

HENNEPIN COUNTY

MINNESOTA

FINAL COMMITTEE AGENDA

ADMINISTRATION, OPERATIONS AND BUDGET COMMITTEE

TUESDAY, OCTOBER 8, 2024
1:30 PM

Chair: Debbie Goettel, District 5
ViceChair: Heather Edelson, 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

1.A. September 24, 2024 AOB Minutes

2. New Business

Routine Items

2.A. [24-0403](#)

Neg Amd 2 to Lease Agmt A040146 with RV & PD Investments, LLC, for rental space at 9325 Upland Lane North, Maple Grove, extend end date to 05/31/30 (\$302,075 first year rent and operating costs)

2.B. [24-0404](#)

Neg Amd 4 to Lease Agmt A2110797 with American Indian Community Development Corporation for rental space at 1800 Chicago Avenue in Mpls, ext end date to 12/31/26 with no change to contract amt

2.C. [24-0405](#)

Receive \$400,000 from Thrivent Financial for Lutherans for the 625 Building

2.D. [24-0406](#)

Amd 5 to Agmt PR00003112 with Hive Blaine, LLC for the provision of academic tutoring services, ext end date to 12/31/25 and incr NTE by \$742,000

2.E. [24-0407](#)

Amd 3 to Agmt A101667 with OneNeck IT Solutions LLC for colocation data center services and managed services, ext end date to 10/31/29, incr NTE by \$4,042,800

Items for Discussion and Action

2.F. [24-0426](#)

County Board affirms the mission of Hennepin Healthcare System, Inc. (HHS) and its governance model; directs County Administrator; requests HHS Board - offered by Commissioner Fernando

HENNEPIN COUNTY

MINNESOTA

300 South Sixth Street
Minneapolis, MN
55487-0240

Board Action Request

TMP-1454

Item Description:

September 24, 2024 AOB Minutes

HENNEPIN COUNTY

MINNESOTA

COMMITTEE MINUTES

ADMINISTRATION, OPERATIONS AND BUDGET COMMITTEE

TUESDAY, SEPTEMBER 24, 2024
1:30 PM

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

Commissioner Debbie Goettel, Chair, called the meeting of the Administration, Operations and Budget Committee for Tuesday, September 24, 2024 to order at 1:44 p.m.

Present: Commissioner Debbie Goettel, Jeff Lunde, Irene Fernando, Marion Greene, Angela Conley, Kevin Anderson and Heather Edelson

1. Public Hearing

- 1.A. Public comment on the Hennepin County Consortium Draft 2023 Consolidated Annual Performance and Evaluation Report (CAPER)

Commissioner Debbie Goettel moved to open the public hearing portion of the agenda at 1:46 p.m. Being that no one came forward to provide testimony, the public hearing was closed at 1:48 p.m., seconded by Commissioner Jeff Lunde.

2. Minutes from Previous Meeting

- 2.A. September 10, 2024 Minutes

APPROVE

Commissioner Irene Fernando moved, seconded by Commissioner Kevin Anderson, to approve the Minutes.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Anderson and Commissioner Edelson

3. New Business

Routine Items

- 3.A. [24-0379](#)

Amd 2 to Agmt PR00002333 with Genex Services, LLC, to provide workers' compensation claims billing services, ext end date to 10/31/27, incr NTE by \$760,000

CONSENT

Commissioner Heather Edelson moved, seconded by Commissioner Irene Fernando, to approve the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Anderson and Commissioner Edelson

3.B. [24-0380](#)

Delegation of authority to the County Administrator to negotiate and finalize Agmt PR00006272 with Benefit Resource, LLC - An Inspira Financial Solution (BRI) for the provision of COBRA, retiree, and employee benefit continuation administrative services, 01/01/25-12/31/27, NTE \$524,000

CONSENT

Commissioner Jeff Lunde moved, seconded by Commissioner Heather Edelson, to approve the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Anderson and Commissioner Edelson

3.C. [24-0381](#)

Delegation of authority to the County Administrator to negotiate and finalize Agmt PR00006368 with P&A Administrative Services, Inc. for the provision of pretax FSA administrative services, 01/01/25-12/31/27, NTE \$1,000,000

