WHEREAS, The St. Louis County Public Works Department's 2014 equipment budget includes the replacement of three wheel loaders; and

WHEREAS, The Public Works Department and Purchasing Division prepared specification and bid documents; and

WHEREAS, Titan Machinery of Duluth, MN, responded with the low bid for three wheel loaders in the amount of \$490,476;

THEREFORE, BE IT RESOLVED, The St. Louis County Board authorizes the purchase of three CASE model 821F wheel loaders from Titan Machinery of Duluth, Minnesota, for \$490,476, payable from Fund 441, Agency 441001, Object 665900.

BOARD LETTER NO. 14 - 66

PUBLIC WORKS & TRANSPORTATION COMMITTEE NO. 2

BOARD AGENDA NO.

DATE: February 11, 2014

RE: Cleaning Services – Public Works
Facility, Hibbing

FROM: Kevin Z. Gray
County Administrator

James T. Foldesi
County Engineer/Public Works Director

RELATED DEPARTMENT GOAL:

Provide a safe, well maintained road and bridge system.

ACTION REQUESTED:

The St. Louis County Board is requested authorize a five-year contract (with two optional two-year extensions) with Roufs Property Maintenance of Hermantown, MN, for cleaning services at the Public Works facility in Hibbing.

BACKGROUND:

A Request for Proposals (RFP) was developed for cleaning services at the Public Works facility in Hibbing based on a modified/expanded scope of services and input of building occupants. Three firms responded to the RFP. Roufs Property Maintenance was selected based upon qualifications, competitive pricing, janitorial wage rates (\$11/hour janitor and \$14.50/hour for working supervisor with a 2% per annum COLA adjustment), and willingness to provide the county with the scope and quality of services desired. The Rouf's proposal offered these services in an amount of \$330,814.59 (a monthly rate of \$5,297.40) for the five-year term, with annual review and incremental increases to be approved by the county upon satisfactory performance. The contract includes 12 total cleaning hours per day provided by one custodian, one working supervisor, and a contract manager.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize a five-year contract (with two optional two-year extensions) with Roufs Property Maintenance of Hermantown, MN, for cleaning services at the Public Works facility in Hibbing in the amount of \$330,814.59 for the first year with annual reviews and increase approval at the county's discretion, based upon performance, payable from Fund 202, Agency 202012, and Object 630900.

Cleaning Services – Public Works Facility, Hibbing

BY COMMISSIONER _____

WHEREAS, The St. Louis County Purchasing Division solicited proposals for the purchase of cleaning services at the Public Works facility in Hibbing; and

WHEREAS, Roufs Property Maintenance of Hermantown, MN has submitted a proposal for a five-year contract, with two optional two-year extensions, in an amount of \$330,814.59 paid monthly in the amount of \$5,297.40 for this service for the first year, with annual performance-based increases at the county's discretion;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes the appropriate county officials to execute a five-year contract (with two optional two-year extensions) with Roufs Property Maintenance of Hermantown, MN, in an amount of \$330,814.59 paid monthly in the amount of \$5,297.40 for the first year, with annual performance-based increases at the county's discretion, for cleaning services at the county's Public Works facility in Hibbing, payable from Fund 202, Agency 202012, and Object 630900.

BOARD LETTER NO. 14 - 67

PUBLIC WORKS & TRANSPORTATION COMMITTEE NO. 3

BOARD AGENDA NO.

DATE: February 11, 2014 **RE:** Cleaning Services – Public Works Facility, Linden Grove

FROM: Kevin Z. Gray
County Administrator

James T. Foldesi
County Engineer/Public Works Director

RELATED DEPARTMENT GOAL:

Provide a safe, well maintained road and bridge system.

ACTION REQUESTED:

The St. Louis County Board is requested authorize a five-year contract (with two optional two-year extensions) with K&K Cleaning Inc. of Mountain Iron, MN, for cleaning services at the Public Works facility in Linden Grove.

BACKGROUND:

A Request for Quotes (RFQ) was developed for cleaning services at the Public Works facility in Linden Grove based on a modified/expanded scope of services and input of building occupants. One firm responded to the RFQ. K&K Cleaning Inc. has been selected based upon qualifications, competitive pricing, janitorial wage rates (\$9.95/hour janitor and \$12.25/hour for working supervisor), and willingness to provide the county with the scope and quality of services desired. The K&K proposal offered these services in an amount of \$75,282.60 (a monthly rate of \$1,254.71) for the five-year term. The contract includes 7 total cleaning hours per week provided by one custodian, one supervisor, and a contract manager.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize a five-year contract (with two optional two-year extensions) with K&K Cleaning Inc. of Mountain Iron, MN, for cleaning services at the Public Works facility in Linden Grove in the amount of \$75,282.60 payable from Fund 202, Agency 202002, and Object 630900.

