



AGENDA

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

Tuesday, July 28, 2015, 9:30 A.M.

**St. Louis County Courthouse
300 South Fifth Avenue
Virginia, Minnesota**

**PETE STAUBER, Chair
Fifth District**

**FRANK JEWELL
First District**

**PATRICK BOYLE
Second District**

**CHRIS DAHLBERG
Third District**

**TOM RUKAVINA
Fourth District**

**KEITH NELSON
Sixth District**

**STEVE RAUKAR, Vice-Chair
Seventh District**

County Auditor
Donald Dicklich

County Administrator
Kevin Gray

County Attorney
Mark Rubin

Clerk of the Board
Phil Chapman

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

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

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

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

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

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

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

9:40 A.M. PUBLIC HEARING, pursuant to Resolution No. 15-418, adopted July 7, 2015, to consider the issuance of an Off-Sale Intoxicating Liquor License for Ash-Ka-Nam Resort & Lodge, LLC d/b/a Ash-Ka-Nam, Unorganized Township 68-19. **{15-316}**

CONSENT AGENDA

All matters listed on 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.

REGULAR AGENDA

Environment & Natural Resources Committee – Commissioner Rukavina, Chair

1. Allocation of the 2014 and 2015 Aquatic Invasive Species Prevention Aid. **{15-311}**
2. State tax forfeited lease – Hibbing Taconite Company (Balkan Township). **{15-317}**
[Has not been to committee; requires consent of the Board to be considered.]

ADJOURNED:

**Public Hearing to Consider Off-Sale Intoxicating Liquor License
(Unorganized Township 68-19)**

BY COMMISSIONER _____

WHEREAS, Ash-Ka-Nam Resort & Lodge, LLC d/b/a Ash-Ka-Nam, Unorganized Township 68-19, St. Louis County, MN, has applied for an off-sale intoxicating liquor license; and

WHEREAS, Minn. Stat. § Section 340A.405, Subd. 2(d), requires that a public hearing be held prior to the issuance of an off-sale intoxicating liquor license; and

WHEREAS, A public hearing was held on July 28, 2015, at 9:40 a.m., in the St. Louis County Courthouse, Virginia, MN, for the purpose of considering the off-sale intoxicating liquor license; and

WHEREAS, With regard to the application for said license, Ash-Ka-Nam has complied in all respects with the requirements of Minnesota Law and St. Louis County Ordinance No. 28; and

WHEREAS, The Liquor Licensing Committee of the St. Louis County Board of Commissioners has considered the nature of the business to be conducted and the propriety of the location and has recommended approval of the application;

THEREFORE, BE IT RESOLVED, That Off-Sale Intoxicating Liquor License shall be issued to Ash-Ka-Nam Resort & Lodge, LLC d/b/a Ash-Ka-Nam, Unorganized Township 68-19, located in Area 3, and in accordance with the St. Louis County Fee Schedule the annual fee of \$150.00;

RESOLVED FURTHER, That said liquor license shall be effective July 23, 2015 through June 30, 2016;

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

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

BOARD LETTER NO. 15 - 311

ENVIRONMENTAL & NATURAL RESOURCES COMMITTEE NO. 1

BOARD AGENDA NO. 1

DATE: July 14, 2015 **RE:** Aquatic Invasive Species
Prevention Aid

FROM: Kevin Z. Gray
County Administrator

**Barbara Hayden, Director
Planning and Community Development**

RELATED DEPARTMENT GOAL:

Secure and administer federal, state and other funding which implement county policies and maximize local resources.

ACTION REQUESTED:

The St. Louis County Board is requested to award 2014 and 2015 Aquatic Invasive Species Prevention Aid and authorize contracts for all approved projects.

BACKGROUND INFORMATION:

In the 2014 legislative session, the Aquatic Invasive Species Prevention Aid program was established. The funds under this program are allocated to counties based 50 percent on each county's share of watercraft trailer launches and 50 percent on county's share of watercraft trailer parking spaces. Program funds are to be used to prevent the introduction or limit the spread of aquatic invasive species at all lake access sites within the county. St. Louis County's allocation for 2014 is \$306,356 and for 2015 is \$680,790.

In May 2015, the St. Louis County Board approved the Aquatic Invasive Species Prevention Plan (County Board Resolution No. 15-284) and authorized the Planning and Community Development Director to solicit proposals for the use of the 2014 and 2015 Aquatic Invasive Species Prevention Aid. Notification of this new program and requests for proposals were provided to all cities and townships in St. Louis County and over 80 interested parties. Proposals were due June 12, 2015.

