

The Ramsey County Board of Commissioners met in regular session with the following members present: Bennett, Haigh, Ortega, Reinhardt, Rettman, Wiessner and McDonough – 7. Also present were Paul Kirkwold, County Manager, and Darwin Lookingbill, Director, Civil Division, County Attorney’s Office.

PLEDGE OF ALLEGIANCE

All in attendance recited the Pledge of Allegiance.

AGENDA

Commissioner Haigh moved approval of the Agenda of the June 10, 2003, Board Meeting, seconded by Commissioner Reinhardt. Roll Call: Ayes – Wiessner, Bennett, Haigh, Ortega, Reinhardt, Rettman, McDonough – 7. Nays – 0.

MINUTES

Commissioner Haigh moved approval of the Minutes of the June 3, 2003, Board Meeting, seconded by Commissioner Bennett. Roll Call: Ayes – Wiessner, Bennett, Haigh, Ortega, Reinhardt, Rettman, McDonough – 7. Nays – 0.

PROPERTY RECORDS AND REVENUE – Sale of eight tax-forfeited properties to the Housing and Redevelopment Authority of the City of Saint Paul, MN, a government agency

Commissioner Wiessner introduced the following resolution and moved its adoption, seconded by Commissioner Haigh. Roll Call: Ayes – Wiessner, Bennett, Haigh, Ortega, Reinhardt, Rettman, McDonough – 7. Nays – 0. (2003-182)

WHEREAS, Ramsey County, Department of Property Records and Revenue, on behalf of the State of Minnesota, “Trust Exempt”, has received one application from the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, to purchase eight parcels of tax-forfeited land; and

WHEREAS, These properties are located in the City of St. Paul, County of Ramsey, and are legally described as follows:

| | |
|----------------------------------|-----------------------|
| Lot 6, Block 1, Rivoli Heights. | PIN: 29-29-22-33-0032 |
| Lot 7, Block 1, Rivoli Heights. | PIN: 29-29-22-33-0033 |
| Lot 8, Block 1, Rivoli Heights. | PIN: 29-29-22-33-0034 |
| Lot 9, Block 1, Rivoli Heights. | PIN: 29-29-22-33-0035 |
| Lot 10, Block 1, Rivoli Heights. | PIN: 29-29-22-33-0036 |
| Lot 11, Block 1, Rivoli Heights. | PIN: 29-29-22-33-0037 |
| Lot 12, Block 1, Rivoli Heights. | PIN: 29-29-22-33-0038 |
| Lot 13, Block 1, Rivoli Heights. | PIN: 29-29-22-33-0039 |

and

WHEREAS, The Director of Property Records and Revenue proposes to sell eight parcels of tax forfeited land to the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, for the total appraised value of \$24,000.00, plus other applicable fees and costs; and

(Continued)

WHEREAS, The Housing and Redevelopment Authority of the City of Saint Paul, Minnesota wishes to acquire these properties and combine them with other City owned vacant land which will provide an opportunity to create new housing units in the neighborhood; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners hereby approves the sale of the eight above-described tax-forfeited properties to the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, for the total appraised value of \$24,000.00, plus applicable fees and costs.

RAMSEY COUNTY EXTENSION SERVICE – Ramsey County’s interest and willingness to co-locate a University of Minnesota Extension Service Regional Center and the Ramsey County Extension Office at the Ramsey County Barn, 2020 White Bear Avenue, Maplewood, MN

Commissioner Wiessner introduced the following resolution and moved its adoption, seconded by Commissioner Haigh. Roll Call: Ayes – Wiessner, Bennett, Haigh, Ortega, Reinhardt, Rettman, McDonough – 7. Nays – 0. (2003-183)

WHEREAS, For over 50 years the Ramsey County Board of Commissioners has supported the University of Minnesota Extension Service in its location at the Ramsey County Barn; and

WHEREAS, The University of Minnesota Extension Service has connected community needs and University resources to address critical issues in Ramsey County; and

WHEREAS, Extension programming with Ramsey County residents has focused on increasing the self-sufficiency skills of limited-resource families, improving health and nutritional status, building community, strengthening the skills and capacity of youth, encouraging community volunteerism, and educating citizens on environmental issues; and

WHEREAS, The Ramsey County Board of Commissioners has supported the Extension Service through providing a building for offices, support of program staff and Extension Educators, and funds for materials; and the University of Minnesota continues its commitment to offer relevant programs to Ramsey County citizens; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners hereby states its interest and willingness to co-locate a University of Minnesota Extension Service Regional Center and the Ramsey County Extension Office at the Ramsey County Barn; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the Chair of the Ramsey County Board to execute a letter to the Dean of the University of Minnesota Extension Service in this regard.

COUNTY MANAGER/EMERGENCY SERVICES – State and Local Supplemental Appropriation Grant Program

Commissioner Wiessner introduced the following resolution and moved its adoption, seconded by Commissioner Haigh. Roll Call: Ayes – Wiessner, Bennett, Haigh, Ortega, Reinhardt, Rettman, McDonough – 7. Nays – 0. (2003-184)

WHEREAS, The Minnesota Department of Public Safety, Division of Emergency Management, has authorized Ramsey County to receive a grant in the amount of \$66,109.00; and

(Continued)

WHEREAS, The funds are to be used to coordinate development of new plans and to enhance existing emergency plans so that they include specific planning for terrorism and incidents that involve Weapons of Mass Destruction; and

WHEREAS, A small portion of this grant may be used to purchase computer equipment to accomplish these enhancements; and

WHEREAS, This grant may also be used to train elected and other senior local government officials (not first responders) in their roles during disaster or major emergency; and

WHEREAS, This grant is retroactive to January 1, 2003, and must be completed by December 15, 2003; and

WHEREAS, Discussions have been held with local municipalities to gain consensus as to the use of these funds, and reflects the current strategy that the development of a modern and comprehensive countywide plan will benefit all the municipalities; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners hereby authorizes the County Manager to accept the grant agreement in the amount of \$66,109 and any modifications to the grant agreement; and Be It Further

RESOLVED, The Board authorizes the County Manager to make necessary budget adjustments; and Be It Further

RESOLVED, The Board authorizes the Emergency Management Services to expend money to complete needed projects, reimburse County Departments for work already completed, purchase appropriate computer equipment to create and maintain these enhancements; and Be It Further

RESOLVED, The Board authorizes Emergency Management Services to “sub-grant” money to municipalities and regional jurisdictions to create specific emergency plan related projects, conferences or training.

COMMUNITY HUMAN SERVICES – Mental Health Center – Amendment of Lease

Commissioner Wiessner introduced the following resolution and moved its adoption, seconded by Commissioner Haigh. Roll Call: Ayes – Wiessner, Bennett, Haigh, Ortega, Reinhardt, Rettman, McDonough – 7. Nays – 0. (2003-185)

WHEREAS, Since November 1, 1997, the Mental Health Center has leased 28,579 square feet of office space at 1919 University; and

WHEREAS, The services at this location include the Intake/Crisis Unit, Pre-Petition, and Day Treatment Services; and

WHEREAS, The lease was renewed on November 1, 2002 for five additional years with \$.50 per square foot increases each year of the lease term; and

WHEREAS, Property Management has negotiated that the rent for the period November 1, 2003 to October 31, 2004, not be increased; Now, Therefore, Be It

(Continued)

RESOLVED, The Ramsey County Board of Commissioners approves the lease amendment between Ramsey County and University Centre at 1919 L.L.P. to change the square foot amount from \$15.00 per square foot to \$14.50 per square foot for the period November 1, 2003 to October 31, 2004; and Be It Further

RESOLVED, The Board authorizes the Chair and Chief Clerk to execute the lease amendment.

