

The Ramsey County Board of Commissioners met with the following members present: Carter, McDonough, Ortega, Reinhardt, Rettman and Chair Parker – 6. Absent: - Bennett – 1. Also present were Julie Kleinschmidt, 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 Ortega moved approval of the Agenda of the April 28, 2009, Board Meeting, seconded by Commissioner Reinhardt. Roll Call: Ayes – Carter, McDonough, Ortega, Reinhardt, Rettman, Parker – 6. Nays – 0.

MINUTES

Commissioner Reinhardt moved approval of the Minutes of the April 21, 2009 Board Meeting, seconded by Commissioner Ortega. Roll Call: Ayes – Rettman, Carter, McDonough, Ortega, Reinhardt, Parker – 6. Nays – 0.

COMMUNITY HUMAN SERVICES – Intellectual and Developmental Disabilities – Employment Services

Commissioner Carter introduced the following resolution and moved its adoption, seconded by Commissioner McDonough. Roll Call: Ayes – Carter, McDonough, Ortega, Reinhardt, Rettman, Parker – 6. Nays – 0. (2009-137)

WHEREAS, In 2006, Ramsey County Community Human Services, working with the six other metro counties, created the Employment and Alternative Services program (EAS); and

WHEREAS, The program is designed to offer our consumers more options for community-based employment and activities; and

WHEREAS, The counties selected sixteen vendors to initiate this service, with each holding host county agreements with a few of the vendors to spread out administrative time and cost; and

WHEREAS, Board Resolution 2007-117 authorized the development of Ramsey County agreements with five vendors; and

WHEREAS, It has developed that Dakota Communities, Inc., with a contract held by another county, is being exclusively utilized by Ramsey County residents; and

WHEREAS, For that reason, the Community Human Services Department is requesting authorization for development of a sixth agreement within the Employment and Alternative Services program with Dakota Communities, Inc.; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Manager to approve and execute an agreement, in a form to be approved by the County Attorney, with Dakota Communities, Inc., 680 O'Neill Drive, Eagan, MN 55121, for Employment and Alternative Services, for the period April 1, 2009 through December 31, 2009.

(Continued)

COMMUNITY HUMAN SERVICES – Adult Mental Health – East Metro Adult Crisis Stabilization

Commissioner Carter introduced the following resolution and moved its adoption, seconded by Commissioner McDonough. Roll Call: Ayes – Carter, McDonough, Ortega, Reinhardt, Rettman, Parker – 6. Nays – 0. (2009-138)

WHEREAS, On March 24, 2008, the Board approved a Joint Powers Agreement between Dakota and Ramsey Counties for the East Metro Adult Crisis Stabilization effort; and

WHEREAS, The purpose of this effort is an integration of all east metro psychiatric services, including hospitals, community providers, and county services; and

WHEREAS, The Joint Powers Agreement establishes an EMACS Board, with two representatives appointed by the respective County Boards; and

WHEREAS, The Human Services Department recommends that Monty Martin, Director of the Community Human Services Department and Nancy Houlton, Director of the Ramsey County Mental Health Clinic be appointed; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners approves the appointment of Monty Martin and Nancy Houlton as the representatives from Ramsey County on the East Metro Adult Crisis Stabilization Board.

COMMUNITY CORRECTIONS – Agreement with Goodwill-Easter Seals to provide employment services for offenders in the Minnesota Corrections Reentry Program

Commissioner Carter introduced the following resolution and moved its adoption, seconded by Commissioner McDonough. Roll Call: Ayes – Carter, McDonough, Ortega, Reinhardt, Rettman, Parker – 6. Nays – 0. (2009-139)

WHEREAS, Ramsey County Community Corrections Department is participating in the Minnesota Corrections Reentry Program (MCORP) with the Minnesota Department of Corrections to improve individuals' chances of success when they return to the community after release from prison; and

WHEREAS, The Minnesota Department of Corrections has awarded Ramsey County Community Corrections an additional grant in the amount of \$200,000 to be used specifically for assisting the MCORP offenders with employment issues; and

WHEREAS, On January 26, 2009, Ramsey County Community Corrections directed the Contract and Analysis Services Department to issue a Request for Proposals on its behalf for employment services. Three proposals were received and were evaluated by a team of six individuals; and

WHEREAS, The evaluation team recommends that Ramsey County Community Corrections enter into an agreement with Goodwill-Easter Seals to provide employment services based on the review of the proposals on the following criteria: 1) service strategies and delivery; 2) proposer qualifications; 3) previous performance outcomes; 4) budget. The proposal submitted by Goodwill-Easter Seals complies with the requirements set forth in the RFP for employment services; and

