

The Ramsey County Board of Commissioners met in regular session with the following members present: Carter, McDonough, Ortega, Parker, Reinhardt, Rettman and Chair Bennett – 7. Absent: None. 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 Reinhardt moved approval of the Agenda of the September 25, 2007 Board Meeting, seconded by Commissioner Parker. Roll Call: Ayes – Parker, Reinhardt, Rettman, Carter, McDonough, Ortega, Bennett – 7. Nays – 0.

MINUTES

Commissioner McDonough moved approval of the Minutes of the September 18, 2007 Board Meeting, seconded by Commissioner Carter. Roll Call: Ayes – Parker, Reinhardt, Rettman, Carter, McDonough, Ortega, Bennett – 7. Nays – 0.

EMPLOYEE ACHIEVEMENT AWARD

Commissioner Carter presented an Employee Achievement Award to Susan Hudson, County Attorney's Office, nominated in the categories of Excellent Job Performance and Performance Beyond the Call of Duty.

PROCLAMATION

Commissioner Carter read a Proclamation recognizing September 25, 2007, as a *Day of Remembrance for Murder Victims*.

COUNTY MANAGER PSCS\800 MHz Project – Cooperative Agreement with Regions Hospital for participation as an Interconnected Dispatch Facility on the Countywide 800 MHz Trunked Radio Subsystem

Commissioner Parker introduced the following resolution and moved its adoption, seconded by Commissioner McDonough. Roll Call: Ayes – Parker, Reinhardt, Rettman, Carter, McDonough, Ortega, Bennett – 7. Nays – 0. (2007-285)

WHEREAS, On November 23, 2004, Ramsey County "(County)" and the Metropolitan Radio Board, now the Metropolitan Emergency Services Board ("MESB"), entered into a Cooperative Agreement ("Cooperative Agreement") for the design, procurement, construction and operation of the County's countywide 800 MHz digital trunked radio Subsystem ("County Subsystem") to the Initial Network of the region wide public safety radio communications system; and

WHEREAS, The County has implemented the County Subsystem in accordance with the provisions of the Cooperative Agreement that outlines the responsibilities of the County and the MESB for the infrastructure and operating costs for the County Subsystem and the Statewide System Backbone; and

WHEREAS, Ramsey County has opened a new Consolidated Emergency Communications Center ("ECC") and invited all operators of independent dispatch centers in the county to participate in consolidated operations; and

(Continued)

WHEREAS, Regions Hospital (“Regions”) currently operates and maintains an independent dispatch center, the Medical Resource Control Center (“MRCC”), and has indicated that it would like to use the 800MHz technology for its radios and have the MRCC interconnected with the County Subsystem; and

WHEREAS, The County implemented the County Subsystem under the terms of the Cooperative Agreement between the County and the MESB; the Cooperative Agreement outlines the responsibilities of the County and the MESB for the infrastructure and operating costs for the County Subsystem and the Statewide System Backbone; and the Cooperative Agreement requires the County to enter into an agreement with any party that wants to interconnect with or use the County Subsystem and the MESB system; and

WHEREAS, Regions has executed a cooperative agreement prepared by the County that defines the rights and obligations of the County and Regions for the construction, operation and maintenance of Regions’ radio dispatch equipment, network interconnection equipment, and County Subsystem, including responsibilities for design, procurement, construction, operation, and costs; and

WHEREAS, Under the terms of the proposed cooperative agreement with Regions, Regions is responsible for acquiring its equipment and making connections to the Subsystem, and Regions shall fund the full cost for the dispatch equipment and network interconnection equipment, logging equipment and any other equipment and services necessary to interconnect Regions to the County Subsystem; and

WHEREAS, Under the terms of the proposed cooperative agreement with Regions, Regions will pay all capital costs, operating costs and users fees associated with Regions’ dispatch console positions equipment, Regions’ network interconnection, and other upstream equipment at County or MnDOT sites necessary to interconnect the MRCC with the System Backbone; this includes Regions share, based on use of the County Subsystem, of all user fees and other capital and operating costs assessed by the MESB or the SRB against the County for use of the System Backbone; and

WHEREAS, Under the terms of the proposed cooperative agreement with Regions, Regions shall be responsible for funding and staffing all necessary planning, design, procurement and construction of any and all improvements to physical plant facilities at Regions that are required to house and install Regions’ dispatching equipment and network equipment covered under this Agreement; and

WHEREAS, The County’s Agreement with Motorola, the radio equipment provider for the County Subsystem, includes additional purchase options for dispatch consoles and related services necessary to interconnect other dispatch centers to the County Subsystem, and the proposed agreement addresses the equipment requirements and Regions’ obligation to pay for it; and

WHEREAS, The Ramsey County Board of Commissioners wants all areas of the County to benefit from the new public safety communication system; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners approves the Cooperative Agreement with Regions Hospital, 640 Jackson Street, St. Paul, Minnesota 55101 for Participation as an Interconnected Dispatch Facility on the 800MHz Trunked Radio Subsystem; and Be It Further

(Continued)

RESOLVED, The Ramsey County Board of Commissioners authorizes the Chair and Chief Clerk to execute the Cooperative Agreement with Regions Hospital, subject to prior approval by the County Attorney's Office.

COUNTY MANAGER PSCS\800 MHz Project – Cooperative Agreement with the City of White Bear Lake for participation as an Interconnected Dispatch Facility on the Countywide 800 MHz Subsystem

Commissioner Parker introduced the following resolution and moved its adoption, seconded by Commissioner McDonough. Roll Call: Ayes – Parker, Reinhardt, Rettman, Carter, McDonough, Ortega, Bennett – 7. Nays – 0. (2007-286)

WHEREAS, Over the past three years, Ramsey County has developed and implemented a new countywide Public Safety Communication System\800 MHz ("County Subsystem") that is part of the regional system operated by the Metropolitan Emergency Services Board ("MESB"); and

WHEREAS, The County has implemented the County Subsystem in accordance with the provisions of the Cooperative Agreement that outlines the responsibilities of the County and the MESB for the infrastructure and operating costs for the County Subsystem and the Statewide System Backbone; and

WHEREAS, As part of the Subsystem project, Ramsey County has also opened a new Consolidated Emergency Communications Center ("ECC"), and has invited all operators of independent dispatch centers in the county to participate in consolidated operations; and

WHEREAS, The City of White Bear Lake ("City") currently operates and maintains an independent dispatch center ("City Dispatch Center"), and has made the determination that it would like to continue operating its independent dispatch center, and that it would like to use the 800MHz technology for its radios and be interconnected with the County Subsystem and the MESB system; and

WHEREAS, The Cooperative Agreement requires an agreement between Ramsey County and the City before the City Dispatch Center will be allowed to interconnect to the County Subsystem and the MESB system and approval of the City's technical plan by the MESB before the City may order Motorola dispatch equipment; and

WHEREAS, The City has executed a cooperative agreement prepared by the County, which defines the rights and obligations of the County and the City for the construction, operation and maintenance of the County Subsystem and of the City's radio dispatch equipment and network interconnection equipment, including responsibilities for design, procurement, construction, operation, and costs; and

WHEREAS, Under the terms of the proposed cooperative agreement with the City, the City is responsible for acquiring its equipment and making connections to the Subsystem, and the City shall fund the full cost for the dispatch equipment and network interconnection equipment, logging equipment and any other equipment and services necessary to interconnect the City Dispatch Center to the County Subsystem; and

(Continued)

WHEREAS, Under the terms of the proposed cooperative agreement with the City, the City shall be responsible for funding and staffing all necessary planning, design, procurement and construction of any and all improvements to physical plant facilities at the City Dispatch Center that are required to house and install the City's dispatching equipment and network equipment covered under this Agreement; and

WHEREAS, Under the terms of the proposed cooperative agreement with the City the City shall pay all operating costs associated with the City's dispatch console positions equipment, the City's network interconnection, and other upstream equipment at County or MnDOT owned or leased sites necessary to interconnect the City Dispatch Center with the System Backbone; and

WHEREAS, Under the terms of the proposed cooperative agreement with the City, the City shall pay its share, based on its use of the County Subsystem, of all user fees and other capital and operating costs assessed by the MESB or the SRB against the County for use of the System Backbone; and

WHEREAS, The County's primary obligation under the terms of the proposed cooperative agreement with the City is to provide the City with capacity on the microwave link between County equipment sites at the White Bear Lake Water Tower on Centerville Rd. and the University of Minnesota; and

WHEREAS, The Ramsey County Board of Commissioners wants all areas of the County to benefit from the new public safety communication system; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners approves the Cooperative Agreement with the City of White Bear Lake for Participation as an Interconnected Dispatch Facility on the 800MHz Subsystem; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the Chair and Chief Clerk to execute the Cooperative Agreement with the City of White Bear Lake, subject to prior approval by the County Attorney's Office and the Budgeting and Accounting Office.

PUBLIC WORKS AND SHERIFF – Request for Funding from Contingent Account for fuel costs

Commissioner Parker introduced the following resolution and moved its adoption, seconded by Commissioner McDonough. Roll Call: Ayes – Parker, Reinhardt, Rettman, Carter, McDonough, Ortega, Bennett – 7. Nays – 0. (2007-287)

WHEREAS, The Public Works' and Sheriff's Departments use vehicles extensively in the performance of their missions; and

WHEREAS, The 2007 Budgets for fuel were prepared in 2005 based on prices known at that time, which have risen since then; and

WHEREAS, The Public Works' and the Sheriff's Departments are projecting shortages in 2007 fuel budgets that total \$114,500; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Manager to make a budget transfer from the 2007 Contingent Account to fuel accounts in the following departments:

(Continued)

Public Works	\$ 24,500
Sheriff	\$ 90,000
Total	\$ 114,500

HUMAN RESOURCES – Renewal of Employee Benefit Plans for Medical, Dental, Life and Disability Insurance for Benefit Plan Year 2008

Commissioner Parker introduced the following resolution and moved its adoption, seconded by Commissioner McDonough. Roll Call: Ayes – Parker, Reinhardt, Rettman, Carter, McDonough, Ortega, Bennett – 7. Nays – 0. (2007-288)

WHEREAS, In 2003, Ramsey County issued a Request for Proposals for medical, dental, life, and long-term and short-term disability insurance that resulted in contracts renewable annually through 2008 with HealthPartners, Delta Dental, Minnesota Life and National Insurance Services of Wisconsin; and

WHEREAS, Due to the rate cap for 2008 in the current contract relating to participation in the HealthPartners Health Assessment, HealthPartners proposed a renewal rate increase of 9.66% for Benefit Plan Year 2008 for the current HealthPartners Distinctions plan design, even though utilization data and medical trend indicated a 19.5% increase; and

WHEREAS, Due to a mandated change by the Minnesota Legislature in the definition of dependent, HealthPartners increased the 9.66% renewal offer to 10.87%, as permitted in the contract with HealthPartners; and

WHEREAS, HealthPartners has reduced the 10.87% rate increase to 9.1% based on plan design changes that were recommended by the Ramsey County Joint Labor/Management Committee on Insurance (“LMC”); and

WHEREAS, Delta Dental proposed a 4.27% rate increase with no plan design changes for Benefit Plan Year 2008, and increased the proposal to a 5.45% increase based on a plan design change recommended by the LMC; and