PARKS & RECREATION – Construction Contract – Biff Adams Ice Arena Parking Lot

Commissioner Wiessner introduced the following resolution and moved its adoption, seconded by Commissioner Haigh. Roll Call: Ayes – Wiessner, Bennett, Haigh, Ortega, Reinhardt, Rettman, McDonough – 7. Nays – 0. (2003-186)

WHEREAS, Ramsey County Parks and Recreation Department desires to construct a parking lot at Biff Adams Ice Arena to provide a safe and convenient alternative to on-street parking; and

WHEREAS, The Board of Ramsey County Commissioners approved funding through the 2003 Capital Improvement Program; and

WHEREAS, Bids for construction of the parking lot were received on April 23, 2003 and T. A. Schifsky was the lowest responsible bidder for the specified work; Now, Therefore, Be It

RESOLVED, That the Ramsey County Board of Commissioners hereby approves a contract in the amount of \$126,506.30, with T. A. Schifsky and Sons, Inc., 2370 Highway 36, North St. Paul, MN 55109, for the construction of a parking lot at Biff Adams Ice Arena; and Be It Further

RESOLVED, The Board authorizes the Chair and Chief Clerk to sign the contract.

PUBLIC WORKS – Project Labor Agreement for the Reconstruction of Highway 96 from Lexington Avenue to U.S. Highway 10

Commissioner Wiessner introduced the following resolution and moved its adoption, seconded by Commissioner Haigh. Roll Call: Ayes – Wiessner, Bennett, Haigh, Ortega, Reinhardt, Rettman, McDonough – 7. Nays – 0. (2003-187)

WHEREAS, By Resolution 2002-351 dated September 24, 2002, the Ramsey County Board of Commissioners adopted a policy regarding the use of Project Labor Agreements (PLA), with the direction to staff to return in a workshop format at a future date to determine the final criteria for use of a Project Labor Agreement; and

WHEREAS, The current policy requires a department to make a recommendation regarding the use of a PLA on a project and to request input from parties likely to be interested in the project regarding use of a PLA; and

WHEREAS, The Public Works Department is planning a project for reconstruction of Highway 96 from Lexington Avenue to U.S. Highway 10, SP 62-696-10, MSAP 197-020-09; and

(Continued)

WHEREAS, The Public Works Department solicited recommendations in accordance with the interim policy; and

WHEREAS, The St. Paul Building and Construction Trades Council responded that a PLA was not needed due to the size and character of the project; and

WHEREAS, The National Association of Minority Contractors Upper Midwest distributed the information to their membership and did not receive any comments and, therefore, did not recommend that a PLA was needed for this project; and

WHEREAS, It is the recommendation of the Public Works Department that a PLA not be used on this project for the following reasons: Neither the Building and Trades Council nor the Minority Contractors Association recommended a PLA be used, and the Department is not aware of any factors which would suggest the use of a PLA would benefit the project; and

WHEREAS, The Ramsey County Board of Commissioners has taken all of the project factors and recommendation into account; Now, Therefore, Be It

RESOLVED, That the Public Works Department shall not include a requirement for a Project Labor Agreement for the Reconstruction of Highway 96 from Lexington Avenue to U.S. Highway 10, SP 62-696-10, MSAP 187-020-09.

PUBLIC WORKS – Contract award for the reconstruction of County Road F between TH 61 and McKnight Road

Commissioner Wiessner introduced the following resolution and moved its adoption, seconded by Commissioner Haigh. Roll Call: Ayes – Wiessner, Bennett, Haigh, Ortega, Reinhardt, Rettman, McDonough – 7. Nays – 0. (2003-188)

WHEREAS, Ramsey County Public Works, in cooperation with the City of White Bear Lake, has developed plans for reconstruction of County Road F, SAP 62-612-14, MSAP 174-020-19; and

WHEREAS, Ramsey County Public Works has prepared two agreements between Ramsey County and the City of White Bear Lake: cooperative Agreement PW2002-17 for cost participation and reconstruction responsibilities and Cooperative Agreement PW2002-18 covering traffic signal and EVP system maintenance; and

WHEREAS, The City of White Bear Lake has reviewed the plans and approved their Agreements; and

WHEREAS, The plans have been approved by the Minnesota Department of Transportation – Office of State Aid (Mn/DOT); and

WHEREAS, Bids were received for this project on May 14, 2003, and the low bid for the project was received from Arnt Construction Company, Inc. in the amount of \$1,824,658.96; and

WHEREAS, The Ramsey County Project Engineer has reviewed the bids and recommends award of the contract to Arnt Construction Company, Inc.; Now, Therefore, Be It

(Continued)

RESOLVED, The Ramsey County Board of Commissioners hereby approves and authorizes execution by the Chair and Chief Clerk, of Cooperative Agreements PW 2002-17 and PW2002-18 between Ramsey County and the City of White Bear Lake; and Be It Further

RESOLVED, The four (4) page Agreement PW2002-17 and four (4) page Agreement PW2002-18 are made part of this resolution by reference and will be kept on file with the Chief Clerk; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners approves award of a Contract to Arnt Construction Company, Inc., P.O. Box 549, Hugo, MN 55038, in the amount of \$1,842,658.96, for the reconstruction of County Road F between TH 61 and McKnight Road, SP 62-612-14, MSAP 174-020-19, pending approval of bonds and insurance by the County Attorney; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the Chair and Chief Clerk to execute the contract on behalf of Ramsey County; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the following budget adjustment to accomplish this work:

INCREASE ESTIMATED REVENUE

| | | | | | | |
|------|-------|--------|--------|--|---------|----------------|
| 2001 | 11101 | 550880 | 314606 | CSAH Construction Regular | P033149 | \$1,412,013.27 |
| 2001 | 11101 | 550880 | 314101 | Participation in Construction White Bear Lake | P033149 | \$ 430,645.68 |
| 2001 | 11101 | 550880 | 311703 | Engineering Revenue | P033149 | \$ 18,426.00 |

TRANSFER TO/INCREASE APPROPRIATION

| | | | | | | |
|------|-------|--------|--------|-----------------------------------|---------|----------------|
| 2001 | 11101 | 550880 | 442305 | County Rd F construction contract | P033149 | \$1,842,658.95 |
| 2001 | 11101 | 550880 | 442305 | County Rd F Misc. Expenses | P033149 | \$ 18,426.00 |

PROPERTY MANAGEMENT – Ramsey County Law Enforcement Center – Utility Easement

Commissioner Wiessner introduced the following resolution and moved its adoption, seconded by Commissioner Haigh. Roll Call: Ayes – Wiessner, Bennett, Haigh, Ortega, Reinhardt, Rettman, McDonough – 7. Nays – 0. (2003-189)

WHEREAS, Ramsey County is in the process of constructing the Ramsey County Law Enforcement Center (LEC); and

WHEREAS, The LEC site abuts Grove Street on the South between Olive Street and Lafayette Road; and

WHEREAS, There are extensive utilities in Grove Street, making the installation of additional utilities difficult and expensive; and

WHEREAS, District Energy, St. Paul, Inc., is providing both heating and cooling energy sources for the LEC and has installed the heating and cooling piping to the west side of the LEC property; and

(Continued)

WHEREAS, Future installation of District Energy, St. Paul, Inc., piping across the LEC property to service future customers east of the site would save District Energy, St. Paul, Inc. resources, costs and street interruption; and

WHEREAS, An easement path has been designated in the design of the Ramsey County Law Enforcement Center site planning; and

WHEREAS, Easement Agreements between Ramsey County and District Cooling, St. Paul, Inc., and between Ramsey County and District Heating Development Company, dba District Energy St. Paul, Inc., have been drafted, which provide a fifteen foot (15') wide easement across the LEC property extending from the termination of existing piping to Grove Street, then parallel with Grove Street terminating at the corner of Lafayette Road and Grove Street; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners hereby approves agreements between Ramsey County and District Cooling, St. Paul, Inc., 76 Kellogg Boulevard West, Saint Paul, Minnesota 55102-1611, and between Ramsey County and District Heating Development Company, dba District Energy St. Paul, Inc., 76 Kellogg Boulevard West, Saint Paul, Minnesota 55102-1611 for a fifteen-foot (15') wide permanent easement across the Law Enforcement Center property; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the Chair and Chief Clerk to execute the easement agreements following final approval by the County Attorney and Property Management.

