

The Ramsey County Board of Commissioners met in regular session with the following members present: Carter, McDonough, Ortega, Parker (late), Reinhardt, Rettman and Chair Bennett – 7. Also present were David Twa, 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 McDonough moved approval of the Agenda of the July 25, 2006, Board Meeting, seconded by Commissioner Carter. Roll Call: Ayes – McDonough, Ortega, Reinhardt, Rettman, Carter, Bennett – 6. Nays – 0.

AMENDMENT TO AGENDA

Commissioner Ortega moved to amend the Agenda to add an item pertaining to a time change of the August 1, 2006 Board Meeting. Roll Call: Ayes – McDonough, Ortega, Reinhardt, Rettman, Carter, Bennett – 6. Nays – 0.

MINUTES

Commissioner Carter moved approval of the Minutes of the July 18, 2006 Board Meeting, seconded by Commissioner Reinhardt. Roll Call: Ayes – McDonough, Ortega, Reinhardt, Rettman, Carter, Bennett – 6. Nays – 0.

[Commissioner Parker arrived at this time.]

PROCLAMATION – National Night Out

Chair Bennett read a Proclamation from the County Board for National Night Out, which will be held Tuesday, August 1, 2006. The Proclamation was presented to Lt. George Altendorfer, Undersheriff, on behalf of the Sheriff's Department.

Lt. Altendorfer said there are over 100 *National Night Out* parties in Ramsey County this year. Eighty volunteers will be attending those parties and carrying the message of crime prevention. This year's theme is preparation for avian flu and meth prevention. This has been a growth area for the Sheriff's Department. Deputy Dan Ruettimann, Crime Prevention Officer, works year round on this issue. He thanked the Board for this recognition.

BOARD OF RAMSEY COUNTY COMMISSIONERS – Appointment to the Metropolitan Emergency Services Board's Cost Allocation Committee

Commissioner McDonough introduced the following resolution and moved its adoption, seconded by Commissioner Reinhardt. Roll Call: Ayes – McDonough, Ortega, Parker, Reinhardt, Rettman, Carter, Bennett – 7. Nays – 0. (2006-257)

WHEREAS, The Metropolitan Emergency Services Board's Cost Allocation Committee consists of representatives of counties and the City of Minneapolis, which have built subsystems to the ARMER backbone; and

WHEREAS, This committee determines how system costs are allocated to users; and

(Continued)

WHEREAS, The Metropolitan Emergency Services Board has requested that Ramsey County appoint a Commissioner to serve on the Cost Allocation Committee, effective August 2006; and

WHEREAS, Commissioner Jim McDonough has agreed to serve in this capacity; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners hereby appoints Commissioner Jim McDonough as Ramsey County's representative on the Metropolitan Emergency Services Board's Cost Allocation Committee.

**PROPERTY RECORDS AND REVENUE – Fee schedule for wine licenses at the State Fairgrounds**

Commissioner McDonough introduced the following resolution and moved its adoption, seconded by Commissioner Reinhardt. Roll Call: Ayes – McDonough, Ortega, Parker, Reinhardt, Rettman, Carter, Bennett – 7. Nays – 0. (2006-258)

WHEREAS, The Department of Property Records and Revenue wishes to bring State Fair Wine License Fees into line with the cost of providing the service; and

WHEREAS, Authority for establishing these fees is granted to the County Board of Commissioners in Minnesota Statute Chapter 126, section 29, as amended by Minnesota Session Laws 2005, Chapter 25, Section 6; and

WHEREAS, Notice of the public hearing was published in the *Ramsey County Review* on June 28, 2006; and

WHEREAS, All holders of State Fair Wine Licenses issued by the County and impacted by the fees were mailed notice of the hearing date, 30-days prior to the hearing date; and

WHEREAS, A public hearing was held before the Ramsey County Board of Commissioners on July 18, 2006, and no public comments were received by the Board of Commissioners; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners hereby approves the following fee schedule for State Fair Wine Licenses issued by Ramsey County:

State Fair – Wine License	
One-year	\$600.00
12 days	\$500.00

**PUBLIC WORKS – Negotiated Settlement, Parcels 4 and 41, County Road J Right of Way Plan**

Commissioner McDonough introduced the following resolution and moved its adoption, seconded by Commissioner Reinhardt. Roll Call: Ayes – McDonough, Ortega, Parker, Reinhardt, Rettman, Carter, Bennett – 7. Nays – 0. (2006-259)

WHEREAS, Resolution 2006-034 authorized Ramsey County to acquire permanent and temporary easements necessary to reconstruct County Road J from Airport Road to Rice Creek Road SAP 62-601-11, SAP 02-632-14 and SP 6284-137; and

WHEREAS, Ramsey County had offered the owner of Parcel 4 the amount of \$150,000 for permanent and temporary easements on that parcel; and

**(Continued)**

WHEREAS, The owner of Parcel 4 has accepted a negotiated settlement of \$204,400; and

WHEREAS, Ramsey County had offered the owner of Parcel 41 the amount of \$20,800 for permanent and temporary easements on that parcel; and

WHEREAS, The owner of Parcel 41 has accepted a negotiated settlement of \$27,000; and

WHEREAS, The Director of Public Works recommends the County accept these negotiated settlements; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners approves payment in the amount of \$204,400 to the owner of Parcel 4 and \$27,000 to the owner of Parcel 41 for right of way consideration of the County Road J reconstruction project.