WHEREAS, Minnesota Life, has proposed a 0% rate increase for Basic Life, Optional Employee and Spouse Life, Dependent Life and Optional Accidental Death and Dismemberment insurance for Benefit Plan Year 2008; and

WHEREAS, National Insurance Services of Wisconsin has proposed rate increases ranging between 10% - 21.5% for Basic and Optional Long-Term Disability for Benefit Plan Year 2008, due to high utilization in each category of coverage; and

WHEREAS, National Insurance Services of Wisconsin has proposed a 15% rate increase for all levels of coverage for Short-Term Disability for Benefit Plan Year 2008 due to high utilization; and

WHEREAS, Ramsey County Human Resources and Deloitte Consulting, LLP, the County’s benefit consultant, have evaluated these rate renewal proposals and recommend renewal with the current vendors for medical, dental, life, long-term disability and short-term disability insurance; and

(Continued)

WHEREAS, The LMC has reached consensus on supporting these recommendations; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners hereby approves the renewal of the contract with HealthPartners, Inc., 8100 34th Avenue South, Minneapolis, Minnesota 55440, for medical insurance for active employees for Benefit Plan Year 2008 at a 9.1% premium increase with the monthly rates and plan design changes as follows:

	HealthPartners Rates		County Portion		Employee Portion	
	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>
Single	\$ 570.34	\$ 622.19	\$ 549.34	\$ 601.19	\$ 21.00	\$ 21.00
Family (Jan-Feb)	\$1,357.39	\$1,480.81	\$ 996.74	\$ 1,120.16	\$360.65	\$ 360.65
Family (Mar-Dec)	\$1,357.39	\$1,480.81	\$ 996.74	\$ 1,083.13	\$360.65	\$ 397.68

Plan Design Changes

- Office Visit Co-pay with Health Assessment: increases from \$10 Level One/ \$25 Level Two per visit, to \$15 Level One/\$30 Level Two per visit. Office Visit Co-pay without Health Assessment: increases from \$15 Level One/\$30 Level Two per visit, to \$25 Level One/\$40 Level Two per visit.
- Out-of-Pocket Maximum: changes from \$650 single/\$1,300 family for medical, and \$650 single/\$1,300 family for prescriptions, to \$700 single/\$1,400 family for medical, and \$700 single/\$1,400 family for prescriptions.

and Be It Further

RESOLVED, The Ramsey County Board of Commissioners hereby approves the contract renewal with Delta Dental Plan of Minnesota, 3560 Delta Dental Drive, Eagan, Minnesota 55122, for dental insurance for active employees for Benefit Plan Year 2008 at a 5.45% premium increase, with the monthly rates and one plan design change as follows:

	Delta Dental Rates		County Portion		Employee Portion	
	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>
Single	\$ 41.35	\$ 43.60	\$ 26.64	\$ 27.77	\$ 14.71	\$ 15.83
Family	\$ 92.05	\$ 97.05	\$ 51.94	\$ 54.44	\$ 40.11	\$ 42.61

Plan Design Change

- Add coverage for dental implants under 50% Prosthetics coverage for Premier and PPO Preferred networks.

and Be It Further

RESOLVED, The Ramsey County Board of Commissioners hereby approves the contract renewal with Minnesota Life, 400 Robert Street North, St. Paul, Minnesota 55101, at a 0% rate increase for Basic Life and employee-paid Optional Employee and Spouse Life, Dependent Life and Accidental Death and Dismemberment for active employees for Benefit Plan Year 2008, with the rates as follows:

(Continued)

<u>Minnesota Life</u>	<u>Monthly Premium</u> (same as 2004 - 2007)	
Basic Life/AD&D (County paid)	\$0.134/\$1000 annual salary	
Optional Life (Employee paid)	<u>Age</u>	<u>Rate</u>
	29 or less	\$ 0.04/\$1000
	30-34	\$ 0.05
	35-39	\$ 0.06
	40-44	\$ 0.10
	45-59	\$ 0.15
	50-54	\$ 0.23
	55-59	\$ 0.40
	60-64	\$ 0.55
	65-69	\$ 0.85
	70 +	\$ 0.95
Optional AD&D (Employee paid)	\$ 0.025/\$1000	
Dependent Life (Employee paid)	<u>Coverage</u>	
	<u>Level</u>	<u>Rate</u>
	\$ 6,000	\$1.26 per month
	\$ 8,000	\$1.68 per month
	\$10,000	\$2.10 per month

and Be It Further

RESOLVED, The Ramsey County Board of Commissioners hereby approves the contract renewal with National Insurance Services of Wisconsin, Inc., 7460 Market Place Drive, Eden Prairie, Minnesota 55344, at an 18% rate increase for County-paid Basic Long-Term Disability; a 10% increase in employee-paid Optional Long-Term Disability insurance for active employees under age 40; a 15% increase in employee-paid Optional Long-Term Disability insurance for active employees age 40 – 49; and a 21.5% increase in employee-paid Optional Long-Term Disability insurance for active employees age 50 and over for Benefit Plan Year 2008 with the rates as follows:

<u>National Insurance Services</u>	2007 Rates	2008 Renewal Rates
Basic Long-Term Disability (40% income replacement-County paid)	\$ 0.083	\$0.098 per \$100 of monthly salary
Optional Long-Term Disability (additional 20% income replacement employee-paid)	Age 2007 39 or less \$.066 40-49 \$.168 50 and over \$.187	2008 Renewal Rates \$0.073 per \$100 of monthly salary \$0.19 per \$100 of monthly salary \$0.227 per \$100 of monthly salary

and Be It Further

RESOLVED, The Ramsey County Board of Commissioners hereby approves the renewal with National Insurance Services of Wisconsin, Inc., 7460 Market Place Drive, Eden Prairie, Minnesota 55344, for the provision of employee-paid Short-Term Disability insurance to County employees for Benefit Plan Year 2008, at a 15% increase over 2007 rates as follows:

(Continued)

30-day Elimination increases from .49% of monthly salary in 2007 to .56% of monthly salary for 2008
60-day Elimination increases from .37% of monthly salary in 2007 to .43% of monthly salary for 2008
90-day Elimination increases from .24% of monthly salary in 2007 to .27% of monthly salary for 2008

and Be It Further

RESOLVED, The Ramsey County Board of Commissioners hereby authorizes the County Manager to execute the 2008 insurance contract renewals and any addenda to the contracts for Benefit Plan Year 2008.

HUMAN RESOURCES – Renewal of Early and Regular Retiree Insurance Plans for Ramsey County Retirees for Benefit Plan Year 2008

Commissioner Parker introduced the following resolution and moved its adoption, seconded by Commissioner McDonough. Roll Call: Ayes – Parker, Reinhardt, Rettman, Carter, McDonough, Ortega, Bennett – 7. Nays – 0. (2007-289)

Chair Bennett commented that his wife is a retiree, but he also represents lots of other retired people. It is a blanket contract over which he has no control. He, therefore, supported the item.

WHEREAS, Ramsey County Human Resources and Deloitte Consulting, LLP, the County's benefits consultant, have reviewed the renewal proposals of the current retiree medical insurance providers, the proposed plan design changes, and Medicare D options currently available, and recommend continuing coverage with the same providers in 2008; and

WHEREAS, The current contracts with each of these carriers result from the 2003 Request for Proposals for retiree insurance, and subsequent Board action approving the new carriers with contracts renewable through December 31, 2008; and

WHEREAS, Ramsey County Early Retirees must be included, by State law, in the same health plan as active employees, currently HealthPartners Distinctions, and HealthPartners has proposed a renewal increase of 9.1% for 2008, with two plan design changes; and

WHEREAS, UCare Minnesota has submitted a renewal offer for its UCare for Seniors Medicare Advantage – Prescription Drug Plan for Regular Retirees at an 8% premium increase from 2007, which was subsequently reduced to a 4.7% increase by making two plan design changes; and

WHEREAS, HealthPartners proposed a renewal offer for its Regular Retiree Freedom Plan with the 28% Medicare D subsidy option, at a 3.89% premium increase over 2007 rates, which was subsequently reduced to a 1.2% premium increase by making three plan design changes; and

WHEREAS, HealthPartners proposed a renewal offer for its Regular Retiree Major Medical plan with the 28% Medicare D subsidy option, at a 9.66% premium increase, which was reduced to 7.91% through the negotiation efforts of Deloitte Consulting and Human Resources, and then further reduced to 6.2% by making two plan design changes; and

WHEREAS, Delta Dental proposed a 4.27% rate increase with no plan design changes for Benefit Plan Year 2008, and increased the proposal to a 5.45% increase based on a plan design change recommended by the LMC; and

(Continued)

WHEREAS, Ramsey County permits its Early and Regular Retirees to participate in the same dental plan as its active employees, with the full premium paid by the retiree; and

WHEREAS, The County contribution for Early and Regular Retirees has been established by previous County Board action; Now, Therefore, Be It

RESOLVED, That the Ramsey County Board of Commissioners hereby approves renewal of the contract with HealthPartners, Inc., 8100 34th Avenue South, Minneapolis, Minnesota 55440 at a 9.1% premium increase for the HealthPartners Distinctions plan for Early Retirees for Benefit Plan Year 2008 with the following plan design changes:

- *Out-of-Pocket Maximum:* changes from \$650 single/\$1,300 family for medical, and \$650 single/\$1,300 family for prescriptions, to \$700 single/\$1,400 family for medical, and \$700 single/\$1,400 family for prescriptions.
- *Office Visit Co-pay with Health Assessment:* increases from \$10 Level One/\$25 Level Two per visit, to \$15 Level One/\$30 Level Two per visit.
- *Office Visit Co-pay without Health Assessment:* increases from \$15 Level One/\$30 Level Two per visit, to \$25 Level One/\$40 Level Two per visit.

This results in a monthly premium of \$622.19 for single coverage (\$570.34 in 2007) and \$1,480.81 for family coverage (\$1,357.39 in 2007); and Be It Further

RESOLVED, That the Ramsey County Board of Commissioners hereby approves renewal of the contract with UCare Minnesota, 500 Stinson Boulevard NE, Minneapolis, Minnesota 55413, at a 4.7% premium increase for the UCare for Seniors Medicare Advantage-Prescription Drug Plan for Regular Retirees for Benefit Plan Year 2008, with the following plan design changes:

- Increase the Office Visit Co-pay from \$15 per visit to \$20 per visit.
 - Add an Outpatient Surgery co-pay of \$50 per visit (currently no co-pay).
- This results in a monthly premium of \$222.00 for single coverage (\$212.00 in 2007), and \$444.00 for family coverage (\$424.00 in 2007); and Be It Further

RESOLVED, That the Ramsey County Board of Commissioners hereby approves renewal of the contract with HealthPartners, Inc., 8100 34th Avenue South, Minneapolis, Minnesota 55440, with a 1.2% premium increase for the HealthPartners Freedom plan with the 28% Medicare D subsidy option, for Regular Retirees for Benefit Plan Year 2008 with the following plan design changes:

- Increase the Office Visit Co-pay from \$15 per visit to \$20 per visit.
- Add an Outpatient Surgery co-pay of \$50 per visit (currently no co-pay).
- Add a 5% co-insurance for MRI/CT Scans (reduces coverage from 100% to 95%).