CONSENT

Commissioner Debbie Goettel moved, seconded by Commissioner Kevin Anderson, to approve the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Anderson and Commissioner Edelson

Items for Discussion and Action

3.D. [24-0382](#)

Agmt PR00006625 with Project for Pride in Living LLC for the development of a Career Pathway/Trainee program with Hennepin County's Facility Services Department, 10/01/24-08/01/25, NTE \$40,000

CONSENT

Commissioner Marion Greene moved, seconded by Commissioner Kevin Anderson, to approve the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Anderson and Commissioner Edelson

3.E. [24-0383](#)

Resolution supporting Hennepin County's role in preventing displacement of business and residents along the METRO Blue Line Extension Corridor - offered by Commissioner Fernando and Commissioner Lunde.

CONSENT

Commissioner Irene Fernando moved, seconded by Commissioner Jeff Lunde, to approve the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Anderson and Commissioner Edelson

Old Business

3.F. [24-0376](#)

Transition planning for Hennepin Healthcare Systems, Inc. - offered by Commissioner Edelson

RETURN TO AUTHOR

Commissioner Heather Edelson moved, seconded by Commissioner Debbie Goettel, to return to author the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Anderson and Commissioner Edelson

Addendum

3.G. [24-0402](#)

Endorse a workgroup to develop a plan to address placement options for county-connected youth with complex needs

CONSENT

Commissioner Irene Fernando moved the Resolution, seconded by Commissioner Kevin Anderson. After discussion, Commissioner Heather Edelson moved a friendly amendment to change the date in the last resolving clause to January 7, 2025, seconded by Commissioner Irene Fernando and approved. Commissioner Heather Edelson moved to approve the Resolution, as amended, seconded by Commissioner Irene Fernando.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Anderson and Commissioner Edelson

There being no further business, the Administration, Operations and Budget Committee for Tuesday, September 24, 2024 was declared adjourned at 2:55 p.m.

Maria Rose
Clerk to the County Board

MINNESOTA

Board Action Request

24-0403

Item Description:

Neg Amd 2 to Lease Agmt A040146 with RV & PD Investments, LLC, for rental space at 9325 Upland Lane North, Maple Grove, extend end date to 05/31/30 (\$302,075 first year rent and operating costs)

Resolution:

BE IT RESOLVED, that Amendment 2 to Lease Agreement A040146 with RV & PD Investments, LLC for 9,243 square feet of rental space at 9325 Upland Lane North, Maple Grove, extending the contract period from June 1, 2025 to May 31, 2030, in the estimated amount of \$302,075 first year rent and operating costs, be approved; that the Chair of the Board be authorized to sign the amendment on behalf of the county; and that the Controller be authorized to receive and disburse funds as directed.

Background:

The Service Centers Department has operated the Maple Grove Service Center in 9,243 square feet of leased space located at 9325 Upland Lane North, Maple Grove since 2005. The current lease term ends on May 31, 2025. Amendment 2 to Lease Agreement A070387 with RV & PD Investments, LLC will extend the lease for five (5) years from June 1, 2025, through May 31, 2030. Amendment 2 will also provide the County with up to thirty thousand dollars (\$30,000) of tenant improvement work for renovations performed and paid for by the Landlord. The County will retain the right to cancel the lease with no penalty at any time during the five (5) year extension period with 365 days' written notice to the landlord.

Base rent will decrease from the current rate of \$24.00 per square foot (\$221,832 annual) to \$19.00 per square foot (\$175,617 annual) in the first year of Amendment 2, with annual increases of three percent (3%) thereafter during the five-year renewal period. Operating expenses are estimated to be \$13.68 per square foot (\$126,458 annual) for the first year and will be adjusted annually to reflect actual costs. Operating expenses include common area maintenance, insurance, utilities, janitorial services, and applicable taxes.

Current Request:

Authorization to negotiate Amendment 2 to Lease Agreement A040146 with RV & PD Investments, LLC for 9,243 square feet of space located at 9325 Upland Lane North, Maple Grove, extending the contract period from June 1, 2025, to May 31, 2030, in the estimate amount of \$302,075 first year rent and operating costs is requested.

