

HENNEPIN COUNTY

MINNESOTA

PRELIMINARY BOARD AGENDA

ADMINISTRATION, OPERATIONS AND BUDGET COMMITTEE

TUESDAY, MAY 23, 2023

1:30 PM

Chair: Debbie Goettel, District 5
ViceChair: Chris LaTondresse, District 6
Members: Jeff Lunde, District 1
Irene Fernando, District 2
Marion Greene, District 3
Angela Conley, District 4
Kevin Anderson, District 7

1. Minutes from Previous Meeting

TMP-0122

May 9, 2023 Minutes

Attachments: 2023_5_9_Minutes

2. New Business

Routine Items

A. [23-0203](#)

Amd 1 to Agmt PR00004134 with Project for Pride in Living LLC for the provision of a Career Pathway/Apprenticeship program at the Hennepin Energy Recovery Center, 04/01/22-07/31/24, increasing NTE \$50,000

Items for Discussion and Action

B. [23-0204](#)

Authorize supplemental appropriations to amend the 2022 budget

Attachments: [Schedule 1 for 2022YE Supplemental Appropriations](#)

HENNEPIN COUNTY

MINNESOTA

300 South Sixth Street
Minneapolis, MN
55487-0240

Board Action Request

TMP-0122

Item Description:
May 9, 2023 Minutes

HENNEPIN COUNTY

MINNESOTA

COMMITTEE MINUTES

Chair: Debbie Goettel, District 5
Vice-Chair: Chris LaTondresse, District 6

BOARD OF HENNEPIN COUNTY COMMISSIONERS

Members: Jeff Lunde, District 1
Irene Fernando, District 2
Marion Greene, District 3
Angela Conley, District 4
Kevin Anderson, District 7

ADMINISTRATION, OPERATIONS AND BUDGET

TUESDAY, MAY 9, 2023

1:30 PM

Commissioner Goettel, Chair, called the meeting of the Administration, Operations and Budget for Tuesday, May 9, 2023 to order at 1:34 p.m. All Commissioners were present. Commissioner Angela Conley stepped out briefly.

1. Open Appointment Interviews

A. 23-0170

2023 Community Advisory Board Applicants and Appointments - County Extension Committee - U
of M

PROGRESSED

The following applicant's pre-recorded interviews was played:

- John Knutson

Commissioner Kevin Anderson moved to progress, seconded by Marion Greene and approved - 7
Yeas

B. 23-0171

2023 Community Advisory Board Applicants and Appointments - Workforce Innovation and
Opportunity Act Board (WIOA)

PROGRESSED

The following applicants pre-recorded interviews were played:

- Douglas Gjerstad
- David Muscoplat
- Rebecca Stearns
- Shannon Seaver
- Johann Peterson
- Kari Scanlon

Commissioner Jeff Lunde moved to progress, seconded by Commissioner Marion Greene and
approved – 7 Yeas

2. Minutes From Previous Meeting

A. April 25, 2023 Minutes

APPROVED

Commissioner Irene Fernando moved to approve the Minutes from the Previous Meeting, seconded
by Commissioner Jeff Lunde and approved - 7 Yeas

3. New Business

Routine Items

A. 23-0172

Amd 2 to Agmt PR00002020 with AVI Systems Inc. for maintenance and support of Hennepin County District Court audio and video systems; incr amt by \$125,000

CONSENT

Commissioner Debbie Goettel moved to approve, seconded by Commissioner Irene Fernando and approved - 7 Yeas

B. 23-0173

Authorize the issuance and sale of one or more tax-exempt multifamily housing revenue bonds by the HCHRA for a multi-property affordable housing preservation project at multiple addresses in Minneapolis

PROGRESSED

Commissioner Angela Conley moved to progress, seconded by Commissioner Marion Greene and approved - 7 Yeas

C. 23-0174

Authorize the issuance and sale of one or more tax-exempt multifamily housing revenue bonds by the HCHRA for an affordable housing project at 2609 Blaisdell Ave in Minneapolis

PROGRESSED

Commissioner Angela Conley moved to progress, seconded by Commissioner Marion Greene and approved - 7 Yeas

D. 23-0175

Submission of HC Consortium 2023 Action Plan; neg Agmts A2311753, A2311752, and A2311751 w/HUD for the 2023 CDBG, HOME, ESG Pgrms, 07/01/23-06/30/28, \$5,085,642 (recv); neg 20 CDBG agmts, 07/01/23-06/30/28, NTE \$2,259,027; neg 8 HOME agmts, 07/01/23-06/30/28, NTE \$4,266,223

CONSENT

Commissioner Irene Fernando moved to approve, seconded by Commissioner Angela Conley and approved - 7 Yeas

Items for Discussion and Action

E. 23-0176

Reappointment of Carla J. Stueve as Hennepin County Highway Engineer for a four-year term to expire on May 21, 2027

CONSENT

Commissioner Debbie Goettel moved to approve, seconded by Commissioner Marion Greene and approved - 7 Yeas

4. Adjourn

There being no further business, the Administration, Operations and Budget Committee for May 9, 2023 was declared adjourned at 1:55 p.m.

