

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

Tuesday, February 13, 2018. Lake County Service Center, Split Rock River Room, 616 Third Avenue, Two Harbors, Minnesota. County Commissioners Present: District 1 Commissioner Peter R. Walsh, District 2 Commissioner Derrick (Rick) L. Goutermont, District 3 Commissioner Richard (Rick) C. Hogenson, District 4 Commissioner Jeremy M. Hurd, District 5 Commissioner Rich Sve. Absent: None. Also present: County Administrator Matthew Huddleston and Laurel D. Buchanan, Clerk of the Board. Meeting was called to order at 2:00 pm by Board Chair 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 GOUTERMONT: 01 – Approve agenda. Absent: None

County Administrator Matthew Huddleston introduced proposed resolutions for a judgment bond related to broadband construction invoices, authorizing Lake County to execute the confession of judgment, and setting the date for the bond sale. Bruce Kimmel, senior municipal advisor from Ehlers and Associates, Inc., the county's financial advisor, provided a Pre-Sale Report for Lake County, Minnesota, \$4,660,000 General Obligation Judgment Bonds, Series 2018A. Mr. Kimmel discussed how the bonds are going to be sold in the market. The Bonds are being issued pursuant to Minnesota Statutes, Chapter 475. The Bonds will be general obligations of the County for which its full faith, credit and taxing powers are pledged. The Bonds count against the County's overall debt limit for tax-supported debt, in which outstanding principal is limited to three percent (3%) of the County's estimated market value. Including this Bond issue, the County has approximately \$46,000,000 in remaining debt capacity for tax-supported debt. Because the County is expecting to issue less than \$10,000,000 in tax exempt debt during the calendar year, the County will be able to designate the Bonds as "bank qualified" obligations. Bank qualified status broadens the market for the Bonds, which can result in lower interest rates.

Ehlers is recommending a disclosure attorney in addition to a bond attorney. The bond sale is structured to get as many competitive bids as possible. The bond sale is based on the amount due to MP Nexlevel, LLC as of the end of March 2018, with an estimated closing date of March 29, 2018. There was discussion on timing of the sale of the broadband network and the timing of the new construction of the highway department facility. County Attorney Russ Conrow provided a definition of Confession of Judgment, that the county is admitting that it owes the money by contract and that it hasn't been paid yet. Deputy Auditor Ronni Radle was present for any questions on the bond presentation.

Ehlers will assist Lake County for the sale of the Bonds. The Board of Commissioners regularly scheduled meeting of the Committee of the Whole on 6:00 p.m. on March 20, 2018, will be noticed as a special meeting, for the purpose of considering proposals for and awarding the sale of the Bonds.

MOTION GOUTERMONT, SECOND HOGENSON: 02 – Authorize the Chair to execute the Confession of Judgment in the amount of \$4,525,643.22, acknowledging the amount remaining unpaid to MP Nexlevel, past the terms of the broadband infrastructure contracts. Absent: None

MOTION HURD, SECOND GOUTERMONT: 03 – Approve Resolution Providing for the Sale of General Obligation Judgment Bonds, Series 2018A, in the Approximate Aggregate Principal Amount of \$4,660,000. Absent: None

County Administrator Matthew Huddleston reviewed the proposed Agreement between Lake and Cook County for Shared Highway Engineer Services. Highway Engineer Krysten Foster stated that she supported the shared services agreement. Ms. Foster confirmed that Cook County approved the agreement and has appointed two commissioners to the Advisory Committee.

Mr. Huddleston reviewed the proposed apportionment resolution as proposed by Land Commissioner Nate Eide, who was present for any questions. Land Commissioner Nate Eide answered questions about the Environmental Assessment Worksheet (EAW) for Lake County Mountain Bike Trail (Split Rock Wilds) and the request to Environmental Quality Board (EQB) that Lake County be the Responsible Governmental Unit (RGU) for the Split Rock Wilds EAW.

