



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

February 9, 2021
Immediately following the Board Meeting, which begins at 9:30 A.M.
Large Training Room, Public Works, 7823 Hwy 135, Virginia, MN

***NOTE:** Due to the COVID-19 pandemic, this meeting is being conducted in accordance with Minnesota Statutes § 13D.021, which provides that members of the St. Louis County Board may attend the meeting by telephone or other electronic means. This statute also provides that, if telephone or other electronic means are used to conduct a meeting, to the extent practical, the county shall allow a person to monitor the meeting electronically from a remote location. For information on how to view or participate in the County Board meeting, please visit the county website at www.stlouiscountymn.gov, scroll to the County Board Meeting section, and click on the meeting date.*

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 2, 2021

Health & Human Services Committee, Commissioner Boyle, Chair

1. Application and Acceptance of Community Paramedic Team Funds [21-67]

Public Works & Transportation Committee, Commissioner McDonald, Chair

2. Cooperative Agreement with the St. Louis & Lake Counties Regional Railroad Authority for the Palo Tia Segment of the Mesabi Trail [21-68]
3. Agreement for Advanced Construction with the Minnesota Department of Transportation for Improvements to a Segment of CSAH 116 (Morse Township) [21-69]
4. Agreement for Advanced Construction with the Minnesota Department of Transportation for Improvements to a Segment of CSAH 5 (Hibbing) [21-70]
5. Sponsoring Agency Requests for Various City and Township Local Road Improvement Program Projects [21-71]

Finance & Budget Committee, Commissioner Nelson, Chair

6. Request for St. Louis County to Act as Fiscal Agent for Crane Lake Township – LCCMR Grants [21-72]

ESTABLISHMENT OF PUBLIC HEARINGS:

Finance & Budget Committee, Commissioner Nelson, Chair

1. Establish Public Hearing to Consider Off-Sale Intoxicating Liquor License (Vermilion Lake Township) (Tuesday, March 9, 2021, 9:40 a.m.) [21-73]

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.

Central Management & Intergovernmental Committee, Commissioner Jewell, Chair

***1. County Health and Human Services Office Site Lease [21-76]**

Resolution supporting the efforts to build a new clinic and public health and social services facility in the City of Chisholm.

Public Works & Transportation Committee, Commissioner McDonald, Chair

1. Lease Agreements for Twelve Motor Graders [21-74]

Resolution authorizing the lease agreement for twelve John Deere Model 672GP Motor Graders from McCoy Equipment of Duluth, Minnesota.

2. Purchase of Twelve Walk n Rollers [21-75]

Resolution authorizing the purchase of twelve Walk n Rollers from McCoy Equipment of Duluth, MN.

COMMISSIONER DISCUSSION ITEMS AND REPORTS:

Commissioners may introduce items for future discussion, or report on past and upcoming activities.

ADJOURNED:

NEXT COMMITTEE OF THE WHOLE MEETING DATES:

February 23, 2021 **Public Works, 7823 Hwy 135, Virginia, MN**

March 2, 2021 **Government Services Center, 320 W. 2nd St., Duluth, MN**

March 9, 2021 **Government Services Center, 320 W. 2nd St., Duluth, MN**

BARRIER FREE: *All St. Louis County Board meetings are accessible to the handicapped. Attempts will be made to accommodate any other individual needs for special services. Please contact St. Louis County Administration (218-726-2450) early so necessary arrangements can be made.*

COMMITTEE OF THE WHOLE ST. LOUIS COUNTY BOARD OF COMMISSIONERS

February 2, 2021

Location: Government Services Center, Duluth, Minnesota

Present: Commissioners Jewell, Boyle, Grimm, McDonald, Musolf, Nelson and Chair Jugovich

Absent: None

Convened: Chair Jugovich called the meeting to order at 11:38 a.m.

Commissioners Frank Jewell, Patrick Boyle, and Ashley Grimm participated by WebEx.

CONSENT AGENDA

McDonald/Musolf moved to approve the consent agenda. A roll call vote was taken; the motion passed.
(7-0)

- Minutes of January 26, 2021
- Agreement with the City of Duluth for Construction of Various Projects in the Woodland Avenue/Glenwood Street Area [21-54]
- Acquisition of Right of Way - Replacement of County Bridge 547 over Shannon River (Balkan Township) [21-55]
- Acquisition of Right of Way - Replacement of County Bridge 416 over Water Hen Creek (Colvin Township) [21-56]
- Acquisition of Right of Way - Replacement of County Bridge 777 over Pelican River (Leiding Township) [21-57]
- Cooperative Agreement with the Minnesota Department of Transportation and Wisconsin Central, Ltd. to Install Gates and Signals at Railroad Crossing DOT 251911V (Solway Township) [21-58]
- Request for St. Louis County to Act as Fiscal Agent for City of Brookston – LCCMR Grant [21-59]
- Abatement List for Board Approval [21-60]
- Right of Way Easement Across State Tax Forfeited Land to Big Bear Lake Company (Ault Twp 55-12) [21-61]
- Right of Way and Utility Easement Across State Tax Forfeited Land to Gregory P. Bulinski (Morse Twp 62-13) [21-62]

Public Works & Transportation Committee

McDonald/Nelson moved to authorize the purchase of one John Deere Model 644LH Loader from McCoy Equipment of Duluth, MN, for a total cost of \$286,000.00. [21-63]. Public Works Director Jim Foldesi said that the loader is the first heavy equipment hybrid purchased by the county. The hybrid diesel/electric loader costs 11% more than standard equipment; however, it is expected that there will be

a 25% cost savings over the life of the equipment compared to standard equipment. After further discussion, a roll call vote was taken; the motion passed. (7-0)

Environment & Natural Resources Committee

Musolf/Jewell moved to approve the 2021 Aquatic Invasive Species (AIS) Prevention Aid and that the appropriate County officials are authorized to execute contracts negotiated by the Planning and Community Development Director and a representative of the County Attorney in order to implement the aid program. [21-64]. Anita Provinzino, District Administrator, North St. Louis Soil and Water Conservation District, requested that AIS prevention aid funding be made available for repair and heated storage for the cleaning units. Natalya Walker, Aquatic Invasive Species Program Coordinator, North St. Louis Soil and Water Conservation District, said that in 2020 they conducted 25,301 inspections, did 130 decontaminations, and added several lakes to the program. Planning and Community Development Director Matthew Johnson commented that in the past recipients were required to maintain the equipment due to the uncertainty of program funding; the department will work with applicants to assist with maintenance costs. St. Louis County Senior Planner Ryan Logan provided a brief overview of the application process and noted that nine applications were received for 2021. After further discussion, a roll call vote was taken; the motion passed without recommendation. (7-0)

COMMISSIONER DISCUSSION ITEMS AND REPORTS

Commissioner Boyle commented on virtual attendance at St. Louis County Board meetings by Commissioners. Commissioner Boyle noted that county public health workers and volunteers are working six days a week to get people immunized and tested and there were over 100,000 deaths from COVID-19 in January. Commissioner Boyle said that he will continue to attend the meetings virtually because it is best for our community health.

Commissioner Jewell said that work has started on the One Watershed, One Plan for the St. Louis River. The watershed is the largest watershed out of Minnesota and it includes the North and South St. Louis Soil and Water Conservation Districts and the Carlton Soil and Water Conservation District.

Commissioner McDonald said that approximately 200 people attended a vaccination clinic that was held at the Vermilion Community College over the weekend.

Chair Jugovich said that a celebration will be held tomorrow for Bill Loushine in Chisholm. Mr. Loushine is turning 100 years old.

Commissioner Nelson commented that he considers himself a frontline worker and has not missed a day of work because he wants to ensure people's issues are taken care of.

Commissioner Jewell commented that all of the Board is working, even though some are working from home to prevent the spread of the disease.

At 12:25 p.m., Nelson/Jewell moved to adjourn the Committee of the Whole meeting. A roll call vote was taken; the motion passed. (7-0)

Mike Jugovich, Chair of the County Board

Phil Chapman, Clerk of the County Board

BOARD LETTER NO. 21 – 67

HEALTH & HUMAN SERVICES COMMITTEE CONSENT NO. 1

BOARD AGENDA NO.

DATE: February 9, 2021 **RE:** Application and Acceptance of
Community Paramedic Team
Funds

FROM: Kevin Z. Gray
County Administrator

Linnea Mirsch, Director
Public Health & Human Services

RELATED DEPARTMENT GOAL:

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. Adults will be self-sufficient, and the cycle of multi-generational welfare will be broken.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize the Public Health and Human Services Department (PHHS) to apply for and accept funds from The Victory Fund to develop a Community Paramedic Team.

BACKGROUND:

The Duluth Police Department (DPD) collaborates with PHHS and the Center for Alcohol and Drug Treatment (CADT) and has embedded social workers as a co-responder with two dedicated mental health DPD officers. The Victory Fund has awarded PHHS \$100,000 for a Mental Health Professional as part of the locally operating Mental Health Unit (MHU), DPD, and Community Intervention Group (CIG) with the addition of a Community Paramedic co-response component. This is for a one-year pilot to assess the Community Paramedic co-response impact on real time response and desired outcomes.

The Community Paramedic team will operate within DPD's MHU and will consist of a Community Paramedic (employed by the Duluth Fire Department), and this new Mental Health Professional (employed by Human Development Center). The Mental Health Professional would be trained in crisis response, have the ability to admit callers to Birch Tree or other appropriate services, be well trained and engage in life coaching skills, complete medication compliance checks, be able to navigate MNSure, manage a caseload, and collaborate and maintain relationships with the multiple agencies in the area that provide mental health services. The Mental Health Professional would also

have a direct link to the Life Safety office, the Opioid Response Team (ORT), community officers, patrol officers and the fire stations. Additionally, their daily schedule would match the highest volume call hours within the noon and 10:00 pm timeframe.

The funding of \$100,000 from The Victory Fund will be received on March 01, 2021 and will support the development of the Community Paramedic Team with the addition of a Mental Health Practitioner employed by the Human Development Center and partnering with PHHS and the Duluth Fire Department with their contribution of a Community Paramedic.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the Public Health and Human Services Department to apply for and accept funds from The Victory Fund in the amount of \$100,000 to support the development of the Community Paramedic Team through funding the addition of one FTE, a Mental Health Practitioner, employed by the Human Development Center for March 01, 2021 – February 28th, 2022 for a one-year pilot to assess the Community Paramedic co-response impact on real time response and desired outcomes. It is also recommended that PHHS is authorized to enter into a contract with the Human Development Center to employ the Mental Health Practitioner.

Application and Acceptance of Community Paramedic Team Funds

BY COMMISSIONER _____

WHEREAS, a medical professional (Community Paramedic), in conjunction with a Mental Health Professional and in partnership with the currently operating Mental Health Unit (MHU), will more fully be able to respond to the needs of our community; and

WHEREAS, the addition of a Community Paramedic Team is vital to addressing the medical aspect to directly support the reduction in 911 calls for the chronic consumers currently served by the MHU; and

WHEREAS, The Victory Fund has made available grant funds in the amount of \$100,000 to support the development of a Community Paramedic Team by funding the addition of one FTE Mental Health Practitioner employed by the Human Development Center for March 01, 2021 – February 28, 2022 for a one-year pilot to assess the Community Paramedic co-response impact on real time response and desired outcomes;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes the Public Health and Human Services Department to apply for and accept funds from The Victory Fund in the amount of \$100,000 to support the development of the Community Paramedic Team through funding the addition of one FTE Mental Health Practitioner employed by the Human Development Center for March 01, 2021 – February 28, 2022 for a one-year pilot to assess the Community Paramedic co-response impact on real time response and desired outcomes.

RESOLVED FURTHER, That the Public Health and Human Services Department is authorized to enter into a contract with the Human Development Center to employ the Mental Health Practitioner.

BUDGET REFERENCE:

Fund 230, Agency 232006, Object 545165, Grant 23282, Year 2021
Fund 230, Agency 232006, Object 629900, Grant 23282, Year 2021

Exhibit A
GRANT APPROVAL FORM

This form must be completed for any and all grants.

SECTION I—GRANT INFORMATION *(to be completed by department's assigned accounting staff)*

Please Note: It is acceptable that some details are later added (once the grant is awarded).

GRANT NAME: _____ **GRANT PERIOD:** _____
(if known) (begin date)
GRANTOR: _____
(end date)
FUND: _____ **AGENCY:** _____ **GRANT:** _____ **GRANT YEAR:** _____

Indicate the source of funds—*(check all that apply)*

☐ **Local**—Object Code: _____ Amount: _____ Amount: _____
(Apply) (Accept)

Local Agency: _____

☐ **State**—Object Code: _____ Amount: _____ Amount: _____
(Apply) (Accept)

State Agency: _____ **Award #:** _____

☐ **Federal**—Object Code: _____ Amount: _____ Amount: _____
(Apply) (Accept)

Grant Agreement (State Contract) #: _____
(if federal dollars are passed through state)

Federal Agency: _____ **CFDA#:** _____

Federal Agency: _____ **CFDA#:** _____
(if applicable) (if applicable)

Federal Agency: _____ **CFDA#:** _____
(if applicable) (if applicable)

TOTAL GRANT AMOUNT: _____

Expenditure for match amount should be moved into grant code. However, if this is *not* possible, indicate where expenditures will be accounted for.

