

Aitkin County Board of Commissioners  
Request for County Board Action/Agenda Item Cover Sheet



To: Chairperson, Aitkin County Board of Commissioners Date: 3-5-13

Via: Patrick Wussow, County Administrator

From: Patrick Wussow, County Administrator

Title of Item:

Legislative Update

Requested Meeting Date: 3-12-13 Estimated Presentation Time: \_\_\_\_\_

Presenter: Patrick Wussow, County Administrator

**Type of Action Requested** (check all that apply)

- For info only, no action requested
- For discussion with possible action
- Let/Award Bid or Quote (attach copy of basic bid/quote specs or summary of complex specs, each bid/quote received & bid/quote comparison)
- Approve/adopt proposal by motion
- Authorize filling vacant staff position
- Request to schedule public hearing or sale
- Request by member of the public to be heard
- Item should be addressed in closed session under MN Statute \_\_\_\_\_
- Approve under Consent Agenda
- Adopt Ordinance Revision
- Approve/adopt proposal by resolution (attach draft resolution)
- Other (please list) \_\_\_\_\_

**Fiscal Impact** (check all that apply)

- Is this item in the current approved budget? Yes \_\_\_\_\_ No \_\_\_\_\_ (attach explanation)
- What type of expenditure is this?  Operating  Capital  Other (attach explanation)
- Revenue line account # that funds this item is: \_\_\_\_\_
- Expenditure line account # for this item is: \_\_\_\_\_

**Staffing Impact** (Any yes answer requires a review by Human Resources Manager before going to the board)

- Duties of a department employee(s) may be materially affected.  Yes  No
- Applicable job description(s) may require revision.  Yes  No
- Item may impact a bargaining unit agreement or county work policy.  Yes  No
- Item may change the department's authorized staffing level.  Yes  No



**Supporting Attachment(s)**

- Memorandum Summary of Item
- Copy of applicable county policy and/or ordinance (excerpts acceptable)
- Copy of applicable state/federal statute/regulation (excerpts acceptable)
- Copy of applicable contract and/or agreement
- Original bid spec or quote request (excluding complex construction projects)
- Bids/quotes received (excluding complex construction projects, provide comparison worksheet)
- Bid/quote comparison worksheet
- Draft County Board resolution
- Plat approval check-list and supporting documents
- Copy of previous minutes related to this issue
- Other supporting document(s) (please list) \_\_\_\_\_

**Provide (1) copy of supporting documentation NO LATER THAN Wednesday at Noon to make the Board's agenda for the following Tuesday. (If your packet contains colored copies, please provide (4) paper copies of supporting documentation as we do not have a color printer or copier.) Items WILL NOT be placed on the Board agenda unless complete documentation is provided for the Board packets.**

# AITKIN COUNTY ADMINISTRATION

**Aitkin County Courthouse**  
217 Second Street N.W. Room 130  
Aitkin, MN 56431  
218-927-7276  
Fax: 218-927-7374

**TO: Aitkin County Board of Commissioners**

**FROM: Patrick Wussow, County Administrator**

**RE: Legislative Update – Proposed Resolution and Correspondence**

**DATE: March 6, 2013**

Staff is requesting that the County Board approve the draft resolution and related correspondence. The resolution is for legislation that would reimburse Aitkin County and the majority of greater MN counties for sales tax paid for the ARMER 800 Mhz upgrades. For Aitkin County this would amount to \$100,000.00. Senator Lyle Koenen has proposed S.F. 472 and related S.F. 63 (attached). This legislation would allow Aitkin County and other counties to be reimbursed.

There are two reasons for this request: First, the upgrades to our radio system were mandated and did not come with adequate funding. This means Aitkin County will spend \$2,000,000.00 on another unfunded mandate. Second, the seven county metro area radio upgrades were installed with similar lack of funding; however all of their purchases were excluded from sales tax by legislation.

By proposing this resolution, staff is asking that the State Legislature and the Governor treat Aitkin County and the other greater MN counties the same as the seven county metro area counties.

