

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

Tuesday, June 27, 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, Jeremy M. Hurd, Peter R. Walsh, Rich Sve. County Commissioners Absent: None. Also present: County Administrator Matthew Huddleston and Laurel Buchanan, Clerk of the Board.

The Lake County Board of Commissioners meeting was called to order at 2:03 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 HOGENSON: 01 – Approve agenda. Absent: None

Bob Entzion of the Lake County Housing Redevelopment Authority (HRA) provided an update that the HRA Board has approved the Management Agreement for the Lakeview Apartments. The agreement was drafted by Lake County Attorney Russ Conrow. Mr. Entzion reviewed the HRA's proposed budget for the agreement. Mr. Conrow advised that a bank account has been established for management of the property and rent income will be deposited into that account. The account also will be used for expenses. Any monies left over would be split equally between the two boards – the County Board and the HRA Board. Mr. Entzion advised that \$10,000 is needed to get the budget in place. The agreement year is July 1 through June 30, spanning parts of two fiscal years. County Commissioners discussed that a first payment of \$5,000 would be provided for the second half of 2017, and a second payment of \$5,000 would be provided for the first half of 2018.

Mike Verdoorn, Senior Consultant at Fox Lawson & Associates, provided a final report on the Lake County Classification and Compensation Study. Greg Mangold, consultant with Gallagher Benefit Services, Inc. was present for the discussion. Fox Lawson & Associates is a division of Gallagher Benefit Services, Inc., an Arthur J. Gallagher & Co. (AJG) company. Mr. Verdoorn reviewed the project overview, executive summary and project objectives. The study utilized the Decision Band Method (DBM) ® Survey Methodology. DBM is a formal job evaluation method applied to define internal equity, job value hierarchy, assignment to pay grades and evaluation of new or changed jobs.

The process included collection and analysis of market data from comparable public sector organizations. The results of this portion of the study showed that the actual pay of Lake County employees was competitive with the market (+/- 10%). Lake County's salary structure was also found to be competitive but there was some misalignment with the market in pay range structure. The overall recommendation is to expand the pay structure range, including a reduction in minimum pay and increase in maximum. This adjustment brings us into a highly competitive alignment with the market.

Regarding classification, the study recommends reducing classification from 85 to 65. This is accomplished by realignment of internal equity and putting jobs with a similar nature of work into the same class.

County Administrator Matthew Huddleston reviewed the following recommended actions for the County Board, as recommended by the Classification and Compensation Committee.

MOTION GOUTERMONT, SECOND HURD: 02 – Adopt the proposed new classification structure. Absent: None

MOTION GOUTERMONT, SECOND WALSH: 03 – Adopt the Decision Band Method ® to evaluate positions to ensure internal equity. Absent: None

MOTION GOUTERMONT, SECOND HURD: 04 – Adopt the recommended salary structure. Absent: None

County Administrator Matthew Huddleston updated the County Board on other items of county business, including personnel recruitment, facilities maintenance projects, courthouse security projects, Fire Recovery Committee efforts and working with Minnesota Counties Intergovernmental Trust (MCIT) on claims related to the Highway Department facility fire of December 2016.

Land Commissioner Nate Eide reviewed the proposed land sale list. Knife River Recreation Council (KRRC) member Steve Carlson thanked the Lake County Board of Commissioners for supporting recreational opportunities. Knife River residents present for the discussion requested that Lake County remove certain tax-forfeited lands from the land sale list. Several area residents discussed their points of view on the importance of hiking trails and biking trails to our community and economic development supported through tourism. Supporting outdoor recreation is vital to our youth and the future of our natural resources. Bjorn Ojard spoke about pursuing other opportunities that would keep these parcels as public lands. The individuals present requested that these parcels not be put up for public auction. Commissioner discussed removing those five parcels from the sale. These parcels are located in Unorganized Territory #2 and identified on previous draft land sale lists as Hawk 1, Hawk 2, Hawk 3, Hawk 4, and Hawk 5. The draft land sale list will be updated to remove said parcels from the land sale list for the sale proposed to take place on September 8, 2017.

