

**OFFICIAL PROCEEDINGS
OF THE COUNTY BOARD
LAKE COUNTY, MINNESOTA**

April 26, 2016. Lake County Service Center, Split Rock River Room, Two Harbors, Minnesota.
Commissioners present: Hurd, Jones, Sve, Walsh. Absent: Goutermont. Also present: County Administrator Matthew Huddleston and Laurel Buchanan, Clerk of the Board.

Meeting was called to order at 2:00 p.m. by Chairperson Rich Sve. Unless otherwise stated, all actions have been approved by unanimous yeas vote. Members of the public were present. Commissioner Sve led the audience in the recitation of the Pledge of Allegiance.

MOTION JONES, SECOND HURD: 01 – Approve agenda. Absent: Goutermont

MOTION WALSH, SECOND HURD: 02 – Recess County Board of Commissioners' meeting at 2:02 p.m.
Absent: Goutermont

At 2:02 p.m., the public hearing was continued regarding the proposed tax abatement plan and bond issue, reconvened from the previous discussion that was held and recessed on April 12, 2016, to be continued on April 26, 2016. Senior Financial Advisor Bruce Kimmel with Ehlers, Inc., Lake County's municipal advisor, updated the County Board on bonding plan changes that have developed since the public hearing discussion two weeks ago on April 12, 2016. Due to revised tax abatement terms and a restructured approach, Lake County's bond counsel Kennedy & Graven is advising that Lake County set a new public hearing for May 10, 2016, and publish a new notice of public hearing. The recommendation is to close the current public hearing underway today and not take any action related to this public hearing.

MOTION HURD, SECOND WALSH: 03 – Close at 2:06 p.m., on April 26, 2016, the public hearing that was held and recessed on April 12, 2016, on the proposed General Obligation (G.O.) Tax Abatement Bonds, Series 2016. Absent: Goutermont

The County Board of Commissioners' regular board meeting was reconvened at 2:06 p.m. Mr. Kimmel discussed the updated schedule of events. Lake County, Lake Connections, Kennedy & Graven, and Ehlers, Inc. are in the process of preparing a revised tax abatement plan and bond structure to fund Lake Connections' capital improvements. Mr. Kimmel also provided an estimated bond schedule and discussed the debt service schedule. Mr. Kimmel will come back on May 10th with a more definitive set of recommendations at the time of the public hearing.

MOTION JONES, SECOND HURD: 04 – Authorize a public hearing to be scheduled for Tuesday, May 10, 2016, on a proposed Property Tax Abatement and Issuance of General Obligation (G.O.) Tax Abatement Bonds, Series 2016. Absent: Goutermont

County Administrator Matthew Huddleston asked the Board of Commissioners to consider adopting two resolution items submitted on behalf of Lake Connections for drop installation and inside wiring for the fiber optic network project. The proposed resolutions are to accept the low bids from MP Nexlevel, LLC for the bid openings held on April 13, 2016. The proposed resolutions would be contingent that the contracts would only be entered into if a Property Tax Abatement and Issuance of G.O. Tax Abatement Bonds, Series 2016, were to be adopted following the new public hearing on May 10, 2016.

MOTION WALSH, SECOND JONES: 05 – A motion was made by Commissioner Walsh and was supported for discussion by Commissioner Jones regarding accepting the bid and approving the service drop contract with MP Nexlevel, LLC, under the condition that the agreement would only be entered into if the financing plan were to be approved following the public hearing on May 10, 2016. After further discussion on concerns of adopting a resolution contingent on the outcome of a future resolution, the Commissioners voted on the motion at hand. Aye: Sve. Nay: Jones, Hurd, Walsh. Absent: Goutermont. Motion failed.

MOTION JONES, SECOND HURD: 06 – Table until the May 10, 2016, board meeting the resolution to accept the bid and approve service drop contract with MP Nexlevel, LLC, for MP Nexlevel to perform service drop construction from the network to residential and business customers. Absent: Goutermont

MOTION JONES, SECOND WALSH: 07 – Table until the May 10, 2016, board meeting the resolution to accept the bid and approve service installation contract with MP Nexlevel, LLC, for MP Nexlevel to perform installation and inside wiring for residential and business customers to the network. Absent: Goutermont

MOTION JONES, SECOND HURD: 08 – Authorize the Lake County Highway Department to provide assistance, not to exceed \$5,000 from the Highway Department budget, for the proposed Segog Soccer Field Parking Lot Project. This proposed project at Segog Park is intended to expand the parking area off 19th Street on tax forfeited land. This project is being pursued to relieve some of the congestion to the adjacent residential neighborhood and allow the Two Harbors Soccer Club to consider hosting tournaments in the future, which would be a great opportunity for promotion of the entire community. The project donation may include Highway Department staff hours, labor, and materials. This project is in its beginning phases and the identified parcel(s) will need to be reviewed for wetlands impact in order to determine suitability for development and that the project would have minimal wetland impacts. Initial project cost estimations include cost of clearing and cost of culverts. The Two Harbors Soccer Club will also be seeking other funding sources for the project. Absent: Goutermont

One item was removed from the consent agenda for discussion and separate board action, and later the motion was again revised to remove two additional items for clarification, such detail to be discussed between the Lake County Auditor's Office and Lake Connections to facilitate timely payment to vendors.