**PUBLIC WORKS – Ramsey-Washington Metro Watershed District and Capitol Region Watershed District Rules**

Commissioner McDonough introduced the following resolution and moved its adoption, seconded by Commissioner Reinhardt. Roll Call: Ayes – McDonough, Ortega, Parker, Reinhardt, Rettman, Carter, Bennett – 7. Nays – 0. (2006-260)

WHEREAS, The Ramsey-Washington Metro Watershed District (RWMWD) and Capitol Region Watershed District (CRWD) have each proposed rules to implement the goals and policies of their respective Watershed Management Plans; and

WHEREAS, The proposed rules are related to stormwater management, flood control, wetland management, erosion and sediment control, and illicit discharge; and

WHEREAS, A Technical Advisory Committee (TAC) was established to evaluate the draft rules criteria and the draft watershed district rules have been revised and reissued for a 45-day public review period ending July 27, 2006; and

WHEREAS, The Public Works Department has prepared a comment letter addressing the concerns remaining after the revisions; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners concurs with the comment letter prepared by the Public Works Department, dated July 12, 2006; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners urges the Capital Region Watershed District and the Ramsey Washington Metro Watershed District to continue the utilization of the Technical Advisory Committee (TAC) for the remainder of the rules implementation process.

**COMMUNITY HUMAN SERVICES – Ramsey Nursing Home – Energy Audit**

Commissioner McDonough introduced the following resolution and moved its adoption, seconded by Commissioner Reinhardt. Roll Call: Ayes – McDonough, Ortega, Parker, Reinhardt, Rettman, Carter, Bennett – 7. Nays – 0. (2006-261)

WHEREAS, The Ramsey Nursing Home proposes to retain Sam Stewart and Associates, Inc. to determine if there are more energy efficient systems to hold down gas and electrical costs; and

***(Continued)***

WHEREAS, The cost of the study is \$12,000; and

WHEREAS, Xcel Energy will pay 50% of the cost upon completion of the study; and

WHEREAS, Sam Stewart and Associates, Inc. conducted a similar study ten years ago; and

WHEREAS, Based on that study, changes were made that resulted in a 10 years savings of \$197,039; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners approves the agreement with Sam Stewart and Associates, Inc. to conduct an energy audit of the Ramsey Nursing Home for an amount not to exceed \$12,000; and Be It Further

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

COMMUNITY HUMAN SERVICES – Adoption – Kinship Searches

Commissioner McDonough introduced the following resolution and moved its adoption, seconded by Commissioner Reinhardt. Roll Call: Ayes – McDonough, Ortega, Parker, Reinhardt, Rettman, Carter, Bennett – 7. Nays – 0. (2006-262)

WHEREAS, Federal law requires that when seeking families to adopt children, we conduct a comprehensive search for relatives who may be in a position to adopt; and

WHEREAS, Currently, we have one staff member at Community Human Services and one staff member at Hope Adoption who conduct these searches; and

WHEREAS, This arrangement has been in place since 1998 and our success in obtaining adoption by relatives has increased significantly; and

WHEREAS, As the Community Human Services Children's Team and Hope Adoption have reviewed the results, both parties have agreed that we could increase the number of adoptions by relatives even more if both staff members were employed by the Department; and

WHEREAS, The cost of the additional staff person will be covered by the dollars involved in the current contract; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners approves the increase of 1 FTE Social Worker I to the complement of the Community Human Services Department to conduct kinship searches for children waiting to be adopted.

PUBLIC HEALTH AND INFORMATION SERVICES – Approval of Agreement with Garrison Enterprises for a New Information System for the Environmental Health Section of the Saint Paul – Ramsey County Department of Public Health

Commissioner McDonough introduced the following resolution and moved its adoption, seconded by Commissioner Reinhardt. Roll Call: Ayes – McDonough, Ortega, Parker, Reinhardt, Rettman, Carter, Bennett – 7. Nays – 0. (2006-263)

*(Continued)*

WHEREAS, The Environmental Health Section of the Saint Paul – Ramsey County Department of Public Health (“Department”) manages data associated with a variety of regulatory and operational programs; and

WHEREAS, The Department has been engaged in collaborative efforts with the environmental health programs in Hennepin County and the City of Minneapolis in obtaining an Advanced Practice Center Grant from the National Association of City and County Health Officials for environmental health emergency preparedness; and

WHEREAS, The grant participants have identified the need for coordinated data management to improve response and recovery to disasters; and

WHEREAS, The Department is taking steps to improve data management within the Department’s Environmental Health Section in order to reduce waste, improve efficiency, enhance regulation, improve interoperability and coordination with other health departments, and improve public service, by developing business requirements to manage data in consultation with other environmental health agencies; and

WHEREAS, The Department has conducted a thorough evaluation of the vendor services available in the marketplace, by reviewing and discussing evaluations by other environmental health agencies, and has concluded that only one vendor, Garrison Enterprises, Inc., is capable of providing all the services necessary to implement an information system to meet the Section data management business requirements; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners approves the Agreement with Garrison Enterprises, Inc., PO Box 690426, Charlotte NC, 28227, for the development, implementation, and maintenance of an information system for the Environmental Health Section of the Saint Paul – Ramsey County Department of Public Health, at a cost of \$74,900 for development and implementation, no cost for user training, a per page fax charge of \$.15 for over 250 pages, and \$15,000 for annual maintenance for a period of 5 years; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Manager to execute the Agreement, subject to prior approval by the County Attorney’s Office and Budgeting and Accounting.

COUNTY MANAGER/PROPERTY MANAGEMENT – Renew Lease Agreement between Ramsey County and Twin Cities TJ’s, Inc.