Cleaning Services – Public Works Facility, Linden Grove

BY COMMISSIONER _____

WHEREAS, The St. Louis County Purchasing Division solicited quotes for the purchase of cleaning services at the Public Works facility in Linden Grove; and

WHEREAS, K&K Cleaning Inc. of Mountain Iron, MN has submitted a quote for a five-year contract, with two optional two-year extensions, in an amount of \$75,282.60 paid monthly in the amount of \$1,254.71;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes the appropriate county officials to execute a five-year contract (with two optional two-year extensions) with K&K Cleaning Inc. of Mountain Iron, MN, in an amount of \$75,282.60 paid monthly in the amount of \$1,254.71 for cleaning services at the county's Public Works facility in Linden Grove, payable from Fund 202, Agency 202002, and Object 630900.

BOARD LETTER NO. 14 - 68

PUBLIC WORKS & TRANSPORTATION COMMITTEE NO. 4

BOARD AGENDA NO.

DATE: February 11, 2014

RE: Cleaning Services – Public Works
Facility, Ely

FROM: Kevin Z. Gray
County Administrator

James T. Foldesi
County Engineer/Public Works Director

RELATED DEPARTMENT GOAL:

Provide a safe, well maintained road and bridge system.

ACTION REQUESTED:

The St. Louis County Board is requested authorize a five-year contract (with two optional two-year extensions) with K&K Cleaning Inc. of Mountain Iron, MN, for cleaning services at the Public Works facility in Ely.

BACKGROUND:

A Request for Quotes (RFQ) was developed for cleaning services at the Public Works facility in Ely based on a modified/expanded scope of services and input of building occupants. Two firms responded to the RFQ. K&K Cleaning Inc. was selected based upon qualifications, competitive pricing, janitorial wage rates (\$9.95/hour janitor and \$12.25/hour for working supervisor), and willingness to provide the county with the scope and quality of services desired. The K&K proposal offered these services in an amount of \$84,810 (a monthly rate of \$1,413.50) for the five-year term. The contract includes 4 total cleaning hours per day provided by one custodian, one supervisor, and a contract manager.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize a five-year contract (with two optional two-year extensions) with K&K Cleaning Inc. of Mountain Iron, MN, for cleaning services at the Public Works facility in Ely in the amount of \$84,810 payable from Fund 202, Agency 202010, and Object 630900.

Cleaning Services – Public Works Facility, Ely

BY COMMISSIONER _____

WHEREAS, The St. Louis County Purchasing Division solicited quotes for the purchase of cleaning services at the Public Works facility in Ely; and

WHEREAS, K&K Cleaning Inc. of Mountain Iron, MN has submitted a quote for a five-year contract, with two optional two-year extensions, in an amount of \$84,810 paid monthly in the amount of \$1,413.50;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes the appropriate county officials to execute a five-year contract (with two optional two-year extensions) with K&K Cleaning Inc. of Mountain Iron, MN, in an amount of \$84,810 paid monthly in the amount of \$1,413.50 for cleaning services at the county's Public Works facility in Ely, payable from Fund 202, Agency 202010, and Object 630900.

BOARD LETTER NO. 14 - 69

FINANCE & BUDGET COMMITTEE NO. 1

BOARD AGENDA NO.

DATE: February 11, 2014 **RE:** Purchase of Audio Visual
Equipment for the Government
Services Center – Duluth

FROM: Kevin Z. Gray
County Administrator

Tony Mancuso, Director
Property Management

RELATED DEPARTMENT GOALS:

To perform building construction projects, deferred building maintenance, to bring facilities up to current building and life safety codes, to extend life cycle of facilities, and to increase building operational efficiency.

ACTION REQUESTED:

The St. Louis County Board is requested to approve the purchase of audio visual (AV) equipment, systems, and associated installation with Parsons Technologies of Duluth, MN in an amount of \$284,505.05.

BACKGROUND:

The Duluth Government Services Center (GSC) remodeling project includes new conference rooms for departmental use and functions. Additionally, there will be a large capacity training facility and a large capacity meeting/conference area. All conference rooms, meeting rooms, and training areas will be equipped with the most current equipment and systems available. The overall project budget incorporated a \$300,000 budget line item estimate for AV technologies and equipment.

The Purchasing Division issued a Request for Proposals (RFP) in December of 2013. Two firms, AVI and Parsons Technologies both of Duluth, MN responded to the RFP. Staff from Purchasing, Information Technology, Human Resources, and Property Management evaluated both proposals and selected Parsons Technologies. Both firms met all of the evaluation criteria and were well qualified to provide the equipment and perform the installation. AVI provided a quote of \$305,219 and Parsons a quote of \$284,505.05.

RECOMMENDATION:

It is recommended that the St. Louis County Board approve the purchase of audio visual equipment, systems, and associated installation with Parsons Technologies of Duluth, MN in an amount of \$284,505.05. Funding is available from 2013 Bond Fund proceeds, Fund 440, Agency 440001.

**Purchase of Audio Visual Equipment for the
Government Services Center - Duluth**

BY COMMISSIONER _____

WHEREAS, The Government Services Center - Duluth remodeling project includes new conference and training rooms for departmental use; and

WHEREAS, The Purchasing Division solicited proposals for the purchase and installation of audio visual equipment and Parsons Technologies of Duluth, MN provided the low responsible quote of \$284,505.05;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes the purchase of audio visual equipment, systems, and associated installation from Parsons Technologies of Duluth, MN, in an amount of \$284,505.05, payable from 2013 Bond Fund proceeds, Fund 440, Agency 440001.