(Continued)

WHEREAS, The Contractor will develop employment options with employers, place offenders in jobs, work with the offender and his/her employer to develop job retention skills and develop a long term employment plan for each offender; and

WHEREAS, Ramsey County will pay the Contractor on a cost reimbursement basis in an amount not to exceed \$200,000, beginning May 1, 2009 and ending December 31, 2010. The funding source is a grant from the Department of Corrections and no levy funds will be used for this project; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners hereby approves an Agreement with Goodwill-Easter Seals, 553 Fairview Avenue North, St. Paul MN 55104, for the period of May 1, 2009 through December 31, 2010; payable on a cost reimbursement basis in an amount not to exceed \$200,000, to provide employment services to offenders participating in MCORP; and Be It Further

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

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Manager to execute any necessary amendments, renewals or budget adjustments, in a form to be approved by the County Attorney.

COUNTY MANAGER/BUDGETING & ACCOUNTING – 2009 Library Capital Improvement Program Bonds

Commissioner Carter introduced the following resolution and moved its adoption, seconded by Commissioner McDonough. Roll Call: Ayes – Carter, McDonough, Ortega, Reinhardt, Rettman, Parker – 6. Nays – 0. (2009-140)

RESOLUTION PROVIDING FOR THE COMPETITIVE NEGOTIATED SALE OF \$15,950,000 GENERAL OBLIGATION LIBRARY CAPITAL IMPROVEMENT BONDS, SERIES 2009B

WHEREAS, the federal American Recovery and Reinvestment Tax Act of 2009 provides for the issuance of “Build America Bonds” in 2009 and 2010 which bear taxable interest but for which the issuer will receive payment of a refundable tax credit contemporaneously with each interest payment equal to 35% of such taxable interest; and

WHEREAS, the interest cost to the County after the receipt of such tax credits may be lower than the interest cost of tax-exempt bonds, and it is desirable to determine this by soliciting alternate proposals for tax-exempt bonds and taxable Build America Bonds; and

WHEREAS, there are other aspects of Build America Bonds and the relationship of an issuer to the Internal Revenue Service for the receipt of tax credits that should be considered; and

WHEREAS, the market for Build America Bonds is only now beginning to develop, and the Terms of Proposal attached hereto for a competitive negotiated sale of Build America Bonds may need modifications prior to its use in order to take full advantage of market conditions at the time:

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Ramsey County, Minnesota, as follows:

(Continued)

- Finding: Amount and Purpose. It is hereby found, determined and declared that Ramsey County, Minnesota (the "County"), should issue its \$15,950,000 General Obligation Library Capital Improvement Bonds, Series 2009B, to defray the expense of acquiring and constructing library facilities as capital improvements authorized in the County's Capital Improvement Plan under the County's home rule charter.
- Meeting. This Board of Commissioners shall meet on the date and at the time and place specified in the form of Terms of Proposal attached hereto as Exhibit A for the purpose of awarding the sale of the Bonds.
- Competitive Negotiated Sale. The County has retained Springsted Incorporated as an independent financial advisor, and the Board of Commissioners hereby determines to sell the Bonds by private negotiation, by way of a competitive sale in response to Terms of Proposal for the Bonds which are not published in any newspaper or journal.
- Terms of Proposal. The terms and conditions of the Bonds and the sale thereof, including alternate proposals for the Bonds as tax-exempt or as taxable Build America Bonds, are set forth in the "Terms of Proposal" attached hereto as Exhibit A and hereby made a part hereof. Such Terms of Proposal are hereby approved in substantially the form attached, with such changes and modifications thereto as may be advantageous with respect to soliciting proposals for Build America Bonds.
- Build America Bonds. The County Manager and other officers or employees of the County are hereby authorized to prepare information for this Board of Commissioners about the advantages and disadvantages of the issuance of the Bonds as Build America Bonds.
- Official Statement. The County Manager and other officers or employees of the County are hereby authorized to participate with Springsted Incorporated in the preparation of an official statement for the Bonds.