This results in a monthly premium of \$281.10 for single coverage (\$277.70 in 2007), and \$562.20 for family coverage (\$555.40 in 2007); and Be It Further

(Continued)

RESOLVED, That the Ramsey County Board of Commissioners hereby approves renewal of the contract with Midwest Assurance Company, an affiliated company of HealthPartners, Inc., 8100 34th Avenue South, Minneapolis, Minnesota 55440, at a 6.2% premium increase for the HealthPartners Major Medical plan with the 28% Medicare D subsidy option, for an indemnity plan for Regular Retirees for Benefit Plan Year 2008, with the following plan design changes:

- Increase the annual out-of-pocket maximum from \$2,500 per person/\$7,500 per family, to \$2,750 per person/\$8,250 per family.
- Increase the deductible from \$500 per person/\$1000 per family to \$550 person/\$1100 per family.

This results in a monthly premium of \$531.37 for single coverage (\$500.12 in 2007), and \$1,062.74 for family coverage (\$1000.24 in 2007); and Be It Further

RESOLVED, That the Ramsey County Board of Commissioners hereby approves Early and Regular Retiree participation in the same Delta Dental Plan that is available to County employees, with the full premium paid by the retiree and subject to the County's current participation requirements. Rates for 2008 will increase by 5.45% to \$43.60/month for single coverage (\$41.35 in 2007), and \$97.05/month for family coverage (\$92.05 in 2007); and Be It Further

RESOLVED, That the Ramsey County Board of Commissioners hereby authorizes the County Manager to execute the 2008 retiree insurance contracts and any addenda to the contracts for Benefit Plan Year 2008.

COUNTY MANAGER/BUDGETING & ACCOUNTING – Monthly report of contracts and final payments and grant submissions that were approved during the month of August 2007

Commissioner Parker introduced the following resolution and moved its adoption, seconded by Commissioner McDonough. Roll Call: Ayes – Parker, Reinhardt, Rettman, Carter, McDonough, Ortega, Bennett – 7. Nays – 0. (2007-290)

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 August 2007.

PROPERTY RECORDS AND REVENUE – One application to convey a tax forfeited property by use deed, in accordance with the targeted neighborhood requirements, to the Housing and Redevelopment Authority of the city of Saint Paul, MN, a political subdivision (seven separate items listed on the agenda as 10.3, 10.4, 10.5, 10.6, 10.7, 10.8 and 10.9)

Commissioner Rettman said it has been awhile since a number of these requests have come before the County Board. The narrative in the documentation cites a change in 2003 in the eligible

(Continued)

census tracts that qualify as targeted neighborhoods in the City of St. Paul. Ramsey County would have to agree or disagree on each of the requests. She thought the County Board might want to lay over these requests in order to have discussion on the following:

- 1) If these properties were given to the City of St. Paul (City) to sell, for example, as side lots, the City would be the recipient of all the money. If the County does a private sale, then the proceeds would be distributed to the municipality, the school district, and the County. If these were approved for a fee, the County would forego any other proceeds. The first agenda item is for a 50-foot normal sized lot that could go for auction. There is no purpose identified by the City. Has Ramsey County changed its perspective?
- 2) This precludes the County from getting any dollars and all we would be getting are the fees associated as identified in each request.

Commissioner Reinhardt said during discussion of the Mortgage Foreclosures Workshop, a comment made by the City was that they have 25+ properties that they were having difficulty selling. She asked how that plays into this issue.

Commissioner Rettman asked whether or not these items should be laid over in order to have that discussion.

Chair Bennett said it would depend on the discussion today.

Commissioner Rettman asked if her assertion is correct on her first statement above.

Kris Kujala, Property Records and Revenue, said that if the County conducted a private sale on any of the side yards, which it has authority to do because they meet specific requirements in statute, the money would then be distributed on a 40/40/20 basis at the end of the year -- 40% to the County, 40% to the School District, and 20% going to the City -- but it would be more than \$52, it would be the sale price of the property. Right now, when the Housing and Redevelopment Authority (HRA) submits its application to take these properties, because they are located in target neighborhoods, they are allowed to acquire these properties for deed fees only. Typically, the price includes recording fees, a small agricultural fee and deed tax fee, which in one case, amounts to \$52.70. They also have to pay maintenance costs that the County has incurred from the time of forfeiture until the time they acquire it, also included in statute.

Commissioner Rettman asked Ms. Kujala if she suggested at any point to the City that the County has historically had that ability through direct sale, which might be a better venue.

Ms. Kujala said she has not suggested that to the HRA, and has not had that conversation with Cindy Carlson in regard to the type of authority that Tax Forfeited Land has, basically because at the time of forfeiture, by statute, they are required to notify the municipalities of the parcels that come into forfeiture. The municipalities can choose to acquire them on use deed for public purpose. In the City of St. Paul, they have the targeted neighborhoods allowing them to acquire properties, at no fee for redevelopment purposes, and can acquire them by purchasing them and own fee title. They can also request to hold them for an additional six months until they have a plan in place or have more options for them. In this particular case on these seven, the HRA had requested the County hold them for that additional six months and have since submitted applications to now acquire them by use deed.

Commissioner Rettman referred to Attachment 4. It is indicated that due to current market conditions not all properties have been developed: "At this time 23 completed rehab or new construction homes are for sale through our non-profit partners". If we negotiate the sale of a side yard to someone, then the County would get 40%, the City would get 20% and the School District would get 40% -- more than they would get right now with that sale. There are a limited amount of properties going to tax forfeited auction.

Ms. Kujala said the property would be sold at auction, and would then become taxable for the next year's assessment. If a property sold in 2007, it would become taxable in 2008.

Chair Bennett asked if St. Paul is the only city in Ramsey County with targeted districts.

Ms. Kujala responded affirmatively.

(Continued)

Chair Bennett asked if the other municipalities in the County could only take properties for public purposes.

Ms. Kujala responded affirmatively.

Chair Bennett asked if the County would put a property up for auction for one of the other municipalities in Ramsey County.

Ms. Kujala responded affirmatively, unless a municipality chose to purchase it. They could acquire it for a public use or purpose, and use it for however long they would need it for a road or ponding area, or acquire fee title to the property and own it solely; the State of Minnesota would no longer have rights to it. It would convey outright to that municipality. The property would become exempt under a municipality's exemption, but they would pay full price for it.

Commissioner Parker said Resolution 2003-372 refreshed her memory of a similar discussion in 2003. The first Resolved clause of that resolution requested staff to obtain feedback from the City. She asked if Ramsey County staff engaged in discussions in 2003.

Ms. Kujala said discussions did occur at that time between County Manager staff and City staff.

Commissioner Parker asked about the results of those discussions.

David Twa, County Manager, said part of the agreement was that the City would give a report on a regular basis in terms of what use they had made of the property. That report is attached in today's documentation. There has also been a change in the statutes since that time. If the City sold a property for value, the County would receive a portion of the proceeds -- that has now changed and the County would not be able to do that. Once the City gets the property, they would have control over it.

Ms. Kujala said that is correct.

Commissioner Parker asked whether or not the State statute allows St. Paul to do this differently than the other cities.

Mr. Twa said no; this would be applicable statewide. There was a change in the statute about two years ago.

Chair Bennett said it only affects targeted properties.

Mr. Twa said part of the agreement worked out with the City based on direction from the County Board was: 1) that they would give the County a regular update on how property was disposed of; and 2) if they sold property for money, as opposed to giving it to a neighborhood organization or some other public purpose, then the County would receive a portion of the proceeds. That part of the statute has now changed. Once the County gives the property, it has divested of it, and the City gets to keep the money. That is another reason why this is being seen in front of the Board at this point, and staff wanted direction from the Board. If the Board were to deny the sale of any of these properties, staff would seek to put them on the auction list, which is why the agenda item pertaining to the auction was pulled from the agenda.

Commissioner Rettman pointed out that the City's resolution in the attachment is going from the 1990-targeted area rather than 2003 new language that the County is using regarding State statute change. She suggested having the discussion today or on another day because the County receives no money but the fees under the new scenario --- it precludes the County from any of the associated benefits, which is counter-productive to the County's adopted policy.

Commissioner McDonough asked if it precludes the County from having an agreement with the City that if they could sell those properties, they would agree to do the split.

Chair Bennett said he would defer that question to the County Attorney.

Darwin Lookingbill, Director, Civil Division, County Attorney's Office, said he would need to look further at the statute.

Commissioner McDonough said the County should look into that. There is a lot to be said

(Continued)

with what has been discussed here today, but there is a lot to be said with what the City has been able to do with some of those properties. If the statute doesn't preclude that agreement, the County could turn over the properties to the City. If they actually use them for redevelopment purposes, fine, but if they actually sell them, then common sense would say that they would agree to a split with the County and the School District. If statute doesn't preclude that then that is the way he would like to handle this.

Commissioner Reinhardt said that would be an important thing to find out, as well as why there was a change in statute. This is statewide, but there are only a few communities with targeted areas – St. Paul, Minneapolis, and a few others. We are not going to have an agreement that would be different than State statute. Something unclear to her is if the Board needs to have a reason to deny anything. If the statute is set up so they have that option, it doesn't make sense if it would be to approve or deny if it is set up in a systematic way, but if they ask for it and it is in a targeted area, we have to approve it. What option do we have?

Mr. Twa said in statute, the City gets first chance at it, but the Board always has the right to deny or approve.

Commissioner Reinhardt referred back to Commissioner Rettman's earlier comment about a layover until more information is learned about the statute and whether or not the City would be willing to enter into an agreement.

Chair Bennett said he is leaning more in that direction, but wanted to hear any additional questions and allow the City representative to make comments.

Commissioner McDonough asked if there are any incidents where the City sold a property rather than redeveloped it.

Chair Bennett said he understands that the City of St. Paul has changed its targeted districts.

Ms. Kujala said there was a change in legislation in 2003 that defined the targeted neighborhoods. Previous to that there were four-contiguous blocks that surrounded the census tracts that qualified as targeted neighborhoods. Census data was being used from the 1980 census. There are specific requirements needed in order for a census tract to qualify as a targeted neighborhood. In 2003, it was decided to use the 2000 census data, which eliminated four-contiguous blocks that surrounded the census tracts.

Chair Bennett asked if that means there is less targeted land.

Ms. Kujala said she doesn't know that there is less land because new census tracts were defined when using the 2000 census data. There are three requirements that develop a targeted neighborhood: unemployment rate; median income; and the stock of housing prior to 1940, or substandard housing within an area. They were redefined. What wasn't previously targeted may be, and what was, may have dropped off.

Commissioner Parker said she doesn't have a problem doing this if the City is doing something productive with a property they are acquiring in this way. It is better to sell these properties and get them back on the tax rolls. She wanted to hear from the City on what has specifically happened.

Commissioner McDonough said while the City is responding to the question about how many properties have actually been sold, they could also explain what went into the decision-making process. He did not believe it was stated during the Workshop presentation that the reason they wanted the properties was to sell them.

Cindy Carlson, Real Estate Manager, City of St. Paul Planning and Economic Development (PED), said she has worked with tax forfeit properties for quite awhile. She takes direction on selection of the properties requested from the County from the team leaders, geographic teams and directors; she is not personally responsible for what is chosen. The geographic teams are: Tom Sanchez, East Team; Patty Lilledahl, West Team, and Cecile Bedor, Director, PED.