St. Louis County contracted with Minnesota Sea Grant to develop the Aquatic Invasive Species Prevention Plan and to facilitate a technical review of proposals. Minnesota Sea Grant invited 34 reviewers with a wide variety of technical expertise to review the applications and provide comments. Based on the applications and comments, county staff has made specific funding recommendations. Attached is a list of all proposals and the county staff funding recommendation for the 2014 and 2015 Aquatic Invasive Species Program Aid.

RECOMMENDATION:

It is recommended that the St. Louis County Board allocate the 2014 and 2015 Aquatic Invasive Species Prevention Aid and authorize the Planning and Community Development Director and a representative of the County Attorney to negotiate contracts and authorize the appropriate county officials to execute contracts for all approved projects. Funds will be payable from Fund 100, Agency 109999, Grant 10910, Year 2014 and Year 2015.

Aquatic Invasive Species Prevention Aid

BY COMMISSIONER: _____

WHEREAS, In 2014 the Minnesota Legislative Session established the Aquatic Invasive Species Prevention Aid Program, Minnesota Session Law Chapter 308; and

WHEREAS, In 2015 the St. Louis County Board approved the Aquatic Invasive Species Prevention Plan (County Board Resolution No.15-284) and authorized the Planning and Community Development Director to solicit proposals for the use of the 2014 and 2015 Aquatic Invasive Species Prevention Aid; and

WHEREAS, Minnesota Sea Grant facilitated a technical review of the applications and provided comments to county staff and based on the applications and comments, county staff has formulated funding recommendations;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board approves the 2014 and 2015 Aquatic Invasive Species Prevention Aid as found in County Board File _____.

RESOLVED FURTHER, 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.

RESOLVED FURTHER, That total funds of \$895,617 will be payable from Fund 100, Agency 109999, Grant 10910, Year 2014 and Year 2015.

RESOLVED FURTHER, That the St. Louis County Board will continue this project application process for Aquatic Invasive Species Prevention Aid for future years provided the State of Minnesota continues to fund the program.

RESOLVED FURTHER, That should State of Minnesota funding for the Aquatic Invasive Species Prevention Aid Program be discontinued, funding for the program shall not be the responsibility of St. Louis County taxpayers.

Aquatic Invasive Species Prevention Aid St. Louis County AIS Applications

Received by 06/12/2015 - Updated 7/17/2015

Applicant	Total Project Cost	AIS Request	Funding Recommendation	Description	Staff Comments
City of Babbitt	\$630,000	\$150,000	\$50,000	Construction of new boat access at Birch Lake, Babbitt Recreation Area. Design to incorporate drainage diversion into storm sewers, and boat/vehicle/trailer cleaning area.	Applicant should secure funding from the DNR. AIS funding could be used in the future if proposal uses DNR AIS best management practices.
Star Tribune	\$20,000	\$20,000	\$0	Broaden public awareness and knowledge of AIS through georeferenced digital and print media targeted to St. Louis County.	Recommended that comprehensive media outreach be coordinated countywide by Wildlife Forever or applicant works on a regional initiative.
Sportsmen's Club of Lake Vermilion, Inc.	\$339,935	\$294,385	\$285,885	Launch site inspection/education. Launch site decontamination, AIS sampling and habitat assessment, public awareness and education.	Reduced by \$8,500 for billboards; encourage club to work with Wildlife Forever on placement and use of the Sportsmen's Club logo. Sportsmen Club is also working with other lake associations.
North St. Louis SWCD	\$67,700	\$62,700	\$60,000	Purchase of decontamination unit and related labor and equipment costs. Collaboration with Sportsmen's Club of Lake Vermilion in 2016 and additional areas of St. Louis County in future years.	Reduced by \$2,700. North St. Louis SWCD will not be using AIS funding to purchase pick-up truck.
Izaak Walton League of America - Minnesota Div.	\$150,000	\$100,000	\$0	Freshwater testing of Rapid Response Mobile Ballast Water Treatment System for use in Lake Superior harbors.	Unique approach to ballast water treatment. Applicant should work with pertinent federal agencies to build consensus on project. Ballast water treatment is an international challenge. The proposed research should be conducted within the protocols established by the US Coast Guard and Environmental Protection Agency. Timing may be more appropriate in the future as alternative funding is being sought.
Natural Resources Research Institute University of MN Duluth	\$61,541	\$61,541	\$61,541	AIS introduction risk assessment for St. Louis County. Utilizing GIS and spatial analysis to determine risk potential by waterbody.	Provides an AIS assessment tool specifically for St. Louis County.
Natural Resources Research Institute University of MN Duluth	\$77,499	\$77,499	\$0	Feasibility study of Virkon Aquatic Disinfectant at Waterbody Accesses. Testing on St. Louis County AIS species and design and test portable filter for safe usage at public access sites.	MN DNR and federal Aquatic Nuisance Species Task Force's Recreational Activities Committee does not support Virkon as a boat disinfectant. Proposal is to test the effectiveness of a commercial product not specific to St. Louis County.

