



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

**August 2, 2016**

**Immediately following the Board Meeting, which begins at 9:30 A.M.**  
**Commissioners' Conference Room, St. Louis County Courthouse, Duluth, MN**

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**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 July 26, 2016**

**Health & Human Services Committee, Commissioner Boyle, Chair**

1. Acceptance of Grant from the Carlton-Cook-Lake-St. Louis Community Health Board for Public Health Emergency Preparedness Funding [16-343]

**Environment & Natural Resources Committee, Commissioner Rukavina, Chair**

2. Special Sale to the City of Mountain Iron [16-344]
3. Repurchase of State Tax Forfeited Land – Klande (Homestead) [16-345]
4. Repurchase of State Tax Forfeited Land – Janke (Non-Homestead) [16-346]

**Public Works & Transportation Committee, Commissioner Stauber, Chair**

5. Award of Bid: Grader Blades, Cutting Edges, Pick Blades and Bits [16-347]
6. Agreements for Public Land Survey System Surveying Projects [16-348]

**Finance & Budget Committee, Commissioner Nelson, Chair**

7. Lawful Gambling Application (Unorganized Township 59-16) [16-349]
8. Execute 2016 HUD Contracts – CDBG, HOME and ESG Entitlement Grants [16-350]
9. Tax Court Expert Appraisal Contract [16-351]

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**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.*

**Environment & Natural Resources Committee, Commissioner Rukavina, Chair**

1. **Accept Designation as the Responsible Government Unit for Environmental Review of the Proposed Louisiana-Pacific Siding Manufacturing Facility and Amend the St. Louis County Environmental Impact Statements Policy [16-352]**  
Resolution authorizing St. Louis County to act as the RGU for a proposed manufacturing facility and to amend the St. Louis County Environmental Impact Statement Policy.

**Finance & Budget Committee, Commissioner Nelson, Chair**

1. **Purchase of Property and Related Insurance [16-353]**  
Resolution authorizing the purchase of insurance for county properties at a discounted rate for 2016, 2017 and 2018.
2. **Purchase of Parcels from the City of Virginia [16-354]**  
Resolution authorizing the purchase of four city lots adjacent to the County Motor Pool in Virginia.

3. **Advertisement and Request for Proposals for Sale of the Northland Office Center (Virginia) [16-355]**  
Resolution authorizing the solicitation of proposals for the purchase of the Northland Office Center in Virginia.
4. **Purchase of Parcel Adjacent to Camp Esquagama [16-356]**  
Resolution authorizing the purchase of a 7.8 acre parcel which is adjacent to Camp Esquagama.

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**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:**

**August 9, 2016** City Council Chambers, 401 East 21<sup>st</sup> Street, Hibbing, MN

**September 6, 2016** St. Louis County Courthouse, Duluth, MN

**September 13, 2016** St. Louis County Courthouse, 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 Property Management (218-725-5085) early so necessary arrangements can be made.*

# COMMITTEE OF THE WHOLE ST. LOUIS COUNTY BOARD OF COMMISSIONERS

July 26, 2016

Location: Mt. Iron Community Center, Mt. Iron, Minnesota

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

Absent: None

Convened: Chair Raukar called the meeting to order at 1:13 p.m.

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## CONSENT AGENDA

Commissioner Dahlberg stepped out of the meeting at 1:14 p.m.

Nelson/Jewell moved to approve the consent agenda without Item #9, 2016 Second Quarter Budget Changes. [16-334]. The motion passed. (6-0, Dahlberg absent)

- Minutes of July 12, 2016
- Acceptance of Funds for 2016 MFIP Innovation Fund Grant for the Young Parent Education Project [16-326]
- Approval of Registered Land Survey No. 133 (Beatty Township) [16-327]
- Authorization to Apply to the MN Board of Water & Soil Resources for an SSTS Abatement Grant [16-328]
- Repurchase of State Tax Forfeited Land – Potter (Homestead) [16-329]
- Special Sale to the City of Floodwood [16-330]
- Agreement with the St. Louis and Lake Counties Regional Railroad Authority – Mesabi Trail Project (Eagles Nest Township) [16-331]
- Agreement with the City of Duluth for the Reconstruction of Commonwealth Avenue [16-332]
- Lawful Gambling Application (Floodwood Township) [16-333]
- Property Acquisition for Government Services Center-Virginia [16-335]
- Abatement List for Board Approval [16-336]
- Reallocation of a Technical Services Analyst I to a Technical Services Coordinator [16-337]

Commissioner Dahlberg returned to the meeting at 1:16 p.m.

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## Finance & Budget Committee

Stauber/Jewell moved to authorize the appropriate county officials to enter into a construction contract, and any amendments authorized by the County Attorney, with Johnson Wilson Constructors of Duluth, MN, for the Sheriff's South Rescue Squad facility large equipment storage building project in an amount of \$397,700. [16-338]. The motion passed. (7-0)

Nelson/Raukar moved to approve the 2016 Second Quarter Budget. [16-334]. Commissioner Nelson requested that County Administration place quarterly budget changes on the regular agenda going forward. The motion passed without recommendation. (7-0)

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## **COMMISSIONER DISCUSSION ITEMS AND REPORTS**

Commissioner Nelson discussed the dedication of the North St. Louis County Rescue Squad building and mentioned that one of the founding members of the Rescue Squad attended the ceremony.

Commissioner Rukavina commended the work of the St. Louis County Rescue Squad and asked that consideration be given to building a Rescue Squad facility in the Ely area.

Chair Raukar said that he and Administrator Gray participated in the Minnesota Transportation Roundtable. Administrator Gray indicated that there were approximately fifteen panel members and provided the Committee with an overview of discussion points

Commissioner Nelson informed the Committee that the dedication of the Mike Forsman Public Works Facility will take place on August 12, 2016, at a time to be determined.

Chair Raukar mentioned that today is his wife's birthday. He quoted a song by The Beatles, "Will you still love me, will you still need me, when I'm sixty-four."

Commissioner Rukavina thanked Commissioner Nelson and Commissioner Stauber for attending the Twin Metals hearing.

At 1:31 p.m., Nelson/Jewell moved to adjourn the Committee of the Whole meeting. The motion passed. (7-0)

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Steve Raukar, Chair of the County Board

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Phil Chapman, Clerk of the County Board



Louis County for the period of July 1, 2016 through June 30, 2017 is in the amount of \$95,143.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board accept funding from the Community Health Board in the amount of \$95,143 for the period of July 1, 2016 through June 30, 2017, to be accounted for in Fund 230, Agency 233999, Grant 23601, Year 2016.

Budget Reference:

PHEP Grant            July 1, 2016-June 30, 2017

Expenditures:        230-233999-610000-23601-99999999-2016

230-233999-633100-23601-99999999-2016

Revenues:            230-233999-540241-23601-99999999-2016

**Acceptance of Grant from Carlton-Cook-Lake-St. Louis Community Health Board  
for Public Health Emergency Preparedness Funding**

BY COMMISSIONER \_\_\_\_\_

WHEREAS, The State of Minnesota has received funds from the Centers for Disease Control and Prevention (CDC) for the period of July 1, 2013 through June 30, 2017 to assess and enhance the capacity of the state and local health departments to respond to bio-terrorism, infectious diseases, and other threats to public health and has allocated these funds to Community Health Boards; and

WHEREAS, The citizens of the four-county region will be better served due to the work done through the Community Health Board and this CDC grant to ensure the region is prepared to respond to public health threats; and

WHEREAS, The grant funding awarded to St. Louis County for the period July 1, 2016 through June 30, 2017 is in the amount of \$95,143; and

THEREFORE, BE IT RESOLVED, That the St. Louis County Board accepts funding from the Community Health Board in the amount of \$95,143 for the period July 1, 2016 through June 30, 2017.

**Budget References:**

PHEP Grant: July 1, 2016-June 30, 2017

Expenditures: 230-233999-610000-23601-99999999-2016  
230-233999-633100-23601-99999999-2016

Revenues: 230-233999-540241-23601-99999999-2016

GRANT APPROVAL FORM

GRANT NAME: Public Health Emergency P GRANT AMOUNT: \$95,143  
 GRANTOR: MN Dept. of Health MATCH AMOUNT: 0  
 FUND: 230 AGENCY: 233999 GRANT: 23601 GRANT YEAR: 2016  
 AGENCY NAME: Public Health and Human Services  
 CONTACT PERSON: Amy Westbrook PHONE: 725-5267  
 GRANT PERIOD: BEGIN DATE: July 1, 2016 END DATE: June 30, 2017  
 STATE GRANT AWARD NUMBER OR FEDERAL CFDA # \_\_\_\_\_

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

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

**GRANTS OF \$25,000 OR LESS**

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

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

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

YES  NO

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

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

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

**NEW GRANTS GREATER THAN \$25,000**

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

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

YES  NO

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

County Auditor \_\_\_\_\_ Date: \_\_\_\_\_  
County Administrator \_\_\_\_\_ Date: \_\_\_\_\_

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

**RECURRING GRANTS GREATER THAN \$25,000**

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

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

YES  NO

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

County Auditor Nancy Nyloen Date: 7/27/16  
County Administrator Carl J. Kenney Date: 7/26/16

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



## Special Sale to the City of Mountain Iron

BY COMMISSIONER \_\_\_\_\_

WHEREAS, The City of Mountain Iron has requested to purchase the following described state tax forfeited land for the price of \$5,772.50, plus fees, for a public purpose:

Legal: Lot 8, Block 7  
Merritts First Addition to Mountain Iron  
Parcel Code: 175-0020-00840  
Acres: 0.14  
LDKey: 117937

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

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

WHEREAS, This parcel of land has been classified as non-conservation land pursuant to Minnesota Stat. § 282.01;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board approves the sale of state tax forfeited land, as described, to the City of Mountain Iron for the price of \$5,000 plus the following fees: 3% assurance fee of \$150, deed fee of \$25, deed tax of \$16.50, and recording fee of \$46, and appraisal fee of \$535; for a total of \$5,772.50 to be deposited into Fund 240 (Forfeited Tax Fund).

RESOLVED FURTHER, That the St. Louis County Auditor may offer for sale at public auction the state tax forfeited land described here if the City of Mountain Iron does not purchase the land by December 31, 2016.



# CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

PHONE: 218-748-7570 • FAX: 218-748-7573 • www.mtniron.com  
8586 ENTERPRISE DRIVE SOUTH • MOUNTAIN IRON, MN • 55768-8260

## RESOLUTION NUMBER 14-16

### AUTHORIZING THE AQUISITION OF CERTAIN PROPERTY

**WHEREAS**, the City Council has heretofore determined that it is beneficial to the City of Mountain Iron to acquire certain tax forfeit property from St. Louis County for a public purpose, and

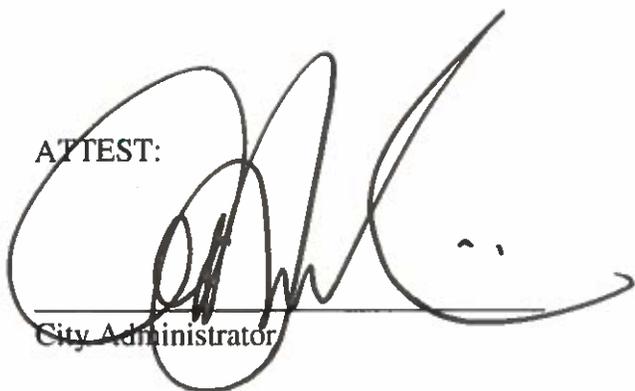
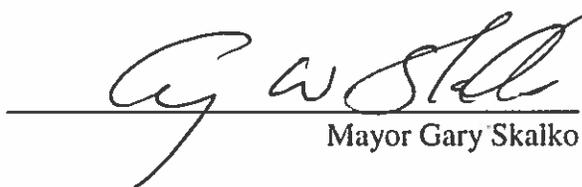
**WHEREAS**, the City of Mountain Iron has a sewer main running through the parcel being requested.

**NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF MOUNTAIN IRON, MINNESOTA**, that the City of Mountain Iron requests that Saint Louis County begin the process to allow the City to acquire the following described real estate:

Lot 8 Block 7 of the Merritts First Addition to Mountain Iron  
175-0020-00840  
Quartz Street, Mountain Iron

**DULY ADOPTED BY THE CITY COUNCIL THIS 7<sup>th</sup> DAY OF MARCH, 2016**

ATTEST:

  
\_\_\_\_\_  
City Administrator  
\_\_\_\_\_  
Mayor Gary Skalko



# St. Louis County Land & Minerals Department Tax Forfeited Land Sales

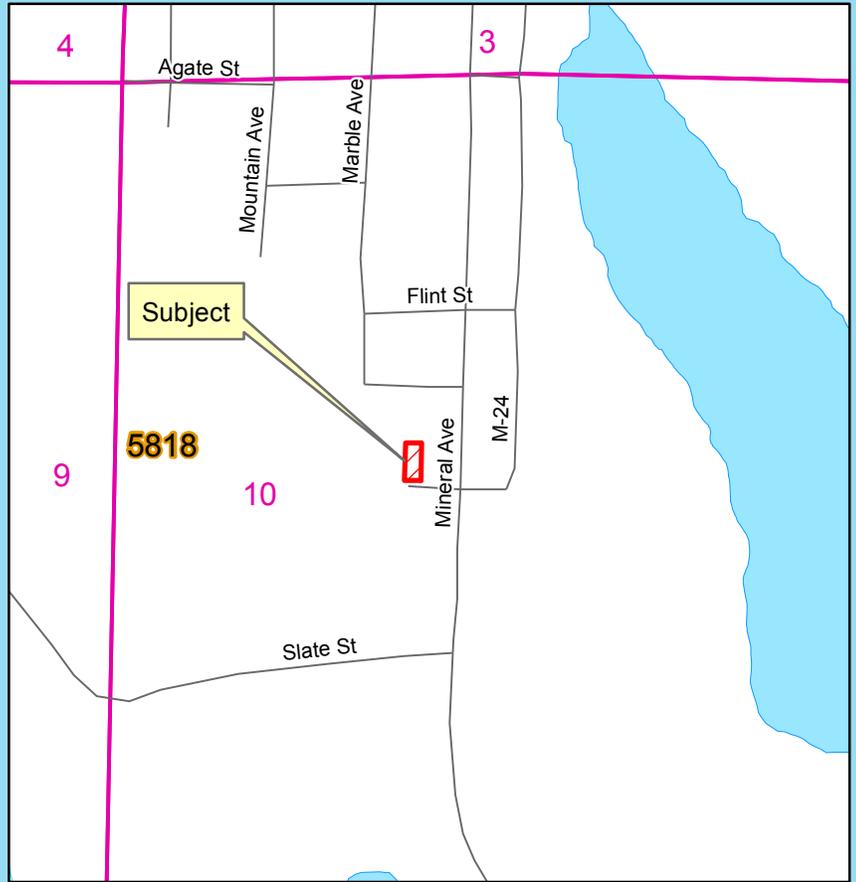
## Special Sale

Legal : CITY OF MT IRON  
LOT: 0008 BLOCK:007  
MERRITTS 1ST ADDITION TO MOUNTAIN  
IRON

Parcel Code : 175-0020-00840

LDKEY : 117937

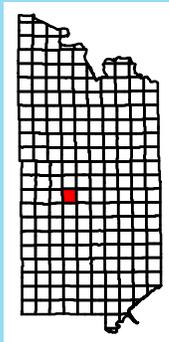
Acres: .14



City of Mt Iron      Sec: 10 Twp: 58 Rng: 18

### Commissioner District # 6

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



St. Louis County, Minnesota

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



2016



2003 NAIP Photo



**Timothy Klande and Jennifer Klande, Duluth, MN**

Parcel Code	010-3510-02810
Taxes and Assessments	\$11,890.21
Service Fees	\$114.00
Deed Tax	\$39.24
Deed Fee	\$25.00
Recording Fee	\$92.00
Eviction Costs	\$322.00
Total Consideration	\$12,482.45

**Repurchase of State Tax Forfeited Land – Klande (Homestead)**

BY COMMISSIONER: \_\_\_\_\_

WHEREAS, Minn. Stat. § 282.241 provides that state tax forfeited land may be repurchased by the previous owners subject to payment of delinquent taxes and assessments, with penalties, costs, and interest; and

WHEREAS, The applicants, Timothy Klande and Jennifer Klande of Duluth, MN, have applied to repurchase state tax forfeited land legally described as:

CITY OF DULUTH  
LOT 24 AND SLY 1/2 OF LOT 25, BLOCK 13  
NORTONS FAIRMOUNT PARK DIV OF DULUTH  
010-3510-02810

WHEREAS, The applicants were the owners of record at the time of forfeiture and are eligible to repurchase the property; and

WHEREAS, Approving the repurchase will correct undue hardship and promote the use of lands that will best serve the public interest;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board approves the repurchase application by Timothy Klande and Jennifer Klande of Duluth, MN, on file in County Board File No.\_\_\_\_, subject to payments including total taxes and assessments of \$11,890.21, service fee of \$114, deed tax of \$39.24, deed fee of \$25, recording fee of \$92, and eviction costs of \$322; for a total of \$12,482.45, to be deposited into Fund 240 (Forfeited Tax Fund).