(Continued)

Commissioner Parker asked what has happened in the past with properties acquired by the City, and what the status is.

Ms. Carlson said the status report to the Commissioners is fairly current; there is not a lot of movement with properties. The tax forfeit properties the City has picked up, as with properties throughout the state and elsewhere, are difficult for development and for sale of properties. The City's focus right now is on ISP (Invest St. Paul) areas. She went through the list; all the properties, with the possible exception of Stryker, are in ISP areas that are focused for the City's attention. For example, 290 Bates is on a block with two properties going into foreclosure. To say what exactly is going to happen to that property, and how soon the City could do anything with it, is at this time difficult to say. The reason to pick up some of these properties is so that as they go through difficult times, they have something to roll over, not letting certain neighborhoods fall into great disrepair. 290 Bates might be acquired for parking or green space, but it is uncertain because of other properties in foreclosure on that block.

Referring to the status report, Ms. Carlson said the City doesn't really get revenue back when they sell many of these properties. Money that the City puts into them is more to provide affordable housing, and to meet some of those requirements in the neighborhoods.

Commissioner Rettman asked, when talking about properties for green space, parking, or side lots, what the designated selling price is for those properties.

Ms. Carlson could not say exactly. Because side yards would enhance a property, the City may charge a homeowner a certain affordable price, hopefully eliminating so many small lots.

Commissioner Rettman asked if the County has the ability to sell a side lot, or parking to an adjacent parcel, what is the benefit to the County for deeding it over to the City as opposed to the County selling it under its own authority.

Ms. Carlson said ultimately, the City would have some control over it. It would not be sold at auction to the highest bidder.

Commissioner Rettman said on the properties designated as side yard, it would be to the parcel and would not go up for auction. The County has the ability to sell it to that parcel owner right now. The proceeds would be subject to the 40/40/20 distribution. Why would we say the County could not do that? It would still go to the same person/entity. Does the County have that ability?

Ms. Kujala responded affirmatively; the County has that ability to sell to an adjacent landowner.

Commissioner Rettman said that has been done historically for years.

Ms. Kujala responded affirmatively.

Commissioner McDonough said he is trying to get a sense of how many times the City has actually taken a property and sold it for the 40/40/20 split. If reading the report correctly, all the properties they have sold have been for \$1, except one for \$18,000.

Ms. Kujala responded affirmatively.

Commissioner McDonough said there has only been one property since doing this where it would have made a difference if the County sold it, and that would have been the \$18,000 property, with the 40/40/20 split. To him there doesn't seem to be a problem here.

Chair Bennett said he interprets that to mean that none of the other properties are sold but rather held by HRA and the City is waiting to get a better price for better value. There is one in District 2 for \$103,000 and HRA still owns it.

Ms. Carlson said if that is the price HRA paid, it wasn't in a targeted area.

Chair Bennett asked if the property is being held by HRA for future development.

Ms. Carlson responded affirmatively. What is included are any tax forfeit properties the City has acquired. If acquired in a targeted neighborhood, it has a very small purchase price.

Chair Bennett asked how to determine which are in a targeted area.

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Ms. Kujala identified the properties on the list within a targeted neighborhood and which are outright. For the most part, any properties showing an acquired price over \$100 or \$1000, HRA purchased outright. Those listed on page 12 in Districts 1, 2 and 3 were purchased outright.

Chair Bennett asked if there are any to be purchased outright today.

Ms. Kujala responded no, they are all being requested through targeted use deed.

Commissioner Rettman said those listed on the first page have not been sold yet, some going back to 2003, some to 2005. Her point is that the County has the ability to handle some of these side lots to get them back out on the tax rolls by the end of the year, allowing for the 40/40/20, which we do not have now with the new State statute change. The County also has the ability to put one or two of them on the auction, which are 50-foot lots and could be purchased by someone who wants to develop it now and put it on the tax rolls, as opposed to many of these properties being exempt. That is the purpose of this discussion.

Commissioner Reinhardt said there are many properties that have sold for \$1, one for \$18,000. There are many that have not yet sold. If the County ends up in the same spot, it is not a big deal. There has been some good turnover in selling property for \$1 and there's been redevelopment and there are good market values. In most cases, these are back on the tax rolls, and where the County gets its portion of funding. As to the amount they are sold for, it is not a lot, with the exception of the one sold for \$18,000. Does the City have a position on the statute, would it be willing to go with the 40/40/20 split to resolve all of this?

Ms. Carlson said she does not know who worked on that. Since most of the properties are for redevelopment, there could be a conversation about that.

Commissioner Reinhardt said we should get the answer because it may be a non-issue.

Commissioner McDonough said in looking at the list, all those that had sold are back on the tax rolls, nearly all homesteaded. So much of his area is part of this and one of their biggest problems is with absentee landlords. There is actually only one that sold for more than \$1 that would come into play on the 40/40/20 split. Most of those that have not sold were acquired outright. Those listed on page one in District 4 were acquired for \$1. On Commissioner Rettman's suggestion to just auction those off and get them developed right away, he is not so sure they would be developed right away. A developer might buy them and hold off just like the City is holding off for the right opportunities. He would rather have the City make decisions about how some of these get developed than to have a developer buy these for a couple hundred dollars, leaving no control over what happens in these areas. He doesn't see a problem here. If the County can talk to the City, and if statute allows, the 40/40/20 split could be done on any property that they would actually sell.

Commissioner Parker felt the City would have no incentive to go to the 40/40/20 because right now they get 100%, and they feel they are doing all the work.

Commissioner Reinhardt said it would not hurt to ask. They did not have to before but they did. It was her understanding that in 2003 the County spoke with the City and came up with the 40/40/20 – that wasn't in statute.

Ms. Kujala said there was discussion regarding splitting proceeds of any targeted neighborhood sale on a 40/40/20 distribution. That she is aware of, there hasn't been a property that has been sold for more than what HRA acquired it for from tax forfeited land. There has been no distribution of any funds to anybody. Until that would happen, it is basically an issue they have an understanding on. Amy Felice had some discussions with some County folks, possibly Dorothy McClung when she was with the Department.

Chair Bennett said if the County goes forward with this, the Department should look at this and come back with a report.

Commissioner Rettman said going by the dates, Ms. Kujala is correct when the change happened. However, under the County's scenario of the County selling a side lot, there would be

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that 40/40/20 split. The City would benefit, it would be back on the tax rolls, and it would still go as a side yard usage, but there would be that equitable distribution.

Commissioner Carter moved for a layover, seconded by Commissioner Parker.

Mr. Twa said, assuming a layover; it would be on Items 10.3 through 10.9. Item 10.10 is the auction.

Commissioner Reinhardt asked, assuming these individual properties would be brought back next week, if they could be added to the auction at that time, if the Board chose to do so.

Ms. Kujala responded affirmatively and added that the auction may have to be delayed due to publication dates and requirements. Additionally, the Department is moving.

Commissioner Carter asked if there is an option to proceed with the auction for the properties listed, and if the Board chooses, to put any denied tax forfeit properties from today up for auction.

Ms. Kujala responded affirmatively. Any of the properties the Board chooses to deny can be put on a different auction. Staff would proceed with the current auction on October 25 with the six properties listed in Item 10.10.

Commissioner Ortega said a question to the City would be if the statute allows for the 40/40/20 split, are they willing to do that.

Commissioner Rettman said the County Attorney's Office would look at the statute.

Commissioner Carter moved, seconded by Commissioner Parker, to layover items 10.3 through 10.9. Ayes – Parker, Reinhardt, Rettman, Carter, McDonough, Ortega, Bennett – 7. Nays – 0.

PROPERTY RECORDS AND REVENUE – Public Auction of six tax forfeited parcels on October 25, 2007

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

Commissioner Carter referred to a property in District 4, which is a parking island between 507 and 523 Central Avenue West. She asked if that property is being offered for auction for anyone to purchase, or is it land that should be appropriately developed. This is vacant land that appears to be in the middle of a cul-de-sac parking area.

Ms. Kujala said this property could be offered for sale at auction or to an adjacent landowner. This is an island in the middle of a cul-de-sac, and is used for parking by the surrounding housing association. Because it is not exactly adjacent to the landowners, she would need a County Attorney opinion whether this would meet the letter of the law for a private sale. Instead of doing that, the recommendation is to put it up for auction so that if the homeowners want to get together as a group to bid on the property and purchase it as a group, they could do so.

Commissioner Carter asked if she could purchase it for her garden.

Ms. Kujala responded affirmatively.

Commissioner Carter said she asked the question because the association may want the property to remain connected to the owners.

Chair Bennett asked if the surrounding properties are apartments or a townhouse complex.

Ms. Kujala said there are individual homes that surround this property, and are using it for parking.

Commissioner Ortega asked what would stop anybody else from purchasing this property.

Chair Bennett said this is not a buildable lot.

Commissioner Ortega asked if it could be made into parking.

Ms. Kujala said this property most likely would meet the square footage for a buildable lot but because of the nature in how it is laid out, she suspected the City would not allow a structure to be put on it. It currently has parking spots on it, people have used it for years, and they stopped paying

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taxes on it. The prior tax statement went to the homeowners association and they purposely stopped paying taxes on it. The Department notified them of the forfeiture and they chose not to come forward to repurchase.

Chair Bennett asked if there is a homeowners association that owns all the property outside those homes, why can't the association be considered the neighbor, and therefore, buy the property.

Commissioner Reinhardt said the association did own the property.

Ms. Kujala said David Twa, as County Manager, has the authority to remove any property from the auction and if he so chose, would direct the Tax Forfeit Land division to do a private sale to the adjacent landowner, if the County Attorney approves that type of sale. That would be the decision of the County Board.

Commissioner Carter said she did not know if she would suggest that. It was stated that the landowners previously owned this property. Was it an attachment to their property?

Ms. Kujala said the homeowners association owned it; however, these homes are not laid out like a condominium or townhome development. They have a common area that other homes sit on. They own their individual lots and homes and this peripheral area of parking is part of their association, similar to some neighborhoods with associations.

Commissioner Carter asked that this property be removed from the auction in order to obtain more information. She is aware of a homeowners association in the past, but is not certain how that has worked. She knows there would be a concern if the property were to be separately purchased, and a discussion should be held with the City to determine what is best for the neighborhood.

Commissioner Carter moved to amend the motion by removing the property located between 507 and 523 Central Avenue W., St. Paul, 55101, from the auction list dated September 11, 2007, seconded by Commissioner Parker.

Chair Bennett asked when and how this property was purchased?

Ms. Kujala said she would get that information to the Commissioners.

Chair Bennett said the answer would be key to this discussion. He heard that the individual homeowner owns the property outside the homes.

Ms. Kujala said that is her understanding. Each property sits on its own lot surrounding the cul-de-sac. Coming off Central Avenue, the cul-de-sac is a "u" shape.

Chair Bennett said there would be several ways they could own the property, but normally, if there are ten homeowners, they would each have one-tenth ownership, and it is assigned to their own property. It will be interesting to get the information if that happens, when and how it was purchased, and when they quit paying taxes.