Commissioner McDonough introduced the following resolution and moved its adoption, seconded by Commissioner Reinhardt. Roll Call: Ayes – McDonough, Ortega, Parker, Reinhardt, Rettman, Carter, Bennett – 7. Nays – 0. (2006-264)

WHEREAS, From 1986 to 2006, Ramsey County has leased land on the southeast corner of Rice Street and Country Drive in the City of Little Canada to Twin Cities TJ’s, Inc. for the purpose of parking cars; and

WHEREAS, The current lease agreement expired on May 6, 2006; and

WHEREAS, Twin Cities TJ’s, Inc. wishes to renew their lease agreement for another five years beginning May 7, 2006 through May 6, 2011 with a 180-day cancellation clause; and

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WHEREAS, The annual lease rate is \$3,342.00 for the first year and increases 3% each year thereafter; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners approves the lease agreement with Twin Cities TJ's, Inc., 2589A Hamline Avenue, Roseville, MN 55113, for lease of land on the southeast corner of Rice Street and Country Drive in the City of Little Canada, for the period of May 7, 2006 through May 6, 2011, with a termination clause of 180 days written notice, in the amount of \$3,342 for the first year, increasing by 3% for each additional year of the lease; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the Chair and Chief Clerk to execute the lease agreement, subject to prior approval by the County Attorney, Budgeting and Accounting, and Property Management.

COUNTY MANAGER/PROPERTY MANAGEMENT – Sale of the former Public Works Site at 3377 North Rice Street

Commissioner McDonough introduced the following resolution and moved its adoption, seconded by Commissioner Reinhardt. Roll Call: Ayes – McDonough, Ortega, Parker, Reinhardt, Rettman, Carter, Bennett – 7. Nays – 0. (2006-265)

WHEREAS, On November 20, 2001, by Resolution 2001-381, the County Board authorized the County Manager to proceed with the development and construction of a new Public Works Facility on 35 acres of land at the Twin City Army Ammunitions Plant; and

WHEREAS, Ramsey County Public Works moved operations to the new Public Works Facility and completely vacated the old Public Works site at 3377 North Rice Street on or about November 1, 2004; and

WHEREAS, On May 3, 2005, by resolution 2005-179, the County Board deemed the property, including all buildings and structures, located at 3377 North Rice Street, Shoreview, MN, formerly the Ramsey County Public Works site, as excess property no longer needed for County purposes and authorized the County Manager and Property Management to take all necessary steps to sell the property at fair market value, and return to the Board with a suitable purchase agreement for review and approval; and

WHEREAS, The County Manager and Property Management have the following to report on the steps taken to sell the former Public Works site located at 3377 North Rice Street, Shoreview:

1. Negotiated and executed an agreement with the Saint Paul Port Authority for services related to the sale of the property to include the following:
  - Appraisal of the property and highest and best use land study. (Both supported the asking price of \$6,000,000).
  - Develop an environmental remediation plan with the MPCA, which will result in a No Further Action Letter (“NFAL”).
  - Conduct negotiations with the State of Minnesota Department of Transportation and the City of Shoreview.
  - Prepare a purchase agreement for the sale of the property.
2. Remediation of hazardous materials from the buildings.
3. Demolition of existing buildings and structures with the exception of the VHF antenna tower and associated building.

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WHEREAS, The County Manager, Property Management, and Saint Paul Port Authority have negotiated a purchase agreement with the City of Shoreview for the purchase of the former Public Works site located at 3377 North Rice Street, Shoreview, Minnesota for \$6,000,000; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners authorizes and approves the sale of the former Public Works site located at 3377 North Rice Street, Shoreview, Minnesota (the Property) for \$6,000,000 to the City of Shoreview, Minnesota (Buyer); and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the Chair and Chief Clerk to sign and deliver the Purchase Agreement on behalf of the County, subject to prior approval by the County Attorney's Office; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the Chair and Chief Clerk to execute and deliver to Buyer, a Quit Claim Deed in accordance with the provisions of the Purchase Agreement, subject to prior approval by the County Attorney's Office; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Manager to execute and deliver a Lease Agreement for those portions of the Real Property for continued operations of the communications system and impound lot for the initial term through June 2007 and month-to-month thereafter for \$1.00 per year, subject to prior approval by the County Attorney's Office; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Manager to execute and deliver on its behalf all other documents required by or deemed necessary to carry out the purposes of the Purchase Agreement, subject to prior approval by the County Attorney's Office; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes and approves that all costs, escrows, taxes, charges or fees that Ramsey County is required to pay at closing, may be paid from the proceeds of the sale of the Property at closing.

**COMMUNITY CORRECTIONS – Change the Adult Services Division supervision fee rate and a modification of the fee structure**

Commissioner McDonough introduced the following resolution and moved its adoption, seconded by Commissioner Reinhardt. Roll Call: Ayes – McDonough, Ortega, Parker, Reinhardt, Rettman, Carter, Bennett – 7. Nays – 0. (2006-266)

WHEREAS, On April 22, 2003, by Resolution 2003-136, the Ramsey County Board of Commissioners approved the following fee structure and rate:

- \$200 one-time fee for every case open for probation supervision, supervised release or pre-parole release;
- \$50 one-time fee for every case that has only a single condition monitoring service, such as Community Work Service or Restitution; and

WHEREAS, In the three years since this fee structure has been in place, costs associated with supervision have been steadily increasing. The most notable areas of increase are: personnel costs, costs for urinalysis and other forms of drug/alcohol testing, mileage/travel expenses and office/equipment expenses; and

**(Continued)**

WHEREAS, The Community Corrections Department believes that these additional costs to provide supervision services justify an increase in the fee rate and an adjustment in the current fee structure; and

WHEREAS, An examination of the costs associated with these services indicates that even with an increase in the fees, actual costs of service delivery are greater than the revenue generated by the new fees; and

WHEREAS, The Department believes that this rate adjustment will assist in producing an increase in revenue for the balance of 2006 and 2007 to offset a portion of the increased costs associated with providing supervision services; and

WHEREAS, The Community Corrections Department has proposed a single, one-time fee of \$300 for every case open for probation supervision, supervised release, pre-parole release or case that has only a single monitoring condition, such as Community Work Service or Restitution; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners approves a single, one-time fee of \$300 for every case open for probation supervision, supervised release, pre-parole release or for a case that has only a single monitoring condition such as Community Work Service or Restitution.