Attached S.F. 472 and S.F. 63  
Proposed Resolution  
Proposed Letters to Senator Koenen, Senator Ruud, Rep. Radinovich

Please contact Sheriff Turner or me with questions.

# Minnesota State Legislature

## Minnesota Senate

**SF 472** Status in the **Senate** for the 88th Legislature (2013 - 2014)

Current bill text: [As Introduced](#)  
[Version List](#)

Companion: [HF428](#);  
[Companion Text](#)  
[House Search](#)

Revisor number: 13-1358

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[Long Description](#)

[Committee Hearings and Actions](#)

Senate Counsel & Research  
[Summary](#)

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### Description

Public safety radio communication systems sales tax exemption expansion

### Authors

[Koenen](#); [Dahms](#); [Sheran](#); [Reinert](#); [Rosen](#)

### Actions

[Separated](#)

[Chronological](#)

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Senate

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02/14/2013 Introduction and first reading

[Intro](#) pg. [234](#)

02/14/2013 Referred to [Taxes](#)

**Senate Counsel, Research  
and Fiscal Analysis**

G-17 State Capitol  
75 Rev. Dr. Martin Luther King, Jr. Blvd.  
St. Paul, MN 55155-1606  
(651) 296-4791  
Fax: (651) 296-7747  
Tom Bottern  
Director

# Senate

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**State of Minnesota**

## S.F. No. 472 - Sales Tax Exemption for Public Safety Radio Systems

**Author:** Senator Lyle Koenen

**Prepared By:** Nora B. Pollock, Senate Counsel (651/297-8066)

**Date:** February 18, 2013

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This bill provides a sales tax exemption for products and services for end-user equipment used for the construction, ownership, operation, maintenance, and enhancement of the backbone of the Allied Radio Metric for Emergency Response (ARMER) public safety radio system, including public safety radio dispatch centers. The ARMER system is a shared network of radio towers, equipment shelters, and radio transmission equipment used by state agencies, local governments, and other emergency responders. This bill would also exempt sales and purchases of public safety systems other than ARMER. Local jurisdictions have received sales tax exemptions as they built their systems to join the backbone network, but a statewide exemption has never been authorized.

Effective retroactively for sales and purchases made after June 30, 2005. Purchasers may apply for a refund of sales tax already paid on eligible purchases through June 30, 2014.

NBP:dv

[Check on the status of this bill](#)

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## Minnesota Senate

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KEY: ~~stricken~~ = removed, old language. underscored = added, new language.

[Authors and Status](#)

[List versions](#)



**S.F. No. 472, as introduced - 88th Legislative Session (2013-2014)** Posted on Feb 13, 2013

- 1.1 A bill for an act
- 1.2 relating to taxation; sales and use; expanding exemption for public safety radio
- 1.3 communication systems;amending Minnesota Statutes 2012, section 297A.70,
- 1.4 subdivision 8.
- 1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.6 Section 1. Minnesota Statutes 2012, section 297A.70, subdivision 8, is amended to read:
- 1.7 Subd. 8. **Regionwide Public safety radio communication system systems;**
- 1.8 **products and services. (a)** Products and services including, but not limited to, end user
- 1.9 equipment used for construction, ownership, operation, maintenance, and enhancement
- 1.10 of the backbone system of the regionwide public safety radio communication system
- 1.11 established under sections 403.21 to 403.40, are exempt. For purposes of this subdivision,
- 1.12 backbone system is defined in section 403.21, subdivision 9. This subdivision is effective
- 1.13 for purchases, sales, storage, use, or consumption for use in the first and second phases of
- 1.14 the system, as defined in section 403.21, subdivisions 3, 10, and 11, that portion of the
- 1.15 third phase of the system that is located in the southeast district of the State Patrol and
- 1.16 the counties of Benton, Sherburne, Stearns, and Wright, and that portion of the system
- 1.17 that is located in Itasca County.
- 1.18 (b) Products and services, including, but not limited to, end-user equipment used
- 1.19 for construction, ownership, operation, maintenance, and enhancement of public safety
- 1.20 radio communication systems not already exempt under paragraph (a), including public
- 1.21 safety radio dispatch centers, are exempt.
- 1.22 **EFFECTIVE DATE.**This section is effective retroactively for sales and purchases
- 1.23 made after April 30, 2005. Purchasers may apply for a refund of tax paid for qualifying
- 1.24 purchases under this subdivision made after April 30, 2005, and before July 1, 2013, in the
- 2.1 manner provided in section 297A.75. Notwithstanding limitations on claims for refunds
- 2.2 under section 289A.40, claims may be filed with the commissioner until June 30, 2014.

