

OFFICIAL PROCEEDINGS OF THE COUNTY BOARD
WASHINGTON COUNTY, MINNESOTA
MARCH 14, 2006

The Washington County Board of Commissioners met in regular session at 8:35 a.m. in the Washington County Government Center, County Board Room. Present were Commissioners Pulkrabek, Stafford, and Hegberg. Commissioners Peterson and Kriesel absent. Board Chair Pulkrabek presided. Also present were James Schug, County Administrator, and Molly O'Rourke, Deputy Administrator.

The Board recited the pledge of allegiance.

EXECUTIVE (CLOSED) SESSION WITH TRANSPORTATION AND PHYSICAL DEVELOPMENT

Commissioner Hegberg moved to go into Executive (Closed) Session for an attorney-client session to discuss proposed settlement options of compensation and damages for CSAH 8 – Church of St. John the Baptist in Hugo. Commissioner Stafford seconded the motion and it was adopted unanimously; Commissioners Kriesel and Peterson absent. The Executive Session convened at 8:35 a.m. Present for the Executive Session were Commissioners Pulkrabek, Stafford, and Hegberg. Also present were Jim Schug, Molly O'Rourke, Doug Johnson, Richard Hodsdon, Don Theisen, Wayne Sandberg, Sandy Cullen, Sharon Price, and Patricia Raddatz.

Commissioner Peterson arrived at 9:00 a.m.

The Board reconvened in regular session at 9:00 a.m. Present were Commissioners Peterson, Pulkrabek, Stafford, and Hegberg. Commissioner Kriesel absent. Also present were Jim Schug, County Administrator; Molly O'Rourke, Deputy Administrator; George Kuprian, Assistant County Attorney; Doug Johnson, County Attorney; Don Theisen, Director of Transportation and Physical Development; Wayne Sandberg, Deputy Director of Transportation and Physical Development; Keith Potter, Facilities Manager; Michael Welling, County Surveyor; Craig Hinzman, Assistant County Surveyor; Ann Pung-Terwedo, Sr. Planner; Dennis O'Donnell, Sr. Planner; Tom Kay, Information Technology Director; Dan Papin, Community Services Director; Lowell Johnson, Director of Public Health and Environment; Kay McAloney, Human Resources Director; Kevin Corbid, Director of Assessment, Taxpayer Services and Elections; Bogdan Filipescu, Assessment, Taxpayer Services and Elections; Rebecca Ault, Assessment, Taxpayer Services and Elections; Linda Engh, Office Specialist; Melinda Kirk, Budget/Financial Analyst; Tonya Weinert, Financial Services; Steve Pott, Sheriff; Jennifer Wagenius, Deputy Recorder; and Steve Nelson, Public Information Coordinator II.

COMMENTS FROM THE PUBLIC

The Board Chair asked for comments from the audience; none were heard.

CONSENT CALENDAR

Commissioner Peterson moved, seconded by Commissioner Hegberg to adopt the following Consent Calendar:

1. Approval of a proclamation honoring Dolores Peterson, New Scandia Township Clerk, as follows:

Proclamation of Appreciation - Dolores Peterson
Upon Her Retirement as Town Clerk
New Scandia Township

WHEREAS, Dolores Peterson retired as the Town Clerk of New Scandia Township in Washington County on February 28, 2006; and

WHEREAS, Dolores Peterson was first elected to serve the public as Town Clerk in 1974, and continued in this office when it became an appointed office in 1990; and

WHEREAS, Dolores Peterson's career parallels the growth of New Scandia Township in her changing duties as a part-time to full-time Town Clerk, having her initial office in her home and then in the Community Center that includes the Town Hall, seeing the township budget grow over 10 times as the population and services increased, and experiencing the change from hand-written entries to office computerization; and

WHEREAS, Dolores Peterson worked in the Washington County Treasurer's Office collecting real estate taxes and fulfilling billing duties for nearly two years prior to being elected Town Clerk of New Scandia Township; and

NOW, THEREFORE BE IT RESOLVED, that the Washington County Board of Commissioners heartily commends Dolores Peterson for her service to the citizens of New Scandia Township and Washington County; and

BE IT FURTHER RESOLVED, that the Washington County Board of Commissioners extends their best wishes to Dolores Peterson and hereby proclaims Thursday, March 16, 2006, as "Dolores Peterson Day in Washington County."

