

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

Tuesday, November 13, 2018, a regular meeting of the Board of County Commissioners of Lake County, Minnesota, was called to order at 2:00 pm by Board Chairperson Rich Sve. The meeting was held in the Split Rock River Room at the Lake County Service Center, 616 Third Avenue, Two Harbors, Minnesota. The following commissioners were present: District 1 Commissioner Peter R. Walsh, District 2 Commissioner Derrick (Rick) L. Goutermont, District 3 Commissioner Richard (Rick) C. Hogenson, District 5 Commissioner Rich Sve. The following commissioners were absent: District 4 Commissioner Jeremy M. Hurd. 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 vote. Members of the public were present.

MOTION WALSH, SECOND GOUTERMONT: 01 – Approve agenda. Absent: Hurd

County Administrator Matthew Huddleston, Health and Human Services Director Lisa Hanson, Public Health Supervisor Michelle Backes-Fogelberg, Environmental Health Specialist John Weidner, Environmental Services Director Christine McCarthy, and County Attorney Russ Conrow were present for a discussion on Tiny Homes / Park Models. Lake County has had conversations with the State of Minnesota Department of Health regarding this type of lodging accommodations. County Attorney Russ Conrow discussed next steps should the Board of Commissioners decide to establish a moratorium on the permitting of vacation rental of Tiny Homes / Park Models. A moratorium would function as an interim ordinance. This would allow time to study, review safety standards, review rules and examine definitions to ensure consistency in Planning & Zoning Ordinances and Health Ordinances. A moratorium on the short-term vacation rental of Tiny Homes / Park Models is being considered by the County Board.

Lake County Health and Human Services (LCHHS) Director Lisa Hanson provided an annual LCHHS department update and discussed many services provided by LCHHS department staff and how our staff helps individuals and families who need our services.

Barb Ackerson, Community Assistance Technical Manager from the Arrowhead Economic Opportunity Agency, Inc. (AEOA) appeared before the Board of Commissioners on behalf of AEOA Director of Housing Services Scott Zahorik. Ms. Ackerson reviewed the clearance documents for the Minnesota Department of Employment and Economic Development (DEED) Small Cities Development Program (SCDP) grant for the Lake County/Silver Bay Comprehensive (Grant Number CDAP-17-0042-O-FY18). The grant award is for 10 owner-occupied housing rehabilitations and seven (7) commercial properties in the identified area of Silver Bay. Lake County is the grantee, and AEOA is administering the grant and working with property owners. The Lake County Housing and Redevelopment Authority (HRA) also contributes to these SCDP projects. Ms. Ackerson recently heard a question that had been asked about who the “servicer” is. Ms. Ackerson clarified that Lake County is the servicer; Lake County “owns the loans.” Ms. Ackerson discussed changes to the environmental review process and how that has affected the timeline for this project. County Commissioners asked questions about contractors’ availability and property owners’ interest in participating in the SCDP. Ms. Buchanan clarified that the clearance documents would be signed after board action and returned to AEOA in the mail. Ms. Ackerson talked about the longevity of our entities working together on SCDP grant applications.

Lake County Administrator Matthew Huddleston updated the County Board of Commissioners on several items of county business. Lake County is having initial discussions with the USDA Rural Utilities Service (RUS) on the bids for the broadband system sale. Mr. Huddleston also discussed a geographic information system (GIS) project and reviewing bids for aerial photos. The current scope of work would have the work completed during spring leaf-off conditions. Land Commissioner Nate Eide was present for the discussion and provided input from a forestry management perspective. Mr. Huddleston updated the Board on the construction project status of the Highway Department Maintenance Facility.

Lake County Auditor Linda Libal provided an update that Lake County had 83% voter turnout for the November 6 general election.

Commissioner Sve discussed how tax redistribution under the fiscal disparities program. The term "fiscal disparities" refers to the difference in commercial-industrial tax base wealth between taxing districts. The fiscal disparities program is a system for the partial sharing of the commercial-industry tax base among all jurisdictions within a geographic area.

Land Commissioner Nate Eide was present for any questions on the Forestry Department requests for board action and left the meeting at 3:10 p.m., as did County Attorney Russ Conrow.

MOTION WALSH, SECOND HOGENSON: 02 – Approve consent agenda as follows:

1. Approve the Board of Commissioners' regular meeting minutes from October 23, 2018.
2. Approve Health and Human Services claim payments in the following amounts:
  - a. Administrative payments \$ 18,850.69
  - b. Region III payments \$ 267,528.39
3. Approve payment of \$6,929.66 plus fees to Duluth Lawn and Support for 2019 Ski Doo 550 Tundra LT Snowmobile.
4. Approve payment of \$6,675.62 to Lake Area Powersports, Walker, for 2019 Polaris 570 Sportsman ATV and front and rear bumpers with winch.
5. Transfer \$11,000 from 85-950-000-0000-6630 (\$30,000 available) to 85-950-000-0000-6620.
6. Approve and authorize the Board Chair to sign the Financial Assistance Agreement between the County of Lake (County) and the Town of Silver Creek (Town), effective on the date that all parties sign the agreement, to provide a \$50,000 loan, in support of the Stewart River Wastewater Project Facility Plan, with additional language that the Town further agrees to reimburse the County no later than 180 days after construction pursuant to the Plan is commenced or when the Town Board of Supervisors determines by official action that the Plan will not be pursued, or January 1, 2023, whichever occurs first. This replaces the previous agreement that was approved on August 13, 2013.
7. Approve the City of Hoyt Lakes Cable Franchise Ordinance No. 216 granting a five-year cable franchise to Lake County dba Lake Connections, and authorize the Lake County Board Chair's signature to the Hoyt Lakes Cable Franchise.

