

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

October 25, 2016. Lake County Service Center, Split Rock River Room, Two Harbors, Minnesota. Commissioners present: Goutermont, Hurd, Jones, Sve. Absent: Walsh. 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. Members of the public were present. Commissioner Sve led the audience in the recitation of the Pledge of Allegiance.

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

County Administrator Matthew Huddleston updated the Lake County Board of Commissioners on several items of county business. Mr. Huddleston provided an update on the Standard & Poor's (S&P) rating call that will take place next week. There will be a two-hour window to review the S&P report when it becomes available. Salvage is underway at the former bowling alley, and the bid prospectus for demolition is being finalized. There will be a public hearing on the transportation sales tax at 6:00 p.m. on November 15, 2016, at the meeting of the Committee of the Whole. The Minnesota Department of Revenue projections have been received. Mr. Huddleston reviewed financial information regarding the Health & Human Services Childcare Assistance Program. Mr. Huddleston provided an update on the Federal Communications Commission (FCC) broadband initiatives grant. The County Negotiating Committee continues to work with Lake Communications, Inc. (LCI) on a new contract for management of the county broadband network, Lake Connections. The Board may need to consider some action at the meeting next Tuesday to extend the contract.

The County Board of Commissioners received an update on the Homeland Security Emergency Management (HSEM) Director Joe Kelly's presentation "Public Information for Elected Officials and Department Heads" that took place earlier in the day in the Lake County Law Enforcement Center. HSEM is a division of the Minnesota Department of Public Safety.

Lake County Board Chairperson Rich Sve reviewed an updated draft resolution regarding a proposed hybrid model of land exchange and land sale involving Minnesota school trust lands located in the boundaries of the Boundary Waters Canoe Area Wilderness (BWCAW). The proposed resolution asks Lake County to support the United States Department of Agriculture (U.S.D.A.) Forest Service request for \$12.3 million from Land & Water Conservation fund to advance phase one of the federal acquisition. Lake County Commissioners discussed further revisions to the proposed draft, including a review of the covenants associated with the parcels before adopting a resolution related to this proposal. The Lake County Board of Commissioners believes the intent of the 1964 Wilderness Act is that of 100% land exchange. The Lake County Board of Commissioners supports 100% land exchange. In the spirit of cooperation between Lake County, the State of Minnesota and the Federal Government, Lake County is considering adopting a proposed resolution, after further revisions to the proposed resolution, to move forward with a hybrid model in this instance.

MOTION JONES, SECOND HURD: 02 – Approve consent agenda as follows:

1. Approve County Board of Commissioners' meeting minutes from October 12, 2016.
2. Approve batch 1 claims in the amount of \$51,846.13.
3. Approve batch 2 claims in the amount of \$15,902.13.

4. Approve Health and Human Services claims payments in the following amounts:
  - a. Region III Adult Mental Health Initiative payments \$190,588.62
  - b. Administrative payments \$ 17,258.54
  - c. Arrowhead Health Alliance payments \$ 4,391.52
5. Approve payment in the amount of \$5,036.24 to SeaChange Print Innovations for the 2016 State General Election Ballots (invoice #10573).
6. Authorize purchase of Infinivault Maintenance for the Model 35, Model 5 and associated RDU chassis from Hybridge Imaging, LLC for a total of \$8,252.00.
7. Approve payment of \$3,780.00 to Joe Gregorich for the homeowner portion of FEMA Fire Resistant Roofing Grant 1 installation, pending reimbursement to Lake County from FEMA Hazard Mitigation Grant Program DR-1982.07.
8. Approve payment of \$7,500.00 to Martin von Euw for the homeowner portion of FEMA Fire Resistant Roofing Grant 1 installation, pending reimbursement to Lake County from FEMA Hazard Mitigation Grant Program DR-1982.07.
9. Approve payment of \$7,500.00 to John Swenson for the homeowner portion of FEMA Fire Resistant Roofing Grant 1 installation, pending reimbursement to Lake County from FEMA Hazard Mitigation Grant Program DR-1982.07.
10. Approve and authorize the chair to sign the Agreement to extend the 2014 Wildfire Fuel Reduction (Stevens) Grant to December 30, 2017.
11. Approve payment in the amount of \$16,864.50 to Office of the State Auditor for 2015 Audit Services (invoice #67593).
12. Approve the repurchase application by Henze subject to payment including total taxes and assessments of \$2,991.15, service fee of \$100.00, deed tax of \$9.87, deed fee of \$25.00, and recording fee of \$46.00; for a total of \$3,172.02 if paid by October 31, 2016, otherwise total consideration will be recalculated.
13. Approve the repurchase application by Kettunen subject to payment including total taxes and assessments of \$122.90, service fee of \$100.00, deed tax of \$0.41, deed fee of \$25.00, and recording fee of \$46.00; for a total of \$294.31 if paid by October 31, 2016, otherwise total consideration will be recalculated.
14. Approve Highway Department payment to Titan Machinery in the amount of \$2,622.25 for ditch mower parts.
15. Approve Highway Department payment to Ziegler Inc. in the amount of \$3,195.05 for Unit #5990 (1999 Caterpillar dozer) repairs.