2. Approval to amend the countywide Microsoft Software Assurance License Agreement to extend the software licensing for a three year period beginning April 1, 2006 through March 31, 2009.
3. Approval of the 2006-2008 Environmental Modification contract with REM Minnesota Community Services, Inc. and Home Health Care contracts with Intrepid USA Healthcare Services and Alliance Health Services for the provision of services to eligible Washington County residents.
4. Approval for the Sheriff's Office to accept a donation in the amount of \$250 from the Scandia P.T.O. to be used to help fund ongoing expenses associated with the K-9 Unit.

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5. Approval for the County Board Chair and Administrator to execute a Joint Powers Agreement with the State of Minnesota, Department of Public Safety, for distribution and use of remote fingerprint identification equipment.

The foregoing Consent Calendar was adopted unanimously; Commissioner Kriesel absent.

ASSESSMENT, TAXPAYER SERVICES AND ELECTIONS

Sale of Tax-Forfeited Land

Commissioner Stafford moved to adopt **Resolution No. 2006-036A** as follows:

Approving the Sale of Tax-Forfeited Land to the
County of Washington for an Authorized Public Purpose

WHEREAS, the County Board of Commissioners of the County of Washington, State of Minnesota, desires to offer for sale parcel 33.030.20.44.0012, which forfeited to the State of Minnesota for non-payment of taxes; and

WHEREAS, the parcel is classified as non-conservation, and the classification and sale of the parcel has been approved by the Department of Natural Resources and the City of Stillwater; and

WHEREAS, the County of Washington has made the proper application for acquiring this piece of land for a public purpose, as provided for in Minnesota Statutes 282.01.

NOW, THEREFORE, BE IT RESOLVED, that the Washington County Board of Commissioners hereby determines the appraised value of parcel 33.030.20.44.0012 to be \$100.00.

NOW, THEREFORE, BE IT RESOLVED, that the Washington County Board of Commissioners hereby approves the sale of parcel 33.030.20.44.0012 to Washington County for the public purpose described in their application.

Municipality:	City of Stillwater
Parcel Identification Number:	33.030.20.44.0012
Authorized Public Purpose:	Parking Lot

Commissioner Hegberg seconded the motion and it was adopted unanimously; Commissioner Kriesel absent.

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Provision of Election Services to the City of Oakdale

Commissioner Hegberg moved to approve a joint powers agreement between Washington County Elections and the City of Oakdale to provide election administration services. Commissioner Peterson seconded the motion and it was adopted unanimously; Commissioner Kriesel absent.

TRANSPORTATION AND PHYSICAL DEVELOPMENT**County Surveyor Updates**

Mike Welling, County Surveyor, displayed samples of aerial photography that is now available for use by county staff and for sale to the public in electronic and hard copy form.

Mr. Welling advised the Board that at its February 8-10, 2006 Annual Conference, the Minnesota Society of Professional Surveyors awarded a first place ribbon and plaque for a Certificate of Survey of St. Croix Bluffs Regional Park, prepared by Chris Neperud of the Surveyor's office.

Mr. Welling also advised the Board that at this same conference he was elected President elect of the Minnesota Association of County Surveyors for 2006 and as its President for 2007 and Past President in 2008.

Bid Award for South Service Center in Cottage Grove

Commissioner Peterson moved to adopt **Resolution No. 2006-037** as follows:

Bid Award for Construction of South Service Center
in Cottage Grove

WHEREAS, in order to accomplish the construction of a County Service Center in Cottage Grove, the County solicited bids for this project; and,

WHEREAS, bids were opened on February 14, 2006 with bids accepted in 29 bid divisions; and,

NOW, THEREFORE BE IT RESOLVED, that the bid of \$190,185.00 from Frattalone Companies, Inc. be accepted for Bid Division 1 (Excavation and Earthwork) and the County enter into a contract with Frattalone Companies, Inc. under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$109,600.00 from Penn Contracting, Inc. be accepted for Bid Division 2 (Site Utilites) and the County enter into a contract with Penn Contracting, Inc. under the terms and conditions set forth in the bid specification documents.