Commissioner McDonough said it is his understanding that the homeowners association owned this lot and they let it go tax forfeit because they chose to not pay taxes anymore. They are playing games. Auction off the property and they can either buy it or take the chance someone else will.

Mr. Twa said the Board has given him the authority as Acting Director of Property Records and Revenue to remove the property from the auction list. If the homeowners association were to come forward sometime between now and the auction to say they want the property and are willing to pay the price necessary to get it back, that could be done. Absent that, the County's position has been since they let it go and chose to use the property without paying for it, it makes sense to put it up for auction.

Chair Bennett asked whose name is now on the title?

Ms. Kujala said the State of Minnesota is on the title.

Chair Bennett asked if the County could sell the property.

Ms. Kujala responded affirmatively.

(Continued)

Commissioner Reinhardt said with the information the County Manager just provided, the fact that the homeowners association did own the property and chose to let it tax forfeit so that they didn't have to pay taxes on it, and were aware of this, there is time between now and the auction for them to come forward to prevent it from going to auction. This has to be resolved. By leaving this on the auction list, it provides the homeowners with some options.

Commissioner Parker cited Parcel C page 9 and said this is a similar property, just north of Parcel A, which is the parcel being discussed. She asked if the City, by allowing this development plan, didn't plan for that to be parking. There might not have been adequate street parking and this is the only place they have to park.

Chair Bennett said somebody has to pay the taxes on the property.

Commissioner Parker asked what is happening with Parcel C.

Ms. Kujala said outlot "C" was previously a tax-forfeited property, which the Department also offered for auction at one point. That occurred about two years ago, and it was removed from auction because the homeowners made a call, hired an attorney to work with the Tax Forfeit office to buy the property. They put that into the homeowners' declaration, they assigned it to their treasurer, who then received the tax statement, and committed to paying the taxes. I think some of that is occurring here; it is just that the right person has not contacted us.

Commissioner Bennett asked if this is a separate homeowners' association.

Ms. Kujala responded affirmatively. She said the department would be notifying all the people that surround this outlot. When they send out the auction notice they are required by statute to send it to everyone within 300 feet of the property. Everyone surrounding this outlot A will receive notification.

Commissioner Parker believes that no matter how it is done, we will end up with the same result. Either the County could initiate the conversation or the notice could be sent. It could be that whoever was responsible for the taxes moved and others didn't know about it. She supported the motion because Commissioner Carter represents that area, and she may want to have that conversation rather than have it become tax forfeited.

Commissioner Rettman said the property is already tax forfeited. She requested clarification that the department contacted and sent notices to the person who had been paying the bills. She also requested clarification that if the property goes to auction, the back taxes would be paid.

Ms. Kujala said the back taxes are not recovered if the property goes to auction – just the value of the property. The assessments owed would be paid. As far as the notification that their office sends, at the time of forfeiture staff does a title search of the prior owner and then sends notification out to that prior owner to give them the opportunity to come in and file a repurchase application.

Chair Bennett said there would be a name on the property title.

Ms. Kujala responded affirmatively.

Commissioner McDonough said the property is valued at \$500 and the taxes on it are insignificant. He believes it should just be moved forward, which would stimulate the group to make the proper arrangements.

Commissioner Carter said she is not aware of what is going on, but she knows there have been foreclosures in this area and there is the possibility that we have not yet communicated with the neighbors. She would like to have the opportunity to have that communication. There is no reason for this to go to that extent.

Commissioner Rettman said the same thing has happened in her district; she went out and let the folks know one more time. Someone made an overt decision to not pay the taxes. There are too many of these small properties. Little slivers of land were carved off and languished. Putting them on the auction block got some action and someone now takes care of the property so they are not neighborhood nuisances. She does not support the layover.

(Continued)

Commissioner Reinhardt said that if it were an oversight, to get such a letter would scare a person. She would think the letters are not going out for a day or two, which would give Commissioner Carter time to contact the owner and hopefully cure the situation.

Commissioner Ortega called the question.

Roll Call on amendment to remove the property between 507 and 523 Central Avenue W., St. Paul, 55101, from the auction, and to lay it over: Ayes – Parker, Carter, Ortega – 3. Nays – Reinhardt, Rettman, McDonough, Bennett – 4. Motion to amend the resolution failed.

Chair Bennett asked if people are notified that they are not allowed to park on that property because we have jurisdiction and responsibility over it.

Ms. Kujala responded that they have been allowed to park on the property. They have not been blocked from parking on it nor have they been told that they cannot park on it.

Roll Call on original motion: Ayes – Parker, Reinhardt, Rettman, Carter, McDonough, Ortega, Bennett – 7. Nays – 0. (2007-291)

WHEREAS, Pursuant to Minnesota Statutes section 282.01, subd. 7, the county is authorized to offer for sale to the highest bidder tax forfeited lands within the county; and

WHEREAS, The Ramsey County Board of Commissioners has prepared an Auction List captioned Exhibit "B", dated September 11, 2007, of lands forfeited pursuant to Minnesota Statutes Chapter 281, and classified as non-conservation lands pursuant to Minnesota Statutes Chapter 282, and has determined the appraised value thereof; Now, Therefore, Be It

RESOLVED, By the Ramsey County Board of Commissioners, that each parcel shown on said Exhibit "B", attached hereto by reference and on file with the Chief Clerk, have its appraised value approved for the amount set opposite the description thereof, and the Acting Director of Property Records and Revenue is hereby directed to offer each parcel to the highest bidder, but for not less than the appraised value as determined at a public sale commencing at 9:30 a.m. on October 25, 2007. Thereafter, any remaining parcel that received no bid may be sold at a private sale for not less than the appraised value as determined herein. Price cannot be changed unless the parcel is reappraised, republished, and offered at a subsequent auction. All sales shall be for the terms and conditions set forth in Exhibit "A" on file with the Chief Clerk; and Be It Further

RESOLVED, This resolution and Auction List shall be filed with the Director of Property Records and Revenue and notice, as in Exhibit "A", shall be given in accordance with the statute therefore provided that a public sale will be held in the Ramsey County Government Center West Building, 50 W. Kellogg Blvd., St. Paul, MN, 55102, Satellite Conference Room, 6th Floor, Building A on the 25th day of October, 2007, beginning at 9:30 a.m.; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners hereby certifies that all parcels of land have been viewed and none of the parcels physically pertain to the provisions of Minnesota Statutes section 85.012, 92.461, 282.01 subd. 8, 282.018; and Be It Further

RESOLVED, The Acting Director of Property Records and Revenue has the authority to remove any parcel prior to auction one time only. Any additional requests to remove the same parcel from a subsequent auction must be approved by the Ramsey County Board of Commissioners.

(Continued)

PUBLIC WORKS – Prioritized 5-year Bridge Replacement Plan

Commissioner Parker introduced the following resolution and moved its adoption, seconded by Commissioner McDonough.

Commissioner Parker said the issue of bridges that require maintenance is very important to everyone. She believes that one of the bridges listed here is the one in New Brighton that had recently been added to the deficient bridge list. She asked why that bridge is listed further down the list, and if the ratings are used in this listing.

Ken Haider, County Engineer, said it is listed later in the five-year program because funding has not yet been secured. It takes time to apply and get approval. The bridges listed in closer years have already been funded. They are in the process of applying and making certain that the New Brighton bridge is funded. It is in the five-year program regardless of funding. Any bridge that has a deficiency rating below 50 automatically becomes eligible for funding; they pursue that funding immediately, but it usually takes a few years.

Commissioner Parker asked how the rating on bridge 4533 compares with the others.

Mr. Haider provided information on the sufficiency ratings, which is more indicative of when funding becomes available rather than the actual condition of the bridge. The sufficiency rating includes three factors: 55% has to do with the actual physical condition of the bridge; 30% pertains to the geometry of the bridge and 15% is functional capacity. The sufficiency ratings vary from 42.8 to 49.6. He provided the rating on the bridges as follows: Bridge #6599 – 42.8; #6600 – 44.8; #5950 – 46.4; #90401 – 49.6; #4533 (there were two numbers on two different lists) – 49.3 and 43.0. Mr. Haider said he did not know the difference between the two lists, but this bridge went below 50 a couple of months ago. Bridge #9470 – 47.3; #5664 – 48.9.

Commissioner Parker said there may not be a lot of confidence in the numbers, but that is all we have. When a catastrophe like the I35W bridge collapse happens, people go to the information decision-makers had – and question the decisions made. It looks like most of these bridges require funding; she hopes that funding will be pursued for all of them. She said that if bridge #4533 is really at 43.0, it should be moved up.

Commissioner Rettman said bridges 6599 and 6600 were to have been done in 2007.

Mr. Haider said there were superstructure problems that had arisen.

Commissioner Rettman said the cities took a longer time; but the bids are being let for 2008, by the City of St. Paul. These bridges have been checked and rechecked repeatedly. Funding has been pursued for many years and finally came through.

Mr. Haider said the sufficiency rating is more a measure of how you compete for funding as opposed to the structural condition. Fifty-five percent of the weight is given to structural integrity of the bridge. Therefore, he would not look at the sufficiency rating as the definitive description of how good or bad a structure is. He recalls that the deck of the New Brighton bridge is in okay shape; the superstructure was a four instead of a five; the substructure was well over minimums. The only thing we are talking about on that bridge is that there are some beams that go across that are deteriorating and there is some rust on them. In the case of the Maryland Avenue bridge that is being done now, the deck is in terrible shape, there are potholes where people are breaking tires and wheels on it. That bridge needed attention and was on the list earlier. He doesn't believe we need to worry about these bridges. There are stop/gap measures that could be done if it was felt that funding was not being made available through the usual process. He would then suggest to the Board that the bridge should be given some attention. He doesn't believe we are at that step.

Commissioner Reinhardt said that all the bridges need to be done and it is an issue of funding, which was a major part of the discussion at the Eastern Transportation Alliance meeting last night. There are bridges that need funding and we need to figure out a way to get something that is sustainable for the long term to help fund these. This is a small part of what we have that needs to be replaced. These bridges are the ones that have met that criteria. In the end, they all

(Continued)

need to be done as soon as possible. She is hearing that it is not a matter of feeling that they were structurally unsound – if they were unsound they would be closed. They all need to be done as soon as possible, but that comes back to funding.

Chair Bennett asked if state funding was being sought on these bridges.

Mr. Haider responded it would be a combination of federal and state monies. The programs have not solicited requests at this time – they are waiting for the cycles to come around again. The bridges that are funded are funded specifically for those bridges – it is not money that can be moved around.

Commissioner Parker wants to know if the rating of bridge #4533 is 49.3 or 43.0. We have to work on getting money to get all these done. If the rating is 43.0 we are knowingly leaving something for the year 2011 rather than moving it forward.

Chair Bennett asked if there are others below 50.

Mr. Haider said that everything below 50 is on this list. He said the bridges are inspected on a regular basis. If something starts to look like it is getting away from us, we would take more severe action.

Chair Bennett asked if the same person inspects all the bridges.

Mr. Haider said several folks are trained and certified to do the testing, but the vast majority of the testing is done by one very well trained person. None of these bridges is considered fracture critical. The I35W bridge was a fracture critical bridge, which means that if there was a failure in one member, the entire structure would fall down. None of the bridges on this list are fracture critical, which means that if there were a failure of one member, the other members would distribute the load and keep the bridge intact. If that happens, there would obviously be some action on the part of the department.