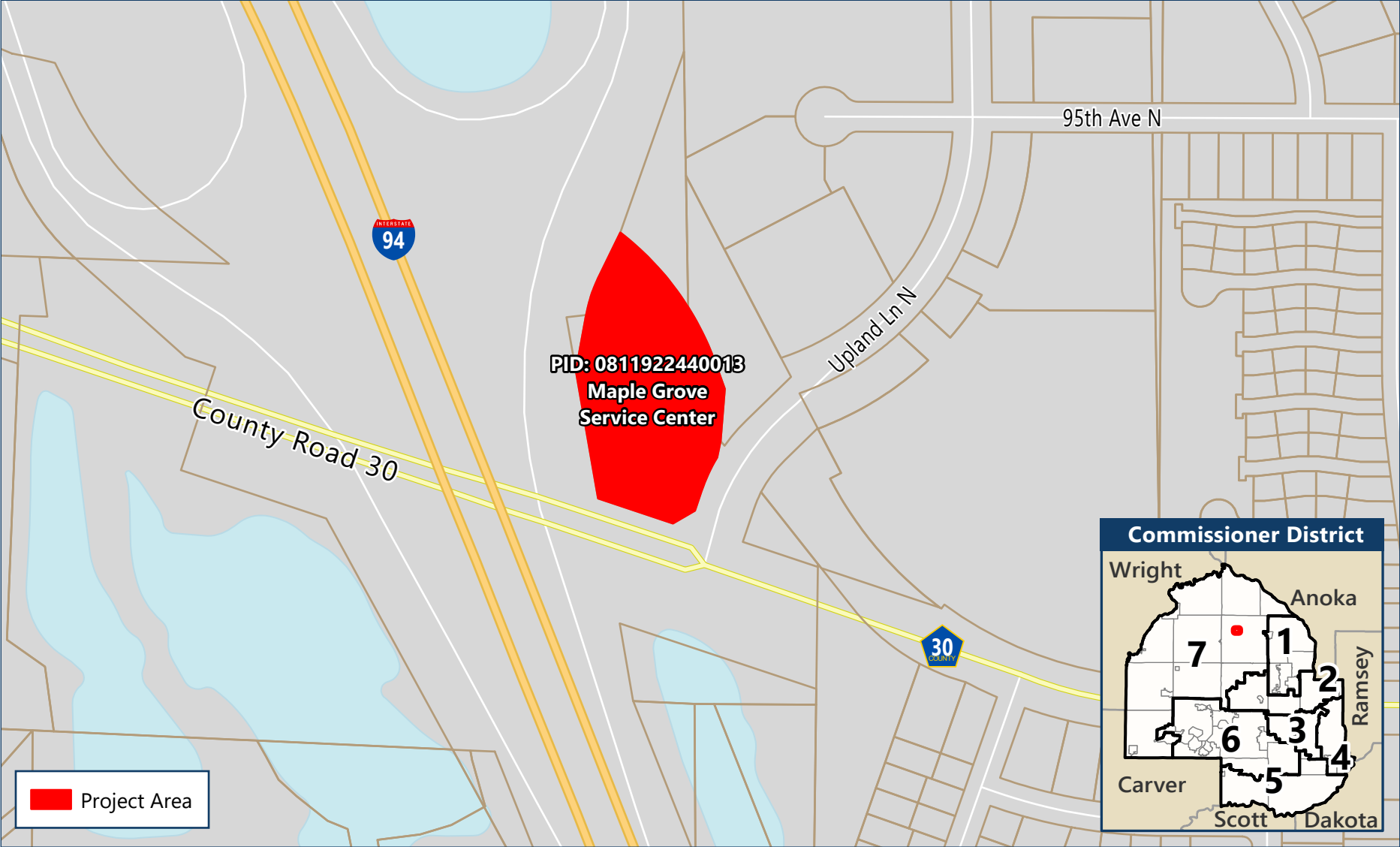
Impact/Outcomes:

Approval of Amendment 2 to Lease Agreement A040146 will allow the County to continue to provide residents with convenient access to services at the Maple Grove Service Center.