MOTION HURD, SECOND JONES: 09 – Approve revised consent agenda as follows.

1. Approve County Board of Commissioners' meeting minutes from April 12, 2016.
2. Approve claims in the amount of \$72,928.20.
3. Approve Health and Human Services claims payments in the following amounts:
 - a. Region III Adult Mental Health Initiative payments \$ 55,499.37
 - b. Administrative payments \$ 33,727.19
 - c. Arrowhead Health Alliance payments \$ 3,721.14
4. Authorize payment in the amount of \$5,000.00 to Area Partnership for Economic Expansion (APEX) for data center marketing services in March 2016, Invoice No. LC – 3003.
5. Authorize payment to Giant Voices in the amount of \$5,000.00 (reference INV-039219) for April 2016 monthly retainer, advertising & printing services [for broadband marketing services including coordination and execution of communication priorities outlined in marketing services agreement].
6. Authorize payment to Giant Voices in the amount of \$7,379.00 for March 2016 advertising & printing services [postcards, fiber drop letter, advertising in 4 newspapers], for the following invoices: a) INV-039257 in the amount of \$348.50, and b) INV-039280 in the amount of \$7,030.50.

7. Approve Memorial Day observances funds disbursement in the amount of \$3,500, as coordinated, distributed and implemented by Lake County Veterans Service Officer (VSO) Vince Sando.
8. Authorize payment to Superior Septic Service, LLC for invoice #668 in the amount of \$8,575.00 for the pumping and transport of leachate from the Lake County Landfill to the City of Two Harbors Treatment Facility.
9. Approve payment of \$7,500 to Leslie Hutchins for the homeowner portion of Federal Emergency Management Agency (FEMA) Fire Resistant Roofing Grant 1 installation, pending reimbursement to Lake County from FEMA Hazard Mitigation Grant Program DR-1982.07.
10. Authorize payment in the amount of \$10,744.50 to North Point Geographic Services for mapping fiber optic plant (reference 885).
11. Authorize the Environmental Services Director, Christine McCarthy, to sign as the Grantee Authorized Representative for the Federal Sub-Award Agreement for the Lake County Landfill Water Impact Study between the State of Minnesota, the Minnesota Coastal Program and Lake County.
12. Approve new liquor applications by William A Fisher of National Forest Lodge for On-Sale 3.2 Malt Liquor and On-Sale Wine with Strong Beer endorsement subject to approval of Stony River Township, the County Attorney and County Sheriff, the filing of proper application papers and payment of applicable fees.
13. Authorize Highway Engineer to sign kid's triathlon special event permit for June 11, 2016.
14. Authorize Highway Engineer to sign Grandma's Marathon special event permit for June 18, 2016.
15. Authorize Highway Engineer to sign NorthShore Inline Marathon special event permit for September 17, 2016.
16. Authorize Lake County assistance for 2016 Grandma's Marathon and 2016 NorthShore Inline Marathon.
17. Approve final payment in the amount of \$16,724.78 (for a contract total of \$61,301.00 plus administration fee) to St. Louis County for CP 0000-235367 (2015 crack sealing).
18. Approve final payment in the amount of \$819.00 (for a contract total of \$9,634.60) to LHB, Inc. for CSAH 7 culvert design engineering services.
19. Approve and authorize payment of \$9,263.50 plus any applicable shipping costs and taxes for the purchase of 100 Ethernet over Coax adapters kits and 100 Ethernet switches from Power and Tel. These are needed to support additional video customers.
20. Approve and authorize payment of \$2,875.00 plus any applicable shipping costs and taxes for the purchase of 2,500 encryption licenses from Dascom. These are needed to support additional video customers.

21. Approve and authorize payment of \$4,324.50 plus any applicable shipping costs and taxes for the purchase of customer premise equipment from Calix. These are needed to fulfill an order from a customer with multiple dwelling units.
22. Accept the quote from EPC Engineering and Testing in the amount of \$12,534 for soil boring investigation drilling services at the Lake County Construction and Demolition Landfill.
23. Authorize payment in the amount of \$7,885.28 to Innovative Systems for billing system maintenance fee, postage & IPTV licensing for the following invoices: a) Invoice 27700, \$1,185.71; b) Invoice 27620, \$1,329.10; c) Invoice 27451, \$5,703.47. Absent: Goutermont

Commissioner Walsh had some questions about the Planning Commission recommendations to approve an Interim Use Permit. Commissioner Walsh asked about homeowner participation in road maintenance and upkeep costs per Homeowner Association covenants. Another concern was regarding complaints about a fire pit. Commissioner Sve advised that the exhibits reviewed by the Planning Commission showed that the fire department responded to a call about a fire pit. The campfire was well contained. The property owner followed up on the concern by implementing additional safeguards. Environmental Services Director Christine McCarthy also provided feedback about the conditions of the Interim Use Permit as recommended by the Planning Commission.

