

**MOUNTAIN IRON CITY COUNCIL MEETING  
COMMUNITY CENTER  
MOUNTAIN IRON ROOM  
TUESDAY, JANUARY 18, 2005 - 6:30 P.M.  
A G E N D A**

- I. Roll Call
  - II. Consent Agenda
    - A. Minutes of the January 3, 2005 Regular Meeting (#1-9)
    - B. Bills and Payroll
    - C. Receipts
    - D. Communications (#62-72)
  - III. Public Forum
  - IV. Committee and Staff Reports
    - A. Mayor's Report
    - B. City Administrator's Report
    - C. Director of Public Work's Report
    - D. Director of Parks and Recreation's Report
      - 1. Policies (#10-11)
      - 2. West Two Rivers Campground (#12)
      - 3. Call for Quotes (#13)
    - E. City Engineers Report (#14)
    - F. City Attorney's Report
    - G. Sheriff's Department Report
      - 1. Monthly Statistics (#15)
    - H. Fire Department
      - 1. Election of Officers (#16)
    - I. Personnel Committee
      - 1. Meeting Attendance (#17)
  - V. Unfinished Business
    - A. Spring Park Road(#18-21)
    - B. 16<sup>th</sup> Avenue Project (#22)
  - VI. New Business
    - A. Ordinance Number 01-05 (#23-24)
    - B. Resolution 03-05 Authorizing the Issuance of Bonds (#25-55)
    - C. Board of Review Requirements (#56-57)
    - D. Conference Attendance (#58)
    - E. South Grove Park (#59)
    - F. After Hours Callout Policy and Procedure (#60)
    - G. HRA/EDA Executive Director (#61)
    - H. Communications (#62-72)
  - VII. Open Discussion
  - VIII. Announcements
  - IX. Adjourn
- # Denotes page number in packet

MINUTES  
MOUNTAIN IRON CITY COUNCIL  
REORGANIZATIONAL MEETING  
JANUARY 3, 2005

Mayor Skalko called the City Council meeting to order at 6:30 p.m. with the following members present: Joe Prebeg, Jr., Allen Nelson, Dale Irish, Ed Roskoski, and Mayor Gary Skalko. Also present were: Craig J. Wainio, City Administrator; Jill M. Forseen, Municipal Services Secretary; Don Kleinschmidt, Director of Public Works; Larry Nanti, Director of Parks and Recreation; Karen Luoma, Librarian; and Rod Flannigan, City Engineer.

It was moved by Prebeg and supported by Irish that the consent agenda be approved as follows:

1. Approve the minutes of the December 20, 2004, City Council meeting as submitted.
2. That the communications be accepted, placed on file, and those requiring further action by the City Council be acted upon during their proper sequence on the agenda.
3. To acknowledge the receipts for the period December 16-31, 2004, totaling \$436,977.39, (a list is attached and made a part of these minutes).
4. To authorize the payments of the bills and payroll for the period December 16-31, 2004, totaling \$355,223.31, (a list is attached and made a part of these minutes).

The motion carried unanimously on a roll call vote.

No one spoke during the public forum.

It was moved by Skalko and supported by Nelson to appoint Joe Prebeg, Jr. as Deputy Mayor for 2005. The motion carried.

It was moved by Roskoski and supported by Skalko to appoint Sam Aluni, The Trenti Law Firm, as the City's primary attorney for everyday types of legal work and appoint Larry C. Minton, Ltd. as the secondary firm to handle issues that the primary firm can not handle for 2005. The motion carried.

It was moved by Prebeg and supported by Nelson to appoint Rod Flannigan, Benchmark Engineering, as the City's Engineer for 2005. The motion carried.

It was moved by Prebeg and supported by Nelson to appoint the Mesabi Daily News as the official newspaper for the City of Mountain Iron for 2005. The motion carried.

It was moved by Nelson and supported by Prebeg to set the official meeting times for the regular City Council meetings at 6:30 p.m. on the first and third Mondays of the month for 2005. The motion carried.

It was moved by Roskoski and supported by Irish to have the deadline for agenda items submitted to the City Administrator as noon on the Wednesday before the meeting and the agenda packet be mailed out one day earlier. The motion carried.

It was moved by Prebeg and supported by Nelson to designate the City's official depositories as the American Bank, Queen City Federal, Wells Fargo Bank, U. S. Bank, Twin City Federal, League of Minnesota Cities 4M Fund, Miller Johnson Steichen Kinnard, Inc., Smith Barney, Inc., Northland Securities, and First National Bank of Buhl for 2005. The motion carried.

It was moved by Skalko and supported by Prebeg to appoint Jim Giorgi to the Planning and Zoning Commission with his term expiring on December 31, 2007. The motion carried.

It was moved by Skalko and supported by Nelson to appoint Victoria L. Juntunen to the Planning and Zoning Commission with her term expiring on December 31, 2007. The motion carried.

It was the consensus of the Council to have Councilor Nelson continue to serve as the Council Liaison to the Planning and Zoning Commission.

It was moved by Skalko and supported by Prebeg to re-appoint Reynold Renzaglia to the Utility Advisory Board with his term expiring December 31, 2007. The motion carried.

It was the consensus of the Council to have Councilor Prebeg continue to serve as the Council Liaison for the Utility Advisory Board.

It was moved by Skalko and supported by Roskoski to re-appoint Jennifer Overbye to the Parks and Recreation Board with her term expiring on December 31, 2007. The motion carried.

It was moved by Skalko and supported by Nelson to re-appoint Joe Prebeg, Jr. to the Parks and Recreation Board with his term expiring on December 31, 2007. The motion carried.

It was moved by Skalko and supported by Prebeg to re-appoint Jerry Golobich to the Parks and Recreation Board with his term expiring on December 31, 2007. The motion carried.

It was moved by Skalko and supported by Roskoski to appoint Natalie Pankrantz-Leff to replace Corrine Eden on the Parks and Recreation Board with her term expiring on December 31, 2006. The motion carried.

It was moved by Skalko and supported by motion to appoint Deborah R. Lewis to the Library Board with her term to expiring on December 31, 2007. The motion carried.

It was moved by Skalko and supported by Irish to appoint Rhonda McConnell to the Library Board with her term expiring on December 31, 2007. The motion carried with Councilors Prebeg and Nelson voting no.

It was the consensus of the Council to have Councilor Roskoski continue to serve as the Council Liaison to the Library Board.

It was moved by Roskoski and supported by Skalko to have Councilor Irish serve as the Council Liaison on the Park and Recreation Board. The motion carried.

It was moved by Skalko and supported by Irish to direct City Staff to send a thank you and certificate of appreciation to David Skalbeck, Tara Wainio, and Alan Stanaway for their years of service on the various boards and commissions. The motion carried.

It was moved by Roskoski and supported by Irish to re-appoint Mayor Skalko to the Quad Cities Joint Recreation Authority as the City Representative. The motion carried.

It was moved by Roskoski and supported by Irish to appoint Mayor Skalko to the Iron Range Youth in Action/Partners Board as the City Representative. The motion carried.

Councilor Roskoski questioned the City Administrator regarding the City paying for insurance at IronWorld. The City Administrator advised the Council that City has permanent records archived at IronWorld and the City is still responsible for these records.

Councilor Roskoski questioned the Director of Public Works regarding delivery of truck that the City purchased from the Fergus Falls dealership. The Director of Public Works said that the dealership would be delivery the vehicle. He also said that in the bid there was a \$75.00 deduction if the City wanted to pick the truck up, the City had not elected to do this.

Councilor Irish questioned the Council regarding who was going to be the Executive Director of the Housing and Redevelopment Authority to oversee the Mountain Manor. It was the consensus of the Council that the Economic Development Authority should address this issue naming Craig J. Wainio as Executive Director.

Councilor Irish questioned the financial report for the Park Ridge Development showing an overrun of \$19,000. The City Administrator said that he would review the file and report back to the City Council on the matter.

Councilor Roskoski questioned whether any part-time employees have been hired during the winter for the City. The Director of Public Works said that he hired two students that had previously worked here. Councilor Irish questioned whether this hiring is within the guidelines for employment.

Councilor Irish questioned the Director of Public Works regarding the mound at the entrance to Monkey Road. The Director of Public Works said that he had contacted the Minnesota Department of Natural Resources and they said that the City could remove the mound to allow snowmobiles to access, but not enough so cars could access the road.

The Recreation Director advised Councilor Irish that the Park and Recreation Board would be meeting on January 5, 2005, at 5:00 p.m.

It was moved by Roskoski and supported by Skalko to establish a new Blight Committee consisting of the Sheriff's Sergeant, the Blight Officer, the Zoning Administrator, the Building Inspector, the Fire Chief, Councilor Prebeg, and Councilor Roskoski to review the Blight Ordinance, scheduling the first meeting before the end of January. And further, to keep the Administrative Hearing Board the same. The motion carried.

It was moved by Skalko and supported by Irish to adopt Resolution Number 01-05, ordering improvements and preparation of plans for the Library ADA Improvements, (a copy is attached and made a part of these minutes). The motion carried.

It was moved by Nelson and supported by Prebeg to adopt Resolution Number 02-05, ordering improvement and preparation of plans for the open dumpsite cleanup, (a copy is attached and made a part of these minutes). The motion carried with Councilors Irish and Roskoski voting no.

It was moved by Nelson and supported by Prebeg to approve the 2005 Firewise Dry Hydrant Grant from the Minnesota Department of Natural Resources. The motion carried.

It was moved by Nelson and supported by Skalko to direct the City Administrator to draft an ordinance increasing the salaries of the Mayor to \$300 and of the City Council Members to \$225 with an effective date of January 1, 2007. The motion carried with Councilors Irish and Roskoski voting no.

It was moved by Roskoski and supported by Nelson to re-schedule the next regular meeting to Tuesday, January 18, 2005 at 6:30 p.m. because of the Martin Luther King, Jr. holiday. The motion carried.

During the open discussion, Councilor Prebeg questioned how the process was proceeding with having the Mountain Iron Library added to the National Register of Historic Places. Mayor Skalko said that Leone Graff and Karen Luoma were going to meet at IronWorld regarding having the Library on the National Register. Mayor Skalko also said that he was informed that the registry process was very slow.

Also during the open discussion, Councilor Prebeg said that a resident in Parkville was questioning him regarding the overlay put on the Parkville Street because the cars were now traveling faster. He said that the resident was requesting that a four way stop be placed at the corner of Parkville Street and Falcon Avenue.

It was moved by Prebeg and supported by Nelson to have the Street Committee consider the request for a four-way stop at the intersection of Parkville Street and Falcon Avenue. The motion carried with Roskoski voting no.

At 7:57 p.m., it was moved by Nelson and supported by Prebeg that the meeting be adjourned. The motion carried.

Respectfully submitted:



Jill M. Forseen, CMC/MMCA  
Municipal Services Secretary

[www.mtniron.com](http://www.mtniron.com)

## Summary By Category And Distribution

Category	Distribution	Amount
UTILITY	UTILITY	120,672.79
METER DEPOSITS	ELECTRIC	850.00
FINES	CRIMINAL	1,405.18
BUILDING RENTALS	NICHOLS HALL	55.00
LICENSES	ANIMAL	150.00
MISCELLANEOUS	REIMBURSEMENTS	14,296.00
BUILDING RENTALS	BUILDING RENTAL DEPOSITS	350.00
BUILDING RENTALS	COMMUNITY CENTER	100.00
PERMITS	BUILDING	511.88
MISCELLANEOUS	BLUE CROSS/BLUE SHIELD PAYABLE	25,227.85
MISCELLANEOUS	ASSESSMENT SEARCHES	20.00
INTERGOVERNMENTAL REVENUE	CDBG/ST LOUIS CO/I & I REDUCT.	1,868.64
INTERGOVERNMENTAL REVENUE	LOCAL GOVERNMENT AID	215,292.00
INTERGOVERNMENTAL REVENUE	MISCELLANEOUS STATE AID	52,436.48
CAMPGROUND RECEIPTS	FEES	50.00
BUILDING RENTALS	SENIOR CENTER	100.00
METER DEPOSITS	WATER	15.00
CD INTEREST	CD INTEREST 101	675.33
CD INTEREST	CD INTEREST 301	110.46
CD INTEREST	CD INTEREST 378	50.49
CD INTEREST	CD INTEREST 602	22.09
CD INTEREST	CD INTEREST 603	2,000.81
CD INTEREST	CD INTEREST 102	25.52
CD INTEREST	CD INTEREST601	684.79
CD INTEREST	CD INTEREST 102	7.08
Summary Totals:		<u>436,977.39</u>

Check Issue Date(s): 12/26/2004 - 01/07/2005

Per	Date	Check No	Vendor No	Payee	Check GL Acct	Amount
01/05	01/04/2005	31098	501	ACCESS COMPUTERS	002-20200	200.00
01/05	01/04/2005	31099	1172	ANNA AMUNDSON - YMCA	002-20200	50.00
01/05	01/04/2005	31100	140026	AQUILA	002-20200	5,429.53
01/05	01/04/2005	31101	10014	ARROWHEAD REG FIREFIGHTERS'	002-20200	60.00
01/05	01/04/2005	31102	20008	BREHM GROUP INC	002-20200	408.00
01/05	01/04/2005	31103	1099	CHRISTINE VUICICH	002-20200	100.00
01/05	01/04/2005	31104	30054	CIVIC SYSTEMS LLC	002-20200	3,318.00
01/05	01/04/2005	31105	1098	DEBBIE PODERZAY	002-20200	100.00
01/05	01/04/2005	31106	40032	DEPARTMENT OF ADMINISTRATION	002-20200	355.62
01/05	01/04/2005	31107	70029	GUARDIAN PEST CONTROL INC	002-20200	56.82
01/05	01/04/2005	31108	80002	HILLYARD	002-20200	176.78
01/05	01/04/2005	31109	90012	IREA SECRETARY/TREASURER	002-20200	100.00
01/05	01/04/2005	31110	1210	KEN WASCHKE AUTO PLAZA	002-20200	100.00
01/05	01/04/2005	31111	1175	KIM YELENICH	002-20200	36.78
01/05	01/04/2005	31112	120038	LITHO SPECIALISTS	002-20200	154.76
01/05	01/04/2005	31113	1173	MARK NIEMI	002-20200	575.00
01/05	01/04/2005	31114	1100	MEREDITH NOVAK	002-20200	50.00
01/05	01/04/2005	31115	130008	MINNESOTA MUNICIPAL UTILITIES	002-20200	770.00
01/05	01/04/2005	31116	130009	MINNESOTA POWER	002-20200	52,388.52
01/05	01/04/2005	31117	130049	MINNESOTA STATE TREASURER	002-20200	83.43
01/05	01/04/2005	31118	130024	MN POLLUTION CONTROL AGENCY	002-20200	90.00
01/05	01/04/2005	31119	140047	NARDINI FIRE EQUIPMENT CO INC	002-20200	119.17
01/05	01/04/2005	31120	140013	NATIONAL WATERWORKS	002-20200	635.94
01/05	01/04/2005	31121	150013	OFFICE NORTH	002-20200	105.97
01/05	01/04/2005	31122	170007	QUILL CORPORATION	002-20200	128.93
01/05	01/04/2005	31123	190068	SATELLITE SHELTERS INC	002-20200	1,602.83
01/05	01/04/2005	31124	1176	SHANNON LEGO	002-20200	225.00
01/05	01/04/2005	31125	1062	SHIRLEY SAVELA	002-20200	50.00
01/05	01/04/2005	31126	190022	ST LOUIS CO SOLID WASTE DEPT	002-20200	856.66
01/05	01/04/2005	31127	190002	ST LOUIS COUNTY AUDITOR	002-20200	34,650.94
01/05	01/04/2005	31128	190039	ST LOUIS COUNTY RECORDERS OFFC	002-20200	24.50
01/05	01/04/2005	31129	210028	U S BANK CORP TRUST SERVICES	002-20200	179,892.50
01/05	01/04/2005	31130	220025	VERIZON WIRELESS, BELLEVUE	002-20200	18.82
01/05	01/04/2005	31131	220004	VIRGINIA DEPARTMENT OF PUBLIC	002-20200	18,871.43
01/05	01/04/2005	31132	230027	WELLS FARGO BANK	002-20200	62.50
01/05	01/04/2005	31133	1174	WILLIAM DUNDAS	002-20200	300.00

Totals:

302,148.43

Payroll-PP Ending 12/31/04

53,074.88

TOTAL EXPENDITURES

\$355,223.31





# CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

PHONE: 218-748-7570 • FAX: 218-748-7573 • www.mtniron.com  
8586 ENTERPRISE DRIVE SOUTH • MOUNTAIN IRON, MN • 55768-8260

## RESOLUTION NUMBER 01-05

### ORDERING IMPROVEMENT AND PREPARATION OF PLANS

**WHEREAS**, the City of Mountain Iron desires to make its public Library in compliance with the Americans with Disabilities Act, and;

**WHEREAS**, the Mountain Iron public Library should be accessible to all the citizens of the community.

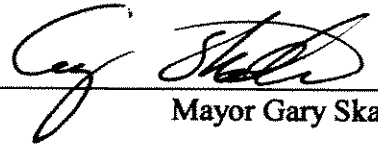
**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MOUNTAIN IRON, MINNESOTA:**

1. That the installation of an elevator and other accessibility features are necessary, feasible and desired.
2. DSGW Architects is hereby designated as the Architect for this improvement. The Architect shall prepare plans and specifications for the making of such improvement.