APPLICATION FOR REPURCHASE OF TAX FORFEITED LANDS

Pursuant to Minnesota Statutes 1986, Section 282.241, as amended by Chapter 268, Laws of 1987.

TO THE COUNTY BOARD AND COUNTY AUDITOR OF ST. LOUIS COUNTY, MINNESOTA:

The undersigned, Timothy & Jennifer Klande, hereby makes application to repurchase from the State of Minnesota the following described land, pursuant to Minnesota Statutes 1987, Section 282.241, as amended; said land is situated in St. Louis County, Minnesota, and more particularly described as follows:

CITY OF DULUTH, LOT 24 AND SLY 1/2 OF LOT 25, BLOCK 13, NORTONS FAIRMOUNT PARK DIV OF DULUTH

Applicant states and shows that at the time of the forfeiture to the State, he/she was (please check one):

- the owner
- heir(s) of the owner
- the representative of the owner
- the person to whom the right to pay taxes is given by statute, to wit:
- designating under what claim of right, whether mortgage or otherwise the right is exercised

That such taxes became delinquent in 2009 and remained delinquent and unpaid for the subsequent years of: 2010,2011,2012,2014,2015

That pursuant to Minnesota Statutes, the total cost of repurchase \$11,777.89 which is the greater value of all delinquent taxes and assessments computed under Section 282.241, together with all accrued interest and penalties, including fees. Please contact our office at 218-726-2606 for the current amount due which increases monthly.

That a hardship would result to the petitioner unless said repurchase is allowed, for the reason that: applicant to state reasons why taxes were not paid.

Ex husband did not keep up with bills

Please check the appropriate box below:

- There are one or more wells on this property (See enclosed well disclosure information sheet)
- No change since last well certificate  Well disclosure completed - \$50.00 enclosed
- There are no wells on this property

APPLICANT REQUESTS THAT REPURCHASE BE MADE IN THE NAME OF:

Name (s): Jennifer Klande

Are you currently in active military service? \_\_\_\_\_

If you have been discharged within the last 6 months, provide discharge date \_\_\_\_\_ and documentation. Applicant offers to pay upon such repurchase, by check or money order, as directed by the St. Louis County Board, the full price of repurchase as stated above, the terms of which will be stated by the contract and required by law.

Dated: June 30 20 16

By: Jennifer Klande (Signature)

Address: 409 N 77th Ave  
City: Duluth State: MN Zip: 55807  
Phone: 218-940-1064



# St. Louis County Land & Minerals Department Tax Forfeited Land Sales

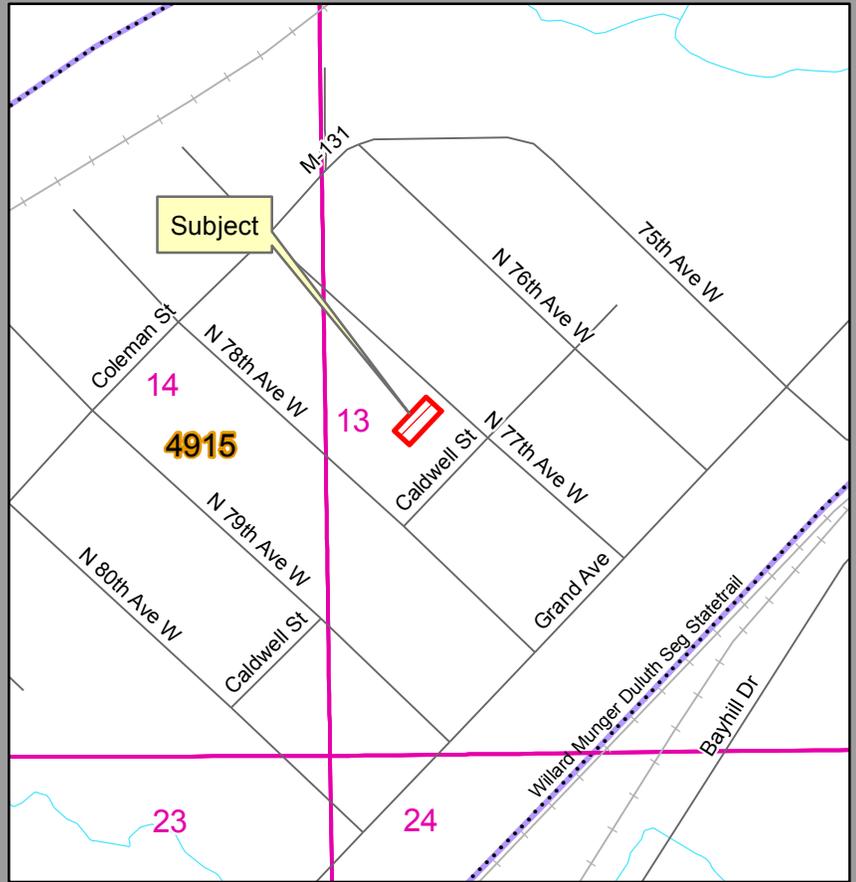
## Repurchase of Property

Legal : CITY OF DULUTH  
LOT 24 AND SLY 1/2 OF LOT 25,  
BLOCK 13, NORTONS FAIRMOUNT  
PARK DIV OF DULUTH

Parcel Code : 010-3510-02810

LDKEY : 121946

Address: 409 N 77TH AVE W  
DULUTH 55807

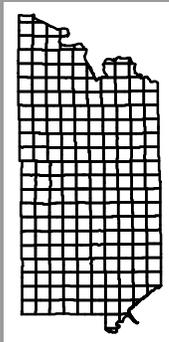


City of Duluth

Sec: 13 Twp: 49 Rng: 15

### Commissioner District # 3

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



St. Louis County, Minnesota

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



2016



2003 NAIP Photo



**Paula Janke, Alborn, MN**

Parcel Code	205-0010-04342
Taxes and Assessments	\$7,909.00
Service Fees	\$114.00
Deed Tax	\$26.10
Deed Fee	\$25.00
Recording Fee	\$46.00
Well	\$50.00
Court Cost	\$322.00
Total Consideration	\$8,492.10

**Repurchase of State Tax Forfeited Land – Janke (Non-Homestead)**

BY COMMISSIONER: \_\_\_\_\_

WHEREAS, Minn. Stat. § 282.241 provides that state tax forfeited land may be repurchased by the previous owner(s) subject to payment of delinquent taxes and assessments, with penalties, costs, and interest; and

WHEREAS, The applicant, Paula Janke of Alborn, MN, has applied to repurchase state tax forfeited land legally described as:

TOWN OF ALBORN  
S1/2 OF N1/2 OF NE1/4 OF SE1/4  
SEC 24 TWP 52 RGE 18  
205-0010-04342

WHEREAS, The applicant was the owner of record at the time of forfeiture and is eligible to repurchase the property; and

WHEREAS, Approving the repurchase will correct undue hardship and promote the use of lands that will best serve the public interest;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board approves the repurchase application by Paula Janke of Alborn, MN, on file in County Board File No.\_\_\_\_, subject to payments including total taxes and assessments of \$7,909, service fee of \$114, deed tax of \$26.10, deed fee of \$25, recording fee of \$46, well \$50, and court cost \$322; for a total of \$8,492.10, to be deposited into Fund 240 (Forfeited Tax Fund).

APPLICATION FOR REPURCHASE OF TAX FORFEITED LANDS

Pursuant to Minnesota Statutes 1986, Section 282.241, as amended by Chapter 268, Laws of 1987.

TO THE COUNTY BOARD AND COUNTY AUDITOR OF ST. LOUIS COUNTY, MINNESOTA:

The undersigned, Paula Janke, hereby makes application to repurchase from the State of Minnesota the following described land, pursuant to Minnesota Statutes 1987, Section 282.241, as amended; said land is situated in St. Louis County, Minnesota, and more particularly described as follows:

TOWN OF ALBORN, S1/2 OF N1/2 OF NE1/4 OF SE1/4, Sec 24 Twp 52 Rge 18

Applicant states and shows that at the time of the forfeiture to the State, he/she was (please check one):

- the owner
- heir(s) of the owner
- the representative of the owner
- the person to whom the right to pay taxes is given by statute, to wit:
- designating under what claim of right, whether mortgage or otherwise the right is exercised

That such taxes became delinquent in 2009 and remained delinquent and unpaid for the subsequent years of: 2010,2011,2012,2013,2014,2015

That pursuant to Minnesota Statutes, the total cost of repurchase \$ 8,442.10 which is the greater value of all delinquent taxes and assessments computed under Section 282.241, together with all accrued interest and penalties, including fees. Please contact our office at 218-726-2606 for the current amount due which increases monthly.

That a hardship would result to the petitioner unless said repurchase is allowed, for the reason that: applicant to state reasons why taxes were not paid.

Didn't realize not being paid. My son living there

Please check the appropriate box below:

- There are one or more wells on this property (See enclosed well disclosure information sheet)
- No change since last well certificate
- Well disclosure completed - \$50.00 enclosed
- There are no wells on this property

APPLICANT REQUESTS THAT REPURCHASE BE MADE IN THE NAME OF:

Name (s):

Are you currently in active military service? NO

If you have been discharged within the last 6 months, provide discharge date \_\_\_\_\_ and documentation.

Applicant offers to pay upon such repurchase, by check or money order, as directed by the St. Louis County Board, the full price of repurchase as stated above, the terms of which will be stated by the contract and required by law.

Dated: 7/6 20 16

By: Paula Janke (Signature)

Address: 6383 Stony Brook Rd  
City: Albion State: MN Zip: 55702  
Phone: (218) 590-3311



# St. Louis County Land & Minerals Department Tax Forfeited Land Sales

## Repurchase of Property

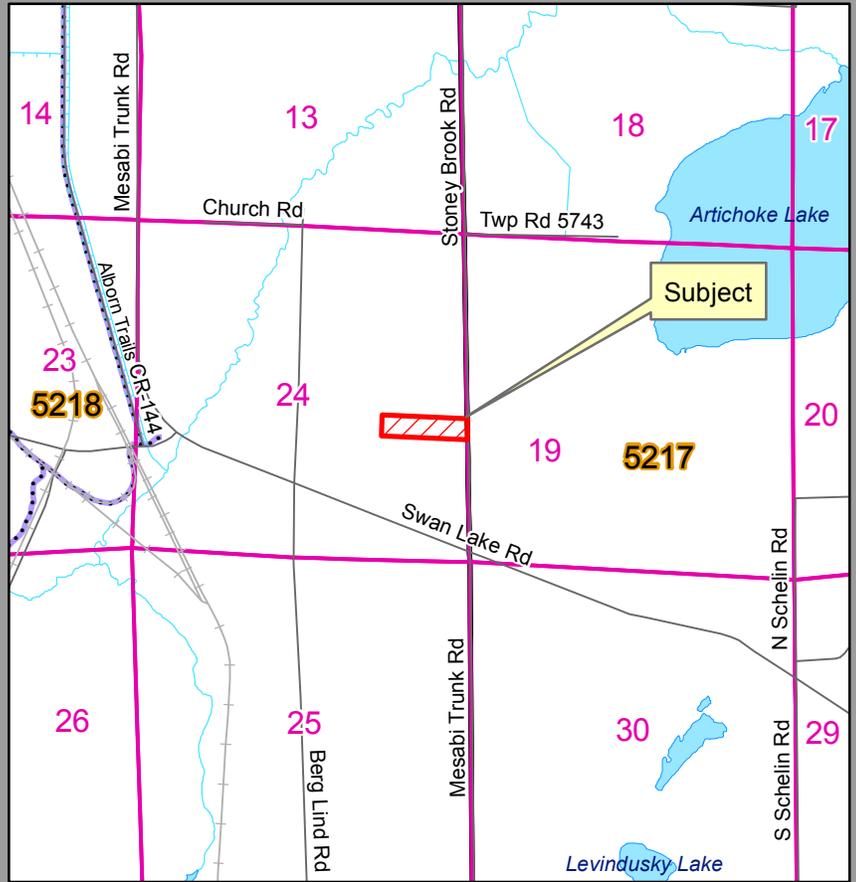
Legal : TOWN OF ALBORN  
S1/2 OF N1/2 OF NE1/4 OF SE1/4  
Sec 24 Twp 52 Rge 18

Parcel Code : 205-0010-04342

LDKEY : 122079

Acres: 10.0

Address: 6383 STONEY BROOK RD  
ALBORN 55702

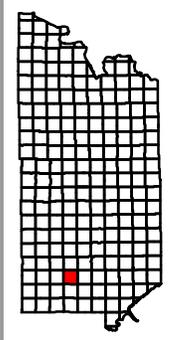


Town of Alborn

Sec: 24 Twp: 52 Rng: 18

### Commissioner District # 7

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



St. Louis County, Minnesota

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

2016



2003 NAIP Photo



**RECOMMENDATION**

It is recommended that the St. Louis County Board authorize the purchase of Category 1 and Category 4 from Ziegler of Duluth, MN, for an estimated amount of \$47,422.94, Category 2 from H & L Mesabi of Hibbing, MN, for an estimated amount of \$113,794.84, and Category 3 from Titan Machinery of Hermantown, MN, for an estimated amount of \$39,545.05. The total estimated amount of \$200,762.84 payable from Fund 200, Agency 207001, Object 657000.

**Award of Bid: Grader Blades, Cutting Edges, Pick Blades and Bits**

BY COMMISSIONER \_\_\_\_\_

WHEREAS, The Public Works Department's 2016 budget includes replacement of grader blades, cutting edges, plow shoes, pick blades, bits, and carbide blades; and

WHEREAS, The Purchasing Division issued a Request for Bids for this purchase; and

WHEREAS, Ziegler of Duluth, MN, submitted the low bid meeting specifications for Category 1 and Category 4 (grader blades and carbide insert cutting edges) in the amount of \$47,422.94; and

WHEREAS, H & L Mesabi, Hibbing, MN, submitted the low bid meeting specifications for Category 2 (wing blades, one way blades and snow plow and wing shoes) in the amount of \$113,794.85; and

WHEREAS, Titan Machinery of Hermantown, MN, submitted the low bid meeting specifications for Category 3 (pick blades and pick bits) in the amount of \$39,545.05;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes the following purchases:

Categories 1 and 4 (grader blades and carbide insert cutting edge) from Ziegler of Duluth, MN, in the amount of \$47,422.94;

Category 2 (wing blades and one way blades, snow plow and wing shoes) from H & L Mesabi, Hibbing, MN, in the amount of \$113,794.85;

Category 3 (pick blades and bits) from Titan Machinery of Hermantown, MN, in the amount of \$39,545.05.