COUNTY MANAGER/BUDGETING & ACCOUNTING – 2009 Library Capital Improvement Program Bonds

Commissioner Carter introduced the following resolution and moved its adoption, seconded by Commissioner McDonough. Roll Call: Ayes – Carter, McDonough, Ortega, Reinhardt, Rettman, Parker – 6. Nays – 0. (2009-141)

WHEREAS, The 2009 Library Capital Improvement Program Bond Ordinance, which allows the issuance of up to \$15,950,000 of capital improvement bonds, was approved on March 3, 2009; and

WHEREAS, The ordinance became effective 30 days after its approval; and

WHEREAS, The County's financial advisor, Springsted, Inc., has provided recommendations for the sale of these bonds on June 1, with award for the sale to be approved on June 2, 2009, Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners sets Monday, June 1, 2009, as the date bids will be taken for the sale of the 2009 Library Capital Improvement Bond, with the award of the sale to be approved on Tuesday, June 2, 2009.

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BOARD OF RAMSEY COUNTY COMMISSIONERS – Amend the Ramsey County Board Meeting Schedule

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

Commissioner Rettman asked which meetings are being cancelled.

Bonnie Jackelen, Chief Clerk – County Board, said the dates the Board would not meet are: May 26, July 7, July 28, August 18, and August 26.

Roll Call: Ayes – Carter, McDonough, Ortega, Reinhardt, Parker – 5. Nays – Rettman – 1. (2009-142)

WHEREAS, In 2009, the Ramsey County Board of Commissioners will meet as the Budget Committee of the Whole during an estimated 12 half-day sessions to discuss the County budget for 2010-2011; and

WHEREAS, The proposed dates for these sessions are:

September 25

September 29

October 1

October 8

October 9

October 13

October 15

October 23

October 29

October 30 and

November 13

and

WHEREAS, For several years, the Ramsey County Board of Commissioners has established a summer schedule for Board Meetings; and

WHEREAS, The Ramsey County Home Rule Charter states that the County Board shall meet at least twice each month; and

WHEREAS, The Board's Rules of Procedure state that regular sessions of the Board will be held on the first four Tuesdays of each month, unless specially ordered otherwise by majority vote of the Board; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners hereby amends its 2009 summer schedule to hold meetings on the following dates:

May 19

June 2

June 9

June 16

June 23

July 14

July 21

August 4

(Continued)

August 11
September 1

COUNTY MANAGER/BUDGETING & ACCOUNTING – 2009 Capital Improvement Program Bonds

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

Rich Koop, Investment Debt Manager, Budgeting and Accounting, said the Federal Stimulus Act for 2009 and 2010 created a different type of bond that can be used as an option for a government to issue, called Build America Bonds (BABs). These are taxable issue to which the government would apply a 35% credit to offset the interest cost. Paperwork would be sent to the federal government 45 days before the interest payment is due. A check would be sent back to the County to use to reduce the interest payment. The actual language came up about three weeks ago. When the County issues the bonds, staff wants to bid this competitively for both types. Normally these bonds would be bid General Obligation, non-taxable. It is requested that the County bid this both ways and have the two interest costs reviewed by Springsted to see which is more advantageous to the County. This is a new option for the County, and staff wants to explore that.

Commissioner Rettman asked if there are any downsides. These are only created for two years.

Mr. Koop said that is correct. A government has an option to do these the next two years.

Commissioner Rettman said there is a call provision, and if called earlier, what would that mean for the taxpayer.

Mr. Koop said when a bond issue is non-taxable, as the County would normally issue them; it would have a ten-year call. Taxable issues normally do not have a call feature, but could be structured just like a non-taxable issue with the same kind of features. When that feature is put in, all the interest costs and the calculations are done based on that call feature. Information on what that would mean would not be known until the numbers are seen after the bids.

Commissioner Rettman asked if that analysis could be done before that comes in June.

Mr. Koop responded affirmatively. Work would be done with Springsted on scenario-planning within the next month on the different rates and what it would look like. When coming to the Board on June 2 to authorize the sale, there will not be a lot of time to look at comparisons. There was never anything to compare before because it was always non-taxable, so we just looked at the best rates. Now we will look at which one would be the best option.

Commissioner Ortega requested clarification that the County would put out the same amount of dollars but look to see which vehicle would be best suited for the County.

Mr. Koop responded affirmatively. This would provide the Board with an option not available last year. The \$6,100,000 is the same, and the amount of \$15,950,000 for the Library bonds would be the same.

Commissioner Ortega asked if bids would be done for both.

Mr. Koop said it is his understanding that the BABs bonds have been negotiated deals. We would not negotiate and would be one of the few that are going to do this as a competitive sale. When going out on June 1 for the bid, it would be bid both ways, competitively. This would come back to the Board on June 2 with the information to make a decision on which way to go.

