

The Ramsey County Board of Commissioners met with the following members present: Bennett, Carter, McDonough, Ortega (late), Reinhardt, Rettman and Chair Parker – 7. Absent: None. 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 Carter moved approval of the Agenda of the May 19, 2009 Board Meeting, seconded by Commissioner Reinhardt. Roll Call: Ayes – Reinhardt, Rettman, Bennett, Carter, McDonough, Parker – 6. Nays – 0.

MINUTES

Commissioner Bennett moved approval of the Minutes of the May 12, 2009 Board Meeting, seconded by Commissioner McDonough. Roll Call: Ayes – Reinhardt, Rettman, Bennett, Carter, McDonough, Parker – 6. Nays – 0.

PUBLIC HEALTH – Renewal of Joint Powers Agreements for Recycling Funding

Commissioner Reinhardt introduced the following resolution and moved its adoption, seconded by Commissioner Carter. Roll Call: Ayes – Reinhardt, Rettman, Bennett, Carter, McDonough, Parker – 6. Nays – 0. (2009-168)

WHEREAS, The *Regional/Ramsey County Solid Waste Master Plan* (approved by the County Board on November 16, 2004) includes policies requiring municipalities to assure recycling service is available to all residents at their place of residence; requiring municipalities to be responsible for developing a long-term financing mechanism to fund their residential recycling program; and allowing municipalities use of the County's statutory service charge authority, through joint powers agreements with the County, to collect a municipal recycling fee for the municipality; and

WHEREAS, The County has authority, pursuant to Minnesota Statutes Sections 473.811 and 400.08, to collect just and reasonable rates and charges for solid waste management services provided by the County or by others under contract with the County; and,

WHEREAS, The Cities of Arden Hills, Lauderdale, New Brighton, North Oaks, Saint Paul, and Shoreview desire to continue to finance their recycling programs by assessing individual property owners within their city for the costs of their program, utilizing the County's solid waste management service charge authority under contract with the County. Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners hereby authorizes the Chair and Chief Clerk to execute the Joint Powers Agreements for Recycling Funding, on file with the Chief Clerk, with the Cities of Arden Hills, Lauderdale, New Brighton, North Oaks, Saint Paul, and Shoreview, for the term July 1, 2009, through June 30, 2014, in a form to be approved by the County Attorney.

PARKS AND RECREATION – Cost Share and Maintenance Agreement – Storm water drainage improvements to Spoon Lake parking facilities at Keller Regional Park

(Continued)

Commissioner Reinhardt introduced the following resolution and moved its adoption, seconded by Commissioner Carter. Roll Call: Ayes – Reinhardt, Rettman, Bennett, Carter, McDonough, Parker – 6. Nays – 0. (2009-169)

WHEREAS, The Ramsey County Parks and Recreation Department plans to complete improvements of the parking facilities at the Spoon Lake picnic area in Keller Regional Park; and

WHEREAS, The parking facility improvements are fully funded from the Regional Rehabilitation Fund; and

WHEREAS, As part of this project, the Ramsey County Parks and Recreation Department desires to include additional storm water drainage improvements with the intent of improving the water quality in the Keller Chain of Lakes; and

WHEREAS, Ramsey County has applied for and been approved to receive a matching grant of up to \$30,000 from the Ramsey Washington Metro Watershed District for funding additional stormwater drainage improvements to the parking facilities at the Spoon Lake picnic area; and

WHEREAS, Ramsey County project funds will be used to match up to \$30,000 in funding from the Ramsey Washington Metro Watershed District for the storm water drainage improvements; and

WHEREAS, In accordance with the Ramsey Washington Metro Watershed District Rules, and as a condition of the District participating in funding of the storm water drainage improvement, the Ramsey County Parks and Recreation Department must agree to maintain the storm water drainage improvements for five years; and

WHEREAS, The Ramsey Washington Metro Watershed District and the Ramsey County Parks and Recreation Department have prepared a Cost Share and Maintenance Agreement, establishing each agency's responsibility for funding and maintenance of the stormwater drainage improvements; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners hereby approves the Cost Share and Maintenance Agreement between Ramsey County and the Ramsey Washington Metro Watershed District, allowing the County to accept up to \$30,000 in matching funds for storm water drainage improvements to the parking facilities at the Spoon Lake Picnic Area, and requiring the County to provide on-going maintenance of these improvements for five years; and Be It Further

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

PUBLIC WORKS – Final Payment and Contract amount for the reconstruction of traffic signals and geometric improvements on County Road E at TH61

Commissioner Reinhardt introduced the following resolution and moved its adoption, seconded by Commissioner Carter. Roll Call: Ayes – Reinhardt, Rettman, Bennett, Carter, McDonough, Parker – 6. Nays – 0. (2009-170)

WHEREAS, Ramsey County Board Resolution 2006-229 approved a contract with Shafer Contracting Co., Inc. for the reconstruction of traffic signals and geometric improvements on County Road E at TH 61; S.P. 6222-149, S.A.P. 62-615-26; County Contract CC001569; and

(Continued)

WHEREAS, The final contract cost totaled \$1,154,510.09; and

WHEREAS, The Ramsey County Project Engineer has inspected the work and certified that it has been completed in accordance with the plans and specifications of the contract; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners hereby approves a final contract amount of \$1,154,510.09 and authorizes a final payment of \$32,872.14 to Shafer Contracting Co., Inc., 30405 Regal Avenue, P.O. Box 128, Shafer MN 55074, County Contract CC001569.

