

**OFFICIAL PROCEEDINGS OF THE MEETING
OF THE BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF ST. LOUIS, MINNESOTA,
HELD ON MARCH 14, 2023**

The Board of County Commissioners of the County of St. Louis, Minnesota, met this 14th day of March 2023, at 9:33 a.m., at the St. Louis County Courthouse, Duluth, Minnesota, with the following members present: Commissioners Annie Harala, Ashley Grimm, Paul McDonald, Keith Musolf, Keith Nelson, Mike Jugovich and Chair Patrick Boyle - 7. Absent: None - 0.

Chair Boyle asked for a moment of silence in remembrance of all victims of violence, foreign and domestic; followed by the pledge of allegiance.

Chair Boyle opened the meeting to persons who wish to address the Board concerning issues not on the agenda. Bonnie Anderson, of Duluth, quoted the First Amendment and said Congress shall make no law abridging the freedom of speech. Ms. Anderson commented that an attempt is being made by a member of the Board to limit or eliminate citizens freedom of speech regarding the Conditional Use Permit (CUP) issued to 6464 Fredenberg Lake Road. Melissa Bell, of Duluth, provided the Board with handouts relating to the CUP issued to 6464 Fredenberg Lake Road. Ms. Bell commented that Lakehead Trucking has been given special treatment by the county and Commissioners need to speak up. Orion DiFranco, Northeast Minnesota Representative for U.S. Senator Tina Smith, introduced himself to the County Board.

At 9:45 a.m., a public hearing was conducted, pursuant to Resolution No. 23-124, adopted February 21, 2023, to receive citizen comments on the HOME-ARPA (American Rescue Plan Act) allocation plan to be included in the amendment to the 2021 Action Plan. Matt Johnson, St. Louis County Planning & Community Development Director, said that the Consortium was created in 1992 and is made up of Cook, Itasca, Koochiching, Lake and St. Louis Counties. After approval of the plan, St. Louis County will solicit applications and the HOME Advisory Committee will review and make funding recommendations for final approval by the St. Louis County Board. Chair Boyle asked if there were any other governmental entities, supporters, opponents, or other comments from the public; no one requested the opportunity to speak. At 9:53 a.m., Commissioner Grimm, supported by Commissioner Harala, moved to close the public hearing. The motion passed; seven yeas, zero nays.

Commissioner Nelson, supported by Commissioner Harala, moved that the St. Louis County Board approves submission of the HOME-ARP allocation plan and amendment to the St. Louis County 2021 Action Plan to HUD for approval. The motion passed; seven yeas, zero nays. Resolution No. 23-181.

Commissioner Jugovich, supported by Commissioner Musolf, moved to approve the consent agenda.

The following Board files were created from documents received by this Board:

Communications received during CY 2022.—61919

Kevin Gray, County Administrator, and Donna Viskoe, Purchasing Director, submitting Board Letter No. 23-108, Amend 2023 Official Newspaper and Publication and Rescind Board Resolution Nos. 23-45 and 23-122.—61920

Kevin Gray, County Administrator, John Ongaro, Intergovernmental Relations Director, and Tedd Ells, Veterans Service Officer, submitting Board Letter No. 23-117, Amendment to 2023 Proposed Legislative Priorities – Dependency and Indemnity Compensation 2-Year Rule.—61921

Kevin Gray, County Administrator, and Matthew Johnson, Planning and Community Development Director, submitting Board Letter No. 23-111, Establish a Public Hearing to Consider Adoption of Proposed SSTS Ordinance 61 Amendments.—61922

Brent and Jeanne Elert electronic mail regarding Rezoning of Lake Vermilion near the opening of Black Bay.—61923

Upon motion by Commissioner Jugovich, supported by Commission Musolf, resolutions numbered 23-167 through 23-180, as submitted on the consent agenda, were unanimously adopted as follows:

BY COMMISSIONER JUGOVICH:

RESOLVED, That the official proceedings of the St. Louis County Board of Commissioners for the meeting of March 7, 2023, are hereby approved.