FUND: _____ **AGENCY:** _____ **OBJECT:** _____ **PROJECT:** _____ **AMOUNT:** _____

FUND: _____ **AGENCY:** _____ **OBJECT:** _____ **PROJECT:** _____ **AMOUNT:** _____

FUND: _____ **AGENCY:** _____ **OBJECT:** _____ **PROJECT:** _____ **AMOUNT:** _____

TOTAL MATCH AMOUNT: _____

ACCOUNTING STAFF *(who is primarily responsible for fiscal oversight of grant):*

NAME: _____ **PHONE:** _____

DEPARTMENT CONTACT *(who is primarily responsible for program/project outcomes of grant):*

NAME: _____ **PHONE:** _____

****IMPORTANT****

Please submit this document (SECTION I) to the department contact, providing direction regarding which form should be completed.

- ☐ New *(first-time submitted)* or previously-submitted grant—Complete **Form A**
- ☐ Request for recurring grant to be included in December Budget Resolution*—Complete **Form B**
- ☐ Request for amendment of previously adopted Board Resolution—Complete **Form C**

*Departments must complete **Form B** for any grant (of any amount) that is included in the proposed budget.

SECTION II—APPROVAL (to be completed by department contact)

Form A (New or Previously-Submitted Grant)

PURPOSE: Approval to Apply for Grant—(complete prior to applying for grant award)

Please check the appropriate box:

☐ New (first-time submitted) grant

☐ Previously submitted grant*

*Departments are highly encouraged to request recurring grants (that were previously submitted) to be included in the December Budget Resolution—Form B—if dollar amounts do not fluctuate significantly.

STEP #1: Obtain authorization to apply for grant—(required for all grants of any amount)

Dept. Head Authorization: _____
Signature Date

Administrator Authorization: _____
Signature Date

Auditor Authorization: _____
Signature Date

STEP #2: Confirm whether grant amount is greater than \$25,000—

☐ **No** (grant amount is less than or equal to \$25,000)—

Give grant contract (once received) to County Attorney's Office for review.

Reviewed by: _____
Attorney Name Date

Damion #: _____

☐ **Yes** (grant amount is greater than \$25,000)—

Submit **Section I** (Cover Sheet) of the "Grant Approval Form," Board Letter and Resolution to Administration to seek County Board approval. It is acceptable that Section I is not completed in its entirety until the grant has been awarded. **NOTE: Board authorization to accept the grant is required** (upon notification of award).

Apply: Board Letter #: _____ Board Resolution #: _____ Date Adopted: _____

Accept: Board Letter #: _____ Board Resolution #: _____ Date Adopted: _____

STEP #3: Ensure proper documentation is entered into the system, and the appropriate parties are notified.

DEPARTMENT CONTACT: Submit **Section I and II** (Form A) of this "Grant Approval Form," along with all grant documents (application, award notification, contract, etc.) to the accounting staff person to enter the grant award into the financial system.

ACCOUNTING STAFF: If this grant includes federal funding, please send an electronic copy of **Section I and II** (Form A) of this "Grant Approval Form" as notification to wehselerh@stlouiscountymn.gov with "Federal Funds" in the *Subject* of the e-mail.

BOARD LETTER NO. 21 – 68

PUBLIC WORKS & TRANSPORTATION COMMITTEE CONSENT NO. 2

BOARD AGENDA NO.

DATE: February 9, 2021

RE: Cooperative Agreement with
the St. Louis & Lake Counties
Regional Railroad Authority for
the Palo Tia Segment of the
Mesabi Trail

FROM: Kevin Z. Gray
County Administrator

James T. Foldesi
Public Works Director/Highway Engineer

RELATED DEPARTMENT GOAL:

To provide a safe, well maintained road and bridge system.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize a cooperative agreement with the St. Louis & Lake Counties Regional Railroad Authority for the construction and maintenance of the Palo Tia segment of the Mesabi Trail. This project is further identified as CP 0000-552411.

BACKGROUND:

The St. Louis & Lake Counties Regional Railroad Authority (RRA) has secured funding for the construction of the Palo Tia segment of the Mesabi Trail from County Road (CR) 558 (Soini Road) to County State Aid Highway (CSAH) 21 located in Embarrass Township.

The RRA and St. Louis County Public Works department are working together to have the Palo Tia segment of the Mesabi Trail constructed either as one-way paved shoulders or a two-way trail at the appropriate setback from the existing edge of shoulder along Palo Tia Road (CR 558).

The County shall be responsible to replace the existing culverts beneath the Palo Tia Road (CR 558) in advance of the Project, which will include extending the culverts and aprons to accommodate the construction of the Project.

The RRA shall be responsible to prepare and administer the construction plans for the project, in addition to all costs associated with construction of the Palo Tia segment of

the Mesabi Trail. The RRA shall be responsible for the maintenance of the Palo Tia segment of the Mesabi Trail, which include the paved shoulders of Palo Tia Road (CR 558).

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize a cooperative agreement with the St. Louis & Lake Counties Regional Railroad Authority for the construction of the Palo Tia segment of the Mesabi Trail from CR 558 (Soini Road) to CSAH 21 located in Embarrass Township. Funds from the St. Louis & Lake Counties Regional Railroad Authority will be receipted into Fund 220, Agency 220620, Object 583100.

**Cooperative Agreement with the St. Louis & Lake Counties Regional Railroad
Authority for the Palo Tia Segment of the Mesabi Trail**

BY COMMISSIONER _____

WHEREAS, The St. Louis & Lake Counties Regional Railroad Authority (RRA) has secured funding for the construction of the Palo Tia segment of the Mesabi Trail from County Road (CR) 558 (Soini Road) to County State Aid Highway (CSAH) 21 located in Embarrass Township, St. Louis County, hereafter referred to as the "Project" (CP 0000-552411); and

WHEREAS, St. Louis County, at their cost, will replace the existing culverts beneath the Palo Tia road (CR 558) in advance of the Project, which will include extending the culverts and aprons to accommodate the construction of the Palo Tia segment of the Mesabi Trail; and

WHEREAS, The RRA, at their cost, shall prepare a plan for construction of the Project; and

WHEREAS, The RRA, at their cost, will construct the Mesabi Trail either as one-way paved shoulders or a two-way trail at the appropriate setback from the existing edge of shoulder along Palo Tia Road (CR 558); and

WHEREAS, St. Louis County shall be responsible for the maintenance of the culverts beneath Palo Tia Road (CR 558); and

WHEREAS, The RRA shall be responsible for the maintenance of the Palo Tia segment of the Mesabi Trail, which include the paved shoulders of Palo Tia Road (CR 558).

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes the appropriate County Officials to enter into a cooperative agreement, and any amendments approved by the County Attorney, with the St. Louis & Lake Counties Regional Railroad Authority for the construction of the Palo Tia segment of the Mesabi Trail from CR 558 (Soini Road) to CSAH 21 located in Embarrass Township. Funds from the St. Louis & Lake Counties Regional Railroad Authority will be receipted into Fund 220, Agency 220620, Object 583100.

BOARD LETTER NO. 21 – 69

PUBLIC WORKS & TRANSPORTATION COMMITTEE CONSENT NO. 3

BOARD AGENDA NO.

DATE: February 9, 2021 **RE:** Agreement for Advanced Construction with the Minnesota Department of Transportation for Improvements to a Segment of CSAH 116 (Morse Township)

FROM: Kevin Z. Gray
County Administrator

James T. Foldesi
Public Works Director/ Highway Engineer

RELATED DEPARTMENT GOAL:

To provide a safe, well maintained road and bridge system.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize an advanced construction agreement with the Minnesota Department of Transportation (MnDOT) to complete improvements on County State Aid Highway (CSAH) 116 from CSAH 88 to 0.5 miles North of County Road (CR) 803 (Passi Road) in Morse Township. This project is further identified as SP 069-716-012; CP 0116-299084.

BACKGROUND:

St. Louis County has applied for funding through the Federal Land Access Program (FLAP) to perform pavement rehabilitation on CSAH 116 (Echo Trail) from CSAH 88 to 0.5 miles North of CR 803 (Passi Road) and the project has been approved. The estimate construction cost is \$1,496,720, of which \$600,000 will be funded with the Federal FLAP funds, while the remainder will be funded with State Aid funds.

The County and MnDOT need to enter into an agreement for advanced construction, which allows for 1) MnDOT to act as the agent in accepting the federal aid in connection with the project and 2) the construction of the project in 2021, prior to the year it is designated in the State Transportation Improvement Program (STIP).

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize an advanced construction agreement with the Minnesota Department of Transportation to complete the improvements on County State Aid Highway (CSAH) 116 from CSAH 88 to 0.5 miles North of County Road 803 (Passi Road) in Morse Township. Funds for this project will be receipted into Fund 220, Agency 220518, Object 540702.

**Agreement for Advanced Construction with the Minnesota Department of
Transportation for Improvements to a Segment of CSAH 116 (Morse Township)**

BY COMMISSIONER _____

WHEREAS, St. Louis County has prepared plans to complete improvements on County State Aid Highway (CSAH) 116 from CSAH 88 to 0.5 miles North of County Road 803 (Passi Road) in Morse Township, hereinafter referred to as the "Project" (SP 069-716-012; CP 0116-299084); and

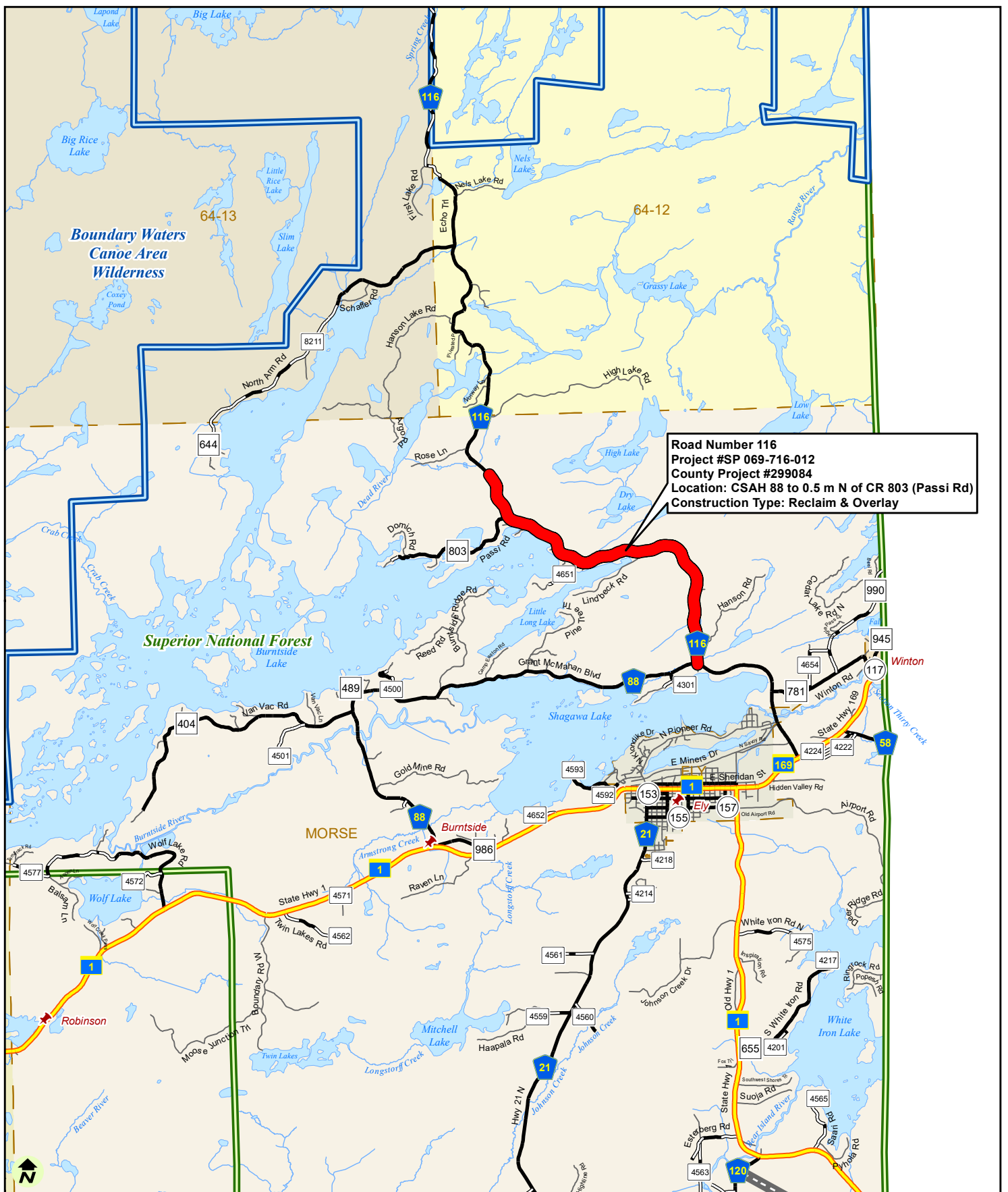
WHEREAS, St. Louis County has received \$600,000 of Federal FLAP funds for the Project; and

WHEREAS, St. Louis County and MnDOT need to enter into an agreement for advanced construction, which allows for 1) MnDOT to act as the agent in accepting the federal aid in connection with the project and 2) the construction of the project in 2021, prior to the year it is designated in the State Transportation Improvement Program (STIP).