COUNTY MANAGER/BUDGETING & ACCOUNTING – Monthly report of contracts and final payments and grant submissions that were approved during the month of June 2006

Commissioner McDonough introduced the following resolution and moved its adoption, seconded by Commissioner Reinhardt. Roll Call: Ayes – McDonough, Ortega, Parker, Reinhardt, Rettman, Carter, Bennett – 7. Nays – 0. (2006-267)

WHEREAS, Administrative Code 3.40.37 authorizes the County Manager to approve contracts, within certain limits; and

WHEREAS, Administrative Code 4.30.50a requires a monthly report on all contracts and final payments approved by the County Manager; and

WHEREAS, Administrative Code 4.30.39d requires the County Manager to report grant submissions, amendments, renewals, and acceptances along with the monthly contract report; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners hereby accepts the Report of Contracts and Final Payments and Grants for the month of June 2006.

PUBLIC WORKS – Construction Status Report for the period April 1, 2006 through June 30, 2006

Commissioner McDonough introduced the following resolution and moved its adoption, seconded by Commissioner Reinhardt. Roll Call: Ayes – McDonough, Ortega, Parker, Reinhardt, Rettman, Carter, Bennett – 7. Nays – 0. (2006-268)

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

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

RESOLVED, The Ramsey County Board of Commissioners accepts the Construction Status Report for the April 1, 2006 through June 30, 2006.

COUNTY MANAGER – Presentation of the 2007 Supplemental Budget

Commissioner Reinhardt said she, as Chair of the Budget Committee, and Commissioner Rettman, Vice-Chair of the Budget Committee, have worked closely with the County Manager. The two-year budget is a new process for everyone. This is the second year of that budget, and focuses on the policy issues, and the performance and evaluation system.

David Twa, County Manager, said this is the second year of the two-year budget so the process is a little different. The first two-year budget was adopted for years 2006-2007. The goals included:

- To parallel the State budget
- Improve financial management
- Better long range and strategic planning
- Better link operating and capital activities with spending, and
- Improve program monitoring and evaluation.

The 2005-2007 goals and objectives previously stated by the Board included that they wanted to be a leader in fiscal and operational management; be a leader in transit and transportation initiatives; crime prevention and public safety; dealing with the changing demographics; and continuing to ensure the quality of life for people with special needs.

Since this is the second year of the biennium budget, the emphasis will be on outcomes and performance measures. Over the next several weeks, there will be a series of budget hearings with departments, but primarily the focus of those will be on the goals, objectives, measurements they are using and accomplishments of the departments. The ultimate goal is to more closely relate the measurements to the budget.

It is important to remind everyone that performance measurements are not new to Ramsey County. Many years ago, this Board took a leadership role to be out in front in the area of performance measurements. Part of the issue has been determining what is important, what is significant and how that information is more directly related to what is being accomplished for the citizens of the County. The recommended changes to the budget are very minimal and which were primarily caused by action at the federal level. Throughout the entire process, the 2007 budget will be reviewed.

The ultimate goal is to re-energize and refocus the County's commitment to continuous improvement.

The fiscal environment we live in continues to be difficult. We can expect to deal with permanent fiscal crisis for the next several years as cuts are continued on both the federal and state level. Since 2003, the County's budget has been driven by the federal and state deficits. Cuts in funding have been seen from both entities and they have shifted their costs to the counties. One example is the short-term prisoners, which the state used to pay for but shifted the cost so that any prisoner who has less than six months to serve in a state institution, now serves that time in a county jail, with the counties picking up the costs.

At the same time, the counties have been given new mandates. One of those is in the area of child support collection, which will clearly increase the County's costs, without any additional funding from the state. The County has few alternatives for revenue other than the property tax.

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Unlike cities and other governmental entities, the counties do not get sales taxes. The primary means of support is the necessity to either cut programs or increase property taxes.

The Federal Budget Reconciliation Act is the major issue that is impacting the 2007 budget. It is estimated that Ramsey County will see a loss in revenue to the Human Services Department of \$4.3 million. The actual amount is not known at this time and the timing is not known. Staff has come up with a proposal to balance the budget using a combination of cuts in service and one-time only revenues.

The Board has consistently directed staff not to use one-time revenues for operations. In this particular case it makes sense to do so until such time as the extent of the cuts is known and what the impacts will be on Ramsey County. Staff is proposing a \$1.8 million reduction in services in the Human Services Department and use of one-time only revenues for 2007 of \$2.5 million. Most of that would go to the Human Services Department, with a small amount going to the County Attorney's Office for the child support program. Targeted case management is the primary area where cuts are being seen as a result of federal cuts.

It is known that use of one-time revenues is a short-term solution. A permanent fix will be needed in the 2008-2009 budget, by either finding additional revenue or making additional cuts. This would result in a loss of seven positions in the Human Services Department as well as a reduction in some services in the children's services discretionary fund; loss of training funds; contracting of chemical dependency case management; would have some impact on the mental health residential treatment; therapy and rehabilitation services; and parents and health plans of children receiving mental health case management services would be billed according to their ability to pay.

