

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

August 8, 2017. Lake County Service Center, Split Rock River Room, 616 Third Avenue, Two Harbors, Minnesota. County Commissioners Present: Derrick (Rick) L. Goutermont, Richard (Rick) C. Hogenson, Peter R. Walsh, Rich Sve. County Commissioners Absent: Jeremy M. Hurd. Also present: County Administrator Matthew Huddleston and Laurel Buchanan, Clerk of the Board.

Meeting was called to order at 2:00 pm 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 GOUTERMONT, SECOND HOGENSON: 01 – Approve agenda. Absent: Hurd

Lake County Administrator Matthew Huddleston updated the Board of Commissioners on several items of county business. Mr. Huddleston and recently retired former Lake County employee Glen Backman have discussed Mr. Backman's return on a part-time, as-needed basis as Information Technology (I.T.) Director. Mr. Backman will help with the Voice over Internet Protocol (VoIP) installation planned for the courthouse and the law enforcement center building.

Mr. Huddleston discussed that several years ago, as required by the USDA Rural Utilities Service (RUS), the Board of Commissioners approved a resolution to set aside 3.5 million dollars as part of the funding for Lake County's broadband project. This was Resolution No. 11020805, Utilizing County Reserve Funds as Local Match to the Lake County Fiber-to-the-Premise Broadband Network. In that board resolution adopted on February 8, 2011, the Board of Commissioners designated 3.5 million dollars in County fund balances as the local match to construct and operate the Lake County Fiber-to-the-premise Broadband Network. Now in 2017, at this point in Lake County's broadband project, those dollars no longer need to be reserved for that purpose. The proposed resolution today is to transfer those funds to an unreserved fund equity account. As an update on Lake Connections, Mr. Huddleston advised that network construction continues with limited equipment and limited staff working through budgetary issues.

Also on for board action today are proposed resolutions to close out the Tax Increment Financing (TIF) that had been put in place many years ago for Cove Point and Blue Waters. The proposed Board of Commissioners' resolutions are also needed for the State Auditors' audit of the Lake County Housing and Redevelopment Authority (LCHRA) in order for LCHRA to close out its books on these projects. County Auditor Linda Libal was present for any questions regarding these proposed resolutions.

Mr. Huddleston reviewed that Department Budgets are due tomorrow. The Fire Recovery Committee continues to work with the Minnesota Counties Intergovernmental Trust (MCIT) and others regarding damages from the structure fire that occurred in the Highway Department facility in December 2016.

Commissioners discussed that the United States Department of Agriculture (USDA) Forest Service (USFS) has invited public comment on the Draft Environmental Impact Statement (EIS) for the proposed School Trust Land Exchange. Public input is invaluable to the Forest Service as they consider this land exchange. The decision to be made is whether to authorize an exchange and if an exchange is authorized, which lands will be exchanged and under what conditions. This land exchange is part of a cooperative effort between the State of Minnesota and the Forest Service to transfer ownership, by a combination of exchange and purchase, of a total of approximately 83,000 acres of State-owned School Trust lands located within the boundaries of the Boundary Waters Canoe Area Wilderness (BWCAW). Lake County Commissioners plan to submit comments on the School Trust Land Exchange Draft EIS. The Draft EIS is available on the Superior National Forest's website at <https://www.fs.usda.gov/goto/Superior/SchoolTrustLandExchange> The project website also includes appendices and maps of the lands proposed for the exchange.

MOTION GOUTERMONT, SECOND WALSH: 02 – Approve Consent Agenda as follows:

1. Approve the Board of Commissioners' meeting minutes from July 25, 2017.
2. Approve Health and Human Services claims payments in the following amounts:
 - a. Region III Adult Mental Health Initiative payments \$ 92,004.27
 - b. Administrative payments \$ 25,149.81
 - c. Special payments \$ 37.97
3. Approve and authorize the County Board Chair to sign the Purchase of Service Agreement with Jessica Breden, RN, PHN, to provide Public Health nursing services for the period of July 24, 2017 through December 31, 2017.
4. Authorize payment in the amount of \$5,068.21 to St. Luke's Hospital for medical services provided to a Lake County Jail inmate.
5. Authorize payment to Northeast Service Cooperative (NESC) in the amount of \$200.00 for Fiscal Year 2018 (FY 18: July 1, 2017 to June 30, 2018) NESC Annual Membership Dues.
6. Approve the application of Robert Buus, DBA Our Place Inc for a new On-Sale, Off-Sale and Sunday Sales Liquor License for the time period of September 1, 2017 to December 31, 2018 subject to the approval of the County Attorney and County Sheriff, the filing the proper application papers and payment of applicable license fees. This license is to replace the currently issued license of Deb Schanno, DBA Our Place, who is deceased.
7. Approve payment of \$5,040.00 to Larry Simonich for the homeowner portion of Federal Emergency Management Agency (FEMA) Fire Resistant Roofing Grant 3 installation, pending reimbursement to Lake County from FEMA Hazard Mitigation Grant Program DR-4131.13.
8. Authorize payment in the amount of \$7,636.00 to Old Republic Surety Group, for Bond Number RLI2133039, covering the Franchise Agreement with the City of Two Harbors.
9. Authorize payment in the amount of \$9,752.21 to MP Nexlevel, LLC, Invoice 1108971, for fiber constructions costs.
10. Authorize payment in the amount of \$65,872.71 to Consolidated Telecommunications Company (CTC) for July payrolls, voice expenses, technician labor and expenses, trouble calls and other miscellaneous expenses, invoice INV-3217.
11. Approve and authorize Highway Engineer to sign CenturyLink fiber optic utility permit crossing CSAH 5.
12. Authorize the Board Chair, to sign the application for the Minnesota Pollution Control Agency (MPCA) Fiscal Year 2018 Subsurface Sewage Treatment Systems (SSTS) Program Grant.
13. Authorize the renewal and payment of GIS software licenses to Environmental Systems Research Institute, Inc. (ESRI) in the amount of \$5,000.00 plus tax. Absent: Hurd