COUNTY ATTORNEY – Civil Division – Insurance Broker Services for the County

Commissioner Reinhardt introduced the following resolution and moved its adoption, seconded by Commissioner Carter. Roll Call: Ayes – Reinhardt, Rettman, Bennett, Carter, McDonough, Parker – 6. Nays – 0. (2009-171)

WHEREAS, Ramsey County, through Workforce Solutions, is the Workforce Investment Act Title I administrative and operations entity for Workforce Service Area #15; and

WHEREAS, As the administrator for the Workforce Service Area (“WSA”), Workforce Solutions is notified by the Minnesota Department of Employment and Economic Development (“DEED”) Rapid Response team when there are large company layoffs affecting 50 or more workers; and

WHEREAS, When these events occur, Workforce Solutions has the authority to bid for a contract from DEED to serve the employees who, upon their layoff, become dislocated workers under Federal and Minnesota laws; and

WHEREAS, In December of 2008, DEED announced the layoff of 150 workers from Celestica International, a circuitry board manufacturer located in Arden Hills; and

WHEREAS, Workforce Solutions submitted a bid jointly with its then-current sub-contracted dislocated worker program vendors and with Quality Career Services, Inc. (“QCS”), a DEED-approved vendor that Workforce Solutions had worked with on the Ford Company layoff project; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners approves an agreement with Quality Career Services, Inc., 2515 Wabash Avenue, Suite LL1, St. Paul, MN 55114, in the amount of \$130,500, for the period from January 1, 2009 through December 31, 2009, to serve as a sub-contractor for the purpose of providing dislocated worker services to laid-off employees of Celestica International; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Manager to execute the agreement with Quality Career Services, Inc., execute any amendments in a form approved by the County Attorney’s Office, and make any budget adjustments subject to approval by Budgeting and Accounting.

WORKFORCE SOLUTIONS – Subcontracting for Special Dislocated Worker Projects/Contract with Quality Career Services, Inc.

(Continued)

Commissioner Reinhardt introduced the following resolution and moved its adoption, seconded by Commissioner Carter. Roll Call: Ayes – Reinhardt, Rettman, Bennett, Carter, McDonough, Parker – 6. Nays – 0. (2009-172)

WHEREAS, Ramsey County, through Workforce Solutions, is the Workforce Investment Act Title I administrative and operations entity for Workforce Service Area #15; and

WHEREAS, As the administrator for the Workforce Service Area (“WSA”), Workforce Solutions is notified by the Minnesota Department of Employment and Economic Development (“DEED”) Rapid Response team when there are large company layoffs affecting 50 or more workers; and

WHEREAS, When these events occur, Workforce Solutions has the authority to bid for a contract from DEED to serve the employees who, upon their layoff, become dislocated workers under Federal and Minnesota laws; and

WHEREAS, In December of 2008, DEED announced the layoff of 150 workers from Celestica International, a circuitry board manufacturer located in Arden Hills; and

WHEREAS, Workforce Solutions submitted a bid jointly with its then-current sub-contracted dislocated worker program vendors and with Quality Career Services, Inc. (“QCS”), a DEED-approved vendor that Workforce Solutions had worked with on the Ford Company layoff project; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners approves an agreement with Quality Career Services, Inc., 2515 Wabash Avenue, Suite LL1, St. Paul, MN 55114, in the amount of \$130,500, for the period from January 1, 2009 through December 31, 2009, to serve as a sub-contractor for the purpose of providing dislocated worker services to laid-off employees of Celestica International; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Manager to execute the agreement with Quality Career Services, Inc., execute any amendments in a form approved by the County Attorney’s Office, and make any budget adjustments subject to approval by Budgeting and Accounting.

PUBLIC WORKS – 2009-2013 Transportation improvement Program (TIP)

Commissioner Reinhardt introduced the following resolution and moved its adoption, seconded by Commissioner Carter. Roll Call: Ayes – Reinhardt, Rettman, Bennett, Carter, McDonough, Parker – 6. Nays – 0. (2009-173)

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 2009-2013 Public Works Transportation Improvement Program; and Be It Further

(Continued)

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Engineer to prepare plans and agreements in accordance with the TIP; to prepare and issue Requests for Proposals (RFP) utilizing MnDOT's listing of "Pre-Qualified Vendors by Worktype" when soliciting professional technical and engineering services using the County's established RFP process; to prepare consultant engineering contracts up to \$100,000; to prepare right of way acquisition consultant contracts up to \$100,000 to acquire temporary easements, permanent easements, and fee title; and to advertise for bids; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Manager to approve and execute consultant engineering contracts up to \$100,000, right of way acquisition consultant contracts to \$100,000, and to approve and execute construction contracts utilizing County State Aid, Federal and participating funding associated with the construction projects in the 2009-2013 Public Works Transportation Improvement Program or previously approved TIP subject to County Attorney and Budgeting & Accounting approval; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Manager to approve and execute the necessary budget adjustments utilizing County State Aid, Federal and participating funds to fund consultant engineering contracts (up to \$100,000), right of way acquisition consultant contracts (up to \$100,000) and construction contracts associated with the projects listed in the 2009-2013 Public Works Transportation Improvement Program or previously approved TIP; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Manager to approve and execute appropriate budget adjustments funding force account maintenance projects and the purchase of easements utilizing County State Aid Highway and participating funds; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes temporary cash loans from the County General Fund to the Road and Bridge CIP fund for project costs of projects listed in the 2009-2013 Public Works Transportation Improvement Program or previously approved TIP pending receipt of Federal, County State Aid Highway Construction funds and participating funds; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes temporary cash loans from the County General Fund to the 2009 CIP Bond Fund for road maintenance project expenditures occurring before bond proceeds are received; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Engineer and County Attorney to acquire temporary easements, permanent easements, and fee title 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 \$10,000 over the appraised value per parcel for temporary and permanent easements; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the Chair and Chief Clerk to execute acquisition documents for right of way acquisition; and Be It Further

(Continued)

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Manager to approve cooperative agreements with cities and counties for their participation in projects listed in the 2009-2013 Public Works Transportation Improvement Program or previously approved TIP; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Manager to approve and execute the necessary budget adjustments resulting from supplemental agreements to construction contracts and consultant services contracts for projects listed in the 2009-2013 Public Works Transportation Improvement Program or previously approved TIP, subject to approval by Budgeting and Accounting and the County Attorney.