Please direct all comments concerning issues or legislation  
to your [House Member](#) or [State Senator](#).

For Legislative Staff or for directions to the Capitol, visit the [Contact Us](#) page.

[General questions or comments.](#)

last updated: 04/18/2012

# Minnesota State Legislature

## Minnesota Senate

**SF 63** Status in the **Senate** for the 88th Legislature (2013 - 2014)

Current bill text: As Introduced  
[Version List](#)

Companion: [HF118](#);  
[Companion Text](#)  
[House Search](#)

Revisor number: 13-0633

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<a href="#">Long Description</a>	Committee Hearings and Actions	<a href="#">Senate Counsel &amp; Research Summary</a>
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### Description

Public safety radio equipment sales tax exemption expansion

### Authors

[Westrom](#); [Eken](#); [Koenen](#); [Ingebrigtsen](#); [Dahms](#)

### Actions

<a href="#">Separated</a>	<a href="#">Chronological</a>
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Senate

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01/22/2013 Introduction and first reading	<a href="#">Intro</a> pg. <a href="#">77</a>
01/22/2013 Referred to <a href="#">Taxes</a>	
01/28/2013 Author added Dahms	pg. <a href="#">107</a>



## Minnesota Senate

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KEY: ~~stricken~~ = removed, old language. underscored = added, new language.

[Authors and Status](#)

[List versions](#)



**S.F. No. 63, as introduced - 88th Legislative Session (2013-2014)** Posted on Jan 17, 2013

- 1.1 A bill for an act
- 1.2 relating to taxation; sales and use; expanding the exemption for public safety
- 1.3 radio communication systems; amending Minnesota Statutes 2012, section
- 1.4 297A.70, subdivision 8.
- 1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.6 Section 1. Minnesota Statutes 2012, section 297A.70, subdivision 8, is amended to read:
- 1.7 Subd. 8. **Regionwide public safety radio communication system; products and**
- 1.8 **services.** Products and services including, but not limited to, end user equipment used for
- 1.9 construction, ownership, operation, maintenance, and enhancement of the backbone system
- 1.10 of the regionwide public safety radio communication system established under sections
- 1.11 403.21 to 403.40, are exempt. For purposes of this subdivision, backbone system is defined
- 1.12 in section 403.21, subdivision 9. ~~This subdivision is effective for purchases, sales, storage,~~
- 1.13 ~~use, or consumption for use in the first and second phases of the system, as defined in~~
- 1.14 ~~section 403.21, subdivisions 3, 10, and 11, that portion of the third phase of the system that~~
- 1.15 ~~is located in the southeast district of the State Patrol and the counties of Benton, Sherburne,~~
- 1.16 ~~Stearns, and Wright, and that portion of the system that is located in Itasca County.~~
- 1.17 **EFFECTIVE DATE.** This section is effective for sales and purchases made after
- 1.18 **June 30, 2013.**

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to your [House Member](#) or [State Senator](#).

For Legislative Staff or for directions to the Capitol, visit the [Contact Us](#) page.