8. Approve the 2018/2019 snow plowing and removal contract rates for the Human Services Building and the Law Enforcement Center/Courthouse buildings, per recommendation from the Lake County Facilities Maintenance Manager.
9. Approve and authorize the Chair to sign the Memorandum of Agreement between the University of Minnesota and Lake County for providing Extension programs locally and Employing Extension Staff, for a term of three (3) years, beginning on January 1, 2019 and ending on December 31, 2021.
10. Amend the September 11, 2018, Board of Commissioners' meeting minutes, Motion 02 Agenda Item 05: Authorize payment in the amount of \$9,370.00 (Invoice 115851), plus shipping and handling in the amount of \$215.00 (Invoice 115852) to Fire Safety USA for 2 CMC Rescue Arizona Vortex MultiPod Kits to be used for high angle rope rescues for the Lake County Rescue Squad. This changes the total payment to include the invoice for shipping and handling.
11. Approve the purchase of two APX 4000 7/800 MHZ Model 2 ARMER radios from Motorola Solutions and payment of \$5,700.38.
12. Authorize payment in the amount of \$34,540.33 to Consolidated Telephone Company, invoice INV-3360, covering October voice items.
13. Authorize payment in the amount of \$23,790.76 to Consolidated Telephone Company, invoice INV-3358, covering circuit expense, payrolls, October commissions, safety dues, September trouble tickets, and 4<sup>th</sup> quarter safety dues.
14. Authorize payment in the amount of \$43,744 to SHI International Corp (Invoice No. B09070070) for Microsoft Office 365 annual software licensing renewal. Absent: Hurd

MOTION GOUTERMONT, SECOND HOGENSON: 03 – Approve resolution for Silver Creek township property purchase as follows: This resolution approves the sale to Silver Creek township and sets the purchase price based on Assessor's value.

BE IT RESOLVED, pursuant to Minn. Stat. 282.01, Subd. 1, para. (d), the Lake County Board of Commissioners approves the request from Silver Creek Township to purchase parcels 29-5454-01010, 29-5454-01020, and 29-5454-01030 at the assessed value for the public use of ensuring the development of the property to improve the effectiveness of the existing sewer and recover special assessments.

BE IT FURTHER RESOLVED, the Lake County Board of Commissioners sets the assessed value, based on Assessors assessment, of the properties as follows:

29-5454-01010: \$37,500.00;  
29-5454-01020: \$14,200.00;  
29-5454-01030: \$84,300.00,  
For a total value of \$136,000. Absent: Hurd

MOTION WALSH, SECOND GOUTERMONT: 04 – Adopt the following documents and policies for the Lake County/Silver Bay Comprehensive Project, Grant Number CDAP-17-0042-O-FY18 through the Minnesota Department of Employment and Economic Development (DEED) Small Cities Development Program (SCDP). Further, this resolution authorizes the Board Chair to sign documents requiring signature.

- Broad-Level Tiered Environmental Review
- Certificate of Categorical Exclusion Environmental Activities for SCDP Projects
- Request for Release of Funds and Certification
- Lake County/Silver Bay Program Income Plan
- Residential Anti-displacement and Relocation Assistance Plan
- Contract Agreement for SCDP Administrative Services by and between Lake County/Silver Bay, Minnesota and Arrowhead Economic Opportunity Agency, Inc.
- Signature Authorization Form
- Lake County/Silver Bay Section 3 Plan
- Fair Housing Plan of Action
- 2018 Lake County/Silver Bay SCDP Commercial Rehabilitation Deferred and Installment Loan Program Policies and Procedures Handbook
- 2018 Policies and Procedures Handbook for the SCDP Owner Occupied Housing Rehabilitation for the Lake County/Silver Bay Comprehensive Project (Residential Program Handbook). Absent: Hurd

MOTION HOGENSON, SECOND WALSH: 05 – Approve resolution to place a Property Assessed Clean Energy (PACE) special assessments on the following parcels as requested by the property owners:

Property Owner:	Overend, Michael F Rev Living Trust
Parcel Number:	25-5211-21260
Assessment Amount:	\$16,000.00
Interest Accrual Date:	10/01/2018

Property Owner:	Grina, Lucy A Rev Living Trust
Parcel Number:	25-5211-21261
Assessment Amount:	\$16,000.00
Interest Accrual Date:	10/01/2018

As the administrator of PACE, the Saint Paul Port Authority (SPPA) has reviewed this assessment and it has determined that the project conforms with the Minnesota PACE statutes. The interest rate is 5.00% and accrued interest from the date shown above should be added to the assessment amount on January 1, 2019. The total should be amortized evenly over the term of the assessment. The assessments will have a ten- year term. Any fees incurred should be added to the assessment amount. Absent: Hurd

MOTION WALSH, SECOND HOGENSON: 06 – Approve a Medical Leave of Absence without pay for employee #4167 effective October 4 through October 16, 2018. Absent: Hurd

MOTION GOUTERMONT, SECOND HOGENSON: 07 – Approve the filling of one full-time Forester. Absent: Hurd

MOTION WALSH, SECOND GOUTERMONT: 08 – Approve the recruitment for one part-time Facilities Worker. Absent: Hurd

MOTION HOGENSON, SECOND WALSH: 09 – Adjourn County Board of Commissioners' meeting at 3:21 p.m. Absent: Hurd

From the Board of Commissioners' meeting schedule:

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