BOARD OF RAMSEY COUNTY COMMISSIONERS – Cancellation of Board Meeting

Commissioner Wiessner introduced the following resolution and moved its adoption, seconded by Commissioner Haigh. Roll Call: Ayes – Wiessner, Bennett, Haigh, Ortega, Reinhardt, McDonough – 6. Nays – Rettman - 1. (2003-190)

WHEREAS, On Tuesday, July 15, 2003, some Ramsey County Board members will be in Milwaukee, Wisconsin, for the annual National Association of Counties (NACo) Conference; and

WHEREAS, The Ramsey County Home Rule Charter states that the Ramsey County Board must meet at least two times per month. Meetings are scheduled for July 1, 8 and 22, 2003; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners hereby cancels the meeting of July 15, 2003.

PUBLIC WORKS – Construction Status Report for the period January 1, 2003 through March 31, 2003

Commissioner Wiessner introduced the following resolution and moved its adoption, seconded by Commissioner Haigh. Roll Call: Ayes – Wiessner, Bennett, Haigh, Ortega, Reinhardt, Rettman, McDonough – 7. Nays – 0. (2003-191)

WHEREAS, Ramsey County Board Resolution 91-061 requires the Public Works Department to submit periodic reports on the financial status of each project and any modifications that have been authorized within the limits set by County Board Resolution 2001-93; and

(Continued)

WHEREAS, The contract modifications include items such as cost quantity changes, change orders, and supplemental agreements; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners hereby accepts the Construction Status Report for the period January 1, 2003 through March 31, 2003.

PARKS & RECREATION – Construction Contract – Site Development – Lake Gervais County Park

Commissioner Ortega introduced the following resolution and moved its adoption, seconded by Commissioner Wiessner.

Commissioner Wiessner asked what provisions are being made for lifeguards at this beach.

Greg Mack, Director, Parks and Recreation, said Lake Gervais is one of the parks where lifeguard services have been eliminated. Two buildings were designed: one as a beach house with a changing area, and the second one had a lifeguard station. The lifeguard station was deleted. As part of the Department's 2003 budget reductions, lifeguard services were eliminated at Lake Gervais.

Commissioner Wiessner asked if lifeguard services could be reinstated in the future.

Mr. Mack said a small building would need to be built in order to support those services.

Commissioner Bennett asked where lifeguard services were being cut due to budget reductions.

Mr. Mack said that for the 2003 budget, lifeguard services are being eliminated at Lake Gervais, Lake Owasso and Turtle Lake.

Commissioner Wiessner asked how much it would cost to build the necessary building to reinstate lifeguard services in the future.

Mr. Mack said it would be slightly more than what is being deducted because there is a mobilization cost of coming in to do the work. There are some savings in the next contract because of soil corrections that would have been necessary at that site. It is a relatively small building, about 12X15. There is no provision to extend utilities at this time.

Roll Call: Ayes – Wiessner, Bennett, Haigh, Ortega, Reinhardt, Rettman, McDonough – 7.
Nays – 0. (2003-192)

WHEREAS, The Ramsey County Capital Improvement Program includes \$600,000 for redevelopment of Lake Gervais County Park, financed with a \$350,000 County appropriation and a \$250,000 State Outdoor Recreation Grant; and

WHEREAS, Ramsey County, through the consultant, Sanders Wacker Bergly, Inc., has prepared plans for the site development at Lake Gervais County Park; and

WHEREAS, The Ramsey County Parks and Recreation Commission recommended approval of the site development plans; and

WHEREAS, The City of Little Canada approved the site development plans; and

WHEREAS, Bids were received on April 16, 2003, and Veit and Company, Inc. was the lowest responsible bidder using the base bid, less Alternate No. 1, for the site development part of the project; and

(Continued)

WHEREAS, Due to unanticipated costs, including special provisions for construction over a sanitary interceptor sewer, soil correction, shoreline treatment and additional storm water requirements, the project is over the approved budget by \$80,000; and

WHEREAS, The use of Ramsey County Open Space Bonds, in the amount of \$80,000 for park development, is an acceptable use of these funds; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Manager to make a budget adjustment in the amount of \$80,000 from the Open Space Bond Account to the Lake Gervais County Park Redevelopment Project Account; and Be It Further

RESOLVED, The Board approves a Standard Form of Agreement Between Owner and Contractor, AIA Document A101-1997, in the amount of \$343,817, using the base bid less Alternate No. 1, with Veit and Company, Inc., 14000 Veit Place, Rogers, MN 55374, for the site development at Lake Gervais County Park; and Be It Further

RESOLVED, The Board authorizes the Chair and Chief Clerk to sign the agreement.

PARKS & RECREATION – Construction Contract – Beach Restroom – Lake Gervais County Park

Commissioner Reinhardt introduced the following resolution and moved its adoption, seconded by Commissioner Haigh.

Commissioner Wiessner said she is concerned that someday the County may want to restore lifeguard services. At that time it would be more expensive than building it today. The Board has not had a discussion about lifeguard services and whether or not those services would be permanently cut from the County's budget. By taking this action, the Board is making the decision that there will never be lifeguards at Lake Gervais.

Commissioner Rettman asked if the County had money to build the lifeguard station when bids were let on this project, and if so, are the funds still available.

Mr. Mack said the County does not have the necessary funds to build this building at this time. In order to balance the entire project, the Department is seeking approval under 8.5 in the contract to augment that budget by \$80,000.

Commissioner Rettman said the reality is that the funds are not available at this time. There would be a budget situation whether now or in the future. She asked Mr. Mack how much higher he believes the cost would be in the future.

Mr. Mack responded that it would be an approximate 10-15% increase.

Chair McDonough said that if the Board committed the dollars now to build it, the decision would be made to put lifeguard services back in that park.

Commissioner Wiessner said a decision to reinstate lifeguards would not cost only the amount of the lifeguards; it will also include the price of a building.

Commissioner Reinhardt asked what facility lifeguards previously used at this location.

Mr. Mack said the building that was there was no longer functional. It had a small room for lifeguard services but is being taken out as part of this reconstruction. The design began as a single building but through the design process ended up as two buildings, not even anticipating the reduction in lifeguard services. It seemed to function better on the site. When the cuts came for 2003 and looking ahead at 2004, the building was eliminated. It was not a high priority reinstatement for the Department because there are many other projects to attend to.

(Continued)

Commissioner Wiessner asked for an estimated number of people who use Lake Gervais beach.

