

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

January 14, 2014. Commissioners Chambers, Lake County Courthouse, Two Harbors, Minnesota. Commissioners Present: Goutermont, Jones, Sve, Walsh. Absent: None. Vacant: County Commissioner District No. 4. Also present: County Administrator Matthew Huddleston and Laurel Buchanan, Clerk of the Board.

Meeting was called to order at 1:00 p.m. by Chairperson Rich Sve. Unless otherwise stated, all actions have been approved by unanimous yeas vote. Members of the public were present. County Commissioner-Elect Jeremy Hurd was also present to observe a County Board of Commissioners meeting. Commissioner-Elect Hurd will be scheduled to take the oath of office the following week.

MOTION WALSH, SECOND GOUTERMONT: 01 – Approve agenda. Absent: None

Lake County Land Commissioner Nate Eide provided public comment regarding the Fat Tire Bike Race planning process.

MOTION WALSH, SECOND GOUTERMONT: 02 – Recess the County Board meeting at 2:11 p.m. Absent: None

The County Board meeting was reconvened at 2:29 p.m. with all members present.

Area Partnership for Economic Expansion (APEX) Business Development Director Elissa Hansen provided an APEX Marketing Service Contract Update on the data center initiative.

MOTION GOUTERMONT, SECOND JONES: 03 – Approve Consent Agenda as follows:

1. Approve County Board meeting minutes from January 7, 2014.
2. Approve claims in the amount of \$54,435.29.
3. Authorize payment in the amount of \$84,456.47 to Lake Communications, Inc. for Operations and Management of the Lake County Fiber to the Home Project (Invoice 27).
4. Authorize the purchase of ITV equipment from Video Guidance for a price not to exceed \$16,402.36 plus shipping; and authorize the Board Chair to sign the Video Guidance Equipment and Services Agreement.
5. Authorize payment to Giant Voices invoices (below) for broadband marketing services including coordination and execution of communication priorities outlined in marketing services agreement.
 - a Invoice INV-035913 \$5,000.00
 - b Invoice INV-035881 \$ 149.78
 - c Invoice INV-035914 \$ 25.00
6. Authorize the following payment to CCI Systems for 2 Cisco Catalyst 2960 switches (broadband fund):
 - a. Invoice 0075906-IN \$3,284.40
7. Authorize the following payments to CCI Systems for laser modules (broadband fund): a. Invoice 0075906-IN \$4,165.10; and b. Credit Memo 00757733-CM (\$2,081.40).

8. Approve the purchase of Catalyst hardware and support from CCI Systems, Inc. for a price not to exceed \$4,329.72 plus tax and shipping.
9. Authorize payment in an amount not to exceed \$12,262.28 to SHI, Inc. for Cisco hardware and software maintenance.
10. Approve application for abatement from Gerald L. Nelson for abatement of \$52.21 in penalty on 2nd half 2013 real estate tax payment for Parcel No. 26-5544-01030 as recommended by Lake County Auditor.
11. Authorize payment in the amount of \$9,625.00 to Baller Herbst Law Group for legal services rendered December 2013 (invoice 01-13).
12. Approve Minnesota Lawful Gambling Application to Whitetails Unlimited – Cabin Fever Chapter for a raffle to be held Saturday, April 26, 2014 at the Clair Nelson Community Center, 6866 Cramer Road, Finland, Minnesota.
13. Authorize payment in the amount of \$5,511.38 to Minnesota Telecommunications (Northeast Service Cooperative) for commercial dark fiber to Duluth (reference 1129). Absent: None

MOTION JONES, SECOND GOUTERMONT: 04 – Table payment of \$4,342.00 to Arrowhead Regional Development Commission (ARDC) for Invoice 2764 (installment 5 of 5), for further information. Absent: None

MOTION GOUTERMONT, SECOND WALSH: 05 – Approve the resignation of Jennifer Hokanson-Torgerson, Financial Assistance Supervisor II, effective January 21, 2014. Absent: None

MOTION WALSH, SECOND JONES: 06 – Approve the recruitment for one full-time Financial Assistance Supervisor II. Absent: None

MOTION GOUTERMONT, SECOND WALSH: 07 – Approve the revisions to the Financial Assistance Supervisor II job description without comparable worth review. Absent: None

MOTION JONES, SECOND WALSH: 08 – Approve the resignation of Lisa Kosmo, Jail Cook, effective January 5, 2014. Absent: None

MOTION JONES, SECOND GOUTERMONT: 09 – Approve the retirement of Steven McMahon, Lake County Auditor/Treasurer, effective February 28, 2014. Absent: None