Recommendation from County Administrator: Recommend Approval

Amendment 2 to Lease Agreement A040146

9325 Upland Lane North, Maple Grove



BAR map date:
9/23/2024

HENNEPIN COUNTY

MINNESOTA

300 South Sixth Street
Minneapolis, MN
55487-0240

Board Action Request

24-0404

Item Description:

Neg Amd 4 to Lease Agmt A2110797 with American Indian Community Development Corporation for rental space at 1800 Chicago Avenue in Mpls, ext end date to 12/31/26 with no change to contract amt

Resolution:

BE IT RESOLVED, that the County Administrator be authorized to negotiate Amendment 4 to Lease Agreement A2110797 with American Indian Community Development Corporation for leased space at 1800 Chicago Avenue, Minneapolis, expanding the rental space from approximately 755 square feet to 18,450 square feet, and extending the lease through December 31, 2026 with no change to the estimated receivable amount of \$234,869 for first year rent and operating expenses; that following review and approval by the County Attorney's Office, the Chair of the Board be authorized to sign the amendment on behalf of the County; and that the Controller be authorized to accept and disburse funds as directed.

Background:

The American Indian Community Development Corporation (AICDC) has been the county service provider for withdrawal management/detoxification services at 1800 Chicago since 2002. AICDC currently leases 17,695 square feet at 1800 Chicago in which it operates 65 beds through Lease Agreement A2110797. The current lease is scheduled to expire on December 31, 2024. Services provided by AICDC are funded in part by a county Human Services contract.

The Fourth Amendment to Lease Agreement A2110797 will extend the lease term by two (2) years from January 1, 2025, through December 31, 2026. The Fourth Amendment will also increase the size of the leased space by approximately 755 square feet, from the current size of 17,695 square feet to the new size of 18,450 square feet. The additional ~755 square feet will be for administrative offices and will not increase the number of beds. The rent structure will remain unchanged with AICDC paying its pro-rata share of operating expenses, which are estimated at \$234,869 for the first year. In addition, AICDC may pay up to \$147,600 (\$8.00 per square foot) annual Base Rent as determined at the end of each calendar year should funding received from the State of Minnesota exceed AICDC's actual operating expenses for the withdrawal management services. Both the County and AICDC will continue to have the right to cancel the lease by providing written notice at least one hundred twenty (120) days prior to the effective date of cancellation.

Current Request:

Authorization to negotiate Amendment 4 to Lease Agreement A2110797 with American Indian Community Development Corporation to extend the lease two (2) years through December 31, 2026, in the estimated receivable amount of \$234,869 for the first year is requested.