Mr. Mack estimates that 35,000 swimmers use the beach during the summer. Lake Gervais, Lake Owasso and Turtle Lake beaches attract approximately the same number of people for day use. They attract many families mid-day and early evening. Many young, unsupervised children also use the beaches. Those three beaches have the lowest attended beaches and have the lowest impact on the total number of people served with lifeguard services. The Department's intention is to keep the beaches open for swimming, and would have a roped-off area for swimmers. Emergency phones are being installed at those locations, and a set of rules has been established for those unguarded beaches.

Commissioner Wiessner will not support this request. When looking at the services provided by the County, having lifeguards at the beaches is a life-saving function that protects the safety of the people using the service and protects the neighborhood from problems. She believes the County will receive complaints from the neighborhood about unsupervised activities.

Commissioner Reinhardt said she believes there would be problems if an unattended building were built. She asked if modifications could be made to the other building so that if the County wanted to accommodate lifeguard services in the future, that could be done. She does not want to make a predetermination of what will happen in the future, but the Board took a vote on the budget cuts. She believes this action will cut off further discussion.

Mr. Mack said it is less expensive to build a separate building. It was not going to be built using the same materials generally used for public use space. It would be a wooden building – not a masonry building. If the Board decides to build a building for these services, it would be less expensive to build a separate building.

Commissioner Wiessner moved an amendment to the resolution to add \$55,000 to this project and take the money from the contingent account.

Commissioner Reinhardt did not accept the motion as friendly.

There was no second to Commissioner Wiessner's motion.

Roll Call on original motion: Ayes – Bennett, Haigh, Ortega, Reinhardt, Rettman, McDonough – 6. Nays – Wiessner – 1. (2003-193)

WHEREAS, The Ramsey County Capital Improvement Program includes \$600,000 for redevelopment of Lake Gervais County Park, financed with a \$350,000 County appropriation and a \$250,000 State Outdoor Recreation Grant; and

WHEREAS, Ramsey County, through Hagen, Christensen, McIlwain Architects, in cooperation with Sanders Wacker Bergly, Inc., has prepared plans for a beach restroom at Lake Gervais County Park; and

WHEREAS, The Ramsey County Parks and Recreation Commission recommended approval of the beach restroom plans; and

WHEREAS, The City of Little Canada approved the beach restroom plans; and

WHEREAS, Bids were received on April 16, 2003, and L.S. Black Constructors, Inc. was the lowest responsible bidder using the base bid, less Alternate No. 1; Now, Therefore, Be It

(Continued)

RESOLVED, The Ramsey County Board of Commissioners approves a Standard Form of Agreement Between Owner and Contractor, AIA Document A101-1997, in the amount of \$257,500, using the base bid less Alternate No. 1, with L.S. Black Constructors, Inc., 1959 Sloan Place, St. Paul, MN 55117, for construction of a beach restroom at Lake Gervais County Park; and Be It Further

RESOLVED, The Board authorizes the Chair and Chief Clerk to sign the agreement.

PUBLIC WORKS – 2003-2007 Transportation Improvement Program (TIP)

Commissioner Reinhardt introduced the following resolution and moved its adoption, seconded by Commissioner Haigh.

Commissioner Rettman said she had been at a meeting where Rice Street was mentioned as being redone this year. That has been changed and will instead be done in 2004. Ken Haider, Director, Public Works, will work with the Rice Street Business Association on the proper timing of this work so that businesses are not impacted. Traffic has been diverted to Rice Street due to other construction projects. She asked Mr. Haider to work with the City of Roseville on the Larpenteur Avenue sidewalk project.

Commissioner Wiessner said Silver Lake Road is not mentioned on the 2003 construction projects.

Mr. Haider said the contracts have been let so it does not show up on the list.

Commissioner Wiessner asked about the turnback projects for the City of Lauderdale. There is a meeting this evening regarding those projects. She is concerned that by approving the TIP before discussions are held, the Lauderdale City Council might feel that this is already “a done deal”.

Mr. Haider said the complete list has been in the TIP for a number of years, and is basically authorization from the Board for staff to initiate discussions; it is not a forced or implied program. These turnbacks have been on the list for a couple of years. It will not be used as a threat, and he hopes that the City of Lauderdale does not take it that way. He doesn't believe they have been concerned that it has been in the program.

Commissioner Haigh asked if there is a change in the timing of any projects based on actions taken by the Legislature.

Mr. Haider referred to years 2005, 2006 and 2007 and said that some of those projects are in response to what is known at this time about the State's accelerated program. Staff will know more as the State provides additional information. The Department is responding to the fact that some projects will be advanced. The State will look to local departments to participate in those projects. It will have an impact in that other projects are postponed from the County's program because there has not been an increase in the County's budget related to road construction.

Commissioner Haigh asked for a specific example, and said she would like to see a list of those projects.

Mr. Haider referred to the 2006 construction projects listed on page 7 within the documentation, and in particular Centerville Road from Little Canada Road to Edgerton. The Department feels that project is important to do before the “unweave the weave” project advances. Freeway construction will distribute a great deal of traffic unto the County's road system. Details of the State's program are not yet complete.

Commissioner Haigh referred to the maintenance schedule for the Trunk Highway Turnback funds on page 2 of the documentation, for Rice Street and University Avenue. She asked how long the County would continue to have those turnback funds to do this type of work.

(Continued)

Mr. Haider said staff is in contact with Mn/DOT regarding availability of that money. Some funds have run into funding problems where there is limited funding on the part of the State. Typically, the County has been able to continue with its program. There is still money available for University Avenue. The County is discussing the possibility of doing a lump sum settlement on Highway 49 (Rice Street). Staff is looking at the entire stretch of Highway 49 and putting together the entire project. The funding isn't going to go away.

Commissioner Haigh asked, speaking about the turnback process with Mn/DOT, when the State money goes away and the projects become the sole responsibility of the County.

Mr. Haider said the State takes the position that they will give counties the money to either reconstruct or a major maintenance one time. Then it goes onto the State Aid system where the County gets funding through the State Aid Highway funds.

Tim Mayasich, Public Works Department, said that the County has 15 years to expend the funds once a road is taken back.

Commissioner Reinhardt referred to discussions that have taken place regarding County Road D in Maplewood. She requested assurance that that project would not be precluded within this TIP.

Mr. Haider said it has not been included in the TIP because there is no project assembled at this point. It would take an amendment to the TIP to include that project, and would be part of the Department's process. That project is only at the staff level at this time.

Commissioner Reinhardt said she wants to make sure that the Board is not precluding something from coming back on that project.

Mr. Haider said the Board has the authority to amend the TIP at any time.

Commissioner Rettman referred to concrete streets, such as Jackson and White Bear Avenue. She asked how those will be addressed.

Mr. Haider said all the major maintenance projects shown in the TIP are bituminous streets that compete with each other through the pavement management system. The concrete streets do not fit into that model very well. Staff are working to put together a concrete grading system so they can begin to compete. Concrete streets need maintenance, too. They are not falling apart like the bituminous streets are, but they don't ride very well. That is a specialty contract issue. The Department is trying to do some themselves and also has contractors.

Commissioner Rettman referred to page 11 in the documentation and said that Maryland Avenue is listed twice.

Mr. Haider said there are two listings because there are two bridges.

Commissioner Bennett asked if those bridges were replacements.

Mr. Haider said they are not looking at total reconstruction.

Commissioner Wiessner said the bridge over I35W at County Road E2 is a bad design in terms of sight lines. During discussions about the Arden Hills Library, people said they avoid going to that Library because the bridge is dangerous and it is difficult to make the turn to cross it. She asked if those types of discussions ever take place with Mn/DOT.

Mr. Haider said that is not a new concern. Staff have looked at the engineering data, which meets standards. He agrees with the concerns.

