

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

June 13, 2017. Lake County Service Center, Split Rock River Room, 616 Third Avenue, Two Harbors, MN.
Commissioners Present: Goutermont, Hogenson, Hurd, Sve, Walsh. Commissioners Absent: None.
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 vote. Members of the public were present. Commissioner Sve led the audience in the recitation of the Pledge of Allegiance.

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

Lake County Administrator Matthew Huddleston introduced a proposed resolution regarding Lake County's intent to sell Lake Connections, the fiber optic network and all of its assets. Over the last seven years Lake County has worked to bring a much-needed fiber optic broadband network, Lake Connections, to homes and businesses throughout the region. At this time Lake County has the opportunity to work with the lender, the Federal Government's Rural Utilities Service (RUS), in a highly structured, collaborative process to sell the network. Lake County intends to sell the network to an established broadband company that will continue the operation and expand the services to homes and business throughout the county. Lake Connections will continue day-to-day operations, and customers will not see any change in services or pricing throughout the process of selling the network.

Mr. Huddleston updated the Board of Commissioners on the terms of the proposed Second Amended Deferral Agreement. The RUS has approved a deferral of Lake County's principal and interest payments on the Borrower's outstanding Broadband Initiatives Program (BIP) debt for a three-month term commencing June 1, 2017 and ending on August 31, 2017. The three-month deferral will allow time for Lake County to begin a process, with the assistance of the Government, to arrange for a sale of the broadband system.

These proposed actions were discussed on May 11, 2017, with the RUS in Washington DC, to begin the process to evaluate selling the network to an established broadband company. The County's goal will be to get the best bid possible for continuing quality services to Lake Connections customers and their future needs. Commissioners discussed how Lake County stepped up to apply for funding to build the network when internet service providers did not. Lake County was able to build a state-of-the-art network that provides new opportunities to our businesses and residents at a time when nobody else would do so. Lake County now has the opportunity to seek an owner that can provide the expertise in managing the network and make the necessary investments for the work that still needs to be completed.

MOTION GOUTERMONT, SECOND WALSH: 02 – Adopt resolution declaring intent to sell Lake Connections, the fiber optic network and all of its assets. Absent: None

MOTION WALSH, SECOND HURD: 03 – Approve Consent Agenda as follows:

1. Approve the Board of Commissioners' meeting minutes from May 23, 2017.
2. Approve Health and Human Services claims payments in the following amounts:
 - a. Region III Adult Mental Health Initiative payments \$ 116,018.30
 - b. Administrative payments \$ 13,980.52
 - c. Arrowhead Health Alliance payments \$ 5,157.15
 - d. Special Payments \$ 30,406.72

3. Approve and authorize the Chair to sign the Minnesota Department of Natural Resources (MN DNR) Agreement for the 2017 Hazardous Fuel Reduction Grant.
4. Approve and authorize the Chair to sign the Arrowhead Region Emergency Management Association (AREMA) Region 2 Homeland Security and Emergency Management Mutual Aid Agreement for Emergency Management.
5. Authorize the Board Chair to sign Environmental Systems Research Institute, Inc. (ESRI) Quotation # 20506931 dated May 1, 2017 for a three-year Small Government Term Enterprise License Agreement.
6. Authorize the Board Chair to sign a three-year ESRI Small Enterprise Agreement County and Municipality Government (E214-1) that will grant Lake County access to ESRI term license software on an unlimited basis, including maintenance on all software offered through the ELA for the term of the agreement.
7. Authorize payment to ESRI (Environmental Systems Research Institute, Inc.) for an amount not to exceed \$25,500 per year (2017-2020) for the three-year ESRI Small Enterprise Agreement County and Municipality Government (E214-1).
8. Authorize payment in the amount of \$16,740.59 to Lindquist & Vennum LLP for services rendered through April 30, 2017(Invoice No. 725525-0325).
9. Approve and ratify the Lake County Health and Human Services Advisory Committee Bylaws, which were updated and approved by the Lake County Health and Human Services Advisory Committee on May 24, 2017.
10. Reject all bids for CSP-017-1 (2017 crushing) citing the lowest responsible bid being 89% over Lake County's Engineer's Estimate.
11. Approve and authorize Highway Engineer to sign SP 038-602-033 & SP 038-629-002 (4th St. & Hwy. 61 turn lanes) right-of-way acquisition assistance agreement at a cost up to \$6,240.80 payable to Commissioner of Transportation.
12. Approve purchase of applied calcium chloride from EnviroTech Services, Inc. in an amount up to \$126,576.00.
13. Authorize Highway Engineer to execute Bridge 38518 railroad flagging agreement at a cost up to \$1,300.00 payable to CN.
14. Authorize payment in the amount of \$17,055.98 to Lake Communications, Inc. (LCI) for April voice services expense, invoice 147.