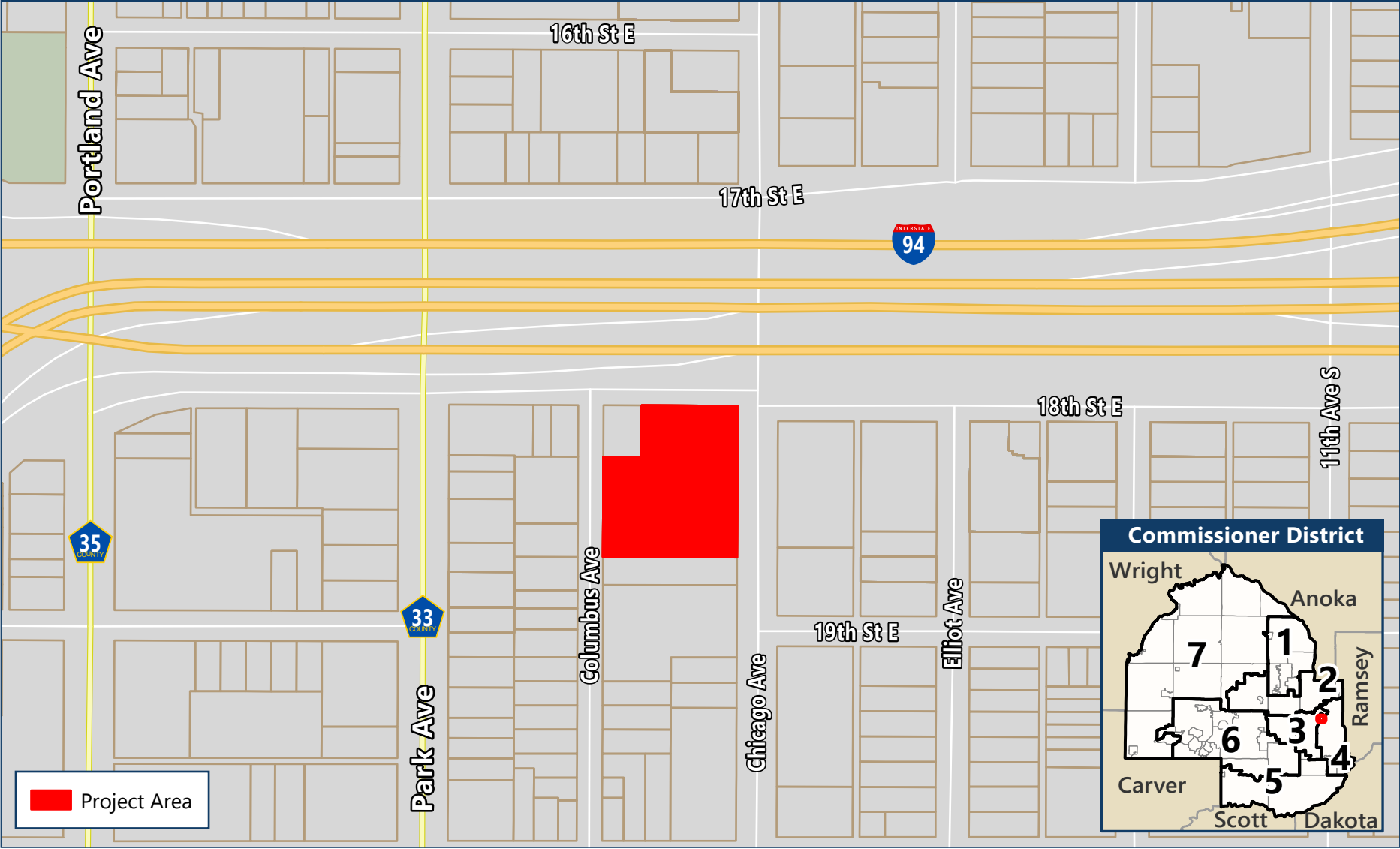
Impact/Outcomes:

Approval of Amendment 4 to Lease Agreement A2110797 will allow AICDC to continue to provide withdrawal/detoxification services at 1800 Chicago Avenue.

Recommendation from County Administrator: Recommend Approval

Amendment 4 to Lease Agreement A2110797

1800 Chicago Ave, Minneapolis



BAR map date:
9/9/2024

HENNEPIN COUNTY

MINNESOTA

300 South Sixth Street
Minneapolis, MN
55487-0240

Board Action Request

24-0405

Item Description:

Receive \$400,000 from Thrivent Financial for Lutherans for the 625 Building

Resolution:

BE IT RESOLVED, that the Chair of the Board be authorized to approve receipt of \$400,000 and execute a settlement agreement with Thrivent Financial for Lutherans in resolution of a claim related to the condition of the 625 Building.

Background:

The county purchased the building located at 625 4th Avenue South ("625 Building") from Thrivent Financial for Lutherans ("Thrivent") in 2018. The county took possession of the 625 Building in 2020 and corrected water intrusion issues in the building. Thrivent is reimbursing the county for a portion of that cost.

Current Request:

Approval of receipt of \$400,000 from Thrivent Financial for Lutherans for reimbursement of water infiltration work is requested.

Impact/Outcomes:

This action will reimburse the county for work completed at the 625 Building.