Adopted March 14, 2023. No. 23-167

WHEREAS, The St. Louis County Land Surveyor’s Office has the opportunity to request funding from the Legislative-Citizen Commission on Minnesota Resources (LCCMR) for the project titled “PLSS Restoration T58R13” up to the amount of \$218,000 in Environment and Natural Resources Trust Fund (ENRTF); and

WHEREAS, The St. Louis County Auditor’s Office has reviewed the funding request and the “Duties of a Fiscal Agent” document provided by the State and is fully aware of the work that will occur if funded, the project timeline, and the project budget.

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes the St. Louis County Land Surveyor’s Office to submit a proposal for the project titled “PLSS Restoration T58R13” up to the amount of \$218,000 for grant funding from the Environment and Natural Resources Trust Fund (ENRTF) funding from the Legislative-Citizen Commission on Minnesota Resources (LCCMR).

RESOLVED FURTHER, That the St. Louis County Board authorizes the St. Louis County Auditor’s Office to act as a fiscal agent if funding is awarded for the 2024 project titled “PLSS Restoration T58R13”, and will comply with all terms as stated in the fiscal agent agreement.

Adopted March 14, 2023. No. 23-168

WHEREAS, The St. Louis County Public Works Department plans to reconstruct a short segment of County State Aid Highway #12 (Lester River Road) and to replace the existing bridge (County Bridge #103) over the Talmadge River in Lakewood Township (CP 0012-730398); and

WHEREAS, These improvements consist of replacing the existing bridge with a new bridge at the same location and reconstructing the roadway as determined necessary to provide for the safety and convenience of the public; and

WHEREAS, In addition to the existing highway right-of-way, certain lands are required for this construction, together with temporary construction easements.

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes to acquisition the necessary lands and temporary easements for CP 0012-730398 and to execute on behalf of the county, any easement documents as may become necessary. Right-of-way acquisition is payable from Fund 200, Agency 203001.

WHEREAS, Public Works is constructing three new campuses in Culver, Kugler, and Whiteface under a Construction Manager at Risk (CMAR) contract with McGough Construction of Duluth, MN; and

WHEREAS, As design and construction have progressed, Public Works has brought four previous amendments of the CMAR contract to the County Board for approval; and

WHEREAS, During the course of this project inflationary increases, supply chain pressures and material shortages have combined to drive up the cost of the project; and

WHEREAS, Public Works and Administration have reviewed budgetary options and identified fund balances and reserves that could be used to complete full campus construction with permanent salt/sand domes, cold storage buildings and automated truck washes at a total cost of \$37.7 million; and

WHEREAS, The reasons to restore the eliminated items and to finish the project as originally scoped are compelling:

- The contractor is currently engaged and familiar with the project.
- The contractor staffing familiar with the project are available to continue the project.
- Supply chain issues, continued labor shortages and increasing inflationary pressures show no indication of improving in the next few years.
- The cost will most likely never be lower than right now to complete the project.
- With current economic uncertainties, the opportunity to restore the eliminated necessities in the future is unknown; and

WHEREAS, The increased costs are proposed to be funded from a variety of existing County fund balances and reserve accounts consisting of certain contingency, emergency, unallotments, construction program and capital accounts in Public Works and the General Fund; and

WHEREAS, Based on the reasoning given, Public Works and Administration recommend the complete full campus construction with permanent salt/sand domes, cold storage buildings and automated truck washes at a total approximate cost of \$37.7 million; and

WHEREAS, An amendment to the existing CMAR contract with McGough is necessary to memorialize the current guaranteed maximum price (GMP) with the proposed scope adjustments, general conditions, and fees soft costs; and

WHEREAS, The building permits, negotiated fee for overhead and profit, project contingency, and bond and insurance costs to date shall not exceed \$35,550,115.

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes an amendment to the professional services contract with McGough Construction of Duluth, MN, and approves any amendments authorized by the County Attorney, for the CMAR services, with a GMP for the Public Works County Wide Improvements Construction project in an amount not to exceed \$35,550,115, with approximately \$26,670,300 payable from Bond Proceeds from Fund 450, Agencies 450002 (Culver), 450003 (Kugler) and 450004 (Whiteface), Object 660266.

