

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

Tuesday, April 9, 2019. Lake County Board of Commissioners, Lake County, Minnesota. Board meeting was held in the Lake County Service Center, in the Split Rock River Room, located at 616 Third Avenue, Two Harbors, Minnesota. Board members present: District 1 Commissioner Peter R. "Pete" Walsh, District 2 Commissioner Derrick L. "Rick" Goutermont, District 3 Commissioner Richard C. "Rick" Hogenson, District 4 Commissioner Jeremy M. Hurd, District 5 Commissioner Rich Sve. Board members absent: None. Also present: County Administrator Matthew Huddleston and Laurel D. Buchanan, Clerk of the Board. Unless otherwise stated, all actions have been approved by unanimous yeas. Board Chairperson Rich Sve called the meeting to order at 2:00 p.m. and led the recitation of the Pledge of Allegiance.

MOTION GOUTERMONT, SECOND HOGENSON: 01 – Approval of the agenda. Absent: None

Board Chair Rich Sve opened the floor for public comments. No public comments were made.

Northeast Minnesota Area Transportation Partnership (NE MN ATP) updates were provided by Arrowhead Regional Development Commission (ARDC) Planner Russell Habermann, Minnesota Department of Transportation (MnDOT) District State Aid Engineer John McDonald and MnDOT Traffic Engineer Morrie Luke. Mr. Russell Habermann reviewed the results of the Transportation Alternatives Program (TAP). Transportation Alternatives Program projects may include bike trails / paths, sidewalks, pedestrian facilities, Scenic Byway corridor enhancements and Safe Routes to School improvements. Mr. John McDonald reviewed MnDOT District One updates, Budget for One Minnesota, 2019 MnDOT District 1 Construction projects, State Highway Investment Plan (STIP), and discussed funding sources. MnDOT encourages motorists to visit 511mn.org for updates on traffic events and road conditions.

MnDOT Traffic Engineer Morrie Luke updated the Lake County Board of Commissioners on MnDOT plans for Rumble Strip Construction 2019 in Lake County on State Trunk Highway 61 and State Trunk Highway 2 in various locations (Project SP 8821-296). MnDOT's statewide policy is for rumble strips on all highways with speed limits of 55 miles per hour or greater. Rumble strips help prevent "run-off-the-road crashes" from occurring. Mr. Luke clarified that no center line rumble strips are planned. Plans are to install rumble strips to "fill in the gaps" on the inside and outside shoulders from Duluth to Two Harbors and just south of Beaver Bay. Standard rectangular strips will be installed in areas with paved shoulders four-feet wide or greater. For narrower shoulders, the sinusoidal design will be used close to the edge line. Sinusoidal rumble strips are sometimes called "mumble" strips and are friendlier to bicycle traffic. Commissioners had concerns with noise from rumble strips and asked MnDOT to consider "mumble" strips.

Commissioners asked about receiving financial assistance for road maintenance for wear and tear to roads that are used as unofficial detours when major construction projects are underway on main thoroughfares. Alternate routes road maintenance costs increase due to increased traffic. Dust control is an example. Designated detours would receive funding assistance; however, alternative routes used as unofficial detours have not received this type of assistance. Commissioners asked MnDOT for assistance on future construction projects. MnDOT representatives will look into it.

Lake County resident Curt Anderson inquired about Highway 61 realignment needs and potential detours for Two Harbors. MnDOT Engineer John McDonald talked about other measures that have

been implemented to improve traffic flow and reduce traffic congestion, such as adding in dedicated turning lanes at key intersections on the corridor through Two Harbors.

Mr. Curt Anderson stated concerns about Highway 61 from milepost 40.5 to milepost 43, which he referred to as "Slaughter Alley", concerning the high volume of deer-vehicle collisions in this section of the corridor. Sheriff Carey Johnson asked about Stewart River Bridge and about plans to include turn lanes for Betty's Pies.