Recommendation from County Administrator: Recommend Approval

HENNEPIN COUNTY

MINNESOTA

300 South Sixth Street
Minneapolis, MN
55487-0240

Board Action Request

24-0406

Item Description:

Amd 5 to Agmt PR00003112 with Hive Blaine, LLC for the provision of academic tutoring services, ext end date to 12/31/25 and incr NTE by \$742,000

Resolution:

BE IT RESOLVED, that Amendment 5 to Agreement PR00003112 with Hive Blaine, LLC for the provision of academic tutoring services, extending the contract term to December 31, 2025 and increasing the not to exceed amount by \$742,000 for a new total not to exceed amount of \$2,667,000, be approved; that the Chair of the County Board be authorized to sign the Amendment on behalf of the county; and that the Controller be authorized to disburse funds as directed.

Background:

Resolution 200340 authorized the county administrator to negotiate an agreement with Hive Blaine, LLC (Huntington Learning Centers), beginning January 1, 2021, to provide tailored individualized tutoring services to youth served by Education Support Services in the Disparity Reduction Line of Business.

Amendments 1 through 4 to Agreement PR00003112 with Hive Blaine, LLC extended the contract term and increased the not-to-exceed amounts, year by year, \$1,925,000.

Hive Blaine, LLC (Huntington Learning Centers) services continue to include:

- Assessment of students and recommendations for appropriate academic support programming for students and families identified by Hennepin County.
- Scheduling virtual tutoring with Educational Support Specialist/cases worker, student, and family.
- Conducting tutoring sessions, depending on initial assessments, ages of students and other relevant considerations.
- Reassessment of student progress occurs at every 30-50 hour interval and at the end of recommended programming.

As of September 2024, 590 students have received tutoring services through Hive Blaine, LLC (Huntington Learning Centers) with a total of 31,882.25 tutoring hours completed. Demand for this program continues to increase, as additional academic support outside the classroom is needed to reduce learning loss experienced by youth connected to county services during the pandemic.

Significant academic outcomes for students served by tutoring include:

- Students testing below grade level in reading are starting up to 3.5 grade levels behind. On average, students are improving 1.7 grade level equivalencies in reading after engaging in tutoring.
- For our youngest students and early readers, 95% increased their skills in phonics/building blocks of reading scores, with an average improvement of 45% after several months of tutoring. These skills are the foundations of reading and incredibly important to future academic success.

Recommendation from County Administrator: Recommend Approval

HENNEPIN COUNTY

MINNESOTA

300 South Sixth Street
Minneapolis, MN
55487-0240

Board Action Request

24-0407

Item Description:

Amd 3 to Agmt A101667 with OneNeck IT Solutions LLC for colocation data center services and managed services, ext end date to 10/31/29, incr NTE by \$4,042,800

Resolution:

BE IT RESOLVED, that Amendment 3 to Agreement A101667 with OneNeck IT Solutions LLC for colocation data center and managed services, extending the contract period through October 31, 2029, and increasing the contract amount by \$4,042,800 for a new not to exceed total of \$17,530,256 be approved; that the Chair of the Board be authorized to sign the Amendment on behalf of the county; and that the Controller be authorized to disburse funds as directed.

Background:

In 2010, the county executed an agreement with Visi Inc. to lease data center space at Visi's Eden Prairie facility and receive managed services. In 2015, the agreement was assigned following Visi Inc.'s acquisition by OneNeck IT Solutions LLC. Since 2010, the county has contracted for cost-effective colocation cabinets, primary and redundant power with onsite generators, fiber cross connections, industry standard security controls, remote support and 24/7 staff access to the secure and controlled Eden Prairie facility. Colocation is a critical extension of Hennepin County's data center; it is crucial for Hennepin County to have automated failover capabilities between this site and the Government Center data center to ensure the continuous, uninterrupted operation of mission-critical services. Additionally, OneNeck IT Solutions LLC provides the county with managed services including after-hours support desk services and monitoring of applications, servers, and the network.

Agreement A101667 was approved previously by the county board through Resolutions 10-0478, 15-0524 and 21-400. This technology request has been reviewed and approved by the office of the Hennepin County CIO.