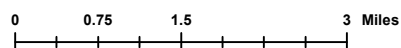
THEREFORE, BE IT RESOLVED, That pursuant to Minn. Stat. § 161.36, the Commissioner of Transportation be appointed as Agent of St. Louis County to accept as its agent, federal aid funds which may be made available for eligible transportation related projects;

RESOLVED FURTHER, That the County Board Chair, Public Works Director and the Assistant County Attorney are hereby authorized and directed for and on behalf of St. Louis County to execute and enter into an Agreement, and any amendments to the Agreement, with the Commissioner of Transportation prescribing the terms and conditions of said federal aid participation as set forth and contained in MnDOT Contract Number 1046004, a copy of which said Agreement was before the County Board and which is made a part hereof by reference;

RESOLVED FURTHER, That funds for this project will be receipted into Fund 220, Agency 220518, Object 540702.



St. Louis County 2021 Road & Bridge Construction



Map Components

2021 Road & Bridge Construction

- Reclaim & Overlay
- Interstate Highway
- U.S./State Highway
- County Road - Paved
- County Road - Gravel

- Local Road/City Street
- Railroad
- BWCAW
- Superior National Forest

- Township Boundary
- ★ City/Town
- Lake
- River/Stream



Minnesota Department of Transportation

State Aid for Local Transportation

395 John Ireland Boulevard, MS 500

Saint Paul, MN 55155

January 28, 2021

Jim Foldesi
St. Louis County Engineer
4787 Midway Road
Duluth, MN 55811-9794

SUBJECT: **SP 069-716-012, FLAP 6912(134)**
Improvements to CSAH 116
MnDOT Contract Number 1046004

Dear Mr. Foldesi:

Attached is a copy of the agency agreement between the St. Louis County and MnDOT, which allows for MnDOT to act as the Local Government's agent in accepting federal aid in connection with the above referenced project.

This agreement is for Advance Construction, because you wish to begin construction of the project prior to the year it is designated in the STIP. The project will be converted to "real" funds in Federal fiscal years 2022 or sooner as funds are available.

Please review and if approved, please sign. A County Board resolution similar to the example attached, must be passed by your governing board. The certified resolution should then be placed as the last page of the agreement. Please verify that the person/title authorized to sign as stated in the resolution, corresponds to the signature (person/title) on the signature page. Please return signed copy of the agreement to Olga.kruglova@state.mn.us for MnDOT signatures. A fully executed copy will be returned to you. If you have any questions or need any revisions, please feel free to contact me at 651.366.3826.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Angela Murphy'.

For Angela Murphy, PE

Plans Engineer

Enclosures

Cc: *Krysten Saatela-Foster*—DSAE
Cindy Degener—Finance
File

An Equal Opportunity Employer



STATE OF MINNESOTA
AGENCY AGREEMENT
for
FEDERAL PARTICIPATION IN ADVANCE CONSTRUCTION

State Project Number: 069-716-012_____

FAIN Number: FLAP 6912(134)_____

This agreement is entered into by and between St. Louis County ("Local Government") and the State of Minnesota acting through its Commissioner of Transportation ("MnDOT").

RECITALS

1. MnDOT Contract Number dcp(1030069) which has been executed between the Local Government and MnDOT, appoints MnDOT as the Local Government's agent to receive and disburse transportation related federal funds, and sets forth duties and responsibilities for letting, payment, and other procedures for a federally funded contract let by the Local Government; and
2. Pursuant to Minnesota Statutes Section 161.36, the Local Government desires MnDOT to act as the Local Government's agent to accept and disburse federal funds for the construction, improvement, or enhancement of transportation financed in whole or in part by federal funds, hereinafter referred to as the "Project"; and
3. The Local Government is proposing a federal aid project to make surfacing improvements to County State Aid Highway 116, hereinafter referred to as the "Project"; and
4. The Project is eligible for the expenditure of federal aid funds and is programmed in the approved federally approved STIP for the fiscal years 2022, and is identified in MnDOT records as State Project 069-716-012, and in Federal Highway Administration ("FHWA") records as Minnesota Project FLAP 6912(134); and
5. The Catalog of Federal Domestic Assistance (CFDA) number is 20.224.
6. The Local Government desires to proceed with the construction of the project in advance of the year it is programmed for the federal funds; and
7. It is permissible under Federal Highway Administration procedures to perform advance construction of eligible projects with non-federal funds, with the intent to request federal funding for the federally eligible costs in a subsequent federal fiscal year(s), if sufficient funding and obligation authority are available; and
8. The Local Government desires to temporarily provide Local Government State Aid and/or other local funds in lieu of the federal funds so that the project may proceed prior to the fiscal year(s) designated in the STIP; and
9. MnDOT requires that the terms and conditions of this agency be set forth in an agreement.

AGREEMENT TERMS

1. Term of Agreement

- 1.1. **Effective Date.** This agreement will be effective upon execution by the Local Government and by appropriate State officials, pursuant to Minnesota Statutes Section 16C.05, and will remain in effect for five

(5) years from the effective date or until all obligations set forth in this agreement have been satisfactorily fulfilled, whichever occurs first.

2. Local Government's Duties

- 2.1. The Local Government will perform all of its duties and obligations in MnDOT Contract Number dcp(1030069), which is incorporated herein by reference, in the solicitation, letting, award, and administration of the construction of the Project.

3. MnDOT's Duties

- 3.1. MnDOT will perform all of its duties in accordance with MnDOT Contract Number dcp(1030069), which is incorporated herein by reference.
- 3.2. MnDOT will make the necessary requests to the FHWA for authorization to use federal funds for the Project, and for reimbursement of eligible costs pursuant to the terms of this agreement.
- 3.3. MnDOT will request the conversion of the Project to federal funding of eligible costs, when funding and obligation authority are available.
- 3.4. At such time that the project is converted to federal funding and such funding is received by MnDOT, MnDOT will reimburse to the Local Government the federal aid share of the federally eligible costs, previously provided by the Local Government. Reimbursement for Local Government State Aid funds used in lieu of federal funds, will be deposited in the Local Government's State Aid Account. Reimbursement for other Local Government funds used in lieu of federal funds will be forwarded to the Local Government.

4. Time

- 4.1. The Local Government must comply with all the time requirements described in this agreement. In the performance of this agreement, time is of the essence
- 4.2. The period of performance is defined as beginning on the date of federal authorization and ending on the date defined in the federal financial system or federal agreement ("end date"). **No work completed** after the **end date** will be eligible for federal funding. Local Government must submit all contract close out paperwork to MnDOT, twenty four months prior to the **end date**.

5. Payment

- 5.1. It is estimated that the total cost of the Project is \$ 1,496,720. The remaining share will be paid by the Local Government. Eighty percent of the costs will be eligible for Federal Lands Access funds in federal fiscal year 2022. Up to \$600,000.
- 5.2. The Local Government will pay any part of the cost or expense of the work that the FHWA does not pay.
- 5.3. Request for reimbursement of the federal aid share of the federally eligible costs can be made any time after the work is completed, however payment may not be made until after October 1, 2021 for federal fiscal year 2022. It could be earlier if funding and obligation authority are available (subject to the Area Transportation Partnership (ATP) policy).
- 5.4. The Local Government will make requests for reimbursement in accordance with the payment provisions in MnDOT Contract Number dcp(1030069), which is incorporated by reference, and will comply with the requirements of 2 CFR Part 200.

6. Authorized Representatives

- 6.1. MnDOT's Authorized Representative is:

Name: Angela Murphy, or her successor.

Title: State Aid, Federal Plans Engineer

Phone: 651-366-3826

Email: angela.murphy@state.mn.us

MnDOT's Authorized Representative has the responsibility to monitor Local Government's performance and the authority to accept the services provided under this agreement. If the services are satisfactory, MnDOT's Authorized Representative will certify acceptance on each invoice submitted for payment.

6.2. The Local Government's Authorized Representative is:

Name: Jim Foldesi _____, or his successor.

Title: St. Louis County Engineer _____

Phone: 218-625-3830 _____

Email: Foldesij@stlouiscountymn.gov _____

If the Local Government's Authorized Representative changes at any time during this agreement, the Local Government will immediately notify MnDOT.

7. Assignment Amendments, Waiver, and Agreement Complete

- 7.1. **Assignment.** The Local Government may neither assign nor transfer any rights or obligations under this agreement without the prior written consent of MnDOT and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this agreement, or their successors in office.
- 7.2. **Amendments.** Any amendments to this agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original agreement, or their successors in office.
- 7.3. **Waiver.** If MnDOT fails to enforce any provision of this agreement, that failure does not waive the provision or MnDOT's right to subsequently enforce it.
- 7.4. **Agreement Complete.** This agreement contains all negotiations and agreements between MnDOT and the Local Government. No other understanding regarding this agreement, whether written or oral, may be used to bind either party.
- 7.5. **Severability.** If any provision of this Agreement or the application thereof is found invalid or unenforceable to any extent, the remainder of the Agreement, including all material provisions and the application of such provisions, will not be affected and will be enforceable to the greatest extent permitted by the law.

8. Liability and Claims

- 8.1. **Tort Liability.** Each party is responsible for its own acts and omissions and the results thereof to the extent authorized by law and will not be responsible for the acts and omissions of any others and the results thereof. The Minnesota Tort Claims Act, Minnesota Statutes Section 3.736, governs MnDOT liability.
- 8.2. **Claims.** The Local Government acknowledges that MnDOT is acting only as the Local Government's agent for acceptance and disbursement of federal funds, and not as a principal or co-principal with respect to the Project. The Local Government will pay any and all lawful claims arising out of or incidental to the Project including, without limitation, claims related to contractor selection (including the solicitation, evaluation, and acceptance or rejection of bids or proposals), acts or omissions in performing the Project work, and any *ultra vires* acts. The Local Government will indemnify, defend (to the extent permitted by the Minnesota Attorney General), and hold MnDOT harmless from any claims or costs arising out of or incidental to the Project(s), including reasonable attorney fees incurred by MnDOT. The Local Government's indemnification

obligation extends to any actions related to the certification of DBE participation, even if such actions are recommended by MnDOT.

9. Audits

- 9.1. Under Minn. Stat. § 16C.05, Subd.5, the Local Government's books, records, documents, and accounting procedures and practices of the Local Government, or other party relevant to this agreement or transaction, are subject to examination by MnDOT and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later. The Local Government will take timely and appropriate action on all deficiencies identified by an audit.
- 9.2. All requests for reimbursement are subject to audit, at MnDOT's discretion. The cost principles outlined in 2 CFR 200.400-.475 will be used to determine whether costs are eligible for reimbursement under this agreement.
- 9.3. If Local Government expends \$750,000 or more in Federal Funds during the Local Government's fiscal year, the Local Government must have a single audit or program specific audit conducted in accordance with 2 CFR Part 200.

10. Government Data Practices. The Local Government and MnDOT must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data provided by MnDOT under this agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Local Government under this agreement. The civil remedies of Minn. Stat. §13.08 apply to the release of the data referred to in this clause by either the Local Government or MnDOT.

11. Workers Compensation. The Local Government certifies that it is in compliance with Minn. Stat. §176.181, Subd. 2, pertaining to workers' compensation insurance coverage. The Local Government's employees and agents will not be considered MnDOT employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way MnDOT's obligation or responsibility.

12. Governing Law, Jurisdiction, and Venue. Minnesota law, without regard to its choice-of-law provisions, governs this agreement. Venue for all legal proceedings out of this agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

13. Termination; Suspension

- 13.1. **Termination by MnDOT.** MnDOT may terminate this agreement with or without cause, upon 30 days written notice to the Local Government. Upon termination, the Local Government will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.
- 13.2. **Termination for Cause.** MnDOT may immediately terminate this agreement if MnDOT finds that there has been a failure to comply with the provisions of this agreement, that reasonable progress has not been made, that fraudulent or wasteful activity has occurred, that the Local Government has been convicted of a criminal offense relating to a state agreement, or that the purposes for which the funds were granted have not been or will not be fulfilled. MnDOT may take action to protect the interests of MnDOT of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.
- 13.3. **Termination for Insufficient Funding.** MnDOT may immediately terminate this agreement if:
 - 13.3.1. Funding is not obtained from the Minnesota Legislature; or
 - 13.3.2. Funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Local Government. MnDOT is not

obligated to pay for any services that are provided after notice and effective date of termination. However, the Local Government will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. MnDOT will not be assessed any penalty if the agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. MnDOT will provide the Local Government notice of the lack of funding within a reasonable time of MnDOT's receiving that notice.

