

OFFICIAL PROCEEDINGS OF THE COUNTY BOARD
WASHINGTON COUNTY, MINNESOTA
JUNE 27, 2006

The Washington County Board of Commissioners met in regular session at 9:00 a.m. in the Washington County Government Center, County Board Room. Present were Commissioners Peterson, Kriesel, Pulkrabek, and Hegberg. Commissioner Stafford absent. Board Chair Pulkrabek presided. Also present were Jim Schug, County Administrator; Molly O'Rourke, Deputy Administrator; George Kuprian, Assistant County Attorney; Doug Johnson, County Attorney; Kevin Corbid, Director of Assessment, Taxpayer Services and Elections; Carol Peterson, Administrative Support Manager; Don Theisen, Director of Transportation and Physical Development; Wayne Sandberg, Deputy Director of Transportation and Physical Development; Lowell Johnson, Director of Public Health and Environment; Judy Hunter, Senior Program Manager; Jeff Travis, Program Manager; Rosemary Peterson, Central Services Manager; Dan Papin, Community Services Director; Heidi Steltzner, I.T. Analyst; Kay McAloney, Human Resources Director; Cindy Koosmann, Recorder; Jennifer Wagenius, Deputy Recorder; and Steve Nelson, Public Information Coordinator II.

The Board recited the Pledge of Allegiance.

COMMENTS FROM THE PUBLIC

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

CONSENT CALENDAR

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

1. Approval of the June 13, 2006 Board meeting minutes.
2. Approval to award bid for purchase of vended food service to Midwest Vending, Inc. as the most responsible bidder. Vended food receipts to be paid to the county as a commission.
3. Approval to set a date for public hearing to consider an off-sale liquor license by new owners of Meister's Bar and Grill for July 25, 2006 at 9:00 a.m.
4. Approval of an amendment to add an additional Group Residential Housing site to the 2006-2008 Presbyterian Homes contract for assisted living services.
5. Approval for the 2006-2007 license renewal on the Novell products utilized by the county.

June 27, 2006

6. Approval and execution by Board Chair and Administrator of a recycling grant agreement with the City of Forest Lake for distribution of curbside recycling funds.
7. Approval for plat of Homestead Estates in Denmark Township.
8. Approval and execution of Lease Amendment No. 2 to Lease No. 160 for space use to house the Forest Lake License Center.
9. Adoption of **Resolution No. 2006-088** as follows:

Authorization to Enter Contract with SEH, Inc.
for Design Services for CSAH 15

WHEREAS, the reconstruction of CSAH 15, Manning Avenue North, has been included in the county Capital Improvement Plan; and

WHEREAS, the Transportation Division has solicited Qualifications and Proposals from various firms for final design services for S.P. 82-615-020; and

WHEREAS, three consulting firms provided Proposals for analysis; and

WHEREAS, after reviewing the Proposals, the Transportation Division staff recommends entering into a contract for final design services with SEH, Inc., based on qualifications, quality of proposal, and cost.

NOW, THEREFORE, BE IT RESOLVED, that the Washington County Board of Commissioners hereby authorizes the County Board Chairman to sign and enter into a contract with SEH, Inc., in the amount of \$281,312, for final design services of S.P. 82-615-020.

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

APPRECIATION TO LINDA O'DONNELL, CITY OF LAKE ST. CROIX BEACH

Commissioner Kriesel moved to adopt **Resolution No. 2006-089** as follows:

Resolution of Appreciation to Linda O'Donnell
Upon Her Retirement as City Clerk/Administrator
of the City of Lake St. Croix Beach

WHEREAS, Linda O'Donnell will retire as City Clerk/Administrator effective July 7, 2006, after 19-1/2 years of public service for the citizens of the City of Lake St. Croix Beach and Washington County; and

WHEREAS, Linda O'Donnell began her career in public service for the City of Lake St. Croix Beach in December 1986 as City Clerk and her career progressed with additional responsibilities as Clerk/Treasurer in 1991 and Clerk/Administrator in 2001; and