Commissioner Reinhardt appreciated that this was built in so the Commissioners can get all the analysis, which would be part of the recommendation when it comes back. The Board would see the entire picture and decide which one works best for the County. There has been some confusion about bond sales and why the County would be bonding now in this tough economic time. This has already been included in the County's budget. It would cost the tax payers money if we didn't go forward with

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what we already have in the budget. The reality is that we are getting more for our money in capital than we have in previous years because of what is happening in the economy – it is helping put people to work, it is going to help as far as jobs once the projects are completed, so this is a win-win, but it is not something that is adding to the tax burden.

Kathy Aho, Springsted, Inc., said Mr. Koop did a good job of explaining the Build America option. These can be successfully sold on a competitive basis. The first full competitive transaction was offered with the twin-bid or the alternative last week for the City of DePere, Wisconsin. Six bids were received, two were Build America, and four were tax exempt. The net cost for the two Build America bonds was quite a bit less than the best tax exempt bid. Another transaction is being sold today with this same type of structure similar to what Ramsey County would be doing, for Oshkosh, Wisconsin, bid competitively. She would report to Mr. Koop later today on that sale with a recap in the comparison of net taxable cost to the tax exempt cost.

Commissioner Rettman asked if this would impact the County's bond rating or anything else.

Ms. Aho said there shouldn't be any effect based on whether it is Build America or a standard tax exempt. All the same credit factors would be considered issuing the same amount of debt.

Mr. Koop said being one of thirty-nine counties in the nation with a Aaa rating from both houses, should provide a good market for the bonds. With the rough economy, our bonds are as good as gold, and we may see an up-tick in those interested in our bonds.

Roll Call: Ayes – Carter, McDonough, Ortega, Reinhardt, Rettman, Parker – 6. Nays – 0.
(2009-143)

RESOLUTION PROVIDING FOR THE COMPETITIVE NEGOTIATED SALE OF \$6,100,000 GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS, SERIES 2009A

WHEREAS, the federal American Recovery and Reinvestment Tax Act of 2009 provides for the issuance of "Build America Bonds" in 2009 and 2010 which bear taxable interest but for which the issuer will receive payment of a refundable tax credit contemporaneously with each interest payment equal to 35% of such taxable interest; and

WHEREAS, the interest cost to the County after the receipt of such tax credits may be lower than the interest cost of tax-exempt bonds, and it is desirable to determine this by soliciting alternate proposals for tax-exempt bonds and taxable Build America Bonds; and

WHEREAS, there are other aspects of Build America Bonds and the relationship of an issuer to the Internal Revenue Service for the receipt of tax credits that should be considered; and

WHEREAS, the market for Build America Bonds is only now beginning to develop, and the Terms of Proposal attached hereto for a competitive negotiated sale of Build America Bonds may need modifications prior to its use in order to take full advantage of market conditions at the time:

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Ramsey County, Minnesota, as follows:

- Finding; Amount and Purpose. It is hereby found, determined and declared that Ramsey County, Minnesota (the "County"), should issue its \$6,100,000 General Obligation Capital Improvement Plan Bonds, Series 2009A, to defray the expense of acquiring and constructing various capital improvements authorized in the County's Capital Improvement Plan under the County's home rule charter.

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- Meeting. This Board of Commissioners shall meet on the date and at the time and place specified in the form of Terms of Proposal attached hereto as Exhibit A for the purpose of awarding the sale of the Bonds.
- Competitive Negotiated Sale. The County has retained Springsted Incorporated as an independent financial advisor, and the Board of Commissioners hereby determines to sell the Bonds by private negotiation, by way of a competitive sale in response to Terms of Proposal for the Bonds which are not published in any newspaper or journal.
- Terms of Proposal. The terms and conditions of the Bonds and the sale thereof, including alternate proposals for the Bonds as tax-exempt or as taxable Build America Bonds, are set forth in the "Terms of Proposal" attached hereto as Exhibit A and hereby made a part hereof. Such Terms of Proposal are hereby approved in substantially the form attached, with such changes and modifications thereto as may be advantageous with respect to soliciting proposals for Build America Bonds.
- Build America Bonds. The County Manager and other officers or employees of the County are hereby authorized to prepare information for this Board of Commissioners about the advantages and disadvantages of the issuance of the Bonds as Build America Bonds.
- Official Statement. The County Manager and other officers or employees of the County are hereby authorized to participate with Springsted Incorporated in the preparation of an official statement for the Bonds.