- 13.4. **Suspension.** MnDOT may immediately suspend this agreement in the event of a total or partial government shutdown due to the failure to have an approved budget by the legal deadline. Work performed by the Local Government during a period of suspension will be deemed unauthorized and undertaken at risk of non-payment.
14. **Data Disclosure.** Under Minn. Stat. § 270C.65, Subd. 3, and other applicable law, the Local Government consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to MnDOT, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Local Government to file state tax returns and pay delinquent state tax liabilities, if any.
15. **Fund Use Prohibited.** The Local Government will not utilize any funds received pursuant to this Agreement to compensate, either directly or indirectly, any contractor, corporation, partnership, or business, however organized, which is disqualified or debarred from entering into or receiving a State contract. This restriction applies regardless of whether the disqualified or debarred party acts in the capacity of a general contractor, a subcontractor, or as an equipment or material supplier. This restriction does not prevent the Local Government from utilizing these funds to pay any party who might be disqualified or debarred after the Local Government's contract award on this Project.
16. **Discrimination Prohibited by Minnesota Statutes §181.59.** The Local Government will comply with the provisions of Minnesota Statutes §181.59 which requires that every contract for or on behalf of the State of Minnesota, or any county, city, town, township, school, school district or any other district in the state, for materials, supplies or construction will contain provisions by which Contractor agrees: 1) That, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no Contractor, material supplier or vendor, will, by reason of race, creed or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates; 2) That no Contractor, material supplier, or vendor, will, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause 1 of this section, or on being hired, prevent or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed or color; 3) That a violation of this section is a misdemeanor; and 4) That this contract may be canceled or terminated by the state of Minnesota, or any county, city, town, township, school, school district or any other person authorized to contracts for employment, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this Agreement.
17. **Appendix II 2 CFR Part 200 Federal Contract Clauses.** The Local Government agrees to comply with the following federal requirements as identified in 2 CFR 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, and agrees to pass through these requirements to its subcontractors and third party contractors, as applicable. In addition, the Local Government shall have the same meaning as "Contractor" in the federal requirements listed below.
- 17.1.1. **Remedies.** Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach

contract terms, and provide for such sanctions and penalties as appropriate.

- 17.1.2. **Termination.** All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.
- 17.1.3. **Equal Employment Opportunity.** Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”
- 17.1.4. **Davis-Bacon Act, as amended.** (40 U.S.C. 3141-3148) When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.
- 17.1.5. **Contract Work Hours and Safety Standards Act.** (40 U.S.C. 3701-3708) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
- 17.1.6. **Rights to Inventions Made Under a Contract or Agreement.** If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research

work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

17.1.7. Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended. Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued under the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

17.1.8. Debarment and Suspension. (Executive Orders 12549 and 12689) A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

17.1.9. Byrd Anti-Lobbying Amendment. (31 U.S.C. 1352) Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

17.1.10. Procurement of Recovered Materials. See 2 CFR 200.322 Procurement of Recovered Materials.

17.2. Drug-Free Workplace. In accordance with 2 C.F.R. § 32.400, the Local Government will comply with the Drug-Free Workplace requirements under subpart B of 49 C.F.R. Part 32.

17.3. Nondiscrimination. The Local Government hereby agrees that, as a condition of receiving any Federal financial assistance under this agreement, it will comply with Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. § 2000d), related nondiscrimination statutes (i.e., 23 U.S.C. § 324, Section 504 of the Rehabilitation Act of 1973 as amended, and the Age Discrimination Act of 1975), and applicable regulatory requirements to the end that no person in the United States shall, on the grounds of race, color, national origin, sex, handicap, or age be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity for which the Local Government receives Federal financial assistance. The specific requirements of the Department of Transportation Civil Rights assurances (required by 49 C.F.R. §§ 21.7 and 27.9) are incorporated in the agreement.

17.4. Federal Funding Accountability and Transparency Act (FFATA).

17.4.1. This Agreement requires the Local Government to provide supplies and/or services that are funded in whole or in part by federal funds that are subject to FFATA. The Local Government is responsible for ensuring that all applicable requirements, including but not limited to those set forth herein, of FFATA are met and that the Local Government provides information to the MnDOT as required.

a. Reporting of Total Compensation of the Local Government’s Executives.

- b. The Local Government shall report the names and total compensation of each of its five most highly compensated executives for the Local Government's preceding completed fiscal year, if in the Local Government's preceding fiscal year it received:
 - i. 80 percent or more of the Local Government's annual gross revenues from Federal procurement contracts and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - ii. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
 - iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

Executive means officers, managing partners, or any other employees in management positions.

- c. Total compensation means the cash and noncash dollar value earned by the executive during the Local Government's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
 - i. Salary and bonus.
 - ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
 - iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
 - v. Above-market earnings on deferred compensation which is not tax qualified.
- 17.4.2. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.
- 17.4.3. The Local Government must report executive total compensation described above to the MnDOT by the end of the month during which this agreement is awarded.
- 17.4.4. The Local Government will obtain a Data Universal Numbering System (DUNS) number and maintain its DUNS number for the term of this agreement. This number shall be provided to MnDOT on the plan review checklist submitted with the plans for each project. More information about obtaining a DUNS Number can be found at: <http://fedgov.dnb.com/webform/>
- 17.4.5. The Local Government's failure to comply with the above requirements is a material breach of this agreement for which the MnDOT may terminate this agreement for cause. The MnDOT will not be

obligated to pay any outstanding invoice received from the Local Government unless and until the Local Government is in full compliance with the above requirements.

[THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK.]

St. Louis County

St. Louis County certifies that the appropriate person(s) have executed the contract on behalf of the Local Government as required by applicable articles, bylaws, resolutions or ordinances

By: _____

Title: _____

Date: _____

DEPARTMENT OF TRANSPORTATION

By: _____

Title: State Aid Engineer

Date: _____

COMMISSIONER OF ADMINISTRATION

By: _____

Title: _____

Date: _____

By: _____

Date: _____

SAMPLE RESOLUTION FOR AGENCY AGREEMENT

BE IT RESOLVED, that pursuant to Minnesota Stat. Sec. 161.36, the Commissioner of Transportation be appointed as Agent of St. Louis County to accept as its agent, federal aid funds which may be made available for eligible transportation related projects.

BE IT FURTHER RESOLVED, the * (*Chairman*) and the * (*Auditor*) are hereby authorized and directed for and on behalf of St. Louis County to execute and enter into an agreement with the Commissioner of Transportation prescribing the terms and conditions of said federal aid participation as set forth and contained in "Minnesota Department of Transportation MnDOT Contract Number 1046004," a copy of which said agreement was before the County Board and which is made a part hereof by reference.

Titles of persons authorized to sign on behalf of the County

SAMPLE CERTIFICATION

STATE OF MINNESOTA

COUNTY OF _____

I hereby certify that the foregoing Resolution is a true and correct copy of the Resolution presented to and adopted by St. Louis County name at a duly authorized meeting thereof held on the ____ day of _____, 20____, as shown by the minutes of said meeting in my possession.

Auditor

Notary Public

My Commission expires _____

(SEAL)

BOARD LETTER NO. 21 – 70

PUBLIC WORKS & TRANSPORTATION COMMITTEE CONSENT NO. 4

BOARD AGENDA NO.

DATE: February 9, 2021 **RE:** Agreement for Advanced Construction with the Minnesota Department of Transportation for Improvements to a Segment of CSAH 5 (Hibbing)

FROM: Kevin Z. Gray
County Administrator

James T. Foldesi
Public Works Director/Highway Engineer

RELATED DEPARTMENT GOAL:

To provide a safe, well maintained road and bridge system.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize an advanced construction agreement with the Minnesota Department of Transportation (MnDOT) to complete improvements on County State Aid Highway (CSAH) 5 from 1.2 miles North of Trunk Highway (TH) 73 to CSAH 81 (Conners Road) in Hibbing. This project is further identified as SP 069-605-049; CP 0005-348220.

BACKGROUND:

St. Louis County has received Federal Surface Transportation Block Grant funds to perform pavement rehabilitation on CSAH 5 from 1.2 miles North of TH 73 to CSAH 81 (Conners Road) in the City of Hibbing. The estimated construction cost is \$1,931,000, of which \$1,100,000 will be funded with the Federal Surface Transportation Block Grant funds, while the remainder will be funded with State Aid funds.

The County and MnDOT need to enter into an agreement for advanced construction, which allows for 1) MnDOT to act as the agent in accepting the federal aid in connection with the project and 2) the construction of the project in 2021, prior to the year it is designated in the State Transportation Improvement Program (STIP).

RECOMMENDATION:

It is recommended the St. Louis County Board authorize an advanced construction agreement with the Minnesota Department of Transportation to complete the improvements on County State Aid Highway (CSAH) 5 from 1.2 miles North of TH 73 to CSAH 81 (Conners Road) in Hibbing. Funds for this project will be receipted into Fund 220, Agency 220621, Object 540702.

**Agreement for Advanced Construction with the Minnesota Department of
Transportation for Improvements to a Segment of CSAH 5 (Hibbing)**

BY COMMISSIONER _____

WHEREAS, St. Louis County has prepared plans to complete improvements on County State Aid Highway (CSAH) 5 from 1.2 miles North of TH 73 to CSAH 81 (Conners Road) in Hibbing, hereinafter referred to as the "Project (SP 069-605-049; CP 0005-348220); and

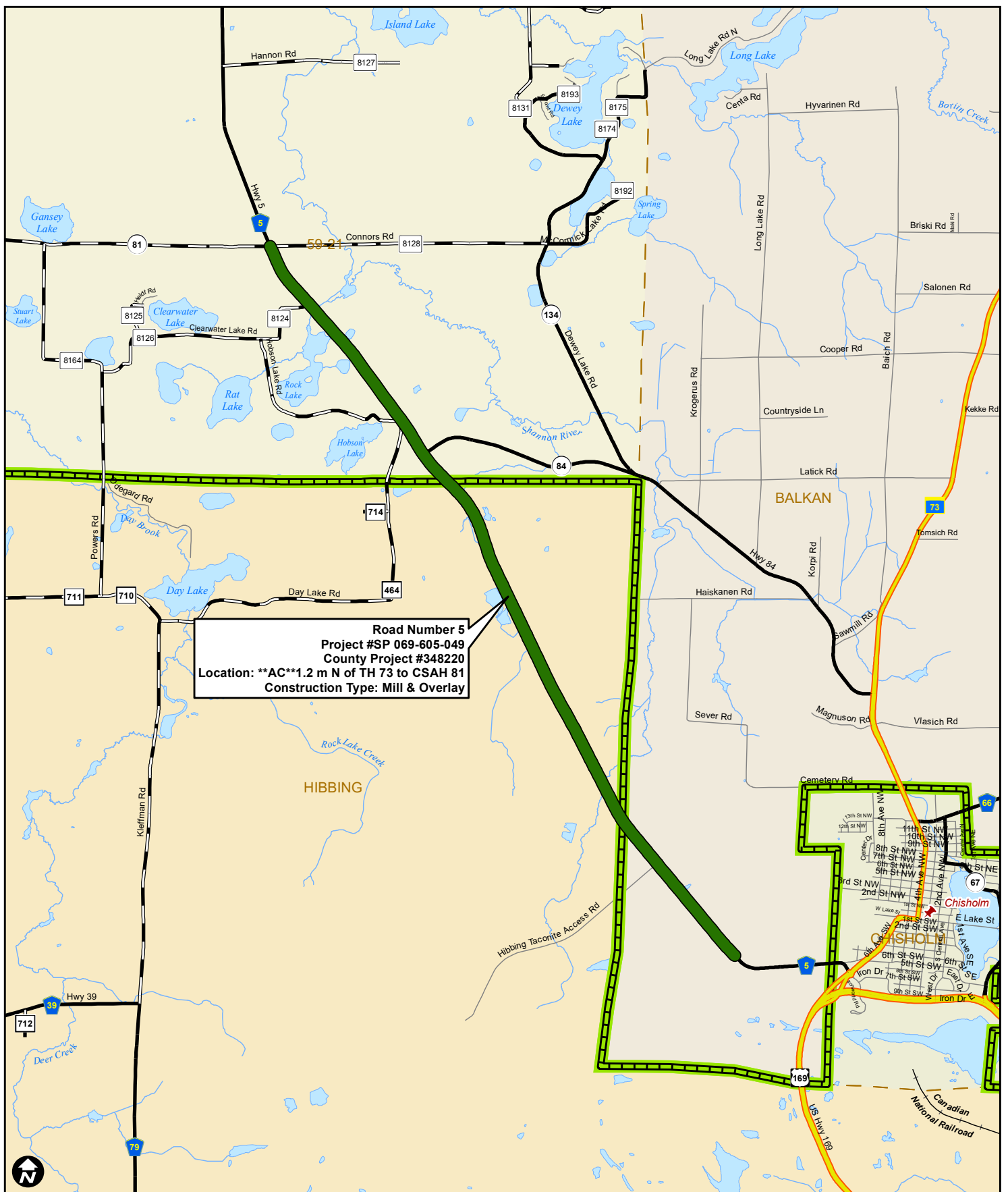
WHEREAS, St. Louis County has received \$1,100,000 of Federal Surface Transportation Block Grant funds for the Project; and

WHEREAS, St. Louis County and MnDOT need to enter into an agreement for advanced construction, which allows for 1) MnDOT to act as the agent in accepting the federal aid in connection with the project and 2) the construction of the project in 2021, prior to the year it is designated in the State Transportation Improvement Program (STIP).