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NOW, THEREFORE BE IT RESOLVED, that the bid of \$144,929.00 from FPI Paving Contractors, Inc. be accepted for Bid Division 3 (Asphalt Paving) and the County enter into a contract with FPI Paving Contractors, Inc. under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$36,225.00 from North Country Concrete, Inc. be accepted for Bid Division 4 (Concrete Curbs) and the County enter into a contract with North Country Concrete, Inc. under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$179,360.00 from Noble Nursery Retail, Inc. be accepted for Bid Division 5 (Landscaping & Sodding) and the County enter into a contract with Noble Nursery Retail, Inc. under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$258,385.00 from Gresser Companies, Inc. be accepted for Bid Division 6 (Concrete) and the County enter into a contract with Gresser Companies, Inc. under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$299,790.00 from Hollenback & Nelson, Inc. be accepted for Bid Division 7 (Unit Masonry) and the County enter into a contract with Hollenback & Nelson, Inc. under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$284,477.00 from Thurnbeck Steel Fabrication, Inc. be accepted for Bid Division 8 (Structural Steel) and the County enter into a contract with Thurnbeck Steel Fabrication, Inc. under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$123,400.00 from KMH Erectors, Inc. be accepted for Bid Division 9 (Steel Erection) and the County enter into a contract with KMH Erectors, Inc. under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$169,296.00 from SGO Roofing & Construction, Inc. be accepted for Bid Division 10 (Roofing & Flashing) and the County enter into a contract with SGO Roofing & Construction, Inc. under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$144,200.00 from Lance Service, Inc. be accepted for Bid Division 11 (Interior Architectural Woodwork) and the County enter into a contract with Lance Service, Inc. under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$130,000.00 from Meisinger Construction Company, Inc. be accepted for Bid Division 12 (Carpentry) and the County enter into a contract with Meisinger Construction Company, Inc. under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$183,107.00 from M G Mcrath, Inc. be accepted for Bid Division 13 (Metal Wall Panels & Metal Shingles) and the County enter into a contract with M G Mcrath, Inc. under the terms and conditions set forth in the bid specification documents.

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NOW, THEREFORE BE IT RESOLVED, that the bid of \$5,365.00 from Excalibur Caulking, Inc. be accepted for Bid Division 14 (Joint Sealers) and the County enter into a contract with Excalibur Caulking, Inc. under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$75,400.00 from Kendell Doors & Hardware, Inc. be accepted for Bid Division 15 (HM Doors, Frames & Hardware) and the County enter into a contract with Kendell Doors & Hardware, Inc. under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$5,700.00 from Twin City Garage Door Company be accepted for Bid Division 16 (Overhead Doors & Coiling Doors) and the County enter into a contract with Twin City Garage Door Company under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$273,353.00 from United Glass, Inc. be accepted for Bid Division 17 (Aluminum Entrances) and the County enter into a contract with United Glass, Inc. under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$576,000.00 from Mulcahy, Inc. be accepted for Bid Division 18 (Drywall, Plaster & Stucco) and the County enter into a contract with Mulcahy, Inc. under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$88,915.00 from Sonus Interiors, Inc. be accepted for Bid Division 19 (Acoustical Ceilings) and the County enter into a contract with Sonus Interiors, Inc. under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$64,510.00 from Grazzini Brothers & Company be accepted for Bid Division 20 (Ceramic Tile) and the County enter into a contract with Grazzini Brothers & Company under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$137,816.00 from St. Paul Linoleum & Carpet Company be accepted for Bid Division 21 (Carpet/Resilient Flooring) and the County enter into a contract with St. Paul Linoleum & Carpet Company under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$52,640.00 from Hamernick Decorating Center be accepted for Bid Division 22 (Paint) and the County enter into a contract with Hamernick Decorating Center under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$5,950.00 from Lake Country Resources be accepted for Bid Division 23 (Visual Display Boards) and the County enter into a contract with Lake Country Resources under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$22,995.00 from Architectural Products be accepted for Bid Division 24 (Louvers & Vents) and the County enter into a contract with Architectural Products under the terms and conditions set forth in the bid specification documents.

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NOW, THEREFORE BE IT RESOLVED, that the bid of \$14,050.00 from Hufcor MN, LLC be accepted for Bid Division 25 (Operable Panel Partitions) and the County enter into a contract with Hufcor MN, LLC under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$22,860.00 from Construction Supply, Inc. be accepted for Bid Division 26 (Toilet Compartments, Accessories) and the County enter into a contract with Construction Supply, Inc. under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$83,800.00 from Summit Fire Protection be accepted for Bid Division 28 (Fire Protection) and the County enter into a contract with Summit Fire Protection under the terms and conditions set forth in the bid specification documents.