June 27, 2006

WHEREAS, Linda O'Donnell has provided exceptional public service through the organization of regular business hours at City Hall to provide enhanced city services for its citizens; she provided leadership during three floods that affected Lake St. Croix Beach and which resulted in a hazard mitigation grant from FEMA to purchase houses in the flood plain or to raise houses above the flood elevation; and she developed a monthly city newsletter to provide city news to its residents; and

NOW, THEREFORE BE IT RESOLVED, that, the Washington County Board of Commissioners acknowledges with grateful appreciation Linda O'Donnell's public service to the citizens of Lake St. Croix Beach and Washington County; and

BE IT FURTHER RESOLVED that, the Washington County Board of Commissioners heartily commends Linda O'Donnell for her dedication and effectiveness during 19-1/2 years of public service and wishes her all the best in her upcoming retirement.

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

ASSESSMENT, TAXPAYER SERVICES AND ELECTIONS

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

TRANSPORTATION AND PHYSICAL DEVELOPMENT

Nick Thompson, the new East Metro Area Manager for the Minnesota Department of Transportation, presented updates on the St. Croix River Crossing, Valley Creek Road Interchange project, and the Wakota Bridge project.

St. Croix River Crossing – This project is at a key phase with the release of the Supplemental Final Environmental Impact Statement. The public will have until July 19 to review and offer comments on this report. This project deals with the current lift bridge. They will retain the lift bridge, do major maintenance, and convert it to a bike and pedestrian facility once the new river crossing is open. This project does not have full funding. In 2010 they estimate this project to be at \$482 million. They do have \$25 million to complete the design and begin some of the mitigation items including looking at the lift bridge, designing the trail system, and doing the historic nomination of properties in the corridor. Under current funding scenarios they believe it will be 2024 when construction will begin. They know that this date is unacceptable for most of the travelers and residents of the river valley. They are trying to find innovative financing and federal financing for this project.

June 27, 2006

Commissioner Peterson stated it is unacceptable to let this go until 2024. It is not fair to the businesses in downtown Stillwater. The bridge has to be built, the sooner the better. She asked that the County Board list this as a high priority and work with the communities to hire a lobbyist to work for additional funding in Washington.

Commissioner Kriesel agrees. The traffic in downtown Stillwater is destroying Stillwater and it's destroying the neighborhoods. He asked what it will cost in 2024 to build the bridge. Mr. Thompson stated in 2010 it will be \$482 million and then a million dollars a month for every delay from there.

Valley Creek Road Interchange – This project is making rapid progress. It should reopen by September 1, 2006.

Wakota Bridge – This is the fifth construction year. Work on Highway 61 is just about completed, 494 will be completed this year, and the first bridge will be completed this year. The first bridge is one year behind due to the design issues. The second bridge has been redesigned and hopefully that will begin next spring and will take two years.

PUBLIC HEALTH AND ENVIRONMENT

Commissioner Kriesel moved to adopt **Resolution No. 2006-090** as follows:

Transfer of Ownership of the Ramsey/Washington Resource Recovery Facility
from NRG Energy Inc. to Resource Recovery Technologies, LLC

WHEREAS, Ramsey and Washington Counties (“Counties”) have a Service Agreement (“Agreement”) and Design and Construction Agreement (“D and C Agreement”) (together the “Agreements”) with NRG Energy, Inc. (“NRG”), which owns and operates the Ramsey/Washington County Resource Recovery Facility (“Facility”) in Newport, Minnesota; and

WHEREAS, the Agreements and the Facility were assigned by Northern States Power Company (“NSP”) to NRG, which was at the time a wholly-owned subsidiary of NSP, in an Assignment and Assumption of Service Agreement dated 1993 (“1993 Agreement”), but NSP was not relieved of any of its liabilities or obligations under the Agreements in the 1993 Agreement; and

WHEREAS, NSP is now a wholly-owned subsidiary of Xcel Energy, Inc. (“Xcel”) and NRG is now an independent, publicly-traded company; and

WHEREAS, Section 14.03 of the Service Agreement and Section 17.03 of the D and C Agreement provide that NRG shall not transfer or relinquish, either directly or indirectly, through the sale of assets, merger, transfer of stock or otherwise, the ownership of all or any portion of the Facility to any person or entity, without first obtaining the express written approval from the Counties and that if such approval is first secured, the person or entity to