The critical use of the proposed \$2.2 million of one-time revenue allows several positions to be saved; services cannot be delivered to the public without having staff to do that. Things to be saved by the \$2.2 infusion would be Meals on Wheels; Multi-Lingual First Call for Help; community based sites where over 1800 people receive assistance; Children's Mental Health Collaborative, which serves 1,000 families; and staff support for children in need of protection from abuse and neglect and foster care providers to ensure safety of kids. These were all programs the Board made clear to staff that are very important programs.

It also provides staff support for disabled people and their families; provides services for people who have a mental illness; provides services for elderly and vulnerable adults needing help with medical bills and nursing home admittance; and child support collection and enforcement services.

For the first time ever, the property tax levy for public safety and justice now exceeds the levy for human services. There are still more dollars spent out of the budget for human services and public health programs, but a larger portion of the levy is now going to the public safety and justice areas.

As part of the two-year budget, the proposed 2007 levy was set at an increase of 5%, which raises approximately \$10.9 million. Increases to public safety and justice are \$10.4 million, so virtually all of the increase goes to support public safety and justice. If those increases are excluded, the entire County budget increases by 0.3%. The total budget increase for 2007 will be 2%. The new emergency communications technology for all the cities and the consolidated dispatch for emergency calls for the cities make up a significant portion of those funds.

It is important to recognize that this is a shift from municipalities in Ramsey County to Ramsey County itself. A policy decision was made that it was important to have the consolidated communication center and that 800 MHz technology be in place. The way to pay for that was to put a significant portion on the property tax. The agreement struck with all the municipalities in Ramsey County was that 60% of those costs would be placed on the property tax levy; 40% would be for

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calls for service. Net results are that there are significant savings to the municipalities within the County in several areas: the County purchased the radios; the County has saved those municipalities which joined in the consolidation the necessity of buying any consoles or backbone equipment needed to operate a separate system of their own; in 2007, the County will add approximately 114 new positions, virtually all of those are in the consolidated dispatch center. The County will take over employees for the City of St. Paul and the City of Maplewood, who have joined in the consolidation.

Commissioner McDonough said this issue cannot be over-emphasized. The way this has been structured is good government. Mr. Twa did not mention the capital costs that would affect some of the communities if this were not being done countywide. The County is consolidating and merging; but in the process it does increase the County's levy. The municipalities have a choice – to either reduce their levy correspondingly or choose to fund other services. As the County attempts to educate the public about what it is doing and how the County's property taxes affect them as individual homeowners and business owners, this will be a big part of the message. The County is trying to do good government – consolidate and merge – and do things more efficiently, but that means things are being paid for differently. There are other options about how their property taxes rise or are lowered, and those decisions are out of the County's control.

Commissioner Rettman asked how much is being saved by St. Paul and Maplewood just on combining the dispatch centers.

Mr. Twa said that by putting 60% of the costs for operations on the property tax levy, the savings shown to the City of St. Paul is approximately \$2.3 million in operational costs, which does not include the new radios. The savings for the City of Maplewood are approximately \$300-400,000. As Commissioner McDonough mentioned, on top of those savings, the County has saved both the City of St. Paul and the City of Maplewood the necessity of upgrading their equipment, which amounts to millions of dollars collectively. Additionally, by building the joint dispatch center, the City of St. Paul is saving the capital cost of not having to move to a new location. The County also put forth approximately \$15 million for the radios for all the communities within Ramsey County, which, for the first time around, saved them the cost of the upgrade to the 800 MHz system.

Commissioner Rettman clarified that Ramsey County is paying for not just the backbone, but also the consoles, radios, etc. and approximately 114 new positions.

Mr. Twa said the majority of those positions would be in the dispatch center, which are being taken over from the City of St. Paul and City of Maplewood. Employees in the City of Maplewood wish to become County employees; the City of St. Paul employees wish to remain as City employees. Even if they are City employees, the County will pay for their costs.

Commissioner McDonough said it takes a lot of political courage to step forward with these good government types of things. This upgrade is a huge value to the communities, both to the citizens and to the public safety providers. This will be a tremendous tool for everyone and will impact all areas that affect public safety providers and citizens. It takes political courage to step up and increase the County's levy and to ease the burden on municipalities. He would not like to see any government body not willing to move forward on best practices and good government because of the potential ramifications on just how it affects individual property tax levies. This County Board did a good job and stepped up to the plate. We need to make certain the citizens understand that when the County's levy is increasing, there are corresponding decreases in various communities. There might be services important to the communities to which those funds could be redirected, but they have to understand that they have a choice because of the way the County is funding this.

Commissioner Reinhardt agreed that those are excellent points and are important for people to understand. The reality is that without taking this over, the County's spending increase would be 0.3%. The fact that the County is at a 2% increase in spending within the budget, is the right way to

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do it; but it is important to understand what the County is taking on, and that it is being done voluntarily with the outcome being increased public safety and good government. It just makes sense to do this, but the County is taking it on voluntarily, which is a good point.

Chair Bennett asked if the amount potentially saved by each municipality is available and if more accurate numbers were available.

Mr. Twa said that information is available. The numbers have not changed; until the system is fully operational it is difficult to determine. This Board made a critical decision to make certain the dispatch center is a quality center. Whatever the costs are for the operations of the consolidated center, we would do that. It was very clear and very important to all of the municipalities and the County Board. The County would basically peg the cost to all municipalities for the first two years. After that time, the costs would go to a rolling three-year average of what the actual costs were. A baseline was necessary until the true costs were identified and also some basis for the communities to know what the costs would be for at least the first two years.