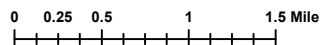
THEREFORE, BE IT RESOLVED, That pursuant to Minn. Stat. § 161.36, the Commissioner of Transportation be appointed as Agent of St. Louis County to accept as its agent, federal aid funds which may be made available for eligible transportation related projects;

RESOLVED FURTHER, That the County Board Chair, Public Works Director and the Assistant County Attorney are hereby authorized and directed for and on behalf of St. Louis County to execute and enter into an Agreement, and any amendments to the Agreement, with the Commissioner of Transportation prescribing the terms and conditions of said federal aid participation as set forth and contained in MnDOT Contract Number 1046018, a copy of which said Agreement was before the County Board and which is made a part hereof by reference;

RESOLVED FURTHER, That funds for this project will be receipted into Fund 220, Agency 220621, Object 540702.



St. Louis County 2021 Road & Bridge Construction



Map Components

2021 Road & Bridge Construction

- Mill & Overlay
- Interstate Highway
- U.S./State Highway

- County/Unorg. Twp. Road - Paved
- County/Unorg. Twp. Road - Gravel
- Local Road/City Street
- Railroad
- Commissioner District

- Township Boundary
- City/Town
- Lake
- River/Stream



Minnesota Department of Transportation

State Aid for Local Transportation

395 John Ireland Boulevard, MS 500

Saint Paul, MN 55155

January 28, 2021

Jim Foldesi
St. Louis County Engineer
4787 Midway Road
Duluth, MN 55811-9794

SUBJECT: SP 069-605-049, STPBG 6922(003)
Improvements to CSAH 5
MnDOT Contract Number 1046018

Dear Mr. Foldesi:

Attached is a copy of the agency agreement between the St. Louis County and MnDOT, which allows for MnDOT to act as the Local Government's agent in accepting federal aid in connection with the above referenced project.

This agreement is for Advance Construction, because you wish to begin construction of the project prior to the year it is designated in the STIP. The project will be converted to "real" funds in Federal fiscal years 2022 or sooner as funds are available.

Please review and if approved, please sign. A County Board resolution similar to the example attached, must be passed by your governing board. The certified resolution should then be placed as the last page of the agreement. Please verify that the person/title authorized to sign as stated in the resolution, corresponds to the signature (person/title) on the signature page. Please return signed copy of the agreement to Olga.kruglova@state.mn.us for MnDOT signatures. A fully executed copy will be returned to you. If you have any questions or need any revisions, please feel free to contact me at 651.366.3826.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Angela Murphy'.

For Angela Murphy, PE

Plans Engineer

Enclosures

Cc: *Krysten Saatela-Foster*—DSAE
Cindy Degener—Finance
File

An Equal Opportunity Employer



STATE OF MINNESOTA
AGENCY AGREEMENT
 for
FEDERAL PARTICIPATION IN ADVANCE CONSTRUCTION

State Project Number: 069-605-049_____

FAIN Number: STPBG 6922(003)_____

This agreement is entered into by and between St. Louis County ("Local Government") and the State of Minnesota acting through its Commissioner of Transportation ("MnDOT").

RECITALS

1. MnDOT Contract Number dcp(1030069) which has been executed between the Local Government and MnDOT, appoints MnDOT as the Local Government's agent to receive and disburse transportation related federal funds, and sets forth duties and responsibilities for letting, payment, and other procedures for a federally funded contract let by the Local Government; and
2. Pursuant to Minnesota Statutes Section 161.36, the Local Government desires MnDOT to act as the Local Government's agent to accept and disburse federal funds for the construction, improvement, or enhancement of transportation financed in whole or in part by federal funds, hereinafter referred to as the "Project"; and
3. The Local Government is proposing a federal aid project to make surfacing improvements to County State Aid Highway 5, hereinafter referred to as the "Project"; and
4. The Project is eligible for the expenditure of federal aid funds and is programmed in the approved federally approved STIP for the fiscal years 2022, and is identified in MnDOT records as State Project 069-605-049, and in Federal Highway Administration ("FHWA") records as Minnesota Project STPBG 6922(003); and
5. The Local Government desires to proceed with the construction of the project in advance of the year it is programmed for the federal funds; and
6. It is permissible under Federal Highway Administration procedures to perform advance construction of eligible projects with non-federal funds, with the intent to request federal funding for the federally eligible costs in a subsequent federal fiscal year(s), if sufficient funding and obligation authority are available; and
7. The Local Government desires to temporarily provide Local Government State Aid and/or other local funds in lieu of the federal funds so that the project may proceed prior to the fiscal year(s) designated in the STIP; and
8. MnDOT requires that the terms and conditions of this agency be set forth in an agreement.

AGREEMENT TERMS

1. Term of Agreement

- 1.1. **Effective Date.** This agreement will be effective upon execution by the Local Government and by appropriate State officials, pursuant to Minnesota Statutes Section 16C.05, and will remain in effect for five (5) years from the effective date or until all obligations set forth in this agreement have been satisfactorily

fulfilled, whichever occurs first.

2. Local Government's Duties

- 2.1. The Local Government will perform all of its duties and obligations in MnDOT Contract Number dcp(1030069), which is incorporated herein by reference, in the solicitation, letting, award, and administration of the construction of the Project.

3. MnDOT's Duties

- 3.1. MnDOT will perform all of its duties in accordance with MnDOT Contract Number dcp(1030069), which is incorporated herein by reference.
- 3.2. MnDOT will make the necessary requests to the FHWA for authorization to use federal funds for the Project, and for reimbursement of eligible costs pursuant to the terms of this agreement.
- 3.3. MnDOT will request the conversion of the Project to federal funding of eligible costs, when funding and obligation authority are available.
- 3.4. At such time that the project is converted to federal funding and such funding is received by MnDOT, MnDOT will reimburse to the Local Government the federal aid share of the federally eligible costs, previously provided by the Local Government. Reimbursement for Local Government State Aid funds used in lieu of federal funds, will be deposited in the Local Government's State Aid Account. Reimbursement for other Local Government funds used in lieu of federal funds will be forwarded to the Local Government.

4. Time

- 4.1. The Local Government must comply with all the time requirements described in this agreement. In the performance of this agreement, time is of the essence
- 4.2. The period of performance is defined as beginning on the date of federal authorization and ending on the date defined in the federal financial system or federal agreement ("end date"). **No work completed** after the **end date** will be eligible for federal funding. Local Government must submit all contract close out paperwork to MnDOT, twenty four months prior to the **end date**.

5. Payment

- 5.1. It is estimated that the total cost of the Project is \$ 1,931,000. The remaining share will be paid by the Local Government. Eighty percent of the costs will be eligible for Surface Transportation Block Grant funds in federal fiscal year 2022. Up to \$1,100,000.
- 5.2. The Local Government will pay any part of the cost or expense of the work that the FHWA does not pay.
- 5.3. Request for reimbursement of the federal aid share of the federally eligible costs can be made any time after the work is completed, however payment may not be made until after October 1, 2021 for federal fiscal year 2022. It could be earlier if funding and obligation authority are available (subject to the Area Transportation Partnership (ATP) policy).
- 5.4. The Local Government will make requests for reimbursement in accordance with the payment provisions in MnDOT Contract Number dcp(1030069), which is incorporated by reference, and will comply with the requirements of 2 CFR Part 200.

6. Authorized Representatives

- 6.1. MnDOT's Authorized Representative is:

Name: Angela Murphy, or her successor.

Title: State Aid, Federal Plans Engineer

Phone: 651-366-3826

Email: angela.murphy@state.mn.us

MnDOT's Authorized Representative has the responsibility to monitor Local Government's performance and the authority to accept the services provided under this agreement. If the services are satisfactory, MnDOT's Authorized Representative will certify acceptance on each invoice submitted for payment.

6.2. The Local Government's Authorized Representative is:

Name: Jim Foldesi _____, or his successor.

Title: St. Louis County Engineer _____

Phone: 218-625-3830 _____

Email: Foldesij@stlouiscountymn.gov _____

If the Local Government's Authorized Representative changes at any time during this agreement, the Local Government will immediately notify MnDOT.

7. Assignment Amendments, Waiver, and Agreement Complete

- 7.1. **Assignment.** The Local Government may neither assign nor transfer any rights or obligations under this agreement without the prior written consent of MnDOT and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this agreement, or their successors in office.
- 7.2. **Amendments.** Any amendments to this agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original agreement, or their successors in office.
- 7.3. **Waiver.** If MnDOT fails to enforce any provision of this agreement, that failure does not waive the provision or MnDOT's right to subsequently enforce it.
- 7.4. **Agreement Complete.** This agreement contains all negotiations and agreements between MnDOT and the Local Government. No other understanding regarding this agreement, whether written or oral, may be used to bind either party.
- 7.5. **Severability.** If any provision of this Agreement or the application thereof is found invalid or unenforceable to any extent, the remainder of the Agreement, including all material provisions and the application of such provisions, will not be affected and will be enforceable to the greatest extent permitted by the law.

8. Liability and Claims

- 8.1. **Tort Liability.** Each party is responsible for its own acts and omissions and the results thereof to the extent authorized by law and will not be responsible for the acts and omissions of any others and the results thereof. The Minnesota Tort Claims Act, Minnesota Statutes Section 3.736, governs MnDOT liability.
- 8.2. **Claims.** The Local Government acknowledges that MnDOT is acting only as the Local Government's agent for acceptance and disbursement of federal funds, and not as a principal or co-principal with respect to the Project. The Local Government will pay any and all lawful claims arising out of or incidental to the Project including, without limitation, claims related to contractor selection (including the solicitation, evaluation, and acceptance or rejection of bids or proposals), acts or omissions in performing the Project work, and any *ultra vires* acts. The Local Government will indemnify, defend (to the extent permitted by the Minnesota Attorney General), and hold MnDOT harmless from any claims or costs arising out of or incidental to the Project(s), including reasonable attorney fees incurred by MnDOT. The Local Government's indemnification obligation extends to any actions related to the certification of DBE participation, even if such actions are

recommended by MnDOT.

9. Audits

- 9.1. Under Minn. Stat. § 16C.05, Subd.5, the Local Government's books, records, documents, and accounting procedures and practices of the Local Government, or other party relevant to this agreement or transaction, are subject to examination by MnDOT and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later. The Local Government will take timely and appropriate action on all deficiencies identified by an audit.
- 9.2. All requests for reimbursement are subject to audit, at MnDOT's discretion. The cost principles outlined in 2 CFR 200.400-.475 will be used to determine whether costs are eligible for reimbursement under this agreement.
- 9.3. If Local Government expends \$750,000 or more in Federal Funds during the Local Government's fiscal year, the Local Government must have a single audit or program specific audit conducted in accordance with 2 CFR Part 200.

10. Government Data Practices. The Local Government and MnDOT must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data provided by MnDOT under this agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Local Government under this agreement. The civil remedies of Minn. Stat. §13.08 apply to the release of the data referred to in this clause by either the Local Government or MnDOT.

11. Workers Compensation. The Local Government certifies that it is in compliance with Minn. Stat. §176.181, Subd. 2, pertaining to workers' compensation insurance coverage. The Local Government's employees and agents will not be considered MnDOT employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way MnDOT's obligation or responsibility.

12. Governing Law, Jurisdiction, and Venue. Minnesota law, without regard to its choice-of-law provisions, governs this agreement. Venue for all legal proceedings out of this agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

13. Termination; Suspension

- 13.1. **Termination by MnDOT.** MnDOT may terminate this agreement with or without cause, upon 30 days written notice to the Local Government. Upon termination, the Local Government will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.
- 13.2. **Termination for Cause.** MnDOT may immediately terminate this agreement if MnDOT finds that there has been a failure to comply with the provisions of this agreement, that reasonable progress has not been made, that fraudulent or wasteful activity has occurred, that the Local Government has been convicted of a criminal offense relating to a state agreement, or that the purposes for which the funds were granted have not been or will not be fulfilled. MnDOT may take action to protect the interests of MnDOT of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.
- 13.3. **Termination for Insufficient Funding.** MnDOT may immediately terminate this agreement if:
 - 13.3.1. Funding is not obtained from the Minnesota Legislature; or
 - 13.3.2. Funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Local Government. MnDOT is not obligated to pay for any services that are provided after notice and effective date of termination.