MOTION WALSH, SECOND GOUTERMONT: 05 – Recess the County Board meeting at 3:58 p.m. Absent: None

The County Board meeting was reconvened at 4:10 p.m. with all board members present. County Administrator Matthew Huddleston returned to the meeting at 4:14 p.m. Land Commissioner Nate Eide introduced a proposed resolution regarding bonding money through the Minnesota Department of Natural Resources (MN DNR), for Lake County to accept the bond award and be the fiscal agent for the Prospectors Trail Loop. It was clarified that the County Auditor will be listed as the fiscal agent. Lake County supports the Prospectors Loop Trail and has been awarded \$1 million in bond funds from the State of Minnesota. Lake County recognizes the match requirement and has secured the matching funds from other sources.

MOTION GOUTERMONT, SECOND WALSH: 06 – Approve resolution accepting bond fund for the Prospectors Trail Loop. Absent: None

MOTION HURD, SECOND GOUTERMONT: 07 – Approve Consent Agenda as follows:

1. Approve the Board of Commissioners' meeting minutes from June 13, 2017.
2. Approve Health and Human Services claims payments in the following amounts:
  - a. Region III Adult Mental Health Initiative payments \$ 112,596.72
  - b. Administrative payments \$ 6,237.49
  - c. Arrowhead Health Alliance payments \$ 4,518.81
3. Approve payment of \$4,902.95 to Steve Lampman for the homeowner portion of FEMA Fire Resistant Roofing Grant 2 installation, pending reimbursement to Lake County from FEMA Hazard Mitigation Grant Program DR-4113.09.

4. Approve payment of \$11,900.00 to Thomas Christiansen for the homeowner portion of FEMA Fire Resistant Roofing Grant 3 installation, pending reimbursement to Lake County from FEMA Hazard Mitigation Grant Program DR-4131.13.
5. Remove the cabin and sauna values from parcel 25-5311-33760 to correct the taxes payable in 2017, as recommended by the County Assessor. When the original 20-acre parcel was split into two 10-acre parcels, the cabin and sauna were assessed on both parcels.
6. Approve and authorize County Board Chair to sign the resolution for Lake County election of Jurisdiction for the Minnesota Buffer Law.
7. Approve and authorize the County Board Chair to sign the Purchase of Service Agreement with Elaine Jackson, D/B/A Budd House B and L, LLC, for board and lodging services for the period of July 1, 2017 through June 30, 2018.
8. Approve and authorize the County Board Chair to sign the Project Agreement with Common Carrier Transport Provider (Arrowhead Economic Opportunity Agency) to provide transportation services for Lake County residents for the period of July 1, 2017 through June 30, 2018.
9. Approve and authorize the County Board Chair to sign the Purchase of Service Agreement with the Human Development Center to provide community support services for Lake County residents at the Waterfront Center for the period of July 1, 2017 through June 30, 2018.
10. Award SAP 038-604-019 to the lowest responsible bidder, KGM Contractors, Inc., in the amount of \$1,588,787.58. Pending County Attorney review, approve and authorize the Chair to sign the contract for this CSAH 4 project.
11. Award SP 038-602-026 to the lowest responsible bidder, Knife River Materials, in the amount of \$1,180,196.57. Pending County Attorney review, approve and authorize the Chair to sign the contract for this CSAH 2 paving project.
12. Authorize Highway Department payment of Invoice No. 105135 in the amount of \$13,494.25 to ACCT, Inc. for asbestos abatement.
13. Approve the proposal for Wenck Associates to prepare Facility Design Drawings, Permitting Documents and Hydrogeologic Assistance for the MPCA Landfill Expansion Permit Application at a cost not to exceed \$37,000.
14. Approve payment in the amount of \$5,648.96 to the Office of the State Auditor for auditing services for year-end 2016 (invoice #68453).
15. Authorize payment to Contech Engineered Solutions for \$10,650.00 for two culverts and accessories.
16. Approve cabin lease located in Township 55, Range 10, Section 24, Southeast Quarter of the Northwest Quarter to Mike Osmundson. Lease will follow normal cabin site lease terms and conditions.