The total purchase of \$200,762.84 payable from Fund 200, Agency 207001, Object 657000.

# BOARD LETTER NO. 16 – 348

PUBLIC WORKS & TRANSPORTATION COMMITTEE  
CONSENT NO. 6

BOARD AGENDA NO.

**DATE:** August 2, 2016                      **RE:** Agreements for Public Land  
Survey System Surveying  
Projects

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

James T. Foldesi  
Public Works Director/Highway Engineer

**RELATED DEPARTMENT GOAL:**

The Land Survey Division goal is to locate and perpetuate Public Land Survey (PLS) corner markers in St. Louis County.

**ACTION REQUESTED:**

The St. Louis County Board is requested to authorize agreements for surveying services for the Public Land Survey System (PLSS).

**BACKGROUND:**

The Public Works Department published a Request for Proposals (RFP) for surveying services for the recovery, restoration and perpetuation of corners of the PLSS. The contract was divided into eight distinct project areas (A through H), of which seven were awarded. Ten firms were solicited and ten firms submitted proposals. Five firms with the necessary training, experience, and knowledge were determined as the best choice for these services, as follows:

Arro of the North LLC of International Falls, MN  
Bolton & Menk, Inc. of Baxter, MN  
JPJ Engineering, Inc. of Hibbing, MN  
Northern Lights Surveying Company of Virginia, MN  
Short Elliott Hendrickson Inc. of Duluth, MN

The factors considered to determine the best choice were based on content of the proposals, the proven ability to provide similar products within the established guidelines, demonstration of a clear understanding of the county's needs, references and past performance, and the ability to provide products within a specified time frame.

The agreement states that those services shall include services for the recovery or restoration and verification of certain PLSS corners in St. Louis County. This project will be funded as a part of the PLSS Survey Corner Acceleration Project, with completion by December 1, 2017.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board authorize agreements with the following vendors for surveying services for the recovery, restoration and perpetuation of corners of the Public Land Survey System:

**Contract**

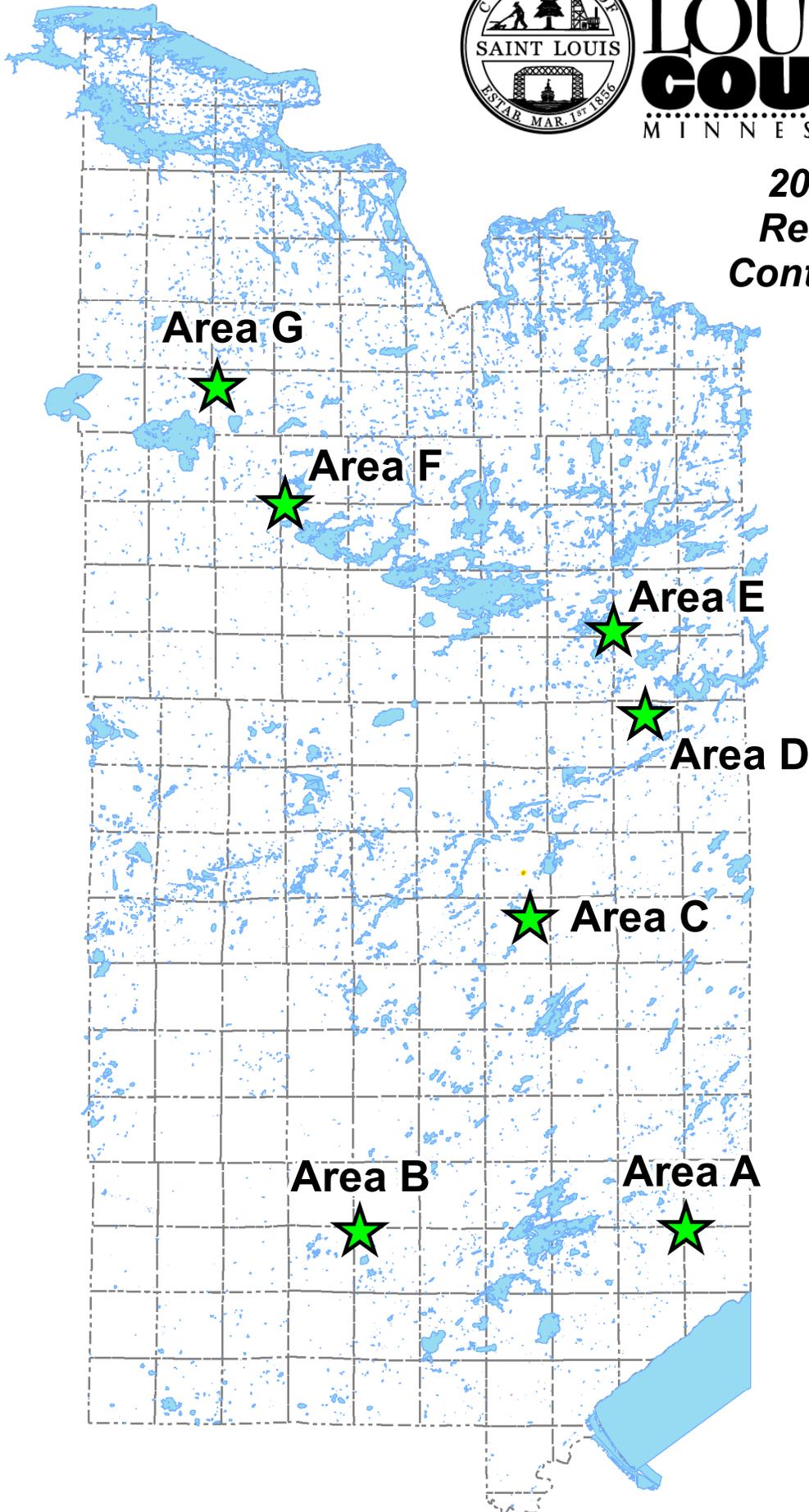
<b>5332</b>	<b>Township-Range</b>	<b>Firm Awarded</b>	<b>Cost</b>
Area A	T52/53 – R12/13	Short Elliott Hendrickson Inc., Duluth	\$58,600
Area B	T52/53 – R17/18	JPJ Engineering, Inc., Hibbing	\$40,000
Area C	T57 – R15	JPJ Engineering, Inc., Hibbing	\$35,200
Area D	T60 – R12/13	Bolton & Menk, Inc., Baxter	\$26,650
Area E	T61/62 – R13/14	Northern Lights Surveying Co., Virg.	\$54,470
Area F	T63/64 – R18/19	Northern Lights Surveying Co., Virg.	\$38,400
Area G	T65 – R19/20	Arro of the North LLC, Int'l Falls	\$40,000

The total cost of these services is \$293,320 payable from Fund 200, Agency 200122, Object 626600.



S A I N T  
**LOUIS**  
**COUNTY**  
M I N N E S O T A

**2016 PLSS  
Restoration  
Contract #5332**



No Scale

**Agreement with Short Elliott Hendrickson, Inc. for Surveying Services**

BY COMMISSIONER \_\_\_\_\_

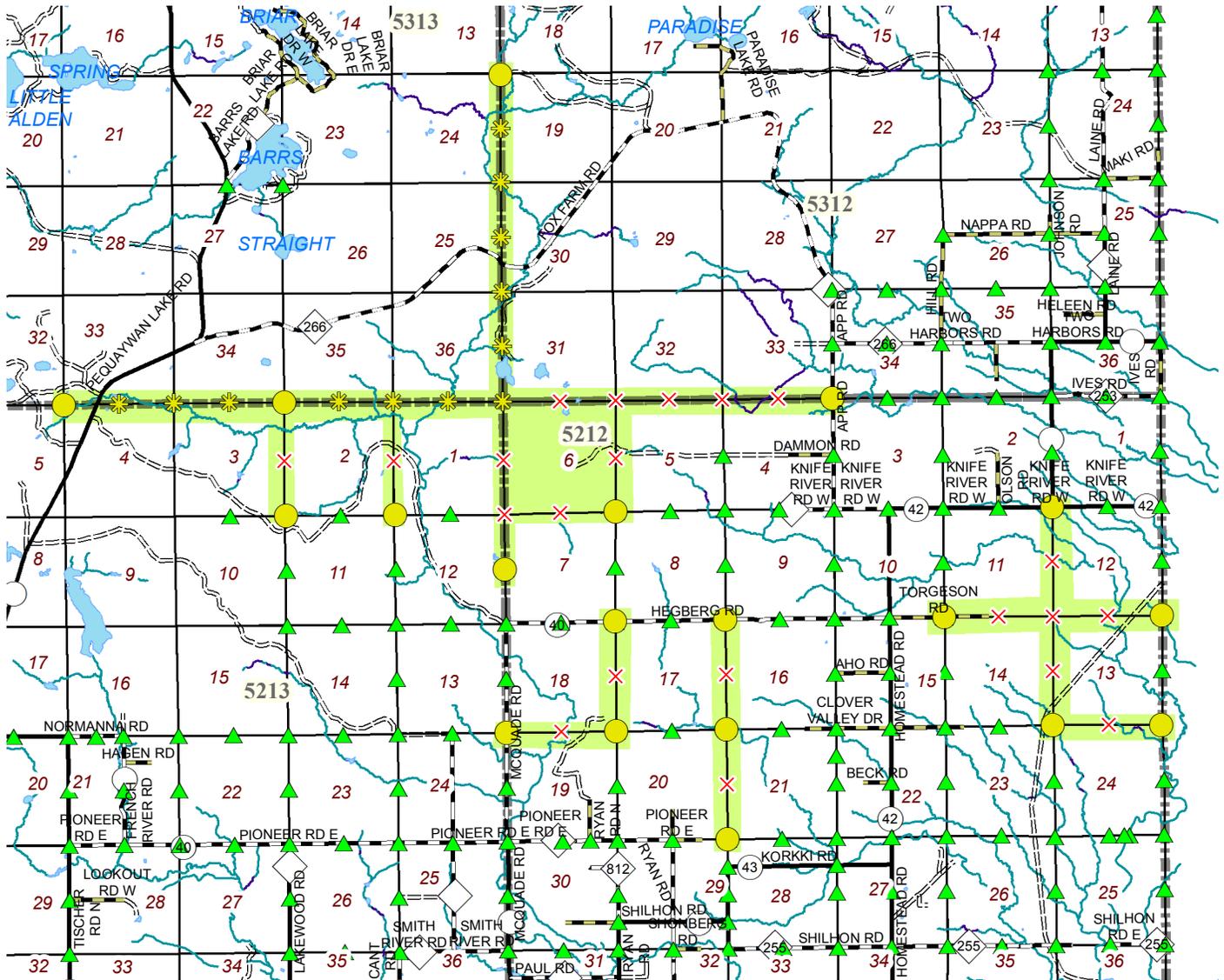
RESOLVED, That the St. Louis County Board authorizes an agreement, and any amendments authorized by the County Attorney, with Short Elliott Hendrickson Inc., of Duluth, MN, for survey services for the recovery, restoration and perpetuation of corners of the Public Land Survey System in northern St. Louis County (5332 Area A) in the amount of \$58,600, payable from Fund 200, Agency 200122, Object 626600.



# SAINT LOUIS COUNTY MINNESOTA

## PLSS Restoration Contract #5332

### Area A Townships 52 & 53 Ranges 12 & 13

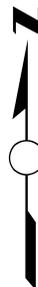


### Legend

#### PLSS Corner Included in Contract

- Corner in SLC CPDB to be verified (19)
- ◆ Corner Certificate (0)
- ★ Corner Card (12)
- × Other (21)
- ▲ Corner in SLC CPDB (Not included in this project)

Note: Existing monuments and records may be defective or erroneous. It is the responsibility of the licensed surveyor to evaluate all available evidence and certify the location of the PLSS corner.



No Scale

This is a compilation of records as they appear in the Saint Louis County Offices affecting the area shown. This drawing is to be used only for reference purposes and the County is not responsible for any inaccuracies herein.

**Agreement with JPJ Engineering, Inc. for Surveying Services**

BY COMMISSIONER \_\_\_\_\_

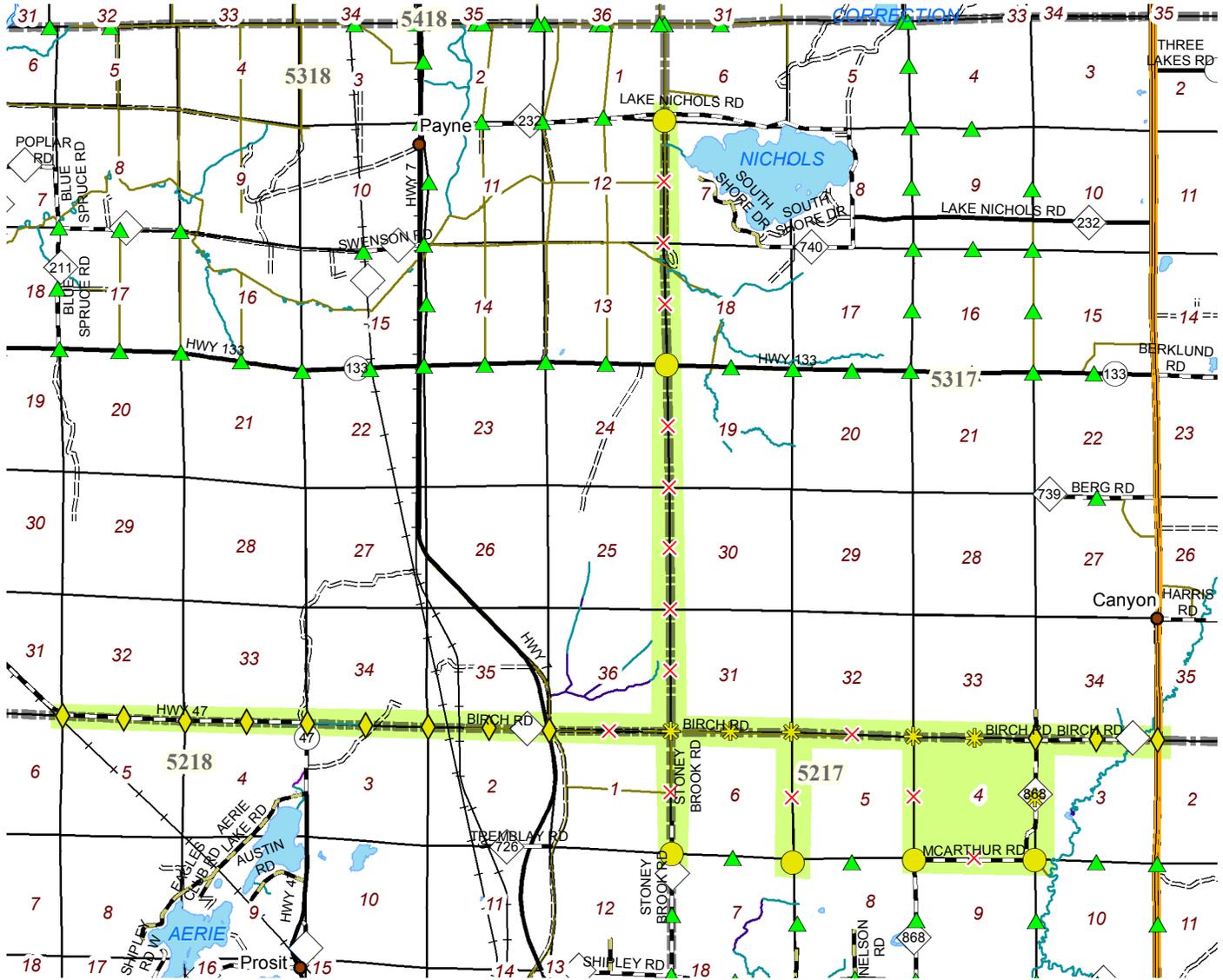
RESOLVED, That the St. Louis County Board authorizes an agreement, and any amendments authorized by the County Attorney, with JPJ Engineering, Inc., of Hibbing MN, for survey services for the recovery, restoration and perpetuation of corners of the Public Land Survey System in northern St. Louis County (5332 Areas B, C) in the amount of \$75,200, payable from Fund 200, Agency 200122, Object 626600.