16. Approve Highway Department payment to Pomp's Tire in the amount of \$3,170.00 for Unit #8041 (2004 mower tractor) tires.
17. Approve payment to Summit Mechanical Service, Inc. in the amount of \$3,035.00 for Highway Department hot water upgrades.
18. Authorize Frontier Communications cable installation along CSAH 11.
19. Approve purchase of winter salt from Compass Minerals America Inc. (through State CPV Contract S-803(5)) in the amount of \$64.69/ton to Two Harbors and \$67.93/ton to Finland, payable upon delivery through June 1, 2017.
20. Authorize SP 038-618-023 (Garden Lake Bridge project) engineering testing services in an amount up to \$5,822.00 by American Engineering Testing Inc.
21. Resolution approving and authorizing Board Chair and Highway Engineer to sign SAP 038-624-003 Local Road Improvement Program Grant Agreement with the Minnesota Department of Transportation for CSAH 24 (Gun Club Rd.) improvements.
22. Approve standard Cabin Site Lease fee increase from \$363 to \$400 for 2017-2019, a 10% increase, with the same increase to non-standard leases.
23. Authorized payment in the amount of \$3,537.00 to Keepers, Inc. for the purchase of carriers, vests and plates, for the following invoices: 317886, 318514, 318515.
24. Approve and authorize the Board Chair to sign the Arrowhead Health Alliance 3<sup>rd</sup> Amended Joint Powers Agreement for Health Care Services.
25. Approve and authorize the Board Chair to sign the State of Minnesota Department of Human Services County Grant Contract (#115483), which covers the Grant period of January 1, 2017 through December 31, 2018.
26. Approve and authorize the County Board Chairperson to sign the Purchase of Service Agreement with the Duluth Institute to provide Community Mental Health Services to Lake County residents for the period of November 1, 2016 through December 31, 2016.
27. Authorize payment in the amount of \$21,554.55 to KTM Paving, Inc. (Invoice 216-2851) for paving of parking lot at Silver Bay Sheriff Office and patching parking lot at Silver Bay Ice Arena parking lot.
28. Authorize payment in the amount of \$197,620.81 to Lake Communications, Inc. for Operations and Management of the Lake County Fiber to the Home Project (Invoice 110).

29. Authorize payment in the amount of \$10,093.28 to Innovative Systems for billing system maintenance fee, postage and IPTV support for the 3<sup>rd</sup> & 4<sup>th</sup> quarters, for the following invoices: a) INV 28607, \$1,566.19; b) INV 29782, \$1,447.77; c) INV 29500, \$5,370.47; d) INV 29671, \$1,708.85
30. Authorize the purchase of 1.25" duct from FS-3 in the amount of \$4,930.00 plus tax and shipping. This is needed to connect the Wilson Lake area.
31. Authorize payment in the amount of \$48,368.60 to MP Nexlevel LLC for repairing the September fiber cut on CSAH 26 for the following invoices: A) INV 1106443 in the amount of \$11,992.62 and B) INV 1106442 in the amount of \$36,375.98.
32. Approve a budget increase of \$54,726.09 to cover the cost of materials and contractors to repair the September 2016 fiber cut on CSAH 26.
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| a | MP Nexlevel     | 1106443 | \$ 11,992.62 |
| b | MP Nexlevel     | 1106442 | \$ 36,375.98 |
| c | Jordan Drilling | 5638    | \$ 4,500.00  |
| d | FS3 Inc.        | 40811   | \$ 1,857.49  |