June 27, 2006

which such ownership or interest is transferred shall be bound by the Agreements and shall have no rights greater than NRG pursuant to the Agreements; and

WHEREAS, Section 14.04 of the Service Agreement and Section 17.04 of the D and C Agreement provide that NRG shall not assign any interest in the Agreements or transfer any interest in the same, whether by subcontract, assignment, or novation, without the prior written consent of the Counties, and such consent shall not be unreasonably withheld; and

WHEREAS, the Loan Agreement between the Counties and NSP (“Loan Agreement”) provides that NRG is bound by the provisions of Section 4.08 thereof; and

WHEREAS, the Counties have given formal notice to NRG that they do not intend to extend the terms of the Service Agreement, while also confirming their commitment to process waste through resource recovery; and

WHEREAS, by letter dated May 18, 2006 NRG notified the Counties that NRG is negotiating a Purchase Agreement with Resource Recovery Technologies, LLC (“RRT”), an affiliate of EBF Associates, LP, for the sale of the Newport facility (along with the Elk River Resource Recovery Facility and other related NRG solid waste processing assets); and

WHEREAS, the May 18 letter from NRG requests that the Counties provide written consent to the transfer of ownership in the Facility and assignment of the Agreements; and

WHEREAS, the Counties have not yet received an assignment agreement between NRG and RRT; and

WHEREAS, the Counties have conducted due diligence on the ability of RRT to own and operate the Facility pursuant to the Service Agreement; and

WHEREAS, the Executive Committee of the Ramsey/Washington Resource Recovery Project Board (“Project Board”) met on June 8, 2006 and recommended that the County Board consider providing consent to the transfer of ownership of the Facility from NRG to RRT, provided that such approval does not release NSP nor NRG from their liabilities and obligations under the Agreements at this time.

NOW THEREFORE, BE IT RESOLVED, that the Washington County Board of Commissioners hereby provides approval to the transfer of ownership of the Facility from NRG to RRT pursuant to the Agreements, to the assignment and assumption of the Agreements from NRG to RRT and pursuant to Section 17.04 of the D and C Agreement, and to the transfer of NRG’s rights and obligations under Section 4.08 of the Loan Agreement from NRG to RRT, provided that each of the following conditions are fulfilled:

1. The assignment and assumption agreement between NRG and RRT only assigns the Facility, the Agreements, and Section 4.08 of the Loan Agreement, and the obligations and liabilities of NSP and NRG under the 1993 Agreement are maintained; and
2. NRG makes representations, warranties, affirmations, and covenants identical to those made by NSP in the 1993 Agreement; and

3. RRT makes representations, warranties, affirmations, and covenants identical to those made by NRG in the 1993 Agreement; and
4. Nothing in this approval releases Xcel, NSP or NRG from their obligations under the Agreements, including obligations that survive termination of the Agreements; and
5. NRG and RRT provide a written release, acceptable to the Counties, that releases the Counties from all potential claims arising from the facts and circumstances in connection with certain alleged events of default described in the Notice of Default letter from NRG to the Counties dated June 28, 2005; and
6. NRG agrees to amend Section 11.02 of the Service Agreement to extend, for a mutually agreeable period of time, the date on which the Counties must notify NRG of their intent to exercise their option to purchase the Facility.

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

GENERAL ADMINISTRATION

Comments on the MinnCan Project

Jim Schug, County Administrator, informed the Board that MinnCan is proposing to build a 24 inch pipeline to transport 100,000 barrels of Canadian crude oil from northwest Minnesota down to the refineries in St. Paul Park and Rosemount. One of the requirements of siting that pipeline is approval by the Public Utilities Commission. The proposal included two routes—One route would follow an existing pipeline to Morrison County then swing south through mainly rural areas of Stearns, Meeker, Wright, McLeod, Carver, Scott and Sibley Counties coming around the south part of the metropolitan area. An alternate route would follow an existing Minnesota pipeline route that would include a portion of Washington County. Mr. Schug stated that after reviewing the information, the county is concerned that an expansion of the existing pipeline through Washington County would require additional easements which would go through some highly populated and developed areas.