Chair Bennett said every municipality, except the City of White Bear, is included, and the numbers could get important as the final signing of agreements takes place. There will likely be interest in what the City of White Bear Lake would have saved.

Mr. Twa said staff have spoken with all the municipalities; they are appreciative of the fact that the rate has been set for the first two years so they know, for budgeting purposes, what that number will be. By going to a rolling three-year average, we ensure that if a particular community has a spike in calls for service that their costs will not change dramatically.

Mr. Twa said bonding dollars are also included in the 2007 budget for the expansion of the Correctional Facility. Next year, we will go out for additional bonding dollars as the construction is started.

Even with the proposed cuts in Human Services of \$1.8 million, the basic safety net services are being preserved. There will be a reduction in services and some negative impacts upon the communities, but staff has tried to preserve as much as possible. Between 2003 and 2007 the actual reduction in human services spending is about \$18 million. Over those years, the Board has tried to replace some of those dollars.

Chair Bennett asked for the dollar figure on the criminal justice system increase.

Mr. Twa said the 2006 approved amount was \$128.2 million and the amended amount for 2007 is \$138.6 million, for an increase of about \$10 million. Correspondingly, the 2006 health and human services budget was \$271.3 million compared to an amended 2007 budget of \$266.9 million; even with the recommendation to put an additional \$2.2 million into the budget, there will be approximately a \$4 million reduction.

In spite of the fact that the spending is going up only 2%, the levy is proposed to go up by 5%. Emergency communications and public safety is the significant piece of that. There is actually increased spending for emergency communications and public safety, but reductions in human services and the use of reserves, backfills the holes in the budget. In reality, there is increased spending in emergency communications and public safety and the backfilling of the holes created by the actions of the state and federal government.

This Board has made it very clear to staff that they want to move away from the use of reserves, with the goal being that you cannot continue to fill holes in operational budgets with the use of one-time money. Unfortunately, because of the uncertainty as it relates to the targeted case management issue, staff proposes once more to use one-time only funding, in this case from the sale of property, to fill the hole for 2007.

Commissioner Rettman asked what is included in the term “all other county services”.

Mr. Twa said that is all other spending such as cost-of-living raises to employees, increased cost for heats, lights, etc. Departments are being asked to absorb more and more of the costs within their current budgets. Although spending is increasing by 2% over 2006, emergency

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communications and public safety takes up 1.7% of that, and all other spending goes up by 0.3%.

Since 2003, intergovernmental revenue (dollars from the state and federal governments to support our programs, most of which are mandated by the state and federal governments), continue to be flat or decline. At the same time, the property tax levy, because that is the only source of revenue we have to fill the hole even in part, continues to go up. The County is backfilling for dollars no longer being provided to the County by the state and federal governments.

In summary, the budget still provides for many services and delivers cost-effective, quality services to County taxpayers, and positions us to weather economic cycles. Total spending increases are well below inflation. In fact, over the last five years, the County spending on average has increased by 1.3%, well below the rate of inflation and well below what we have seen from the state government as well as other governmental units.

Budget hearings begin next week and will focus on the outcomes and performance measurements; public testimony will be held September 8; the maximum tax levy will be adopted on September 12; the Truth in Taxation hearing will be held December 12; and the Board will adopt the final 2007 budget and levy on December 19.

Mr. Twa thanked Julie Kleinschmidt, Director, Budgeting and Accounting, and her staff for their hard work in putting these materials together, and thanked all the Departments that worked extremely hard as it relates to the issue of performance measurements and outcomes.

This format is a different process for the Departments, and is a work in progress.

Commissioner McDonough said the Board needs to have conversations before the next legislative session. People believe that what the County does has value, as long as it is provided in a cost-effective and meaningful way. There is resistance, however, to continue increasing property taxes, as they are considered a regressive, unfair tax. A conversation is needed about the resources available to the County to pay for the unfunded mandates and cuts. It always comes back to the property tax. Constituents want no more property tax increases. They also call and say they need the services.

Commissioner McDonough asked about the potential range of federal cuts to the targeted case management services.

Mr. Twa said the figures have ranged from a low of \$4.3 to a high of \$12 million. Staff are comfortable with the \$4.3 proposal at this point. It is possible that nothing will be seen from the federal government until the end of this year. The good news is that a significant change has not been seen in terms of that projected number. The bad news is that the number is still unknown and the impact is not known, which is one reason staff are recommending use of one-time funds. The budget for human services is not actually increasing, but if this type of cuts are seen, this is the number believed to be needed to be plugged in to backfill some of the holes.

Commissioner McDonough referred to the services that are proposed to be funded with the one-time revenues. He asked if all the reductions and all the funding of these services is directly tied to targeted case management cuts. If not, that may be an area with problems where some of the programs being funded with one-time dollars are not directly tied to the cuts. We need to make certain that when there are limited funds, the highest priority programs are funded.

Mr. Twa said that the dollars are bundled and spread over many programs. Some would be tied specifically to targeted case management and some are used across the board. The Department has attempted to identify those and try to make the cuts in those areas that they believe are appropriate. Of course, there will be many discussions about that when the Community Human Services budget is discussed. At the moment, staff are comfortable.

Commissioner McDonough said beginning with the 2003 budget, when a mid-year adjustment had to be made, there have been reductions in the County's workforce. Those reductions have normally been done through attrition, which is wise. Where is the training budget in

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case current employees need to be trained to fill other jobs, because open jobs do not always match up with the workforce.