However, the Local Government will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. MnDOT will not be assessed any penalty if the agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. MnDOT will provide the Local Government notice of the lack of funding within a reasonable time of MnDOT's receiving that notice.

- 13.4. **Suspension.** MnDOT may immediately suspend this agreement in the event of a total or partial government shutdown due to the failure to have an approved budget by the legal deadline. Work performed by the Local Government during a period of suspension will be deemed unauthorized and undertaken at risk of non-payment.
14. **Data Disclosure.** Under Minn. Stat. § 270C.65, Subd. 3, and other applicable law, the Local Government consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to MnDOT, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Local Government to file state tax returns and pay delinquent state tax liabilities, if any.
15. **Fund Use Prohibited.** The Local Government will not utilize any funds received pursuant to this Agreement to compensate, either directly or indirectly, any contractor, corporation, partnership, or business, however organized, which is disqualified or debarred from entering into or receiving a State contract. This restriction applies regardless of whether the disqualified or debarred party acts in the capacity of a general contractor, a subcontractor, or as an equipment or material supplier. This restriction does not prevent the Local Government from utilizing these funds to pay any party who might be disqualified or debarred after the Local Government's contract award on this Project.
16. **Discrimination Prohibited by Minnesota Statutes §181.59.** The Local Government will comply with the provisions of Minnesota Statutes §181.59 which requires that every contract for or on behalf of the State of Minnesota, or any county, city, town, township, school, school district or any other district in the state, for materials, supplies or construction will contain provisions by which Contractor agrees: 1) That, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no Contractor, material supplier or vendor, will, by reason of race, creed or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates; 2) That no Contractor, material supplier, or vendor, will, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause 1 of this section, or on being hired, prevent or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed or color; 3) That a violation of this section is a misdemeanor; and 4) That this contract may be canceled or terminated by the state of Minnesota, or any county, city, town, township, school, school district or any other person authorized to contracts for employment, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this Agreement.
17. **Appendix II 2 CFR Part 200 Federal Contract Clauses.** The Local Government agrees to comply with the following federal requirements as identified in 2 CFR 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, and agrees to pass through these requirements to its subcontractors and third party contractors, as applicable. In addition, the Local Government shall have the same meaning as "Contractor" in the federal requirements listed below.
 - 17.1.1. **Remedies.** Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

- 17.1.2. **Termination.** All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.
- 17.1.3. **Equal Employment Opportunity.** Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”
- 17.1.4. **Davis-Bacon Act, as amended.** (40 U.S.C. 3141-3148) When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.
- 17.1.5. **Contract Work Hours and Safety Standards Act.** (40 U.S.C. 3701-3708) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
- 17.1.6. **Rights to Inventions Made Under a Contract or Agreement.** If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the

requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

17.1.7. **Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended.** Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued under the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

17.1.8. **Debarment and Suspension.** (Executive Orders 12549 and 12689) A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

17.1.9. **Byrd Anti-Lobbying Amendment.** (31 U.S.C. 1352) Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

17.1.10. **Procurement of Recovered Materials.** See 2 CFR 200.322 Procurement of Recovered Materials.

17.2. **Drug-Free Workplace.** In accordance with 2 C.F.R. § 32.400, the Local Government will comply with the Drug-Free Workplace requirements under subpart B of 49 C.F.R. Part 32.

17.3. **Nondiscrimination.** The Local Government hereby agrees that, as a condition of receiving any Federal financial assistance under this agreement, it will comply with Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. § 2000d), related nondiscrimination statutes (i.e., 23 U.S.C. § 324, Section 504 of the Rehabilitation Act of 1973 as amended, and the Age Discrimination Act of 1975), and applicable regulatory requirements to the end that no person in the United States shall, on the grounds of race, color, national origin, sex, handicap, or age be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity for which the Local Government receives Federal financial assistance. The specific requirements of the Department of Transportation Civil Rights assurances (required by 49 C.F.R. §§ 21.7 and 27.9) are incorporated in the agreement.

17.4. **Federal Funding Accountability and Transparency Act (FFATA).**

17.4.1. This Agreement requires the Local Government to provide supplies and/or services that are funded in whole or in part by federal funds that are subject to FFATA. The Local Government is responsible for ensuring that all applicable requirements, including but not limited to those set forth herein, of FFATA are met and that the Local Government provides information to the MnDOT as required.

a. Reporting of Total Compensation of the Local Government’s Executives.

- b. The Local Government shall report the names and total compensation of each of its five most highly compensated executives for the Local Government's preceding completed fiscal year, if in the Local Government's preceding fiscal year it received:
 - i. 80 percent or more of the Local Government's annual gross revenues from Federal procurement contracts and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - ii. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
 - iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/excomp.htm>.)

Executive means officers, managing partners, or any other employees in management positions.

- c. Total compensation means the cash and noncash dollar value earned by the executive during the Local Government's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
 - i. Salary and bonus.
 - ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
 - iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
 - v. Above-market earnings on deferred compensation which is not tax qualified.
- 17.4.2. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.
- 17.4.3. The Local Government must report executive total compensation described above to the MnDOT by the end of the month during which this agreement is awarded.
- 17.4.4. The Local Government will obtain a Data Universal Numbering System (DUNS) number and maintain its DUNS number for the term of this agreement. This number shall be provided to MnDOT on the plan review checklist submitted with the plans for each project. More information about obtaining a DUNS Number can be found at: <http://fedgov.dnb.com/webform/>
- 17.4.5. The Local Government's failure to comply with the above requirements is a material breach of this agreement for which the MnDOT may terminate this agreement for cause. The MnDOT will not be

obligated to pay any outstanding invoice received from the Local Government unless and until the Local Government is in full compliance with the above requirements.

[THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK.]

St. Louis County

St. Louis County certifies that the appropriate person(s) have executed the contract on behalf of the Local Government as required by applicable articles, bylaws, resolutions or ordinances

By: _____

Title: _____

Date: _____

DEPARTMENT OF TRANSPORTATION

By: _____

Title: State Aid Engineer

Date: _____

COMMISSIONER OF ADMINISTRATION

By: _____

Title: _____

Date: _____

By: _____

Date: _____

SAMPLE RESOLUTION FOR AGENCY AGREEMENT

BE IT RESOLVED, that pursuant to Minnesota Stat. Sec. 161.36, the Commissioner of Transportation be appointed as Agent of St. Louis County to accept as its agent, federal aid funds which may be made available for eligible transportation related projects.

BE IT FURTHER RESOLVED, the * (*Chairman*) and the * (*Auditor*) are hereby authorized and directed for and on behalf of St. Louis County to execute and enter into an agreement with the Commissioner of Transportation prescribing the terms and conditions of said federal aid participation as set forth and contained in "Minnesota Department of Transportation MnDOT Contract Number 1046018," a copy of which said agreement was before the County Board and which is made a part hereof by reference.

Titles of persons authorized to sign on behalf of the County

SAMPLE CERTIFICATION

STATE OF MINNESOTA

COUNTY OF _____

I hereby certify that the foregoing Resolution is a true and correct copy of the Resolution presented to and adopted by St. Louis County name at a duly authorized meeting thereof held on the ____ day of _____, 20____, as shown by the minutes of said meeting in my possession.

Auditor

Notary Public

My Commission expires _____

(SEAL)

BOARD LETTER NO. 21 – 71

PUBLIC WORKS & TRANSPORTATION COMMITTEE CONSENT NO. 5

BOARD AGENDA NO.

DATE: February 9, 2021

RE: Sponsoring Agency Requests
for Various City and Township
Local Road Improvement
Program Projects

FROM: Kevin Z. Gray
County Administrator

James T. Foldesi
Public Works Director/Highway Engineer

RELATED DEPARTMENT GOAL:

To provide a safe, well maintained road and bridge system.

ACTION REQUESTED:

The St. Louis County Board is requested to act as the sponsoring agency for various Local Road Improvement Program (LRIP) projects in Vermilion Lake Township, White Township, Proctor, Fredenberg Township, Hermantown, Alborn Township, Greenwood Township, and Morse Township.

BACKGROUND:

The following cities and townships are preparing LRIP applications for funding:

- Vermilion Lake Township is preparing an LRIP application for funding the gravel road improvements of Township Road 4550 (Koski Road) from Trunk Highway (TH) 53 to its westerly terminus in the amount of \$150,000.
- White Township is preparing an LRIP application for funding the rehabilitation of Township Road 6517 (Trigstad Road) from UT 9231 (Hult Road) to County State Aid Highway (CSAH) 99 in the amount of \$1,250,000.
- The City of Proctor is preparing an LRIP application for funding the reconstruction of 2nd Street from 5th Avenue to 9th Avenue in the amount of \$1,250,000. The total project cost is \$2,750,000.
- Fredenberg Township is preparing an LRIP application for funding the rehabilitation of East Cook Lake Road (Township Road 5542), Wood Duck Drive,

and West Island Lake Road from County Road 48 (Taft Road) to the Township limits in the amount of \$660,000. The total estimated project cost is \$700,000.

- The City of Hermantown is preparing an LRIP application for funding the construction of 1,800' of new roadway and road reconstruction within the market place of Hermantown on Richard – Lindgren Roads in the amount of \$750,000. The total project cost is \$1,500,000.
- The City of Hermantown is preparing an LRIP application for funding the reconditioning of Ugstad Road (MSA 101) from CSAH 6 (Maple Grove Road) to TH 53 and Arrowhead Road from Hawk Circle Drive to Thileke Circle in the amount of \$750,000. The total project cost is \$3,600,000.
- Alborn Township is preparing a LRIP application for funding the rehabilitation of Township Road 5842 (Aerie Lake Road) beginning at CSAH 47 and ending at the Alborn-Pengilly Railroad ATV Trail for a total length of 1.0 mile. The total estimated project cost is \$350,000.
- Greenwood Township is preparing an LRIP application for funding the rehabilitation of Township Road 4136 (Birch Point Road) from County Road 651 to its north terminus in the amount of \$380,000.
- Morse Township is preparing an LRIP application for funding the rehabilitation of roadways within Romberg Acres adjacent to Trunk Highway 169 & County State Aid Highway 58 (Kawishiwi Trail) in the amount of \$450,000.

If the City or Township is awarded LRIP funds, the County is required to act as the fiscal agent and contract administrator for MnDOT State Aid for Local Transportation in administering the LRIP funds, and shall administer the construction contract for the Project. The City or Township, and its consultant, shall prepare a plan for construction of the project. The City or Township will be responsible for 100 percent of the costs of this roadway project in excess of LRIP funds authorized to the County.

RECOMMENDATION:

It is recommended that the St. Louis County Board act as the sponsoring agency for various Local Road Improvement Program (LRIP) projects in Vermilion Lake Township, White Township, Proctor, Fredenberg Township, Hermantown, Alborn Township, Greenwood Township, and Morse Township.

**Local Road Improvement Program (LRIP) Grant Application – Vermilion Lake
Township Koski Road Project**

BY COMMISSIONER _____

WHEREAS, The Local Road Improvement Program (LRIP) is a state bond funded program to finance local infrastructure projects; and

WHEREAS, The Minnesota Department of Transportation State Aid for Local Transportation Office administers the LRIP for local agencies; and

WHEREAS, Vermilion Lake Township is intending to submit an LRIP application for the gravel road improvements on Township Road 4550 (Koski Road); and

WHEREAS, For Vermilion Lake Township to receive LRIP funding it is required that the County act as a sponsoring agency for the LRIP project; and

WHEREAS, The funding request to the LRIP is in the amount of \$150,000; and

WHEREAS, Vermilion Lake Township will be responsible for all costs not covered by LRIP including but not limited to consultant engineering and inspection, utility construction, and construction costs above the LRIP award; and

WHEREAS, Vermilion Lake Township has agreed to maintain such improvements for the lifetime of said improvements.

THEREFORE, BE IT RESOLVED, that the St. Louis County Board agrees to act as the sponsoring agency for a LRIP project identified as gravel road improvements on Township Road 4550 (Koski Road) in Vermilion Lake Township, and has reviewed the project application as proposed.

RESOLVED FURTHER, That sponsorship involves no County funding for the project, but includes a willingness to secure and guarantee the local share of costs associated with this project and responsibility for seeing this project through to completion, with compliance of all applicable laws, rules and regulations.