Sergeant Nathan Stadler and Information Technology (I.T.) Director Boris Naschansky were present for any questions on the request for Mobile Data Computers (MDCs) for operation in squad cars. Mr. Naschansky updated the Board on what the request is regarding and about the timing of the request and that the investment is to be paid from e-9-1-1 funds.

One item was removed from the Consent Agenda for separate board approval.

MOTION WALSH, SECOND HURD: 04 – Approve amended consent agenda as follows:

1. Approve meeting minutes from a Public Hearing held on January 16, 2018, on proposed amendments to Lake County Ordinance No. 20.
2. Approve County Board of Commissioners' meeting minutes from January 23, 2018.
3. Approve meeting minutes from a Public Hearing held on February 6, 2018, on Lake County's submission of a Small Cities Development Program Application to the Minnesota Department of Employment and Economic Development (DEED), on behalf of the Lake County Housing Initiative.
4. Approve Health and Human Services claims payments in the following amounts:

a. Administrative payments	\$ 17,190.35
b. Arrowhead Health Alliance payments	\$ 12,156.23
c. Region III payments	\$ 64,054.18
d. Special payments	\$ 6,000.00
5. Approve the Amanda Fleck abatement to restore her pay 2017 homestead classification which was erroneously cancelled.
6. Approve the Dave Ostrander abatement to remove new construction value erroneously added to his pay 2017 valuation.
7. Authorize payment to City of Silver Bay for 2017 UT 1 portion of Silver Bay Fire Department in the amount of \$17,200.50.
8. Authorize payment in the amount of \$8,424.36 to Marine Repair Service (INV# 2017-052) for the Boston Whaler engine repair and for the parts, labor and installation of the electronics including navigation electronics, wiring and lighting.

9. Authorize transfer of Gravel Royalty dollars from Highway Department to the 2017 Tax Forfeit fund (acct# 85-950-000-0000-5490) in the amount of \$23,292.95.
10. Approve Resolution for Proposed Revision to Prospector's Loop ATV Trail System Trail Route, and that Lake County, serving as the Responsible Government Unit (RGU), determines that the proposed re-route is not a substantial change to justify a new or revised Environmental Assessment Worksheet (EAW) for the Prospector's Loop Trail Project.
11. Accept quote and approve payment to Warren Johnson for \$6,477.50 to provide, haul and place 92 swamp pads near Spruce Road for the Prospector Loop ATV trail. Funding provided through grant money.
12. Authorize County Auditor to transfer the balance of \$689.68 from the 2017 State Road Grant Account to the 2018 State Road Grant Account (acct # 85-954-000-0000-5264).
13. Authorize Forestry Department to begin working four 10-hour shifts per week, beginning Monday, March 5, 2018, and ending Friday, November 2, 2018.
14. Approve the renewals of Consumption and Display Permit for Wildhurst Lodge & Campground, Finland, MN, and National Forest Lodge, Isabella, MN, for period April 1, 2018 through March 31, 2019.
15. Approve Local Governmental Resolution in support of a Minnesota Department of Employment and Economic Development (DEED) Small Cities Development Program (SCDP) Project, resolving that the Chair of the Board of Commissioners and County Administrator, or their successors in office, are hereby authorized to execute such agreements, and amendments thereto, as are necessary to implement the project on behalf of the Applicant (Lake County). The application will request funds for owner-occupied housing and commercial rehabilitation in targeted areas of the City of Silver Bay.
16. Approve and authorize the Chair of the Board of Commissioners to sign the Citizen Participation Plan for the Minnesota Department of Employment and Economic Development (DEED) Small Cities Development Program (SCDP) Project for the for the Lake County application for the City of Silver Bay.
17. Approve the appointment of Susan Hilliard as Chair and Marlys Wisch as Vice Chair to the Lake County Health and Human Services Advisory Committee, effective January 1, 2018, for a one-year term.
18. Accept the resignation of Carie Larson from the Lake County Health and Human Services Advisory Committee, effective January 23, 2018.
19. Approve and authorize financial assistance for the Two Harbors Area Food Shelf in the amount of \$7,500.00 for calendar year 2018.
20. Authorize payment in the amount of \$18,075.48 to Ballard Spahr LLP, for INV. 737973-0325, in the matter of Rohl Breach of Contract, for serviced rendered through December 31, 2017.