Commissioner Parker asked Mr. Haider to get back to the Commissioners with the rating of bridge #4533. Mr. Haider said he would do so.

Roll Call: Ayes – Parker, Reinhardt, Rettman, Carter, McDonough, Ortega, Bennett – 7.
Nays – 0. (2007-292)

WHEREAS, Ramsey County has reviewed the pertinent data on bridges requiring replacement, rehabilitation, or removal, supplied by local citizenry and local units of government; and

WHEREAS, Ramsey County has identified those bridges that are high priority and that require replacement, rehabilitation, or removal within the next five years; Now, Therefore, Be It

RESOLVED, The following deficient bridges are high priority and Ramsey County intends to replace, rehabilitate, or remove these bridges as soon as possible when funds are available:

(Continued)

Old Bridge #	Road #/Name	Estimated Project Cost	State Bridge Funds	Federal Funds	Local Funds	State Aid Funds	Proposed Construction Year
6599	CSAH 31*	2,125,000	1,000,000	480,000	100,000	545,000	2008
6600	CSAH 31*						2008
5950	CSAH 36	8,200,000	1,200,000	5,000,000		2,000,000**	2010
90401	CSAH 40	500,000	500,000				2011
4533	CSAH 77	1,000,000	500,000			500,000	2011
9470	CSAH 49	2,860,000	552,000			2,308,000***	2008
5664	CSAH 55	5,600,000	640,000	2,560,000		2,400,000	2011
*Let as one Contract **Represents \$1M CSAH & \$1M St Paul MSAS *** TH Turnback \$							

and Be It Further

RESOLVED, Ramsey County does hereby request authorization to replace, rehabilitate, or remove such bridges when funds are available.

PUBLIC WORKS – Approval of Supplemental Agreement #3 to Agreement PW2006-14 with WSB & Associates, Inc.

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

Chair Bennett said this is the County’s attempt to assist Mn/DOT to correct some of the problems at I694 and Rice Street.

Roll Call: Ayes – Parker, Reinhardt, Rettman, Carter, McDonough, Ortega, Bennett – 7. Nays – 0. (2007-293)

WHEREAS, Ramsey County, in cooperation with MnDOT and the Cities of Shoreview and Vadnais Heights, is preparing final plans and specifications for the re-alignment of Vadnais Blvd at Rice Street, immediately north of I-694; and

WHEREAS, This project is a first phase of a larger improvement being planned for the interchange area of Rice Street and I-694; and

WHEREAS, The connection of Vadnais Boulevard to the north terminal of the interchange causes significant operational problems to traffic flow and realignment will provide interim safety and congestion improvements to both Rice Street and I-694 until MnDOT is able to reconstruct the entire interchange – currently programmed for 2015 or later; and

(Continued)

WHEREAS, Design of the new roadway segment includes traversing a steep unstable slope area along the west embankment of Vadnais Lake (west arm) and the initial goals of incorporating a design relying on soil stabilization/retained fill techniques have since been abandoned in favor of a low profile bridge design; and

WHEREAS, The scope of design requirements for the low profile bridge design have required adjustments as a more complete understanding of design factors was assembled; and

WHEREAS, Supplemental Agreement Number 3 provides for final design additions and revisions to construction plans and specifications at a cost not to exceed \$34,674.44; and

WHEREAS, The cost for this work is eligible for County State Aid Highway (CSAH) Turnback funds; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners approves Supplemental Agreement No. 3 to Agreement PW2006-14 between Ramsey County and WSB & Associates, Inc.; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Manager to execute Supplemental Agreement No. 3 on behalf of Ramsey County; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes the County Manager to approve a budget adjustment in the amount of \$34,674.44; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners approves a temporary cash loan, not to exceed \$34,674.44, from the County General Fund to the Road and Bridge CIP Fund until receipt of participating funds.

COMMUNITY CORRECTIONS – 2007 Community Corrections Act Subsidy Increase

Commissioner Parker introduced the following resolution and moved its adoption, seconded by Commissioner McDonough.

Commissioner Reinhardt asked if the Board has control over how these unanticipated revenues are spent or does this just go into the formula.

Gale Burke, Community Corrections Department, said the funds are strictly for correctional services.

Chair Bennett asked if it is new additional money that had not previously been considered before the budget committee.

Ms. Burke responded affirmatively. She said the funding stream from this additional \$2.8 million was presented at the 2008-09 budget hearing.

Commissioner Reinhardt said this particular funding was not in the 2007 budget and was therefore new money that has come in. She asked how this would be handled in 2007.

Ms. Burke said they would submit an amendment to their application for CCA funding. Once approved, they would submit a budget adjustment to the Budgeting and Accounting Office to increase appropriations and accept the revenue.

Commissioner Reinhardt asked if that would come back to the Board or if this is the only time the Board would see this item. When money has come in to other areas within the County, the department states how they would like to use the money, and the Board approves it. In this case,

(Continued)

the Board is just approving the money coming in, but there is no way to know where it is going. If it is a set formula, we know where it is going. If it is discretionary, we would want to know what that amendment was. How does the department intend to spend the money?

Sally Ruvelson, Community Corrections Department, said the department is planning to spend the money, but it has not been prioritized at this point. They are planning to spend it on some immediate needs that have not been funded in any other way, such as a contract with Face Value Consultants to look at work place and gender equity. The department is in phase 2 of the contract and is looking to funding phase 3 of that work. They also have some therapy for residents at Boys Totem Town that is geared toward Hmong- and Spanish-speaking families. It is critical for their transition back into the community. That is the type of contract they have been looking at.

Commissioner Reinhardt said she would like this additional revenue treated the same as it is treated in any other department. When it comes in, the Board is asked to accept the money, but there is also a spending plan, and the Board votes on how that money is going to be spent. She would vote to accept the money, but would like to see the spending plan come back to the Board with an actual expenditure of the funds.

Chair Bennett asked if that is how other departments are handled. If a department receives additional funding that has not been allocated to any specific area through the budget department the previous year, do they spend it as they decide it is needed or does it come back before the Board?

Julie Kleinschmidt, Finance Director, said typically the plan for spending is fleshed out more in a resolution. They could bring back the budget adjustment for the Board's approval.

Commissioner Reinhardt requested an amendment to the resolution stating that the actual budget adjustment would return to the Board for approval. Acceptance of the money would still go forward today.

Commissioner Rettman said she heard that this is in the 2008-09 budget and it is appropriated in a certain area. She has also heard that in 2007, they want to use it very similar to one-time only money. That is counter-productive to what she believes is the question. Before she accepts this money, she would want to see that because the department is asking to increase the expenditure, the revenue, and the appropriation, at a different level. Therefore, it ups that level. What is proposed for 2008-09 would be compact and contiguous to what it would be spent on this year. She heard the department say that there are some things that they might use the money for, which seems inconsistent. She prefers to see the budget before the Board accepts the money.

Chair Bennett suggested that the resolution could be amended to accept the money, and that it not be spent until the department returns with the program showing where the money would be spent, which would then be approved by the Board.

Commissioner Reinhardt said that is basically what she has said.

Commissioner Rettman said it is a messy way to do budgets.

Roll Call on amended resolution: Ayes – Parker, Reinhardt, Carter, McDonough, Ortega, Bennett – 6. Nays – Rettman – 1. (2007-294)

WHEREAS, During the 2007 Legislative Session, an additional \$2.8 million was allocated by the legislature for the Community Corrections Act Subsidy; and

WHEREAS, Ramsey County Community Corrections' share of the increased subsidy for 2007 is \$175,532; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners hereby accepts the additional Community Corrections Act Subsidy revenue of \$175,532 for the Community Corrections 2007 budget; and Be It Further

(Continued)

RESOLVED, The Board directs the Community Corrections Department to return to the Board with a spending plan for the increased revenue.

PUBLIC HEALTH – Environmentally Responsible Events

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

Commissioner Rettman has concerns as follows: she believes this Board has made the decision that Ramsey County taxpayers will not be paying for the Republican National Convention (RNC). The genesis of this resolution is catapulted because of the RNC. We can say it is also for other conventions in the future; however, the Board has consistently said that the City of St. Paul is receiving money and is raising additional money for the RNC, as is Hennepin County. St. Paul is in charge of the convention and if they so choose to put this as a concept they will pursue it as part of their venue. Equally, the environmental charge, which appears on a person's trash bill, is Ramsey County dollars. Spending \$100,000 on something the taxpayers pay for in their environmental charge should not be used for this purpose. If it is that important, they can do it. Referring to the narrative in the scope of work, Zack Hansen, Environmental Health Division Director, has wanted to get the Taste of Minnesota to do this for a long time. This is to demonstrate best environmental practices; if they want it, they can pay for it.

Commissioner McDonough asked whom the consultant would report to.

Commissioner Reinhardt understands that this is an RFP that would be put out by Ramsey County Environmental Health and therefore, would report to Zack Hansen.

Rob Fulton, Director, Public Health Department, said that is correct.

Commissioner McDonough asked about other events that would fit this besides the RNC.

Mr. Fulton provided an analogy of a project with the school district around measuring how much fruits and vegetables were eaten by school children. They did it by source separating the food waste from the rest of the waste, just for that project. That grew into a county supported project. This is similar. What has raised the consciousness level is the RNC, but the sense is that there are best practices for the development of "green" events. Some of the best practices in using recycling cups and requiring all vendors to use them came from the Minnesota State Fair. What has raised the awareness was the fact that this large convention will be coming here. The learnings would be useful for any event, even a neighborhood event. These best practices would be developed and then be in place for use by anyone who wanted to have a "green" event.

Commissioner Reinhardt said this has changed from the original discussion about this. We were trying to figure out exactly what was going to be accomplished. There are many other conventions, but this was an impetus in moving this forward because of the worldwide attention that will be shown to us during that time. The learnings will be applicable to virtually any event, whether it would be the hotels taking advantage of the curriculum, the schools, or the event itself. It will also highlight some things already done; for example, she believes St. Paul is the only capitol that uses renewable fuel to heat and cool the State Capitol. This is something that could be highlighted. The idea behind this is to try to have something applicable well beyond the RNC. She views it as taking advantage of the worldwide attention that will be on our community to try to make something happen in a very positive way for our environment. She believes that what is before the Board does that.

Commissioner Parker agrees with Commissioner Rettman's point about not wanting to use Ramsey County taxpayer money for the RNC. She will support this, however, because of the broader perspective of it. When the consultant has had an opportunity to develop a plan, she would like a report provided to the Board. There are many opportunities that have not yet been fully

(Continued)

explored, such as in the parks and Landmark Center. We could be more aggressive in how we encourage people to consider all the opportunities available. She will support this because of the broader scope.

Commissioner Rettman's concerns do not include the concept of having this; it has to do with the funding source. The Republican's gave a check to do some housing; this could be their gift to us of being the demonstration for a "green" convention, and could be the gift that we get the best practices from. Her concern is that if this is so important, the City could fund it. The State Fair did not need a consultant to make the decision to go the way they did. It is the funding source – those are Ramsey County dollars and she will continue to be consistent and insistent that we challenge ourselves to keep to what we previously said – the Ramsey County taxpayer would be held harmless in the payment of hosting the RNC.