**DULY ADOPTED BY THE CITY COUNCIL THIS 3<sup>rd</sup> DAY OF JANUARY, 2005.**

ATTEST:

  
\_\_\_\_\_  
City Administrator

  
\_\_\_\_\_  
Mayor Gary Skalko



# CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

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## RESOLUTION NUMBER 02-05

### ORDERING IMPROVEMENT AND PREPARATION OF PLANS

**WHEREAS**, the City of Mountain Iron desires to cleanup the former open dump located in the NW¼ of the SW¼ of Section 10, T58N, R18W, and;

**WHEREAS**, the City of Mountain Iron has caused to be prepared a Phase I and a Phase II Environmental Assessment and a Remedial Action Plan for the site, and;

**WHEREAS**, the City of Mountain Iron has received a grant from Department of Employment and Economic Development to offset 75% of the costs associated with the cleanup of the former open dump.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MOUNTAIN IRON, MINNESOTA:**

1. Such improvement is necessary, cost-effective, feasible and desired.
2. Wenck Engineering is hereby designated as the Engineer for this improvement. The Engineer shall prepare plans and specifications for the making of such improvement.

**DULY ADOPTED BY THE CITY COUNCIL THIS 3<sup>rd</sup> DAY OF JANUARY, 2005.**

ATTEST:

  
\_\_\_\_\_  
City Administrator

  
\_\_\_\_\_  
Mayor Gary Skalko

**COUNCIL LETTER 011805-IVD1**  
**PARKS & RECREATION BOARD**  
**NEW POLICY**

**DATE:** January 13, 2005  
**FROM:** Larry D. Nanti  
Director of Parks & Recreation  
  
Craig J. Wainio  
City Administrator

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The Parks & Recreation Board requests that the City Council adopt the Parks & Recreation Policies as presented.

## **MOUNTAIN IRON PARKS & RECREATION POLICIES**

### **FUND RAISING**

Fund raising by any team, organization or individual sponsored by the Parks and Recreation Department must be approved by the Park and Recreation Board. Such requests must include type of fundraiser to be held and the use of the funds raised.

### **UNIFORMS AND EQUIPMENT**

All teams that are sponsored by the Parks and Recreation Department must wear only uniforms purchased, supplied and/or approved by the Department for use during games. At no time will uniforms be personalized with names or commercial logos.

Donations of uniforms or equipment must be approved by the Board. All trips and/or parties must be approved by the Recreation Director or Board.

All game equipment must comply with Standard Rules set forth by the league or governing body.

### **SALES OF CONCESSIONS**

Only groups approved by the Mountain Iron Parks and Recreation Board will be allowed to vend or operate concession areas at any event that is sponsored by the Mountain Iron Parks and Recreation Board. Request for approval must be in writing to the Parks & Recreation Board and state what is to be sold. Vendor permits will be issued by the City of Mountain Iron per City policy.

### **EXPENDITURES OF FUNDS**

All monies raised through funding drives or concession sales will become part of the Parks & Recreation Department. The Board will recommend expenditures from this fund.

Priority will be given to required equipment and safety issues for the entire program.

At no time will individuals act as the Park and Recreation Board or employees of the City of Mountain Iron or represent themselves as such.

ADOPTED BY THE MOUNTAIN IRON  
PARKS AND RECREATION BOARD ON  
APRIL 28, 2004

**COUNCIL LETTER 011805-IVD2**  
**PARKS & RECREATION BOARD**  
**CAMPGROUND IMPROVEMENTS**

**DATE:** January 13, 2005  
**FROM:** Larry D. Nanti  
Director of Parks & Recreation  
  
Craig J. Wainio  
City Administrator

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The Parks & Recreation Board is recommending that the City Council review and approve the campground improvements that will be funded through a grant from Mineland Reclamation in the amount of \$30,000.00. The list is as follows:

**WEST TWO RIVERS CAMPGROUND  
IMPROVEMENTS WITH ESTIMATED COSTS**

- |                               |                    |
|-------------------------------|--------------------|
| 1. Air handlers for bathrooms | \$ 2,000 - \$5,000 |
| 2. Half court basketball      | \$ 5,000 - \$7,000 |
| 3. Dock                       | \$ 4,000           |
| 4. Bathroom Stalls            | \$ 5,000           |
| 5. Water to remotes           | \$ 3,000           |
| 6. Shower Controls            | \$ 1,500           |

GRANT AMOUNT IS \$30,000.00

**COUNCIL LETTER 011805-IVD3**

**PARKS & RECREATION BOARD**

**CALL FOR QUOTES**

**DATE:** January 13, 2005

**FROM:** Larry D. Nanti  
Director of Parks & Recreation

Craig J. Wainio  
City Administrator

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The Parks & Recreation Board is recommending that the City Council call for quotes for the cost of labor to erect the new pavilion at the West Two Rivers Campground.



CIVIL AND ENVIRONMENTAL ENGINEERING • PLANNING  
MINING • LAND SURVEYING • LAND DATA BASE MAPPING

8878 Main Street • P.O. Box 261  
Mt. Iron, MN 55768-0261  
tel: 218-735-8914 • fax: 218-735-8923  
email: info@bm-eng.com

January 7, 2005

The Honorable Gary Skalko  
City Council and City Staff  
City of Mountain Iron  
8586 Enterprise Drive South  
Mountain Iron, MN 55768

Re: Professional Land Surveying Services

Dear Mayor Skalko, Councilors and Staff:

Benchmark Engineering, Inc. is pleased to announce that Nick Stewart, P.L.S. has successfully completed his Registered Land Survey exam and is now a Professional Land Surveyor.

Nick Stewart, P.L.S. has been with Benchmark Engineering, Inc. for 9 years and has extensive municipal, mining, residential and construction surveying experience. Nick has spent the last 4 years with Benchmark Engineering, Inc. as the Survey Project Manager.

Benchmark Engineering, Inc. is an independent, locally owned engineering and land surveying firm offering professional civil and environmental engineering, land surveying, planning, mining, wetland delineation and land data base mapping to public and private clients throughout Northern Minnesota.

Benchmark Engineering, Inc. professional staff now consists of two professional Land Surveyors, one Land Surveyor in Training, two Professional Engineers and one Engineer in Training to provide the City of Mountain Iron with experienced and professional consultant services. Enclosed please find our company brochure that further explains our professional services.

If you have any questions or would like additional information please do not hesitate to contact me.

Sincerely,

**Benchmark Engineering, Inc.**

Rodney Flannigan, P.L.S.

RF:js



# Saint Louis County

Office of the Sheriff - 100 North 5th Avenue West, Room 103 • Duluth, Minnesota 55802  
Phone: (218) 726-2337 - Fax: (218) 726-2171

**Ross Litman**  
Sheriff

**TO:** City of Mountain Iron City Council & Mayor  
**FROM:** Sgt. Joseph Stewart  
**RE:** December 2004 Activity Report  
**DATE:** January 10, 2005

The St Louis County Sheriffs Office in Mountain Iron received 127 calls for service during December. They issued 27 warning for traffic violations and 13 citations. The calls for service are listed below.

- 18-Onviews Officer initiated contacts checking on persons, vehicles or properties.
- 11-Traffic Accidents
  - 7-911 Disconnect calls
  - 6-Suspicious vehicle calls
  - 6-Assists to Virginia Sheriffs
  - 6-Domestics
  - 6-Disturbance of the Peace Complaints
  - 6-Medical Assists
- 5-Criminal Damage to Property Complaints
- 5-Assists to MN State Patrol
- 4-Assists to Virginia Police Department
- 4-Alarm Calls
- 3-DUI arrests
- 3-Welfare Checks upon Persons
- 3-Towed Vehicles
- 2-Animal Complaints
- 2-Attempts to locate vehicles
- 2-Fire Calls
- 28-other calls for service

15

Reply to:

**Administrative Offices**  
100 N 5th Ave. W, Rm 103  
P.O. Box 16187 Duluth, MN 55816  
Phone: (218) 726-2341  
Fax: (218) 726-2171

**County Jail**  
4334 Haines Road  
Duluth, MN 55811  
Phone: (218) 726-2345  
Fax: (218) 725-6134

**Emergency Management**  
5735 Old Miller Trunk Hwy  
Duluth, MN 55811  
Phone: (218)  
Fax: (218)

**Sheriff's Office**  
300 South 5th Avenue  
Virginia, MN 55792  
Phone: (218) 749-7134  
Fax: (218) 749-7192

**Sheriff's Office**  
1810 12th Ave. E  
Hibbing, MN 55746  
Phone: (218) 262-0132  
Fax: (218) 262-6334

*An Equal Opportunity Employer*



**COUNCIL LETTER 011805-IVH1**

**FIRE DEPARTMENT**

**ELECTION OF OFFICERS**

**DATE:** January 13, 2005

**FROM:** Tom Cvar  
Fire Chief

Craig J. Wainio  
City Administrator

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The Fire Department recommends that the City Council approve the newly elected officers for the next two years:

Fire Chief:	Tom Cvar
Assistant Fire Chief:	Steve Norvitch
Training Officer/Captain:	Justin Kochar
Captain:	Joe Buria
Captain:	Rory King
Secretary:	Joe Buria

**COUNCIL LETTER 011805-IVII**

**PERSONNEL COMMITTEE**

**MEETING ATTENDANCE**

**DATE:** January 13, 2005

**FROM:** Personnel Committee

Craig J. Wainio  
City Administrator

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The Personnel Committee met on January 10, 2005, to discuss the City Council meeting attendance issue by the Foreman during the Director of Public Works absence. It was the recommendation of the committee that, due to the requirement of attendance is not within the Foreman's job analysis or contract, the Foreman not be required to attend the City Council meetings at this time. It is also the recommendation of the Personnel Committee that at such point when in the future when the contract and job analysis is reviewed due to hiring, etc, that this issue be revisited.

**COUNCIL LETTER 011805-VA**

**CITY COUNCIL**

**SPRING PARK ROAD**

**DATE:** January 13, 2005

**FROM:** City Council

Craig J. Wainio  
City Administrator

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As per the direction at the December 20, 2004 regular meeting, Spring Park Road is being added to the agenda. The cost estimates are being provided in your packet. The maps outlining the area of improvement were presented to you prior to the December 20, 2004 meeting.



**ENGINEER'S ESTIMATE OF QUANTITIES AND OPINION OF COST**  
**SPRING PARK ROAD WATERMAIN EXTENSION**  
**MOUNTAIN IRON, MINNESOTA**  
**PROJECT NO: MI04-9**

OPTION D-2: 6" DUCTILE IRON WATERMAIN, GRAVEL ROAD  
 REPAIR TO TIE INTO ORIOLE AVE.

SPEC. NO.	ITEM	UNITS	ITEM COST	PROJECT QUANTITIES	TOTAL AMOUNT
2101.511	CLEARING & GRUBBING	ACRE	\$2,000.00	0.9	\$1,800.00
2104.505	REMOVE BITUMINOUS PAVEMENT	SQ. YD.	\$2.00	10.0	\$20.00
2105.501	COMMON EXCAVATION	CU. YD.	\$12.00	580.0	\$6,960.00
2105.503	ROCK EXCAVATION	CU. YD.	\$40.00	10.0	\$400.00
2105.525	TOPSOIL BORROW (CV)	CU. YD.	\$12.00	30.0	\$360.00
2211.503	AGG. BASE CL. 5 (CV)	CU. YD.	\$15.00	463.0	\$6,945.00
2350.501	WEARING COURSE MIXTURE	TON	\$42.00	1.5	\$63.00
2350.502	NON WEARING COURSE MIXTURE	TON	\$40.00	1.5	\$60.00
2357.502	BIT. MATERIAL FOR TACK COAT	GAL.	\$1.50	1.0	\$1.50
2504.602	CONNECT TO EXISTING WATERMAIN	EACH	\$1,000.00	1.0	\$1,000.00
2504.602	6" GATE VALVE & BOX	EACH	\$1,000.00	2.0	\$2,000.00
2504.602	F & I HYDRANT W/GATE VALVE	EACH	\$3,000.00	3.0	\$9,000.00
2504.603	6" WATERMAIN D.I. CL.52	LIN. FT.	\$25.00	3,125.0	\$78,125.00
2504.608	WATERMAIN FITTINGS	LBS.	\$5.00	800.0	\$4,000.00
2563.601	TRAFFIC CONTROL	LUMP SUM	\$500.00	1.0	\$500.00

SUBTOTAL: \$111,234.50  
 CONTINGENCIES: \$11,123.45  
**ESTIMATED CONSTRUCTION COST: \$122,357.95**

**NOTES:**

1. Reconstruct gravel over excavation with 6" of Class 5 to the Oriole Avenue tie-in.
1. Minimal bituminous construction needed in the Oriole Avenue tie-in.
2. Design and construction engineering costs are not included.

BENCHMARK ENGINEERING, INC.