Commissioner Peterson moved to approve comments to the Minnesota Public Utilities Commission on the application by the Minnesota Pipeline Company to expand the crude oil transportation capacity through the project known as the MinnCan Project and that Washington County has great concern about expanding the existing pipeline through the now developed areas of Washington County. Commissioner Hegberg seconded the motion and it was adopted unanimously; Commissioner Stafford absent.

Recognition for Marilyn Akey

Commissioner Kriesel moved to adopt **Resolution No. 2006-091** as follows:

June 27, 2006

Resolution of Appreciation to Marilyn Akey
Administrative Specialist, Office of Administration

WHEREAS, Marilyn Akey will retire as the Administrative Specialist in Washington County's Office of Administration effective June 30, 2006;

WHEREAS, Marilyn Akey joined Washington County on August 17, 1981, in Court Administration to provide clerical support and then accepted a position in the Office of Administration on January 29, 1984, and

WHEREAS, Marilyn Akey has served in numerous roles within the Office of Administration as the key contact person for the bid process for many county projects such as the new Washington County Service Center in Forest Lake and Cottage Grove; the main contact person with the Attorney's Office on legal aspects of contracts; supported the county budget process by collecting and preparing information from county departments and trained staff for input into the annual budget development; performed computer support and troubleshooting duties for the office; co-coordinated the county's annual employee Food Shelf Drive, and was editor of the county's employee newsletter in the 1990s; and

WHEREAS, Marilyn Akey has been a valuable member of Washington County and Office of Administration in many unofficial ways, contributing useful advice; always maintaining a positive, can-do attitude; giving professional direction; supplying chocolate; and organizing employee after-hours recreational opportunities.

NOW, THEREFORE BE IT RESOLVED, that the Washington County Board of Commissioners acknowledges, with grateful appreciation, Marilyn Akey's exemplary contributions in providing quality public service to county employees and citizens of Washington County; and

BE IT FURTHER RESOLVED, that the Washington County Board of Commissioners heartily commends Marilyn Akey for her dedication and 25 years of public service and extends our best wishes to Marilyn and her family in the next chapter of her life.

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

The Board thanked Marilyn for her dedication to the county for the past 25 years and wished her luck in her retirement.

COMMISSIONER REPORTS – COMMENTS – QUESTIONS

Commissioner Peterson mentioned an article in the paper about Metropolitan Council Chair Peter Bell's comments that the Central Corridor would need to consider cutbacks, and one cutback was to not extend the Central Corridor to the Union Depot. She feels that is unacceptable to everyone who has been in support of the Union Depot and those who are involved in other corridors, because the Union Depot is to be a multi-modal station. She asked that the Board send a letter to Chair Bell indicating that this budget cut is unacceptable.

June 27, 2006

Commissioner Peterson advised the Board that School District 833 is going to have a referendum on September 12 for three issues: \$107 million for changes in the facilities; \$42 million for mechanicals; and \$1 million dollars a year for ten years for technology. That is a significant bond issue as the county looks at its bond issue. She understands that the Forest Lake and Stillwater school districts are also considering bond issues.

Commissioner Peterson reported that AMC is having a leadership program in Burnsville on July 12, 13, and 14. She encourages the Board to attend.

Commissioner Peterson wished everyone a happy 4th of July.

Commissioner Kriesel reported on his tour of southwest Minnesota to look at wind turbine generation. The Metro Energy Task Force is partnering with the rural counties in bringing forward development of 150 Megawatts of wind turbine generation. The issues are ownership and financing and how that will come about.

BOARD CORRESPONDENCE

Board correspondence was received and placed on file.

ADJOURNMENT

There being no further business to come before the Board, Commissioner Peterson moved to adjourn, seconded by Commissioner Pulkrabek and it was adopted unanimously; Commissioner Stafford absent. The Board meeting adjourned at 9:55 a.m.

Bill Pulkrabek, Chair
County Board

Attest:

James R. Schug
County Administrator