

**MOUNTAIN IRON CITY COUNCIL MEETING  
COMMUNITY CENTER  
MOUNTAIN IRON ROOM  
MONDAY, MAY 2, 2016 - 6:30 P.M.  
A G E N D A**

- I. Roll Call
- II. Consent Agenda
  - A. Minutes of the April 18, 2016, Regular Meeting (#1-12)
  - B. Minutes of the April 21, 2016, Board of Review Meeting (#13-14)
  - C. Receipts
  - D. Bills and Payroll
  - E. Communications (#103-105)
- III. Public Forum
- IV. Committee and Staff Reports
  - A. Mayor's Report
  - B. City Administrator's Report
    - 1. Cooperative Agreement Concerning Federal Funding (#15-21)
  - C. Public Works Director's Report
    - 1. Quote for Concrete Work (#22-24)
  - D. Library Director/Special Events Coordinator's Report
  - E. Sheriff's Department Report
  - F. City Engineer's Report
  - G. Street and Alley Committee
    - 1. Crack Sealing (#25)
    - 2. Spirit Lake Road (#26)
  - H. Liaison Reports
- V. Unfinished Business
- VI. New Business
  - A. Resolution Number 25-16 Supporting County ATV Ordinance (#27-28)
  - B. Resolution Number 26-16 Consenting to Rock Ridge Housing District (#29-64)
  - C. Statement Concerning Rock Ridge Housing (#65)
  - D. Resolution Number 27-16 Supporting SF 3582 IRRRB Reorganization (#66-67)
  - E. Proposal for a Geotechnical Evaluation (#68-77)
  - F. Revised Drug and Alcohol Testing Policy (#78-96)
  - G. Payment Service Network Proposal (#97-102)
- VII. Communications (#103-105)
- VIII. Announcements
- IX. Adjourn

MINUTES  
MOUNTAIN IRON CITY COUNCIL  
April 18, 2016

Mayor Skalko called the City Council meeting to order at 6:31 p.m. with the following Council members present: Susan Tuomela, Alan Stanaway, Tony Zupancich and Mayor Gary Skalko. Also present were: Craig J. Wainio, City Administrator Michael Downs, Director of Public Works; Amanda Inmon, Municipal Services Secretary; Bryan Lindsay, City Attorney; Sally Yuccas, Librarian Director/Special Events Director; John Backman Sheriff's Department and Rod Flannigan, City Engineer. Absent: Council member Joe Prebeg, Jr.

It was moved by Skalko and seconded by Tuomela that the consent agenda be approved as follows:

1. Approve the minutes of the April 4, 2016, regular meeting as submitted.
2. That the communications be accepted and 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 April 1-15, 2016 totaling \$ 266,662.92 (a list is attached and made a part of these minutes).
4. To authorize the payments of the bills and payroll for the period April 1-15, 2016, totaling \$493,014.72 (a list is attached and made a part of these minutes).

The motion carried on a roll call vote with Council member Joe Prebeg, Jr. absent.

**Public Forum:**

- Superintendent John Klarich spoke in regards to the building of the new Mountain Iron-Buhl High school. Access approximately 80% of the 29 million dollar school from IRRRB payment from Taconite Taxes along with 5% from Equalization Aid from the State of Minnesota, coming up to roughly 85% of cost for new school, with taxpayers picking up the remaining 15% for the new School building. Small pamphlet was sent to all taxpayers and Council members, with the addition of the Architectural study between the old and new school in the City Council packets.
- Next closest district in regards to cost, if levy passed, is Eveleth-Gilbert. Board Chair Troy Martensen present in addition to, compare favorable to other districts in regards to taxes in surrounding districts within the region. School website has loads of information, which also includes a tax estimate, gives evaluation. Guidelines and codes for new school building are regulated by state of Minnesota; with all classrooms being built to specifications in regards to State of Minnesota regulations. Recommendation is that if it cost 60% or more to remodel a building, it is recommended to just build a new building, no state help in regards to remodeling/fixing old school.
- Old building would be marketed to other businesses, recommended immediately if referendum passes; existing Merritt Gym would be possibly used as an early childhood center, for four-year olds. The new building would offer a couple new gyms, some classes offered every year other year, giving a more diverse classroom schedule, sharing a superintendent as well as other resources, collaborating with Cherry for possible Marching band, fine arts programs, sharing vocational programs. New school would offer more options for more students across the Iron Range.
- Estimation of completion Fall 2018 for new Mountain Iron-Buhl High school, green energy building, with construction possibly starting this year, open meeting at Merritt Elementary, Wednesday April 20<sup>th</sup> at 6:00 pm, with representatives from Architect company as well as Finance Company; Ehlers and Associates, Board Members, etc. for questions.