Lake County Administrator Matthew Huddleston, as a follow up from the Fall Lake Town Board meeting discussion held last week, provided an update on the Lake County Lodging Sales Tax Committee. Board Chair Rich Sve provided opening remarks about how a potential countywide lodging sales tax is at the legislature. Lake County is learning about various local lodging sales taxes that are collected. Ely Area Tourism Board Chair Kerry Davis talked about the decades-long lodging tax history in the Ely area lodging tax district. The lodging tax district has its own boundary. Mr. Davis discussed the creation of the Joint Powers Lodging Tax Board, comprised of representatives from Fall Lake Township, Morse Township, Stony River Township and the City of Ely. Many non-profit organizations contribute as well. The Joint Powers Board is a board of nine members, all of whom are volunteers. The Ely Area Tourism Board presents an annual marketing plan to the Joint Powers Lodging Tax Board designed to benefit each represented district.

The Ely Area Tourism Board of Directors oversees the successful implementation of the Joint Powers Board approved marketing plan. Ely Area Tourism Bureau Marketing Coordinator Cindy Beans talked about how their marketing campaigns promote the Ely area. The Bureau is comprised of lodging taxpayers in the four districts representing resorts, outfitters, and motels. Ely Area Tourism Bureau is an official Destination Marketing Organization (DMO), representing properties collecting lodging tax in Fall Lake Township, Morse Township, Stony River Township, and the Ely area. Properties in these districts submit 3% Lodging Tax for each night stay under 30 consecutive days to Cook County Auditor. Ms. Beans describes Ely as the hub. Almost half of the lodging properties are in Fall Lake township. Ms. Beans clarified that the marketing campaigns promote the Ely area as a whole. They do not advertise specific townships. Ms. Beans stated that they are open to collaboration and that local buy-in is imperative.

Steve Koschak, Stony River Township resident and business owner, talked about the Ely area's connection to the Boundary Waters Canoe Area and how the area is different than the North Shore of Lake Superior. Mr. Koschak encouraged Lake County to make sure that short-term vacation rental home businesses also pay lodging sales taxes. Vacation rentals are regulated by Planning and Zoning and the Health Department. As part of the licensing program, Lake County is encouraged to collect sales tax use number to get the bed tax in place before an interim use permit is approved.

Eva Sebastian, Executive Director of the Ely Chamber of Commerce stated that they represent the northern half of Lake County. Ms. Sebastian asked the Lake County Board of Commissioners to pass a resolution recognizing the existing Ely area joint venture agreement. County Commissioners listened to the idea of a proposed resolution. It was noted that this does not follow the Board process and that the Board has just begun reviewing the details of the potential lodging tax. Lake County plans to work closely with Fall Lake / Stony River Township. Janelle Jones asked about campgrounds. Ms. Sebastian clarified that campgrounds are not included in the Ely Area lodging tax, which is also referred to as a bed tax. Ms. Beans closed with an invitation to keep in touch and reminded the Board of Commissioners where we can find Ms. Beans' contact information on the summary provided by the Ely Area Tourism Board.

MOTION GOUTERMONT, SECOND HURD: 02 – Recess the Board of Commissioners meeting at 3:14 p.m. Absent: None

The meeting was reconvened at 3:24 p.m. with all members present.

Lake County Administrator Matthew Huddleston introduced a locker room remodel project that the Lake County Sheriff's Office is planning. Sheriff Carey Johnson is working with Facilities Maintenance staff to obtain quotes for the construction and electrical work scopes. Sheriff Carey Johnson discussed the proposal and provided drawings. Sheriff Carey Johnson talked about evidence storage, short-term storage, and long-term storage. Sheriff Carey Johnson provided quotes that were received for two different work scopes for the locker room renovation. Lake County Commissioner Rick Hogenson inquired about common areas. When the Law Enforcement Center was built, an agreement was entered into between Lake County and the City of Two Harbors regarding the shared use of space.