Karen L Keller
Deputy Clerk to the County Board

HENNEPIN COUNTY

MINNESOTA

300 South Sixth Street
Minneapolis, MN
55487-0240

Board Action Request

23-0203

Item Description:

Amd 1 to Agmt PR00004134 with Project for Pride in Living LLC for the provision of a Career Pathway/Apprenticeship program at the Hennepin Energy Recovery Center, 04/01/22-07/31/24, increasing NTE \$50,000

Resolution:

BE IT RESOLVED, that Amendment 1 to Agreement PR00004134 with Project for Pride in Living LLC for the provision of a Career Pathway/Apprenticeship Program at the Hennepin Energy Recovery Center during the period April 1, 2022 through July 31, 2024, increasing the not to exceed amount by \$50,000 for a new total not to exceed amount of \$125,000 be approved; that the Chair of the Board be authorized to sign the agreement on behalf of the county; and that the Controller be authorized to disburse funds as directed.

Background:

Hennepin County owns the Hennepin Energy Recovery Center (HERC) and contracts with Great River Energy HERC Services (GREHS) to operate HERC. HERC is a waste management facility that processes 365,000 tons of waste each year as an alternative to disposal in a landfill. HERC provides 45 high wage jobs to recover energy from waste and recycle metals. Both GREHS and the county are interested in expanding the diversity of the workforce at HERC by developing and implementing a Career Pathway/Apprenticeship program. The goal of the program would be to recruit and hire three diverse candidates who would participate in a nine month training program at HERC.

Project for Pride in Living (PPL) has more than thirty years of experience managing cross sector collaborations to implement career training services and offer trainees long-term professional growth and economic mobility. Through extensive development and evaluation, PPL has established a strong career pathway model that works best when partnering shoulder to shoulder with both education and employer partners.

PPL's Career Pathway curriculum includes 120 hours related to the following topics: individualized career support, retention strategies, financial empowerment, strengths finders, diversity, equity and inclusion (DEI) workshops, navigating workplace culture, customer service, effective communication, critical thinking, teamwork, networking, goal setting and interviewing.

The program will enroll three students and run for nine consecutive months. During this time participants will work at HERC while also completing classroom training at PPL, Minneapolis College, and Heavy Metal Academy. PPL has already secured grant funding of more than \$160,000 for the program.

Minneapolis College will provide 156 hours of classroom instruction on: Occupational Safety Awareness, Trade Tools, Boiler License Prep, Basic Electricity, HVAC Systems and Controls, Plumbing, Building Automations, Interpreting Building Plans and Drawings, Carpentry, Appliance Repair and Replacement. Heavy Metal Academy will provide instruction and hands-on training to operate heavy equipment used at the HERC facility.

Program participants will be hired by GREHS as temporary employees and receive an hourly wage rate of not less than \$21.00 per hour with benefits. Upon graduation, students will be prepared to sit for a Boiler's License Exam, obtain a PPL Pathway Certificate and a Heavy Equipment Operating Certificate.

This program is funded by the Solid Waste Enterprise Fund.

Current Request: Authorize approval of Amendment 1 to Agreement PR00004134 with PPL for the provision of a Career Pathway/Apprenticeship program at HERC extending through to 7/31/2024 and increasing NTE by \$50,000 for a new NTE of \$125,000.

This Agreement would equip three apprentices with the skills required to be employed at HERC or similar energy facilities as a Utility Operator.

Impact/Outcomes: At the end of this 9-month apprenticeship program, there will be an opportunity to have 3 successful graduates ready to be hired. Hennepin County and GREHS will be able to:

- Recruit motivated individuals who are committed to training and finding a career as a Utility Operator
- Create customized curriculum with credentials that can apply toward a degree
- Manage successful apprenticeship experiences for trainees and employers
- Provide job coaching and support services to individuals during training and once placed in employment

This successful Pathways program:

- Trains residents of marginalized communities for high demand fields with good wages, benefits, and a future, in both public and private sector jobs.
- Meets and exceeds employers' needs. Hennepin County has hired 320 Hennepin Pathways graduates. Employer partners have hired more than 200. 12 months after hire, 88% of Hennepin Pathways graduates are still with the same employer.
- Increases average wages by 140% for graduates hired into Hennepin County.
- Supports employee development. More than 44% have advanced to a higher level position within the county.
- Returns the initial financial investment in 1218 months.