[General questions or comments.](#)

last updated: 04/18/2012

**CERTIFIED COPY OF RESOLUTION OF COUNTY BOARD OF AITKIN COUNTY, MINNESOTA**  
**ADOPTED March 12, 2013**

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By Commissioner:

031213-

**Support for Refund of Sales Tax Related to ARMER 800 Mhz Purchases**

**WHEREAS**, the Aitkin County Board has authorized purchases of approximately \$2,000,000.00 to upgrade the County radio and dispatch equipment to be compatible with the 800 MHz ARMER system, and

**WHEREAS**, when the seven county metro area made their upgrades they were exempt from paying sales tax, and

**WHEREAS**, If Aitkin County would have had the same benefit it would have saved more than \$100,000.00. Additionally the majority of Greater MN counties would have made similar saving, had they been treated that same as the metro counties, and

**WHEREAS**, Current legislation in the Senate (S.F. 472 and S.F. 63) supports refunding the sales tax for the mandated ARMER upgrades

**THEREFORE BE IT RESOLVED**, that the Aitkin County Board of Commissioners supports S.F. 472 and S.F. 63 and future similar legislation in the MN House for a sales tax exemption for purchases made after June 30, 2005 for ARMER related equipment.

Commissioner \_\_\_\_\_ moved the adoption of the resolution and it was declared adopted upon the following vote

MEMBERS PRESENT

All Members Voting

STATE OF MINNESOTA)  
County of Aitkin ) ss.  
Office of County Auditor,)

I, Kirk Peysar, Auditor, of the County of Aitkin, do hereby certify that I have compared the foregoing with the original resolution filed in my office on the 12<sup>th</sup> day of March A.D., 2013, and that the same is a true and correct copy of the whole thereof.

WITNESS MY HAND AND SEAL OF OFFICE at Aitkin, Minnesota, this 12<sup>th</sup> day of March A.D., 2013

KIRK PEYSAR, County Auditor

BY \_\_\_\_\_, Deputy



# AITKIN COUNTY ADMINISTRATION

**Aitkin County Courthouse**  
217 Second Street N.W. Room 130  
Aitkin, MN 56431  
218-927-7276  
Fax: 218-927-7374

March 12, 2013

Senator Lyle Koenen  
75 Rev. Dr. Martin Luther King Jr. Blvd.  
Capitol, Room 124  
Saint Paul, Minnesota 55155

Dear Senator Koenen:

Let me introduce myself as the Chairman of the Aitkin County Board of Commissioners. Recently our County Board reviewed legislation you proposed S.F. 472 and related S.F. 63. Aitkin County has spent hundreds of thousands of dollars upgrading our dispatch and radio system to be compliant with the 800 MHz requirements. This is clearly another mandate that has been passed down to local governments without adequate state or federal funding. But again the County complied. Your legislation seeking reimbursement for sales tax on these purchases is appropriate.

We are aware that previously, other counties had legislation excluding them from paying sales tax for these same purchases. It is not appropriate to treat MN taxpayers differently for the same purchase.

We estimate that Aitkin County tax payers would save around \$100,000.00 if our 800 MHz purchases had not been taxed. Again the issue is fairness.

If you need additional support please let us know (speakers at legislative hearing, etc.). This is an important topic for Aitkin County and the other Greater Minnesota Counties.

If after reviewing our resolution you have any comments please feel free to contact any or each of our County Commissioners as I am including our contact information.

Thank you,

J. Mark Wedel, Chairman  
Aitkin County Board

**District 1:** J. Mark Wedel – Chair  
515 6<sup>th</sup> Ave SE  
Aitkin, MN 56431  
Home: 218-927-6500  
[mark.wedel@co.aitkin.mn.us](mailto:mark.wedel@co.aitkin.mn.us)  
Term: 2011-2014

**District 2:** Laurie Westerlund  
30517 270<sup>th</sup> Lane  
Aitkin, MN 56431  
Home: 320-684-2652  
[laurie.westerlund@co.aitkin.mn.us](mailto:laurie.westerlund@co.aitkin.mn.us)  
Term: 2013-2016

**District 3:** Donald Niemi  
32340 State Hwy 47  
Aitkin, MN 56431  
Home: 218-927-9947  
[don.niemi@co.aitkin.mn.us](mailto:don.niemi@co.aitkin.mn.us)  
Term: 2011-2014