21. Authorize transfer in the amount of \$8,766.87 from Solid Waste to Road & Bridge for 2017 interdepartment services.
22. Authorize Highway Department payment to City of Ely in the amount of \$8,333.26 for winter 2017-2018 salt-sand.
23. Authorize final payment to Knife River Materials for a SP 038-602-026 contract total of \$1,131,300.59.
24. Authorize second-half 2017 municipal maintenance distribution to City of Two Harbors in the amount of \$7,562.50.
25. Authorize second-half 2017 municipal maintenance distribution to City of Silver Bay in the amount of \$6,912.50.
26. Authorize Highway Engineer to sign USDA Forest Service property transfer agreement for CSAH 34 (Tomahawk Rd.) and CR 704 (McDougal Lake Rd.) Stony River bridges.
27. Approve remittance of 2018 Town Road Account distributions in accordance with Minnesota Statute 162.081, as follows:
 - a) \$18,384.37 for Silver Creek town roads
 - b) \$11,105.57 for Fall Lake town roads
 - c) \$8,316.55 for Stony River town roads
 - d) \$7,716.42 for Crystal Bay town roads
 - e) \$6,915.72 for Beaver Bay town roads
28. Authorize Highway Department purchase of sixteen Bridgestone M799 stock tires from Pomp's Tire Service, Inc. at a State CPV Contract T-740(5) total price of \$6,736.00 plus tax if applicable.
29. Authorize Highway Department purchase of sixteen hubs from Pomp's Tire Service, Inc. at a total price of \$2,944.00 plus tax if applicable.
30. Authorize payment in the amount of \$33,608.84 to Consolidated Telecommunications Company (CTC), invoice INV-3272, for January voice revenues and associated costs.
31. Authorize payment in the amount of \$38,103.47 to Consolidated Telecommunications Company (CTC), invoice INV-3270 for payrolls, cameras for the Lake County Sheriff's project, mapping labor, January commissions, January circuit charge and misc. shipping expenses.
32. Authorize payment in the amount of \$5,380.36 to Coop Light and Power, invoice 9387, for right of way clearing.
33. Approve the application, and authorize the Board Chair to sign, the 2018 Minnesota Department of Natural Resources (DNR) Firewise Community Grant application.

34. Approve Resolution for Classification of Tax Forfeited Land as follows:

WHEREAS, certain parcels of land in Lake County have been considered for sale described as follows:

PARCEL ID	Acres	Section	Township	Range	Description	Township
20-5908-09270	15.21	9	59	8	W 757' OF NE 1/4 OF NW 1/4 EXC S 445'	
20-6010-32070	25.74	32	60	10	UND 1/2 LOT 2	
20-6010-32130	21.15	32	60	10	UND 1/2 LOT 3 EXC THAT PART LYING WLY OF CHAS 2	
22-7440-02060	city				LOT 6 BLOCK 2, PLAT 440, 1ST DIVISION	
23-7660-17090	city				N 40' OF LOT 9 BLOCK 17 PLAT 642 CITY OF TWO HARBORS	
25-5211-02440	3.17	2	52	11	ALL THAT PART OF SE 1/4 OF NW 1/4 LYING S AND E OF US HWY 61	
25-5211-10500	15.63	10	52	11	THAT PART OF THE NE 1/4 OF SW 1/4 LYING N AND W OF THE CENTERLINE OF THE NEW US HWY 61 AS DESC IN CERT OF TITLES NO 31 PG 253	
25-5511-12850	9.95	12	55	11	SW 1/4 OF SE 1/4	
26-5644-00010	0.07	12	56	8	OUTLOT A PLAT 644 SONNY'S LANDING-PART OF GOVERNMENT LOT	
28-6382-22010	0.34	31	63	11	LOT 1 BLOCK 22 PLAT 382 WHITE IRON VILLS 30 & 31 & 32-63-11	
29-5309-06500	4.04	6	53	9	THAT PART OF LOT 3 LYING S & E OF US HWY 61 & DESC AS WLY 525'	
29-5353-02045	na	32	53	10	UNIT 210 & 1.9% OF COMMON ELEMENTS	