15. Authorize payment in the amount of \$22,536.00 to North Point Geographic Solutions for the following invoices for Redline Project services: INV 977 in the amount of \$7,706.00 (November 2016), INV 1022 in the amount of \$8,758.75 (March 2017), and INV 1033 in the amount of \$6,071.25 (April-May).
16. Authorize payment in the amount of \$66,109.19 to CTC (Contel Systems dba Consolidated Telecommunications Company) for May payrolls, Washington D.C. travel, technician labor and expenses, and voice conversion expenses, invoice INV-3194.
17. Authorize the payment of 100% of voice revenues to Contel Systems (CTC) until the Lake County amount due for the purchase of Lake Communications, Inc.(LCI) voice customers purchase is paid to CTC. The amount due to CTC for the County share of the purchase of the LCI voice customers totals \$83,021.00 which shall be calculated based upon net revenue as described in 2.a.i of Exhibit C of the Management Agreement between Lake County and CTC. Upon payment of this amount in full to CTC for this customer acquisition the County shall pay CTC for voice revenues in accordance with Exhibit C of the Management Agreement previously authorized by Lake County.
18. Adopt resolution approving application for Minnesota Housing and Finance Agency Family Homelessness Prevention and Assistance Program (FHPAP) for KOOTASCA Community Action, Inc. (sub-grantee in Lake County for this program is Arrowhead Economic Opportunity Agency (AEOA)).
19. Authorize payment to Commercial Roofing, Inc. for the Rukavina Arena roof repair in the amount of \$14,635.00. Absent: None

MOTION HURD, SECOND GOUTERMONT: 04 – Approve the 67-day temporary appointment of Katherine Steen, Survey Assistant for the Highway Department, at \$9.50 per hour effective June 15, 2017. Absent: None

MOTION WALSH, SECOND GOUTERMONT: 05 – Approve the change in employee status for Nathan VanSanten due to completion of trial period effective June 13, 2017. Absent: None

MOTION HOGENSON, SECOND WALSH: 06 – Approve the probationary appointment of Jay Milbridge to Social Worker at the 2016 probationary rate of \$22.07 per hour effective June 19, 2017. Absent: None

MOTION GOUTERMONT, SECOND HURD: 07 – Approve the retirement of Ronald Benson, Lead Custodian, effective June 30, 2017. Absent: None

MOTION WALSH, SECOND HOGENSON: 08 – Approve the internal posting for one full-time Lead Custodian. Absent: None

MOTION HOGENSON, SECOND HURD: 09 – Approve the retirement of Mark Cullen, Deputy Assessor, effective July 28, 2017. Absent: None

MOTION HURD, SECOND GOUTERMONT: 10 – Approve the filling of one full-time Deputy Assessor. Absent: None

MOTION GOUTERMONT, SECOND WALSH: 11 – Approve the recruitment for one 67-day temporary Custodian at \$10.50 per hour. Absent: None

MOTION WALSH, SECOND GOUTERMONT: 12 – Approve and authorize the Chair to sign the Second Amended Deferral Agreement (“Amended Agreement”) dated as of May 25, 2017, between the County of Lake (Lake County) and the United States of America, acting through the Administrator of the Rural Utilities Service (“RUS” or “the Government”) for a term of three months commencing June 1, 2017 and ending on August 31, 2017. Absent: None

MOTION HURD, SECOND GOUTERMONT: 13 – Adjourn meeting at 2:58 p.m. Absent: None

The Lake County Board of Commissioners will meet as a Committee of the Whole, at 6:00 pm on Tuesday, June 20, 2017, at the Town of Fall Lake Town Hall, 393 Kawishiwi Trail, Fall Lake, Minnesota. The Board of Commissioners will convene a regular board meeting at 2:00 pm on Tuesday, June 27, 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