Mr. Twa said that since 2003, there have been dramatic cuts in the training budgets, because those are some of the discretionary funds. Most departments would concur that the training budgets are inadequate. In looking at the seven positions proposed for elimination in the 2007 budget, we will try to do it without any layoffs. The Departments are very sensitive to the issue of having the right people in the right areas and that they are trained appropriately.

Commissioner Rettman asked if there is a number for the aggregate levy increase, including Regional Rail and other taxing jurisdictions, such as Capital Region Watershed District.

Mr. Twa said that last year the Board set an approximate 4% increase for Regional Rail for 2007. Because of the way these things are calculated, even though the County is talking about 5% for its levy and 4% for Regional Rail, collectively the two are about 8.8%. Numbers are not yet known for the other jurisdictions.

Commissioner Rettman referred to a new position approved earlier in this meeting and asked if it is already reflected in the budget.

Mr. Twa said the seven positions were based on the data available. Grants come and go, positions are added throughout the year. Over the course of this year, a number of positions have been added to other departments, depending upon available grants and where other revenues come from. The Department is working hard to ensure no layoffs.

Commissioner Rettman wants to make certain anyone facing a layoff would have an opportunity to bid on an open position.

Mr. Twa said the Board has made that clear from a policy standpoint.

Commissioner Reinhardt said that as the Board goes through budget hearings, there would be a focus on the outcomes and performance measures and what those mean. In the past, when looking at the budget books, there are targets, measures and how we have measured up, but the question that always came up from Board Members was “so what does that mean?” An enhanced outcomes and performance based measure is the goal to have come out of this process. The issues regarding recommended changes to the budget will be discussed on September 7<sup>th</sup>, but most of the budget hearings will be focusing on the outcomes and performance measures.

Commissioner Reinhardt said that every Commissioner likely bristled at the idea of using reserves and one-time funds. However, this is similar to what the state legislature was asked to do. The primary reason is that the actual cost remains unknown. Once that figure is known, it gives a softer landing, because it gives more time to transition. There will be cuts and the County will not be able to continue funding the holes with reserves. There is also opportunity to deal with it from a revenue standpoint through the next state and federal legislative sessions.

Commissioner Reinhardt said the first budget hearing is next Monday, July 31.

Commissioner Parker is very supportive of a two-year budget. She believes the focus on performance measurement and outcomes is good. She looks forward to scrutinizing the services rather than just the dollars. She said she bristled at the thought of using one-time money to fill the gap left by the budget cuts. She believes the County is giving the federal government a safe landing and not holding them responsible for the cuts they made. The staff went through a process where they came up with what their priorities would be if they had to cut that money. She doesn't believe the Board's priorities would be the same. Prior to September 7<sup>th</sup>, she would like to see what the budget would look like if funds from the sale of property would not be used to fill the holes. At this point she is not convinced of the use of one-time funds.

Commissioner McDonough said he appreciates the new focus for this year, and is also supportive of the two-year budget. This Board has always done the best job possible with the dollars available, and if that means backfilling some state or federal cuts and cutting somewhere else, it will be because it is good policy and good government.

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Commissioner Ortega believes it is a good idea to look at the proposed cuts without the use of proceeds from the sale of property, just to see what decisions the Board would make. He said it is not going to get any better for 2008. It is not known about the state, but with the feds, we will be dealing with a similar budget. How do we prepare for that? Even if we do the one-time backfill, it would need to be done in anticipation of the 2008 budget, which might mean deeper cuts.

Mr. Twa said that raises a valid point – what to do now for the 2008-2009 budget. The issue staff tried to address here is that since we don't know the size of these cuts, we don't want to cut programs unnecessarily. In talking to the rating agencies, which is critical as the County goes out for large bonding issues both for the County's property needs as well as for Regional Rail, we need to do everything possible to protect the County's Aaa rating. The rating agencies hate to see cutting and restoring, cutting and restoring. They would rather see a steady plane because then they know the County is intending to deal with these issues on a long-term basis. For that reason, he would agree 100% with the Commissioners. We don't want to use one-time-only revenues if it can be avoided. But, this way, at least some of the programs are preserved that this County Board has told staff are critical for 2007, while looking for the long-term fix on these issues.

Commissioner Carter expressed appreciation to the Chair and Co-Chair of the Budget Committee, and to staff, for creating this process for the two-year budget. She reiterated what the Board would be looking at for what the community is saying about critical services, how it aligns to the key goals set by the County Board and looking at the key goals and outcomes for the County, and how these programs the County funds line up with respect to their performance and their cost-effectiveness. She is looking forward to entering into this discussion.

#### NON-AGENDA MOTION

Commissioner Ortega moved, seconded by Commissioner Reinhardt, to change the time of the August 1, 2006 County Board Meeting FROM 9:00 a.m. TO 8:00 a.m. so that Commissioners may attend Mayor Coleman's budget briefing.

Roll Call: Ayes – McDonough, Ortega, Parker, Reinhardt, Rettman, Carter, Bennett – 7.  
Nays – 0.

#### OUTSIDE BOARD AND COMMITTEE REPORTS

Commissioner Rettman reported:

- On a "Walk About" in the Rice Street neighborhood attended by many in the neighborhood, business owners, Mayor Coleman, Councilmember Helgen and others, on a variety of issues. Specific to the County is involvement in some of the family units for housing and other issues.
- Rock-Tenn and Eureka have been giving presentations to many of the district councils. She spoke on the wages of the employees and the need to make sure those jobs are kept in St. Paul and Ramsey County and that RDF has the opportunity to provide part of the solution at Rock-Tenn.
- Dance and theatre productions, softball games, a parade and other events will be held on Friday, Saturday and Sunday during the Rice Street Festival.
- On the ice cream festival in Falcon Heights on Thursday, 5-8 p.m.