December 11, 2004

**ENGINEER'S ESTIMATE OF QUANTITIES AND OPINION OF COST  
 SPRING PARK ROAD IMPROVEMENTS  
 MOUNTAIN IRON, MINNESOTA  
 PROJECT NO: MI04-9**

**OPTION D-3: PAVING WITH 24' WIDE RURAL AND URBAN  
 SECTIONS TO TIE INTO ORIOLE AVE.**

SPEC. NO.	ITEM	UNITS	ITEM COST	PROJECT QUANTITIES	Rural Section AMOUNT	Urban Section AMOUNT
2101.511	CLEARING & GRUBBING	ACRE	\$2,000.00	0.9	\$1,800.00	\$1,800.00
2104.505	REMOVE BITUMINOUS PAVEMENT	SQ. YD.	\$2.00	5.0	\$10.00	\$10.00
2105.501	COMMON EXCAVATION INCLUDES DITCHING	CU. YD.	\$8.00	4,012.0	\$32,096.00	-
2105.501	COMMON EXCAVATION WITH CURB SECTION	CU. YD.	\$10.00	2,160.0		\$21,600.00
2105.503	ROCK EXCAVATION	CU. YD.	\$40.00	10.0	\$400.00	\$400.00
2105.525	TOPSOIL BORROW (CV)	CU. YD.	\$12.00	30.0	\$360.00	\$360.00
2211.503	AGG. BASE CL. 5 (CV)	CU. YD.	\$12.00	2,160.0	\$25,920.00	\$25,920.00
2350.501	WEARING COURSE MIXTURE	TON	\$36.00	1,105.0	\$39,780.00	\$39,780.00
2350.502	NON WEARING COURSE MIXTURE	TON	\$33.00	1,055.0	\$34,815.00	\$34,815.00
2357.502	BIT. MATERIAL FOR TACK COAT	GAL.	\$1.50	5.0	\$7.50	\$7.50
2531.501	CONCRETE CURB & GUTTER, DESIGN B618	LIN. FT.	\$8.25	6,250.0		\$51,562.50
2563.601	TRAFFIC CONTROL	LUMP SUM	\$500.00	1.0	\$500.00	\$500.00

**SUBTOTAL: \$135,688.50 \$176,755.00**  
**CONTINGENCIES: \$13,568.85 \$17,675.50**  
**ESTIMATED CONSTRUCTION COST: \$149,257.35 \$194,430.50**

**NOTES:**

1. Rural road section includes 8" of Class V & 2' shoulders per side.
2. Urban road section includes 8" of Class V and 4" of bituminous with B618 curb & gutter.
3. Minimal bituminous construction needed in the Oriole Avenue tie-in.
4. Design and construction engineering costs are not included.

BENCHMARK ENGINEERING, INC.



**ENGINEER'S ESTIMATE OF QUANTITIES AND OPINION OF COST  
SPRING PARK ROAD SANITARY SEWER EXTENSION  
MOUNTAIN IRON, MINNESOTA  
PROJECT NO: MI04-9**

**OPTION D: GRAVITY SEWER WEST & FORCE MAIN  
EAST & GRAVITY SEWER EAST TO TIE INTO  
EXISTING MANHOLE AT ORIOLE AVENUE.**

SPEC. NO.	ITEM	UNITS	ITEM COST	PROJECT QUANTITIES	TOTAL AMOUNT
2101.511	CLEARING & GRUBBING	ACRE	\$2,000.00	0.9	\$1,800.00
2104.505	REMOVE BITUMINOUS PAVEMENT	SQ. YD.	\$2.00	5.0	\$10.00
2105.503	ROCK EXCAVATION	CU. YD.	\$40.00	10.0	\$400.00
2105.525	TOPSOIL BORROW (CV)	CU. YD.	\$12.00	10.0	\$120.00
2211.503	AGG. BASE CL. 5 (CV)	CU. YD.	\$11.00	1,050.0	\$11,550.00
2350.501	WEARING COURSE MIXTURE	TON	\$32.00	5.0	\$160.00
2350.502	NON WEARING COURSE MIXTURE	TON	\$31.00	5.0	\$155.00
2357.502	BIT. MATERIAL FOR TACK COAT	GAL.	\$1.50	5.0	\$7.50
2503.511	4" PVC PIPE SEWER - SDR 35	LIN. FT.	\$18.00	400.0	\$7,200.00
2503.511	8" PVC PIPE SEWER - SDR 35	LIN. FT.	\$22.00	2,975.0	\$65,450.00
2503.602	SANITARY SEWER SERVICE - 8" X 4" WYE	EACH	\$125.00	10.0	\$1,250.00
2503.603	2" FORCE MAIN	LIN. FT.	\$16.00	1,350.0	\$21,600.00
2506.501	CONST. DRAINAGE STRUCTURE DES. 4007	LIN. FT.	\$200.00	110.0	\$22,000.00
2506.502	CONNECT TO EXISTING SANITARY MANHOLE	EACH	\$750.00	1.0	\$750.00
2506.516	CASTING ASSEMBLY	EACH	\$250.00	11.0	\$2,750.00
2506.601	CONSTRUCT LIFT STATION	LUMP SUM	\$20,000.00	1.0	\$20,000.00
2563.601	TRAFFIC CONTROL	LUMP SUM	\$500.00	1.0	\$500.00

**SUBTOTAL: \$155,702.50**  
**CONTINGENCIES: \$15,570.25**  
**ESTIMATED CONSTRUCTION COST: \$171,272.75**

**NOTES:**

1. Assumes pipe and manhole depth of 10 feet.
2. Gravel road section includes 12" of Class V.
3. Bituminous road section includes 8" of Class V and 4" of bituminous.
4. Minimal bituminous construction needed in the Oriole Avenue tie-in.
5. Design and construction engineering costs are not included.

**COUNCIL LETTER 011805-VB**

**ADMINISTRATION**

**16<sup>th</sup> AVENUE**

**DATE:** January 13, 2005

**FROM:** Craig J. Wainio  
City Administrator

---

The City of Virginia has requested an answer regarding the City of Mountain Iron's desire to move ahead with the 16<sup>th</sup> Avenue Project.

If the City Council desires to move ahead with the project, Staff recommends that in order to save on projects cost that Benchmark Engineering be appointed the lead engineer.

**COUNCIL LETTER 011805-VIA**

**CITY COUNCIL**

**ORDINANCE NUMBER 01-05**

**DATE:** January 13, 2005

**FROM:** City Council

Craig J. Wainio  
City Administrator

---

As per the recommendation at the last regular meeting, a draft ordinance has been prepared for the modification of the salaries for the Mayor and City Council. Upon adoption, the salary modifications shall take place on January 2, 2007.





# CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

PHONE: 218-748-7570 • FAX: 218-748-7573 • www.mtniron.com  
8586 ENTERPRISE DRIVE SOUTH • MOUNTAIN IRON, MN • 55768-8260

## ORDINANCE NUMBER 01-05

### PROVIDING FOR THE SALARIES OF THE MAYOR AND COUNCILMEMBERS OF THE CITY OF MOUNTAIN IRON

THE CITY COUNCIL OF MOUNTAIN IRON ORDAINS:

**SECTION 1. MAYOR.** The salary of the Mayor of the City of Mountain Iron shall be the sum of \$3,600.00 per year.

**SECTION 2. COUNCILMEMBERS.** The salary of each Councilmember of the City of Mountain Iron shall be the sum of \$2,700.00 per year.

**SECTION 3. REPEAL OF INCONSISTENT ORDINANCE.** All Ordinances inconsistent herewith are hereby repealed and replaced with the provisions of this Ordinance.

**SECTION 4. EFFECTIVE DATE.** The salaries established hereby are to be effective on January 2, 2007.

**DULY ADOPTED BY THE CITY COUNCIL THIS 18<sup>th</sup> DAY OF JANUARY, 2005.**

Attested:

\_\_\_\_\_  
Mayor Gary Skalko

\_\_\_\_\_  
City Administrator

**COUNCIL LETTER 011805-VIB**

**ADMINISTRATION**

**RESOLUTION NUMBER 03-05**

**DATE:** January 13, 2005

**FROM:** Craig J. Wainio  
City Administrator

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Resolution Number 03-05 allows for the issuance of advanced refunding bonds as first proposed at the December 20, 2004 City Council meeting. This advanced refunding covers the 1998 Community Center bonds and the 2000 Street Improvement bonds. The estimated savings through this advanced refunding is approximately \$75,000.

A draft resolution is presented for your consideration. A final resolution with the appropriate sales numbers will be available at the meeting.



45 South 7<sup>th</sup> Street  
Suite 2500  
Minneapolis, MN 55402

(800) 851-2920  
(612) 851-5906  
Fax (612) 851-5917

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EXTERNAL MEMORANDUM

**DATE:** December 13, 2004

**TO:** The Honorable Gary Skalko and members of the City Council  
Mr. Craig Wainio, Administrator  
City of Mountain Iron

**FROM:** George Eilertson, Sr. Vice President/Partner *GE*  
Northland Securities

**RE:** Possible Advance Refunding of the following City bonds:  
\$1,015,000 G.O. Community Center Bonds of 1998  
\$1,280,000 G.O. Improvement bonds of 2000

---

Thank you for taking the time to review the following information regarding the possible refunding of the above-referenced bonds.

The 1998 Bond is callable on February 1, 2007 and the 2000 Bond is callable on February 1, 2008. Based on interest rates in the current market, the bonds can be advance refunded prior to the call date. An advance refunding locks in a savings on the principal that matures after the previously mentioned call date. Advance refundings are done if the issuer feels that the interest rates available in today's market are better than the interest rates that may exist closer to the call date.

***Debt Service Savings***

The average interest rate on the 1998 Bond is approximately 5.22%. The average interest rate on the 2000 Bond is approximately 5.62%. Based upon the current market, we estimate the average interest rate on new refunding bonds would be approximately 3.58%. This interest rate reduction would result in an approximate net debt service reduction of \$78,029. This is a net savings - costs of bond issuance have already been considered.

***Timing***

Upon the direction of the City Council, Northland Securities would work with City Staff and the City's bond attorney to assemble all necessary paperwork to issue bonds. If interest rates are still favorable, issuance of the refunding bonds would be likely at a January Council meeting.

Feel free to contact me at 800-851-2920 with any questions.

## City of Mountain Iron, Minnesota

G.O. Refunding Bonds of 2005

1998 / 2000

Assumes Insured

### Refunding Summary

Dated 02/01/2005 | Delivered 02/01/2005

	1998	2000	Issue Summary
<b>Sources Of Funds</b>			
Par Amount of Bonds .....	\$810,000.00	\$860,000.00	\$1,670,000.00
<b>Total Sources</b> .....	<b>\$810,000.00</b>	<b>\$860,000.00</b>	<b>\$1,670,000.00</b>
<b>Uses Of Funds</b>			
Deposit to Crossover Escrow Fund .....	777,597.14	829,453.89	1,607,051.03
Total Underwriter's Discount (1.800%).....	14,580.00	15,480.00	30,060.00
Gross Bond Insurance Premium.....	8,217.49	8,147.10	16,364.59
Costs of Issuance.....	6,499.40	6,900.60	13,400.00
Rounding Amount.....	3,105.97	18.41	3,124.38
<b>Total Uses</b> .....	<b>\$810,000.00</b>	<b>\$860,000.00</b>	<b>\$1,670,000.00</b>
<b>Flow of Funds Detail</b>			
State and Local Government Series (SLGS) rates for .....	12/10/2004	12/10/2004	12/10/2004
Date of OMP Candidates .....			
Primary Purpose Fund Solution Method.....	Net Funded	Net Funded	Net Funded
Total Cost of Investments.....	\$777,597.14	\$829,453.89	\$1,607,051.03
Interest Earnings @ 3.013%.....	44,492.88	76,743.81	121,236.47
<b>Total Draws</b> .....	<b>\$822,090.00</b>	<b>\$906,197.50</b>	<b>\$1,728,287.50</b>
<b>PV Analysis Summary (Net to Net)</b>			
Net PV Cashflow Savings @ 3.701%(Bond Yield).....	26,475.92	31,358.66	57,834.59
Contingency or Rounding Amount .....	3,105.97	18.41	3,124.38
<b>Net Present Value Benefit</b> .....	<b>\$29,581.89</b>	<b>\$31,377.07</b>	<b>\$60,958.97</b>
Net PV Benefit / \$1,585,000 Refunded Principal.....	3.867%	3.826%	3.846%
Net PV Benefit / \$1,670,000 Refunding Principal.....	3.652%	3.648%	3.650%
<b>Bond Statistics</b>			
Average Life.....	9.506 Years	7.657 Years	8.554 Years
Average Coupon.....	3.7099351%	3.4362946%	3.5837942%
Net Interest Cost (NIC).....	3.8992857%	3.6713743%	3.7942247%
Bond Yield for Arbitrage Purposes .....	3.7011042%	3.7011042%	3.7011042%
True Interest Cost (TIC) .....	3.9206505%	3.7004500%	3.8167622%
All Inclusive Cost (AIC) .....	4.1615920%	3.9731560%	4.0725041%

Ref | Issue Summary | 12/10/2004 | 2:58 PM

**City of Mountain Iron, Minnesota**  
*G.O. Refunding Bonds of 2005*  
 1998 / 2000  
 Assumes Insured

**Debt Service Comparison**

Date	Total P+I	PCF	Existing D/S	Net New D/S	Old Net D/S	Savings
02/01/2005	-	-	-	(3,124.38)	-	3,124.38
02/01/2006	57,277.50	(57,277.50)	210,930.00	210,930.00	210,930.00	-
02/01/2007	57,277.50	(822,277.50)	975,390.00	210,390.00	210,390.00	-
02/01/2008	112,277.50	(848,732.50)	950,017.50	213,562.50	214,552.50	990.00
02/01/2009	200,902.50	-	-	200,902.50	213,175.00	12,272.50
02/01/2010	201,915.00	-	-	201,915.00	211,377.50	9,462.50
02/01/2011	207,490.00	-	-	207,490.00	214,222.50	6,732.50
02/01/2012	202,450.00	-	-	202,450.00	211,497.50	9,047.50
02/01/2013	207,170.00	-	-	207,170.00	213,372.50	6,202.50
02/01/2014	206,305.00	-	-	206,305.00	214,660.00	8,355.00
02/01/2015	205,092.50	-	-	205,092.50	210,355.00	5,262.50
02/01/2016	203,522.50	-	-	203,522.50	210,850.00	7,127.50
02/01/2017	78,585.00	-	-	78,585.00	80,337.50	3,752.50
02/01/2018	79,082.50	-	-	79,082.50	81,925.00	2,842.50
02/01/2019	81,317.50	-	-	81,317.50	83,215.00	1,897.50
02/01/2020	83,280.00	-	-	83,280.00	84,240.00	960.00
<b>Total</b>	<b>\$2,181,945.00</b>	<b>(1,728,287.50)</b>	<b>\$2,136,337.50</b>	<b>\$2,586,870.62</b>	<b>\$2,664,900.00</b>	<b>\$78,029.38</b>

**PV Analysis Summary (Net to Net)**

Gross PV Debt Service Savings .....	57,834.59
Net PV Cashflow Savings @ 3.701%(Bond Yield).....	57,834.59
Contingency or Rounding Amount .....	3,124.38
Net Present Value Benefit .....	\$60,958.97
Net PV Benefit / \$1,578,047.52 PV Refunded Debt Service .....	3.888%
Net PV Benefit / \$1,585,000 Refunded Principal .....	3.846%
Net PV Benefit / \$1,670,000 Refunding Principal .....	3.650%

**Refunding Bond Information**

Refunding Dated Date .....	2/01/2005
Refunding Delivery Date .....	2/01/2005

Member \_\_\_\_\_ introduced the following resolution and moved its adoption:

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF \$1,670,000 GENERAL OBLIGATION CROSSOVER REFUNDING BONDS, SERIES 2005A, OF THE CITY OF MOUNTAIN IRON, MINNESOTA; ESTABLISHING THE TERMS AND CONDITIONS THEREFOR; DIRECTING THEIR EXECUTION AND DELIVERY; CREATING AN ESCROW ACCOUNT AND A DEBT SERVICE ACCOUNT THEREFOR; AND AWARDING THE SALE THEREOF**

BE IT RESOLVED, by the City Council (the "Council") of the City of Mountain Iron, St. Louis County, Minnesota (the "Issuer"), as follows:

Section 1. Bond Purpose, Authorization and Award.