NOW, THEREFORE BE IT RESOLVED, that the bid of \$595,000.00 from Peoples Electric Company, Inc. be accepted for Bid Division 29 (Electrical) and the County enter into a contract with Peoples Electric Company, Inc. under the terms and conditions set forth in the bid specification documents.

BE IT FURTHER RESOLVED, that the contract between the County and Frattalone Companies, Inc., Penn Contracting, Inc., FPI Paving Contractors, Inc., North Country Concrete, Inc., Noble Nursery Retail, Inc., Gresser Companies, Inc., Hollenback & Nelson, Inc., Thurnbeck Steel Fabrication, Inc., KMH Erectors, Inc., SGO Roofing & Construction, Inc., Lance Service, Inc., Meisinger Construction Company, Inc., M G Mcrath, Inc., Excalibur Caulking, Inc., Kendell Doors & Hardware, Inc., Twin City Garage Door Company., United Glass, Inc., Mulcahy, Inc., Sonus Interiors, Inc., Grazzini Brothers & Company, St. Paul Linoleum & Carpet Company, Hamernick Decorating Center, Lake Country Resources, Architectural Products, Hufcor MN, LLC, Construction Supply, Inc., Summit Fire Protection, and Peoples Electric Company, Inc., be executed through the signatures of the Chairman of the Washington County Board of Commissioners and the Washington County Administrator without further action of the County Board conditioned upon compliance with all bid specification requirements and approval as to form by the Washington County Attorney's office.

Commissioner Stafford seconded the motion and it was adopted unanimously; Commissioner Kriesel absent.

Rejection of Bids, Division 27, for the South Service Center

Don Theisen, Director of Transportation and Physical Development, reviewed the Division 27 – Mechanical bids received for the South Service Center. A critical element of the mechanical work is the Energy Management System (EMS). The county currently uses an EMS called Automated Logic (ALC) to control the heating and air conditioning in the buildings. Ten bids were received for the mechanical work. The low bid Kumar Mechanical, Inc. bid a system other than ALC as well as some of the other bidders. Representatives from the county facilities department, Kraus-Andersen, SEH Engineering, and Hallbert Engineering met with representatives from Kumar Mechanical, the control company and Honeywell to review the bid and how their proposed bid would work with the existing county system. The Board received a bid analysis from this meeting. The findings show that Kumar Mechanical was not able to demonstrate successful integration of Honeywell EMS into the county's ALC system. The findings also indicate that attempting to install a Honeywell system no matter who installs it would create long-term operational costs for the county due to the added cost of running two separate systems.

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Mr. Theisen recommended that the County Board reject all bids for Division 27 – Mechanical that were received on February 14, 2006 for the South Service Center project and also request authorization to advertise for new bids for Division 27 - Mechanical for the South Service Center work. All original contractors will be able to bid on this project again. The engineers estimate for this work is \$1.5 million. The project management team will revise the project specifications so that any proposed equivalent system will need to obtain county approval prior to bid opening.

Commissioner Peterson moved to reject all Division 27 – Mechanical bids received on February 14, 2006 for the South Service Center project and authorize staff to re-bid Division 27 – Mechanical. Commissioner Stafford seconded the motion.

Commissioner Stafford stated he is confused about the last paragraph of the board action. If the county is strong on the ALC system, why would there be a statement “that any proposed equivalent systems obtain county approval prior to bid opening.” Mr. Theisen stated that this would give an individual an opportunity to submit a system that the county isn’t aware of for consideration prior to bidding it. The county isn’t saying no to any other system, but if there is a system out there that will work the county would have to at least consider it.

Commissioner Stafford understood from the Board action sheet that about a half dozen different entities reviewed this and he assumes from the findings that they came to the same conclusion. Mr. Theisen stated it was a hundred percent unanimous on the findings.