This board action supports the county's disparity reduction efforts by helping Hennepin County and other employers in the region find qualified candidates and decrease employment disparities by creating diverse pools of well trained and high potential applicants tailored to meet our region's workforce needs and creating structured and connected customized education and training programs, work experiences, and support services all provided at no fee to job seekers to enable them to secure a family sustaining career or advance in an industry or occupation.

Recommendation from County Administrator: Recommend Approval

Board Action Request

23-0204

Item Description:

Authorize supplemental appropriations to amend the 2022 budget

Resolution:

BE IT RESOLVED, that the 2022 budget be amended by the supplemental appropriations as identified in Schedule 1 as on file with the Clerk of the Board; and that the Controller be authorized to transfer funds as directed.

Background:

The Office of Budget and Finance has reviewed the status of 2022 departmental expenditures relative to approved appropriations. Schedule 1 shows the detail of departments that exceeded their authorized expenditure level and require budget adjustments.

Recommendation from County Administrator: Recommend Approval

Schedule 1

2022 Budget - Supplemental Appropriations

<u>SUPPLEMENTAL APPROPRIATIONS</u>		<u>Fund</u>	<u>Dept ID</u>	<u>Account</u>	<u>Proj #</u>	<u>Description</u>	<u>Amount</u>
1.	Sheriff's Office						
	REVENUE	10	273150	49049		Other Financing Sources - Lease Financing GASB 87	\$ 450,000
	EXPENSE	10	273150	56265		Capital Outlay Lease - GASB 87	\$ 450,000

Explanation: The Governmental Accounting Standards Board (GASB) issued a new accounting standard for leases that went into effect in 2022. The new accounting standard requires that an expense be recorded in the financial statements when a new lease is signed. The Hennepin County Sheriff's Office is requesting a supplemental appropriation to its 2022 Operating Budget for the impact of the new accounting standard.

2.	Energy Center						
	REVENUE	11	183100	44721		Steam-Consumption	\$ 400,000
	REVENUE	11	183200	44723		Chilled Water-Consumption	\$ 175,000
	EXPENSE	11	183100	51520		Natural Gas	\$ 575,000

Explanation: Commodity pricing for natural gas is the primary driver for the supplemental appropriation in Fund 11 (Energy Center). Natural gas rates in 2022 averaged \$5.80/dkthm, while the budgeted rate was \$4.44/dkthrm. All of the additional expenditures were offset by favorable revenue.

3.	Opioid Settlement Special Revenue Fund						
	REVENUE	27	590279	49953		Opioid Settlement	\$ 450,000
	EXPENSE	27	590279	50950		Personnel Services	\$ 100,000
	EXPENSE	27	590279	55240		Contracted Services	\$ 350,000

Explanation: The Opioid Settlement Fund is a special revenue fund, created in 2022 as a result of a legal settlement. Expenditures in 2022 were related to payments to contracted providers and related personnel services.

Schedule 1

2022 Budget - Supplemental Appropriations

		<u>Fund</u>	<u>Dept ID</u>	<u>Account</u>	<u>Proj #</u>	<u>Description</u>	<u>Amount</u>
4.	Hennepin Health	REVENUE	30	312222	44277	Fees for Services	\$ 67,100,000
		EXPENSE	30	312222	53222	Services	\$ 67,100,000

Explanation: Enrollment in 2022 was higher than budgeted in 2022 due to the continuation of the Federal Public Health Emergency. Higher enrollment resulted in higher than budgeted revenues and medical expenditures.

5.	Environment and Energy	REVENUE	34	184532	44720	Special Assessments	\$ 2,950,000
		REVENUE	34	184612	44730	SW-Tipping Fee	\$ 800,000
		EXPENSE	34	184532	52900	Other Services	\$ 2,950,000
		EXPENSE	34	184617	52602	SW Landfill Fees-MSW	\$ 800,000

Explanation:

The county's Solid Waste Enterprise Fund exceeded the 2022 budget by \$3.7 million due to two main drivers: (1) the Property Assessed Clean Energy (PACE) program, and (2) excess trash collected by the county's solid waste system.

(1) Property Assessed Clean Energy Program: Due to an increase in demand to finance renewable and energy efficiency projects through the Property Assessed Clean Energy (PACE) program, expenditures exceeded the budget by \$2.9 million (listed as Other Services above). All expenditures related to the PACE program are directly offset by increased revenues (listed as Special Assessments). These projects help meet countywide climate action goals.

(2) Solid Waste Landfill Fees: The county's solid waste system includes revenues from waste tip fees charged to haulers for delivering trash to county waste facilities, and expenditures to process and dispose of the waste. The 2022 budget was based on a forecast of 60,000 tons of municipal solid waste (MSW) that would need to be landfilled. The actuals for 2022 were 88,500 tons of waste landfilled, resulting in additional landfilling costs (listed as SW Landfill Fees- MSW) as well as additional tip fee revenue (SW-Tipping Fee) that offset the additional expenditures.