COUNTY MANAGER/BUDGETING & ACCOUNTING – 2009 Capital Improvement Program Bonds

Commissioner Reinhardt introduced the following resolution and moved its adoption, seconded by Commissioner Carter. Roll Call: Ayes – Carter, McDonough, Ortega, Reinhardt, Rettman, Parker – 6. Nays – 0. (2009-144)

WHEREAS, The 2009 Capital Improvement Program Bond Ordinance, which allows the issuance of up to \$6,100,000 of capital improvement bonds, was approved on March 3, 2009; and

WHEREAS, The ordinance became effective 30 days after its approval; and

WHEREAS, The County's financial advisor, Springsted, Inc., has provided recommendations for the sale of these bonds on June 1, with award for the sale to be approved on June 2, 2009, Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners sets Monday, June 1, 2009, as the date bids will be taken for the sale of the 2009 Capital Improvement Bond, with the award of the sale to be approved on Tuesday, June 2, 2009.

LEGISLATIVE UPDATE

Nick Riley, Intergovernmental Relations, said yesterday the health and human services bills passed in both Houses, but many omnibus bills are having much closer votes than anybody anticipated because of the controversial things in them; one was switching the healthcare access fund to the general fund. In the Senate, one of the amendments was the actual Governor's health and human service bill, defeated 54-9.

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The omnibus tax bills are out of both bodies. In the Senate there were closer votes because of the taxes included in both bills. The Senate bill has \$2.2 billion in income tax increases; the House has about \$1.5 billion in tax increases. A long tax committee is expected because neither bill matches up with the other. Mr. Riley felt the two bills will have to be melded together, sent to the Governor right away to get the veto out of the way -- the Governor has vetoed in the past and promises to do it again. The reality is that deep cuts will have to be made. There are some things in the Governor's proposal that may not show up in the final bill; one being the tobacco bonding provision where he would get over \$900 million in bonding for one year but uses 'tobacco revenues' for ten years. It is really general fund money because the tobacco money goes into the general fund. This is short-term borrowing to pay over the long term to look good for this biennium.

The K-12 omnibus bill will be started today; other bills will be later this week.

In Corrections, the short term offenders is in the House bill where the State takes back short term offenders, but in the Senate bill, they don't take them back. The department indicated that it would cost \$8-9 million to take them back showing a hole in the budget to do that so that is part of the reason it wasn't done. That bill, when first on the Senate floor, failed to pass, and was called up a second time. One of the DFL members changed their vote so it passed by one vote. One of the provisions was loosening up a lot of the mandatory sentencing, which would have created more short term offenders, exacerbating the problem for us. It was controversial and some things were put back in, some taken out. It will be interesting to see how the conference committee handles this. Staff have spoken with some of our members, especially Senator Moua, who raised objections to the short term offenders not coming back to the State, and will work hard in trying to get the State to take that back. The House bill is more preferable to staff at this point.

Commissioner Ortega asked if the close vote means anything.

Mr. Riley said the close votes are in all the swing districts where there are either new Democrats or vulnerable Democrats. It is the same in the Senate – the Democrats within those swing districts that were recently taken over are voting against the tax bill because they are seeing more pressure in their areas for that. In some of the more established Democratic areas, there is more of a will to impose these taxes. In the Senate bill if someone makes \$25,000, their income tax would increase incrementally. It dips down that low because they had to raise so much revenue for that \$2.2 billion. In the House bill, they hit the top income-earners over \$300,000 and create a new fourth tier, raising about \$600 million, as well as doing some other things to pick up the tax increases. The Senate tried to stay pure, not raising fees and other types of things, just to do it with the income tax and be transparent about how they did it -- it is not selling well.

Commissioner Ortega said he has heard that the Governor's bill favors the school districts. What favors the County, and does the coalition start shifting?

Mr. Riley said the Senate takes less of the County's aid – about \$700,000; where both the House and the Governor take about \$10 million in 2010 of our County Program Aid (CPA). The House has the ½-cent sales tax provision. Of the three provisions, the House, the Governor and the Senate, the Senate is better for the County in the tax bill but the other bills are cut 7% across the board. In human services, it is not an even 7%. As far as the tax bill, the Senate best favors local government. The House tries to protect us by allowing us to enact that ½-cent sales tax because they know the Governor wouldn't do it on his own if they had it in their bill, though it is fraught with problems and why many counties are opposing that at this point. The Governor makes a \$10 million cut right away, and in human services and other areas, he makes deep cuts in health care and other things, each with plusses and minuses.

Commissioner McDonough said it is not just a simple hit on the CPA. The House has taken back the short term offenders, which is \$8 million, almost making it a wash on what the Senate is doing.