RESOLVED FURTHER, That the remaining funds required to pay for the McGough GMP in the amount of \$8,879,815 and the \$2,139,309 in project development costs outside of the McGough contract to construct the Culver, Kugler, Whiteface campuses shall be payable from Fund 405, Agencies 405191 (Culver), 405192 (Kugler), 405193 (Whiteface), Object 660266.

WHEREAS, The St. Louis County Board adopted Resolution No. 23-101 authorizing the purchase of ten (10) tandem axle cabs and chassis; and

WHEREAS, The Public Works Department's equipment budget includes ten (10) dump bodies with hydraulic systems and snow removal equipment for trucks purchased separately; and

WHEREAS, Towmaster, LLC of Litchfield, MN, responded with the State of Minnesota Contract #212541 pricing for ten (10) dump bodies with hydraulic systems and snow removal equipment in the amount of \$195,479 per truck, or total purchase price of \$1,954,790.

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes the purchase order for the installation of ten (10) dump bodies with hydraulic systems and snow removal equipment from Towmaster, LLC of Litchfield, MN, payable from Fund 407, Agency 407001, Object 666300.

Adopted March 14, 2023. No. 23-171

WHEREAS, Bids have been received electronically by the St. Louis County Public Works Department for the following project:

CP 0004-401087, SAP 069-604-085 (Br 6); and

WHEREAS, Bids were opened in the Richard H. Hansen Transportation & Public Works Complex, Duluth, MN, on March 2, 2023, and the low responsible bid determined.

THEREFORE, BE IT RESOLVED, That the St. Louis County Board approves the award on the above project to the low bidder:

LOW BIDDER: Ulland Brothers, Inc.
ADDRESS: PO Box 340, Cloquet, MN 55720
AMOUNT: \$2,126,700.00

RESOLVED FURTHER, That the St. Louis County Board authorizes the appropriate county officials to approve the Contractor’s Performance Bonds and to execute the bonds and contract for CP 0004-401087, SAP 069-604-085 (Br 6), payable from:
Fund 220, Agency 220636, Object 652700 – SWCD Grant Funds - \$397,000.00
Fund 200, Agency 203657, Object 652800 – Local Funds - \$1,729,700.00

Adopted March 14, 2023. No. 23-172

WHEREAS, Bids have been received electronically by the St. Louis County Public Works Department for the following project:

CP 0000-737954 (2023 South Crushing); and

WHEREAS, Bids were opened in the Richard H. Hansen Transportation & Public Works Complex, Duluth, MN, on March 2, 2023, and the low responsible bid determined.

THEREFORE, BE IT RESOLVED, That the St. Louis County Board approves the award on the above project to the low bidder:

LOW BIDDER: Louis Leustek & Sons, Inc.
ADDRESS: 1715 East Sheridan Street, Ely, MN 55731
AMOUNT: \$281,160.00

RESOLVED FURTHER, That the St. Louis County Board authorizes the appropriate county officials to approve the Contractor’s Performance Bonds and to execute the bonds and contract for CP 0000-737954 (2023 South Crushing) payable from:
Fund 200, Agency 201108, Object 650200 – Local Maintenance and Township Funds -\$281,160.00
With additional revenue budgeted for expense:
Cotton Township – Fund 200, Agency 201108, Object 551563 - \$14,200.00
Meadowlands Township – Fund 200, Agency 201108, Object 551566 - \$5,680.00

Adopted March 14, 2023. No. 23-173

WHEREAS, The Purchasing Division had prepared quote specifications for 2023 Legal Advertising Services in accordance with St. Louis County Purchasing Rules & Regulations, as well as Minn. Stat. §§ 331.A01-11, 375.12, 375.17, 279.07-09, and 281.23; and

WHEREAS, Proposals were sent out to eleven (11) St. Louis County newspapers, with only

two (2) responses received.