[Commissioner Ortega arrived at this time.]

HUMAN RESOURCES – Ramsey County Commissioner’s Salary Ordinance for 2010

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

Chair Parker said before the Board today is the proposed 2010 Salary Ordinance, which states that the salary increase for the Board of Commissioners would match the general increase in wages given to employees in the previous year.

Commissioner Bennett said the Board salary was an issue in the last election. There is a lot of misunderstanding about County Commissioner salary increases and how each county works. Ramsey County is the only charter county in the 87 counties in Minnesota. Some counties vote on Commissioners’ salaries as late as the last meeting of the year. He asked Darwin Lookingbill, Director, Civil Division, County Attorney’s Office, to explain Ramsey County’s salary ordinance process as compared to other counties; why the other counties don’t have to vote at this time of year; and why Ramsey County does.

Mr. Lookingbill said the law is fairly uniform across most of Minnesota. There is the general statute that allows county commissioners to set their salary by resolution. By resolution, those can be set on a one-week notice period; it would appear on the agenda; and then it is passed. Hennepin County has a slightly different structure from that, but they can do this by resolution as well. In Ramsey County, the original members of the Charter Commission stated in their position papers that they wanted to have more public accountability, more public visibility to the salary process. The Charter requires Ramsey County to set the Board salary by ordinance – which requires a first and second reading, and setting and holding a public hearing – setting it out for additional public scrutiny, and most importantly, allowing the public to reverse the salary increase through the referendum process. No other counties would face any sort of reverse referendum.

Commissioner Bennett asked for an explanation of reverse referendum.

Mr. Lookingbill said 30 days are required after the ordinance becomes effective – if there are signatures equal to 10% of the people voting in the previous Presidential election to sign a petition. It would then go on the next ballot to see if people wanted a reverse referendum.

Commissioner Bennett asked if any other counties are required by law or charter to approve their salary by July 1. Mr. Lookingbill responded none that he is aware of.

Commissioner Bennett requested clarification that Ramsey County is the only county that passes its salary six months earlier and it cannot be done at the end of the year. Mr. Lookingbill responded affirmatively.

Commissioner Reinhardt said a substitute draft resolution was distributed to the Commissioners, which she intends to support. The Ramsey County Board is bound by the Charter, and that is a good

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thing. We follow the ordinance process on this and other items that come before the County Board, and we are following established process as set forth in the Charter. The process states that if something is passed, we do not have the option of not accepting. There had been some discussion about doing this like Hennepin County's process, which is that they have the option of turning back some of their salary. The Board had set up a process to be behind the employees. The intent in that process is good as well because it takes it out of the political arena.

Commissioner Reinhardt said she is supporting the substitute resolution because she believes that these are unique times. We have talked about that during the entire legislative process. There is the economic downturn, the State budget deficit, the changes taking place at the Federal level, and other things that have come together that the Board has said this is a unique time in history, as cited in the draft resolution: "In light of the current difficult economic climate, the Ramsey County Board of Commissioners wishes to forego any wage increase for County Board members for the year 2010". That is the appropriate thing to do this year. The Board, in following the ordinance process in a responsible fashion, would be putting a freeze in place for County Commissioners in 2010.

Commissioner Reinhardt moved to freeze the salaries at the 2009 rate for the Ramsey County Board of Commissioners for 2010, seconded by Commissioner Ortega.

Commissioner Carter said Commissioner Reinhardt addressed the process in place that would allow the Board in setting any increase for the County Board in line with the ordinance requirements to follow increases that have been set for our employees. She agreed that is a logical process but that this is an extraordinary time. When that process was put in place, the Board had stated that barring unforeseen circumstances, we would follow that process. She supports the draft resolution.

Commissioner Bennett asked how much money this would be if the Board gives the seven Commissioners an increase of 3%.

Julie Kleinschmidt, County Manager, responded the total amount would be approximately \$17,000 for all seven Commissioners.

Commissioner Bennett asked if an exceptional job was done on a slimmed-down budget, would there be a way to come back to reward the Board for doing that.

Commissioner Reinhardt said the Charter states clearly that if a salary ordinance is done, it has to be set by July 1; that is accurate and appropriate.

Commissioner Bennett requested clarification that this would be final.

Commissioner Reinhardt responded affirmatively.

Commissioner Rettman said this is wise, good stewardship and good leadership. She does not agree on the process in place and has voted against it in the past. However, the structure is not for discussion today. This would forego an increase for 2010; that is wise, and she would support it today.