Absent: Walsh

MOTION JONES, SECOND HURD: 03 – Authorize Auditor’s office to enter into an agreement with River City Data for scanning of Historical Tax books in the amount of \$5,000 per year and continuing until all historic records have been scanned. This project can be funded utilizing the “Reserved for County Property Recorders Fee” fund (01.2738). Absent: Walsh

MOTION JONES, SECOND HURD: 04 – Rescind the appointment of Isabella Spencer to the Lake County Local Mental Health Task Force effective July 29, 2016. Absent: Walsh

MOTION HURD, SECOND GOUTERMONT: 05 – Approve the appointment of Karen Saari as the Chair of the Lake County Local Mental Health Task Force, effective September 12, 2016, for a term to expire on December 31, 2016. Aye: Hurd, Goutermont, Sve. Nay: Jones. Absent: Walsh. Motion carried.

MOTION GOUTERMONT, SECOND HURD: 06 – Approve the appointment of Karen Saari to the Lake County Health and Human Services Advisory Committee, effective September 12, 2016, for a term to expire on December 31, 2016. Aye: Hurd, Goutermont, Sve. Nay: Jones. Absent: Walsh. Motion carried.

MOTION GOUTERMONT, SECOND HURD: 07 – Authorize payment to Giant Voices in the amount of \$3,643.64 for the following invoices for August 2016 postcards and website maintenance: a) INV-039978, \$3,479.64 and b) INV-039945, \$164.00. Absent: Walsh

MOTION HURD, SECOND GOUTERMONT: 08 – Approve the Lake County Election Emergency Plan as required by 2016 Minn. Laws, Ch. 161, Art. 3, Sec. 3; and authorize Auditor to update plan information on an ongoing basis as necessary. Absent: Walsh

MOTION GOUTERMONT, SECOND JONES: 09 – Approve the probationary appointment of Kylie Dietz to Social Worker at the probationary rate of \$22.07 per hour effective October 31, 2016.

Absent: Walsh

MOTION JONES, SECOND HURD: 10 – Approve and Authorize Board Chair to sign a non-exclusive easement for the construction, use and maintenance of a road and services for any and all utilities over and across a strip of land being 66 feet wide, lying 33 feet on either side of the centerline of the approved road route across: SE ¼ of NE ¼, SW ¼ of NE ¼, NW ¼ of NE ¼, NE ¼ or NW ¼ all of Section 14, Township 54 North, Range 9 West; SE ¼ of SW ¼, NE ¼ of SW ¼, NW ¼ of SW ¼, SW ¼ of NW ¼ all of Section 11, Township 54 North, Range 9 West said land having forfeited to the State of Minnesota for non-payment of real estate taxes, said easement being for the ingress to, egress from, and utility service to Grantees following described land, to wit: N ½ of Section 10, Township 54 North, Range 9 West; S ½ of Section 3, Township 54 North, Range 9 West; NW ¼, N ½ of SE ¼ all of Section 9 West, Township 54 North, Range 9 West; SE ¼ of Section 4, Township 54 North, Range 9 West. Absent: Walsh

MOTION GOUTERMONT, SECOND JONES: 11 – Authorize a lump-sum payment to Lake County Ambulance Service (LCAS) for up to the total amount of the 2016 allocation. This one-time lump sum payment is in lieu of regularly scheduled monthly payments for the remainder of calendar year 2016. Absent: Walsh

MOTION JONES, SECOND HURD: 12 – Adjourn meeting at 2:55 p.m. Absent: Walsh

The Lake County Board of Commissioners will convene a special meeting on the evening of Tuesday, November 1, 2016, at 6:00 p.m. The regularly scheduled agenda meeting has been rescheduled to coincide with the special meeting. There will be no 2:00 p.m. county board meeting on November 1, 2016. The agenda meeting and special meeting will be held in the Law Enforcement Center, 613 Third Avenue, Two Harbors, Minnesota.

The Lake County Board of Commissioners will convene a regular meeting on November 8, 2016, at 2:00 p.m. The regular meeting 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 (COW) on November 15, 2016, at 6:00 p.m., in the Law Enforcement Center, 613 Third Avenue, Two Harbors, Minnesota. A public hearing will be held on Tuesday, November 15, 2016, at 6:00 p.m. regarding implementing a proposed transportation sales tax.

ATTEST:

Laurel D. Buchanan  
Clerk of the Board

Rich Sve, Chairperson  
Lake County Board of Commissioners