



AGENDA

SPECIAL MEETING OF THE BOARD OF COMMISSIONERS OF ST. LOUIS COUNTY, MINNESOTA

Tuesday, November 18, 2014, 9:30 A.M.

**County Board Room, Second Floor
St. Louis County Courthouse
100 N. 5th Avenue West
Duluth, Minnesota**

**MIKE FORSMAN, Chair
Fourth District**

**FRANK JEWELL
First District**

**PATRICK BOYLE
Second District**

**CHRIS DAHLBERG
Third District**

**PETE STAUBER, Vice-Chair
Fifth District**

**KEITH NELSON
Sixth District**

**STEVE RAUKAR
Seventh District**

County Auditor
Donald Dicklich

County Administrator
Kevin Gray

County Attorney
Mark Rubin

Clerk of the Board
Phil Chapman

The St. Louis County Board of Commissioners welcomes you to this meeting. This agenda contains a brief description of each item to be considered. The Board encourages your participation. If you wish to speak on an item contained in the agenda, you will be allowed to address the Board when a motion is on the floor. If you wish to speak on a matter that does not appear on the agenda, you may do so during the public comment period at the beginning of the meeting. Except as otherwise provided by the Standing Rules of the County Board, no action shall be taken on any item not appearing in the agenda.

When addressing the Board, please sign in at the podium and state your name and address for the record. Please address the Board as a whole through the Chair. Comments to individual Commissioners or staff are not permitted. The St. Louis County Board promotes adherence to civility in conducting the business of the County. Civility will provide increased opportunities for civil discourse in order to find positive resolutions to the issue before the Board. Tools of civility include: pay attention, listen, be inclusive, do not gossip, show respect, be agreeable, apologize, give constructive criticism and take responsibility [County Board Resolution No. 560, adopted on September 9, 2003]. Speakers will be limited to five (5) minutes.

****In compliance with the Americans with Disabilities Act, those requiring accommodation for this meeting should notify Property Management 72 hours prior to the meeting at (218)725-5085.****

All supporting documentation is available for public review in the County Auditor's Office, 100 North 5th Avenue West - Room No. 214, St. Louis County Courthouse, Duluth, MN, during regular business hours 8:00 A.M. - 4:30 P.M., Monday through Friday. Agenda is also available on our website at <http://www.stlouiscountymn.gov/GOVERNMENT/BoardofCommissioners.aspx>

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9:30 A.M. Moment of Silence
 Pledge of Allegiance
 Roll Call

AT THIS TIME CITIZENS WILL BE ALLOWED TO ADDRESS THE BOARD ON ITEMS NOT ON THE AGENDA. [Speakers will be limited to 5 minutes each.]

FOR ITEMS LISTED ON THE BOARD AGENDA OR COMMITTEE OF THE WHOLE AGENDA, CITIZENS WILL BE ALLOWED TO ADDRESS THE BOARD AT THE TIME A MOTION IS ON THE FLOOR.

9:30 A.M. PUBLIC HEARING, pursuant to Resolution No. 14-598, adopted November 4, 2014, to consider implementation of a 0.5% local option sales tax for transportation (Greater MN Transportation Sales and Use Tax) and a \$20 per motor vehicle excise tax, with the public hearing to be continued to November 25, 2014, at 9:50 a.m., at the City Council Chambers, City Hall, Hibbing, MN.
{14-428}

ADJOURNED:

The strategy will focus on using new sales tax receipts to improve the pavements in the poorest condition, replace critical bridge infrastructure, implement cost effective safety improvements, and provide multimodal improvements for non-motorized (bikes and pedestrians) and motorized users. The plan also includes additional funding for the Gravel Road Investment Plan. Existing property tax levy, state and federal funding will be invested in similar improvements, but will also focus on preventative maintenance measures to keep pavements in good condition longer and at a lower cost. The county will continue to pursue all other funding sources and grant programs available to maximize revenue for infrastructure investment.

St. Louis County is unique in the amount of transportation infrastructure under its jurisdiction and the size of its geography compared to its population. As a regional commercial center and national tourist destination, the county provides a transportation system serving tourists visiting the Boundary Waters Canoe Area and Superior National Forest, loggers hauling product to paper mills, shoppers at regional malls, mine suppliers, commuters and daily school buses. Whether from Denver, Des Moines, or Duluth, whether resident or visitor, all users require a safe, well maintained road and bridge system. With the proper investment plan in place, good roads can remain in good condition, the worst roads can be repaired, and aging bridges can be replaced improving safe travel for all users.