# SAINT LOUIS COUNTY MINNESOTA

## PLSS Restoration Contract #5332

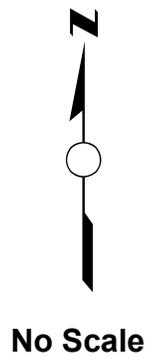
### Area B Townships 52 & 53 Ranges 17 & 18



**Legend**

- PLSS Corner Included in Contract
  - Corner in SLC CPDB to be verified (6)
  - ◆ Corner Certificate (12)
  - ✱ Corner Card (6)
  - ✕ Other (14)
  - ▲ Corner in SLC CPDB (Not included in this project)

Note: Existing monuments and records may be defective or erroneous. It is the responsibility of the licensed surveyor to evaluate all available evidence and certify the location of the PLSS corner.



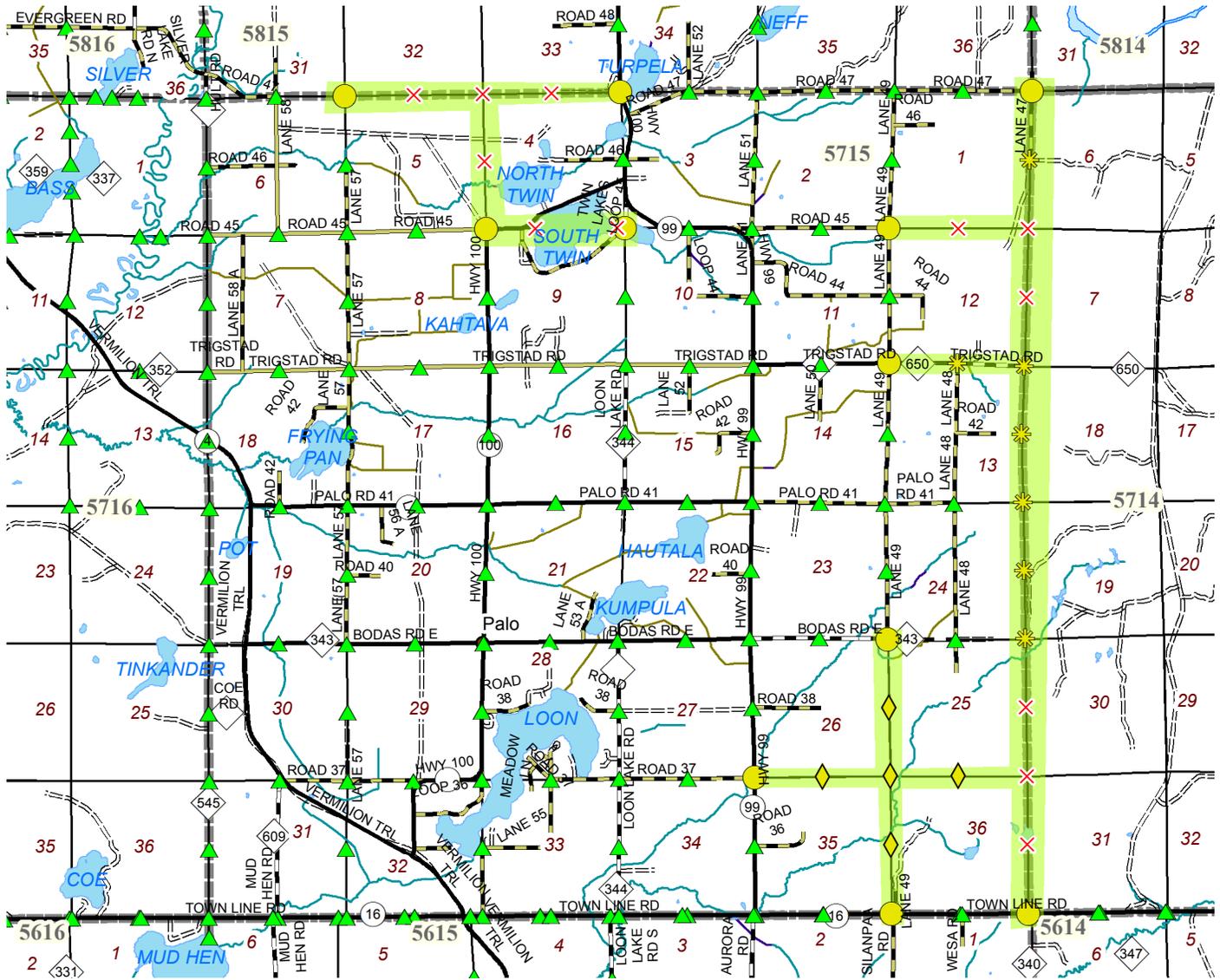
This is a compilation of records as they appear in the Saint Louis County Offices affecting the area shown. This drawing is to be used only for reference purposes and the County is not responsible for any inaccuracies herein.



# SAINT LOUIS COUNTY MINNESOTA

## PLSS Restoration Contract #5332

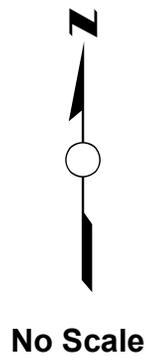
### Area C Township 57 Range 15



**Legend**

- PLSS Corner Included in Contract
- Corner in SLC CPDB to be verified (11)
- ◆ Corner Certificate (5)
- ✱ Corner Card (7)
- ✕ Other (12)
- ▲ Corner in SLC CPDB (Not included in this project)

Note: Existing monuments and records may be defective or erroneous. It is the responsibility of the licensed surveyor to evaluate all available evidence and certify the location of the PLSS corner.



This is a compilation of records as they appear in the Saint Louis County Offices affecting the area shown. This drawing is to be used only for reference purposes and the County is not responsible for any inaccuracies herein.

**Agreement with Bolton & Menk, Inc. for Surveying Services**

BY COMMISSIONER \_\_\_\_\_

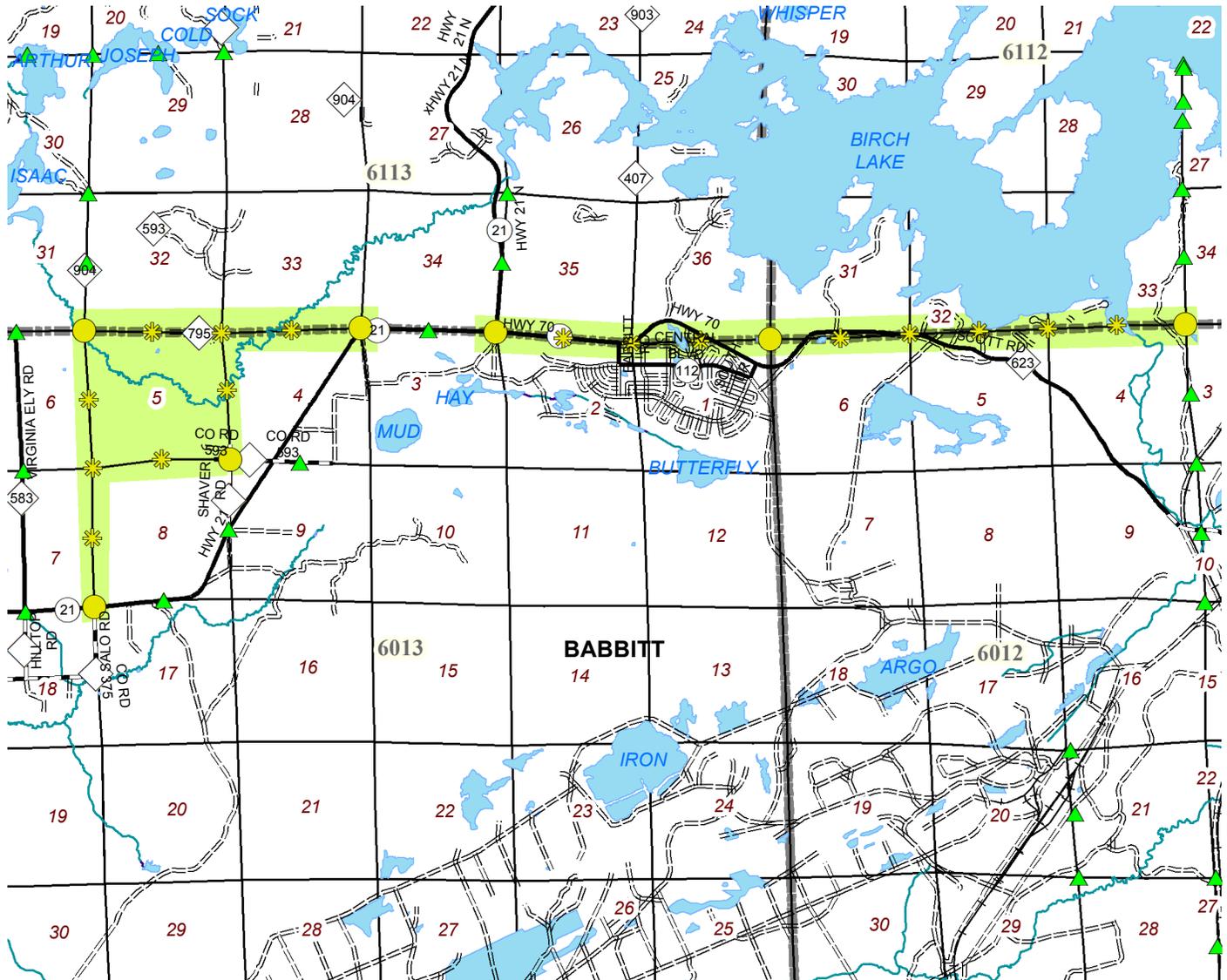
RESOLVED, That the St. Louis County Board authorizes an agreement, and any amendments authorized by the County Attorney, with Bolton & Menk, Inc., of Baxter, MN, for survey services for the recovery, restoration and perpetuation of corners of the Public Land Survey System in northern St. Louis County (5332 Area D) in the amount of \$26,650, payable from Fund 200, Agency 200122, Object 626600.



# SAINT LOUIS COUNTY MINNESOTA

## PLSS Restoration Contract #5332

### Area D Township 60 Ranges 12 & 13



**Legend**

- PLSS Corner Included in Contract
- Corner in SLC CPDB to be verified (7)
- ◆ Corner Certificate (0)
- ☀ Corner Card (16)
- ✕ Other (0)
- ▲ Corner in SLC CPDB (Not included in this project)



No Scale

Note: Existing monuments and records may be defective or erroneous. It is the responsibility of the licensed surveyor to evaluate all available evidence and certify the location of the PLSS corner.

This is a compilation of records as they appear in the Saint Louis County Offices affecting the area shown. This drawing is to be used only for reference purposes and the County is not responsible for any inaccuracies herein.

## **Agreement with Northern Lights Surveying Company for Surveying Services**

BY COMMISSIONER \_\_\_\_\_

RESOLVED, That the St. Louis County Board authorizes an agreement, and any amendments authorized by the County Attorney, with Northern Lights Surveying Company of Virginia, MN, for surveying services for the recovery, restoration and perpetuation of corners of the Public Land Survey System in northern St. Louis County (5332 Areas E, F) in the amount of \$92,870, payable from Fund 200, Agency 200122, Object 626600.

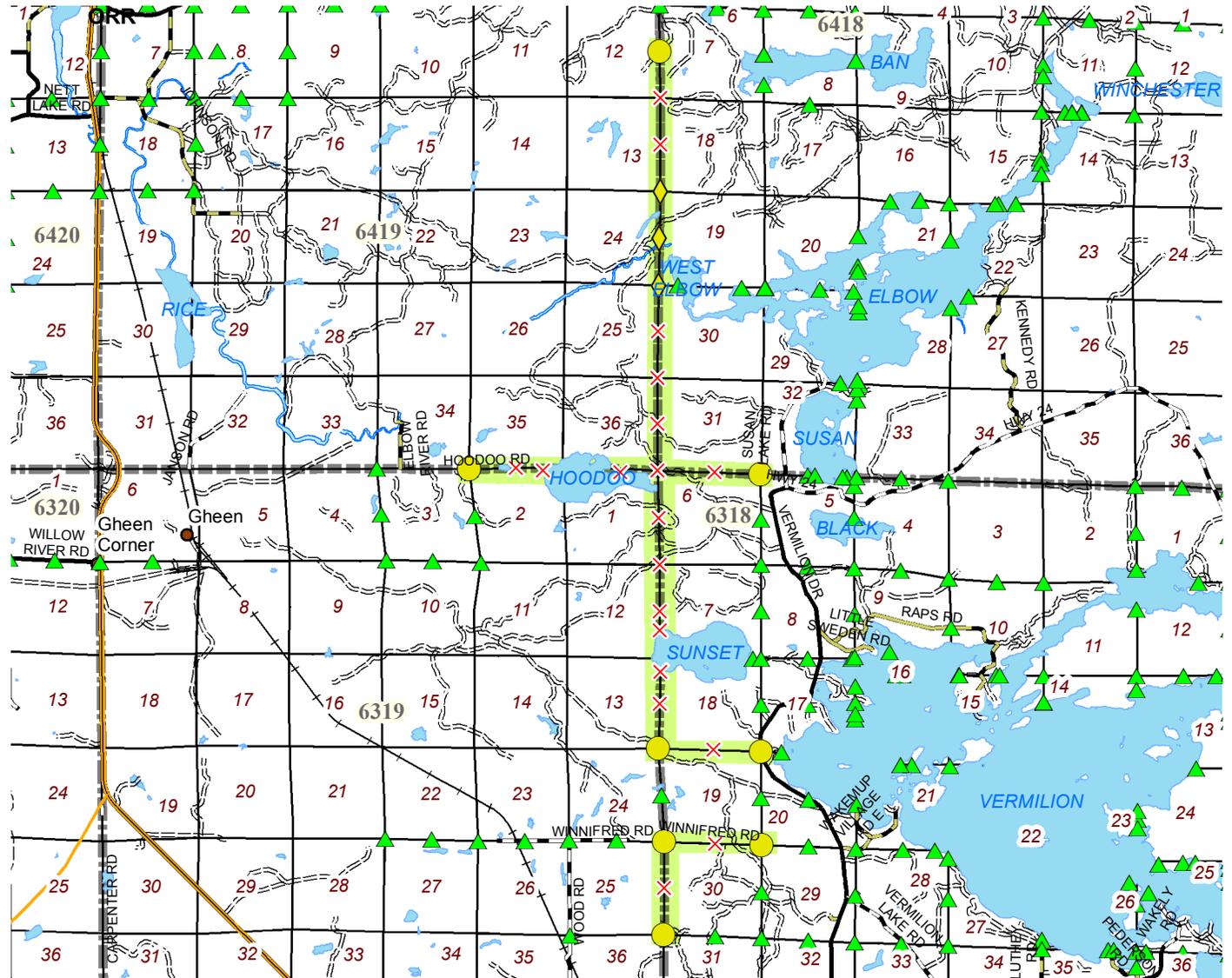




# SAINT LOUIS COUNTY MINNESOTA

## PLSS Restoration Contract #5332

### Area F Townships 63 & 64 Ranges 18 & 19



**Legend**

**PLSS Corner Included in Contract**

- Corner in SLC CPDB to be verified (8)
- ◆ Corner Certificate (3)
- ✱ Corner Card (0)
- ✕ Other (19)
- ▲ Corner in SLC CPDB (Not included in this project)

Note: Existing monuments and records may be defective or erroneous. It is the responsibility of the licensed surveyor to evaluate all available evidence and certify the location of the PLSS corner.