Commissioner Wiessner said she attended a meeting in Roseville about scheduled maintenance on Dale Street. She said Dan Solar did an excellent job when meeting with the residents. There are many concerns about going from striping of a four-lane road to a three-lane road. She asked about the schedule for making that decision, and if it would be coming to the County Board.

Mr. Haider said that typically, those do not come to the County Board. If the Board so desires, he could bring it in. Staff have worked with local agencies to come up with a good plan.

(Continued)

Commissioner Wiessner asked if a decision has been made.

Mr. Haider responded negatively.

Commissioner Wiessner said the overwhelming sentiment is to keep it a four-lane road.

There are many factors to be considered when making that decision.

Commissioner Bennett said that when Lexington went from four-lane to three-lane, people could not get in and out of their driveways.

Roll Call: Ayes – Wiessner, Bennett, Haigh, Ortega, Reinhardt, Rettman, McDonough – 7.
Nays – 0. (2003-194)

WHEREAS, Federal, state, and local funds have been made available to the counties for the improvement of county roads and bridge facilities; and

WHEREAS, The Ramsey County Board of Commissioners is desirous of establishing a program which utilizes these funds to the best interest of its residents; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners adopts the 2003-2007 Ramsey County Public Works Transportation Improvement Program (TIP); and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Engineer, with municipal approval, to prepare plans and agreements in accordance with County Board approved policy and this three year TIP, to prepare small (under \$100,000) consultant contracts, to advertise for bids, and to hire an independent appraiser to acquire temporary and permanent easements in order to accomplish the projects; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Manager to make appropriate budget adjustments for small consultant contracts, force account maintenance projects and easements utilizing County State Aid Highway Construction funds; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Engineer and County Attorney to acquire temporary and permanent easements by negotiation or condemnation; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Manager to approve negotiated settlements for up to \$5,000.00 over the appraised value per parcel for temporary and permanent easements; and Be It Further

RESOLVED, The Chair and Chief Clerk are authorized to execute the acquisition documents for right of way acquisition.

COUNTY MANAGER – Ramsey County/Washington County Joint Powers Agreement – East Metro Public Safety Training Facility at the Ramsey County Law Enforcement Center

Commissioner Haigh introduced the following resolution and moved its adoption, seconded by Commissioner Reinhardt.

Commissioner Rettman referred to page 4 of the Joint Powers Agreement, and said the Agreement states “Ramsey County has identified a grant from the State of Minnesota in the sum of \$500,000 that may be available”. The draft resolution, line 21, states, “The State awarded Ramsey

(Continued)

County \$500,000". She asked if the JPA should be changed to reflect the fact that the County has been awarded the grant.

Paul Kirkwold, County Manager, said if there are no other changes to be made, he suggests leaving the Joint Powers Agreement the way it reads so as not to have to redraft it and send it back to Washington County. The change would not change the outcome.

Commissioner Rettman asked that the Minutes reflect that the \$500,000 is still going into this project.

Mr. Kirkwold said the money has not yet been received. The award and receipt of are two different things.

Commissioner Haigh said this is a good effort at cooperating effectively with another jurisdiction. She commended the Sheriff and the facilities management group for bringing this agreement together. This is a great example of how taxpayer dollars are used effectively and wisely by sharing resources.

Mr. Kirkwold added that this JPA would not be a reality without Karen Kushner, Assistant County Attorney.

Roll Call: Ayes – Wiessner, Bennett, Haigh, Ortega, Reinhardt, Rettman, McDonough – 7. Nays – 0. (2003-195)

WHEREAS, In January 2000, the State Public Safety Training Facilities Task Force released a state-wide master plan for the siting of public safety training facilities and recognized the need for a training facility to serve the East Metro Region; and

WHEREAS, After release of the report, Washington County indicated a willingness to contribute \$1,000,000 to the cost of constructing and operating a regional public safety training facility at the new Ramsey County Law Enforcement Center site in exchange for certain user and operational/management rights; and

WHEREAS, The Ramsey County Sheriff's Department, in partnership with Washington County and the St. Paul Fire Department, submitted an application to the State of Minnesota Department of Public Safety for a capital grant to be used to construct the training facility; and

WHEREAS, The state awarded Ramsey County \$500,000, and conditioned payment on receipt of a cooperative agreement between Ramsey County and Washington County for joint funding of the training facility at the LEC, executed by both Boards; and

WHEREAS, On October 9, 2001, the Ramsey County Board of Commissioners authorized the County Manager to accept and execute a capital grant agreement with the State of Minnesota for \$500,000, to accept a contribution of \$1,000,000 from Washington County to be used toward the construction of a firearms range, and to negotiate an Agreement between Ramsey County and Washington County for ownership, financing, operations, and use of the East Metro Public Safety Training Facility at the Ramsey County Law Enforcement Center Site; and

WHEREAS, Ramsey County and Washington County have reached agreement on their rights and obligations in regards to the ownership, financing, operations, and use of the East Metro Public Safety Training Facility at the Law Enforcement Center site; Now, Therefore, Be It

(Continued)

RESOLVED, The Ramsey County Board of Commissioners hereby approves the Joint Powers Agreement For Ownership, Financing, Operations, and Use of the East Metro Public Safety Training Facility at the Ramsey County Law Enforcement Center Site between Ramsey County and Washington County; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the Chair and Chief Clerk to execute the Joint Powers Agreement.

SHERIFF – FTE Change for Agreement with the St. Paul Board of Water Commissioners

Commissioner Wiessner introduced the following resolution and moved its adoption, seconded by Commissioner Haigh.

Commissioner Rettman said she appreciated the County Manager bringing this item to the Board. It deals with a starred position. She asked if the two Community Service Officer positions would continue to be starred in the budget.

Mr. Kirkwold responded affirmatively.

Roll Call: Ayes – Wiessner, Bennett, Haigh, Ortega, Reinhardt, Rettman, McDonough – 7. Nays – 0. (2003-196)

WHEREAS, Subsequent to the terrorist attacks of September 11, 2001, the FBI and the Minnesota Department of Public Safety dispatched alerts for heightened security of all water supplies; and

WHEREAS, As a result of these alerts, the St. Paul Board of Water Commissioners requested that the Ramsey County Sheriff's Department enter into an agreement to provide security services beyond the baseline services which the County is already providing; and

WHEREAS, Ramsey County is the primary law enforcement agency with jurisdiction over all municipalities in which the St. Paul water utility properties are located; and

WHEREAS, The Ramsey County Board of Commissioners approved an Agreement with the St. Paul Board of Water Commissioners for the provision of the requested services, for the period of January 1, through December 31, 2002, and authorized the County Manager to approve any amendments to the Agreement; and

WHEREAS, In order to provide the requested services per the Agreement, the County Board approved an increase in the Sheriff's Department personnel complement of one starred Deputy Sheriff and one starred Community Service Officer; and

WHEREAS, The St. Paul Board of Water Commissioners wishes to change the type of FTE assigned to fulfill the duties of the Agreement for 2003; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners approves the deletion of one starred Deputy Sheriff position and approves the addition of one Community Service Officer position, to be starred in the Sheriff's Department personnel complement for use in fulfilling the requirements of an amended Agreement for security services with the St. Paul Board of Water Commissioners.

(Continued)

HUMAN RESOURCES – Ramsey County Commissioners' Salary Ordinance for 2004

Commissioner Bennett introduced the following Ordinance and moved its adoption, seconded by Commissioner Haigh.

Commissioner Rettman said she would not support this item because she voted against the prior Ordinance that set the salary for 2003, and she wanted to be consistent.