Natural Resources Research Institute University of MN Duluth	\$64,740	\$64,740	\$64,740	Baseline surveys and geospatial modeling of AIS plants in St. Louis County. Field sampling, remote sensing, and Invasion Corridor Analysis will result in statistical models and a map of invasion risk.	Proposal provides AIS surveys and GIS modeling specifically for St. Louis County.
Wildlife Forever	\$137,000	\$107,000	\$107,000	Public awareness and targeted media outreach. Billboards, Radio, Print, TV, and signage/brochures targeting boaters, anglers, hunters, and other users of St. Louis County waterbodies.	Proposal provides a coordinated countywide AIS media campaign.
St. Louis River Alliance	\$55,380	\$48,380	\$48,380	AIS Sentry Program. Develop a training program and manual to empower residents and volunteers to recognize and report AIS. St. Louis River and other St. Louis County lakes.	Comprehensive training program for the St. Louis River Alliance and available throughout St. Louis County. Local implementation of state effort for monitoring.
St. Louis River Alliance	\$151,000	\$70,000	\$70,000	St. Louis River Estuary NonNative Phragmites Control. Establish a technical team to identify and implement management of nonnative phragmites in the St. Louis River Estuary.	Proposal is recommended for funding provided some additional information is provided on partner commitment.
Sand Lake Association	\$12,000	\$10,000	\$0	Newsletter, signage, and educational expenses for Sand Lake Association efforts on AIS.	A portion of St. Louis County administrative funds will be made available to lake associations for signage and education efforts. This will be available for Sand Lake and other lake associations. Sand Lake is primarily dealing with native plants.
Subtotal	\$1,766,795	\$1,066,245	\$747,546		
Administration 2014		\$45,953	\$45,953	Costs for county to administer the program.	Administrative funds will be used for program administration, contract management and reporting. A portion of the funding will be contracted to Sea Grant to cover technical assistance and for assistance to lake associations with signage and education.
Administration 2015		\$102,118	\$102,118	Costs for county to administer the program.	Funds will also be used by County Sheriff to increase water and landing patrols for AIS purposes. AIS enforcement will remain the primary function of the DNR.
Total	\$1,766,795	\$1,214,316	\$895,617		

BOARD LETTER NO. 15 - 317

ENVIRONMENT & NATURAL RESOURCES COMMITTEE

JULY 28, 2015 BOARD AGENDA NO. 2

DATE: July 28, 2015

RE: State Tax Forfeited Lease –
Hibbing Taconite Company
(Balkan Township)

FROM: Kevin Z. Gray
County Administrator

Mark Weber, Director
Land and Minerals

Donald Dicklich
County Auditor/Treasurer

RELATED DEPARTMENTAL GOAL:

Providing raw material for local industry.

ACTION REQUESTED:

The St. Louis County Board is requested to authorize a lease to Hibbing Taconite Company, a Minnesota joint venture, on state tax forfeited land located in Balkan Township.

BACKGROUND:

Hibbing Taconite Company has requested to lease 21 acres of state tax forfeited land for mining purposes. This is a unique request in that the mineral rights on these parcels are privately owned, but must be accessed through the tax forfeited parcels for mine expansion. The Land and Minerals Department will be compensated for surface disturbance and land rental. Discussions to date have focused on a land lease term of up to twenty-five (25) years.

The Land and Minerals Department recommends that the parcels be retained in State ownership rather than sold or exchanged. These parcels may be critical in providing tax forfeited surface lands for stockpiling material from future tax forfeited mineral leases which have recently been requested in the area.

The proposed surface disturbance fee of \$20,700 is based on the estimated market value of the parcels, and includes \$4,350 in timber damages. The suggested land rental fee of \$1,650/year (beginning in year two) was calculated using 7.9 percent of the land value, and is based on a formula used by the Minnesota Department of Natural Resources for

surface leases.