Ravi Limkar, Vice President of Kumar Mechanical, stated they are the low bidders for Division 27 – Mechanical for the South Service Center. He indicated that they bid the project per plans and specifications that were laid out by the engineer. After the bid opening there was a pre-award meeting where the owner indicated to them that they would like to have ALC as the EMS. When Kumar bid the project, the way the specifications were laid out they were opened to bring Honeywell in to have an interface with the existing ALC system. During the meeting they gave the documentation and they heard that the county was not comfortable with having Honeywell interfacing with the existing ALC system. Mr. Limkar stated they bid the project per plans and specifications, they had a bid bond and they were the low bidders, almost \$100,000 lower than the next mechanical bidder.

Mr. Limkar indicated they wrote a letter to Kraus-Andersen, the construction manager, dated March 2 that they would use the ALC system as requested by the county and they would like to be awarded the project. They didn’t hear anything from the county, so on March 6 they wrote another letter to Kraus-Andersen saying that this is what they would do, they would not get Honeywell in the picture for the EMS system, they will have the ALC. After that they heard that the county decided to re-bid the project. They are willing to honor their price, they are comfortable with their price and they have already talked to Automated Logic

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systems and told them that is what the county is looking for and that is what they will give to them and they will not have the Honeywell control in this project. He understood that the engineer guarantees that the plans and specifications are correct, and if there are any changes made later on they are usually treated as a change order to the contract. So even if the owner is willing to make some changes, he does not believe the changes will cost the county \$100,000. To re-bid the project there is a cost for re-bidding, there could be a delay in the project, and there could be a number that is \$100,000 more than what the county is getting it at today. If there is no major change in the specifications and Kumar Mechanical is willing to offer the Automated Logic control system, they do not see any reason why the contract would not be awarded to them. They feel that nationwide, there is encouragement for participation from minority business. They have been in the business for 30 years, they have a past track record of doing larger projects than what they are bidding for, they are comfortable with the bid and there is a potential savings of almost \$100,000 for the county. He is asking the Board for award of the contract.

Mr. Theisen stated it is always difficult when it gets to the point of rejecting bids. First of all, he does not feel that re-bidding this will delay the project. He feels that in fairness to all the contractors that bid the job, they cannot now just change this. The bid from Kumar is for the Honeywell system and now to allow them to change it that is probably not even allowed. They would have to change that after the contract is approved and then they would have no control over what the new price change would be. He feels this is very similar to the Black Creek situation with the Law Enforcement Center. They award the project for one system and then ask the contractor to supply another and the county ends up paying whatever the price is for the change in system. They feel the cleanest way would be to reject all the bids, write a spec that makes it clear that ALC is the system they want even though they would consider equivalents before the bid and take bids that way and give all the contractors, Kumar included, a chance to re-bid it. If Kumar is comfortable with this price that is \$100,000 below anybody else, he will be able to submit that same bid and another bidder would have to come down quite a bit.

Commissioner Peterson stated that since the county has a preference, she feels that it should be stated in the specifications as they go out to bid, rather than leaving it more open. If they have a specific result they want then it should be in the specifications.

Commissioner Stafford asked if the ALC was in the specifications? Mr. Theisen stated both systems were in there, but it did require the demonstration of any equipment that was bid to show that it was compatible with the county system. ALC was listed as the county's current Energy Management System. The Northern Service Center bid and if the Board approves the action today, the re-bid will be very specific that ALC is the system, but if they want to submit an equivalent it has to happen prior to bid and be approved by the county.

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Commissioner Pulkrabek stated the county wants the ALC system, but the bid was opened to other systems, Kumar proposed a different system which was rejected, but the county will still allow other bidders to propose other systems other than ALC, is that correct? Mr. Theisen stated that is correct. They need to allow somebody to submit a proposal to be evaluated so that it may be considered as an equivalent.

George Kuprian, Assistant County Attorney, stated that the bid law gets tricky to bid out a sole source. Usually you have to allow an equivalent and you need to be able to evaluate that equivalent. Often times the sole source items are struck down.

Commissioner Hegberg stated that Mr. Limkar proposed a Honeywell, but then went back to the ALC. He asked why the county would take an ALC over Honeywell, because they are trying to make all the buildings the same? Mr. Theisen stated that ALC is the system that the county has that operates all the county facilities. Nobody has ever integrated a Honeywell system in an ALC system and made it work. He guarantees the Board that the number one complaint they hear about is the building is too hot or too cold, and this is the system that runs the buildings. To compound it with a system that has never been demonstrated to work with the county system, is the reason they are recommending the rejection of the bids. The mistake that was made is that the spec was not written as they hoped it would be. The demonstration that the system could work was written that it could be done after the bids were received. That was the reason for the pre-award meeting and the material and information they received demonstrated that it won't work.