WHEREAS, M.S. 282.01 calls for classification of said parcels to conservation or non-conservation:

NOW, THEREFORE, BE IT RESOLVED, that the classifications of said parcels of land are hereby declared to be non-conservation.

35. Authorize payment in the amount of \$13,686.18 payment to Mid-America Business Systems of Minneapolis for annual software maintenance and support services.

36. Authorize \$101,110.00 investment for Mobile Data Computers (MDC's) which are ruggedized Panasonic brand laptops and communication accessories necessary for operation in squad cars. The supplier is Baycom of Green Bay, WI using the State of Minnesota state-contract pricing discounts with Panasonic. The order is for twenty (20) MDC's: sixteen for Lake County Sheriff's Office vehicles, two for Two Harbors Police Department vehicles and two for Silver Bay Police Department vehicles. The investment is to be paid from e-9-1-1 funds (funding source with payment split-up by agency) as part of the update to Computer Automated Dispatch (CAD) and associated systems referred to as "Zuercher CAD", which is being done simultaneously by Lake, Cook, Koochiching, Carlton, Pine Counties and all associated local police departments within those counties.

37. Rescind Motion 11, from County Board of Commissioners' meeting minutes of January 9, 2018, that had set the Interim Appointed Recorder 2017 salary and 2018 annual salary.

38. Approve apportionment resolution authorizing County Auditor to transfer \$292,199.65 from 950 Forestry fund to Resource Development fund for apportionment. The portion going to Revenue Fund, UT #1, and UT #2 will stay in the Resource Development fund to help pay for the Clair A. Nelson Memorial Forest. Break down of amounts follows:

Resource Development Fund	150,539.79
Recreation Fund	58,439.93
Revenue Fund (all to stay in Resource Development fund)	0
School District	58,439.88
UT#2	0
Silver Creek	10,208.25
Fall Lake	6,569.73
Crystal Bay	1,958.67
Stony River	873.60
Beaver Bay (Twp)	3,714.82
UT#1	0
Two Harbors	1,454.98
Silver Bay	0
Beaver Bay (City)	0
Total Apportionment	292,199.65

Absent: None.

MOTION GOUTERMONT, SECOND HOGENSON: 05 – Authorize payment to Finland Fire Department for the rental of Finland Rescue Hall for 2018 in the amount of \$8,000.00. Yea: Goutermont, Hogenson, Hurd, Sve. Nay: None. Abstain: Walsh. Absent: None

MOTION HURD, SECOND WALSH: 06 – Approve the change in employment status of Andrew Imes, Appraiser, due to completion of probation period effective February 8, 2018. Absent: None

MOTION HOGENSON, SECOND GOUTERMONT: 07 – Approve the probationary appointment of Jill Paron to Environmental Services Specialist at the Step 1 rate of \$17.79 per hour effective February 14, 2018. Absent: None

MOTION WALSH, SECOND HURD: 08 – Approve the resignation of Rebecca Muotka, Human Services Professional, effective February 9, 2018. Absent: None

MOTION HURD, SECOND GOUTERMONT: 09 – Approve the filling of one full-time Human Services Professional position. Absent: None

MOTION WALSH, SECOND HOGENSON: 10 – Approve the Maintenance Department request to fill two 67-day temporary Grounds Maintenance worker positions at \$10.50 per hour. Absent: None

MOTION HURD, SECOND HOGENSON: 11 – Approve the Highway Department request to fill the following 67-day temporary positions:

Truck Driver	3 positions	\$15.50 per hour	
Mower Operator	5 positions	\$12.50 per hour	
Laborer	2 positions	\$10.00 per hour	
Engineering Intern	1 position	\$14.50 per hour	
Survey Technician	1 position	\$16.00 per hour	
Survey Assistant	1 position	\$10.00 per hour	Absent: None

MOTION WALSH, SECOND GOUTERMONT: 12 – Approve the trial appointment of Craig Alfonsi, Information Technology Specialist, to Senior Information Technology Specialist, at the Step 7 rate of \$23.16 per hour effective February 14, 2018. Absent: None

MOTION HURD, SECOND GOUTERMONT: 13 – Approve the recruitment for one full-time Information Technology Specialist. Absent: None

MOTION HURD, SECOND HOGENSON: 14 – Set the County Sheriff 2018 salary at \$95,000. Absent: None

MOTION HURD, SECOND HOGENSON: 15 – Set the County Auditor 2018 salary at \$76,500. Absent: None

MOTION GOUTERMONT, SECOND WALSH: 16 – Set the Interim County Recorder 2017 salary at \$58,654 and the 2018 annual salary at \$60,660. Absent: None

MOTION HURD, SECOND WALSH: 17 – Approve and authorize the Chair to sign the Agreement between Lake and Cook County for Shared Highway Engineer Services, effective February 14, 2018 through December 31, 2019. Absent: None

MOTION WALSH, SECOND HOGENSON: 18 – Approve the additional compensation for Krysten Foster, County Engineer, in the amount of \$10,000 annually, while acting in the capacity of Cook County Engineer under the Agreement between Lake and Cook County for Shared Highway Engineer Services. Absent: None

MOTION GOUTERMONT, SECOND WALSH: 19 – Bring back to the table this previously tabled item: Lake County Health and Human Services (LCHHS) proposed amendments to Lake County Ordinance #20, Lake County Smoke-Free Public Places and Places of Work Ordinance, that was tabled on January 23, 2018. Absent: None

MOTION GOUTERMONT, SECOND HOGENSON: 20 – Approve the Lake County Health and Human Services (LCHHS) amendments to Lake County Ordinance #20, Lake County Smoke-Free Public Places and Places of Work Ordinance. In summary, the amendments:

1. Extend the prohibitions on tobacco use in public and work places to include electronic delivery devices (e-cigarettes); and
2. More clearly define what constitutes an “indoor area”; and
3. Eliminate the exception for tobacco products shops; and
4. Provide definitions for terms that were previously defined by statutes or rules that have been repealed; and
5. Update statutory citations.

Absent: None

MOTION HURD, SECOND GOUTERMONT: 21 – Approve resolution authorizing signatures and submission of the grant application to the Minnesota Department of Natural Resources for the Federal Recreational Trail Program (FRTP), in which Lake County agrees to be the fiscal agent on behalf of the Trails of Finland Snowmobile / ATV, also known as Sawtooth Mountain Trails. Absent: None

MOTION HURD, SECOND HOGENSON: 22 – Approve and authorize the Chair to sign the Memorandum of Understanding between Lake County and AFSCME Council 5. Absent: None

MOTION HOGENSON, SECOND HURD: 23 – Approve the trial appointment of Krista Olek, Human Services Technician, to Human Services Professional, at the Step 1 rate of \$24.53 per hour effective February 14, 2018. Absent: None

MOTION HURD, SECOND GOUTERMONT: 24 – Adjourn County Board of Commissioners’ meeting at 3:16 pm. Absent: None

From the Board of Commissioners’ meeting schedule:

- Meeting of the Committee of the Whole at 6:00 p.m. on Tuesday, February 20, 2018, to be held in the Law Enforcement Center, 613 Third Avenue, Two Harbors, Minnesota.
- Regular meeting at 2:00 p.m. on Tuesday, February 27, 2018, to 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.

ATTEST:

Laurel D. Buchanan
Clerk of the Board

Rich Sve, Chairperson
Lake County Board of Commissioners