1.01 Prior Bonds.

A. Pursuant to authority contained in Minnesota Statutes, Section 475 (the "Act"), the Issuer previously issued its \$1,015,000 General Obligation Community Center Bonds of 1998, dated April 1, 1998 (the "1998 Bonds"), of which \$765,000 (the "1998 Refunded Bonds") is subject to payment or redemption and prepayment on February 1, 2007 (the "1998 Bonds Redemption Date"). (As required by the Act, the voters of the Issuer, at a special election held on February 10, 1998, approved the issuance of the 1998 Bonds in the maximum amount of \$1,000,000 for the purpose of paying costs of the acquisition and betterment of a community center building (the "Project"). The 1998 Bonds were comprised of \$1,000,000 for purposes of paying costs of the Project and an additional \$15,000 representing part of the interest costs of the issue, as authorized by Section 475.56 of the Act.) Principal and interest on the 1998 Bonds are payable primarily from ad valorem taxes.

B. Pursuant to authority contained in the Act and Minnesota Statutes, Chapter 429, the Issuer previously issued its \$1,280,000 General Obligation Improvement Bonds of 2000, dated September 1, 2000 (the "2000 Bonds"), of which \$820,000 (the "2000 Refunded Bonds") is subject to payment or redemption and prepayment on February 1, 2008 (the "2000 Bonds Redemption Date"). The 2000 Bonds were issued for purposes of paying costs of local public improvements. Principal and interest on the 2000 Bonds are payable primarily from special assessments levied upon benefitted property and ad valorem taxes. (The 1998 Bonds and the 2000 Bonds are collectively referred to herein as the "Prior Bonds." The 1998 Refunded Bonds and the 2000 Refunded Bonds are collectively referred to herein as the "Refunded Bonds." The 1998 Bonds Redemption Date and the 2000 Bonds Redemption Date are collectively referred to herein as the "Redemption Dates.")

1.02 Authority.

A. Under and pursuant to the provisions of the Act and, specifically, Section 475.67, Subdivisions 1 through 3 and 13 of the Act, the Issuer is authorized to issue and sell its general obligation bonds to refund the Refunded Bonds in advance of their scheduled maturities, if consistent with covenants made with the holders thereof, when determined by the Issuer to be necessary or desirable for the reduction of debt service cost to the Issuer or for the extension or adjustment of maturities in relation to the resources available for their payment.

B. Pursuant to authority contained in the Act, the Council does hereby direct the issuance and sale of \$1,670,000 General Obligation Crossover Refunding Bonds, Series 2005A of the Issuer dated February 1, 2005 (the "Bonds"), for the purpose of providing funds to (i) pay the outstanding principal amount of the 1998 Refunded Bonds on February 1, 2007; (ii) pay the outstanding principal amount of the 2000 Refunded Bonds on February 1, 2008; (iii) finance interest payable on the Bonds through and including the Redemption Dates; (iv) pay expenses incurred by the Issuer related to the issuance of the Bonds; and (v) pay a portion of the interest cost of the Bonds. (The portion of the Bonds attributable to refunding the 1998 Refunded Bonds is herein referred to as the "1998 Portion of the Bonds." The portion of the Bonds attributable to refunding the 2000 Refunded Bonds is herein referred to as the "2000 Portion of the Bonds.") The principal amount of the Bonds shall be allocated as follows:

	Amount	Amount as Percentage
1998 Portion of the Bonds	\$810,000	48.50%
2000 Portion of the Bonds	860,000	51.50%
TOTAL	\$1,670,000	100.00%

C. The Council hereby determines that it is necessary, expedient and in the best interest of the Issuer's residents in order to reduce debt services costs of the Issuer, that the Issuer issue, sell and deliver the Bonds.

1.03 Award of Sale. Pursuant to Section 475.60, Subdivision 2(5) of the Act, which waives the requirement for a public sale of crossover refunding obligations referred to in Section 475.67, Subdivision 13, the Issuer has received an offer from Northland Securities, Inc., of Minneapolis, Minnesota (the "Purchaser"), to purchase the Bonds at a cash price of \$ \_\_\_\_\_ plus accrued interest on the total principal amount from February 1, 2005, to the date of delivery of the Bonds and upon condition that the Bonds mature and bear interest at the times and annual rates set forth in Section 2. The Issuer, after due consideration, finds such offer reasonable and proper and the offer of the Purchaser is hereby accepted. The actions of the Mayor and the Administrator taken with respect to execution on the part of the Issuer of a contract for the sale of the Bonds in accordance with the Purchaser's proposal are hereby ratified and approved.

Section 2. Terms of the Bonds.

2.01 Date, Maturities and Interest Rates.

A. The Bonds to be issued hereunder shall be issued as fully-registered bonds designated \$1,670,000 General Obligation Crossover Refunding Bonds, Series 2005A, dated February 1, 2005, as of the date of original issue, issued in the denomination of \$5,000, or any integral multiple thereof, in fully registered form and lettered and numbered R-1 and upward.

B. The Bonds shall mature on February 1 in the years and amounts stated below and shall bear interest from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for, or, if no interest has been paid or provided for, from the date of original issue until paid at the rates per annum set forth below opposite such years and amounts:

<b>Year</b>	<b>Amount</b>	<b>Interest Rate</b>
2008	\$55,000	
2009	145,000	
2020	150,000	
2011	160,000	
2012	160,000	
2013	170,000	
2014	175,000	
2015	180,000	
2016	185,000	
2017	65,000	
2018	70,000	
2019	75,000	
2020	80,000	

C. The maturities of the Bonds, together with the maturities of all other outstanding general obligation bonds of the Issuer, meet the requirements of Section 475.54 of the Act.

2.02 Interest Payment Dates; Record Date.

A. The Bonds shall bear interest at the annual rates stated therefor in Section 2.01. The interest shall be payable semiannually on February 1 and August 1 in each year (each referred to herein as an "Interest Payment Date") commencing on August 1, 2005. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board.

B. The Bond Registrar designated below shall make all interest payments with respect to the Bonds by check or draft mailed to the person in whose name each Bond is registered (the "Holder") and in each case at the address shown on the bond registration records



maintained by the Bond Registrar at the close of business on the 15<sup>th</sup> day (whether or not on a business day) of the calendar month next preceding the Interest Payment Date (the "Regular Record Date"). Any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the Holder thereof as of the Regular Record Date, and shall be payable to the person who is the Holder thereof at the close of business on a date fixed for the payment of such defaulted interest (the "Special Record Date"). The Special Record Date shall be fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest and notice of the Special Record Date shall be given by the Bond Registrar to the Holders not less than ten (10) days prior thereto. The term "Holder" shall also include those lawfully entitled to take actions on behalf of the beneficial owners of the Bonds for purposes of any consent or approvals given by Holders.

C. If the date for payment of the principal of, premium, if any, or interest on the Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of New York, New York, or the city where the principal office of the Bond Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

2.03 Redemption. A. The Bonds maturing in the years 2008 through 2012 shall not be subject to redemption and prepayment before maturity, but those maturing, or subject to mandatory redemption, in the year 2013 and in subsequent years shall each be subject to redemption and prepayment at the option of the Issuer on February 1, 2012, and on any date thereafter, in whole or in part, at the option of the Issuer and in such manner as the Issuer shall determine, at a price equal to the principal amount thereof plus accrued interest to the redemption date.

B. In the event any of the Bonds are called for redemption, notice thereof identifying the Bonds to be redeemed will be given by the Bond Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) at least 30 days but not more than 60 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books kept by the Bond Registrar; provided however, that so long as the Bonds are registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"), notice of redemption shall be given in accordance with the terms of the Representation Letter hereinafter described. Failure to give notice by mail to any registered owner, or any defect therein, will not affect the validity of any proceeding for the redemption of Bonds not affected by such defect or failure. Bonds so called for redemption will cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the place of payment at that time.

C. If less than all the Bonds of a maturity are called for redemption while the Bonds are registered in the name of Cede & Co., the Issuer or the Bond Registrar designated below will notify DTC of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant

will then select by lot the beneficial ownership interest in such maturity to be redeemed. If less than all the Bonds of a maturity are called for redemption and the Bonds are not registered in the name of Cede & Co., the Bond Registrar will determine by lot or other manner deemed fair, the amount of each maturity to be redeemed. All prepayments shall be at a price equal to the principal amount thereof plus accrued interest.

D. The Bonds maturing on February 1 in the years \_\_\_\_ and \_\_\_\_ shall be subject to mandatory redemption prior to maturity pursuant to the requirements of this Section 2.03D at a redemption price equal to the stated principal amount thereof plus interest accrued thereon to the redemption date, without premium. The Bond Registrar, as designated below, shall select for redemption, by lot or other manner deemed fair, on February 1 in each of the following years the following stated principal amounts:

For Bonds maturing on February 1, 20\_\_:

Year	Amount

Section 3. Registration; Global Book Entry System.

3.01 Designation of Bond Registrar. The City Council hereby appoints Northland Trust Services, Inc., as registrar, authenticating agent and transfer agent for the Bonds (such entity or its successors is herein referred to as the "Bond Registrar"), and shall do so until a successor Bond Registrar is duly appointed, all pursuant to a contract which the Issuer and the Bond Registrar shall execute which is consistent herewith and which the Mayor and Administrator are hereby authorized to execute and deliver. A successor Bond Registrar shall be a bank or trust company eligible for designation as bond registrar pursuant to the Act. The terms of the appointment of the successor Bond Registrar and its duties shall be specified in a contract between the Issuer and such successor Bond Registrar that is consistent herewith and that the Mayor and Administrator are, hereby authorized to execute and deliver. The Bond Registrar, which may act through an agent, shall also serve as paying agent until and unless a successor paying agent is duly appointed. The Bond Registrar shall pay principal and interest on the Bonds to the registered Holders (or record Holders) of the Bonds in the manner set forth herein. The Issuer agrees to pay the reasonable and customary charges for the services of such Bond Registrar.

3.02 Designation of Depository. DTC, a Securities and Exchange Commission designated depository, a limited purpose New York trust company, a member of the Federal Reserve System, and a "clearing corporation" within the meaning of the New York Uniform Commercial Code, is hereby designated as the depository (the "Depository") with respect to the Bonds.

3.03 Authentication of Bonds. No Bond shall be valid or obligatory for any purpose unless or until either (i) the Bond Registrar's authentication certificate on such Bond, substantially set forth in Section 4.01 hereof, shall have been duly executed by an authorized representative of the Bond Registrar or (ii) the Bonds have been manually executed by at least one officer of the City. Authentication certificates on different Bonds need not be signed by the same representative. The Bond Registrar shall authenticate each Bond by execution of the Certificate of Authentication on the Bond and shall date each Bond in the space provided as of the date on which the Bond is registered. For purposes of delivering the original Bonds, the Bond Registrar shall insert as the date of registration the date of original issue. The executed Authentication Certificate or the manual signature of at least one officer of the City on each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution.

3.04 Bond Register; Transfer; Exchange.

A. The Issuer shall cause to be kept by the Bond Registrar at its principal office, a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the Issuer shall provide for the registration of the Bonds and the registration of transfers of the Bonds entitled to be registered or transferred as herein provided. In the event of the resignation or removal of the Bond Registrar or its incapability of acting as such, the bond registration records shall be maintained at the office of the successor Bond Registrar as may be appointed by the City Council.

B. Upon surrender for transfer of any Bond at the principal corporate office of the Bond Registrar, the Issuer shall execute, if required by law or this Resolution, and the Bond Registrar shall authenticate, if required by law or this Resolution, date (in the space designated Date of Registration) and deliver, in the name(s) of the designated transferee or transferees, one or more new Bonds of the like aggregate principal amount having the same stated maturity and interest rate, as requested by the transferor; provided, however, that no Bond may be registered in blank or in the name of "bearer" or similar designation. Transfer of a Bond may be made on the Issuer's books by the registered owner in person or by the registered owner's attorney duly authorized in writing. Transfers shall be subject to reasonable regulations of the Issuer contained in any agreement with, or notice to, the Bond Registrar, including regulations which permit the Bond Registrar to close its transfer books between record dates and payment dates. The Issuer and the Bond Registrar shall not be required to make any transfer or exchange of any Bonds called for redemption or to make any such exchange or transfer of the Bonds during the 15 days next preceding the date of the first publication or the mailing (if there is no publication) of notice of redemption in the case of a proposed redemption of the Bonds.

C. Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the Bond Registrar, duly executed by the registered owner thereof, with signature guaranteed, or by the registered Holder's attorney duly authorized in writing, and shall include written instructions as to the details of the transfer of the Bond. When any Bond is presented to the Bond Registrar for transfer, the Bond Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the

requested transfer is legally authorized. The Bond Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

D. At the option of the Holder, replacement Bonds may be exchanged for Bonds of any authorized denomination or denominations of a like aggregate principal amount and stated maturity, upon surrender of the Bonds to be exchanged at the principal office of the Bond Registrar. Whenever any Bonds are so surrendered for exchange, the Issuer shall execute (if required by law or this Resolution), and the Bond Registrar shall authenticate (if required by law or this Resolution), date (in the space designated Date of Registration) and deliver the replacement Bonds which the Holder making the exchange is entitled to receive. Bonds registered in the name of Cede & Co. may not be exchanged for Bonds of smaller denominations.

E. All Bonds surrendered upon any exchange or transfer provided for in this Resolution shall be promptly canceled by the Bond Registrar and thereafter disposed of as directed by the Issuer.

F. Each Bond delivered upon transfer of or in exchange for or in lieu of any other Bond shall carry all of the rights to interest, accrued and unpaid and to accrue, which are carried by such other Bond. All Bonds delivered in exchange for or upon transfer of Bonds shall be valid general obligations of the Issuer evidencing the same debt, shall be entitled to the same benefits under this Resolution as the Bonds surrendered for such exchange or transfer, and shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bonds.

G. The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of any Bond and any legal or unusual costs regarding transfers and lost bonds.

H. Bonds registered in the name of Cede & Co. may not after their original delivery, be transferred or exchanged except in accordance with the terms and conditions of the Letter of Representations and:

(i) upon exchange of a Bond after a partial redemption, if provided in Section 2.03 of this Resolution;

(ii) to any successor of the Depository (or its nominee) or any substitute depository (a "Substitute Depository") designated pursuant to clause (iii) below; provided that any successor of the Depository or any Substitute Depository must be both a "clearing corporation" as defined in the Minnesota Uniform Commercial Code, Minnesota Statutes, Section 336.8-102, and a qualified and registered "clearing agency" as provided in Section 17A of the Securities Exchange Act of 1934, as amended;

(iii) to a Substitute Depository designated by and acceptable to the Issuer upon (a) the determination by the Depository that the Bonds shall no longer be eligible for its depository services or (b) a determination by the Issuer that the Depository is no longer

able to carry out its functions; provided that any Substitute Depository must be qualified to act as such, as provided in subclause (ii) above; or

(iv) in the event that (a) the Depository shall resign or discontinue its services for the Bonds or be declared no longer able to carry out its functions and the Issuer is unable to locate a Substitute Depository within two months following the resignation or discontinuance or determination of noneligibility, or (b) the Issuer determines in its sole discretion that (1) the continuation of the book-entry system described herein might adversely affect the interests of the beneficial owners of the Bonds, or (2) it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, then the Issuer shall notify the Holders of its determination and of the availability of replacement Bonds to Holders. The Issuer, the Bond Registrar and the Depository shall cooperate in providing Replacement Bonds to Holders requesting the same and the registration, transfer and exchange of such Bonds shall thereafter be conducted as provided in Section 3 of this Resolution.