Commissioner McDonough said there are always multiple sides to a discussion. He does not support this. It is a bad decision and puts us in the same position we were forced to do a few years ago to play catch-up. We have done a good job in the eight years he has been on the Board in making fiscally responsible decisions. In that time period, there has been a fiscal crisis at the State and Federal level, and that will continue to occur. We have responded extremely well in Ramsey County. Last year, we passed a levy that was one-half percent lower than the maximum levy allowed; probably one of the few counties in the State that did that. That was good fiscal policy at the time, but also tied our hands for this year because it left one-half percent on the table. That shows bad policy for levy limits, but it showed the courage of this Board to make fiscal decisions based on good policy at that point in time. We have never taken the position of forcing our employees to balance a budget. Looking at cities, counties, anyone who has done that practice, over time, it is the same position that this County Board was put into after ten years of zero increase to play catch-up. The cities and counties that go to their employees for a wage freeze to help balance the budget this year or next year, becomes a 5-6% increase a couple years later to play catch-up. In the long term, you end up paying

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more. It is good fiscal policy to move forward, with fiscally responsible raises that match the cost of living and are justifiable. The proposal before the Board is a fiscally responsible proposal. There is a process, and if the Ramsey County constituents think we did the wrong thing, there is an opportunity for them – the only county in the State – to second guess us and say they disagreed. By taking this position today, we are falling into the same trap that previous County Boards put us into in having to readjust.

Commissioner Carter said were it not for this time of extraordinary crisis, many of our members would not support the resolution today to forego the 3% increase. This puts us in a difficult position, that we have been in before, to look across the country and finding that the Ramsey County Board is behind in terms of its comparable salary. We have a logical process for granting increases for our employees every year, we abide by that process, and it makes sense to have a logical process for this Board. Only the leadership within such a trying time as this would encourage her to support the resolution today because we do not know the end of this crisis or how long it will last. If the Board is willing to forego an increase, and though it won't balance the budget, when we may have to ask difficult things of employees, we will have at least made this step. Appreciating the concern, she remains in support and acknowledges the difficulty we will have in years to come.

Roll Call: Ayes – Reinhardt, Rettman, Bennett, Carter, McDonough, Ortega, Parker – 7. Nays – 0. (2009-174)

Chair Parker clarified that because there is no board salary increase, no ordinance process as laid out in the Charter is being done.

WHEREAS, The Ramsey County Home Rule Charter states that an Ordinance is required to establish the annual salary for County Board members; and

WHEREAS, Over the period January 1, 2009 – December 31, 2009, Ramsey County employees will receive a general wage increase of 3%; and

WHEREAS, It has been the intent of the Ramsey County Board of Commissioners that future salary increases for the Board of Commissioners be set at a rate that matches the general increase in wages given to employees in the previous year; and

WHEREAS, In light of the current difficult economic climate, the Ramsey County Board of Commissioners wishes to forego any wage increase for County Board members for the year 2010; and

WHEREAS, The language of the 2009 salary ordinance states that it remains in effect in subsequent years until a new ordinance is passed; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners hereby foregoes passage of a salary ordinance wage increase for the year 2010.

LEGISLATIVE UPDATE

Terry Speiker, Director, Intergovernmental Relations, said staff would provide a Legislative session wrap-up. The Board would also be provided information for the meeting with the Washington County Board of Commissioners later today on legislative matters. Included in the materials is the Federal Legislative package, with information from Representative McCollum's office; initial information about appropriation requests she is putting forward for Ramsey County. That particular request covers only the transportation and transit requests.

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Nick Riley, Intergovernmental Relations, reported that the Legislators finished last night in a very contentious manner, passing about a \$3.2 billion tax bill that included the recognition shift for schools. That bill would balance the budget if the Governor were to sign it, which he won't do. It included many of the things that were in the first bill sent to the Governor and tried to override, as well as the bill that cut GAMC, which failed on a party-line vote. The bill passed last night had the same fourth-tier income tax that would have taxed about 2.3% of the wealthiest Minnesotans; it contained an increased alcohol tax that would have raised about half a billion dollars; it included the credit card things at about \$200+ million; the \$1.8 billion recognition shift to the schools; and an "angel tax credit" to attract businesses to the State which would take effect in 2013, with some other tax incentives for businesses. Mr. Riley was not sure whether the Governor could line item that bill or whether he has to veto the whole bill. If he could line item the bill he would likely have kept the recognition shift for schools and some of the tax incentives for businesses.

The bonding bill that was passed and signed by the Governor has \$26 million for high speed rail. That is a huge victory. There was money for high speed rail for the last two years but the Governor line item vetoed \$5 million each year. There is \$21 million in this bill for transit projects – I94 and the Union Depot, and the Riverview Corridor are named in that bill – they are not named for money but are in the bill. \$8.5 million is named in the bill for Central Corridor, and will help Ramsey and Hennepin Counties because we have put our money forward to get the Federal match, relieving us of that burden.

Commissioner Bennett asked if the \$8.5 million has been split, or whoever gets to the money first. Mr. Riley said no, that is named. There is \$12.5 million remaining.

Commissioner Bennett asked if it is spelled out for how much Hennepin County would get. Mr. Riley responded negatively, but it is in the agreement.

Commissioner McDonough said the new funding agreement for the 50% local match requires that Ramsey and Hennepin Counties do 10%; the State does 10%; and the CTIB (Counties Transportation Improvement Board) sales tax does 30%. Last year with the \$70 million in State funding, the State was short \$8.5 million for their 10%. They passed a one-year law allowing Ramsey and Hennepin to over-commit their 10% to meet the Federal requirement to get the 50% -- that went away this year and the State had to come up with the \$8.5 million this year to meet that 50% requirement. That is actually getting the State to their full 10% requirement.

Commissioner Bennett said in reality, the State is getting the \$8.5 million.