Mr. Huddleston updated the Board of Commissioners on several items of county business. Lake County Highway Facility construction project is nearing completion with move-in planned for the week of April 22-26 and offices open on April 29, 2019. The architect and construction manager will be doing a walk through this week. A press release is drafted. Highway Engineer Krysten Foster reiterated how glad she is that we are at this point. We are planning for an open house this summer.

Mr. Huddleston provided an update regarding the sale of Lake Connections and his visit with the City of Hoyt Lakes. Mr. Huddleston updated the Board of Commissioner on a meeting held with the Minnesota Department of Health (MDH) regarding Tiny Homes / Vacation Rental Moratorium. The next committee meeting will be held in May. The committee plans to report back to the Board of Commissioners after that. The Duluth Chamber of Commerce Military Affairs Committee is requesting a resolution of support for the 148th Fighter Wing.

Land Commissioner Nate Eide was present to answer any questions about the Forestry Department requests for board action. Mr. Eide provided corrected dollar amounts for consent agenda item 23.

Lake County Highway Engineer Krysten Foster thanked the Board of Commissioners for passing Resolution No. 19032602.12, Resolution Supporting Increased Transportation Funding in Minnesota, which was requested by the Association of Minnesota Counties (AMC). The resolution encourages the Minnesota Legislature to pass and the Governor to sign a bill that bring adequate funding to Minnesota's statewide transportation system. Ms. Foster discussed the Governor's Budget that is in front of the legislature and if it were to pass, how it would affect transportation, construction and maintenance budgets for 2020.

MOTION WALSH, SECOND GOUTERMONT: 03 – Approve Consent Agenda as amended:

1. Approve County Board of Commissioners' meeting minutes from March 26, 2019.
2. Approve Public Hearing meeting minutes from March 12, 2019, for the purpose of considering proposed amendments to Lake County Food and Beverage Ordinance #7.
3. Approve Health and Human Services claims payments in the following amounts:
 - a. Administrative payments \$ 71,722.97
 - b. Region III Adult Behavioral Health Initiative payments \$ 20,838.09

4. Authorize the County Board Chair to sign the 2018 State of Minnesota Federal Boating Safety Supplemental Equipment Grant Agreement.
5. Amend Board of Commissioners' meeting minutes from February 12, 2019, MOTION 02, Consent Agenda Item 04, to correct a typo on line 4 of 2019 Budget Adjustment request submitted by the County Auditor on behalf of the Forestry Department. The corrected dollar amount is \$16,500. Corrected language is as follows: Authorize the following 2019 Budget Adjustment requests from the Forestry Department.
 - 1) 85-950.6620 from \$12,000 to \$0
 - 2) 85-951.6620 from \$1,650 to \$0
 - 3) 85-952.6620 from \$1,350 to \$0
 - 4) 85-950.6300 from \$1,500 to \$16,500
6. Approve payment in the amount of \$111,574.52 to the City of Two Harbors in accordance with Agreement for Fire Protection for the County's share of the 2018 Fire Department expenses. (Budgeted amount = \$85,000)
7. Resolution approving application for Minnesota Housing Finance and Finance Agency Family Homelessness Prevention and Assistance Program in the County of Lake, in Minnesota; KOOTASCA Community Action, Inc., and AEOA, are hereby authorized as an entity to be charged with the administration of funds made available through the Minnesota Housing Finance Agency Family Homelessness Prevention and Assistance Program in the County of Lake, in Minnesota.
8. Authorize payment in the amount of \$5,089.02 to Lake States Construction Inc., invoice number 7801 for construction of Red Maple Lane.
9. Authorize payment in the amount of \$16,931.76 to Consolidated Telephone Company, invoice INV-3421, for circuit expense, Pinpoint assistance, February trouble tickets, March Slack renewal, shipping charges, and payrolls of 3/15/19 and 3/29/19.
10. Authorize payment in the amount of \$33,579.73 to Consolidated Telephone Company, invoice INV-3423, for March voice revenues and February voice expenses.
11. Authorize the renewal of maintenance support with Innovative Systems for APMAX hardware, IPTV Middleware and InnoStream for the period April 14, 2019 to October 13, 2019, in the amount of \$8,409.99, invoice number 41958.
12. Approve February 2019 Lake County Highway Maintenance Facility General Conditions in an amount up to \$26,345.68 to Kraus-Anderson Construction Company.
13. Approve Jamar Company Change Order 3 in the amount of \$4,767.00 for roof shoveling at the Highway Maintenance Facility site.
14. Approve Superior Crane Corp Change Order 1 in the amount of \$6,177.44 for Highway Maintenance Facility crane modifications.