**Local Road Improvement Program (LRIP) Grant Application – White
Township Trigstad Road Project**

BY COMMISSIONER _____

WHEREAS, The Local Road Improvement Program (LRIP) is a state bond funded program to finance local infrastructure projects; and

WHEREAS, The Minnesota Department of Transportation State Aid for Local Transportation Office administers the LRIP for local agencies; and

WHEREAS, White Township is intending to submit an LRIP application for a rehabilitation project on Township Road 6517 (Trigstad Road) as authorized by Township Resolution 2021-001; and

WHEREAS, For White Township to receive LRIP funding it is required that the County act as a sponsoring agency for the LRIP project; and

WHEREAS, The funding request to the LRIP is in the amount of \$1,250,000; and

WHEREAS, White Township will be responsible for all costs not covered by LRIP including but not limited to consultant engineering and inspection, utility construction, and construction costs above the LRIP award; and

WHEREAS, White Township has agreed to maintain such improvements for the lifetime of said improvements.

THEREFORE, BE IT RESOLVED, That the St. Louis County Board agrees to act as the sponsoring agency for a LRIP project identified as a rehabilitation project on Township Road 6517 (Trigstad Road) in White Township, and has reviewed the project application as proposed.

RESOLVED FURTHER, That sponsorship involves no County funding for the project, but includes a willingness to secure and guarantee the local share of costs associated with this project and responsibility for seeing this project through to completion, with compliance of all applicable laws, rules and regulations.

Local Road Improvement Program (LRIP) Grant Application – City of Proctor 2nd Street Project

BY COMMISSIONER _____

WHEREAS, The Local Road Improvement Program (LRIP) is a state bond funded program to finance local infrastructure projects; and

WHEREAS, The Minnesota Department of Transportation State Aid for Local Transportation Office administers the LRIP for local agencies; and

WHEREAS, The City of Proctor is intending to submit an LRIP application for a reconstruction of 2nd Street from 5th Avenue to 9th Avenue in the City of Proctor; and

WHEREAS, For the City of Proctor to receive LRIP funding it is required that the County act as a sponsoring agency for the LRIP project; and

WHEREAS, The funding request to the LRIP is in the amount of \$1,250,000; and

WHEREAS, The City of Proctor will be responsible for all costs not covered by LRIP including but not limited to consultant engineering and inspection, utility construction, and construction costs above the LRIP award; and

WHEREAS, The City of Proctor has agreed to maintain such improvements for the lifetime of said improvements.

THEREFORE, BE IT RESOLVED, That the St. Louis County Board agrees to act as the sponsoring agency for a LRIP project identified as the reconstruction of 2nd Street from 5th Avenue to 9th Avenue in the City of Proctor, and has reviewed the project application as proposed.

RESOLVED FURTHER, That sponsorship involves no County funding for the project, but includes a willingness to secure and guarantee the local share of costs associated with this project and responsibility for seeing this project through to completion, with compliance of all applicable laws, rules and regulations.

**Local Road Improvement Program (LRIP) Grant Application – Fredenberg
Township**

BY COMMISSIONER _____

WHEREAS, The Local Road Improvement Program (LRIP) is a state bond funded program to finance local infrastructure projects; and

WHEREAS, The Minnesota Department of Transportation State Aid for Local Transportation Office administers the LRIP for local agencies; and

WHEREAS, The Township of Fredenberg is intending to submit an LRIP application for the rehabilitation of East Cook Lake Road (Township Road 5542), Wood Duck Drive, and West Island Lake Road in Fredenberg Township; and

WHEREAS, For the Township of Fredenberg to receive LRIP funding it is required that the County act as a sponsoring agency for the LRIP project; and

WHEREAS, The funding request to the LRIP is in the amount of \$660,000; and

WHEREAS, The Township of Fredenberg will be responsible for all costs not covered by LRIP including but not limited to consultant engineering and inspection, utility construction, and construction costs above the LRIP award; and

WHEREAS, The Township of Fredenberg has agreed to maintain such improvements for the lifetime of said improvements.

THEREFORE, BE IT RESOLVED, That the St. Louis County Board agrees to act as the sponsoring agency for a LRIP project identified as the rehabilitation of East Cook Lake Road (Township Road 5542), Wood Duck Drive, and West Island Lake Road in Fredenberg Township, and has reviewed the project application as proposed.

RESOLVED FURTHER, That sponsorship involves no County funding for the project, but includes a willingness to secure and guarantee the local share of costs associated with this project and responsibility for seeing this project through to completion, with compliance of all applicable laws, rules and regulations.

**Local Road Improvement Program (LRIP) Grant Application – City of Hermantown
Richard – Lindgren**

BY COMMISSIONER _____

WHEREAS, The Local Road Improvement Program (LRIP) is a state bond funded program to finance local infrastructure projects; and

WHEREAS, The Minnesota Department of Transportation State Aid for Local Transportation Office administers the LRIP for local agencies; and

WHEREAS, The City of Hermantown is intending to submit an LRIP application for the construction of 1,800' of new roadway and road reconstruction within the market place of Hermantown on Richard – Lindgren Roads; and

WHEREAS, For the City of Hermantown to receive LRIP funding it is required that the County act as a sponsoring agency for the LRIP project; and

WHEREAS, The funding request to the LRIP is in the amount of \$750,000; and

WHEREAS, The City of Hermantown will be responsible for all costs not covered by LRIP including but not limited to consultant engineering and inspection, utility construction, and construction costs above the LRIP award; and

WHEREAS, The City of Hermantown has agreed to maintain such improvements for the lifetime of said improvements.

THEREFORE, BE IT RESOLVED, That the St. Louis County Board agrees to act as the sponsoring agency for a LRIP project identified as the construction of 1,800' of new roadway and road reconstruction within the market place of Hermantown on Richard – Lindgren Roads, and has reviewed the project application as proposed.

RESOLVED FURTHER, That sponsorship involves no County funding for the project, but includes a willingness to secure and guarantee the local share of costs associated with this project and responsibility for seeing this project through to completion, with compliance of all applicable laws, rules and regulations.

**Local Road Improvement Program (LRIP) Grant Application – City of Hermantown
Ugstad Road**

BY COMMISSIONER _____

WHEREAS, The Local Road Improvement Program (LRIP) is a state bond funded program to finance local infrastructure projects; and

WHEREAS, The Minnesota Department of Transportation State Aid for Local Transportation Office administers the LRIP for local agencies; and

WHEREAS, The City of Hermantown is intending to submit an LRIP application for the reconditioning of Ugstad Road (MSA 101) from CSAH 6 (Maple Grove Road) to TH 53 and Arrowhead Road from Hawk Circle Drive to Thileke Circle; and

WHEREAS, For the City of Hermantown to receive LRIP funding it is required that the County act as a sponsoring agency for the LRIP project; and

WHEREAS, The funding request to the LRIP is in the amount of \$750,000; and

WHEREAS, The City of Hermantown will be responsible for all costs not covered by LRIP including but not limited to consultant engineering and inspection, utility construction, and construction costs above the LRIP award; and

WHEREAS, The City of Hermantown has agreed to maintain such improvements for the lifetime of said improvements.

THEREFORE, BE IT RESOLVED, That the St. Louis County Board agrees to act as the sponsoring agency for a LRIP project identified as the reconditioning of Ugstad Road (MSA 101) from CSAH 6 (Maple Grove Road) to Trunk Highway 53 and Arrowhead Road from Hawk Circle Drive to Thileke Circle, and has reviewed the project application as proposed.

RESOLVED FURTHER, That sponsorship involves no County funding for the project, but includes a willingness to secure and guarantee the local share of costs associated with this project and responsibility for seeing this project through to completion, with compliance of all applicable laws, rules and regulations.

Local Road Improvement Program (LRIP) Grant Application – Alborn Township

BY COMMISSIONER _____

WHEREAS, The Local Road Improvement Program (LRIP) is a state bond funded program to finance local infrastructure projects; and

WHEREAS, The Minnesota Department of Transportation State Aid for Local Transportation Office administers the LRIP for local agencies; and

WHEREAS, Alborn Township is intending to submit an LRIP application for a rehabilitation project on Township Road 5842 (Aerie Lake Road) as authorized by Township Resolution 02012021-R; and

WHEREAS, For Alborn Township to receive LRIP funding it is required that the County act as a sponsoring agency for the LRIP project; and

WHEREAS, The estimated funding request to the LRIP is in the amount of \$350,000; and

WHEREAS, Alborn Township will be responsible for all costs not covered by LRIP including but not limited to consultant engineering and inspection, utility construction, and construction costs above the LRIP award; and

WHEREAS, Alborn Township has agreed to maintain such improvements for the lifetime of said improvements.

THEREFORE, BE IT RESOLVED, That the St. Louis County Board agrees to act as the sponsoring agency for a LRIP project identified as a rehabilitation project on Township Road 5842 (Aerie Lake Road) in Alborn Township, and has reviewed the project application as proposed.

RESOLVED FURTHER, That sponsorship involves no County funding for the project, but includes a willingness to secure and guarantee the local share of costs associated with this project and responsibility for seeing this project through to completion, with compliance of all applicable laws, rules and regulations.

**Local Road Improvement Program (LRIP) Grant Application – Greenwood
Township Birch Point Road Project**

BY COMMISSIONER _____

WHEREAS, The Local Road Improvement Program (LRIP) is a state bond funded program to finance local infrastructure projects; and

WHEREAS, The Minnesota Department of Transportation State Aid for Local Transportation Office administers the LRIP for local agencies; and

WHEREAS, Greenwood Township is intending to submit an LRIP application for a rehabilitation project on Township Road 4136 (Birch Point Road); and

WHEREAS, For Greenwood Township to receive LRIP funding it is required that the County act as a sponsoring agency for the LRIP project; and

WHEREAS, The funding request to the LRIP is in the amount of \$380,000; and

WHEREAS, Greenwood Township will be responsible for all costs not covered by LRIP including but not limited to consultant engineering and inspection, utility construction, and construction costs above the LRIP award; and

WHEREAS, Greenwood Township has agreed to maintain such improvements for the lifetime of said improvements.

THEREFORE, BE IT RESOLVED, That the St. Louis County Board agrees to act as the sponsoring agency for a LRIP project identified as a rehabilitation project on Township Road 4136 (Birch Point Road) in Greenwood Township, and has reviewed the project application as proposed.

RESOLVED FURTHER, That sponsorship involves no County funding for the project, but includes a willingness to secure and guarantee the local share of costs associated with this project and responsibility for seeing this project through to completion, with compliance of all applicable laws, rules and regulations.

**Local Road Improvement Program (LRIP) Grant Application – Morse Township
Romberg Acres Road Project**

BY COMMISSIONER _____

WHEREAS, The Local Road Improvement Program (LRIP) is a state bond funded program to finance local infrastructure projects; and

WHEREAS, The Minnesota Department of Transportation State Aid for Local Transportation Office administers the LRIP for local agencies; and

WHEREAS, Morse Township is intending to submit an LRIP application for the rehabilitation of various roadways within Romberg Acres in Morse Township; and

WHEREAS, For Morse Township to receive LRIP funding it is required that the County act as a sponsoring agency for the LRIP project; and

WHEREAS, The funding request to the LRIP is in the amount of \$450,000; and

WHEREAS, Morse Township will be responsible for all costs not covered by LRIP including but not limited to consultant engineering and inspection, utility construction, and construction costs above the LRIP award; and

WHEREAS, Morse Township has agreed to maintain such improvements for the lifetime of said improvements.

THEREFORE, BE IT RESOLVED, That the St. Louis County Board agrees to act as the sponsoring agency for a LRIP project identified as the rehabilitation of various roadways within Romberg Acres in Morse Township, and has reviewed the project application as proposed.

RESOLVED FURTHER, That sponsorship involves no County funding for the project, but includes a willingness to secure and guarantee the local share of costs associated with this project and responsibility for seeing this project through to completion, with compliance of all applicable laws, rules and regulations.

BOARD LETTER NO. 21 - 72R

FINANCE AND BUDGET COMMITTEE CONSENT NO. 6

BOARD AGENDA NO.

DATE: February 9, 2021

RE: Request for St. Louis County to
Act as Fiscal Agent for Crane
Lake Township – LCCMR
Grants

FROM: Kevin Z. Gray
County Administrator

Cristen Christensen
Finance Director

RELATED DEPARTMENT GOAL:

To provide effective, efficient finance and accounting services.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize an agreement with Crane Lake Township to act as its fiscal agent for its 2020 and 2021 Legislative-Citizen Commission on Minnesota Resources (LCCMR) grants.

BACKGROUND:

Crane Lake Township (Township) recently applied to the State of Minnesota for two LCCMR grants and has received support and a recommendation approving the application as part of the current legislative session. The Township is expected to be awarded two grants, one in the amount of \$3.1 million and the second in the amount of \$2.7 million for a campground and new national park visitor's center in Crane Lake. These projects are part of a cooperative effort between the Township, National Park Service and Department of Natural Resources. The grants approval is contingent on the Township finding a fiscal agent for the project.

The Township has approached St. Louis County and is requesting the County to act as the fiscal agent for these LCCMR grants. The LCCMR grants are reimbursement based and the Township does not have the financial resources to front the cash or the staff to handle the purchasing and accounting functions associated with these grants.