Commissioner McDonough responded affirmatively; it fulfills the State's 10% requirement, meeting the full 50% requirement. He pointed out the one good thing about this is that it is the first time a project from the State has gone forward with the full 50% identified up-front, which gave Central Corridor medium-high rating on the financial side. We talk about the CEI and the rating it gets but there is also a rating on the Federal level on the financing package. We would not have had to have the full 50% identified until this September, but we had it last September, which allowed us a higher ranking, competing nationally because of the sales tax, and the 70% we got in bonding in that one-year legislation that allowed Ramsey and Hennepin to over-commit.

Mr. Riley said that was very good news.

Commissioner Rettman asked if the Governor could unallot any of the bonding bills.

Mr. Riley responded that the Governor could not unallot it but could hold the bonds from being issued. Or, if they choose next year, could cancel the bonds at his request, but the Governor moved forward with this. He pointed out that the Met Council played a big role in convincing the Governor's Office on the importance of this and used the Union Depot as one example that this maximizes Federal dollars. Kudos need to be given to Judd Shetnan and Commissioner Peter Bell, through their work with the Governor's Office to assure that the \$21 million in transit funding was included.

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Ms. Speiker said one indication that they worked hard on the bonding bill for a three-way agreement was that the Governor agreed to the things that were in there, and the things he didn't agree to have already been line-item vetoed.

Commissioner Rettman said Falcon Heights is tremendously disappointed regarding the Bell Museum. Representative McCollum had worked hard on the Federal perspective, along with many others who had worked on this. This was day lighting things; it was an environmental diorama that would have been inside and outside – a microcosm of educational components for interaction for all ages. She wanted to make sure there wasn't another shoe falling.

Mr. Riley said \$24 million had been in the bill for the Bell Museum. The Governor had line-item vetoed over \$100 million in projects Statewide; one was for the Red Lake School. Next year's bonding bill will be somewhere around \$750 million, a smaller than normal bonding bill, which is what was allocated for it right now. There will be tough competition – there were over \$3 billion in requests this last time.

The constitutionally dedicated legacy money had a ton of competition. Ramsey County Parks came out well, getting basically the same as what the State parks get – about \$27 million. Ramsey County Parks also came out well in the regular bill with lottery in lieu of general fund at about the same level as 2008. Out of this in-lieu-of money, Ramsey County gets a little over \$2 million, which is new money we would not otherwise have had.

Commissioner Reinhardt said she was at the Legislature over the weekend and last night. The final thing she attended was for the 3/8ths constitutional amendment language. There was a great difference between the House and Senate in that conference committee. The Senate version was more in line with the Governor, and more in line with the Clean Water Council on which she is vice-chair, trying to take a more global approach to arts, parks, clean water and the legacy funds. She was pleased with how that turned out. When it came to parks, Representative Leon Lillie put in a lot of time and effort, and Ramsey County should be proud of the work he put into it, and she thanked him for that. Susan Nemitz, Director, Ramsey County Library, worked with the Friends of the Library, for about \$100,000 in this bill for Ramsey County libraries. This resulted in the recognition that libraries are not just a place, but part of a community's culture. Everyone on the conference committee did an excellent job.

Mr. Riley agreed that the Legislators did a great job. Representative Lillie also carried the \$26 million in high speed rail and did a stellar job this session. He suggested that letters be sent to the Legislators, who pulled for Ramsey County as much as they could.

The Library piece was \$8.5 million over the biennium. The metro area gets about half that money, divided among the twelve regional libraries around the State based on usage and other factors. Ramsey County will get over \$100,000 for our Library, and did well on the Workforce piece because they utilized stimulus money. We also got our Building Lives Program, which the Governor signed, getting \$100,000 a year for two years. The paint bill passed and is sitting on the Governor's desk. Commissioner Reinhardt testified numerous times on that bill and did a great job.

Claudia Brewington, Intergovernmental Relations, said she updated the Board at previous meetings on the Health and Human Services bill with details on some of the cuts there. There is not much new except for the Governor's line item veto of GAMC at \$381 million that will be lost in the next fiscal year. The estimate is that about 3,000 Ramsey County residents will lose their health care insurance access on that program next year on July 1. The total number of people statewide is about 30,000. The estimated 3,000 people are Ramsey County residents, but Regions Hospital would serve more people and the impact is going to be larger for them.

Commissioner Ortega said there is still time to come back to address them next session.

Ms. Brewington responded affirmatively but was not sure how they would do that.

Commissioner Carter clarified that the next fiscal year would be July 1, 2010, which gives us the reason to believe there is a possibility to address them.

Commissioner McDonough said it is important to point out that the Governor has used that – these cuts don't actually take effect until July 1, 2011— to try to minimize that impact but the hospitals have indicated that for them they have to start preparing today. Cuts will actually start today because the \$40 million cut for Regions can't be absorbed July 1, 2011; they will start today.

Mr. Riley said statewide, the hospital association testified that 7,000 jobs would be lost just in the hospitals over this issue. This will have a big impact. The hospital association had said that for every million dollars in that fund, 20 hospital jobs would be lost. A lot of the smaller hospitals might even go out of business. This will have to be addressed somehow, and the hospitals will be working hard on this as well.

Commissioner Reinhardt said she testified before the Fiscal Policy Committee. One thing she had said, in addition to talking about mandates and that the County is the implementation arm of the state and federal governments, is that when talking about the number of jobs that will be lost, we need to make sure people understand that the jobs lost mean there are people not getting served. This is about the quality of service. Ramsey County has tried to focus on what we are providing and what is not going to happen. That equates to who is providing them, but our staff is incredibly dedicated, and they have been picking up more and more in scaling back because of the resources. 3,000 in Ramsey County is a big hit and it multiplies. These are the most vulnerable people – children, seniors, and people with developmental disabilities that are not going to be served. If this need is not met, there will be a much bigger economical problem, beside the societal and health impact.