Chair Bennett asked if Commissioner Rettman was going to move an amendment to request that reimbursement. The motion would state that we would ask for it, but still go ahead with this if the money is not provided.

Commissioner Rettman said she doesn't believe it would be reimbursed.

Commissioner Reinhardt, as maker of the motion, said it would not hurt to ask for reimbursement.

Commissioner McDonough asked about the process for identifying a consultant.

Mr. Fulton said the Administrative Code requires an RFP for this project, so one will be used.

Commissioner Carter will support this request because she recognizes the Board's responsibility for the Solid Waste Management cycle and for advancing ideas and ways of promoting better, more effective solid waste management. It seems to her that the opportunity before us is to utilize a promotional route that would not otherwise be available and to impact a large number of ongoing activities, conventions and other events that happen within our County. She will support it with the understanding that this is not to support the RNC but to support, promote and enable ongoing enhancements in solid waste management in Ramsey County and waste management overall.

Chair Bennett said that with up to 15,000 media coming in, it is a good way to do some education. He hopes that the consultant will have a good working relationship with the media so we can get some publicity and the public can get the knowledge they need.

Commissioner McDonough believes it would be important to have a report back to the Board regarding what this \$100,000 will buy us.

Commissioner Reinhardt said she has accepted two friendly amendments – to have a report come back and to request reimbursement.

Mr. Fulton said it is important that the Board see the product that comes out of this. It would be fun for staff to come back and share that information with the Board.

Roll Call on amended resolution: Ayes – Parker, Reinhardt, Carter, McDonough, Ortega, Bennett – 6. Nays – Rettman – 1. (2007-295)

WHEREAS, The Ramsey County Solid Waste Master Plan includes policies and strategies that call for working with municipalities on innovative ways to promote and increase waste reduction and recycling, and to increase recycling at public events and venues; and

WHEREAS, The 2008 Republican National Convention provides the County with an opportunity to showcase environmental accomplishments, incorporate environmental best practices into event planning, and enhance the quality of life in the City and County; Now, Therefore, Be It

(Continued)

RESOLVED, The Ramsey County Board of Commissioners hereby authorizes the Department of Public Health to identify a consultant to work on green events through 2008, and recommend a contract for services to the County Manager; and Be It Further

RESOLVED, The County Board hereby authorizes the County Manager to execute the recommended agreement with the selected consultant, in a form to be approved by the County Attorney, in an amount not to exceed \$100,000, with a term through December 31, 2008; and Be It Further

RESOLVED, The County Board hereby authorizes the County Manager to transfer \$100,000 from the Solid Waste Fund Balance and make budget adjustments as necessary; and Be It Further

RESOLVED, The County Board directs staff to seek reimbursement of the \$100,000 from the Republican National Convention; and Be It Further

RESOLVED, The County Board directs staff to return to the Board with a report on this work.

HUMAN RESOURCES – Salary grade reassignment for two classifications: Radio System Manager-800 MHz Interoperable Radio system (unclassified) and Radio System Operations Coordinator-800 MHz Interoperable Radio System

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

Commissioner Rettman will not support this item as she believes the salaries are too high.

Roll Call: Ayes – Parker, Reinhardt, Carter, McDonough, Ortega, Bennett – 6. Nays – Rettman –1. (2007-296)

WHEREAS, The Ramsey County Human Resources Department received requests for position classification reviews of the job classifications Radio System Manager-800 MHz Interoperable Radio System (Unclassified) and Radio System Operations Coordinator- 800 MHz Interoperable Radio System; and

WHEREAS, The Ramsey County Human Resources Department conducted a classification/compensation study of these classifications and analyzed external and internal salary information; and

WHEREAS, The Ramsey County Human Resources Department has revised the classification specification for Radio System Manager-800 MHz Interoperable Radio System (Unclassified) and determined the appropriate compensation is Salary Schedule 98B, Grade 41 of the Ramsey County compensation plan; and

WHEREAS, The Ramsey County Human Resources Department has revised the classification specification for Radio System Operations Coordinator-800 MHz Interoperable Radio System and determined the appropriate compensation is Salary Schedule 02A, Grade 34 of the Ramsey County compensation plan; and

WHEREAS, The Ramsey County Human Resources Department determined that the appropriate job classification title for Radio System Manager-800 MHz Interoperable Radio System (Unclassified) is Director of Emergency Communications (Unclassified); and

(Continued)

WHEREAS, The Ramsey County Human Resources Department's recommended salary grades are in accordance with the guidelines established by Ramsey County compensation policy (Resolution 95-356) and practices, Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners hereby approves the following salary grade allocations for the classifications of Director of Emergency Communications (formerly Radio Systems Manager-Unclassified) and Radio System Operations Coordinator-800 MHz Interoperable Radio System.

<u>Classification</u>	<u>Schedule</u>	<u>Grade</u>	<u>Monthly Salary Range</u>
Director of Emergency Communications (Unclassified; formerly Radio Systems Manager)	98B	41	\$6,558-\$9,752
Radio System Operations Coordinator-800 MHz Interoperable Radio System	02A	34	\$4,990-\$7,409

PROPERTY RECORDS AND REVENUE – Abatement Review Committee

David Twa, County Manager, said the Board, by resolution, had requested that a review committee be appointed every three years to evaluate the County's abatement policy and administrative procedures. That was done in 2006; the committee met three times during 2006 and 2007. A redlined version of the policy is included in the documentation, which provides the changes. Essentially, the changes are ministerial except for two that were made by State statute. Those relate to giving the County Board approval to reduce values due to presence of mold and related to disasters. In each of those cases, any abatement in those areas would have to come to the Board for approval. The rest of the changes in the resolution are ministerial, except that the Board had previously set this up as a three-year review; a five-year review is being proposed because of major things that happen. In the resolution, it provides that staff would have the authority to do the review sooner, if the need was there. Absent that need, it would be a five-year review.

Commissioner Rettman appreciated the redlined version. She said that most individuals on the review committee are County staff; she is concerned that the period could become longer and longer, and soon it is just given over to administration. She asked for additional detail on the reason for three-year review versus five-year review. She reviewed previous materials on this to try to find out why the three-year window had been chosen, but she could not find that information.

Mr. Twa said that history predates him, so he is not sure why the Board chose a three-year time period. The committee reviewed this and felt that the changes were very minor other than the fact of the two statutory changes. Because of that, they felt that rather than have "make work" in terms of having to do a review on a three-year basis, it would be appropriate to change to a five-year review with the understanding that it could be done sooner if there was a significant reason to do so. It is not the intention to take away any authority of this Board as it relates to these areas. He believes the key is whether it is mold or disaster, those would have to come to the Board in any event.

Commissioner Rettman introduced the following resolution and moved its adoption, seconded by Commissioner McDonough.

Roll Call: Ayes – Parker, Reinhardt, Rettman, Carter, McDonough, Ortega, Bennett – 7.
Nays – 0. (2007-297)

(Continued)

WHEREAS, The Ramsey County Board of Commissioners wishes to review its policy with regard to the abatement of property taxes; and

WHEREAS, The County Manager has appointed a Blue Ribbon Committee of Experts on Abatements to review current tax abatement policies and to make recommendations to the County Board; and

WHEREAS, Minnesota Statutes section 375.192, subdivision 4, allows delegation of the abatement powers of this board to the County Auditor (Director, Department of Property Records and Revenue), with the approval of the County Assessor; and

WHEREAS, Minnesota Statutes section 279.01, subdivision 2, allows the County Board to delegate to the County Treasurer (Director, Department of Property Records and Revenue) the power to abate the penalty provided for late payment of taxes in the current year; and

WHEREAS, The Director of the Department of Property Records and Revenue, acting as Treasurer for Ramsey County, has concurred in the delegation of the authority to abate the penalty provided for late payment of taxes in the current year; and

WHEREAS, The Ramsey County Board of Commissioners recognizes the need to review and approve abatements of taxes of significant amounts, and recognizes the ability of the Department of Property Records and Revenue to handle routine abatements; and

WHEREAS, Minnesota Statute 273.11 subd. 21 grants the County Board the authority to approve Reductions to Value due to damage from the presence of mold; and

WHEREAS, Minnesota Statute 273.1233 grants the County Board the authority to grant Applications for Abatements due to Disaster; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners hereby accepts the report of the Blue Ribbon Abatement Review Committee; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners hereby adopts the following as the Abatement Policy, Mold Reduction Policy, and Local Option Disaster Abatement Policy, in Ramsey County;

All citizens will be treated equally in the abatement process. All classes of property will be treated equally and in a timely manner. Ramsey County endeavors to value all property on a fair and equitable basis and to treat taxpayers' objection to value with respect.

I. DEFINITIONS

- A. Hardship. Hardship, as referred to in section 375.192, is defined as any event or circumstance beyond the control of the applicant, which precludes the applicant from filing for a reduction or an adjustment of the property taxes in a timely manner. Examples of hardship include, but are not limited to, a medical condition, mental incapacity, or the death of the property owner or a member of the family, which prevents the property owner from filing a timely appeal of the value or classification of the property. Financial hardship does not meet the statutory test, nor does lack of control of the property.

(Continued)

- B. Clerical Error. The determination of whether a clerical error exists is to be made by the County Assessor on a case-by-case basis. A data error is not per se a clerical error. A clerical error does not involve judgment, but it may involve the failure of a governmental entity to perform a ministerial act relating to the assessment of property. Examples of clerical errors include, but are not limited to, data entry errors, transcription errors, computer system errors by the county or by county business partners, and significant arithmetic errors.
- C. Sale. For the purposes of this policy a sale is defined as a properly recorded, adequately marketed, arms-length transaction that passes title from seller to buyer.

II. ABATEMENTS ALLOWED

Abatements by the County Board will be allowed only as follows:

- A. Value Reduction Abatements. Value reductions, and any tax, penalty, interest or costs attached thereto, will be allowed only 1) when due to a clerical error, or 2) when the property has been sold for an amount that is at least 10 percent below (but not less than \$5,000 below) the assessor's estimated market value for the assessment year of the abatement, and there is other evidence, such as an appraisal of the property, that the sale reflects market value, or 3) when the applicant meets the hardship requirement.
- B. Corrective Abatements. Abatement of tax, penalty, interest or costs will be allowed to correct an error, illegality or inequity other than incorrect value. Examples of this type of abatement include, but are not limited to, property that was taxed but should have been exempt, an incorrect classification, or incorrect homestead status.
- C. Disaster Abatements. Such Abatements will be granted based on the statutory requirements of Minnesota Statutes section 273.1233.
- D. Abatements for Economic Development. Such abatements will be granted based on the statutory requirements of Minnesota Statutes sections 469.1812 through 469.1815.