THEREFORE, BE IT RESOLVED, That St. Louis County Board authorizes the award of Request for Quotes (RFQ) #5864 as follows and rescinds County Board Resolutions No. 23-45 and No. 23-122, as requested by the evaluation team, authorizing contracts with the Duluth News Tribune for 2023 Legal Advertising and General Circulation and the Cook News Herald for the 1st and 2nd Publication of the 2023 Delinquent Real Estate Tax List, to reflect a change of vendor and decreased amount as follows:

OFFICIAL NEWSPAPER

LEGAL NOTICES		
All Publications	Duluth News Tribune	\$5.08/.3916
NOTICE OF EXPIRATION OF REDEMPTION		
1 st Publication	Duluth News Tribune	\$2.43/.1873
FINANCIAL STATEMENT		
1 st Publication	Duluth News Tribune	\$2.43/.1873

GENERAL CIRCULATION

BOARD PROCEEDINGS		
All Publications	Cook News Herald	\$2.69/0.1601
NOTICE OF EXPIRATION OF REDEMPTION		
2 nd Publication	Duluth News Tribune	\$2.43/.1873
FINANCIAL STATEMENT		
2 nd Publication	Cook News Herald	\$2.10/.1250
DELINQUENT REAL ESTATE TAX LIST		
1 st Publication	Duluth News Tribune	\$2.43/.1873
1 st Publication	Cook News Herald	\$2.10/.1250
2 nd Publication	Cook News Herald	\$2.30/.1369

Adopted March 14, 2023. No. 23-174

WHEREAS, The State of Minnesota recently solicited requests for 2022 Capitol Appropriations; and

WHEREAS, The St. Louis County Heritage and Arts Center (The Depot) was placed on the national register of historic places in 1971 and as a result the County has an obligation to protect this significant historic and cultural resource under Minnesota Statute; and

WHEREAS, The facility and its various tenants and occupants draw hundreds of thousands of visitors from the surrounding area and beyond, resulting in significant positive economic impact of the City of Duluth and St. Louis County; and

WHEREAS, A Study completed in November 2016 identified approximately \$8M (\$9.3M with inflation) in various architectural, engineering, and improvements and repairs necessary to

preserve the integrity of the structure and prevent the need for its demolition; and

WHEREAS, St. Louis County was awarded \$1.5M from the State in 2020 to address critical life safety issues.

THEREFORE, BE IT RESOLVED, That St. Louis County acts as the legal sponsor for project(s) contained in this Application to be submitted on March 15, 2023, and that the County Deputy Administrator and Property Management Director are hereby authorized to apply to the Department of Employment and Economic Development (DEED) for funding of this project on behalf of St. Louis County.

RESOLVED FURTHER, That St. Louis County has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure adequate construction, operation, maintenance, and replacement of the proposed project for its design life.

RESOLVED FURTHER, That St. Louis County has not violated any Federal, State, or local laws pertaining to fraud, bribery, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

RESOLVED FURTHER, That upon approval of its application by the State, St. Louis County may enter into an agreement with the State of Minnesota for the above-referenced project(s), and that it will comply with all applicable laws and regulations as stated in all contract agreements.

RESOLVED FURTHER, That the County Deputy Administrator and Property Management Director, or their successors in office, are hereby authorized to execute such agreements, and amendments thereto, as are necessary to implement the project(s) on behalf of the applicant.

Adopted March 14, 2023. No. 23-175

WHEREAS, Environmental Services and Public Works leadership in coordination with the Information Technology (IT) Department has identified network connectivity as a leading cause of system and network performance issues at Solid Waste Transfer sites and Public Works facilities; and

WHEREAS, The IT Department is working closely with Environmental Services leadership to modernize strategic solid waste transfer stations to include a new credit card processing system enabling citizens to utilize credit cards to pay for solid waste disposal where the success of this projects depends on solid network communications; and

WHEREAS, The IT Department worked closely with long term strategic fiber-based data services vendor Northeast Services Cooperative (NESC) and broadband provider Mediacom to find the best way to connect each of the Public Works and Environmental Services locations to the existing St. Louis County NESC provided fiber backbone network; and

WHEREAS, The solution identified included the build out of fiber-based services utilizing NESC for three of the Environmental Services Transfer station locations, and utilizing Mediacom to perform the build out of fiber at a fourth transfer station location and one Public Works facility; and

WHEREAS, The estimated NESC one time, and monthly recurring broadband services are broken down as follows:

<u>Site</u>	<u>Site Description</u>	NESC	
		Build Cost	Out MRC 1 Gbps
Aurora Transfer Station – 5910 Hwy 135 N	Transfer Station	\$97,538.15	\$400.00
Cook Transfer Station – 2134 S Beatty Rd	Transfer Station	\$98,733.10	\$400.00
Northwoods Trans Station – 9384 Hwy 21 N	Transfer Station	\$333,158.20	\$400.00
Sub Total:		\$529,429.45	\$1,200.00

; and

WHEREAS, The estimated Mediacom one time, and monthly recurring broadband services are broken down as follows:

<u>Site</u>	<u>Site Description</u>	Mediacom	
		Build Cost	Out MRC 1 Gbps
Hibbing Transfer Station – 3994 Landfill Rd	Transfer Station	\$25,000.00	\$500.00
Jean Duluth – 5595 Jean Duluth Rd	PW Garage	\$25,000.00	\$500.00
Haynes Interconnect Location	NESC Interconnect	\$25,000.00	\$500.00
Sub Total:		\$75,000.00	\$1,500.00

THEREFORE, BE IT RESOLVED, That the St. Louis County Board authorizes the Information Technology Department in coordination with Environmental Services to purchase fiber-based network services from Northeast Services Cooperative at three Environmental Services transfer stations to include both onetime fiber build out costs in the amount of \$530,000 paid from Fund 239, American Rescue Plan Act Revenue Loss Funds, and monthly recurring costs totaling \$1,200 for a 5-year term payable via Fund 100, Agency 117001.

RESOLVED FURTHER, That the St. Louis County Board authorizes the Information Technology Department in coordination with Environmental Services and Public Works to purchase fiber-based network services from Mediacom at one Environmental Services transfer stations, one Public Works facility, and the St. Louis County interconnect facility to include both one-time fiber build out costs in the amount of \$75,000 paid from Fund 239, American Rescue Plan Act Revenue Loss Funds, and monthly recurring costs totaling \$1,500 for a 5-year term payable via Fund 100, Agency 117001.

RESOLVED FURTHER, That Northeast Services Cooperative shall comply and submit all necessary information, documentation and reporting materials required by the County, State or US Treasury to ensure that the project meets any and all conditions as required under the American Rescue Plan Act.

RESOLVED FURTHER, That Mediacom shall comply and submit all necessary information, documentation and reporting materials required by the County, State or US Treasury to ensure that the project meets any and all conditions as required under the American Rescue Plan Act.

Adopted March 14, 2023. No. 23-176

RESOLVED, That pursuant to the provisions of Minn. Stat. § 340A, as amended, and Rules and Regulations adopted by this Board under St. Louis County Ordinance No. 28, dated May 22, 1978, as amended, the following application for permit authorizing the consumption and display of intoxicating liquor is hereby approved, on file in the office of the County Auditor, identified as County Board File No. 61856.

Wayne Phillip Hidy, Jr. dba Floodwood Lake Resort, Cedar Valley Township, renewal.

Adopted March 14, 2023. No. 23-177

WHEREAS, The County Board was presented with and adopted legislative priorities for the 2023 Legislative Session in December 2022; and

WHEREAS, Minn. Stat. § 273.13, Subd. 34(i), specifically addresses the homestead of a veteran with a disability or family caregiver; and

WHEREAS, The County Board has discussed the impacts of this Statute on our veterans and

veterans' family along with the efforts of DAV (Disabled American Veterans) of Minnesota and the Minnesota Commander's Task Force's work associated with the Dependency and Indemnity Compensation 2-year rule; and

WHEREAS, The County Board has historically advocated for and supported the needs of the County's many veterans and veterans' families.

THEREFORE, BE IT RESOLVED, That the St. Louis County Board approves the amendment of its "2023 St. Louis County Legislative Priorities", as found in County Board File No. 61852, to include support efforts associated with changes to M.S. § 273.13 related to the Dependency and Indemnity Compensation 2-year rule.

RESOLVED FURTHER, That the County's Veteran's Service Officer is directed to send a letter of support on behalf of the County Board for DAV of Minnesota and the Minnesota Commander's Task Force's work on this issue to the St. Louis County legislative delegation and Governor's Office.