Commissioner Ortega said he concurs with the comments made. He represents the Ramsey County Board on the Regions Board of Regents, and they have already begun gearing up for the potential cuts. How deep the cuts are is the question, but hospitals are already facing critical issues. He said we have to make it clear to folks that the County cannot fill that hole. It is going to take the outrage of the public to come back next year to change the mind of the Legislature. Without public outrage about this, everything else becomes an argument that does not win. The health and quality of life in our community and our society is what we are about, and that takes resources. We have to expend those resources; otherwise, society is going to spiral downward. The impact is going to be now and it will be deep. We are looking at a two-year gap where people are going to be devastated, never mind the loss of jobs, which goes hand-in-hand – 7,000 jobs lost might be conservative.

Ms. Speiker said a set of talking points have been put together by the Ramsey County Human Services and Public Health Departments to quantify some of the effects of this legislative change. The Departments are reporting that many of the 3,000 residents are people who use the community clinics which will see an up-tick in people needing services but won't have a way to pay for it. Catholic Charities is very concerned about this because for the numbers of people in the homeless shelters, this is their primary way to get medical care. Regions Hospital is planning for a huge impact. The Departments will see this in other ways as well. The human service directors in the metro area will meet this week to talk not just about this Legislative session, but some other things that occurred, and how to program for and work around this "anti-stimulus bill". The Legislature had talked about the action by the Governor on the concern that he has put in jeopardy some of the money that could come into the state for health care, and what that amount might be. She'd heard \$18 million of stimulus money that might not be available. If states don't expend the stimulus dollars in a timely fashion, it goes back to Washington for redistribution to states that do spend it in a timely fashion.

Commissioner Carter said it is difficult for us to assess the impact of an upcoming cut like this because people are not yet losing that insurance, but that the work done in Ramsey County looking at the impacts of the economic climate and seeing already the unemployment numbers and the housing

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issues, foreclosures, people coming in for financial assistance, food -- all those types of things are already indicators of what is happening today. When looking at the people who now have GAMC, who may be impacted in 2010 when this goes away, we can put together some predictions of these co-occurring disasters. That is the counter-intuitive piece at times when we have fewer resources to do this work. We have much greater need for it so we have to get our hands around it during this short period of time in order for people to understand and be enraged, and require that something be done about this.

Ms. Speiker felt that something disingenuous in the Governor's veto message is his way of justifying what he was doing -- that the people eligible for this program could apply for MinnesotaCare. In theory that sounds like a good idea except MinnesotaCare doesn't pay for a lot of mental health care; many of the people on this program are there because they have mental health issues and need certain kinds of pharmaceuticals to help them maintain, but MinnesotaCare doesn't pay for that. MinnesotaCare also doesn't look back so if you aren't on MinnesotaCare and a person suddenly got sick ending up hospitalized needing health care, you have to be an enrollee for 30 days before anything would be covered. This is about a population of people that in some ways will find it difficult to get their health care needs met in a program that the Governor's veto message said would be the safety net for them. That is the piece our Human Services and Public Health Departments are worried about; it is not a very viable resource.

Commissioner Ortega said when he talks about the outrage of the public, we are not talking about poor, unemployed people anymore -- we are talking about middle class people that tomorrow or next week could be out of work and might need health services, and that safety net will not be there. This is no longer about poor, welfare moms, this is about programs that will affect the middle class, has been for the past 6-7 months, and will be greater. The public needs to understand that because there is still the old stereo-type about these programs being about welfare to the unworthy and that is not the case at all. We need the public to get outraged and start changing this around next year.

Ms. Brewington said she'd put together the talking points and will distribute those to the Commissioners about things discussed on mental health coverage, increase in uncompensated care, the benefits set, and who would be affected.

There were other areas in health care with some challenges that health care providers will be looking at. There are some reductions in reimbursement rates for hospitals and clinics for specialists and specialty services. The rates were not reduced for preventive care and general practitioners entry-level primary health care. There were some reductions seen in long-term care rates and some attempts to limit the growth in long-term care by limiting services and tightening up eligibility in areas such as personal care attendants. For the health care access fund, there was a lot of talk about using that for a variety of things like dumping it into the general fund -- that stayed intact. The SHIP (State Health Improvement Plan) grants that come to counties to address obesity and tobacco used to address chronic conditions are the engine behind the increases in health care costs -- those stayed intact and will not be vulnerable to any kind of unallotment because it is targeted, dedicated funding from health care access funds so the Governor will not be able to unallot SHIP grants or the local public health grants because they are using health care access funds.

Commissioner Rettman she and Rob Fulton, Director, Public Health, attended the State Community Health Services Advisory Committee (SCHSAC) meeting with all 87 counties present. Money will come into each county to do some things that otherwise would not be done. Commissioner Magnuson of the Minnesota Department of Health is committed to following the rules in making sure there is outcome based documentation on this, and placed it on the Governor's desk with all 87 counties behind it to make a point. She appreciated the work done by staff on this.