15. Approve Fabcon Precast contract deduction Change Order 1 in the amount of (\$29,464.08).
16. Approve Harbor City Masonry Change Order 1 in the amount of \$24,623.14 for Highway Maintenance Facility masonry modifications and winter conditions.
17. Approve Rachel Contracting Change Order 2 in the amount of \$65,268.80 for hauling additional fill to Highway Maintenance Facility site.
18. Approve Holden Electric Change Order 1 in the amount of \$67,947.00 for Highway Maintenance Facility electrical design modifications.
19. Approve CSI contract deduction Change Order 1 in the amount of (\$3,134.52) for Highway Maintenance Facility design modifications.
20. Approve Contract Tile Change Order 1 in the amount of \$2,526.00 for Highway Maintenance Facility tile substitution.
21. Approve TNT Aggregates Change Order 1 in the net amount of \$3,071.80 for Highway Maintenance Facility design modifications and winter conditions.
22. Approve resolution for Voll Repurchase:

WHEREAS, a parcel of land in Lake County has been considered for sale at private sale and has obtained special legislation, Laws of Minnesota 2016, chapter 154, section 37, to do so:

BE IT RESOLVED, that all parcels of tax-forfeited land listed on 2019-02 Land Sale List of Tax-Forfeited Land having been classified as non-conservation; that the basic sale price of \$11,221.85 be approved and authorization for a private sale of this land be granted, pursuant to M.S. 282.01 and special legislation; and that all sales shall be full payment or on the terms set forth in 2019-02 Land Sale List of Tax-Forfeited Land.

23. Approve purchase of T650 T4 Bobcat with 80" bucket for \$54,636.00 (MN State Contract – 2019 Loaders T631(5)) and ABU 16' Dump Trailer for \$8,428.00 (lowest quote) from Bobcat of Duluth for a total of \$63,064.00. Funding will be provided by IRRRB Grant, FRTP grant and the remainder from Finland Snowmobile and ATV club. Absent: None

MOTION HURD, SECOND WALSH: 04 – Approve the amendments to Lake County Ordinance #7, Food and Beverage Service, as proposed by Lake County Health and Human Services, with the exception of Section 7 Certified Food Protection Manager Requirements. Absent: None

MOTION GOUTERMONT, SECOND HOGENSON: 05 – Approve a General Leave of Absence without pay for Cynthia Schut, Administrative Clerk, effective March 13, 2019, through April 5, 2019. Absent: None

MOTION HURD, SECOND HOGENSON: 06 – Adjourn County Board of Commissioners’ meeting at 4:15 p.m. Absent: None

The Lake County Board of Commissioners will convene for the following meetings:

- Committee of the Whole. Meeting will be held at Silver Bay City Hall, Silver Bay, Minnesota, at 6:00 p.m. on Tuesday, April 16, 2019.
- A regular meeting will be held at Lake County Service Center, Split Rock River Room, 616 Third Avenue, Two Harbors, Minnesota, at 2:00 p.m. on Tuesday, April 23, 2019.
- County Board Workshop / Strategic Planning Session. Lake County Highway Department facility community meeting room, 1513 Highway 2, Two Harbors, Minnesota, at 1:00 p.m. on Tuesday, April 30, 2019.

ATTEST:

Laurel D. Buchanan
Clerk of the Board

Rich Sve, Board Chairperson
Lake County Board of Commissioners