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It is his understanding that there is some mandate relief and some Maintenance of Effort (MOE) relief in the House bill. Sorting out what helps or hurts us is much more complex, especially when adding the potential cuts in human services; there would be unfunded mandates added to the local level. He cautioned to just focus in on what happens on the CPA.

Mr. Riley agreed, but we need to brace ourselves because if the Governor vetoes and there is no override, there will be deep cuts, maybe deeper into CPA, city LGA, because they have to come up with large pots of money – the \$47 million sitting out there will probably be gone, which now may be protected in both bills. It is such a big number that they will have to go back and make huge cuts. A lot of it will be pass-through money, which will hurt our residents, but some of it will be direct cuts to the County as well.

Claudia Brewington, Intergovernmental Relations, added to the comments on the pass-throughs, especially in health and human services, where we get a tremendous amount of funding from the Feds and the State to support the services we are mandated to provide to a variety of populations, said the cuts generally are not to the County directly in health in human services, it is to those that we serve. We will see a tremendous amount of pressure on the providers with whom we work.

There is some shift and change in the way that would be dealt with in the areas of day training and habilitation and chemical dependency, where there would be statewide rates put in place, some to meet some Federal regulations. In an effort to even out the quality or availability of services from different regions in the State, they are trying to even those out. That will take some pressures off the counties indirectly where the rates will be more centralized or more consolidated setting of rates.

For the most part, the rates seen in cuts in provider rates for specialty and fees for long term care and continuing care providers like nursing homes, which are cut about 3% in the Senate bill, although they include some phase-in of re-basing, something important to those providers, there is a phase-in through several biennia, but at this point the direct cuts to the counties are in both the House and the Senate -- not seen coming directly at the county.

There are some cost shifts in the Senate in the Minnesota Extended Treatment Option (METO) for the very difficult to care for, mostly developmentally disabled – a small handful of people in the State at \$900 a day – shifted over to counties. The estimated cost for Ramsey County alone would go from about \$75,000 to about \$275,000 a year for 3-5 individuals being cared for at the METO. They phase-in the shift to the counties from 20-50% depending on how long they stay in those facilities, but there are no options or alternatives for placement for some of these folks in the community, and it supposedly is an incentive to the counties to move these folks to less restrictive kind of settings. That is one of the biggest shifts seen to counties.

There are some smaller shifts in the personal care attendants – a huge shift in the way they are regulating that group of providers with some oversight and consistency in what kind of services can be provided and the reimbursement rates.

The State will be taking over the background studies, but the counties will officially take over the investigations of reports of maltreatment and neglect in that area. Staff are trying to get a handle on how much a shift that is and whether it adds to the burden.

Another problem area is the non-emergency transportation for people who need medical transportation. There has been a problem in the rural areas where there are brokers and reimbursement rates are too low. The solution the House included in its bill, with pieces of that seen in the Senate bill, would take the money from the metro area where things are working relatively well, and book some savings at the State level of about \$3 million and shift some of the money to the rural area to fix their problem and create a problem in the metro area. Counties would have to assume helping those people find transportation because there would be no brokers.

Those are not seen as huge when looking at the big picture of the shifts happening, especially in 2003 when there were huge cuts and we saw a considerable portion of the burden for the solution

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being placed on counties. That is not happening this year to the degree that it was happening in 2003. The work we have done on making them aware of cost shifts, of maintenance of effort, of unfunded mandates has made a mark – at least when they do it now, they know they are doing it. Where we will see the pain under the two budgets in health and human services bills moving forward is for the providers and how they will struggle to keep their employees and to provide care, with margins getting more slim for operating.

Commissioner Ortega asked what is the impact on the hospitals, especially Regions.

Ms. Brewington said there is some decrease in reimbursement rates, some caps on what will be reimbursed for certain services – emergency services, obstetrics, arresting the number of caesarian births, and reimbursing at a lower rate for other services – are areas where hospitals will get hit. The intergovernmental transfers happening with Regions, the amount of money being drawn down and what Regions can keep versus what is being taken by the State is whittled down as well. There are concerns expressed by both Hennepin and Regions in losing some of that revenue. More numbers will be provided to the Commissioners.

Mr. Riley said the Joint Property Tax Advisory Committee (JPTAC) met yesterday. The consensus of the group is to get the word out about what the problem is and what some of the solutions are. Jeff Van Wychen has put together facts on State and local government revenue since 2002. When that has been updated, it will be distributed to the Commissioners. Arrangements were made for Jeff to present at the Association of Counties (AMC) joint city, county and schools this Thursday. The JPTAC would like to get the word around the State, and a commentary by Councilmember Lee Helgen, City of St. Paul, will soon be in the newspaper. There is some specific Ramsey County information that tells since 2002 to 2008 how much our revenue base has gone down, which will be provided to the Commissioners.