Ms. Brewington said it is interesting because one source of the funding helped to protect that. There are other large pots of grant money that will be vulnerable as the Governor looks to close that

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gap through unallotment; some through the human service area – RCCSA grants, one of the main sources of funding for child protection and most of the Community Human Services Department would be vulnerable to some kind of unallotment. Some of the MFIP consolidated grant might be vulnerable along with some others. Because we provide so many services on behalf of the State in human services and in corrections, those are areas where counties would be vulnerable as the Governor unallots. There are already so many cuts in human services. It is daunting when you look at \$489 million for the first biennium, and \$741.5 million in the second biennium for cuts that came out of health and human services in a broad array. We lost about 1% in some of our grants in that area so the counties, when looking at our direct funding, didn't get hit as hard as we did in 2003. But, just like GAMC, it is the people that we serve and the providers that will struggle to deal with the cuts that are coming. With the GAMC of \$381 million, we are looking at about \$1.5 billion in cuts that came out of health and human services – it is a significant slice in providing these services at a time when the demands are expected to go up at the county. Our work is far from done as we look at this unallotment.

Mr. Riley said moving forward and looking at the bigger picture, unallotment will probably happen. The Governor may announce something in the middle of June that he is going to unallot, and it won't start until July 1. Counties will likely get major hits because it is a large amount of money. Cities and counties can levy back that money, not that they will, but it is allowable under those cuts. Ramsey County will likely face about a \$10 million cut unallotment, initially. But, at the end of the year, there is no budget reserve in this budget, and if there is another shortfall, the Governor will go right back in and cut some more. Mr. Riley said he repeats that often so that everybody understands the magnitude we are facing. Higher education will likely get big cuts out of this as well. There are still a lot of areas in human services that will be cut. We need to brace for the worst case scenario.

Chair Parker asked if the \$10 million does not include human services.

Mr. Riley responded affirmatively; that is just County Program Aid (CPA). We get about \$18 million. In the Governor's first proposal for the 15-county version, if we'd participated in that, might realize an \$8 million cut; if not participating, \$10 million. They did not go with the proposal for the 15-county service districts for human services but with an AMC-modified MACCSA. The Governor will likely go with the bigger cut for the county. The City of St. Paul is "on the ropes" already and will be reeling after these cuts. This will not be good for our taxing districts.

The Governor had the benefit of getting the stimulus dollars of about \$1.8 billion to utilize in this budget --that won't be available in the next biennium. The recognition shift is a one-time shift of \$1.8 billion. The current or new Governor will face a worse situation without the advantage of the stimulus money and the recognition shift for schools at about \$3.5-4 billion without any one-time money – there is no more one-time money, there is no reserve – nothing. Some major choices will have to be made and we have to be prepared for that.

Ms. Speiker echoed Mr. Riley's comments. Senator Bakk, Chair of the Senate Tax Committee, as well as Chair of the Conference Committee, didn't vote for the tax bill increase because we have not fixed the structural deficit and the problems plaguing this State, and by the time we are to the next biennium, we will have bankruptcy going on in the State. He was very ominous in his predictions. Dave Twa, former Ramsey County Manager and now a county manager in California, is struggling with budget cuts there, and has said given the percentage of Minnesota's budget and the percentage of the deficit here, it is something similar to California. That had shocked Ms. Speiker because she thinks of California as being in serious shape financially. Listening to Senator Bakk say that about the tax bill brought that home again. Mr. Riley's comments are right-on.

Commissioner Bennett asked if anyone else concurs with Senator Bakk's comments.

Ms. Speiker and Mr. Riley felt that the whole Legislature is feeling that way.

Commissioner Bennett asked if there are enough of them to join together.

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Mr. Riley said it is totally along party lines. The Republican caucus was firmly behind the Governor and would not break from it for any vote, whatsoever. Until that mantra changes one way or another, that will not change. The DFL was firmly behind revenue increases.

Chair Parker referred to the comments about not counting the future unallotment that was expected, but what has already taken place in human services; that there has already been \$1.5 billion already cut. She asked if there is more detail on numbers or programs for what impact that would have on Ramsey County.

Mr. Riley said staff will analyze the best they can, and as soon as information is known on the unallotment, will provide further information. Julie Kleinschmidt, County Manager, had asked staff to provide a matrix showing how that affects Ramsey County so the Board can see how to deal with it in the upcoming budget deliberations. This will continue to be a moving target for awhile depending on how and when the Governor unallots.

Chair Parker said we won't know that until June, but there must be some information about the \$1.5 billion already cut.

Ms. Brewington said there is information now. In the big picture, most of the biggest cuts are in containing things like the waivers, the growth, and other long term care. Working with Community Human Services staff, estimates would be put together for what we would be looking at for the number of waived slots, not being able to move people into certain programs, some of the people losing coverage, and where we will pick up some of those pieces. Some of these are going to be more indirect. There are some that are clearly cost-shifts to the County, one would be almost \$5 million cost savings that the State booked for getting rid of the transportation broker in the 11-county metro area; \$700,000-\$800,000 for Ramsey County. Throwing that on top of the other things we are supposed to be doing and increased caseloads will result in longer waits for services, and some services will keep falling to the bottom of what needs to be provided. That is something being handed back to counties because the State wanted to book the savings – that has been quantified. Putting information together on some of the other larger pots of money hitting providers of the people we serve will take a little more time but as staff get a feel for what is happening can get numbers to the Board.

Commissioner Ortega asked if we are analyzing not just the impact in Ramsey County and to some of the providers, but part of our revenue streams for some of our services that come through a third party through the eligibility process. Coming through a third party is still a cut to Ramsey County.

Ms. Brewington agreed; when we are not able to draw that money down because the eligibility is tightened up. That is something staff would be looking at; what we are obligated to provide; what would we provide even if not obligated.

Commissioner Ortega said another consideration is how this might impact Lake Owasso Residence. That is why he cautions that we don't say that counties have the ability to levy back. The whole levy limits argument is so fake – bottom line is that our folks cannot take any more hits on the property tax. The City of St. Paul and other cities are going to be in deep trouble.