Roll Call: Ayes – Wiessner, Bennett, Haigh, Ortega, Reinhardt, McDonough – 6. Nays – Rettman - 1. (2003-197)

WHEREAS, The provisions of the Ramsey County Home Rule Charter relating to compensation for the Board of Commissioners state that:

- a) The Board may determine the annual salary of its members by passage of a salary ordinance;
- b) The salary ordinance must be passed by July 1 of the year prior to the effective date of the ordinance; and
- c) The ordinance shall not become effective until the first business day of the following year (January 1, 2004); and

WHEREAS, The Charter requires that per diem payments be made to the County and that, with the exception of fees, payments and other compensation paid to an officer of the Association of Minnesota Counties, the County will not add these payments to the Commissioners' salary when payments are received from the various boards, committees and other governmental agencies; and

WHEREAS, The current annual salary of the Board of Commissioners is \$59,500 for County Board Members, and \$61,500 for the County Board Chair; and

WHEREAS, Over the period of January 1, 2002 – December 31, 2002, the consumer price index (CPI-U) for the Minneapolis/St. Paul metropolitan area increased by 2.6%; and

WHEREAS, It is the intent of the Ramsey County Board of Commissioners that the salary rates for the Board of Commissioners should not be adjusted in 2004; and

WHEREAS, An increase of 0% for the Board of Commissioners will result in a salary increase equal to 0% of the change in the Consumer Price Index (CPI-U) for the Minneapolis-St. Paul Metropolitan Area for the period of January 1, 2002 – December 31, 2002; Now, Therefore, The Board of Commissioners for the County of Ramsey Does

ORDAIN, That the annual salary for the Ramsey County Board of Commissioners for calendar year 2004 shall not increase; and Be It Further

ORDAINED, With the exception of fees, payments and other compensation paid to an officer of the Association of Minnesota Counties, the Board voted to decline fees, payments and other compensation paid to County Board members in exchange for representing the County on outside boards, committees and other governmental agencies and any subcommittees thereof, and that any funds received by the County would remain within the County's General Fund; and Be It Further

(Continued)

ORDAINED, That the Commissioners are eligible to receive fees, payments and other compensation paid from the following boards, committees and other governmental agencies and any subcommittees thereof, such amounts to be remitted to County Treasury and thereafter paid to board member;

Association of Minnesota Counties (if serving as an Officer)

and Be It Further

ORDAINED, That all appointments of County Commissioners to various boards, committees and other governmental agencies shall be ratified by County Board resolution before per diem shall be paid; and Be It Further

ORDAINED, That any subsequent new appointments or changes in appointments to new or existing boards, committees or governmental agencies, and any subsequent establishment of new per diem rates or increase in current per diem rates shall be ratified by County Board resolution before per diems shall be paid; and Be It Further

ORDAINED, That any increase in per diems or new per diems which are approved by the above described process, shall be included in the next annual salary ordinance, and Be It Further

ORDAINED, That the Ramsey County Board of Commissioners shall be allowed to receive actual and necessary expenses for attendance at conferences, seminars, etc., in connection with their official County Commissioner duties as do all other Ramsey County employees; and Be It Further

ORDAINED, That unless a valid referendum petition is filed within 30 days after the publication of this ordinance, this ordinance shall:

- a) Become effective on January 1, 2004 and replace the previous salary ordinance (Ordinance 2002-224); and
- b) Continue in effect throughout calendar year 2004 and subsequent years until changed by a subsequent County Board ordinance.

BOARD OF RAMSEY COUNTY COMMISSIONERS – Legislative Report

Commissioner Reinhardt said that each week for the next several weeks, information will be brought to the Board on outcomes of the Legislative Session.

Nick Riley, Intergovernmental Relations, said information presented today will be on levy limits and aid reductions, basically the general county aid program. Information on Corrections will be presented on June 17; the MFIP block grant program will be presented on June 24; and in July, Children's Service block grant, childcare and other human service impacts, will be presented.

Paul Kirkwold, County Manager, said the distribution of aids is one of the puzzle pieces taken into consideration when trying to make an estimate earlier this spring of how much Ramsey County would be impacted by the budget deficit. The process was started in January, and in March, staff provided the Board with an estimate of the cuts along with where staff believed the impacts would be. So far, indications have been that the estimate is as good as any other number around today. Staff began implementing spending reductions in March. A significant portion of those reductions started to occur in May. Other reductions will occur in June. The earlier reductions are part of the

(Continued)

consideration of the reduction in property tax relief aids. For a number of years, the State has allocated state dollars to local governments for the sole purpose of reducing property taxes. That allocation has now been reduced to various units of local governments. Assumptions still hold that the shortfall over the biennium is between \$70-80 million, or a reduction of \$35-40 million per year. The \$18.5 million general aid loss is a well-published number. That is a small portion of the total cuts because it is only one side of the budget, which is aid to local governments and is not the programs the state has cut through the process. Staff anticipated the reductions in the directions given to Departments in preparing their 2004 budgets. The advantage Ramsey County has is that the Board has prepared for these reductions. This seems to be a fluid process because the material within the Board documentation is not the latest information, and these numbers are the easiest calculation to make in all of the things that happened at the Legislature.

Julie Kleinschmidt, Director, Budgeting and Accounting, said the State previously gave counties relief in several different general aids: HACA, Criminal Justice Aid, and Family Preservation Aid. These have now been combined into one aid – County Program Aid. This is a property tax relief for property taxpayers in Ramsey County and directly reduces the amount of the property tax levy. There is a new formula for 2003 and 2004 based on a percentage of the County's existing levy plus past aids. In past years, Ramsey County has not levied maximum amount it could have levied. Last year, Ramsey County was about \$9 million under the amount that could have been levied. This new formula factors the County in at the actual levy as opposed to the higher levy limit. A new formula for 2005 is part need-based and part tax base equalization based. The need-based aid is determined 40% by the relative proportion of a county's age-adjusted population, 40% by the relative proportion of a county's population receiving food stamps, and 20% of the relative proportion of part 1 crimes per capita in the county. Equalization aid is intended to compensate counties for low relative tax base.

Ms. Kleinschmidt said the way this is calculated is that significant reductions will be taken in 2003 and 2004. Current estimates are that the aid goes back up in 2005. Staff does not believe that those estimates are reliable. For 2005, the increase in Ramsey County's general County Program Aid is projected to be about one-half of what Ramsey County has projected it will need to replenish its fund balance. The reports provided to the County by the bond rating companies stated that the County was awarded their highest credit rating, based on the understanding that the fund balance, drawn down in 2003, would be replenished over a fairly aggressive three-year period.

Chair McDonough said that the County needs to begin replenishing the fund right away.

Ms. Kleinschmidt said the 2004 budget will have to include some amount to replenish the draw down of the fund balance in 2003, at the same time the County will receive general aid cuts.

Commissioner Ortega said the fund balance is being tied to the county aid. As part of the 2004 budget process, the Board will discuss how to replenish those funds. The county aid is just another revenue stream.

Ms. Kleinschmidt said aid estimates are being received from the Association of Minnesota Counties, Metropolitan Inter-County Association, and the House and Senate fiscal staff, and change almost daily. She assured the Board that the calculations come fairly close to each other and to the estimates the County has been working with for some time. The actual aid amount is received toward the end of August or early September. The Board typically goes through its budget process based on an estimate. The calculations provided today are based on preliminary 2003 numbers but are close to the County estimates. The 2003 cuts are about \$6.5 million, which has been factored into the 2003 spending reductions. The 2004 cuts are estimated at \$11.5 million, which has been factored into the 2004 budget preparations, \$18 million over the two years.