**District 4:** Brian Napstad  
51227 Long Point Place  
McGregor, MN 55760  
Home: 218-426-3008  
[brian.napstad@co.aitkin.mn.us](mailto:brian.napstad@co.aitkin.mn.us)  
Term: 2013-2016

**District 5:** Anne M. Marcotte–Vice Chair  
P.O. Box 192  
Hill City, MN 55748  
Home: 218-256-0277  
[anne.marcotte@co.aitkin.mn.us](mailto:anne.marcotte@co.aitkin.mn.us)  
Term: 2011-2014

Patrick Wussow, County Administrator  
217 2<sup>nd</sup> Street NW  
Room 130  
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218-927-7276

# AITKIN COUNTY ADMINISTRATION

## **Aitkin County Courthouse**

217 Second Street N.W. Room 130

Aitkin, MN 56431

218-927-7276

Fax: 218-927-7374

March 12, 2013

Senator Carrie Ruud  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
State Office Building, Room 25  
St. Paul, MN 55155-1206

RE: S.F. 472 and S.F. 63 – sales tax refund for unfunded mandates

Dear Senator Ruud:

At the March 12<sup>th</sup> County Board meeting the County Board approved the attached resolution 031213- . We ask that you support these pieces of legislation as they correct an unfair treatment of Aitkin County and the majority of Greater MN counties that have had to pay sales taxes for the ARMER radio upgrades. In the previous decade the seven County metro area made their upgrades with legislation excluding them from paying the related sales tax.

We have included the supporting documents for your review.

By supporting this legislation you would be allowing Aitkin County residents to be treated the same as the residents in the seven county metro area.

The Board asks that you vote to approve each of the pieces of legislation listed above.

Thank you,

J. Mark Wedel, Chairman  
Aitkin County Board

**District 1:** J. Mark Wedel – Chair  
515 6<sup>th</sup> Ave SE  
Aitkin, MN 56431  
Home: 218-927-6500  
[mark.wedel@co.aitkin.mn.us](mailto:mark.wedel@co.aitkin.mn.us)  
Term: 2011-2014

**District 2:** Laurie Westerlund  
30517 270<sup>th</sup> Lane  
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[laurie.westerlund@co.aitkin.mn.us](mailto:laurie.westerlund@co.aitkin.mn.us)  
Term: 2013-2016

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Term: 2011-2014

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Term: 2013-2016

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P.O. Box 192  
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Term: 2011-2014

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**Aitkin County Courthouse**  
217 Second Street N.W. Room 130  
Aitkin, MN 56431  
218-927-7276  
Fax: 218-927-7374

March 12, 2013

Representative Joe Radinovich  
529 State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
Saint Paul, Minnesota 55155

RE: S.F. 472 and S.F. 63 – sales tax refund for unfunded mandates

Dear Representative Radinovich:

At the March 12<sup>th</sup> County Board meeting the County Board approved the attached resolution 031213- . The County Board asks that you consider similar legislation in the MN House to effectuate appropriate action on behalf of the residents of Aitkin County. We ask that you support these pieces of legislation as they correct an unfair treatment of Aitkin County and the majority of Greater MN counties that have had to pay sales taxes for the ARMER radio upgrades. In the previous decade the seven County metro area made their upgrades with legislation excluding them from paying the related sales tax.

We have included the supporting documents for your review.

By supporting this legislation you would be allowing Aitkin County residents to be treated the same as the residents in the seven county metro area.

The Board asks that you vote to approve each of the pieces of legislation listed above.

Thank you,

J. Mark Wedel, Chairman  
Aitkin County Board

**District 1:** J. Mark Wedel – Chair  
515 6<sup>th</sup> Ave SE  
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[mark.wedel@co.aitkin.mn.us](mailto:mark.wedel@co.aitkin.mn.us)  
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Term: 2013-2016

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Term: 2011-2014

Patrick Wussow, County Administrator  
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