Commissioner Rettman said she and Commissioner Ortega had suggested this information be provided at the AMC meeting. All the solutions have revenue enhancements, and if that doesn't happen, it brings us back to square-one. Everyone at JPTAC is trying to go from the same fact sheet, presented last week at the County Board meeting, to bring out the awareness to people about all the nuances. We could break down and divide, but we need to keep to the facts. A decision made in both groups includes inflation – that it had not been addressed in many of the scenarios. The facts on inflation will be made available but the reality is that inflation is gobbling up part of the cities, schools and the counties throughout the State, and we need to keep that on the front burner.

Mr. Riley said in the biennium after this one, as they are using the one-time Federal Stimulus money to address about \$1.5 billion part of the problem, we hit a 'cliff'. The Governor glossed over that in his budget proposal making general assumptions in human services or that the economy might get a little better. We have to brace ourselves for that next biennium. If they don't address this structural problem, more likely with revenue increases than cuts, even if they cut as much as they are, they are still going to have to cut as much the next time around – that is basically 20% of the State budget. Not enough people understand that – they think a couple cops, or a recreation center closing, or other things will be diminished, or make more productive employees, but they don't realize we have already made most of the cuts we can. We've streamlined services, we've consolidated, and will continue to look at that – but they don't realize how deep these cuts are going to be.

Last week the hospitals reported how bad things are, but it will be worse if this scenario plays out the way Mr. Riley thinks it will. Today there was more news about drastic cuts, but they weren't as deep as the Governor wanted. People are going to realize that this impacts all aspects of their lives, not just local governments. This will be a moving target but staff will continue to monitor it and keep the Board apprised as much as possible.

Chair Parker said this week is AMC's Legislative Conference. That and the joint meeting with other associations are going to be very important.

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OUTSIDE BOARD AND COMMITTEE REPORTS

Commissioner McDonough:

- Commented on the press conference yesterday on high speed rail, driven by the St. Paul Chamber and Congresswoman McCollum's schedule. There was a tremendous attendance from all up and down the corridor – commissioners from Goodhue County and Winona, mayors from Red Wing, east metro legislators, legislators representing the Wabasha area, city councilmembers, County Commissioners, business, labor. The press did a great job in covering this, sending the united message not to miss this opportunity at the federal level with this infusion of \$8 billion for high speed rail development for Minnesota to begin the build-out in the River Corridor.

Chair Parker said not only Ramsey County, but Washington and Dakota Counties also attended.

Commissioner McDonough said Winona County and the City of Winona are doing a similar press conference today with their local community.

Commissioner Reinhardt said the message was positive that this is the time and that it is good for all of Minnesota.

Commissioner McDonough said the news showed the current Amtrak station, the Concourse behind the Depot, inside the Depot, and spoke with some passengers with a long line of people waiting to get on the train at the Midway station.

He has been participating in forum meetings that Mn/DOT has called together. The meetings began in January when the Federal government came out with the \$8 billion. President Obama has also proposed including \$1 billion a year in his budget for the next five years for high speed rail. Mn/DOT has called together stakeholders to come together for a consensus on what the State's application might look like or how it would work. We have been advocating from the beginning that our number 1 priority would be a joint request from Minnesota, Wisconsin, and Illinois for the full build-out from Chicago to St. Paul. In that process, Governor Pawlenty has signed a letter with the other nine states that are a part of the Midwest compact, which has nine different lines coming out of Chicago, to be supportive of the Chicago to St. Louis build-out as their number 1 priority. That makes sense because some of these states have done a lot more work locally over the years, spending dollars. Wisconsin, Illinois, Michigan, have spent local dollars to do some of the build-out to Milwaukee. Wisconsin has spent some money on the build-out from Milwaukee to Madison. Illinois spent a lot of money within that state already. As we move forward, the forum is coming to a consensus that there is really only one line ready to apply for these dollars, and that is the Midwest High Speed Rail Line. There is a lot of contention in sorting out what that language might look like because Rochester has been saying that once these dollars appear, that they need to be included in the process, and everybody agrees.

There is also a parallel process going on. Last year, the Legislature directed Mn/DOT to come up with a state rail plan. Those parallel processes have been going on working toward a state rail plan, but then how do we position ourselves to meet the timelines to apply for the \$8 billion, and what would our priorities be on that.