Commissioner Wiessner asked for the starting amount.

(Continued)

Ms. Kleinschmidt said the 2003 aids, after the adjustment for the courts, but before the cuts, was approximately \$15.5 million.

Commissioner Wiessner said that is less than the amount that will be cut.

Ms. Kleinschmidt said that \$18 million will be lost over the biennium. She added that in 2004, the County would be left with about \$4 million in this aid.

Chair McDonough said that the Court takeover was balanced by the tradeoff of HACA, which did not affect Criminal Justice Aid or Family Preservation Aid. In the future as tradeoffs may occur, it will affect more than general aid. He asked if that would affect current District Court takeover and any future tradeoffs.

Ms. Kleinschmidt said this would not affect finalization of the Court takeover, which will occur by July 1, 2003. If the County is left with \$4 million in aid, that is all that would be available to do tradeoffs of other programs the State might take over.

Mr. Riley said there will be no levy limits under current law for 2004, but the following year, levy limits will be lifted completely. That could be changed next session.

Ms. Kleinschmidt said there are levy limits continuing, imposed for tax levies in 2003 payable in 2004, which is the County's 2004 budget. Adjustments for household growth, commercial/industrial growth and inflation have been eliminated.

Commissioner Rettman asked if schools and cities equally have a levy limit; is this a comprehensive levy limit.

Ms. Kleinschmidt responded affirmatively.

Mr. Riley said with the cities in particular, it is much easier for the State to predict that amount because it is their LGA – 60% of the LGA loss can be levied back, where Ramsey County's is more complicated. He's not sure about schools; nothing changed for them and they are still subject to a referendum for an increase.

Commissioner Reinhardt said it is important to note that the levy at the city and County level is not the same percentage and not the same number of dollars; it will vary widely within Ramsey County.

Commissioner Wiessner requested clarification that the legislature cut Ramsey County's funds about \$35-40 million for the year, and has given the flexibility to levy back \$10 million.

Chair McDonough said the County could only levy back out of the aid cuts.

Commissioner Wiessner said she is talking about the dollar amount. The cuts are about \$40 million and the County has been told it can go up \$10 million in the levy, which is about 6% of the increase in the tax levy. There is still going to be a net loss of about \$30 million that will have to be cut in the budget.

Chair McDonough said that is assuming the County will levy back the \$10 million.

Commissioner Wiessner said it is assuming that and that there will be no other increases such as cost of living, etc.

Mr. Riley said that includes no unfunded mandates.

Ms. Kleinschmidt said that is correct. At the last Board Workshop, she reported that the maximum levy increase under the Governor's proposal would be approximately 3% for Ramsey County and about \$5.5 million. Under the tax bill that passed, the County can levy back 60% of the 2004 aid cuts. That means that where Ramsey County is today, there would be the authority to increase the overall levy closer to 6% and between \$10-\$11 million.

Commissioner Rettman said in order to get back the \$15 million to put back in the fund balance it will be \$5 million a year for three years. The 3% was getting the County back to fund balance, not adding anything back in. Even with the additional 3%, it is not going to get close to what has been cut.

(Continued)

Mr. Riley said it was the Governor's plan to pass on these cuts and not allow counties to backfill them.

Commissioner Reinhardt said these real cuts are primarily in the safety net areas; it is very targeted.

Chair McDonough said this seems very inconsistent in what the Governor and the State was trying to do. As pointed out in the tax bill fiscal implications that the County "must levy maximum allowable to maximize aid amount" – the County is being told that if it doesn't go back and do the \$10 million or 6%, it will not be able to maximize its aid; when in reality, they wanted to prevent the County from doing as much levying back as possible, but the way to get the most aid is to levy as high as possible – that seems inconsistent. The Governor and State are also basing the 2003 levy limit on taking away that gap. Ramsey County did a very good job of not being at the top with a \$9 million cushion, which is being good government. In the end, Ramsey County is being penalized for doing a good job.

Ms. Kleinschmidt said that is correct.

Mr. Riley said that is due to the two philosophies of the two parties. The Democrats wanted no levy limits to show how the shift occurred onto local governments by levying everything back. The Republicans wanted to not allow levying anything back to show that they were being prudent in making all these cuts.

Ms. Kleinschmidt said as pointed out, there is no levy limit for 2005, and there is no reverse referendum, but there is a referendum allowed if levy limits are exceeded.

Miscellaneous things not in the tax bill are no new constraints on debt issuance. The County may elect a CPA audit in lieu of the State Auditor; however, the State Auditor can review the County at any time at County expense. It is unclear whether that increases the County's costs. The State Auditor has sent a letter to counties. It appears there is a different interpretation by the State Auditor and the legislators.

Mr. Riley said it is the State Auditor's interpretation that every third year, that office can audit a different county, using a schedule to audit the 87 different counties.

Chair McDonough said there could be a cost to the County if paying for a CPA and then audited by the State Auditor as well. That could be managed to prevent that double cost in the year audited by both.

Ms. Kleinschmidt said for an audit firm to come in, particularly for a County of this size, they need a commitment that is longer than two years in order to recoup their costs. On a positive note, the State Auditor is excellent at the compliance audit in adhering to state statutes, etc. A balance might be found to have the State Auditor focus on the compliance audit to help manage the whole process and costs.

Commissioner Rettman referred to the purchasing law that passed, and asked if the State Auditor would put together a list of auditors for use by counties.

Ms. Kleinschmidt said she did not know. She said the County's cash flow is already being reduced by delayed aid payments from the State. The County is managing the cash flow and she didn't want to imply that there is a difficult or crisis situation going on, but wanted to advise the Board that payment is not being received as fast as in the past.

Chair McDonough asked if this has been laid out as to whether there is a point of concern because the fund balance is extremely low.

Ms. Kleinschmidt responded that it has been laid out and planned for. Ramsey County is in good shape, and there is adequate cash flow.

Commissioner Reinhardt referred back to the State Auditor discussion, and asked if there is a cap regarding the County's expenses.

(Continued)

Mr. Riley said there is no cap. The State Auditor has indicated that her fees would be increased by 18% for next year.

Ms. Kleinschmidt said the main changes in property taxes are the truth in taxation notice, This Old House law, and the Assessor duties. She said it continues the property tax reform begun in 2001 resulting in a shift causing homeowners to pay a larger percent of the total tax.

Commissioner Rettman asked if that increase would be 33% next time; it was 15% this year.

Dorothy McClung, Director, Property Records and Revenue, asked if Commissioner Rettman was referring to limited market values.

Commissioner Rettman responded affirmatively.

Ms. McClung said ultimately it will increase that much, but not next year. It phases out in total in five years. There were two major tax bills passed, both 500-600 pages in length. Staff found no real tax changes within them, mainly renaming of things. The major changes were levy limits, local government aids and county aids. There had been discussion about moving the whole truth in taxation hearing prior to elections in November or at least getting the notice out before elections. That did not prevail so the schedule remains the same. That means municipalities must have a proposed budget certified to the County by September 15 with a final decision in December. The truth in taxation notices will be mailed out the second week in November. The main change in truth in taxation is that the two middle columns on the notice will be eliminated.

The Legislature did not extend the This Old House provision. This means that improvements made prior to January 1, 2002, will continue to qualify; improvements made January 1, 2003, and after will not. That will phase out over a period of ten years.

The change in Assessor duties will be in the quartile review. Because of the cutbacks, the Legislature changed the requirement to review the property once every five years, from a quartile to a quintile system. The quality of data is the basis for the quality for the assessment and is better done more frequently, but the department would not be illegal if not making the quartile requirements.

