

# BOARD LETTER NO. 09 - 56

## ENVIRONMENTAL & NATURAL RESOURCES COMMITTEE NO. 1

### BOARD AGENDA NO.

**DATE:** February 24, 2009

**RE:** Namakan Basin Sewer System Initiative

**FROM:** Alan L. Mitchell  
County Administrator

#### **RELATED DEPARTMENT GOAL:**

To ensure the policy direction set by the St. Louis County Board of Commissioners is implemented in as effective and efficient manner as possible.

#### **ACTION REQUESTED:**

The St. Louis County Board is requested to approve a Joint Powers Agreement (JPA) with Kabetogama Township and Crane Lake Water and Sanitary District for the Namakan Basin Sewer System Initiative, to appoint Board members to the JPA Board, and to authorize submission of a grant application to the Iron Range Resources Board (IRR) for planning funds.

#### **BACKGROUND:**

On July 1, 2008, the St. Louis County Board heard a presentation on the Namakan Basin Sewer System Initiative. In response to that presentation, on July 8, 2008 the St. Louis County Board authorized funding of \$100,000 for initial planning for the Initiative. This was contingent upon "a matching grant from the Iron Range Resources Board, and is authorized as a "dollar for dollar" match up to a \$100,000 maximum".

Subsequent to the above action, St. Louis County (representing the unorganized area of Ash River), Kabetogama Township, and the Crane Lake Water and Sanitary District discussed implementation of the project and funding. A grant application was submitted by Kabetogama Township to IRR that resulted in a grant of \$50,000. This left a \$50,000 gap in the funding required by the resolution approved by the St. Louis County Board. The parties also discussed a JPA so there would be oversight and direction for the planning process. This has resulted in an agreement that the Kabetogama Township Board and the Crane Lake Water and Sanitary District have approved and executed. The JPA Board will have two County Commissioners and one representative from the Ash River area. The JPA established that St. Louis County would be the fiscal agent for the Board and would accept and disburse funds on behalf of the Board. Kabetogama Township then withdrew its request to IRR for a grant so that St. Louis County could apply and receive the funding directly from IRR.

Administration has prepared a grant application to IRR for \$100,000 which it is asking for authority to submit. It is likely that St. Louis County will only receive \$50,000 that was previously awarded to Kabetogama Township. It is possible to submit a second

grant application for this project after July 1, and the parties are hopeful that the additional \$50,000 will be approved. Under this scenario, however, the previous resolution of the Board requiring an IRR grant of a dollar for dollar match with the County funding limits the project from moving forward at this time.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board approve the JPA with Kabetogama Township and Crane Lake Water and Sanitary District to initiate planning for a comprehensive sanitary sewage treatment system for the Namakan Basin area; appoint two County Commissioners and one representative from the unorganized area of Ash River to the Joint Powers Board; and authorize submission of a grant application to IRR for the initiative and authorize the immediate expenditure of the \$100,000 County funding for this project.

**BY COMMISSIONER \_\_\_\_\_**

**WHEREAS**, the Namakan Basin Sewer System Initiative is proposed to build a comprehensive sanitary sewage treatment system for the housing, recreational, and resort developments surrounding the Voyageurs National Park to address water quality issues affecting the ecology of the nation's only water based national park; and

**WHEREAS**, the St. Louis County Board has received and approved a funding request of \$100,000 to serve as initial planning funds for a potential \$28 million project; and

**WHEREAS**, St. Louis County (representing the unorganized area of Ash River), Kabetogama Township, and the Crane Lake Water and Sanitary District have proposed a Joint Powers Agreement for the purpose of initiating planning for this project; and

**WHEREAS**, the Iron Range Resources Board (IRR) has indicated a willingness to consider a grant to assist in this project.

**NOW THEREFORE, BE IT RESOLVED**, that the St. Louis County Board approves the Joint Powers Agreement with Kabetogama Township and Crane Lake Water and Sanitary District to initiate planning for a comprehensive sanitary sewage treatment system for the Namakan Basin area, and appoints Commissioners \_\_\_\_\_ and \_\_\_\_\_, and \_\_\_\_\_ with \_\_\_\_\_, an alternate, to the Joint Powers Board.

**RESOLVED FURTHER**, that the St. Louis County Board authorizes submission of a grant application to IRR for initiative planning funds and authorizes the immediate expenditure of the \$100,000 County funding for this project.

# Commissioner's Grants Project Application

Date Submitted:

Project Description: Planning, design and feasibility study to address water quality issues for the Voyageur's National Park Area including Lake Kabetogama, Crane Lake and Ash River.

Applicant's Legal Name: St. Louis County

Address: 100 N. 5<sup>th</sup> Avenue West, Room 202, Duluth, MN 55802

Contact Person: Alan L. Mitchell  
Title: County Administrator

Phone #'s: Home:  
Work: 218-726-2448  
Fax: 218-726-2469

Email Address: [mitchella@co.st-louis.mn.us](mailto:mitchella@co.st-louis.mn.us)

Geographic Area Served by Applicant: Lake Kabetogama  
Population Served by Applicant: 350  
Applicant's Legal Representative:  
Applicant's Governing Body (Mayor, City Council, Town Board Chairman,  
Supervisors, Officers/Board of Directors): St. Louis County Board of Commissioners

## SIGNATURES

I declare that any statement in this application, or information provided herein is true and complete to the best of my knowledge and hereby acknowledge that I have read and understand the following statement:

*"The State of Minnesota and its agents have the right to verify information provided in this application. False information, in addition to disqualifying the applicant from future consideration for financial assistance, may also subject the applicant to the penalty provision of MS. §609.645."*

Applicant: \_\_\_\_\_  
By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_  
Attest: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

## Project Budget and Timetable

USES	SOURCES (Be Specific)						
	Applicant	IRR	Other	Other	Other	Other	Total
Detailed Project Costs							
Study, Planning Design	\$100,000	\$100,000					\$200,000
Infrastructure							
Site Work							
Other:							
Estimated_Project_Costs	\$100,000	\$100,000					\$200,000

### Estimated Timetable

Please fill out the following anticipated dates.