I. In the event of the designation of a Substitute Depository as authorized by clause H., the Bond Registrar, upon presentation of a Bond, shall register their transfer to the Substitute Depository, and the Substitute Depository shall be treated as the Depository for all purposes and functions under this Resolution. The Letter of Representations shall not apply to the Substitute Depository unless the Issuer and the Substitute Depository so agree, and the execution of a similar agreement is hereby authorized.

### 3.05 Persons Deemed Owners; Payment.

A. The Issuer and the Bond Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of principal of and premium, if any, and interest (subject to the payment provisions in Section 2.02 above), on such Bond and for all other purposes whatsoever, whether or not such Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

B. For the purposes of all actions, consents and other matters affecting Holders of Bonds issued under this Resolution as from time to time supplemented, other than payments, redemptions, and purchases, the Issuer may (but shall not be obligated to) treat as the Holder of a Bond the beneficial owner of the Bond instead of the person in whose name the Bond is registered. For that purpose, the Issuer may ascertain the identity of the beneficial owner of the Bond by such means as the Bond Registrar in its sole discretion deems appropriate, including but not limited to a certificate from the Depository or other person in whose name the Bond is registered identifying such beneficial owner.

C. The principal of and interest on the Bonds shall be payable by the Bond Registrar in such funds as are legal tender for the payment of debts due the United States of America. The Issuer shall pay the reasonable and customary charges of the Bond Registrar for the disbursement of principal and interest.

3.06 Use of Global Book-Entry System.

A. There has been previously submitted to this City Council a form of Blanket Issuer Letter of Representations (the "Letter of Representations") between the Issuer and the Depository setting forth various matters relating to the Depository and its role with respect to the Bonds. The terms and conditions of the Letter of Representations are hereby ratified.

B. All of the Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Payment of interest on and principal of any Bond registered in the name of Cede & Co. shall be made by wire transfer or New York Clearing House or equivalent same day funds by 10:00 a.m. CT or as soon as possible thereafter following the Bond Registrar's receipt of funds from the Issuer on each Interest Payment Date to the account of Cede & Co. on each Interest Payment Date at the address indicated in or pursuant to the Letter of Representations.

C. So long as DTC is the Depository or it or its nominee is the Holder of any Bonds, the Issuer shall comply with the provisions of the Letter of Representations, as it may be amended or supplemented from time to time.

D. Additional matters with respect to, among other things, notices, consents and approvals by Holders and payments on the Bonds are set forth in the Letter of Representations.

E. The provisions in the Letter of Representations are incorporated herein by reference and made a part of this resolution, and if and to the extent any such provisions are inconsistent with the other provisions of this resolution, the provisions in the Letter of Representations shall control.

3.07 Mutilated, Stolen or Destroyed Bonds. If a Bond becomes mutilated or is destroyed, stolen, or lost, the Bond Registrar will deliver a new Bond of like amount, number, maturity date, and tenor in exchange and substitution for and upon cancellation of the mutilated Bond or in lieu of and in substitution for any Bond destroyed, stolen, or lost, upon the payment of the reasonable expenses and charges of the Bond Registrar and the Issuer in connection therewith, including the cost of printing new Bonds; and, in the case of a Bond destroyed, stolen, or lost, upon filing with the Bond Registrar and the Issuer of evidence satisfactory to it and the Issuer that the Bond was destroyed, stolen, or lost, and of the ownership thereof, and upon furnishing to the Bond Registrar of an appropriate bond or indemnity in form, substance, and amount satisfactory to it and the Issuer and as provided by law, in which both the Issuer and the Bond Registrar must be named as obligees. Bonds so surrendered to the Bond Registrar will be canceled by the Bond Registrar and evidence of such cancellation must be given to the Issuer. If the mutilated, destroyed, stolen, or lost Bond has already matured or been called for redemption in accordance with its terms, it is not necessary to issue a new Bond prior to payment.

Section 4. Form of the Bonds.

4.01 The Bonds shall be printed or typewritten in substantially the following form:

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
COUNTY OF ST. LOUIS

R-\_\_

\$ \_\_\_\_\_

CITY OF MOUNTAIN IRON  
GENERAL OBLIGATION CROSSOVER  
REFUNDING BOND, SERIES 2005A

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
%	February 1, ____	February 1, 2005	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: DOLLARS

The City of Mountain Iron, St. Louis County, Minnesota (the "Issuer"), certifies that it is indebted and for value received, promises to pay to the registered owner specified above or on the Registration Certificate attached hereto, or registered assigns, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, and to pay interest thereon from February 1, 2005, or from the most recent Interest Payment Date (defined below) to which interest has been paid or duly provided for, until the principal amount is paid, said interest being at the rate per annum specified above. Interest is payable semiannually on February 1 and August 1 of each year (each referred to herein as an "Interest Payment Date") commencing on August 1, 2005, at the rate per annum specified above, calculated on the basis of a 360-day year of twelve 30-day months, until the principal amount is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, or, if no interest has been paid or provided for, from the date of original issue hereof set forth above.

**Payment.** The principal of and premium, if any, on this Bond are payable by wire transfer (or other agreed means of payment) on each payment date no later than 12:00 noon (New York, New York time) upon presentation and surrender hereof at the office of Northland Trust Services, Inc., in Minneapolis, Minnesota, as registrar, paying agent, authenticating agent and transfer agent (the "Bond Registrar"), or at the office of such successor bond registrar as may be designated by the Issuer. Interest on this Bond will be paid on each Interest Payment Date (by 12:00 noon, New York, New York time) by wire transfer (or other agreed means of payment) to the person in whose name this Bond is registered (the "Holder" or "Bondholder") on the registration books of the Issuer maintained by

the Bond Registrar and at the address appearing thereon at the close of business on the 15th day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any interest not so timely paid or duly provided for shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder thereof at the close of business on a date fixed for the payment of the defaulted interest, and notice of the special record date shall be given by the Bond Registrar to the Holders not less than (10) ten days prior thereto. The Bond Registrar shall make all payments with respect to this Bond without, except for payment of principal on the Bond, the presentation or surrender of this Bond, and all such payments shall discharge the obligations of the Issuer to the extent of the payments so made. The principal of, premium, if any, and interest on this Bond are payable in lawful money of the United States of America. For the prompt and full payment of such principal and interest as they become due, the full faith and credit of the Issuer are irrevocably pledged.

**Date of Payment Not Business Day.** If the date for payment of the principal of, premium, if any, or interest on this Bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of New York, New York, or the city where the principal office of the Bond Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

**Optional Redemption.** The Bonds maturing in the years 2008 through 2012 are not subject to redemption before maturity, but those maturing in 2013 and thereafter are subject to redemption and prepayment before maturity, at the option of the Issuer on February 1, 2012, and on any business day thereafter, in whole or in part, and if in part at the option of the Issuer and in such manner as the Issuer shall determine and by lot as to Bonds maturing in the same year, at a price of par plus accrued interest to the date of redemption.

**Mandatory Redemption.** The Bonds maturing in the years \_\_\_\_\_ and \_\_\_\_\_ shall be subject to mandatory redemption prior to maturity pursuant to the requirements of the Resolution at a redemption price equal to the stated principal amount thereof plus interest accrued thereon to the redemption date, without premium.

**Notice of and Selection of Bonds for Redemption.** Not less than 30 nor more than 60 days prior to the date fixed for redemption and prepayment of any Bonds, notice of redemption shall be mailed to each registered owner of a Bond to be redeemed; provided, however, that so long as the Bonds are registered in the



name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), notice of redemption shall be given in accordance with the terms of the Blanket Issuer Letter of Representations which has been executed by the Issuer and DTC (the "Representation Letter").

If less than all the Bonds of a maturity are called for redemption while the Bonds are registered in the name of Cede & Co., the Issuer or the Bond Registrar designated below will notify DTC of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed. If less than all the Bonds of a maturity are called for redemption and the Bonds are not registered in the name of Cede & Co., the Bond Registrar will determine by lot or other manner deemed fair, the amount of each maturity to be redeemed. All prepayments shall be at a price equal to the principal amount thereof plus accrued interest. If any Bond is redeemed in part, upon surrender of the Bond being redeemed, the Issuer shall deliver or cause to be delivered to the registered owner of such Bond, a Bond in like form in the principal amount equal to that portion of the Bond so surrendered not being redeemed.

**Issuance; Purpose.** This Bond is one of a series issued by the Issuer in the aggregate amount of \$1,670,000, all of like original issue date and tenor, except as to number, maturity date, redemption privilege, denomination and interest rate, pursuant to: (i) the authority contained in Minnesota Statutes, Chapters 429 and 475 and all other laws thereunto enabling; and (ii) an authorizing resolution adopted by the governing body of the Issuer on January 18, 2005 (the "Resolution"), for the purpose of providing money to refund in advance of maturity the outstanding principal amount of certain general obligations of the Issuer. That portion of the Bonds issued to refund the outstanding principal portion of the Issuer's \$1,015,000 General Obligation Community Center Bonds of 1998, dated April 1, 1998, maturing on and after February 1, 2008, are payable through February 1, 2007 solely out of the Escrow Account (the "Escrow Account") in the Issuer's 2005 General Obligation Crossover Refunding Bonds Debt Service Fund, and after February 1, 2007 from ad valorem taxes levied upon all of the taxable property within the territory of the Issuer. That portion of the Bonds issued to refund the outstanding principal portion of the Issuer's \$1,280,000 General Obligation Improvement Bonds of 2000, dated September 1, 2000, maturing on and after February 1, 2009, are payable through February 1, 2008 solely out of the Escrow Account, and after February 1, 2008 from special assessments levied against property specially benefitted by local improvements and ad valorem taxes levied upon all of the taxable property within the territory of the Issuer, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred.

**General Obligation.** This Bond constitutes a general obligation of the Issuer, and to provide moneys for the prompt and full payment of the principal and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

**Denominations; Exchange.** The Bonds of this series are issued as fully registered bonds without coupons, in the denomination of \$5,000 or any integral multiple thereof. The Issuer will, at the request of the registered owner, issue one or more new fully registered Bonds in the name of the registered owner in the aggregate principal amount equal to the unpaid principal balance of this Bond, and of like tenor except as to number and principal amount at the principal office of the Bond Registrar, but only in the manner and subject to the limitations provided in the Resolution and the Representation Letter. Reference is hereby made to the Resolution for a description of the rights and duties of the Bond Registrar. Copies of the Resolution are on file in the principal office of the Bond Registrar.

**Registration; Transfer.** This Bond shall be registered in the name of the payee on the books of the Issuer by presenting this Bond for registration to the Bond Registrar, whose representative will endorse his or her name and note the date of registration opposite the name of the payee in the Registration Certificate attached hereto. Thereafter this Bond may be transferred by delivery with an assignment duly executed by the Holder or the Holder's legal representative, and the Issuer and Bond Registrar may treat the Holder as the person exclusively entitled to exercise all the rights and powers of an owner until this Bond is presented with such assignment for registration of transfer, accompanied by assurance of the nature provided by law that the assignment is genuine and effective, and until such transfer is registered on said books and noted hereon by the Bond Registrar, all subject to the terms and conditions provided in the Resolution and the Representation Letter and to reasonable regulations of the Issuer contained in any agreement with, or notice to, the Bond Registrar. Thereupon the Issuer shall execute (if required by law or the Resolution) and the Bond Registrar shall authenticate (if required by law or the Resolution) and deliver, in exchange for this Bond, one or more new fully registered Bonds in the name of the transferee, of an authorized denomination, in an aggregate principal amount equal to the principal amount of this Bond, of the same maturity, and bearing interest at the same rate.

**Fees Upon Transfer or Loss.** The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Bond and any legal or unusual costs regarding transfers and lost Bonds. No service charge shall be made by the Issuer for any transfer or exchange hereinbefore referred to but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

**Treatment of Registered Owner.** The Issuer and Bond Registrar may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes whatsoever, whether or not this Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

**Authentication.** This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until either (i) the Bond Registrar's Authentication Certificate hereon shall have been executed by the Bond Registrar by one of its authorized representatives or (ii) the Bond has been manually executed by at least one officer of the governing body of the Issuer.

**Qualified Tax-Exempt Obligations.** The Bonds of this issue have been designated by the Issuer as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, relating to the deduction of interest expenses allocable to the Bonds by financial institutions.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed precedent to and in the issuance of this Bond in order to make it a valid and binding general obligation of the Issuer enforceable in accordance with its terms, have been done, have happened and have been performed in regular and due form, time and manner as so required; that, if necessary for payment of principal of and interest on the Bonds of this issue, ad valorem taxes may be levied upon all taxable property in the Issuer without limitation as to rate or amount; and that the issuance of this Bond on the date of original issue hereof and the date of its actual original issuance and delivery, does not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of Mountain Iron, St. Louis County, Minnesota, by its governing body, has caused this Bond to be executed in its name by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the Administrator, the Issuer having no seal or said seal having been intentionally omitted as permitted by law.

ATTEST:

\_\_\_\_\_  
(Signature)  
Administrator

\_\_\_\_\_  
(Signature)  
Mayor

Date of Authentication: \_\_\_\_\_

**BOND REGISTRAR'S AUTHENTICATION CERTIFICATE**

The Bond Registrar confirms that the books reflect the ownership of the Bond registered in the name of the owner named above in the principal amount and maturity date stated above and this Bond is one of the Bonds of the series issued pursuant to the Resolution hereinabove described.

**NORTHLAND TRUST SERVICES, INC.**  
Bond Registrar

By \_\_\_\_\_  
Authorized Representative

**REGISTRATION CERTIFICATE**

This Bond must be registered as to both principal and interest in the name of the owner on the books to be kept by Northland Trust Services, Inc. of Minneapolis, Minnesota, as Bond Registrar. No transfer of this Bond shall be valid unless made on said books by the registered owner or the owner's attorney thereunto duly authorized and similarly noted on the registration books. The ownership of the unpaid principal balance of this Bond and the interest accruing thereon is registered on the books of the Bond Registrar, in the name of the registered owner last noted below.

<u>Date</u>	<u>Registered Owner</u>	<u>Signature of Bond Registrar</u>
02/ __ /05	Cede & Co. c/o The Depository Trust Company 55 Water Street New York, NY 10041 Federal Taxpayer I.D. No.: 13- 2555119	_____

**ASSIGNMENT**

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers  
unto

\_\_\_\_\_  
\_\_\_\_\_

(Name and Address of Assignee)

\_\_\_\_\_  
\_\_\_\_\_ Social Security or Other  
Identifying Number of Assignee

the within Bond and all rights thereunder and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

\_\_\_\_\_  
(Bank, Trust Company, member of  
National Securities Exchange)

*Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR*

*OTHERWISE BY OR TO ANY PERSON IS WRONGFUL, inasmuch as the registered owner hereof, Cede & Co., has an interest herein.*

4.02 Preparation and Execution. The Bonds shall be prepared for execution in accordance with the approved form and shall be signed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the Administrator. The legal opinion of Fryberger, Buchanan, Smith & Frederick, P.A. shall be appended to each Bond. The corporate seal of the Issuer may be omitted from the Bonds as permitted by law. In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be an officer before delivery of the Bonds, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery.