No Scale

This is a compilation of records as they appear in the Saint Louis County Offices affecting the area shown. This drawing is to be used only for reference purposes and the County is not responsible for any inaccuracies herein.

## **Agreement with Arro of the North LLC for Surveying Services**

BY COMMISSIONER \_\_\_\_\_

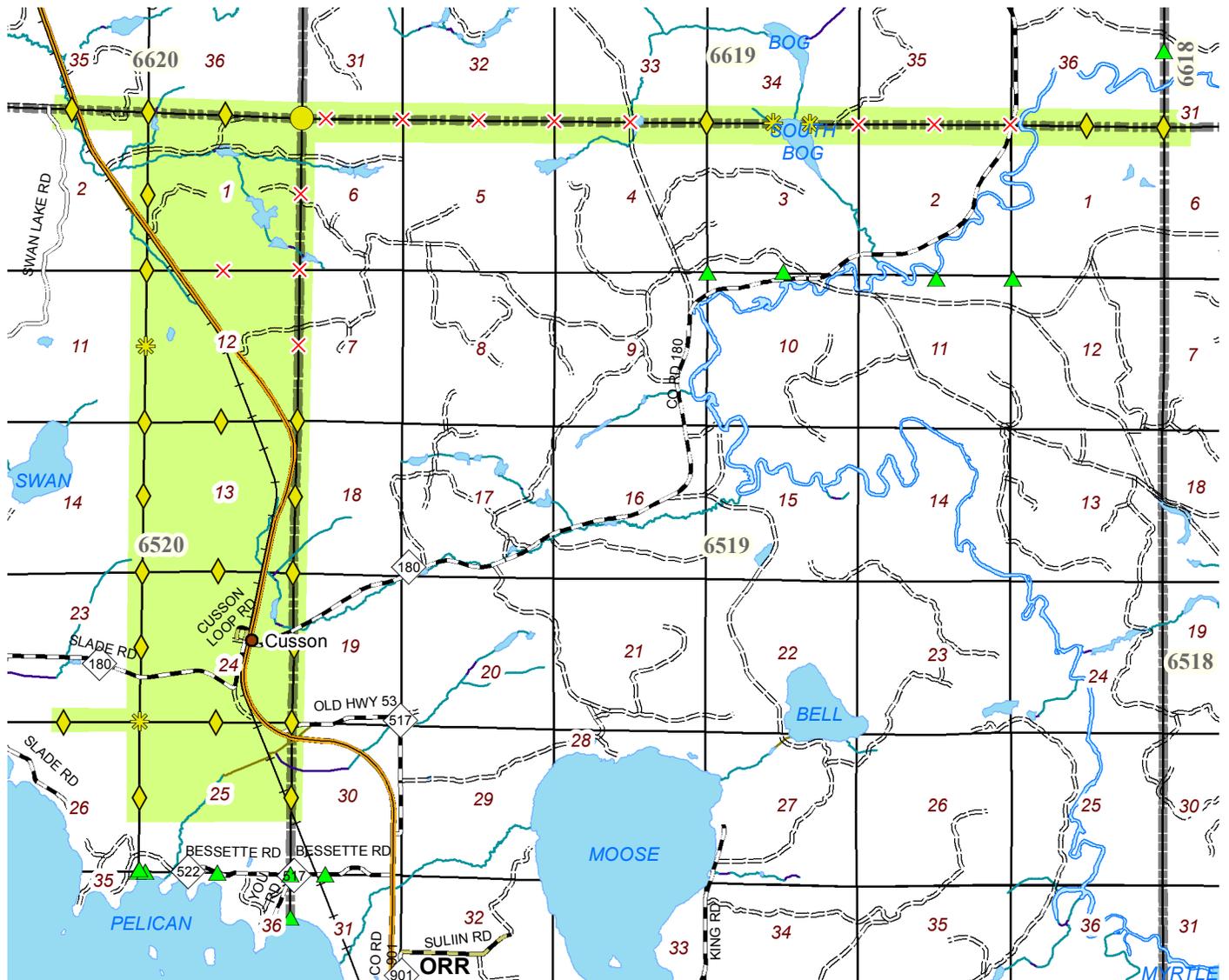
RESOLVED, That the St. Louis County Board authorizes an agreement, and any amendments authorized by the County Attorney, with Arro of the North LLC of International Falls, MN, for survey services for the recovery, restoration and perpetuation of corners of the Public Land Survey System in northern St. Louis County (5332 Area G) in the amount of \$40,000, payable from Fund 200, Agency 200122, Object 626600.



# S A I N T LOUIS COUNTY MINNESOTA

## PLSS Restoration Contract #5332

### Area G Township 65 Ranges 19 & 20



**Legend**

**PLSS Corner Included in Contract**

- Corner in SLC CPDB to be verified (1)
- ◆ Corner Certificate (23)
- ★ Corner Card (4)
- ✕ Other (12)
- ▲ Corner in SLC CPDB (Not included in this project)

Note: Existing monuments and records may be defective or erroneous. It is the responsibility of the licensed surveyor to evaluate all available evidence and certify the location of the PLSS corner.

No Scale

This is a compilation of records as they appear in the Saint Louis County Offices affecting the area shown. This drawing is to be used only for reference purposes and the County is not responsible for any inaccuracies herein.

# BOARD LETTER NO. 16 – 349

FINANCE & BUDGET COMMITTEE CONSENT NO. 7

BOARD AGENDA NO.

**DATE:** August 2, 2016

**RE:** Lawful Gambling Application  
(Unorganized Township 59-16)

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

Donald Dicklich  
County Auditor/Treasurer

**RELATED DEPARTMENT GOAL:**

Provide mandated and discretionary licensing services in a timely manner.

**ACTION REQUESTED:**

The St. Louis County Board is requested to approve a lawful gambling application in Unorganized Township 59-16.

**BACKGROUND:**

The following Lawful Gambling Application was recommended for approval by the Liquor Licensing Committee:

Virginia Elk's, Virginia, MN, to operate out of the following:

The Shack, Unorganized Township 59-16, 7075 Highway 169, Virginia, MN  
55792, *NEW*.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board approve the above Lawful Gambling application.

**Lawful Gambling Application (Unorganized Township 59-16)**

BY COMMISSIONER \_\_\_\_\_

RESOLVED, That pursuant to Minn. Stat. § 349.213, Subd. 2, the St. Louis County Board approves the following Lawful Gambling License Application (Pull-Tabs {paper} with dispensing device; Tipboards; Electronic Pull-Tabs) on file in the office of the County Auditor, identified as County Board File No. 60394, for the following organization:

Virginia Elk's, Virginia, Minnesota, to operate out of the following:

The Shack, Unorganized Township 59-16, 7075 Highway 169, Virginia, MN 55792, *NEW*.

# BOARD LETTER NO. 16 – 350

FINANCE & BUDGET COMMITTEE CONSENT NO. 8

BOARD AGENDA NO.

**DATE:** August 2, 2016                      **RE:** Execute 2016 HUD Contracts –  
CDBG, HOME and ESG  
Entitlement Grants

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

Barbara Hayden, Director  
Planning and Community Development

## **RELATED DEPARTMENT GOALS:**

Assist communities in achieving housing, economic development and community development objectives. Secure and administer federal, state and other funding which implement county policies and maximizes local resources.

## **ACTION REQUESTED:**

The St. Louis County Board is requested to authorize the Planning and Community Development Director to execute the U.S. Department of Housing and Urban Development (HUD) grant agreements and all other necessary documents to implement the 2016 Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and Emergency Solutions Grant (ESG) programs; and further authorize the Planning and Community Development Director and a representative of the County Attorney to execute the agreements for all referenced 2016 CDBG, HOME, and ESG projects.

## **BACKGROUND:**

The U.S. Department of Housing and Urban Development has notified St. Louis County of the allocation of \$2,391,484 in 2016 HUD entitlement funds and the approval of the St. Louis County 2016 Action Plan.

The 2016 Action Plan is the county's submission for HUD entitlement funding and was approved by Board Resolution No. 16-182 following a public hearing on March 22, 2016. The Action Plan provides a vision for housing and community development, describes the financial resources the county will use to address community needs, and sets goals, objectives, and benchmarks for measuring progress. The HUD 2016 allocations are as follows:

<u>PROGRAM</u>	<u>AMOUNT</u>	<u>AREA COVERED</u>
Emergency Solutions Grant ESG - Fund 173	\$ 161,676	St. Louis County (excluding Duluth)
Home Investment Partnerships Program HOME – Fund 270	439,410	St. Louis County (excluding Duluth), and Cook, Lake, Itasca, and Koochiching Counties
Community Development Block Grant CDBG - Fund 260	1,790,398	St. Louis County (excluding Duluth)
<b>TOTAL AWARDS:</b>	<b>\$2,391,087</b>	

**CDBG – Total Funding Available for 2016**

HUD 2016 Allocation	\$1,790,398
Program Income	25,000
Reprogrammed Funds	<u>275,000</u>
	<b>\$2,090,398</b>

**HOME – Total Funding Available for 2016**

HUD 2016 Allocation	\$439,410
Program Income	<u>50,000</u>
	<b>\$489,410</b>

The advisory committee of the Northeast Minnesota HOME Consortium met on March 18, 2016, and recommended funding to address priority housing activities identified in the Consolidated Plan in the five-county region. The Home Ownership Assistance Program (HOAP) provides down payment and closing cost assistance to first time home buyers in all five counties. The financial assistance is currently secured by a written agreement and mortgage requiring occupancy for ten years. Occupancy terms have varied since program inception in 1994. All past mortgages will now be converted to a ten year period of required occupancy for consistency, monitoring, and payoff calculation. The ten-year term is compliant with the HOME Program Rule.

**ESG – Total Funding Available for 2016**

HUD 2016 Allocation	<b>\$161,676</b>
---------------------	------------------

The Planning and Community Development Department collaborated in a process with the Public Health and Human Services Department to allocate the 2016 ESG funding. The process included county staff members, the Rural Housing Coalition, and the

Heading Home Governance Board of the St. Louis County Homeless Continuum of Care.

CDBG, HOME, and ESG contracts have been prepared for the specific 2016 projects to be included in the County Board File.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board authorize the Planning and Community Development Director to execute the HUD grant agreements and all other necessary documents to implement the 2016 CDBG, HOME, and ESG programs; and further authorize the Planning and Community Development Director and a representative of the County Attorney to execute the agreements for all of the referenced 2016 CDBG, HOME, and ESG projects.

## **Execute 2016 HUD Contracts – CDBG, HOME and ESG Entitlement Grants**

BY COMMISSIONER \_\_\_\_\_

WHEREAS, The 2016 Action Plan was submitted on March 31, 2016 to the U.S. Department of Housing and Urban Development (HUD) for the 2016 Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG) programs; and

WHEREAS, The U.S. Department of Housing and Urban Development has approved the 2016 Action Plan and provided program allocations to St. Louis County of \$1,790,398 for the CDBG program, \$439,410 for the HOME program, and \$161,676 for the ESG program; and

WHEREAS, The St. Louis County Board of Commissioners approved the CDBG Citizen Advisory Committee recommendation for 2016 Community Development Block Grant program awards by Board Resolution No. 16-182 on March 22, 2016; and

WHEREAS, The advisory committee for the Northeast Minnesota HOME Consortium recommends the award of \$489,410 in HOME funding for housing activities identified in the Consolidated Plan in the five-county region; and

WHEREAS, The Planning and Community Development and Public Health and Human Services Departments collaborated in a process to allocate the 2016 ESG funding. The process included county staff members, the Rural Housing Coalition, and the Heading Home Governance Board of the St. Louis County Homeless Continuum of Care. ESG funding supports essential services, homeless prevention activities, and emergency shelter and transitional housing operations; and

THEREFORE, BE IT RESOLVED, The St. Louis County Board accepts the 2016 HUD grants and authorizes the St. Louis County Planning and Community Development Director to execute the grant agreements on behalf of St. Louis County, along with all the necessary forms, attachments, addendums, certifications, and subsequent forms to implement the programs and complete the agreements between St. Louis County and the U.S. Department of Housing and Urban Development;

RESOLVED FURTHER, Grant funds will be allocated as follows:

\$ 1,790,398 CDBG Grant 2016 to Fund 260  
\$ 439,410 HOME Grant 2016 to Fund 270  
\$ 161,676 ESG Grant 2016 to Fund 173;

RESOLVED FURTHER, The term of occupancy for all previous HOME-funded Home Ownership Assistance Program mortgages will be converted to ten years for consistency, monitoring, and payoff calculation. The ten-year term remains compliant with the HOME Program Rule;

RESOLVED FURTHER, The St. Louis County Board allocates 2016 projects from grants, program income and reprogrammed funds and authorizes the Planning and Community Development Director and a representative of the County Attorney to execute agreements for approved projects and that disbursements related to the CDBG subrecipient agreements be made from CDBG Fund 260, HOME agreements from HOME Fund 270, and ESG agreements from ESG Fund 173 according to the specific 2016 projects included in County Board File No. \_\_\_\_\_.