Commissioner Parker reported:

- The County will be receiving funding from Blue Cross/Blue Shield for the *Active Living-Ramsey County Project*. This is one-year funding for a full-time starred position located in the Public Health Department, to help the County do many things. This year, all the cities in the County have to update their comprehensive plans, so this is an opportunity to try to incorporate some of these concepts. They wanted permission to be able to use Ramsey
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County as a recipient in some news releases. At one of the County Board meetings in August, there will be an agenda item to formally accept the grant, at which time she would provide an update on everything that has happened in the last year with this effort and what is hoped for in the next year.

Commissioner Reinhardt reported:

- On a recent Regional Railroad Authority meeting, where she spoke about the upcoming meeting on Rush Line Corridor in Duluth. That meeting was very well attended. She provided background information there, and made it clear that anything that Rush Line money is used for has to end at the Union Depot, and that in any studies that take place, that it is Ramsey County that administers and manages that. Regardless of what happens with St. Louis County and the passenger rail, the alternatives analysis has to be done. The Rush Line Task Force will consider options on September 13.
- The Solid Waste Management Coordinating Board (SWMCB) put together a subcommittee on construction and demolition and industrial waste. The good news is that the Association of Minnesota Counties (AMC), the SWMCB, the Pollution Control Agency (PCA) and the Solid Waste Administrators have all come together to learn what is out there, what is happening right now, what could be done to move things at the hierarchy rather than putting recyclable products into the landfill. The study results are supposed to be in by Spring 2007. They want to make this right if any legislative action is to take place.

Commissioner McDonough reported:

- On the Metropolitan Emergency Services Board (MESB) Finance Committee. The Metropolitan Radio Board and the 911 Board had merged to the MESB. The progress made in merging those two boards has been tremendous. The benefits are far ahead of the anticipation, which has a lot to do with the commitment from all seven counties. The financial piece of this has a big impact on all the counties as the County moves into 800 MHz because there is a charge-back per radio costs.
- On a great picnic at Rice Park, in downtown St. Paul, put on by a committee dealing with homeless people. This was a fun event attended by families, singles, teenagers and seniors. About half of the people he spoke with had not been city residents, but were from many parts of the metropolitan area. It is a well-known fact that when a family or individual has a major crisis and becomes homeless, they migrate to the urban centers – the Cities of St. Paul and Minneapolis. The issue of homelessness needs to be addressed greater than just those urban areas.
- On a grand opening event on Payne Avenue for the Phalen Shores Lofts. When he became a Commissioner in 2000, there wasn't a facility on the East Side for seniors to reside in, and now there are three or four. That is a fantastic asset for a community. A lot of seniors did not want to leave their large homes in the community, but as options have been provided to them, it allows them to move from their homes into a secure and safe facility with opportunities for socializing and to stay in the same community. The side benefit to that is that it opens up some of these large homes to families.

Commissioner Ortega reported:

- On the Central Corridor Partnership Executive Committee with the St. Paul Chamber, with discussion on what the role is of the Chamber into the future with the Corridor. The consensus was that they would help play the role of advocacy with the federal government and the state level regardless of political changes. The Partnership, which is the County and

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businesses, was not happy with the extension of the timelines for completion of the Corridor in 2014. A business plan will be coming out for the next couple years to see what their role is, what those activities might be, how they have changed, and what, if any, staffing needs are necessary. There was discussion on the possible use of the County's resources in terms of the County's Public Information Officer and community outreach. A plan would be coming out in 30-60 days.

Commissioner Carter reported:

- On recent occurrences of the Juvenile Detention Alternatives Initiative (JDAI). There is a consultant on board to coordinate the activities of the JDAI, which is being supported by the Annie E. Casey Foundation and the Public Safety Department. A set of site visits will be occurring, one on September 7. One visit will include a group of 12 people from the stakeholders group, which includes judges, county attorneys, police employees, corrections staff and the Sheriff's Office, to attend one of the key JDAI sites in Portland, Oregon. In October a trip will be arranged to Cook County, Chicago, to which all the Commissioners would be invited as a part of the major stakeholders group. A new screening tool is being developed to focus detention resources on young people who have committed serious and egregious crimes.

#### BOARD CHAIR UPDATE

Chair Bennett reported:

- An Executive Session will be held immediately following the County Board, a luncheon with the Historical Society at Gibbs Museum beginning at noon, and at 1:45 p.m., a Regional Railroad Authority Work Session at Roseville City Hall.
- The Metropolitan Emergency Services Board is working out fantastically, but another year is needed before it settles in.

#### ADJOURNMENT

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

#### EXECUTIVE SESSION

The County Board met in Executive Session to discuss a potential litigation matter, with the following members present: Carter, McDonough, Ortega, Parker, Rettman, Reinhardt and Chair Bennett – 7.

Also present were: David Twa, County Manager; Darwin Lookingbill, Director, Civil Division, County Attorney's Office; Patricia Brady, Director, Workforce Solutions; Julie Kleinschmidt, Director, Budgeting and Accounting; and Terry Speiker, Director, Intergovernmental Relations.

Re: Potential Litigation

Commissioner Reinhardt introduced the following resolution and moved its approval, seconded by Commissioner Parker. Roll Call: Ayes – Carter, McDonough, Ortega, Parker, Rettman, Reinhardt, Bennett – 7. Nays – 0. (2006-269)

NOW, THEREFORE, BE IT RESOLVED, That the Board of Ramsey County Commissioners authorizes the County Manager and the Ramsey County Attorney to proceed in the manner discussed in Executive Session.