The execution of the lease agreement with Hibbing Taconite is time sensitive. The company wishes to clear timber and perform surface preparation beginning August 1, 2015. The company would like to move a surface shovel into the area in August, and remove the surface material by October 31, 2015.

Minn. Stat. § 282.04, Subd. 1(f) authorizes the county auditor to lease state tax forfeited land for the depositing of stripping, lean ores, tailings, or waste products from mines, or to use for a buffer area needed for a mining operation, upon the conditions and for the consideration and for the period of time, not exceeding 25 years, as the county board may determine. The lease is subject to the approval of the Commissioner of the Minnesota Department of Natural Resources.

RECOMMENDATION:

It is recommended that the St. Louis County Board authorize the County Auditor to enter into a lease agreement with Hibbing Taconite Company, a Minnesota joint venture, not to exceed 25 years, which shall be subject to a surface disturbance fee of \$20,700 plus an annual lease fee of \$1,650 to be deposited into Fund 240 (Forfeited Tax Fund).

State Tax Forfeited Lease – Hibbing Taconite Company (Balkan Township)

BY COMMISSIONER _____

WHEREAS, Minn. Stat. § 282.04, Subd. 1(f) authorizes the county auditor to lease state tax forfeited land for the depositing of stripping, lean ores, tailings, or waste products from mines, or to use for a buffer area needed for a mining operation, upon the conditions and for the consideration and for the period of time, not exceeding 25 years, as the county board may determine, and subject to the approval of the Commissioner of Natural Resources; and

WHEREAS, Hibbing Taconite Company, a Minnesota joint venture, has requested to lease state tax forfeited surface lands for mining purposes described as follows:

1. THAT PART OF SW 1/4 OF SW 1/4 LYING S OF GLEN ROAD AND W OF THE STATE HIGHWAY SURFACE ONLY, SECTION 29, TOWNSHIP 58 NORTH, RANGE 20 WEST; PARCEL 235-0020-00110
2. THAT PART OF SW 1/4 OF SW 1/4 LYING S OF GLEN ROAD AND E OF THE STATE HIGHWAY SURFACE ONLY, SECTION 29, TOWNSHIP 58 NORTH, RANGE 20 WEST; PARCEL 235-0020-00120
3. THAT PART OF SW 1/4 OF SW 1/4 LYING N OF GLEN ROAD AND E OF THE STATE HIGHWAY SURFACE ONLY, SECTION 29, TOWNSHIP 58 NORTH, RANGE 20 WEST; PARCEL 235-0020-00100; and

WHEREAS, The St. Louis County Land and Minerals Department has reviewed the request and recommends entering into a lease agreement with Hibbing Taconite Company subject to payment of \$20,700 surface disturbance fee plus an annual land use lease fee of \$1,650 for a term not to exceed 25 years;

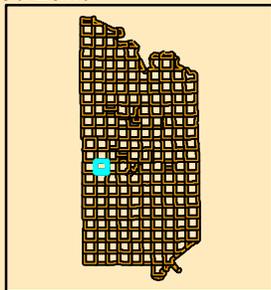
THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes the County Auditor to enter into a lease agreement with Hibbing Taconite Company, a Minnesota joint venture, not to exceed 25 years and subject to a first year surface disturbance fee of \$20,700 plus an annual land use lease fee of \$1,650 beginning in the second year, to be deposited into Fund 240 (Forfeited Tax Fund), and subject to the terms and conditions set forth in a lease agreement;

RESOLVED FURTHER, That the lease with Hibbing Taconite Company, a Minnesota joint venture, shall be subject to the approval of the Commissioner of the Minnesota Department of Natural Resources.



4th Commissioner District

- State Tax Forfeited Land
- Water
- Road



St. Louis County, Minnesota

Lease Granted From County

THAT PART OF SW 1/4 OF SW 1/4 LYING S OF GLEN ROAD AND W OF THE STATE HIGHWAY SURFACE ONLY PARCEL 235-0020-00110

THAT PART OF SW 1/4 OF SW 1/4 LYING S OF GLEN ROAD AND E OF THE STATE HIGHWAY SURFACE ONLY PARCEL 235-0020-00120

THAT PART OF SW 1/4 OF SW 1/4 LYING N OF GLEN ROAD AND E OF THE STATE HIGHWAY SURFACE ONLY PARCEL 235-0020-00100

This drawing is neither a legally recorded map nor a survey and is not intended to be used as such. This drawing is a compilation of recorded information and data located in various city, county, state and federal offices. St. Louis County is not responsible for any incorrectness herein.

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