<b>2016 HUD Funding Sources</b>	
CDBG Entitlement	1,790,398
CDBG Estimated Program Income	25,000
CDBG Unexpended and Reprogrammed Funds	275,000
Total CDBG	<b>2,090,398</b>
HOME Entitlement	439,410
HOME Estimated Program Income	50,000
Total HOME	<b>489,410</b>
ESG Entitlement	161,676
Total ESG	<b>161,676</b>
<b>St. Louis County and Consortium Action Plan Funding</b>	<b>2,741,484</b>

<b>2016 HOME Program Northeast Minnesota HOME Consortium</b>	
<b>Project</b>	<b>Amount</b>
AEOA Home Ownership Assistance Program – down payment assistance	179,381
AEOA CHDO Operating	7,284
KOOTASCA Community Action Home Ownership Assistance Program - down payment assistance	168,914
KOOTASCA Community Action CHDO Operating	7,284
One Roof Community Housing CHDO Set-Aside	75,558
One Roof Community Housing CHDO Operating	7,284
St. Louis County Administration	43,705
<b>Total</b>	<b>489,410</b>

<b>2016 ESG Program St. Louis County</b>	
<b>Project</b>	<b>Amount</b>
Arrowhead Economic Opportunity Agency – Homeless Assistance (Shelter Operations)	\$44,063
Arrowhead Economic Opportunity Agency – Flex Fund Administration (Rapid Re-Housing)	\$57,087
Range Transitional Housing – Homeless Assistance (Case Management)	\$25,400
Legal Aid Service of NE Minnesota Virginia Office – Legal Services	\$15,000
Amherst H. Wilder Foundation – HMIS (data collection and reporting)	8,000
St. Louis County – Administration	\$12,126
<b>Total - ESG</b>	<b>\$161,676</b>

<b>2016 CDBG Program Proposed Uses of Funding</b>				
Project	Objective	Outcome	Indicator	Amount
ASI: Winston Courts Hibbing Rental Rehab	Decent Housing	Sustainability	18	70,000
AEOA Single Family Housing Rehabilitation	Decent Housing	Sustainability	14 units	300,000
One Roof Community Housing	Decent Housing	Accessibility	1 unit	30,000
Subtotal				400,000
<b>Economic Development</b>				
Entrepreneur Fund Micro-enterprise	Econ Opportunities	Accessibility	10 people	20,000
Subtotal				20,000

## 2016 CDBG Program Proposed Uses of Funding

Community Facilities and Public Infrastructure				
Community Facilities				
Cook: River Street Bridge	Suitable Living	Sustainability	1 unit	10,000
Embarrass Fair Board: Accessibility	Suitable Living	Accessibility	1 person	25,000
LACA: Lyric Enter Accessibility	Suitable Living	Accessibility	1 person	10,000
City of Virginia: Olcott Park Fountain Rehab	Suitable Living	Sustainability	1 public facility	20,000
City of Rice Lake: City Hall Accessibility	Suitable Living	Accessibility	1 person	7,000
Public Infrastructure				
Town of Breitung: Infrastructure	Suitable Living	Sustainability	551 people	95,000
City of Buhl: Infrastructure	Suitable Living	Sustainability	720 people	95,000
City of Ely: Infrastructure	Suitable Living	Sustainability	1,250 people	85,000
City of Eveleth: Infrastructure	Suitable Living	Sustainability	1,635 people	50,000
City of Floodwood: Infrastructure	Suitable Living	Sustainability	485 people	25,000
City of Gilbert: Infrastructure	Suitable Living	Sustainability	1,240 people	120,000
City of Hibbing: Infrastructure	Suitable Living	Sustainability	1,035 people	125,000
City of McKinley: Infrastructure	Suitable Living	Sustainability	45 people	183,000
City of Winton	Suitable Living	Sustainability	190 people	90,000
St. Louis County Neighborhood Revitalization Program	Suitable Living	Sustainability	10 units	130,000
Subtotal				1,070,000
Public Service				
Advocates for Family Peace Children's Program	Suitable Living	Accessibility	150 people	24,000
AEOA Homeless Shelter Operations	Suitable Living	Accessibility	126 people	41,000
AEOA Homeless Youth Services	Suitable Living	Accessibility	50 people	24,000
Legal Aid Service of NE MN Housing Counseling	Suitable Living	Accessibility	250 people	36,500
Range Transitional Housing	Suitable Living	Accessibility	50 people	44,000
Salvation Army Hibbing Melting Pot Meals Program	Suitable Living	Accessibility	3,100 people	17,000
Salvation Army Virginia Virginia Supper Club Meals Program	Suitable Living	Accessibility	3,600 people	17,000
Sexual Assault Youth Outreach Services	Suitable Living	Accessibility	150 people	24,000
SOAR Career Solutions	Econ Opportunities	Accessibility	30 people	22,500
Subtotal				250,000
Administration	N/A	N/A	1 org	350,398
Total FY 2016 CDBG Program				
Housing				400,000
Economic Development				20,000
Physical Improvements				1,070,000
Public Service				250,000
Administration				350,398
<b>Total</b>				<b>2,090,398</b>

# BOARD LETTER NO. 16 – 351

FINANCE & BUDGET COMMITTEE CONSENT NO. 9

BOARD AGENDA NO.

**DATE:** August 2, 2016                      **RE:** Tax Court Expert Appraisal Contract

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

Mark Monacelli, Director  
Public Records & Property Valuation

Dave Sipila  
County Assessor

**RELATED DEPARTMENT GOAL:**

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

**ACTION REQUESTED:**

The St. Louis County Board is requested to approve agreement with Diversified Real Estate Services, Inc., of Minneapolis, MN, to produce a trial-ready expert appraisal of the Hermantown Menard's site.

**BACKGROUND:**

In 2013, Menard Inc. filed a Tax Court petition challenging the county's assessed value of its Hermantown property, followed by challenges to the value of this property for years 2014, 2015 and 2016, and included its West Duluth and Virginia store sites.

The Tax Court issued a scheduling order requiring expert appraisals for the 2013 Hermantown store petition to be exchanged on July 18, 2016. Assessor's Office staff reached out to multiple appraisers locally and state-wide, and Diversified Real Estate Services, Inc. was the only entity to respond with interest and has the necessary expertise to conduct an appraisal of a big box store. The Assessor's Office engaged the company for preliminary work to verify the market value of the Menard's site. Having been satisfied with their work, the Assessor's Office elected to enter into an agreement to conduct the full appraisal to be used as the county's main evidence in defending its valuation in the Tax Court trial.

Recently, the county obtained news of the dismissal of the Menard's 2013 petition that was the subject of this appraisal contract. The effect of the dismissal is that no trial will be held regarding that petition, potentially saving the county significant resources on the trial and any court-ordered reduction in value and resulting refund of tax proceeds. However, the 2014, 2015 and 2016 Hermantown store cases remain active. These cases have an appraisal deadline of January 30, 2017.

As the dismissal of Menard's 2013 case came just two weeks before the appraisal deadline, Diversified had performed a portion of the work necessary for the trial-ready appraisal in the amount of \$23,000. Work was halted when the case was dismissed, but it is likely that if no settlement is reached as to the other years' petitions, this expert appraisal will need to be completed as to the later years.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board approve the execution of the proposed Professional Services agreement with Diversified Real Estate Services, Inc. of Minneapolis, MN, in an amount not to exceed \$50,000, payable from Fund 100, Agency 118001.

## **Tax Court Expert Appraisal Contract**

BY COMMISSIONER \_\_\_\_\_

WHEREAS, Menard Inc. filed Tax Court petitions challenging the assessed value of its Hermantown Store in 2013, 2014, 2015 and 2016; and

WHEREAS, In order to defend the county's assessed values and provide the court with independent, expert evidence as to the market value of the property for property tax assessment purposes, the county needs to retain an appraiser to conduct the expert appraisal; and

WHEREAS, The Assessor's Office has determined that Diversified Real Estate Services, Inc., of Minneapolis, MN, has the experience and knowledge to provide this service;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board approves and authorizes the execution of the proposed Professional Services Agreement retaining Diversified Real estate Services, Inc., of Minneapolis, MN, to conduct an expert appraisal in the amount not to exceed \$50,000, payable from Fund 100, Agency 118001.

# BOARD LETTER NO. 16 – 352

ENVIRONMENT & NATURAL RESOURCES COMMITTEE NO. 1

BOARD AGENDA NO.

**DATE:** August 2, 2016

**RE:** **Accept Designation as the Responsible Government Unit for Environmental Review of the Proposed Louisiana-Pacific Siding Manufacturing Facility and Amend the St. Louis County Environmental Impact Statements Policy**

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

Barbara Hayden, Director  
Planning and Community Development

**RELATED DEPARTMENT GOAL:**

Administer county ordinances and state regulations pertaining to land use in the most effective and efficient manner.

**ACTION REQUESTED:**

The St. Louis County Board is requested to consider accepting designation as the Responsible Government Unit (RGU) for environmental review of the proposed siding manufacturing facility in the City of Hoyt Lakes and the Town of White, and to then take necessary actions to proceed with environmental review.

**BACKGROUND INFORMATION:**

Louisiana-Pacific Corporation has proposed to construct a new siding manufacturing facility on approximately 120 acres of the Laskin Energy Park site in the City of Hoyt Lakes and the Town of White. The proposed manufacturing facility includes new rail access, utility relocations, extension of sewer and water and road improvements. Under Minnesota Administrative Rules for Environmental Review, the project of this size and scope requires an Environmental Impact Statement (EIS).

In order to complete the environmental review, there must be a designated RGU. The proposed project will be located in two jurisdictions; the Town of White, in which St. Louis County has zoning authority and the City of Hoyt Lakes. The City of Hoyt Lakes is requesting that St. Louis County take the lead in the environmental review process by accepting the designation as the RGU.

Louisiana-Pacific Corporation, in consultation with state agencies, is requesting that the county allow the project to use an alternative environmental review process allowed under the state environmental rules called an Alternative Urban Areawide Review (AUAR). The AUAR process is designed to look at cumulative impacts of the anticipated development and streamline the process. Environmental analysis information from the AUAR can also be used to formulate local planning and zoning decisions. The Minnesota Pollution Control Agency will concurrently be completing an Environment Assessment Worksheet on air quality for the proposed project.

St. Louis County currently does not have a process in place for administering an AUAR. An amendment to the County Board Environmental Impact Statement (EIS) Policy (attached) is proposed to establish an AUAR process. As is the case for an EIS, all costs for the preparation and review of an AUAR would be the responsibility of the applicant. It also requires a public hearing before the Planning Commission and a final decision by the County Board.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board accept designation as the Responsible Government Unit (RGU) for the proposed Louisiana-Pacific Corporation siding manufacturing facility in the City of Hoyt Lakes and the Town of White. It is further recommended that the County Board authorize the appropriate officials to negotiate and execute all required agreements to accept the RGU designation. It is further recommended that the County Board amend the St. Louis County Environmental Impact Statement Policy, allowing for alternative environmental review methods allowed under state environmental rules.

**Accept Designation as the Responsible Government Unit for Environmental Review of the Proposed Louisiana-Pacific Siding Manufacturing Facility and Amend the St. Louis County Environmental Impact Statements Policy**

BY COMMISSIONER: \_\_\_\_\_

WHEREAS, Louisiana-Pacific Corporation has proposed to construct a new siding manufacturing facility on approximately 120 acres in the Laskin Energy Park in the City of Hoyt Lakes and the Town of White; and

WHEREAS, The City of Hoyt Lakes has requested that St. Louis County serve as the Responsible Government Unit for environmental review; and

WHEREAS, Louisiana-Pacific Corporation has requested an Alternative Urban Areawide Review (AUAR) as an alternative method to the required Environmental Impact Statement; and

WHEREAS, The County does not have a policy in place to review and administer an Alternative Urban Areawide Review (AUAR);

THEREFORE, BE IT RESOLVED, That the St. Louis County Board accepts the designation as Responsible Government Unit for environmental review of the proposed Louisiana-Pacific Corporation proposed siding manufacturing facility;

RESOLVED FURTHER, That the appropriate county officials are authorized to negotiate and execute all required agreements and documents in accepting this designation;

RESOLVED FURTHER, That the St. Louis County Board adopts the proposed amendment to the Environmental Impact Statements Policy, allowing for an alternative environmental review.



Municipal Building  
206 Kennedy Memorial Drive  
Hoyt Lakes, Minnesota 55750-1140

www.hoytlakes.com  
e-mail: info@hoytlakes.com

Phone: (218) 225-2344  
FAX: (218) 225-2485

July 25, 2016

Mr. Kevin Gray, County Administrator  
St. Louis County  
Room 202  
100 North 5<sup>th</sup> Avenue West  
Duluth, MN 55802

SUBJECT: Louisiana-Pacific Hoyt Lakes Project AUAR (Laskin Energy Park) Request

Dear Mr. Gray:

Louisiana-Pacific Corporation has proposed to construct new home siding manufacturing plant on approximately 120 acres of the Laskin Energy Park site in the City of Hoyt Lakes and White Township. The IRRRB and MN Department of Employment and Economic Development will provide financial assistance for infrastructure upgrades associated with the project. In addition to the proposed manufacturing facility, the project includes new rail access to the site, utility relocations, extension of water and sewer service, and road realignments. We believe that Minnesota Rules, Chapter 4410, part 4410.4400, subpart 11, requires the proposed development to complete of an environmental review as the proposed industrial building exceeds the mandatory EIS threshold for construction of a new industrial facility. Subpart 11 further designates the local government unit shall be the Responsible Government Unit (RGU) for the environmental review.

A development of this magnitude across two units of government, along with the complexity of the environmental review process, is much larger than Hoyt Lakes' staff can successfully manage. Ongoing discussions between the project proposer and Environmental Quality Board staff have suggested that completion of an AUAR is an appropriate alternative environmental review process for the proposed industrial development project. The City of Hoyt Lakes requests that St. Louis County agree to be the RGU and complete an Alternative Urban Areawide Review (AUAR) of the cumulative environmental impacts of development at the Laskin Energy Park and adjoining areas for the proposed Louisiana-Pacific Hoyt Lakes Project.

MN Rules, Chapter 4410, part 4410.3600 allows governmental units to request EQB approval of an alternative form of environmental review for categories of projects which undergo environmental review under other governmental processes. MN Rules, Chapter 4410, part 4410.4300 subpart 15 also require the proposed industrial development to complete an environmental review independent of the AUAR process, as the project exceeds the mandatory EAW threshold for air emissions. The EAW for subpart 15 will be completed by the Minnesota Pollution Control Agency concurrently with and independently of the AUAR process, as MN Rules 4410.3610 subpart 1 precludes the mandatory review of air emissions through an AUAR.

The MN Rules, Chapter 4410, part 4410.3600 allow a local unit of government to use an alternative environmental review procedure for development and associated infrastructure in a particular geographic area within its jurisdiction. As the proposed Louisiana Pacific Hoyt Lakes Project is partially within the City of Hoyt Lakes and partially within White Township the County is best positioned to serve as the RGU. As such the City Hoyt Lakes requests that St. Louis County agree to serve as the RGU for the AUAR as allowed under MN Rules, Chapter 4410, part 4410.0500 subpart 5.B(1).

If St. Louis County agrees to serve as the RGU for completion of an AUAR as proposed for the Louisiana-Pacific Hoyt Lakes Project, MN Rules 4410.3610 subpart 3 requires that St. Louis County adopt an order for the AUAR. That order will need to specify the boundaries of the geographic area of the review and the anticipated nature, location, and intensity of the industrial development and associated infrastructure improvements within those boundaries.

We appreciate your willingness to consider our request and would be happy to discuss this proposed approach further with you.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Skelton". The signature is written in a cursive, flowing style.

Mark Skelton, Mayor

cc: Barbara Hayden, St Louis County [Planning & Community Development Director]

## **Louisiana-Pacific Hoyt Lakes Facility Project Description**

### *Location:*

An existing building that will be utilized for the project is located at 5540 Colby Lake Road, Hoyt Lakes, Minnesota in St. Louis County. Additional land to the west of the building will also be incorporated. The east parcel of the subject property is located in the northwest of Section 7, Township 58N, Range 14W (within the City of Hoyt Lakes). The west parcel of the subject property is located in the northeast of Section 12, Township 58N, Range 15W (within White Township). The property extends to Colby Lake on the east and the Partridge River on the west.

### *Ownership:*

The site is currently owned by Minnesota Power (ALLETE, Inc.) and the City of Hoyt Lakes as Laskin Energy Park.

### *Project Description:*

Following a North American site selection search to facilitate growth of their siding line, Louisiana Pacific Corporation (LP) has made preliminary recommendations to build a 2-line facility producing siding at Laskin Energy Park in Hoyt Lakes, Minnesota. This decision is contingent upon having a ready-to-build site. Driving factors in this decision include Northeastern Minnesota's valuable timber resource, talented workforce and culture that supports accelerated, large scale, industrial growth. Locations in Michigan, Canada, and other local communities were analyzed by the client prior to this decision. LP is a publicly traded global leader in engineered wood building products with most recent year sales of \$1.9 billion and 3,900 employees. The new siding facility is anticipated to employ 250 FTE's directly and cause 500 – 600 indirect jobs. Building the new facility will require 1.3 million hours of construction work and once operational will utilize 700,000 – 800,000 cords of wood, generating \$60 million annually in revenue to loggers and truckers.