Recommendation from County Administrator: Recommend Approval

HENNEPIN COUNTY

MINNESOTA

300 South Sixth Street
Minneapolis, MN
55487-0240

Board Action Request

24-0426

Item Description:

County Board affirms the mission of Hennepin Healthcare System, Inc. (HHS) and its governance model; directs County Administrator; requests HHS Board - offered by Commissioner Fernando

WHEREAS:

WHEREAS, on January 1, 2007, Hennepin County Medical Center's (HCMC) operational oversight transitioned from Hennepin County to a subsidiary Public Corporation, Hennepin Healthcare System, Inc. (HHS); and

WHEREAS, HHS is an integrated system of care that serves as a critically important safety-net and teaching hospital for residents of Hennepin County and the State of Minnesota, with a nationally recognized Level I Adult and Pediatric Trauma Center, an acute care hospital, a clinic system, an outpatient Clinic & Specialty Center, an Emergency Medical Services fleet, and more; and

WHEREAS, the Hennepin County Board of Commissioners have ensured the continuous operations of HHS since its establishment as a subsidiary corporation, and previously when HCMC was still a department within Hennepin County Government; and

WHEREAS, under Minnesota Statutes § 383B.901, HHS is a public corporation, operating as a subsidiary of Hennepin County, with its own board of directors (HHS Board) and governance model; and

WHEREAS, under Minnesota Statutes § 383B.908, the Hennepin County Board of Commissioners has reserved powers related to HHS, including but not limited to specific approvals over mission, finances, and governance; and

WHEREAS, under HHS Bylaws, the Hennepin County Board of Commissioners further has reserved powers and specifically "Approval of all legislative initiatives and positions of the [HHS] Corporation and coordination of all lobbying efforts" (see HHS Bylaws, Article III Governing Member, Section 3.4 Reserved Powers of the County, (xvi), p. 8); and

WHEREAS, the Hennepin County Board of Commissioners established "Healthcare access" among its top three legislative priorities in the 2024 IGR Platform, to support a wide range of County-owned healthcare facilities and services (NorthPoint Health and Wellness Center, 1800 Chicago, Red Door Clinic, behavioral and mental health, Medical Examiner's Office, Hennepin Healthcare System, and more); and

WHEREAS, under Minnesota Statutes § 383B.903, the Hennepin County Board of Commissioners has a role relating to appointment of the HHS Board, and pursuant to HHS Bylaws, the HHS Board "shall consist of between eleven (11) and fifteen (15) Directors" (HHS Bylaws, Article IV Board of Directors, Section 4.3, p. 11); and to fulfill vacancies, the "[HHS] Governance Committee shall present its slate of candidates to the [HHS] Board of Directors for approval and the [HHS] Board of Directors shall forward its recommended slate to the County Board," and the "County Board shall choose to accept or reject the entire proposed slate of such candidates," (HHS Bylaws, Article IV Board of Directors, Section 4.11, p. 13); and

WHEREAS, there are up to five vacancies projected for the upcoming 2025 HHS Board slate (HHS Executive Committee meeting held on September 25, 2024).

Resolution:

BE IT RESOLVED that the Hennepin County Board of Commissioners directs the County Administrator to establish two additional positions within Hennepin County's Intergovernmental Relations department to focus on Health-related legislative efforts, and to externally post the positions no later than October 18, 2024; and

BE IT RESOLVED that the Hennepin County Board of Commissioners requests the HHS Board to incorporate the following, when recommending the 2025 HHS Board slate to the County Board:

- Multiple appointees who represent Labor and workforce interests;
- Multiple appointees who increase the percentage of HHS Board membership who receive direct care at HHS; and
- Overall HHS Board membership which reflects patient populations.

Background:

Key dates in remaining 2024 calendar:

- Tuesday October 1, County Board meeting
- Thursday October 10, County/HHS Board Briefing (no other dates currently established)
- Wednesday October 23, HHS Board meeting
- Tuesday October 29, County Board meeting
- Wednesday November 6, Final HHS Board meeting (next meeting usually late January)
- Tuesday November 12, County IGR Committee meeting (proposed Legislative Platforms)
- Tuesday November 19, County Board meeting
- Thursday December 12, Final County Board meeting (votes for 2025 budgets and levies)

Recommendation from County Administrator: No Recommendation