Ms. Speiker said on those kinds of pass-through monies, Monty Martin, Director, Community Human Services, and their accounting people have been working with the Office of Budgeting and Accounting to try to figure that out. It is a complicated picture but good information will be provided when Community Human Services has its budget hearing with the County Manager, if not sooner. Mr. Martin is trying to figure out what the change is in the federal financial participation rates for the Recovery Act that gave us additional income and eliminated some costs.

Commissioner Ortega said as the Governor does the unallotment – part of the federal stimulus is not just how quickly the money is spent, but part of it is not to supplant services, but to maintain the

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current level of service in order to qualify – staff had alluded that there might be an impact at the federal government where we might lose money. If that impact comes to Ramsey County, are we in a position to fill that hole if we chose to. If it is a critical service and we could make strategic decisions, how does that work? If the State loses it, would we get less money for that service?

Ms. Speiker said staff will have to get answers to those questions.

Ms. Brewington provided an example of where that gets complicated. In the interplay with the health care access fund, as they talked about increasing some of the strain or the use of the funds for other things, diverting some of the money, they'd passed out a chart showing how even in its current state with the projected number of people coming into that and the revenue coming in from the provider tax, that fund goes into structural imbalance in the out-year. As it goes into structural imbalance, by State Statute, they have to adjust the eligibility, ratchet it down if they don't have the money in that account to serve everybody. The minute you bring down the eligibility so that fewer people are covered, you are no longer maintaining the same level of service. One of the questions that came up in a hearing in regard to this topic, Department of Human Services had answered affirmatively that yes, we would be putting some federal funding at-risk, that we wouldn't be able to draw it down if in fact we had to change those eligibility parameters and bring them down so there would be a loss. The health care access fund on the surface looks very healthy and a source of money that could be used someplace else, but if we use it where it is already obligated it goes into structural imbalance if there isn't some other change.

Commissioner Rettman assumed that the matrix to be put together would include everything from best to worst case scenario in terms of how it affects our FTEs, service delivery, purchase of service contracts, etc., and that information as it is received is provided to the Commissioners. Until this starts happening, things can be surmised, and passed along. The outrage is going to be the story, and will be far more comprehensive than just a few items. The Board will need the details, and that it is clear on how it affects us all.

Commissioner Rettman requested information about the short-term offenders.

Mr. Riley said after July 1, the short-terms will no longer be sent to the County. The County would have responsibility whenever we take them up to July 1, for six months in our facility but after that they would go to the State. It would be a phase-out to the State. That is good news. AMC worked hard in that as well.

Ms. Brewington said other changes were covered in the last Legislative Updates to the Board; nothing new came up in the last couple weeks.

Chair Parker thanked staff and said the Board looks forward to more information as it is obtained. Commissioner Reinhardt spent a lot of time and energy at the Capitol; Commissioner McDonough in his role with AMC provided leadership; Commissioner Carter as Chair of the Legislative Committee put a lot of time and energy on this. All the Commissioners in different ways have participated in this important function of the County Board, which has such a huge impact on the lives of Ramsey County residents.

BOARD CHAIR UPDATE

Chair Parker reported:

- The Ramsey County Library received a \$50,000 grant from the Rice Creek Watershed District for some of the water features for the Roseville Library. Fundraising efforts are going well.
- On the loss of John Goedeke, a former city councilmember and teacher for the Roseville schools for many years.

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OUTSIDE BOARD AND COMMITTEE REPORTS

Commissioner Reinhardt:

- Attended the Ramsey County Care Center Volunteer Recognition event, and publicly thanked the volunteers. The event was well-attended with volunteers from the day the Care Center opened its doors.
- Presented transportation and transit issues to the White Bear Lake Rotary with many good questions and comments. Forest Lake joined the transit taxing district, boding well for Route 288 into Minneapolis, and for the Rush Line coming into St. Paul's Union Depot.
- Participated in a live segment on KARE11's Morning Show talking about reducing, reusing, recycling trash, and things that can be done in a more environmentally-friendly way. She cited the one-stop shop Website at www.RethinkRecycling.com

Commissioner Rettman:

- Reported on activities around community clean-ups in District 5, 6 and 7 all day Saturday. This was all about recycling and ensuring that materials did not end up in landfills. District 10 held a garage sale, with reuse or distribution of items to organizations such as Goodwill or Salvation Army. This was one of the biggest cleanups in the 22 years she has attended. She was proud of the neighborhoods and volunteers at all the sites were incredible.
- She attended St. Andrews Festival.

Commissioner Ortega:

- Reported on Walk/Bike To Work activities in St. Paul.
- He attended some of the events at the Ramsey County Care Center Recognition Event.
- Reported on a Landmark Center Board meeting.
- Reported on a Great River Front meeting.
- Reported on the grand opening of the beautiful new facility of the West Seventh Family Health Center. This facility serves many of the uncompensated care population.
- Reported on the death of Guadalupe Serrano, Executive Director of Casa de Esperanza, known nationally on issues of battered women. She is a great loss to the Hispanic community and all the residents of Minnesota.

Commissioner Carter:

- Reported on the Central Corridor Management Committee meeting where they reviewed the cash flow projections in moving the project through completion.
- Reported on the Head Start Policy Council meeting for the Community Action Partnership of Ramsey and Washington Counties, voting in a new representative.
- Reported on the Children's Collaborative meeting with discussion on three projects and the ongoing need to support them. There are challenges for the projects which are helping to address the issues in particular with children who are at-risk in African American communities having to do with evaluations and proving the work.

ADJOURNMENT

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

Bonnie C. Jackelen, Chief Clerk-County Board