The proposed manufacturing facility will include the following components:

- Log yard
- Debarking and stranding equipment
- Blending and forming equipment
- Pressing equipment
- Finished product storage
- Energy systems
- Dust collection systems
- Stormwater ponds

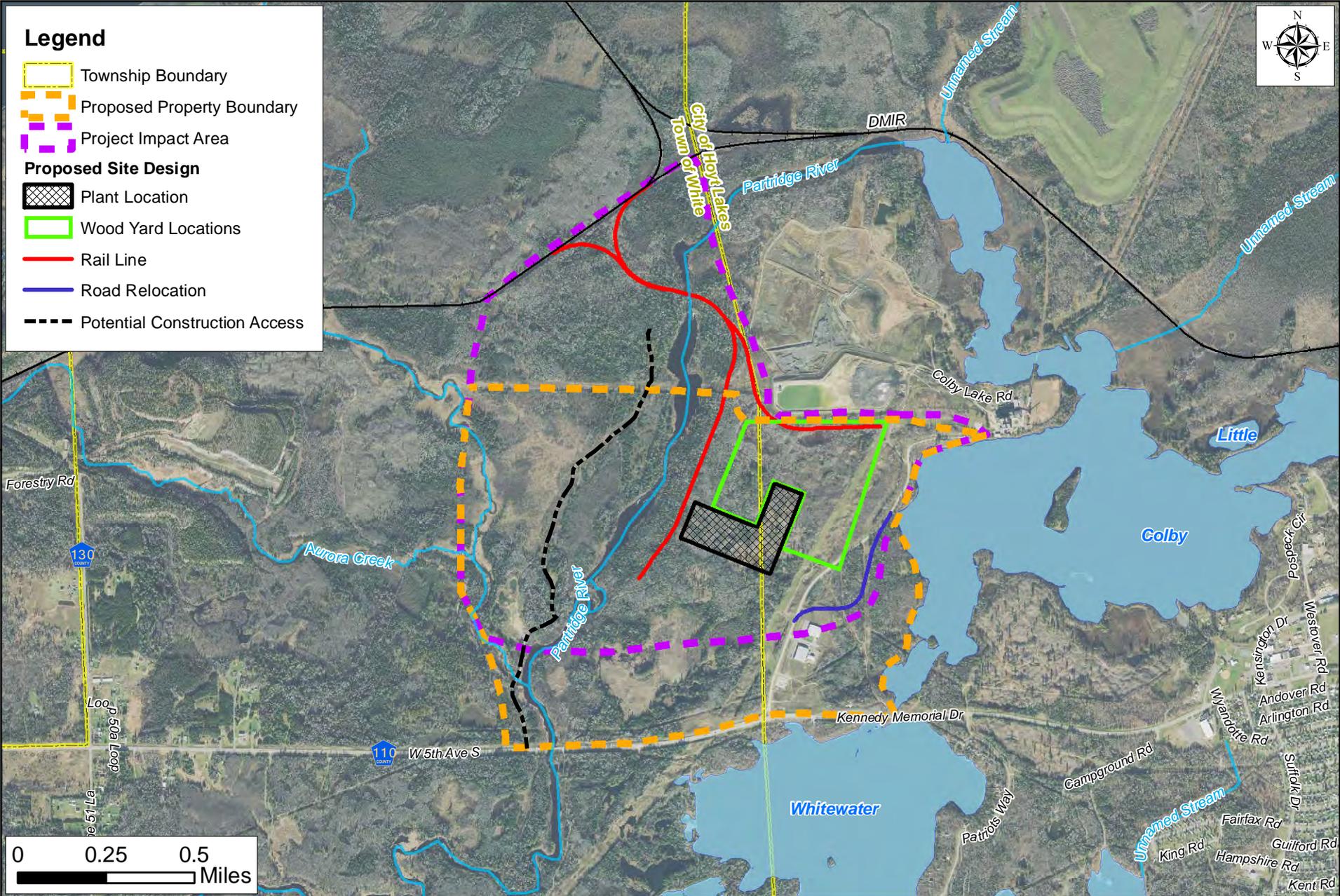
In addition to the proposed manufacturing facility, the project will include the following components:

- New rail access to the site through the construction of a rail connection to Canadian National (CN) Rail to the north of the site
- Site work needed includes roadway relocation and improvements, site preparation, storm sewer, water main, and sanitary sewer
- Gas, overhead power transmission line, and telecommunication line realignments

*Project Funding:*

To-date, the following in public assistance has been approved based on a preliminary total private-public project estimate of \$440 million.

- \$10 million IRRRB: Douglas J. Johnson Economic Trust Fund for site work
- \$20 million DEED: 21st Century Fund for site work
- \$6 million IRRRB: Sales tax rebate for building materials and supplies over a three-year period to backfill legislation not approved in the tax bill
- Enacted into law during State of Minnesota 2016 legislative session: Siding production incentive program set up with payments of up to \$3 million a year for 10 years, contingent on siding production, up to \$30 million
- ALLETE – MN Power, St. Louis County and other partnering agencies assistance TBD based on final site needs.



Path: S:\F\J\IR\_RB\0136866\3-env-study\regis\Wetlands\GIS\maps\Other\Mapfig01\_SiteOverview.mxd



3535 VADNAIS CENTER DR.  
ST. PAUL, MN 55110  
PHONE: (651) 490-2000  
FAX: (651) 490-2150  
WATTS: 800-325-2055  
www.sehinc.com

Project: IRRBO 136866  
Print Date: 7/26/2016

Map by: btolcser  
Projection: NAD83 UTM15N  
Source: MNDNR, SEHINC  
Background: 2015 FSA

## PROPOSED SITE LAYOUT

### LASKIN ENERGY PARK

Hoyt Lakes, Minnesota

Figure  
1

This map is neither a legally recorded map nor a survey map and is not intended to be used as one. This map is a compilation of records, information, and data gathered from various sources listed on this map and is to be used for reference purposes only. SEH does not warrant that the Geographic Information System (GIS) Data used to prepare this map are error free, and SEH does not represent that the GIS Data can be used for navigational, tracking, or any other purpose requiring exacting measurement of distance or direction or precision in the depiction of geographic features. The user of this map acknowledges that SEH shall not be liable for any damages which arise out of the user's access or use of data provided.

**PROPOSED ENVIRONMENTAL REVIEW POLICY  
RESOLUTION NO. XXX**

RESOLVED, it is the policy of the County that all costs attendant to an environmental review process necessitated by a project being proposed for development (“Project”) in the County, including those administrative and other costs incurred by St. Louis County as the responsible governmental unit (“RGU”), shall be borne by the Proposer. In furtherance of that policy, the following policies and procedures are hereby established:

- a. The Director of Planning and Community Development (“Director”) will be responsible for reviewing a Project application in accordance with all federal, state, county and local requirements and will determine whether some form of environmental review of the Project is desirable or required. The Director may also request a determination of the need for environmental review from the St. Louis County Planning Commission (“Planning Commission”), consistent with the St. Louis County Zoning Ordinance (Ordinance 62 or its successor).
- b. When a Project is subject to environmental review, and when the County is the RGU, the Director and the County Administrator shall determine if one or more consultants are needed to provide technical expertise to the County at various points in the review process. State or local governmental entities may assist the County in this process and may act as consultants.
- c. The County may prepare requests for proposals (“RFP”) for consultants as needed. It is the preference of St. Louis County to have one consultant who may subcontract for services not offered by the particular consultant. However, the County may prepare an RFP or bid for unique work items for which special skills are required. The developer may submit names of consultants to receive the RFP.
- d. The County shall select the consultant(s). Cost alone shall not be the determining factor. Important factors for consideration by the County in selection of the consultant(s) shall include, but not be limited to professional and technical competence, experience with similar developments, knowledge of area, and independence from the Proposer. The Proposer shall grant the County and its consultant(s) access to the Project site and to all documents related to the Project, and shall provide any additional information as needed by the County to complete the environmental review.
- e. The County Administrator shall determine the administrative and other costs incurred by St. Louis County and shall receive payment for such expenses at the same time payment is made by the Proposer for the costs of the consultant(s).
- f. Upon hiring of the consultant(s), but prior to work starting on the environmental review, the Proposer shall pay to St. Louis County the anticipated cost of the contracted services and the St. Louis County costs. County and Proposer may agree to complete the environmental review in stages, as necessary. County and Proposer may also agree to an appropriate payment schedule, provided that no work will be performed by any consultant without first receiving payment from the Proposer for the services to be performed.
- g. The County may utilize any environmental review process required or allowed by law, including an Environment Assessment Worksheet (“EAW”), Environmental Impact Statement (“EIS”) or Alternative Urban Areawide Review Process (“AUAR”). If an

alternative process is used, the County Board will adopt the order for the environmental review.

- h. Environmental review may be mandatory or it may be initiated by the Director, the Planning Commission or the County Board. The Planning Commission shall hold at least one public hearing on the items to be considered in the environmental review. When an EAW process concludes, the Planning Commission may decide that the Project does not have the potential for significant environmental effects, which will end the environmental review process; or make a recommendation to the County Board to require an EIS. If the County Board determines an EIS is appropriate, or if an EIS is mandatory, the County Board shall approve, deny or modify the final scoping for the contents of the EIS and shall make the final determination as to the adequacy of the EIS. The County Board may also direct that an alternative form of environmental review, such as an AUAR, be used instead of the EIS process.
- i. Upon the completion of the environmental review, the Administrator shall review and adjust the remaining development costs after consulting with the consultant(s) and Proposer.
- j. Upon completion of any work of the consultant(s) and staff, the Director will determine if an application is complete and meets the legal requirements associated with the Project.
- k. The County Attorney shall review and approve all contracts with the consultant(s) and Proposer.
- l. The County Planning Commission shall be responsible for review of draft environmental review documents, including the holding of public meetings.
- m. The County Board shall determine the adequacy of the final environmental review documents unless notified by the Environmental Quality Board ("EQB") that the EQB will make the final determination.
- n. The Director will monitor compliance with the appropriate environmental review processes, rules and laws; additional steps consistent with this policy may be implemented by the Director to comply with such processes, rules and laws.
- o. No permit for an action for which an EAW, EIS or AUAR is required shall be issued until all costs of preparation and review which are to be paid by the Proposer are paid, and all information required is supplied in adequate detail and until the environmental review process has been completed consistent with this policy.
- p. When conducting an environmental review, the Director and the Planning Commission may suggest design alterations which would lessen the environmental impact of the Project. The County Board may require these design alterations to be made as a condition for issuing the permit when it finds that the design alterations are necessary to lessen the environmental impact of the Project.

ENVIRONMENTAL IMPACT STATEMENTS POLICY  
RESOLUTION NO. 840  
November 20, 1990

RESOLVED, it is the policy of the County that all costs attendant to the preparation and review of Environmental Impact Statements, including those incurred by St. Louis County as the responsible governmental unit, shall be borne by the proposer. In furtherance of that policy, the following policies and procedures are hereby established:

- a. The St. Louis County Planning Commission will have the responsibility to prepare the draft scoping EAW and distribute the EAW to the appropriate jurisdictions. The Planning Commission shall hold at least one public hearing on the items to be considered in the EIS.
- b. The St. Louis County Board shall approve the final scoping EAW and shall submit the EIS preparation notice to the Environmental Quality Board.
- c. The County Purchasing Agent, upon completion of the scoping EAW, shall prepare Requests for Proposals for a consultant who will be responsible for EIS preparation. It is the preference of St. Louis County to have one consultant who may subcontract for services not offered by the particular consultant. However, the County may prepare an RFP or bid for unique work items for which special skills are required. The developer may submit names of consultants to receive the RFP.
- d. The County Administrator shall determine the cost for reimbursement of County expenses regarding development, administration and review of the EIS.
- e. The St. Louis County Board shall select the consultant. Cost alone shall not be the determining factor. Important factors for consideration by the County in selection of a consultant shall include, but not be limited to, professional and technical competence, experience with similar developments, knowledge of area, and independence from the proposer.
- f. Upon hiring of the consultant, but prior to work starting on the EIS, the proposer shall pay to St. Louis County one-half the cost of preparing the EIS. The cost shall include St. Louis County costs, as determined by the Administrator.
- g. Twenty-five percent payment shall be paid to St. Louis County at the estimated expenditure mid-point as determined in the agreement with the consultant.
- h. Twenty percent payment shall be paid at the submission of the draft EIS to the Planning Commission.
- i. Upon the completion of the draft EIS review, the Administrator shall review and adjust the remaining EIS development costs after consulting with the consultant and proposer.
- j. The final cash payment shall be paid within thirty days of final EIS approval by the Environmental Quality Board.
- k. The County Attorney shall review and approve all contracts with the consultant and proposer.
- l. The County Planning Commission shall be responsible for review of Draft EIS's including the holding of public meetings.
- m. The County Board shall determine the adequacy of the final EIS unless notified by the EQB that the EQB will make the final determination.



The Chubb Group proposes Property and Related Insurance coverage on major structures and equipment with a \$25,000 per occurrence deductible unless otherwise indicated below:

- Contractors' Equipment: \$20,000 deductible, insures equipment on and away from the scheduled premises
- Electronic Data Processing, Valuable Papers and Accounts Receivable: \$2,500 deductible
- Towers and Boiler and Machinery Property Damage: \$5,000 deductible
- Auto/Equipment Physical Damage: Wind and Hail only, \$100,000 deductible
- Earthquake and Flood: \$100,000 deductible
- Crime: \$5,000 deductible

As part of the 2016 renewal, Chubb has offered an additional 2 year rate guarantee reflecting a -3% rate renewal subject to the same conditions as the previous guarantee. A reduction of 3% for the 2017 and 2018 renewal amounts to a savings in excess of \$7,000 per year. This represents a total reduction of 8% or about \$17,000 since July 2013. It is recommended that the county take advantage of the additional two year rate guarantee assuring a reduced rate for 2017 and 2018.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board authorize the purchase of Property and Related Insurance coverage on major structures, equipment, amended contents and boiler and machinery from the Chubb Group of Insurance Companies through Otis-Magie Insurance Agency at a premium of \$240,390.66 for the period July 24, 2016 through July 24, 2017. It is also recommended that the county take advantage of the additional two year rate guarantee assuring a reduced rate for 2017 and 2018. Funding for property insurance is payable from Fund 720, Agency 720001, Object 635100.

It is further recommended the County Board authorize the addition and/or deletion of property from the policy as required throughout the policy period.

## Purchase of Property and Related Insurance

BY COMMISSIONER \_\_\_\_\_

WHEREAS, St. Louis County has in excess of \$375,961,815 in property to insure; and

WHEREAS, St. Louis County has been purchasing property insurance on a loss limit basis which is less expensive with lower deductibles than a scheduled buildings type of insurance; and

WHEREAS, The current policy expires on July 24, 2017, and St. Louis County received a proposal from the current insurer, Chubb Group of Insurance Companies, through Otis-Magie Insurance Agency of Duluth, MN, to provide coverage at the same terms at a rate of \$.062 per \$100 of value for the coming year; and

WHEREAS, Chubb Group of Insurance Companies, through Otis-Magie Insurance Agency also offered a two year rate guarantee reflecting a -3% rate each year for 2017 and 2018;

THEREFORE BE IT RESOLVED, That the St. Louis County Board authorizes the purchase of Property and Related Insurance coverage on major structures and equipment, amended contents, and boiler and machinery from Chubb Group of Insurance Companies through Otis-Magie Insurance Agency of Duluth, MN, for the period July 24, 2016 to July 24, 2017 at the annual premium of \$240,390.66 payable from Fund 720 (Property, Casualty, Liability), Agency 720001 (Property, Casualty, Liability), Object 635100 (Insurance);

RESOLVED FURTHER, The St. Louis County Board authorizes the acceptance of an additional 2 year rate guarantee reflecting a -3% rate each year, renewal subject to the same conditions as the previous guarantee;

RESOLVED FURTHER, The Purchasing Division is authorized to add or delete county properties to the policy, or increase the base amount on future determination of valuation of county structures during the policy period.