MOTION WALSH, SECOND HOGENSON: 03 – Approve and authorize the Chair to sign the Onsite Influenza Immunization Clinic Agreement between Lake County and Hennepin County Medical Center (HCMC). Absent: Hurd

MOTION HOGENSON, SECOND GOUTERMONT: 04 – Approve the temporary compensation for Krysten Foster, County Engineer, in an amount equal to the straight-time rate when working in excess of 80 hours per pay period due to work under the “Agreement for Highway Engineering Services” between Lake County and Cook County. Absent: Hurd

MOTION GOUTERMONT, SECOND WALSH: 05 – Approve the temporary part-time employment of Glen Backman to Information Technology Director at \$33.66 per hour effective August 14, 2017. Absent: Hurd

MOTION WALSH, SECOND GOUTERMONT: 06 – Lake County Auditor to transfer \$3,500,000 from “Committed for Broadband Project” (Account #01.2749) to “Unreserved Fund Equity” (Account #01.2510). Absent: Hurd

MOTION GOUTERMONT, SECOND WALSH: 07 – Approve resolution to close out Lake County’s books on the Tax Increment Financing (TIF) for Cove Point. The Lake County Board of Commissioners authorizes and directs the County Auditor to document a write-off in the amount of \$90,101 for the TIF shortfall between the full TIF amount and the amount that was collected. This write-off amount is currently listed as a receivable in Lake County IFS account 01-1210. The final bond payment was made on February 1, 2007. This TIF was decertified in 2013. The TIF is no longer active. Absent: Hurd

MOTION WALSH, SECOND GOUTERMONT: 08 – Approve resolution to close out Lake County’s books on the Tax Increment Financing (TIF) for Blue Waters. The Lake County Board of Commissioners authorizes and directs the County Auditor to document a write-off in the amount of \$106,088 for the TIF shortfall between the full TIF amount and the amount that was collected. This write-off amount is currently listed as a receivable in Lake County IFS account 01-1210. The February 2001 bond payment was advanced to the debt service fund. The TIF was decertified in 2012. The TIF is no longer active. Absent: Hurd

MOTION GOUTERMONT, SECOND WALSH: 09 – Authorize the Lake County Housing and Redevelopment Authority (LCHRA) to write off \$118,851 for Cove Point. Amount is due from the developer but has been deemed as uncollectable. Lake County does not have this balance on its books. The LCHRA currently lists this amount as a receivable in its books. Documentation of the write-off has been requested by the State Auditor. Absent: Hurd

MOTION GOUTERMONT, SECOND WALSH: 10 – Amend the County Board of Commissioners’ meeting minutes from March 28, 2017, Motion 02, Consent Agenda Item 28, so that the amount matches the quote provided: Authorize Lake Connections to accept a proposal from PerMar Security Services in the amount of \$8,314.00 plus tax to install access control systems and door monitors on five doors at the three remote central office locations in Aurora, Ely and Silver Bay. There will also be a recurring monthly charge of approximately \$21.50 per month per site for monitoring. Absent: Hurd

MOTION GOUTERMONT, SECOND WALSH: 11 – Adjourn meeting at 2:40 p.m. Absent: Hurd

From the Board of Commissioners’ meeting schedule:

Committee of the Whole at 6:00 pm on Tuesday, August 15, 2017, at the Isabella Community Building, 9521 Lankinen Road, Isabella, MN 55607.

Regular board meeting at 2:00 pm on Tuesday, August 22, 2017, in the Split Rock River Room located on the main floor of the Lake County Service Center, 616 Third Avenue, Two Harbors, Minnesota.

Strategic Planning Session at 1:00 pm on Tuesday, August 29, 2017, in the Split Rock River Room located on the main floor of the Lake County Service Center, 616 Third Avenue, Two Harbors, Minnesota.

ATTEST:

Laurel D. Buchanan
Clerk of the Board

Rich Sve, Chairperson
Lake County Board of Commissioners