4.03 Delivery of the Bonds. Delivery of the Bonds and payment of the purchase price shall be made at a place mutually satisfactory to the Issuer and the Purchaser. Printed or typewritten, and executed Bonds shall be furnished by the Issuer without cost to the Purchaser. The Bonds, when prepared in accordance with this Resolution and executed, shall be delivered by or under the direction of the Administrator to the Purchaser upon receipt of the purchase price plus accrued interest.

Section 5. Escrow Agreement; Escrow Agent.

5.01 Designation of Escrow Agent. Northland Trust Services, Inc. of Minneapolis, Minnesota, which is a suitable financial institution within the State of Minnesota whose deposits are insured by the Federal Deposit Insurance Corporation and whose combined capital and surplus is not less than \$500,000, is hereby designated escrow agent (the "Escrow Agent") with respect to the Refunded Bonds.

5.02 Escrow Agreement. On or prior to the delivery of the Bonds, the Mayor and the Administrator are hereby authorized and directed to execute on behalf of the Issuer an escrow agreement (the "Escrow Agreement") with the Escrow Agent in substantially the form now on file with the Administrator. The execution and delivery of the Escrow Agreement by the Mayor and the Administrator, in the form presented to the Council with such changes, omissions, insertions and revisions as the Mayor and the Administrator deem advisable is hereby approved, and the execution by such officers shall be conclusive evidence of such approval. All essential terms and conditions of the Escrow Agreement, including payment by the Issuer of reasonable charges for the services of the Escrow Agent, are hereby approved and adopted and made a part of this Resolution, and the Issuer covenants that it will promptly enforce all provisions thereof in the event of default thereunder by the Escrow Agent.

Section 6. Covenants, Accounts; Tax Levies and Special Assessments.

6.01 Debt Service Fund. For the convenience and proper administration of the monies to be borrowed and repaid on the Bonds and to provide adequate and specific security for the Purchaser and holders from time to time of the Bonds, there is hereby created a special fund to be

designated the 2005 General Obligation Crossover Refunding Bonds Debt Service Fund ("Debt Service Fund") to be administered and maintained by the Issuer as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the Issuer. The Debt Service Fund shall be maintained in the manner herein specified until all of the Bonds and interest thereon have been fully paid. There shall be maintained in the Debt Service Fund two separate accounts, to be designated the Escrow Account and the Debt Service Account.

6.02. Debt Service Account.

A. To the Debt Service Account there is hereby pledged and irrevocably appropriated and there shall be credited: (i) any balance remitted to the Issuer upon termination of the Escrow Agreement; (ii) any balance remaining on the respective Redemption Dates in the Debt Service Funds created in the Issuer's resolutions authorizing the issuance and sale of the 1998 Bonds (the "1998 Bonds Resolution") and the 2000 Bonds (the "2000 Bonds Resolution") after payment of principal and interest on the Refunded Bonds on the respective Redemption Dates and interest coming due on the Refunded Bonds through and including the respective Redemption Dates; (iii) accrued interest, if any, received from the Purchaser upon delivery of the Bonds to the extent not required to fund the Escrow Account (the "Accrued Interest"); (iv) any amount of additional interest permitted by Section 475.56 of the Act paid by the Purchaser (the "Additional Interest"), to the extent not required to fund the Escrow Account; (v) all taxes pledged to repayment of the 1998 Bonds in the 1998 Bonds Resolution collected after the 1998 Bonds Redemption Date pursuant to levies made in the 1998 Bonds Resolution, which levies shall not be cancelled except as permitted by Section 475.61, Subdivision 3 of the Act; (vi) all taxes pledged to repayment of the 2000 Bonds in the 2000 Bonds Resolution collected after the 2000 Bonds Redemption Date pursuant to levies made in the 2000 Bonds Resolution, which levies shall not be cancelled except as permitted by Section 475.61, Subdivision 3 of the Act; (vii) all special assessments levied against property specially benefitted by the projects financed from the proceeds of the 2000 Bonds (the "Special Assessments") pledged to repayment of the 2000 Bonds in the 2000 Bonds Resolution collected after the 2000 Bonds Redemption Date; (viii) any collections of ad valorem taxes hereafter levied for payment of the Bonds and interest thereon; (ix) any and all other monies which are properly available and are appropriated by the Issuer to the Debt Service Account; and (x) all investment earnings on funds in the Debt Service Account. The amount of any surplus remaining in the Debt Service Account when the Bonds and interest thereon are paid shall be used as provided in Section 475.61, Subdivision 4 of the Act.

B. The money in the Debt Service Account shall be used for no purpose other than the payment of principal of and interest on the Bonds. If the balances in the Debt Service Account are ever insufficient to pay all principal and interest then due on the Bonds, the Administrator shall nevertheless provide sufficient money from any other funds of the Issuer which are available for that purpose, and such other funds shall be reimbursed from the Debt Service Account when the balance therein is sufficient. The allocations of the Bonds, and debt service therefor, for the 1998 Portion of the Bonds and the 2000 Portion of the Bonds are set forth on ATTACHMENT A.

C. The Construction Funds created by the 1998 Bonds Resolution and the 2000 Bonds Resolution are hereby terminated and any monies remaining therein shall be transferred to the respective Debt Service Fund established therein.

6.03 Escrow Account.

A. To the Escrow Account there is hereby pledged and irrevocably appropriated and there shall be credited: (a) the proceeds of the Bonds received from the Purchaser which are not appropriated to the Debt Service Account or are not to be used for payment of costs of issuance of the Bonds; (b) if necessary, the Accrued Interest; (c) if necessary, the Additional Interest [amounts referenced in clauses (a), (b) and (c) are herein referred to as the "Proceeds"]; (d) if necessary, funds of the Issuer in an amount sufficient to meet the requirements of the Escrow Account (the "Funds"); and (e) investment earnings on such monies referenced in clauses (a), (b), (c) and (d), for (i) the payment of interest coming due on the 1998 Portion of the Bonds through and including the 1998 Bonds Redemption Date and for payment in full of the outstanding principal amount of the 1998 Refunded Bonds on the 1998 Bonds Redemption Date, and (ii) the payment of interest coming due on the 2000 Portion of the Bonds through and including the 2000 Bonds Redemption Date and for payment in full of the outstanding principal amount of the 2000 Refunded Bonds on the 2000 Bonds Redemption Date.

B. The Escrow Account shall be maintained with the Escrow Agent pursuant to the Escrow Agreement and this Resolution. The Escrow Account shall be invested in accordance with the Act, the Escrow Agreement and this Section, in securities specified in Section 475.67, Subdivision 8 of the Act or in an investment contract or similar agreement with a bank or insurance company meeting the requirements of Minnesota Statutes, Section 118A.05, Subdivision 5, which investments will provide sufficient funds together with any cash or other funds retained in the Escrow Account for (i) the payment of interest coming due on the 1998 Portion of the Bonds through and including the 1998 Bonds Redemption Date and for payment in full of the outstanding principal amount of the 1998 Refunded Bonds on the 1998 Bonds Redemption Date, and (ii) the payment of interest coming due on the 2000 Portion of the Bonds through and including the 2000 Bonds Redemption Date and for payment in full of the outstanding principal amount of the 2000 Refunded Bonds on the 2000 Bonds Redemption Date.

C. From the Escrow Account there shall be paid: (a) all interest to be paid on the 1998 Portion of the Bonds through and including the 1998 Bonds Redemption Date; (b) the outstanding principal of the 1998 Refunded Bonds on the 1998 Bonds Redemption Date; (c) all interest to be paid on the 2000 Portion of the Bonds through and including the 2000 Bonds Redemption Date; and (d) the outstanding principal of the 2000 Refunded Bonds on the 2000 Bonds Redemption Date.

D. The Escrow Account is irrevocably appropriated to principal and interest payments described in subparagraph C. above. The monies in the Escrow Account shall be used solely for the purposes herein set forth and for no other purpose, except that any surplus in the Escrow Account may be remitted to the Issuer all in accordance with the Escrow Agreement.



Any monies remitted to the Issuer upon termination of the Escrow Agreement shall be deposited in the Debt Service Account.

E. Securities purchased for the Escrow Account shall be purchased simultaneously with the delivery of and payment for the Bonds. The Mayor and Administrator or their designee are authorized and directed to purchase or to authorize the purchase of such securities.

6.04 Tax Levy. A. For the prompt and full payment of (i) the principal and interest on the 1998 Portion of the Bonds coming due after the 1998 Bonds Redemption Date; and (ii) the principal and interest on the 2000 Portion of the Bonds coming due after the 2000 Bonds Redemption Date, the full faith and credit and taxing power of the Issuer are hereby irrevocably pledged. There is hereby levied a direct annual ad valorem tax upon all taxable property in the Issuer which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the Issuer. Said levies are for the years and in the amounts set forth in ATTACHMENT B hereto, which is incorporated by reference as though fully set forth herein.

B. The tax levies are such that if collected in full, they, together with (i) estimated earnings on the Escrow Account, (ii) other investment earnings; and (iii) the Special Assessments herein pledged for payment of the 2000 Portion of the Bonds, will produce at least 5% in excess of the amount needed to meet when due the principal and interest payments on the Bonds.

C. The tax levies shall be irrevocable so long as any of the Bonds are outstanding and unpaid; provided, however, that on November 30 of each year, while any Bonds issued hereunder remain outstanding, the Council shall reduce or cancel the above levies to the extent of funds available in the Debt Service Account to pay principal and interest due during the ensuing year, and shall direct the County Auditor to reduce the levy for such calendar year by that amount.

6.05 General Obligations. It is recognized that the Issuer's liability on the Bonds is not limited to the Special Assessments and ad valorem taxes herein levied and interest earnings so pledged, and the Council covenants and agrees that in the event of any current or anticipated deficiency in Special Assessments, ad valorem taxes and interest thereon, it will levy upon all taxable property within the Issuer and cause to be extended, assessed, and collected, any additional taxes found necessary for full payment of the principal of and interest on the Bonds, without limitation as to rate or amount.

6.06 Investments. Monies on deposit in the Debt Service Fund may, at the discretion of the Administrator, be invested in securities permitted by Minnesota Statutes, Chapter 118A; provided, that any such investments shall mature at such times and in such amounts as will permit payment of the principal and interest on the Bonds when due.

Section 7. Refunding; Findings; Redemption of Refunded Bonds.

7.01 Findings. It is hereby found and determined that:

A. based upon information presently available from the Issuer's financial advisers that, as of the respective Redemption Dates, the issuance of the Bonds will result in a reduction of debt service cost to the Issuer on the Refunded Bonds;

B. in accordance with Section 475.67 of the Act, as of the respective Redemption Dates, the present value of the dollar amount of the debt service on the 1998 Portion of the Bonds and the 2000 Portion of the Bonds, computed to their stated maturity dates, after deducting any premium, is lower by at least three percent than the present value of the dollar amount of debt service on the 1998 Refunded Bonds and the 2000 Refunded Bonds, respectively, exclusive of any premium, computed to their stated maturity dates (present value of the dollar amount of debt service means the dollar amount of debt service to be paid, discounted to the nominal date of the Bonds at a rate equal to the yield on the Bonds.);

C. the Proceeds and Funds available and appropriated to the Escrow Account will be sufficient, together with the permitted earnings on the investment of the Escrow Account, to pay (i) all interest paid or to be paid on the 1998 Portion of the Bonds to and including the 1998 Bonds Redemption Date; (ii) the principal of the 1998 Refunded Bonds on the 1998 Bonds Redemption Date; (iii) all interest paid or to be paid on the 2000 Portion of the Bonds to and including the 2000 Bonds Redemption Date; and (iv) the principal of the 2000 Refunded Bonds on the 2000 Bonds Redemption Date.; and

D. the proceeds of the 1998 Bonds and the 2000 Bonds have been fully expended for the governmental purposes for which such bonds were issued.

7.02 Redemption. The Refunded Bonds shall be redeemed and prepaid in accordance with: (i) their terms; (ii) with the terms and conditions set forth in the forms of Notices of Call for Redemption attached to the Escrow Agreement; and (iii) with the terms and conditions of the Representation Letter, all of which terms and conditions are hereby approved and incorporated herein by reference.

Section 8. Defeasance. When all Bonds and all interest thereon have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this Resolution to the holders of the Bonds shall cease, except that the pledge of the full faith and credit of the Issuer for the prompt and full payment of the principal of and interest on the Bonds shall remain in full force and effect. The Issuer may discharge all Bonds which are due on any date by depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full. If any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Bond Registrar designated in Section 3.01 hereof a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The Issuer may also at any time discharge and cause defeasance of the Bonds in their entirety by complying with the provisions of Section 475.67 of the Act, except that the funds deposited in escrow in accordance with said provisions may (to the extent permitted by law) but need not be, in whole or in part, proceeds of bonds as therein provided, without the consent of any bondholders.

Section 9. Certificate of Proceedings.

9.01 Filing with County Auditor. The Administrator is directed to file with the St. Louis County Auditor, or such other person as may be performing such function, a certified copy of this Resolution and such other information as the County Auditor may require, and to obtain from the County Auditor a certificate stating that the Bonds have been duly entered on his or her register.

9.02 Proceedings. The officers of the Issuer are authorized and directed to prepare and furnish to the Purchaser and to bond counsel certified copies of all proceedings and records of the Issuer relating to the authorization and issuance of the Bonds and other affidavits and certificates as may reasonably be requested to show the facts relating to the legality and marketability of the Bonds as such facts appear from the official books and records of the officers' custody or otherwise known to them. All of such certified copies, certificates and affidavits, including any heretofore furnished, constitute representations of the Issuer as to the correctness of facts recited therein and the actions stated therein to have been taken.

9.03 Absent or Disabled Officers. In the event of the absence or disability of the Mayor or the Administrator, such officers or members of the Council as in the opinion of the Issuer's attorney may act in their behalf shall, without further act or authorization, execute and deliver the Certificates, and do all things and execute all instruments and documents required to be done or executed by such absent or disabled officers.

9.04 Offering Materials. The Mayor and the Administrator are authorized and directed to certify that they have examined the offering materials prepared and circulated in connection with the reoffering of the Bonds by the Purchaser and that to the best of their knowledge and belief the offering materials are a complete and accurate representation of the facts and representations made therein as of the date of the offering materials.

Section 10. Tax Covenants.

10.01 General. A. The Issuer covenants and agrees with the holders of the Bonds that the Issuer will (i) take all action on its part necessary to cause the interest on the Bonds to be exempt from federal income taxes including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Bonds and investment earnings thereon, making required payments to the federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Bonds to be subject to federal income taxes, including, without limitation, refraining from spending the proceeds of the Bonds and investment earnings thereon on certain specified purposes.