- The records state that the city paid \$120,000 for the land acquisition of the four lots total.
- The city paid \$1,200 for property taxes as part of the purchase and paid \$10,000 for the demo of a structure on Parcel 3 on the attached resolution.
- There is a deduction in the price for a permanent 15 foot wide utility easement on the east side of the lots and also a deduction for the poor condition of the existing parking lot and the anticipated cost of upgrading the lots to accommodate 48 vehicles.
- Acquisition of these lots will align with, and make attainable, future long term operational needs in downtown Virginia for both facility and parking requirements.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board approve the purchase of the four lots from the City of Virginia, MN, in an amount of \$118,000 and any associated recording fees, payable from Fund 400, Agency 400021, Object 660100.

## Purchase of Parcels from the City of Virginia

BY COMMISSIONER \_\_\_\_\_

WHEREAS, St. Louis County Property Management has been developing plans to address county office building parking issues in conjunction with the long term office space planning and the consolidation of county services and the elimination of leasing space for county functions; and

WHEREAS, The St. Louis County Board recently approved a professional services contract for design and construction management services for the construction of a new office building to address the downtown Virginia office space issues and additional parking is required to implement this plan; and

WHEREAS, The City of Virginia has offered four city lots for sale to the county in an amount of \$118,000 and has passed a resolution and forwarded the county a formal sale offer for the lots; and

WHEREAS, Property Management staff deem this to be a fair and equitable price for this property and acquisition of these lots will align with, and make attainable, future long term operational needs in downtown Virginia for both facility and parking requirements;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board approves the purchase of four city lots described in County Board File No. \_\_\_\_\_ for purposes of county parking adjacent to the County Motor Pool in Virginia, MN, for a cost of \$118,000, plus filing fees, payable from Fund 400, Agency 400021, Object 660100.

County Board File No. \_\_\_\_\_

**Purchase of Parcels from the City of Virginia**

Legal Descriptions and Parcel Codes:

Parcel 1 & 2:

Lots One (1), Two (2) and East Fifteen (15) feet of Lot Three (3), Block Thirty-one (31), VIRGINIA

AND

Parcel 3:

The West 10 feet of Lot Three (3), and all of Lot Four (4), Block Thirty-One (31), VIRGINIA

The parcel codes associated with the above lots are as follows: 090-0010-07570, 090-0010-07530 and 090-0010-07550

**COUNCIL CHAMBERS**

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Resolution No. **16111**

City of Virginia, Minnesota, **June 14, 2016**

Resolution **approving the sale and transfer of City property, Lot 1-4, Block 31 to St. Louis County**

Resolved by the City Council of the City of Virginia, that

**WHEREAS, St. Louis County has agreed to purchase City owned property, Lot 1-, Block 31; and**

**WHEREAS, the City Council has reviewed the proposal by St. Louis County and determined that the sale is the best interest of the City; and**

**WHEREAS, St. Louis County agrees to pay \$118,000 (ONE HUNDRED AND EIGHTEEN THOUSAND DOLLARS AND NO/100) to purchase said property and will pay all fees associated with transferring said property; and**

**WHEREAS, the City of Virginia will provide St. Louis County a Title Commitment Report; and**

**WHEREAS, St. Louis County agrees to purchase said property “As is” and agrees to hold the City of Virginia harmless.**

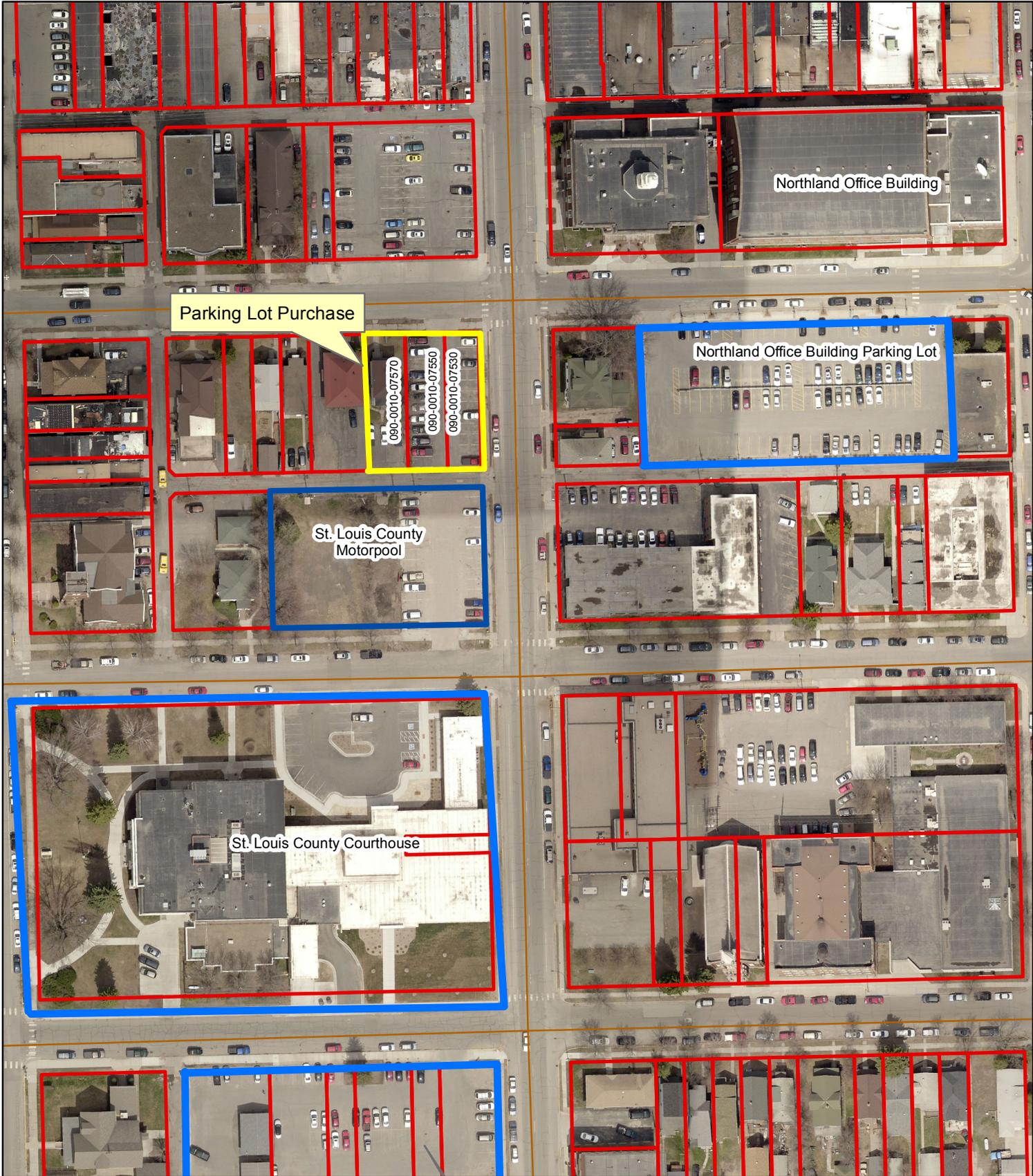
**NOW, THEREFORE, BE IT RESOLVED to authorize the Mayor and Interim City Administrator to enter into an agreement with St. Louis County to purchase said property, as described above, and to execute a Quit Claim Deed necessary to transfer the City owned property to St. Louis County.**

Moved by Councillor **Baribeau**, supported by Councillor **Sipola** that the above resolution be adopted.

Ayes: **Councillors Baribeau, Sipola, McReynolds, Jorgensen, Baranzelli  
Mayor Cuffe, Jr. (6)**

Nays: **None**

# Virginia Parking Lot Purchase 2016





St. Louis County personnel will continue to occupy the Northland Office Center until the new county office building in Virginia is completed and ready for occupancy. All proposals for purchase of the building will have to accommodate this continued occupancy by county staff.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board authorize the Property Management Director to advertise for proposals for purchase of the Northland Office Center pursuant to the requirements and procedures of Minn. Stat. § 373.01 and also establish the time for proposal consideration at 9:40 A.M. on Tuesday October 4, 2016 at the St. Louis County Board Courthouse, Duluth, MN.

**Advertisement and Request for Proposals for Sale of the  
Northland Office Center (Virginia)**

BY COMMISSIONER \_\_\_\_\_

WHEREAS, Property Management has evaluated the Northland Office Center Building in Virginia MN and found that the building will not meet planned goals and requirements as a government services center housing county employees; and

WHEREAS, The county desires to offer an opportunity for interested responsible parties to purchase this building; and

WHEREAS, The property is legally described as follows:

Lots Twenty-three (23) through Thirty-two, inclusive, Block Twenty-five (25),  
VIRGINIA

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes the Property Management Director to advertise for proposals for purchase of the Northland Office Center pursuant to the requirements and procedures of Minn. Stat. § 373.01;

RESOLVED FURTHER, That the County Board establishes the time for receiving written proposals for the property to be at 9:40 A.M. on October 4, 2016, at the St. Louis County Courthouse, Duluth, MN.



**RECOMMENDATION:**

It is recommended that the St. Louis County Board approve the purchase of a 7.8 acre parcel (code 260-0014-00820) from Gerald L. Spragg and Cheryl L. Spragg for the purchase price of \$36,700, plus closing costs. Closing will be done after the completion of all building demolitions and well and septic closures. Funding has been identified in County Administration budget for Other Professional (Fund 100, Agency 104001, Object 629000), to be transferred into Fund 100, Agency 102006 for expenditures related to Camp Esquagama.

## Purchase of Parcel Adjacent to Camp Esquagama

BY COMMISSIONER \_\_\_\_\_

WHEREAS, A 7.8 acre parcel of property adjacent to the easterly property line of Camp Esquagama has recently become available for purchase, which includes frontage on County State Aid Highway 4; and

WHEREAS, Acquisition of this property would ensure that camp activities can continue in the entirety of the current camp property, as well as provide a buffer to the highway; and

WHEREAS, The Property Management Department negotiated with owners Gerald L. Spragg and Cheryl L. Spragg for the purchase of this property in the amount of \$36,700; and

WHEREAS, Gerald L. Spragg and Cheryl L. Spragg have agreed to have all the buildings removed from the property and have the well and septic system abandoned at their expense and performed by a licensed contractor prior to the county taking possession of the property; and

WHEREAS, Gerald L. Spragg and Cheryl L. Spragg are responsible for remaining taxes payable for the second half of 2016; and

WHEREAS, Closing on this sale will occur after the above conditions have been satisfied;

THEREFORE, BE IT RESOLVED, That the St. Louis County Board approves the purchase of a 7.8 acre parcel adjacent to Camp Esquagama as described in County Board File No. \_\_\_\_\_ from Gerald L. Spragg and Cheryl L Spragg for a cost of \$36,700, with St. Louis County responsible for closing costs and property taxes payable in 2017. Funding has been identified in the County Administration budget for Other Professional (Fund 100, Agency 104001, Object 629000), to be transferred into Fund 100, Agency 102006 for expenditures related to Camp Esquagama.

COUNTY BOARD FILE NO. \_\_\_\_\_

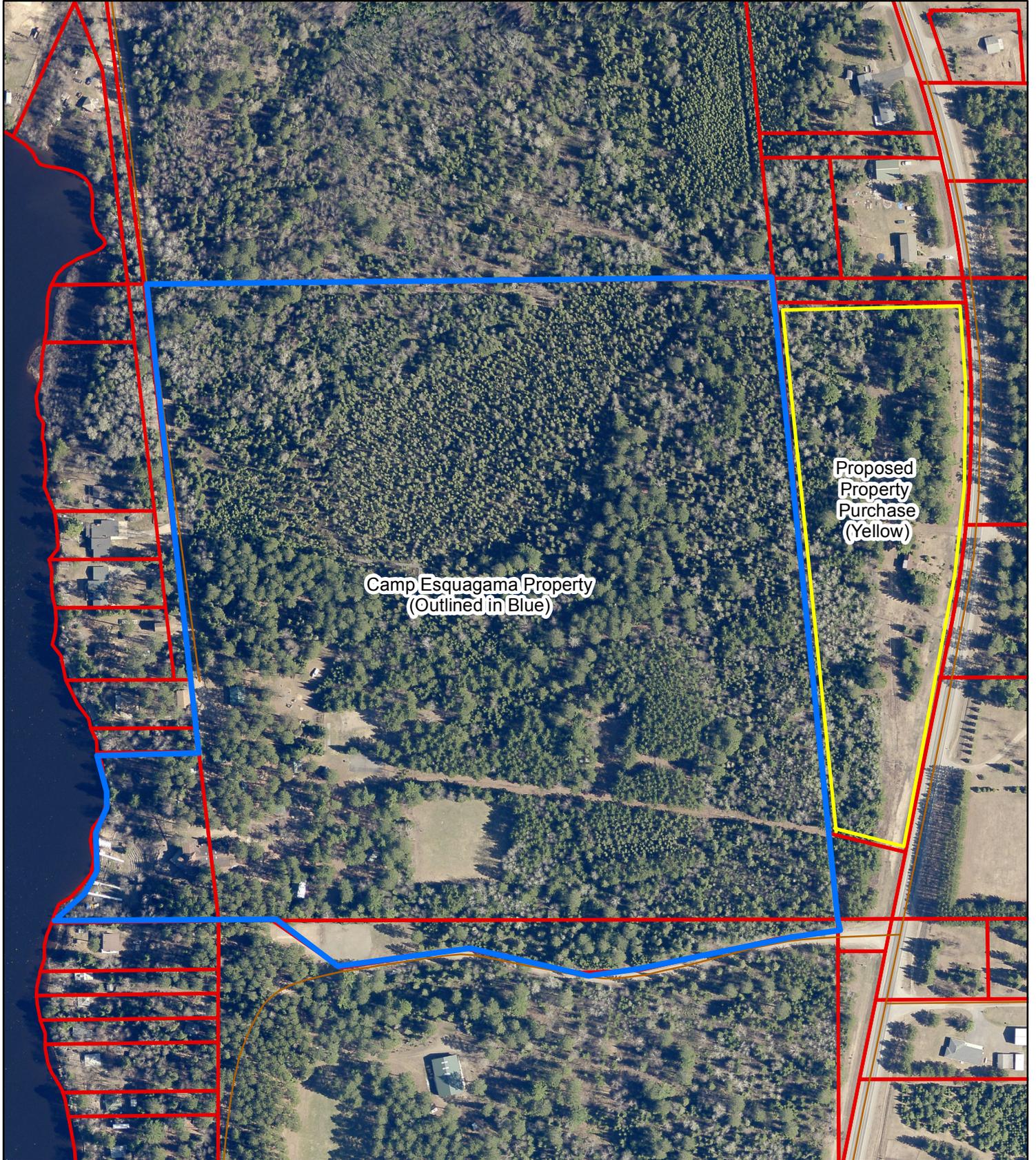
**Purchase of Parcel Adjacent to Camp Esquagama**

Legal Descriptions and Parcel Code:

That part of the Southeast Quarter of the Southwest Quarter (SE  $\frac{1}{4}$  of SW  $\frac{1}{4}$  ) section Twenty six (26), Township Fifty eight (58), Range Sixteen (16), ore particularly described as: That portion of the Southeast Quarter of the Southwest Quarter (SE  $\frac{1}{4}$  of SW  $\frac{1}{4}$ ) of Section Twenty six (26) which lies West of the present St. Louis County Highway Number Four (4) and North of the present Camp Sigel Road on said forty, except the North Fifty (50) feet thereof.

Parcel Code 260-0014-00820

**Camp Esquagama Adjoining Property Purchase  
Parcel 260-0014-00820**



**Site Address: 4931 Vermilion Trail, Gilbert, MN**