17. Authorize payment in the amount of \$5,816.26 to Ehlers & Associates, Inc. for financial management analysis services for the following invoices: INV 73670 for dates of service from May 1 through May 5, 2017, and INV 73643 for dates of service May 7 through May 31, 2017.
18. Adopt findings by the Planning Commission and approve a five-year renewal of Interim Use Permit, I-17-010, for James R. Schmit.
19. Amend April 25, 2017 Meeting Minutes, Motion 02, Item 10 "Authorize Highway Department repair of Unit #8970 (1997 John Deere mower tractor) engine by Melton Sales & Service at a total cost of \$9,868.42 including freight." Approve payment less deposit in the amount of \$5,768.42. Absent: None

MOTION GOUTERMONT, SECOND HURD: 08 – Approve the following resolution regarding the 2017-01 Land Sale scheduled September 8, 2017. BE IT RESOLVED, that all parcels of tax-forfeited land listed on 2017-01 Land Sale List of Tax-Forfeited Land having been classified as non-conservation; that the basic sale price of each parcel on 2017-01 Land Sale List of Tax-Forfeited Land, be approved and authorization for a public sale of this land be granted, pursuant to M.S. 282.01; that the sale will be held September 8<sup>th</sup>, 2017 at 10:00 AM by the Lake County Auditor at the Lake County Courthouse, for not less than the basic sale price; and that all sales shall be full payment or on the terms set forth in 2017-01 Land Sale List of Tax-Forfeited Land. Absent: None

MOTION WALSH, SECOND HURD: 09 – Approve the resignation of Jay Mahon, part-time/on-call Dispatcher/Corrections Officer, effective March 27, 2017. Absent: None

MOTION HOGENSON, SECOND HURD: 10 – Approve the change in employment status of Kylie Dietz, Social Worker, due to completion of probation effective July 2, 2017. Absent: None

MOTION HOGENSON, SECOND HURD: 11 – Approve the trial appointment of Kylie Dietz, Social Worker, to Financial Worker at the 2016 base rate of \$20.70 per hour effective July 3, 2017. Absent: None

MOTION WALSH, SECOND GOUTERMONT: 12 – Approve the filling for one full-time Social Worker. Absent: None

MOTION HURD, SECOND WALSH: 13 – Approve the probationary appointment of Luke Champa to Planning and Zoning Technician at the 2016 probationary rate of \$18.85 per hour effective July 10, 2017. Absent: None

MOTION HOGENSON, SECOND HURD: 14 – Approve and authorize the Board Chair to sign a 60-month technology rental and maintenance agreement for the Human Resources Department with Metro Sales, Inc. in the amount of \$194.79/month for a MP C4504 printer/copier with fax and scanning ability, cents per copy additional cost at the rate of \$0.0105 per black print/copy and \$0.0625 per color print/copy. Absent: None

MOTION WALSH, SECOND GOUTERMONT: 15 – Approve and authorize the Chair to sign the Management Agreement, effective July 1, 2017, between Lake County ("County") and Lake County Housing and Redevelopment Authority ("LCHRA") for management of the Lakeview Apartment Building located on the block bounded by 7<sup>th</sup> Street, 4<sup>th</sup> Avenue, Two Harbors, Minnesota, and known by street address as 319 8<sup>th</sup> Street, Two Harbors, MN. Absent: None

MOTION GOUTERMONT, SECOND WALSH: 16 – Approve Lake County Ambulance Service (LCAS) Debt Resolution. Absent: None

MOTION HURD, SECOND WALSH: 17 – Adjourn meeting at 4:35 p.m. Absent: None

The Board of Commissioners will convene an agenda meeting on Wednesday, July 5, at 2:00 p.m. and will convene a regular meeting on Tuesday, July 11, 2017. Both meetings will 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