The Finance Director and Deputy Administrator have reviewed the request. Entering this agreement will result in an increased workload for both staff in the Auditors Finance

Office as well as the Purchasing Department. In order for the County's costs to be eligible for reimbursement under this grant the County must time record and bill the Township for our actual costs. Once this grant is approved the County will begin to bill the Township monthly for the costs associated with this grant. The Township will then need to approve the expenditure for it to become an eligible reimbursement under this grant.

RECOMMENDATION:

It is recommended the St. Louis County Board authorize the St. Louis County Auditor and the Purchasing Department to enter into an agreement with Crane Lake Township in order for St. Louis County to act as fiscal agent for Crane Lake Township's 2020 and 2021 LCCMR grants.

**Request for St. Louis County to Act as Fiscal Agent for Crane Lake Township's
2020 and 2021 LCCMR Grants**

BY COMMISSIONER _____

WHEREAS, Crane Lake Township (Township) applied for two Legislative-Citizen Commission on Minnesota Resources (LCCMR) grants; and

WHEREAS, The proposed campground and visitor's center project has been recommended for funding in the amount of \$3.1 million in 2020 and \$2.7 million in 2021 contingent upon the Township finding a fiscal agent for the project; and

WHEREAS, The LCCMR grants are reimbursement based and the Township does not have the financial resources to front the cash or the staff to handle the purchasing and accounting functions required of these grants; and

WHEREAS, The Township has approached St. Louis County and is requesting the County to act as the fiscal agent for the Township's 2020 and 2021 LCCMR grants; and

WHEREAS, In order for the County's costs to be eligible for reimbursement under this grant the County must time record and bill the Township for our actual costs; and

WHEREAS, Once this grant is approved the County will begin to bill the Township monthly for the costs associated with this grant and the Township will then need to approve the expenditure for it to become an eligible reimbursement under this grant;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorize the St. Louis County Auditor and the Purchasing Department to enter into an agreement with Crane Lake Township in order for St. Louis County to act as fiscal agent for the Crane Lake Township's 2020 and 2021 LCCMR grants.

BOARD LETTER NO. 21 - 73
ESTABLISHMENT OF PUBLIC HEARINGS
FINANCE & BUDGET COMMITTEE NO. 1

BOARD AGENDA NO.

DATE: February 9, 2021

RE: Establish Public Hearing to
Consider Off-Sale Intoxicating
Liquor License (Vermilion Lake
Township)

FROM: Kevin Z. Gray
County Administrator

Nancy J. Nilsen
County Auditor/Treasurer

RELATED DEPARTMENT GOAL:

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

ACTION REQUESTED:

The St. Louis County Board is requested to establish a public hearing to consider an Off-Sale Intoxicating Liquor License for an establishment located in Vermilion Lake Township.

BACKGROUND:

Neighbor's BBQ LLC has made an application for an Off-Sale Intoxicating Liquor License for the establishment known as Neighbor's BBQ, Vermilion Lake Township.

Minn. Stat. § 340A.405, Subdivision 2(d), relating to the issuance of off-sale intoxicating liquor licenses provides that "No license may be issued under this subdivision unless a public hearing is held on the issuance of the license. Notice must be given to all interested parties and to any city located within three miles of the premises to be licensed. At the hearing the county board shall consider testimony and exhibits presented by interested parties and may base its decision to issue or deny a license upon the nature of the business to be conducted and its impact upon any municipality, and the character and reputation of the applicant, and the propriety of the location."

The County Liquor Licensing Committee considered and approved the application and recommends Board approval. According to the St. Louis County Fee Schedule, this establishment is applying for an Off-Sale Intoxicating Liquor License located in Area 3 and the annual license fee is \$150.00.

RECOMMENDATION:

It is recommended that the St. Louis County Board establish a public hearing on Tuesday, March 9, 2021, at 9:40 a.m. in the Duluth Government Services Center, Duluth, MN, regarding the application for an Off-Sale Intoxicating Liquor License for Neighbor's BBQ LLC dba Neighbor's BBQ.

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

BY COMMISSIONER _____

RESOLVED, That the St. Louis County Board establishes a public hearing at 9:40 a.m., on Tuesday, March 9, 2021, in the Duluth Government Services Center, Duluth, MN, for the purpose of considering the issuance of an Off-Sale Intoxicating Liquor License to Neighbor's BBQ LLC dba Neighbor's BBQ.

BOARD LETTER NO. 21 - 76

CENTRAL MANAGEMENT & INTERGOVERNMENTAL COMMITTEE NO. 1

DATE: February 9, 2021

RE: County Health and Human
Services Office Site Lease

FROM: Kevin Z. Gray
County Administrator

Brian Fritsinger
Deputy County Administrator

RELATED DEPARTMENT GOAL:

To operate county facilities, perform 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 consider a facility lease agreement for a public health and social services facility in the City of Chisholm.

BACKGROUND:

The County has been approached by the Iron Range Resources Board and Essentia Hospital/Clinic regarding the development of a 3,500 +/- medical building to be located in the City of Chisholm. The clinics current facility in the community is in need of major upgrades and repairs and an effort has been underway to identify partners that could co-locate as part of a new larger medical center development.

Commissioner Jugovich has been an advocate for this project with two key goals in mind:

1. To retain a critically important health care presence in the community; and
2. The exploration of options for the utilization of a portion of this space by public health service providers and/or St. Louis County.

St. Louis County staff has been proactively recruiting and pursuing this opportunity with our various service providers/partners. While interest has been expressed by these providers, the lack of a developer and associated financial details have limited formal commitments.

RECOMMENDATION:

Should the St. Louis County Board support the concept of the County being an active partner in this project and increasing its presence in the City of Chisholm a resolution for its consideration is attached.

County Health and Human Services Office Site Lease

BY COMMISSIONER _____

WHEREAS, Essentia Health has identified a need for a new clinic setting in the City of Chisholm to replace its aging clinic; and

WHEREAS, St. Louis County has been approached by the Department of Iron Range Resources and Rehabilitation and Essentia Health regarding a potential medical office development in the City of Chisholm; and

WHEREAS, St. Louis County has been a leader in protecting the health of the population of the County through the present pandemic and in its long history of public health programs; and

WHEREAS, St. Louis County has provided these health programs both directly and through collaborative partnerships with a variety of private providers; and

WHEREAS, St. Louis County supports the need for quality public health systems to be available to its citizens throughout the County; and

THEREFORE, BE IT RESOLVED, That St. Louis County Board supports the efforts of the Department of Iron Range Resources and Rehabilitation, the City of Chisholm, and Essentia Health to build a new clinic and public health and social services facility in the City of Chisholm to replace the outdated clinic in that City; and

RESOLVED FURTHER, That St. Louis County will commit, through its social services or public health providers, to lease at a minimum 1,500 feet of space in this facility.

RESOLVED FURTHER, That if in the case that a provider(s) cannot be identified to lease such space, St. Louis County will begin work with City of Chisholm and the developer to identify the scope of a project including space needs, lease rates and terms as part of a lease that would accommodate County office needs.

RESOLVED FURTHER, That before any lease be entered into by the County, staff is directed to bring all terms and conditions of such lease to the Board for final consideration and action.

BOARD LETTER NO. 21 – 74

PUBLIC WORKS & TRANSPORTATION COMMITTEE NO. 1

BOARD AGENDA NO.

DATE: February 9, 2021 **RE:** Lease Agreement for Twelve Motor Graders

FROM: Kevin Z. Gray
County Administrator

James T. Foldesi
Highway Engineer/Public Works Director

RELATED DEPARTMENT GOAL:

To provide a safe, well maintained road and bridge system.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize the lease agreement for twelve John Deere Model 672GP Motor Graders from McCoy Equipment of Duluth, Minnesota.

BACKGROUND:

The Public Works Department's 2021 budget includes the lease agreement for twelve motor graders. It is recommended that the Public Works Department lease twelve motor graders from McCoy Equipment of Duluth, Minnesota. This lease will allow the Public Works Department to increase the number of dependable machines to perform maintenance operations at recommended levels.

Public Works owns forty one (41) motor graders, which make up the second largest part of the Public Works fleet. The machines are utilized in the summer to grade the County's fifteen hundred miles of gravel roads, and to scrape ice and snow from roadways, bench snow banks, and widen intersections during the winter months.

The life expectancy of a grader is approximately 12,000 hours. There are currently eleven (11) graders which have over 12,000 hours of use and there are an additional ten (10) graders with over 10,000 hours on them. Roughly half of the Public Works grader fleet is at the end of its life.

The cost of a new grader at single pricing is approximately \$300,000. The equipment budget does not currently support the purchasing of a sufficient number of graders outright to meet the impending replacement needs. Public Works engaged local vendors for creative solutions to address the issue. After extensive evaluation, a five (5)

year lease with an extended five (5) year warranty and a one (\$1) dollar purchase option at the end of the lease was determined to be the best alternative. The leasing option allows for twelve (12) motor graders to be introduced into the aging fleet while remaining fiscally responsible. This lease will provide Public Works a sufficient number of new machines to be impactful in managing the aging motor grader fleet.

Prices were received from two local vendors selling motor graders acceptable to the Department:

McCoy Equipment	\$ 54,350.00
Ziegler Inc.	\$ 59,266.75

The prices represent the cost per year to lease one machine for a five (5) year period with an extended five (5) year warranty and a one dollar (\$1) purchase option at the end of the lease period. This price also reflects a substantial volume discount for replacing ten (10) or more units.

The total cost of twelve graders over the life of the lease is:

McCoy Equipment	\$ 3,261,000.00	(\$652,200.00 per year)
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The twelve motor graders will be leased from McCoy Equipment of Duluth, Minnesota, at an annual per machine cost of \$54,350.00 (\$652,200.00/year), the cost of which is within the budgeted amount for this purpose.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the five (5) year lease of twelve (12) John Deere Model 672GP Motor Graders with an extended five (5) year warranty and a one (\$1) dollar purchase option at the end of the lease from McCoy Equipment of Duluth, Minnesota, at the annual per machine cost of \$54,350.00, for an annual total cost of \$652,200.00 and a grand total cost of \$3,261,000.00, payable from Fund 407, Agency 407001, and Object 666400.

Lease Agreement for Twelve Motor Graders

BY COMMISSIONER_____

WHEREAS, The St. Louis County Public Works Departments' budget includes the lease of twelve motor graders for maintenance operations; and

WHEREAS, The Public Works Department and Purchasing Division presented specifications and requested pricing for twelve motor graders, based on the department's needs; and

WHEREAS, The Public Works Department requested a five year lease with an extended five (5) year warranty and a one (\$1) dollar purchase option at the end of the lease in order to fit budgetary needs; and

WHEREAS, McCoy Equipment of Duluth, Minnesota, responded with the lowest price for a lease of twelve motor graders for five years with an extended five (5) year warranty and a one (\$1) dollar purchase option at the end of the lease of \$3,261,000.00.

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes the lease of twelve John Deere Model 672GP motor graders for five years with an extended five (5) year warranty and a one (\$1) dollar purchase option at the end of the lease from McCoy Equipment of Duluth, Minnesota, at the annual per machine cost of \$54,350.00, for an annual total cost of \$652,200.00 and a grand total cost of \$3,261,000.00, payable from Fund 407, Agency 407001, and Object 666400.

BOARD LETTER NO. 21 – 75

PUBLIC WORKS & TRANSPORTATION COMMITTEE NO. 2

BOARD AGENDA NO.

DATE: February 9, 2021 **RE:** Purchase of Twelve Walk n
Rollers

FROM: Kevin Z. Gray
County Administrator

James T. Foldesi
Highway Engineer/Public Works Director

RELATED DEPARTMENT GOAL:

To provide a safe, well maintained road and bridge system.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize the purchase of twelve Walk n Rollers from McCoy Equipment of Duluth, Minnesota.

BACKGROUND:

The Public Works Department's 2021 budget includes the purchase of twelve Walk n Rollers. It is recommended that the Public Works Department purchase these units from McCoy Equipment. This purchase will allow the Public Works Department the proper number of units to perform maintenance operations at recommended levels. The twelve Walk n Rollers will be purchased from McCoy Equipment of Duluth, Minnesota, at a cost of \$438,480.00, the cost of which is within that budgeted for this purpose.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the purchase of twelve Walk n Rollers from McCoy Equipment of Duluth, Minnesota, at the price of \$438,480.00, payable from Fund 407, Agency 407001, and Object 666400.

Purchase of Twelve Walk n Rollers

BY COMMISSIONER_____

WHEREAS, The Public Works Departments' budget includes the purchase of twelve Walk n Rollers for maintenance operations; and

WHEREAS, The Public Works Department and Purchasing Division presented specifications and requested pricing for twelve Walk n Rollers based on the department's needs; and

WHEREAS, McCoy Equipment of Duluth, Minnesota, responded with the lowest price for twelve Walk n Rollers of \$438,480.00.

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes the purchase of twelve Walk n Rollers from McCoy Equipment of Duluth, Minnesota, for a total cost of \$438,480.00, payable from Fund 407, Agency 407001, and Object 666400.