Adopted March 14, 2023. No. 23-178

WHEREAS, Pursuant to 2019 Minnesota Session Laws, Chapter 4, Article 4, Section 18, St. Louis County may sell by private sale the following described state tax-forfeited land to remedy an encroachment for the price of \$20,585, plus fees:

Legal: North 250.00 feet of Govt Lot 3, Sec 20 Township 54 North, Range 13 West

Parcel Code: 620-0010-03180

Acres: 7.39

LDKey: 130272; and

WHEREAS, Minn. Stat. § 282.01, subd. 3(a), allows for non-conservation tax-forfeited lands to be sold for their appraised value as determined by the county board; and

WHEREAS, This parcel of land has not been withdrawn from sale pursuant to Minn. Stat. §§ 85.012, 92.461, 282.01, subd. 8; and 282.018, and other statutes that require the withholding of state tax-forfeited lands from sale.

THEREFORE, BE IT RESOLVED, That the St. Louis County Board approves the sale of state tax-forfeited land, as described, to Partners of the Cloquet Valley Forest, LLP for the price of \$20,585 plus the following fees: 3% assurance fee of \$617.55, deed fee of \$25, deed tax of \$67.93, and a recording fee of \$46, for a total of \$21,341.48 to be deposited into Fund 240 (Tax-Forfeited Land Fund).

Adopted March 14, 2023. No. 23-179

WHEREAS, On January 12, 2023, the Planning Commission, and on February 16, 2023, the Septic Committee conducted a workshop to discuss the details of the ordinance language and the proposed amendments to the County's Subsurface Sewage Treatment System (SSTS) Ordinance 61, and provided their support to move the amendments forward; and

WHEREAS, On January 12, 2023, the Ordinance with the proposed amendments opened for public comment, and all townships, cities, and interested parties have been notified; and

WHEREAS, The Planning Commission, after soliciting comments for 57 days, will hold a public hearing regarding the proposed SSTS Ordinance 61 amendments on March 9, 2023; and

WHEREAS, It is anticipated the Planning Commission will vote to recommend that the St. Louis County Board of Commissioners adopt the proposed SSTS Ordinance 61 amendments.

THEREFORE, BE IT RESOLVED, That the St. Louis County Board will hold a public hearing on March 28, 2023, at 9:35 a.m., at the Lavell Town Hall, 2189 Hwy. 5, Hibbing, MN, to consider the adoption of the proposed SSTS Ordinance 61 amendments.

Adopted March 14, 2023. No. 23-180

BY COMMISSIONER NELSON:

WHEREAS, The U.S. Department of Housing and Urban Development (HUD) has notified St. Louis County of special allocations of funding flowing through the HOME Investment Partnerships (HOME) Program awarded through the American Rescue Plan (ARP) Act to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations; and

WHEREAS, St. Louis County has conducted the required citizen participation process to determine need, eligibility, and priority for use of the HOME-ARP funding through public survey, strategic agency and group consultations, and county interdepartmental outreach throughout the Consortium area; and

WHEREAS, HUD has provided an abbreviated public comment period on the proposed HOME-ARP allocation plan funding; and

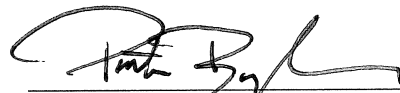
WHEREAS, The public comment period was held January 25, 2023, and completed February 9, 2023; and

WHEREAS, A public hearing was held on March 14, 2023.

THEREFORE, BE IT RESOLVED, That the St. Louis County Board approves submission of the HOME-ARP allocation plan and amendment to the St. Louis County 2021 Action Plan to HUD for approval.

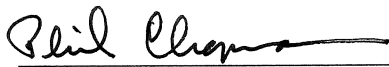
Unanimously adopted March 14, 2023. No. 23-181

At 9:56 a.m., March 14, 2023, Commissioner Jugovich, supported by Commissioner Musolf, moved to adjourn the meeting. The motion passed; seven yeas, zero nays.



Patrick Boyle, Chair of the Board
of County Commissioners

Attest:



Nancy Nilsen, County Auditor / *Phil Chapman,*
and Ex-Officio Clerk of the Board *Deputy Auditor*
of County Commissioners

(Seal of the County Auditor)