Mr. Limkar clarified that when the specs are returned there are always different manufactures which are listed for any particular product. As a contractor you bid for plans and specifications. When the contract is awarded you go through a process called submittal, what products you intend to use on this particular project are sent to the engineer or owner for their review. If that gets rejected, the next manufactures are used. That is their intent. They never made any clarification to their bid that their bid included Honeywell. After the bid was opened and they were low bid, it was their intention to see if they could use Honeywell. They never made a statement that they would use Honeywell in the bid or that they did not use Automated Logic controls. Per construction industry standards, now they are saying if the county does not want Honeywell, they will give the county Automated Logic controls for the same price.

Mr. Kuprian stated that public bidding is different than bidding in the private sector. If this bid were awarded what the contractor posits would be seen as bidding on the price after the bids were opened. He feels this would be illegal. They bid this system and then later on a change order would be made to actually conform to the specifications. That would basically be negotiating price after the bids were opened. At least that is how it would be perceived and some other bidder could challenge that. It would have been better to analyze this before the bids were opened and then this situation wouldn't have arisen.

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Commissioner Peterson stated it is apparent to her that there is a problem. She would like to see staff, Kraus-Andersen and the attorney sit down and make sure that they are recommending to the Board what they should be doing.

Mr. Theisen stated that he understands that Kumar Mechanical is offering the equipment for the same price, but the county has not gotten a consistent message on that. The issue here is that they bid a Honeywell system and the county has to award the contract to them on what they bid, which is similar to the Black Creek issue. The county would then ask Kumar to change the system they bid to a different system. At that point it is the county's request to change that system even though right now he says he would charge the same price, contractually the county would be obligated to compensate them for what they thought would be the cost increase to go to a different system.

Mr. Theisen stated he will meet with Kumar Mechanical, Kraus-Andersen, and the County Attorney to discuss this more with them to clarify what the bid was and bring it back to the County Board. It is apparent they are getting different information today.

Commissioner Peterson moved to remove her motion to reject all Division 27 – Mechanical bids and Commissioner Stafford removed his second and it was adopted unanimously; Commissioner Kriesel absent.

GENERAL ADMINISTRATION

Language for Land Conservation Initiatives Referendum Ballot

Jim Schug, County Administrator, presented new language that would appear on the November ballot to sell general obligation bonds to fund a county land conservation initiative. Bond counsel advised staff after reviewing the specific language in the state laws that governs these referendums, that the first sentence be changed from “Shall Washington County be authorized to issue ...” to “In favor of authorizing Washington County to issue...”. Mr. Schug also stated a sentence was added under the second part of the ballot language, “Agricultural land and buildings and noncommercial seasonal properties currently are exempt from the tax.” Those changes are before the Board this morning.

Commissioner Stafford moved to approve the ballot language striking the words “and buildings” from the second paragraph. Commissioner Peterson seconded the motion and it was adopted unanimously; Commissioner Kriesel absent.

Commissioner Stafford moved to adopt **Resolution No. 2006-038** as follows:

Resolution Authorizing the Washington County Board of Commissioners to Hold an Election to Request Voter Approval for the County to Issue and Sell its General Obligation Bonds to Fund Washington County Land Conservation Initiatives

WHEREAS, the Washington County Board of Commissioners, has chosen to embark on a land conservation initiative for the purposes of preserving open space; and

WHEREAS, MINN. STAT. § 475.52, SUBD. 3 authorizes counties to issue bonds in order to purchase land for park purposes and conservation easements under MINN. CHAPT. 84C; and

WHEREAS, the Washington County Board of Commissioners has chosen to use its authority under MINN. STAT. SEC. 475.52, SUBD. 3 to issue bonds for the acquisition of land and interests in land for said conservation initiative; and

WHEREAS, MINN. STAT. SECTIONS 375.20 AND 475.58, SUBD. 1 require Washington County to hold an election prior to selling the bonds.

NOW, THEREFORE BE IT RESOLVED, that at the next general election a ballot question be submitted to the voters requesting approval for the county to issue and sell its general obligation bonds in an amount not to exceed \$20 million to acquire and improve land and interests in land in furtherance of its land conservation initiatives.