ACTIONS	DATE
Commencement of project:	March, 2009
Project completion:	March, 2011

ST. LOUIS COUNTY BOARD POLICIES  
GRANT MANAGEMENT  
CHAPTER 11  
**GRANT APPLICATION APPROVAL FORM**

GRANT NAME: \_Namakan Basin Sewer System Initiative GRANT AMOUNT: \$100,000  
GRANTOR: Iron Range Resources MATCH AMOUNT: \_\_\_\_\_  
FUND: \_\_\_\_\_ AGENCY: \_\_\_\_\_ GRANT: \_\_\_\_\_ GRANT YEAR: \_\_\_\_\_  
AGENCY NAME: St. Louis County  
CONTACT PERSON: Alan L. Mitchell PHONE: 218-726-2448  
GRANT PERIOD: BEGIN DATE: March, 2009 END DATE: March, 2011  
STATE GRANT AWARD NUMBER OR FEDERAL CFDA # \_\_\_\_\_

FILL IN THE ABOVE INFORMATION ON THIS FORM AND IDENTIFY THE CATEGORY OF THE GRANT FROM THE CHOICES BELOW. ATTACH THIS FORM TO THE GRANT APPLICATION AND ANY OTHER PERTINENT OTHER DOCUMENTATION AND ROUTE THE PACKET TO THE INDIVIDUALS LISTED FOR THE TYPE OF GRANT.

**IT IS ESSENTIAL THAT DEPARTMENTS SUBMIT THE COMPLETED APPROVAL FORM ON THOSE GRANTS THAT DO NOT REQUIRE BOARD RESOLUTION TO THE AUDITOR'S OFFICE ACCOUNTING DEPARTMENT FOR BUDGETING PURPOSES. NO GRANT ACTIVITY WILL BE RECORDED WITHOUT AN ESTABLISHED BUDGET.**

**GRANTS OF \$25,000 OR LESS**

A grant of \$25,000 or less may be applied for and/or accepted by the department without separate County Board Resolution if it meets the following:

1. The grant fits within the department's functions, and
2. If the grant requires a County match (not to exceed in money or value an amount equal to the actual grant), and if that match is "in kind, that "in-kind" match is part of the ongoing operations, **or** if the match is monetary, that the department can find the necessary amount within its existing budget.

**DOES THIS GRANT QUALIFY UNDER "GRANTS OF \$25,000 OR LESS"?**

**YES \_\_\_\_\_ NO \_\_\_\_\_**

If so, this type of grant requires the following review approval:

County Attorney \_\_\_\_\_ Date: \_\_\_\_\_  
County Auditor \_\_\_\_\_ Date: \_\_\_\_\_  
County Administrator \_\_\_\_\_ Date: \_\_\_\_\_

**The Grant Budget must be entered into the accounting system. Send a copy of the grant, this signed approval form and any other pertinent information to the Auditor's office-Accounting, so the budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.**

ST. LOUIS COUNTY BOARD POLICIES  
GRANT MANAGEMENT  
CHAPTER 11

**NEW GRANTS GREATER THAN \$25,000**

All new grants that exceed \$25,000 and all recurring grants that exceed \$25,000 that contain changes in the grant's requirements which may affect either County resources or the scope of the grant need two (2) board resolutions. One board resolution is required to apply for the grant and a second resolution is required to accept the grant.

**DOES THIS GRANT QUALIFY UNDER "GRANTS GREATER THAN \$25,000"?**

**YES** \_\_\_\_\_ **NO** \_\_\_\_\_

If this is a new grant greater than \$25,000, it requires the following review approval:

County Attorney \_\_\_\_\_ Date: \_\_\_\_\_  
County Auditor \_\_\_\_\_ Date: \_\_\_\_\_  
County Board Chairperson \_\_\_\_\_ Date: \_\_\_\_\_

**The Grant Budget must be entered into the accounting system. Send a copy of the grant, this completed approval form and the Board Resolution to the Auditor's Office-Accounting, so a budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.**

**RECURRING GRANTS GREATER THAN \$25,000**

A recurring grant greater than \$25,000 that is a repeat of a grant which has been received by the County in past year(s) and that has no changes in the use of County resources or in the scope of the grant, requires one board resolution to both apply for and/or accept the grant.

**DOES THIS GRANT QUALIFY AS "RECURRING GRANTS GREATER THAN \$25,000"?**

**YES** \_\_\_\_\_ **NO** \_\_\_\_\_

If yes, this recurring grant greater than \$25,000 requires the following review approval:

County Attorney \_\_\_\_\_ Date: \_\_\_\_\_  
County Auditor \_\_\_\_\_ Date: \_\_\_\_\_  
County Administrator \_\_\_\_\_ Date: \_\_\_\_\_

**The Grant Budget must be entered into the accounting system. Send a copy of the grant, this completed approval form and the Board Resolution to the Auditor's Office-Accounting, so a budget can be entered into the system. Without a budget, no expenditures or revenues will be recorded.**