B. No portion of the proceeds of the Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to

acquire higher yielding investments, except (i) for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds were issued, and (ii) in addition to the above, in an amount not greater than the lesser of five percent of the proceeds of the Bonds or \$100,000. To this effect, any proceeds of the Bonds and any sums from time to time held in the Debt Service Account (or any other Issuer account which will be used to pay principal and interest to become due on the Bonds) in excess of amounts which under the applicable federal arbitrage regulations may be invested without regard as to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by the arbitrage regulations on such investments after taking into account any applicable temporary periods of minor portion made available under the federal arbitrage regulations. In addition, the proceeds of the Bonds and money in the Debt Service Account shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United States or any agency or instrumentality thereof if and to the extent that such investment would cause the Bonds to be federally guaranteed within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

10.02 Rebate Exception. For purposes of qualifying for the small-issuer exception to the federal arbitrage rebate requirements, the Issuer hereby finds, determines and declares as follows:

- A. the aggregate face amount of the Bonds does not exceed \$5,000,000;
- B. the 1998 Bonds and the 2000 Bonds were treated as meeting the requirements of the small-issuer exception to the federal arbitrage rebate requirements within the meaning of Section 148(f)(4)(C) of the Code;
- C. the average maturity date of the Bonds is not later than the average maturity date of the Refunded Bonds; and
- D. no Bond has a maturity date which is later than the date which is 30 years after the date the 1998 Bonds or the 2000 Bonds were issued.

10.03 Bank Qualification. In order to qualify the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the Issuer hereby makes the following factual statements and representations:

- A. the Bonds are not "private activity bonds" as defined in Section 141 of the Code;
- B. the Issuer hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;
- C. the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the Issuer (and all entities whose obligations will be

aggregated with those of the Issuer) during the calendar year in which the Bonds are being issued will not exceed \$10,000,000; and

D. not more than \$10,000,000 of obligations issued by the Issuer during the calendar year in which the Bonds are being issued have been designated for purposes of Section 265(b)(3) of the Code.

Section 11. Continuing Disclosure.

11.01 The Bonds. The Issuer acknowledges that the Bonds are subject to the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12) (the "Rule"). The Rule governs the obligations of certain underwriters to require that issuers of municipal bonds enter into agreements for the benefit of the bondholders to provide continuing disclosure with respect to the bonds. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit underwriters of the Bonds to comply with the Rule, which will enhance the marketability of the Bonds, the Mayor and the Administrator are hereby authorized and directed to execute a Continuing Disclosure Certificate substantially in the form of the Certificate currently on file in the office of the Issuer.

11.02 1998 Refunded Bonds. The Issuer has previously executed its Limited Continuing Disclosure Certificate dated April 1, 1998 with respect to the 1998 Bonds (the "1998 Disclosure Certificate"). The refunding of the 1998 Refunded Bonds authorized in this Resolution constitutes a "material event" under the Rule. The Issuer hereby authorizes the Dissemination Agent (as defined in the 1998 Disclosure Certificate) to provide the notice required with respect to Section 5(a)(9) of the 1998 Disclosure Certificate. Such notice must be given no later than the notice given in accordance with Section 6.02 of this Resolution. The Mayor and the Administrator are hereby authorized and directed to provide appropriate information regarding the issuance of the Bonds and defeasance of the 1998 Refunded Bonds to the Dissemination Agent.

11.03 2000 Refunded Bonds. The Issuer has previously executed its Continuing Disclosure Certificate dated September 1, 2000 with respect to the 2000 Bonds (the "2000 Disclosure Certificate"). The refunding of the 2000 Refunded Bonds authorized in this Resolution constitutes a "material event" under the Rule. The Issuer hereby authorizes the Dissemination Agent (as defined in the 2000 Disclosure Certificate) to provide the notice required with respect to Section 5(a)(9) of the 2000 Disclosure Certificate. Such notice must be given no later than the notice given in accordance with Section 6.02 of this Resolution. The Mayor and the Administrator are hereby authorized and directed to provide appropriate information regarding the issuance of the Bonds and defeasance of the 2000 Refunded Bonds to the Dissemination Agent.

Adopted: January 18, 2005.

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
Administrator

A motion for the adoption of the foregoing Resolution was duly seconded by Member \_\_\_\_\_ and, upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

and the following were absent:

whereupon, said Resolution was declared passed and adopted.

**ATTACHMENT A  
Debt Service Schedule**

Payment Date	Interest Rate	1998 Portion of the Bonds		2000 Portion of the Bonds		Total Principal and Interest	Fiscal Total
		Principal	Interest	Principal	Interest		
02/01/05						\$0.00	
08/01/05						\$0.00	\$0.00
02/01/06						\$0.00	
08/01/06						\$0.00	\$0.00
02/01/07						\$0.00	
08/01/07						\$0.00	\$0.00
02/01/08		\$55,000.00				\$55,000.00	
08/01/08						\$0.00	\$55,000.00
02/01/09		\$50,000.00		\$95,000.00		\$145,000.00	
08/01/09						\$0.00	\$145,000.00
02/01/10		\$50,000.00		\$100,000.00		\$150,000.00	
08/01/10						\$0.00	\$150,000.00
02/01/11		\$55,000.00		\$105,000.00		\$160,000.00	
08/01/11						\$0.00	\$160,000.00
02/01/12		\$55,000.00		\$105,000.00		\$160,000.00	
08/01/12						\$0.00	\$160,000.00
02/01/13		\$60,000.00		\$110,000.00		\$170,000.00	

Payment Date	Interest Rate	1998 Portion of the Bonds		2000 Portion of the Bonds		Total Principal and Interest	Fiscal Totals
		Principal	Interest	Principal	Interest		
08/01/13						\$0.00	\$170,000.00
02/01/14		\$65,000.00		\$110,000.00		\$175,000.00	
08/01/14						\$0.00	\$175,000.00
02/01/15		\$65,000.00		\$115,000.00		\$180,000.00	
08/01/15						\$0.00	\$180,000.00
02/01/16		\$65,000.00		\$120,000.00		\$185,000.00	
08/01/16						\$0.00	\$185,000.00
02/01/17		\$65,000.00				\$65,000.00	
08/01/17						\$0.00	\$65,000.00
02/01/18		\$70,000.00				\$70,000.00	
08/01/18						\$0.00	\$70,000.00
02/01/19		\$75,000.00				\$75,000.00	
08/01/19						\$0.00	\$75,000.00
02/01/20		\$80,000.00				\$80,000.00	
08/01/20						\$0.00	\$80,000.00
<b>Totals</b>		<b>\$810,000.00</b>		<b>\$860,000.00</b>		<b>\$1,670,000.00</b>	

**ATTACHMENT B**

**\$1,670,000 General Obligation Crossover Refunding Bonds, Series 2005A  
City of Mountain Iron, Minnesota**

<b>Levy Year</b>	<b>Collection Year</b>	<b>Tax Levy</b>
2006	2007	
2007	2008	
2008	2009	
2009	2010	
2010	2011	
2011	2012	
2012	2013	
2013	2014	
2014	2015	
2015	2016	
2016	2017	
2017	2018	
2018	2019	





# Saint Louis County

Assessor's Department • 100 North Fifth Avenue West, Room 212, Duluth, Minnesota 55802-1291  
(218) 726-2304 • Long Distance in St. Louis County (800) 450-9777  
Web Site <http://www.co.st-louis.mn.us/AssessorOfficeNew>

Melvin W. Hintz, Jr.  
Interim County Assessor

## Memo

To: Members of Local Boards of Appeal and Equalization

From: Mel Hintz *Mel Hintz*  
Interim St. Louis County Assessor

Subject: Training Opportunity  
Local Board of Appeal & Equalization Attendance & Training Requirements

Date: January 4, 2005

Recent changes in Minnesota law impact the responsibilities of city and township officials in regard to conducting Local Boards of Appeal and Equalization. Beginning in 2006, failure to meet these new responsibilities will result in a city's or township's temporarily forfeiting to the county its ability to hear and rule upon appeals of property valuation and classification made by its citizens. The new responsibilities are:

### 1. There Must Be a Quorum at the Local Board of Appeal and Equalization

To conduct a Local Board of Appeal and Equalization, a majority of the voting members (a quorum) must be present on the day of the meeting. Should the meeting not close on its initial meeting day, there must also be a quorum present when the voting members reconvene to finalize their decisions and close the meeting. If no quorum exists at either the beginning or the close of the meeting, the city or township forfeits to the county its ability to hear and rule upon appeals of property valuation and classification made by its citizens. This forfeiture is for both the current year and the year immediately following. Reinstatement may be made by resolution of the governing body of the city or township. The resolution must be provided to the county assessor by December 1 in order to be effective for the following assessment year.

### 2. At Least One of the Voting Members Present Must Receive Training

Passed in 2003, Minnesota Statute 274.014, provides in part that:

*By no later than January 1, 2006, and each year thereafter, there must be a least one member at each meeting of a local board of appeal and equalization who has attended an appeals and equalization course developed or approved by the commissioner within the last four years, as certified by the commissioner. The course may be offered in conjunction with a meeting of the Minnesota League of Cities or the Minnesota Association of Townships. The course content must*

*include, but need not be limited to, a review of the handbook developed by the commissioner...*

If prior to the 2006 Local Board of Appeal and Equalization meeting, no voting member of the board has attended an approved training session, then the city or township forfeits to the county its ability to hear and rule upon appeals of property valuation and classification made by its citizens. Reinstatement may be made by resolution of the governing body of the city or township and upon proof of compliance that at least one voting member has attended an approved appeals and equalization course. The resolution and proof of course attendance must be provided to the county assessor by December 1 in order to be effective for the following assessment year.

#### Training in St. Louis County

To be certain that you have a local opportunity to attend a training session that will satisfy Minnesota Statute 274.014, the St. Louis County Assessor's Office is partnering with the Minnesota Department of Revenue to make this training available here in St. Louis County. The training opportunities are scheduled as follows:

Wednesday, February 23, 2005  
1:00 to 4:00 PM  
Cotton Town Hall

OR

Thursday, February 24, 2005  
9:00 AM to Noon  
Virginia City Hall ~ Lower Level

To insure sufficient space to conduct this course, please confirm your attendance by contacting Lana Anderson at the St. Louis County Assessor's Office at (218) 726-2304 no later than February 4, 2005. We are limited to 50 attendees at each session. There is no charge for this training session.

The Minnesota Association of Townships also offers approved training. It can be substituted for the training offered by the St. Louis County Assessor's Office.

**COUNCIL LETTER 011805-VID**

**ADMINISTRATION**

**CONFERENCE ATTENDANCE**

**DATE:** January 13, 2005  
**FROM:** Craig J. Wainio  
City Administrator

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Mrs. Jill Forseen is requesting authorization to attend the following non-mandatory conferences with the following background information:

The 2005 Minnesota Clerks and Finance Officers State Conference from March 16 to the 18, 2005, in St. Cloud and the 2005 International Institute of Municipal Clerks Conference from May 22 to the 26, 2005, in St. Paul. The reason I would like to request to attend the state conference is that I've attended this conference for the past 17 years and found it to be an excellent asset to my position and I've been asked to give the invocation at the banquet. For the International Conference, this is the conference that I attended in Whistler, B.C. and it has not been held in Minnesota since 1982 and I would like to volunteer to help at the International Conference and attend the classes.

The State Conference is in St. Cloud from March 16-18, 2005, estimated costs are as follows:

Registration	\$150.00
Hotel (2 nights)	\$180.00
Mileage 372 miles @ \$0.405/mile	\$151.00
Meals	<u>\$ 60.00</u>
TOTAL	\$541.00

I would like to request the City to pay the registration fees and mileage for this conference and to allow me to attend on City time. The expenses would not exceed \$301.00.

The International Conference is in St. Paul, May 22-26, 2005, estimated costs are as follows:

Registration	\$495.00
Hotels (4 nights)	\$580.00
Mileage 386 miles @ \$0.405	\$157.00
Meals	<u>\$100.00</u>
TOTAL	\$1332.00

I would like to request the City to pay the registration fees and mileage for this conference and to allow me to attend on City time. The expenses would not exceed \$652.00. This would be a one time request due to the fact it is in Minnesota.

**COUNCIL LETTER 011805-VIE**

**MAYOR SKALKO**

**SOUTH GROVE PARK**

**DATE:** January 13, 2005

**FROM:** City Council

Craig J. Wainio  
City Administrator

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Mayor Skalko requested this item be placed on the agenda with the following background information:

Authorize Benchmark Engineering to prepare a conceptual layout for residential lots in the current South Grove park area.

**COUNCIL LETTER 011805-VIF**  
**COUNCILOR IRISH**  
**CALL OUT POLICY & PROCEDURE**

**DATE:** January 13, 2005  
**FROM:** City Council  
Craig J. Wainio  
City Administrator

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Councilor Irish requested this item be placed on the agenda with the following background information:

Implement a Minnesota Power after hours dispatch procedure for call-outs.

**COUNCIL LETTER 011805-VIG**

**COUNCILOR IRISH**

**HRA/EDA EXECUTIVE DIRECTOR**

**DATE:** January 13, 2005

**FROM:** City Council

Craig J. Wainio  
City Administrator

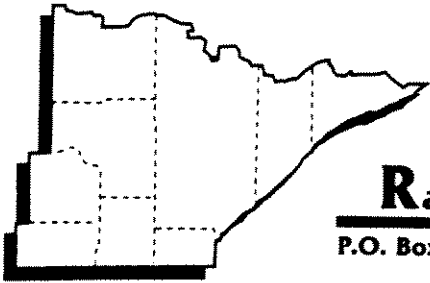
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Councilor Irish requested this item be placed on the agenda with the following background information:

Job description and clarification on position of the City Administrator and Executive Director.

COMMUNICATIONS  
JANUARY 18, 2005

1. Range Association of Municipalities and Schools, forwarding information regarding the 2005 Legislative Session.
2. Coalition of Greater Minnesota Cities, forwarding an update on activities.
3. League of Minnesota Cities, forwarding the January 7, 2005, Friday Fax.
4. League of Minnesota Cities, forwarding the 2005 City Policies.
5. Minnesota Association of Small Cities, advising the City that there is a vacancy on their Board of Directors for Region #4 and looking for applications.
6. An Uninformed Senior, a letter questioning why Mountain Iron's City Council meetings are not televised.



One Range...One Voice

## Range Association of Municipalities and Schools

P.O. Box 705, Buhl, MN 55713

PHONE (218) 258-3216

FAX (218) 258-3217

TO: All RAMS Members  
FROM: Ron Dicklich *R.D.*  
SUBJECT: 2005 Legislative Session

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The 2005 Legislative Session kicked off on Tuesday, January 4<sup>th</sup>. This year will be a so-called "long session" because the biennial budget that appropriates State funds for the next two years will be set.

We at RAMS have a number of important issues in the areas of Education, Local Government Aid, Taconite Aid, as well as Bonding and Economic Development issues.

There has been no additional money put into Education since 2001. The property tax reform appeared to put more money in Education, but the net result was zero. Budget cuts the last few years cut money from Special Education and other programs which have put Taconite schools and all rural education on the edge of financial instability. We at RAMS have a number of Educational issues, but our top priority is to secure adequate and stable Education funding.

The issue of Taconite Aid and the Taconite Aid Offset will once again be a top priority for RAMS. We have already begun meeting with legislative leaders to restore the Taconite Offset. Our legislators have also begun meeting with administration officials on the issue. Early discussions sound very positive. As you may remember we did have an agreement on Taconite Offset. The breakdown of the Session caused that and other issues to remain unsettled. RAMS also participated in the local Government Finance Task Force. After six months of meeting and developing recommendations, RAMS will be working with other city organizations to secure stable and flexible funding for Minnesota cities.