MOTION WALSH, SECOND JONES: 10 – Approve and authorize the Chair to sign the Purchase of Service Agreement between the Lake County Board of Commissioners and Kenneth W. Palar, for the period of January 14, 2014 through March 31, 2014. Absent: None

MOTION JONES, SECOND GOUTERMONT: 11 – Authorize payment in the amount of \$7,500.00 to Finland Fire Department for fire protection for Unorganized Territory 1 for the year 2014. Yea: Goutermont, Jones, Sve. Nay: None. Abstain: Walsh. Absent: None

MOTION JONES, SECOND GOUTERMONT: 12 – Award bid to lowest responsible bidder Wick & Associates, Inc., for 2014-01 Winter Shear at \$125 per acre on approximately 961.8 acres. Absent: None

During the motion to award the 2014-01 Winter Shear project to Wick & Associates, Susan Hoff of Susie's Contracting, Inc. and Vern Hoff questioned the Board on why they are not awarding the units within the bid where Susie's Contracting, Inc. was the low bidder. Matthew Huddleston, County Administrator, acknowledges that Wick was not the lowest bid on all segments of the project and that the County Board has discretion when determining lowest responsible bidder. Upon review of Minnesota Law, it was the County Administrator's recommendation to the Board that Susie's Contracting, Inc. does not meet the definition of the lowest responsible bidder. County Attorney Laura Auron was present for the discussion and advised the Board that the determination of the lowest responsible bidder was within the Board's discretion based upon Minnesota Law and facts in the public record made available to the commissioners. Commissioner Pete Walsh made a motion to amend the proposed bid award of 961.8 acres to approximately 292 acres for which Wick was the lowest bidder, and provide Susie's Contracting, Inc. the opportunity to submit information as to why they believe they meet the standards for lowest responsible bidder on the remaining 669.8 acres, which was seconded by Commissioner Sve for discussion. After further discussion on this issue, Commissioner Walsh rescinded his amendment request.

MOTION WALSH, SECOND GOUTERMONT: 13 – Approve Land Commissioner and Board Chair to sign Grant-in-aid Trail permit for Ely Igloos Snowmobile Club to cross Minnesota Department of Natural Resources (MN DNR) land. Absent: None

MOTION JONES, SECOND WALSH: 14 – Authorize the Chair or County Administrator to execute a 3-year contract for \$625 per month plus \$0.05 a TV subscriber starting February 1, 2014 with Tribune Media Services to provide data files containing system/lineup-specific television programming schedule information for Innovative Systems' Interactive program guide for Lake Connections IPTV service. Absent: None

MOTION GOUTERMONT, SECOND WALSH: 15 – Authorize the Chair or County Administrator to execute a 1-year contract for \$2,500 per month starting February 1, 2014 with 7Sigma Services to provide on-going 24/7 level 2/3 support for ISP and network services and annual NOC360 software license. Absent: None

MOTION WALSH, SECOND JONES: 16 – Authorize the Chair or County Administrator to approve RUS Agreement 284 for \$30,683.20 to the RUS contract with Architectural Resources of Duluth (No. #B-4) to the base contract amount for additional work performed for the completion and close out of this contract. Absent: None

MOTION JONES, SECOND WALSH: 17 – Approve the resolution directing Lake County Auditor to open a bank account for Lake Connections, at the Lake Bank, naming the Auditor and Deputy Auditor as authorized to sign on the account. Absent: None

MOTION GOUTERMONT, SECOND WALSH: 18 – Approve the resolution directing Lake County Attorney to file Lake Connections as Assumed Name for Lake County's network, with the Minnesota Secretary of State. Absent: None

MOTION WALSH, SECOND JONES: 19 – Authorize payment in the amount of \$3,948.00 to Conrow Law Office (Invoice No. 10128) in the matter of the fiber network. Absent: None

MOTION JONES, SECOND WALSH: 20 – Adjourn meeting at 3:37 p.m. Absent: None

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The County Board will hold a workshop at Grand Superior Lodge on Monday, January 27, 2014, at 8:30 a.m. for a strategic planning session. A regular County Board meeting will be held on Tuesday, January 28, 2014, at 1:00 p.m. in the Commissioners' boardroom at the Lake County Courthouse, 601 Third Avenue, Two Harbors, Minnesota.

ATTEST:

Laurel D. Buchanan
Clerk of the Board

Rich Sve, Chairperson
Lake County Board of Commissioners