The local option sales tax for transportation will create a revenue source estimated to be \$10.5 million per year. This infusion of funding will accelerate the improvement of infrastructure, and help keep local contractors and trades people employed. St. Louis County has long managed its infrastructure in an efficient manner, delivering projects on time and on budget. These dedicated transportation improvement funds will provide an ongoing revenue stream that can be used for longer term planning and project delivery.

RECOMMENDATION:

After conducting a public hearing scheduled for November 18, 2014, in the County Board Room, St. Louis County Courthouse, Duluth, MN, and continued to November 25, 2014, at the City Council Chambers, City Hall, Hibbing, MN, it is recommended that the St. Louis County Board authorize and implement a 0.5% sales tax and a \$20 per motor vehicle excise tax as provided for in Minnesota Statutes beginning April 1, 2015, to fund road improvements as identified in the “St. Louis County Greater MN Transportation Sales and Use Tax Transportation Improvement Plan”, dated November 25, 2014 (County Board File No. _____).

Implementation of the Greater MN Transportation Sales and Use Tax

BY COMMISSIONER _____

WHEREAS, St. Louis County's transportation infrastructure has a direct impact on current and future economic development; and

WHEREAS, Funding for transportation systems in Minnesota has remained stagnant and is failing to keep pace with growing population and growing demands; and

WHEREAS, The 2008 Minnesota State Legislature authorized a local option sales tax for transportation (Chapter 152), and the 2013 Minnesota State Legislature authorized counties to adopt the local option sales tax for transportation by resolution after holding a public hearing (Chapter 117, Article 3, Section 25, now incorporated into Minn. Stat. § 297A.993, Subd. 1); and

WHEREAS, The 2008 Minnesota State Legislature also authorized a \$20 per motor vehicle excise tax for vehicles purchased or acquired from any person engaged in the business of selling motor vehicles at retail (Chapter 152), and the 2013 Minnesota State Legislature authorized counties to adopt the \$20 per motor vehicle excise tax by resolution after holding a public hearing (Chapter 117, Article 3, Section 25, now incorporated into Minn. Stat. § 297A.993, Subd. 1); and

WHEREAS, Chapter 117, Article 3, Section 26, Subd. 2 of the 2013 Session Laws (now incorporated into Minn. Stat. § 297A.993, Subd. 2) further requires that the proceeds of the tax be dedicated exclusively to payment of the capital cost of a specific transportation project or improvement designated by the County Board, and that the tax must terminate when revenues raised are sufficient to finance the project or improvement; and

WHEREAS, The St. Louis County Board desires to implement the local option sales tax for transportation and have the State Department of Revenue collect the same; and

WHEREAS, The proceeds of such a sales tax must be spent on projects identified in the "St. Louis County Greater MN Transportation Sales and Use Tax Transportation Improvement Plan", herein adopted by the St. Louis County Board on November 25, 2014 (County Board File No. _____); and

WHEREAS, The "St. Louis County Greater MN Transportation Sales and Use Tax Transportation Improvement Plan" funded by the Local Option Sales Tax for Transportation may be amended by future actions of the St. Louis County Board after holding a public hearing; and

WHEREAS, The St. Louis County Board held public hearings for the purpose of receiving citizen comments on the proposed tax on Tuesday, November 18, 2014, in the St. Louis County Courthouse, Duluth, MN, and on Tuesday, November 25, 2014, in the City Council Chambers, City Hall, Hibbing, MN;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board of Commissioners authorizes and implements a 0.5% sales tax as provided for in Minnesota Statutes beginning April 1, 2015, for the purpose of funding transportation improvements as identified in the "St. Louis County Greater MN Transportation Sales and Use Tax Transportation Improvement Plan", dated November 25, 2014 (County Board File No. _____);

RESOLVED FURTHER, That the St. Louis County Board of Commissioners authorizes an excise tax of \$20 per motor vehicle as provided for in Minnesota Statutes beginning April 1, 2015, to fund transportation improvements as identified in the "St. Louis County Greater MN Transportation Sales and Use Tax Transportation Improvement Plan", dated November 25, 2014;

RESOLVED FURTHER, That the provisions of Minn. Stat. § 297A.99, Subdivisions 4, and 6 through 12, shall govern the imposition, administration, collection and enforcement of the tax;

RESOLVED FURTHER, That the St. Louis County Board of Commissioners hereby directs the County Auditor to certify the tax to the Minnesota Department of Revenue for collection of the sales and excise tax on or before December 31, 2014.