RAMS will be supporting and working for Economic Development projects that have been submitted by our members for support. Excelsior Energy, Mesabi Nugget, The Biomass Project, Minnesota Steel Industries, as well as others will be important projects for our future. RAMS and its members will be supporting the projects in the legislature and locally as they develop.

2005 will also have a statewide Bonding Bill. RAMS will be supporting all of the Taconite area projects to help secure Bonding money for them.

2005 will be a very busy session and RAMS once again will be a full-time participant. Please contact us with any issues you may have.

Thank you.



# Coalition of Greater Minnesota Cities

January 7, 2005

Contact: Sarah Kleppe  
651.225.8840

## CGMC in Brief

### CGMC Legislative Action Day in St. Paul – January 12!

The CGMC's annual Legislative Action Day is **Wednesday, January 12 in St. Paul**. The schedule is as follows:

10:30 a.m. OR noon	Orientation session	Flaherty & Hood
3-5 p.m.	Open House	Flaherty & Hood
5:30 p.m.	Legislative Reception	Mancini's
6:30 p.m.	Dinner	Mancini's

It is not too late to register! An agenda/registration form is online at [www.greatermncities.org](http://www.greatermncities.org) or contact Shelly at 651.225.8840 to attend. The Reception is co-sponsored by the **Minnesota Association of Small Cities, Minnesota Service Cooperatives, and Range Association of Municipalities and Schools**.

### CGMC meets with leadership

CGMC members and staff are meeting with House and Senate leadership to brief them on coalition positions. Thank you to the coalition representatives who attended pre-session meetings with **House Speaker Steve Sviggum, R-Kenyon, and House Minority Leader Matt Entenza, DFL-St. Paul**.

Meetings are scheduled with **Senate Majority Leader Dean Johnson, DFL-Willmar; Senate Minority Leader Dick Day, R-Owatonna; and House Tax Committee Chair Phil Krinkie, R-Shoreview** in the coming weeks.

### CGMC video email debuts

A video e-mail message from **CGMC President Mayor John Ellenbecker, St. Cloud**, was e-mailed to rural legislators this week to welcome them to the 2005 session and invite them to attend next week's Legislative Reception.

We will be using this medium to communicate with CGMC members and legislators during the year. The videos will be available on the coalition's website, [www.greatermncities.org/video\\_list.htm](http://www.greatermncities.org/video_list.htm).

Thank you to the members who provided city photos; please keep them coming! If you have difficulty with the system, or if you have questions or ideas, please e-mail Sarah Kleppe: [skleppe@flaherty-hood.com](mailto:skleppe@flaherty-hood.com).

**CGMC Bluebook update**

Each CGMC member city has received a Bluebook filled with important lobbying documents and background information. Please replace your current first page with the attached revised document.

**Please remember to bring your Bluebook with you to St. Paul next week for the Legislative Action Day!**

**Bonding bill on fast track**

Cities with individual bonding requests should move quickly! The bonding bill is expected to be passed by the Senate in January and the House in February so that it can be approved by the governor in March.

**Cities support local option sales tax bill**

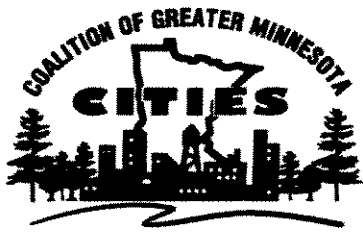
In addition to pursuing city-specific local option sales tax legislation, several coalition cities are supporting a general bill that authorizes cities in Greater Minnesota to establish a sales tax. For information, please contact Sara Grewing by via email: [srgrewing@flaherty-hood.com](mailto:srgrewing@flaherty-hood.com).

**CGMC welcomes three new employees**

Welcome to **Sara Grewing, Steve Peterson, and Peter Wanning!**

- Sara served as an Assistant Hennepin County Attorney before joining Flaherty & Hood, P.A. as a lobbyist.
- Steve, with a Master's degree in Urban Planning Policy from the Humphrey Institute, has replaced Christine Berger as the firm's policy analyst.
- After graduating from St. John's University and Creighton University School of Law, Peter has joined the firm as a lobbyist.

There will be an **Open House from 3-5 p.m. Wednesday, January 12, 2005 at the Flaherty & Hood, P.A. offices** for CGMC city officials and rural legislators. Please stop by and meet Flaherty & Hood's new employees who will be working on CGMC programs.



## 2005 CGMC Legislative Positions

### LGA/Property Tax

- Support restoration of \$60 million of LGA funding cuts
- Support an increase in school spending, but not by taking LGA funding

### Transportation

- Protect greater Minnesota's share of federal transportation money by ensuring the new Target Formula does not shift transportation funds from greater Minnesota to the metro area.
- Support increasing gas tax by 10 cents and tab fee revenues but only if they continue to be constitutionally dedicated to highways; new revenues must be split equally between greater Minnesota and the metro area
- Support a half cent sales tax in the metro area to relieve urban traffic congestion

### Economic Development and State Bonding

- Support \$14 million in state bonding for greater Minnesota business infrastructure grants
- Support \$10 million in state bonding for greater Minnesota redevelopment grants
- Support regional investment tax credits to attract private venture capital to greater Minnesota
- Support \$20 million in state bonding for grants to help cities meet new environmental mandates

### Environment

- Oppose new statewide phosphorus mandates
- Support authority for cities to challenge new, questionable water quality mandates
- Oppose statewide water quality fees
- Support requirement that state pay at least one-half of new water quality mandates

### Annexation

- Oppose new restrictions on annexations
- Support comprehensive annexation reform
  - Allow any willing property owner to join city
  - Allow cities to extend land use controls to growth areas
  - Streamline city annexation authority

This is a short summary of the CGMC's positions. The positions can be viewed at [www.greatermncities.org](http://www.greatermncities.org).  
Prepared for the Coalition of Greater Minnesota Cities by Flaherty & Hood, P.A. January 4, 2005



# -FridayFax-

*A weekly legislative update from the League of Minnesota Cities*

January 7, 2005

Page 1

## Session Underway

On Tuesday, the 84<sup>th</sup> session of the Minnesota Legislature convened with 26 new House members, one new Senator, a new House Committee structure and a return of many of the unresolved issues from the 2004 session. The 2005 Legislature will have to craft a biennial state budget, resolve a projected \$700 million budget deficit, address inflationary pressures on the budget that could add as much as an additional \$700 to the deficit, consider other priority policy and spending initiatives and possibly pass a bonding bill—all before the constitutional adjournment deadline of May 23.

The 26 newly elected House members translate into nearly 20 percent of the total House of Representatives membership. The 26 new members include 9 Republican and 17 Democrats. Of the 122 incumbents that were running for reelection last fall, nearly 89 percent, or 108 won their reelection. Of the 134 House members 68 are Republican and 66 are Democrats while 97 are men and 37 are women. Although Senators were not up for reelection last year, there will be one new member due to a special election last year.

During this first week of session, only a few committees convened—mostly to orient new members. Although committees have hardly begun to discuss legislation, we do expect a number of key municipal issues to be on the legislative agenda for 2005 including transportation funding, annexation, private property rights, levy limits, public pension funding, impaired waters funding, water infrastructure funding, methamphetamine enforcement and LGA funding to name a few.

The FridayFax and e-mail listserv is a communication vehicle published by the League

of Minnesota Cities to provide late-breaking information on legislative developments of interest to city officials. The FridayFax is intended to augment our more comprehensive weekly *Cities Bulletin*.

## Committee Schedules

MONDAY, January 10

House Local Government

10 State Office Building – 12:30 pm

Agenda: Introductions of Members and Staff. Review of Committee Member Prioritization Process for Scheduling Bills. In this Committee, Members will all have an opportunity to prioritize each of the bills referred to the Committee and make joint decisions as to what bills are heard.

Senate Capital Investment

123 State Capitol – 3:00 pm

Agenda: Bonding requests for transportation projects.

TUESDAY, January 11

House Jobs and Economic Opportunity Policy and Finance

10 State Office Building - 8:15 a.m.

Agenda: 1. Auditor's Report on Childcare Reimbursement Rates; 2. Economic Impact of Broadband in Minnesota informational hearing.

House Transportation Finance

10 State Office Building - 12:30 p.m.

Agenda: Governor's Transportation Financing Initiatives

WEDNESDAY, January 12

Joint Senate Public Safety Budget Division and Crime Prevention and Public Safety Committee  
112 State Capitol - 12:00 noon

Agenda: Homeland Security funding and federal funds overview.

For more information on city legislative issues, contact any member of the League of Minnesota Cities Intergovernmental Relations team.  
651.281.1200 or 800.925.1122



## League of Minnesota Cities

145 University Avenue West, St. Paul, MN 55103-2044

(651) 281-1200 • (800) 925-1122

Fax: (651) 281-1299 • TDD: (651) 281-1290

[www.lmnc.org](http://www.lmnc.org)

December 29, 2004

**TO:** City Administrator/Manager/Clerk

**FROM:** Gary Carlson  
Director, Intergovernmental Relations

**RE:** 2005 City Policies

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Enclosed is your copy of the *2005 City Policies*. These legislative policies are based on recommendations of the League of Minnesota Cities (LMC) policy committees and were approved by the Board of Directors on November 18, 2004.

Later this month, every city and every state legislator will receive a copy of the *2005 City Policies* document. The document will also be available on-line on the League's website at [www.lmnc.org](http://www.lmnc.org).

The bulk of the policies represent longstanding positions of the League, although many were modified in anticipation of 2005 legislative proposals or to reflect recent statutory changes. Several new policies were derived from member suggestions and comments solicited at different points throughout the policy adoption process. Thanks to member input at policy committee meetings, regional meetings, the Annual Conference and via phone calls, letters and e-mails, the League will have new positions in 2005 to address the following legislative issues:

- Fire mutual aid
- Methamphetamine
- Disability access requirements
- Homeland security costs and liability
- Dangerous dogs
- Compensation and reimbursement for public safety services
- Statewide aviation planning
- State budget stability
- City fund balances
- Restructuring the Market Value Homestead Credit (MVHC)
- Workers compensation

- OVER -

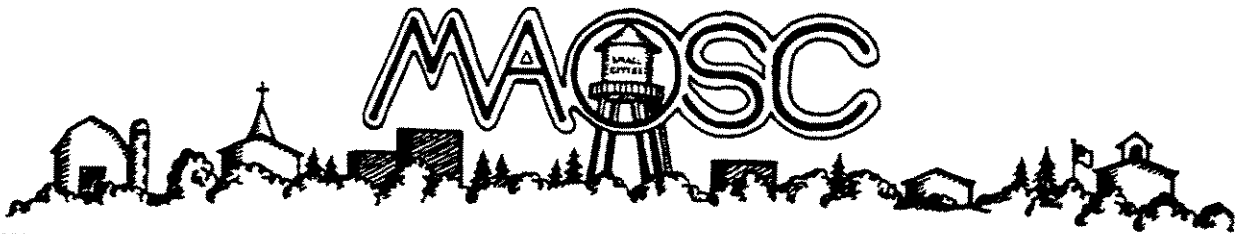
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I would like to thank every city official who dedicated significant amounts of time and energy to the LMC's policy development process. Their input was instrumental in shaping and directing the League's legislative agenda.

Your LMC Intergovernmental Relations staff will work hard to represent city interests during the session, but our greatest strength is you and your continued involvement. We hope to see you at the Capitol in 2005. Please plan to attend the **2005 State of the Cities Conference scheduled for March 31, 2005, in St. Paul**. The conference will be an important event for all city officials. Additional information on the conference will follow.

If you have any questions, comments, or need assistance on these issues, please feel free to contact any member of the LMC Intergovernmental Relations Department.

Enclosure



**Minnesota Association of Small Cities**  
Katherine Fenrich, Associate Director  
25770 CSAH #1  
Litchfield, MN 55355

320-693-1283 (phone)  
320-693-1284 (fax)  
[www.maosc.org](http://www.maosc.org)  
[maosc@mchsi.com](mailto:maosc@mchsi.com)

January 7, 2005

City of Mountain Iron  
8586 S. Enterprise Dr.  
Mountain Iron, MN 55768

Dear Mayor, Council, and Staff:

As an eligible member city of the *Minnesota Association of Small Cities* I would like to make you aware of a vacancy on our Board of Directors for Region #4. We like to see equal representation on our board from every Region of the State, therefore, we're asking for input from the cities in the affected Region regarding possible candidates.

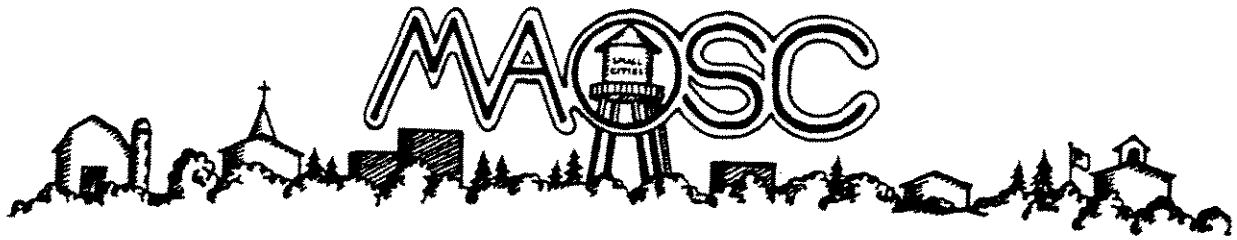
Eligible candidates consist of elected or appointed city officials from cities with populations of less than 5000. If our open position does not interest you at this time, surely you know of a qualified individual that could offer representation from your Region. If so, please pass on the enclosed Board Member Application form.

Application forms are to be mailed to the above address. Thank you for your support as we continue to make a difference for small cities across Minnesota.

Sincerely yours,

A handwritten signature in cursive script that reads 'Kathy Fenrich'.

Katherine Fenrich, Associate Director  
Minnesota Association of Small Cities  
enc



**MINNESOTA ASSOCIATION OF SMALL CITIES  
BOARD MEMBER APPLICATION**

Name \_\_\_\_\_ Title \_\_\_\_\_  
City \_\_\_\_\_ Address \_\_\_\_\_  
Phone \_\_\_\_\_ Fax \_\_\_\_\_  
E-Mail \_\_\_\_\_ Years in Position \_\_\_\_\_

Please list any other cities or local units of government you have worked with: \_\_\_\_\_  
\_\_\_\_\_

Please list any activities you are involved in relating to your work with the city: \_\_\_\_\_  
\_\_\_\_\_

Please list any activities you are or have been involved with relating to local governments: \_\_\_\_\_  
\_\_\_\_\_

Board members serve for a period of three years. Would you be able to commit to that term? \_\_\_\_\_

Board meetings are held six times per year on a Friday evening and Saturday morning. Are you able to attend these meetings? \_\_\_\_\_

Please list any other information you would like the Nominations Committee to be aware of: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Please return this form to: MAOSC ~ Katherine Fenrich  
25770 CSAH #1  
Litchfield, MN 55355  
Phone ~ (320) 693-1283 Fax ~ (320) 693-1284  
E-Mail ~ maosc@mchsi.com



Mayor and Council members:

Several years ago Mr. Ronkko tried to get council meetings on T.V. whatever happened to this? We are the only city in the area that doesn't air our meetings.

It is hard for us Sr. to get out to meetings and it would be nice to watch our own meetings

Thank you,

an thro informed Sr.