Chair McDonough asked if the department would still take the position that the quartile review would be a goal to work toward.

Ms. McClung responded affirmatively, but in fact, that may be where the budget cuts would occur.

Mr. Riley said limited market value would be something to keep an eye on. There would be a more rapid shift onto homes where businesses would benefit. Currently, businesses don't benefit from limited market value.

Commissioner Ortega said he had understood that most homeowners had through 2003.

Ms. McClung said if the permit was pulled and improvements were done prior to January 1, 2003, it will continue to qualify for the ten years; no new improvements will qualify. If a permit was pulled in 2002, that portion of the value of the improvement that increased the value would qualify. That portion completed in 2003 would not.

Commissioner Wiessner said the limited market phase-out is scheduled to phase-out over five years with completion in 2007. She asked if that would be a gradual phase-out.

Ms. McClung said this year it is 15%, next year it would be 20-25%, and the last year it is 50% and then it is the full amount.

Commissioner Reinhardt said with This Old House, there would be at least a handful of homeowners where this would be retroactive. They entered into something in 2002, didn't get all the work done, but still have the expense and contract, but because the improvements weren't completed, will not get the credit for anything done in 2003. They went into this thinking one way and the rules changed.

(Continued)

Ms. McClung said that is not correct. This is the way the law was. There was an attempt to get This Old House extended this year, but it was scheduled to sunset when it did.

Commissioner Reinhardt said at least some people went into it knowing they were taking a chance.

Ms. McClung said people will want to see tax impacts. Because of all the uncertainties, staff don't know what the County's numbers are, much less understand the numbers for the cities, school districts, etc. It will be late August or early September before there are any meaningful numbers to provide what-if scenarios.

Commissioner Reinhardt said businesses had said the limited market value is a false assumption that moves things around. They lobbied against having limited market value applied to them. It is based on the market value, the value of the home, the business. It is not the tax rate, it is how much the home is valued at and what it could be sold for in the market.

Chair McDonough said at one of the department presentations, the gap statewide was shown between what is actually being taxed and limited market value at about \$10 million.

Ms. McClung said Ramsey County's portion is \$4 billion in value.

Chair McDonough asked for an explanation as the phase-out occurs how that money is shifted.

Ms. McClung explained that with the values increasing in residential property as much as they have, even though it is being phased out, that \$4 billion is growing. With increases in 2004, the value increases will be good but not as high as they were.

Commissioner Rettman said there are two sides to the story and there have been dramatic changes in the estimated market value and the values of both businesses and homeowners and renters.

Ms. McClung said residential markets in this area have never seen a real deflation. That has been seen in commercial value, and is very cyclical.

Commissioner Rettman asked about neighborhoods.

Ms. McClung said with some of the neighborhoods where the deflation occurred in the past have got the largest increases now because of the renovation of those neighborhoods. They never come to Property Records and Revenue to reduce their taxes. The department reduces values but not taxes.

Commissioner Bennett asked if there is a \$4 billion difference, does it mean that there will be a \$4 billion shift for whose going to be paying taxes.

Ms. McClung responded that depending upon what happens to markets in other areas, yes. If it went off right now, commercial taxable values would stay the same, residential estimated market values would go up \$4 billion resulting in some significant increase in taxable values on residential. All things being equal, the taxes are going to be paid more by residential property owners than commercial property and apartments.

Commissioner Bennett suggested that in several of the next County newspapers, space be devoted to explaining this in understandable language for how it will play out, how much percent, etc.

Ms. McClung said homeowners are seeing some of that now. Until this past year, property owners in Ramsey County for the last couple years have seen property tax decreases.

Commissioner Bennett said a whole page should be devoted to that.

Commissioner Reinhardt said an article would need to be very clear that the formula change was not made at the County level. There are no additional taxes being raised, it is who is paying for the shift, and that decision was made at the State level. The determination was made in 2001 that it

(Continued)

would shift more to the residential from the commercial and business properties and is what should be explained to the taxpayers.

Chair McDonough said last year, the department was able to give a number such as \$50-60, that if no entity in this County had any tax increases – city, school or county – the tax bill would have gone up that much because of State changes. He found that was helpful in the explanation to citizens.

Ms. McClung said that could be done showing values, the shift in capacities, etc. and apply last year's levy.

Commissioner Bennett said it is not the fact that it is just coming off, but that it went on in the first place. It was a bad idea to start with.

INTRODUCTION

Chair McDonough introduced Carol Pender-Roberts, new Director of Community Corrections. She began her work here full time yesterday and a reception was held this morning for her to meet the Judges and Commissioners.

Ms. Roberts said she is thrilled to be in the great City of St. Paul and looks forward to working with the County Board over the course of the next years.

OUTSIDE BOARD AND COMMITTEE REPORTS

Commissioner Rettman reported:

- On an event she attended for some people moving to Roseville. She said there is still the need in St. Paul for life cycle housing in allowing people to remain in their own homes. A goal for the County is to have opportunities for people to revamp their homes in order to remain there.
- Como Fest took place to benefit the resource building to house the new tropical exhibit. Because Ramsey County is responsible for the water management at Como, many of the explanations given for what is happening on vegetation and shoreline restoration is in conjunction with the Capitol Region Watershed as well as Ramsey County Public Works Department.

Commissioner Reinhardt reported:

- On the East Side Area Business Association luncheon.
- On a meeting held by WCCO in Maplewood where community leaders were gathered to talk about a variety of issues.

Commissioner Bennett reported:

- On the 800 MHz. Many of the metropolitan hospitals, including Regions, are all coming on board with the 800 MHz radio system. There are some additional funds and the 25-30% now looks like it will go close to 50% starting after July 2004 with the 7 cents on the 911 to go to the 800 MHz Radio Board to bring it from \$15 million to \$60 million a year. In addition, the federal government allocated about \$7.5 million for equipment – computer systems, antennas or radios – for the metro area and \$6 million out state. There is also to be additional federal money for those going into 800 MHz to get close to 75% of their costs. The bad part of the \$7.5 million is there is only a 60-day window. Staff is working on how to fit into that window.

(Continued)

Commissioner Ortega reported:

- He attended the groundbreaking for LaClinica and was proud to see in a time when so many cuts are being made in health and human services, that LaClinica is expanding their services. In terms of facilities and the people they serve the largest community health clinic in the State of Minnesota, serving people from all over the City of St. Paul as well as some of the suburbs from all economic status. He pointed out that this clinic was started by immigrants, an immigrant institution that has become part of America.

Commissioner Wiessner reported:

- That Dan Soler, Public Works Department, did a great job working with the residents attending the meeting on Dale Street.
- She attended a meeting with the City of St. Anthony about new development at Apache Plaza. This is a tax increment financing proposal that is the reason that this funding source was given to cities to help in development. This sounds like a good compromise plan with housing, commercial and a variety of things that will be a real asset.
- She had attended two different strategic planning efforts for organizations other than Ramsey County who are addressing the fiscal challenges as part of the ripple effect of the State budget deficit. The budget deficits don't only affect government in services, but also the non-profit communities.

BOARD CHAIR UPDATE

Chair McDonough said the Regional Rail Authority would immediately follow adjournment of the County Board and at 1:30 p.m. the Board Workshop would be held on '*Ramsey County Library Capital Improvement Plan 2004 and Beyond...*'.

ADJOURNMENT

There being no further business, Chair McDonough declared the meeting adjourned.

Bonnie C. Jackelen, Chief Clerk – County Board