One indication received and highlighted at yesterday's press conference and in both newspaper articles, was that the FRA and the Secretary have clearly indicated that even though Federal

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Legislation allows us to be up to 100% money -- unusual for Federal, usually requiring some kind of match, in transit, they expect 50% local match for light rail and commuter rail. Typically, roads and passenger rail have always been 80/20% split but there has been no passenger rail money for years. The FRA has indicated that because they expect it to be so competitive with California, Florida, Texas, the Northeast Corridor, the Ohio Hub, and the Chicago Hub, that applications should be prepared to come forward with the 20% match. In conversations with the Legislature about the bonding, and with the Governor's office about what he would support, he has indicated that he doesn't want to miss this opportunity and has taken a position that we should be at the table as these dollars are doled out and making sure that the Minnesota portion is competitive.

The two big issues right now are sorting out the Rochester thing and how we move forward on language for this application for the River Corridor, acknowledging that Rochester needs to be studied, how they would get connected, and how to position ourselves to come forward with the 20% match for potential Federal funding.

Commissioner McDonough said on the passenger rail side, the Empire Builder is the only current line coming through St. Paul. The St. Paul to Chicago service by the Empire Builder with one daily trip out and back ridership has risen so high that another coach has been added to the train. There has been talk about adding another daily service because of the demand.

Commissioner Rettman:

- Reported on a celebration of Earth Day at North End Elementary.
- The Ramsey County Master Gardeners planted the first four of 1,000 trees planned in the Frogtown area. The District 7 Community Council, the CDC, the City of St. Paul, and others are working on that. Rainwater from roofs is to be watering the trees. There are a variety of different things going on in this community.
- The Metropolitan Mosquito Control District has signed a contract with Jim Stark for another three years as the Executive Director.

Commissioner Reinhardt:

- Said Ramsey County was given an award from the City of St. Paul for the Green Gathering work. Zack Hansen, Director, Environmental Health Section, will bring a copy of the award to a County Board meeting. Another award was given out for the Ramsey County Extension and Master Gardeners. Both awards indicate how environmentally-friendly Ramsey County is in the work we do and in our policies.

BOARD CHAIR UPDATE

Chair Parker:

- Reminded everyone of the 1) groundbreaking for the remodeling of the Roseville Library at 2180 Hamline Avenue, at 8:30 a.m., Saturday; 2) the grand opening of the temporary library at the new space at 2680 Arthur Street at 10:00 a.m.; and 3) on Saturday, the Friends of the Library will hold its annual meeting and fundraising luncheon. The Friends made \$27,000 at their book sale last weekend. Since Sue Gehrz has taken over leadership of the Friends of the Library, they have increased membership from 200 to 700 members in two years. This speaks to her leadership as well as that people really appreciate the libraries and want to get involved as volunteers.

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COUNTY MANAGER UPDATE

Julie Kleinschmidt:

- Provided an update on Ramsey County Public Health Department's response to the potential flu threat. Commissioners were sent an email with considerable information. Public Health is working with the Minnesota Department of Health and other local health care providers. Ramsey County has a team to respond to this with Public Health in the lead, with assistance from the Communications Director, Emergency Management and Human Resources. Information is available on the County's web site. We have moved into new technology with the use of Twitter. For the [latest information on Swine Flu](#) follow "HealthyRamsey" on [Twitter](#). Communication will also be made with employees. This is a new and unusual strain of influenza. There are no confirmed or probable cases in Minnesota at this time, nor are there any deaths from the U.S. cases. People are reminded that handwashing, staying in good general health, getting sleep, exercise, fluids, nutritious food, managing stress, not touching surfaces that may be contaminated with the flu virus, avoiding close contact with people who are sick, staying home when sick, are all part of good health practices. Ramsey County has a pandemic flu plan and is prepared to implement it in full or part if needed. At this time, this is preparedness action only; it does not indicate a current wide-spread threat. Public Health is increasing the surveillance of potential cases of swine flu.

Commissioner Rettman asked if it is possible to have a phone number for people who do not have computers. Some of the emergency preparedness brochures are printed in English, Somali, Hmong and Spanish, and all include handwashing instructions.

Commissioner Carter said a phone line does exist. During the last possibility of pandemic flu, information was published about preparedness and what groups could do and giving out updates on that telephone line, which was particularly helpful for second-language communities.

Ms. Kleinschmidt said she will be in communication with Public Health.

ADJOURNMENT

There being no further action, Chair Parker declared the meeting adjourned.

Bonnie C. Jackelen, Chief Clerk – County Board