BE IT FURTHER RESOLVED, that the Washington County Board of Commissioners adopts the attached language to include on the general election ballot on November 7, 2006 and directs the County Auditor to post and publish notices of the election as required by MINN. STAT. § 204D.22 SUBDS. 2 AND 3.

Language as it Would Appear on the Ballot

County Question
Preservation Of Water Quality, Woodlands, And Other Natural Areas

In favor of authorizing Washington County to issue general obligation bonds in one or more issues in an amount not to exceed \$20,000,000 to acquire and improve land and interests in land, for the purposes of improving water quality of rivers, lakes and streams; protecting drinking water sources; purchasing parklands; preserving wetlands and woodlands; and protecting land along water bodies from development, with spending reviewed by a citizens' advisory committee and subject to an annual audit?

- ___ Yes
- ___ No

By Voting 'Yes' on this Ballot Question, You are Voting for a Property Tax Increase.

This proposal would cost approximately \$12 per year for ten years for each \$100,000 in property value on most property types. Agricultural land and noncommercial seasonal properties currently are exempt from the tax. The maximum amount of the increased tax levy as a percentage of market value would be 0.0111% and the maximum amount that would be raised by the new tax rate in the first year to be levied would be \$2,600,000.

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Commissioner Hegberg seconded the motion and it was adopted unanimously; Commissioner Kriesel absent.

Commissioner Peterson asked that the county tread water on this issue until after the legislative session. Commissioner Stafford stated that he has had e-mails from individuals who would like to volunteer to get this thing moving and he does not feel they should be discouraged from doing that.

Mr. Schug indicated that staff will meet with the Trust for Public Land to discuss the mapping and respective roles of the citizen exploratory committee and the county in educating the public. There are legal restrictions on what the county can do. No meeting has been scheduled at that point, but believes it will be at the end of this month.

Legislative Update

Mr. Schug presented an update on the 2006 legislative activities: The bonding committee considered the county's request for funds to demolish the bridge in St. Paul Park; and, Eminent domain amendments positive to counties is moving through the Senate.

COMMISSIONER REPORTS – COMMENTS – QUESTIONS

Commissioner Peterson reported on the AMC Legislative Committee held last Friday. There was considerable discussion about truck weight. The engineers suggested that AMC's platform include a change in the overall weight of trucks allowed on county roads. The Committee as a whole did not embrace the recommendation from the engineers, and a decision was delayed for a month. She asked the Board for their comments and views and will bring those back to the Committee.

Commissioner Hegberg reported on an insurance trust seminar he attended last week. One of the interesting sessions was the risk based pricing of health insurance. If you smoke, for instance, there would be a \$40 a month premium increase because of the added risk.

Commissioner Hegberg asked that the Board review the membership makeup of the Planning Advisory Commission. As it currently stands, a majority of the committee members must reside in townships. In his district with Scandia becoming a city he will no longer have any townships. He feels that issue should be discussed again.

BOARD CORRESPONDENCE

Board correspondence was received and placed on file.

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ADJOURNMENT

There being no further business to come before the Board, Commissioner Stafford moved to adjourn, seconded by Commissioner Peterson and it was adopted unanimously. The Board meeting adjourned at 10:25 a.m.

BOARD WORKSHOP WITH COMMUNITY SERVICES

The Board met in workshop session with the Community Services Department to review proposals for changing the mental health delivery system. No business was transacted and the public was welcome to attend. Present for the workshop session were Commissioners Peterson, Pulkrabek, Stafford, and Hegberg. Also present were Jim Schug, Molly O'Rourke, Dan Papin, Cindy Rupp, Richard Backman, Mark Kuppe, Yvonne Klinnert, Stillwater Courier, and Kevin Giles, Star Tribune.

BOARD WORKSHOP WITH TRANSPORTATION AND PHYSICAL DEVELOPMENT

The Board met in workshop session with the Department of Transportation and Physical Development to discuss the transportation funding plan. No business was transacted and the public was welcome to attend. Present for the workshop session were Commissioners Peterson, Stafford, and Hegberg. Also present were Jim Schug, Molly O'Rourke, Don Theisen, Wayne Sandberg, Sandy Cullen, Yvonne Klinnert, Stillwater Courier, and Kevin Giles, Star Tribune.

Bill Pulkrabek, Chair
County Board

Attest:

James R. Schug
County Administrator