MOTION HURD, SECOND SVE: 10 – Adopt the findings by the Planning Commission and approve a five-year renewal of Interim Use Permit, I-16-002, for Terry and Jonna Bailey, for a vacation rental home located at 664 Riverview Road, Ely, MN 55731. Absent: Goutermont

MOTION HURD, SECOND WALSH 11 – Approve the changes to the Human Services Director job description without comparable worth review. Absent: Goutermont

MOTION JONES, SECOND HURD: 12 – Approve the interim appointment of Lori Ekstrom, Chief Deputy Recorder, to County Recorder at the annual salary of \$56,550 effective May 2, 2016. Absent: Goutermont

MOTION WALSH, SECOND JONES: 13 – Approve the resignation of Justin Mayne, Forester, effective April 28, 2016. Absent: Goutermont

MOTION HURD, SECOND WALSH: 14 – Approve the recruitment for one full-time Forester. Absent: Goutermont

MOTION JONES, SECOND HURD: 15 – Approve the retirement of Tadd Bolen, Chief Deputy Auditor/Treasurer, effective July 29, 2016. Absent: Goutermont

MOTION WALSH, SECOND JONES: 16 – Approve the recruitment for one full-time Chief Deputy Auditor/Treasurer. Absent: Goutermont

MOTION WALSH, SECOND HURD: 17 – Approve the 67-day temporary appointment of Fred Hendrickson, Grounds Maintenance Worker for Maintenance Department, at \$11.00 per hour including second year return incentive effective May 9, 2016. Absent: Goutermont

MOTION HURD, SECOND JONES: 18 – Approve the 67-day temporary appointment of Charles Carlson, Grounds Maintenance Worker for Maintenance Department, at \$11.50 per hour including maximum return incentive effective May 9, 2016. Absent: Goutermont

MOTION JONES, SECOND WALSH: 19 – Designate the Personnel Committee to hear the L.E.L.S. Step 3 grievance. Absent: Goutermont

County Auditor Linda Libal asked for clarification on consent agenda items regarding authorizing recurring monthly payments to the following Lake Connections' network vendors – Everyone.net and Consolidated Communications. Ms. Libal suggested that dollar amounts should be included in the board action. Lake Connections General Manager Jeff Roiland clarified that the dollar amounts vary monthly depending on numbers of subscribers and number of email accounts. The language proposed is to accommodate timely payment to these critical vendors to the network. Ms. Libal questioned whether these would be processed as Commissioners' warrants or Auditor's warrants. To accommodate discussion and clarification of language, Commissioners agreed to remove these items from the consent agenda to be tabled until the language can be clarified. These recurring payments are needed to assure continued service to Lake Connections' customers. The proposed resolutions are intended to facilitate timely payment to these vendors, similar to how utility provider invoices are processed. Mr. Roiland indicated that this would be similar to how payments are processed for the NCTC contract (National Cable Television Cooperative).

MOTION HURD, SECOND JONES: 20 – Table the proposed resolution regarding authorizing monthly payments to Everyone.net (vendor #5927) as part of doing business as Lake Connections, until the Lake County Auditor's Office and Lake Connections' financial accountant collaborate on resolution language to clarify what process will be used to accommodate prompt payment. Absent: Goutermont

MOTION HURD, SECOND JONES: 21 – Table the proposed resolution regarding authorizing monthly payments to Consolidated Communications (vendor #5919) as part of doing business as Lake Connections, until the Lake County Auditor's Office and Lake Connections' financial accountant collaborate on resolution language to clarify what process will be used to accommodate prompt payment. Absent: Goutermont

MOTION JONES, SECOND HURD: 22 – Adjourn meeting at 3:37 p.m. Absent: Goutermont

The Lake County Board of Commissioners will convene an agenda meeting on Tuesday, May 3, 2016, at 2:00 p.m., and a regular meeting on Tuesday, May 10, 2016, at 2:00 p.m. A public hearing will be held on Tuesday, May 10, 2016, at 2:00 p.m. regarding a proposed General Obligation (G.O.) Tax Abatement Bonds, Series 2016. The agenda meeting, regular meeting and public hearing will be held in the Split Rock River Room located on the main floor of the Lake County Service Center, 616 Third Avenue, Two Harbors, Minnesota. The Lake County Board of Commissioners will meet as a Committee of the Whole on Tuesday, May 17, 2016, at 6:00 p.m., in the Lake County Law Enforcement Center, 613 Third Avenue, Two Harbors, Minnesota.

ATTEST:

Laurel D. Buchanan
Clerk of the Board

Rich Sve, Chairperson
Lake County Board of Commissioners