III. RESTRICTIONS AND PROCEDURES

- A. Prior Years. Abatements for the two calendar years prior to the current tax payable year will be considered for approval only as provided by Minnesota Statutes section 375.192 for hardship or clerical errors. The definitions of hardship and clerical errors adopted by this resolution shall be applied by the County Assessor in considering whether abatements for those prior two years will be approved.
- B. Delegation.
 - 1. The County Board hereby delegates its authority to grant abatements of penalties of the late payment of taxes for the current year to the Director of the Department of Property Records and Revenue, acting as the County Treasurer.
 - 2. The County Board hereby delegates its authority to grant final approval, after approval by the County Assessor, for abatements to correct exemption, classification, value errors, and local

(Continued)

option disaster where the resulting aggregate reduction in taxes for an applicant is less than \$10,000 to the Director of the Department of Property Records and Revenue, acting as the County Auditor. Abatements approved pursuant to this delegation shall be reported to the County Board on a semi-annual basis. This report shall include an indication of which abatements resulted from the failure of a governmental entity to record a deed entitling the property to exemption.

C. Abatements approved by the County Board.

Those abatements not delegated shall first be approved by the County Assessor and the Local Government Division of the Department of Property Records and Revenue for the Director of the Department of Property Records and Revenue, acting as the County Auditor, except that abatement of any penalty or interest on these abatements shall be approved by the Revenue Division of the Department of Property Records and Revenue for the Director of the Department of Property Records and Revenue, acting as the County Treasurer rather than the County Assessor. Finally, these abatements shall be presented to the County Board for approval with an indication of which of the abatements resulted from the failure of a governmental entity to record a deed entitling the property to exemption.

- D. A report containing a list of the abatements that have been denied by the County Auditor, Treasurer or Assessor will be submitted to the Board on a semi-annual basis for its review. This list will also contain the reason for the denial.
- E. Conflicts of Interest. Members of the County Board shall disclose any financial interest in an abatement, or any familial relationship with an abatement applicant, and shall abstain from voting on the application of any such abatement presented to the County Board for approval. Such a disclosure statement will be included with each monthly abatement resolution.
- F. Inquiries. Inquiries by local or public officials (as defined in Minnesota Statutes section 10A.01) regarding specific abatement applications being processed shall be documented by the Department of Property Records and Revenue, and a written response shall be given.
- G. Review. For all abatements reported to the County Board or submitted to the County Board for approval, the County Attorney's Office shall review the abatement documentation for form and legality.
- H. Records. Copies of all abatements will be kept on file in the Department of Property Records and Revenue and will be available for inspection upon request, consistent with the County's plan under the Records Retention Act, and consistent with the Data Practices Act.

and Be It Further

RESOLVED, The Ramsey County Board hereby directs the Director of Property Records and Revenue to forward to the County Board for approval applications for value reductions for homestead property that has been damaged by mold, as authorized by Minnesota Statutes section 273.11 subd. 21.

- A. Applications shall be timely submitted to the county assessor on the prescribed form and accompanied by the required supporting documentation

(Continued)

- B. Estimated cost to cure the mold conditions must be at least \$20,000.
- C. The County Assessor shall review all applications and make a recommendation to the county board for approval or denial
- D. The County assessor is instructed to deduct from the reduction in value authorized by the county board due to the mold damage any reduction amount previously granted due to mold for the assessment year in question.

RESOLVED The County Board directs the Director of Property Records and Revenue to present to the County Board all properly filed, valid Applications for Abatements due to Disaster as authorized by Minnesota Statutes section 273.1233. The County Board shall approve or deny said applications pursuant to the following criteria:

- A. 50 percent or more of the qualifying structure, as established by the county assessor, has been (i) unintentionally or accidentally destroyed, or (ii) destroyed by arson or vandalism by someone other than the owner;
- B. the owner of the property has made written application to the county assessor as soon as practical after the damage has occurred; and
- C. the owner of the property has made written application to the county board as soon as practical after the damage has occurred.
- D. Any reduction in the amount of tax payable which is authorized by county board action shall be calculated based upon the requirements of Minnesota Statutes section 273.1233, subd. 2..

and Be It Further

RESOLVED, that the Administrative Code sections 4.57.40.a and 4.57.50.continue to read as follows:

4.57.40 Delegation of Authority

The Director of Property Records and Revenue has been granted the following delegations of authority by the County Board of Commissioners.

- a. To abate the penalty provided for late payment of taxes in the current year on all classes of property, which authority has been assigned to a minimum of three individuals in the Revenue Division of the Department of Property Records and Revenue, one of whom shall sign the original document; and to approve, after approval by the County Assessor, abatements correcting exemption, classification and valuation errors where the resulting aggregate reduction in taxes for an applicant is less than \$10,000, which authority has been assigned to a minimum of three individuals in the Local Government Division of the Department of Property Records and Revenue, one of whom shall sign the original document.

4.57.50 Reporting Requirements

The Department of Property Records and Revenue prepares and submits the following reports to the County Board:

(Continued)

- a. Monthly abatement lists of abatements submitted for County Board approval, and semi-annual reports of abatements approved pursuant to the County Board's delegation of authority to abate taxes, penalty and interest to correct exemption and classification errors, the documentation for such abatements having first been reviewed by the County Attorney's office. A report containing a list of the abatements that have been denied by the county auditor, treasurer or assessor will be submitted to the board on a semi-annual basis for its review. This list will also contain the reason for the denial.

and Be It Further

RESOLVED, The Ramsey County Board of Commissioners hereby directs the County Manager or designee, every five years, to appoint a review committee consisting of both internal and external members to review the abatement policy. The County Manager is authorized to convene this group sooner, as changes in real estate markets or abatement demand require. The evaluation should include components of customer services, impact of the policies on the volumes and types of abatements processed, and the impact of the abatement policies on tax refunds; and Be It Further

RESOLVED, This policy overrides and supersedes any prior resolutions including, but not limited to, Resolutions 2003-104, 99-216, 97-061, 92-423, 90-563 and 82-274 with regard to the abatement of property taxes; and Be It Further

RESOLVED, This policy shall be effective October 1, 2007.

COUNTY MANAGER – Creation of a new County Department, Ramsey County Department of Emergency Communications

David Twa, County Manager, said that this has been a long process that was led by the County Board, and specifically by Commissioner McDonough and others. The result was coming together to provide dispatch services for basically the entire County. It will now be a very large department and staff felt it was appropriate to move forward to make it a separate department. The Home Rule Charter provides that we have to go through an Ordinance process to do that. If the Board accepts this, starting next week staff will bring in the start of the Ordinance process. It is expected that the Ordinance process would be completed, and the department in place, by January 2008 when the new budget cycle begins.

Commissioner Rettman asked where the department would be housed.

Mr. Twa said that everyone related to dispatch services is out of the County Manager's Office at this time. They are located at the Dispatch Center on the Law Enforcement campus.

Commissioner Rettman requested confirmation that the budget has already come in for 2008-09, and that the department head would be under the County Manager.

Mr. Twa responded affirmatively.

Commissioner Reinhardt moved, seconded by Commissioner Carter, to accept this report and request this item return to the County Board in an ordinance process.

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

OUTSIDE BOARD AND COMMITTEE REPORTS

Commissioner Rettman reported on:

(Continued)

- A huge cleanup that was held in Districts 10, 11, 12, 13 and the City of Falcon Heights. Every possible means of source separation for recycling and reuse was done.
- The Transportation Advisory Board (TAB) meeting ended up with a small policy change on the head house in Commissioner Ortega's area. If, for example, everything is in to the state, and you are waiting for signatures, there can be an administrative 30-day extension so it does not have to ask for an additional sunset. It was a policy change that was never envisioned to be a policy change, just a change requested by the city to not lose the momentum they have on the grain terminals. Hopefully, the city will be able to meet that timing and go forward. It is a historic and multi-modal site.

Chair Bennett reported on:

- The meetings held in Washington, DC last week. He thanked Commissioner Ortega for all his work, as well as Terry Speiker, Director, Intergovernmental Relations, and Nick Riley, Intergovernmental Relations. He thanked Dakota and Washington Counties who accompanied Ramsey County, and all the congressional delegation who met with them.

Commissioner Reinhardt reported on:

- The Eastern Transportation Alliance meeting became a bit emotional at times. In the end, what was discussed is that there is such a high level of frustration on every level – the city, county, state legislators or federal level. We are now about \$2 billion short in the State of Minnesota on what is needed for the basic infrastructure. We also talked about the fact that we need to communicate with people. Some people did not understand that the gas tax is dedicated to roads and bridges and cannot go into the State general fund and cannot go into transit. Even when people understood that it could not go into transit, they did not necessarily think it went to roads and bridges, and that in fact, as with other taxes, it appeared to be for a certain purpose that they are actually going into the general fund. We do need to deal with this sooner rather than later. Talking about what was not done ten years ago is not going to get us anywhere. We need to deal with it now. Hopefully, we can come together with a special session. One of the things she commented on was the fact that a bridge collapsed in Minneapolis, and the State of Missouri called a special session to deal with funding for bridges and roads, because they are determined it won't happen in their state. That is a sustainable funding source; we need to do this in Minnesota. We need a sustainable funding source, because as we heard this morning, we are in trouble because there are not enough funds coming forward. The other thing discussed at length was the announcement, during the discussion of the funding for the bridge on I35W, was the fact that Mn/DOT stated that they are not going to delay any other project to get this done, and of course, they are now looking at delaying some bridges, one of which is the Wacouta bridge. They talked about the Hastings bridge and not getting that bridge on the agenda until 2022.
- On a meeting in Seattle, Washington, for the Paint Product Stewardship Initiative. The memorandum of understanding is moving forward, and everything should be signed off by the end of October 2007. Discussion is taking place to have the National Paint and Coatings Association provide some funding until a funding source has been put in place to take care of waste paints. Latex paint waste is costing about \$2 million annually in the metro area. She put in Commissioner McDonough's request that the manufacturers sell paint in affordable half-gallon containers.
- She met with Hennepin County and will provide information at the Regional Rail Authority meeting about the discussion that took place on the Rush Line Corridor.

(Continued)

Commissioner Parker reported:

- On the Community Action Partnership of Ramsey and Washington Counties meeting, where previous board members were thanked, and the new members welcomed. She was elected chair/president of this board through the end of 2007.

Commissioner Carter reported:

- The Community Action Partnership of Ramsey and Washington Counties is entering into a search for an executive director.
- On the Peace, Power and Unity Conference at Metro State University. People came together from Ramsey and Hennepin Counties to talk about immigration stories about the difficulty of coming to the United States, of being here, and language and other barriers that makes life difficult in the U.S. today. Resolutions had been passed in St. Paul and Minneapolis that recognize principals, committing to working toward principals that allow immigrants in the community to continue to work toward housing, education, jobs, child care access, health care access, as law abiding citizens with all the rights, privileges, and responsibilities of everyone else. Those principals are also being presented to the Counties for consideration.
- On a Joint Property Tax Advisory Committee meeting where the joint impact of taxes of Ramsey County, the City of St. Paul, and the School District was considered. The date of December 11, 2007 was set for the truth-in-taxation hearing.

Commissioner Ortega reported:

- A delegation from Minnesota flew to Washington, D.C. to discuss transportation. Attending were the Mayors of St. Paul, Hastings, Stillwater, six Ramsey County Commissioners, Commissioners from Dakota and Washington Counties, the Chair and President of the St. Paul Chamber, and State Legislators. Congressional Delegates also spent time on this successful visit. Staff did a fantastic job setting all of this up.

ADJOURNMENT

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

Bonnie C. Jackelen, Chief Clerk – County Board