Mayor's Report:

- Condolences to the family of Charlotte Norlinder
- Congratulations and Honors to both the individual and team, to Chelsea Mason and Archie Winans for receiving Player of the Year
- Congratulations and best wishes to Matt Niskanen, from Mountain Iron who is currently playing with the Washington Capitals
- Care Partners "Swedish Meatball Dinner." Scheduled for Wednesday April 20<sup>th</sup> from 3:30-6:30pm, at the Mountain Iron Community Center

City Administrator reported on following:

- Consulting Agreement for Jill Clark and Judy Seurer, pulled from agenda
- 3<sup>rd</sup> Comprehensive Planning Meeting. Scheduled for Wednesday April 27<sup>th</sup> at 6:00 pm, at the Mountain Iron Community Center

The Director of Public Works reported on the following:

- Friendly reminder "Summer Help" program currently taking applications. Applications due by Friday, May 6<sup>th</sup> at 4:00pm

Library Director/Special Events Coordinator report:

- History of the Minnesota State Fair program. Scheduled for Wednesday, April 20<sup>th</sup> at 1:00 pm, at the Mountain Iron Library
- Disc golfers welcome to play course

Sheriff's department:

- No formal or informal report

It was moved by Zupancich and seconded by Tuomela to adopt Resolution Number 23-16; authorizing the City of Mountain Iron to enter into contract with Mesabi Bituminous for \$53,632.10, for the street improvement to Garden Drive between Arbor Lane and Fairview Lane, by overlay, according to the plans and specifications presented to the City Council (a copy is attached and made a part of these minutes). The motion carried on roll call vote with Council member Joe Prebeg, Jr. absent.

It was moved by Stanaway and seconded by Tuomela to adopt Resolution Number 24-16; authorizing the City of Mountain Iron to enter into contract with Mesabi Bituminous for \$310,241.30, for construction of a Bicycle and Pedestrian Recreational Trail between Quartz Street with an entrance to South Grove, according to the plans and specifications presented to the City Council (a copy is attached and made a part of these minutes). The motion carried on roll call vote with Council member Joe Prebeg, Jr. absent.

The Council reviewed the list of communications.

If there are questions or concerns regarding property assessments, a Representative from the county will be available, Thursday, April 21<sup>st</sup> at 6:00 pm at the Mountain Iron Community Center.

At 7:13p.m., it was moved by Skalko and seconded by Tuomela that the meeting be adjourned. Motion carried with Council Member Joe Prebeg, Jr. absent.

Submitted by:



Amanda Inmon  
Municipal Services Secretary

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

## COMMUNICATIONS

1. Mediacom will be moving the Hallmark Movies and Mysteries from the Movies and Mysteries tier package to Digital Family TV tier, on or around April 30, 2016.
2. Saint Louis County is in the process of developing an All-Terrain Vehicle (ATV) Ordinance to allow for the operation of ATVs on county roads.
3. Thank you from the Saint Louis County Iron Range Youth in Action, for the generous donation to their program.
4. Local Boards of Appeal and Equalization (LBAE) scheduled for Thursday, April 21, 2016 at 6:00pm until 7:00pm, at the Community Center in the Mountain Iron Room.

## Summary By Category And Distribution

Category	Distribution	Amount
SPECIAL ASSESSMENTS	SPECIAL ASSESS -BOND MONEY	20.00
MISCELLANEOUS	BLUE CROSS/BLUE SHIELD PAYABLE	39,277.42
UTILITY	UTILITY	184,953.73
CHARGE FOR SERVICES	ELECTRIC-CHG FOR SERVICES	164.11
CAMPGROUND RECEIPTS	FEES	2,650.00
CAMPGROUND RECEIPTS	LODGING TAX PAYABLE - W2 CAMP.	75.00
CAMPGROUND RECEIPTS	SALES TAX PAYABLE-W2 CAMPGR.	195.87
BUILDING RENTALS	SENIOR CENTER	75.00
BUILDING RENTALS	BUILDING RENTAL DEPOSITS	800.00
LICENSES	ANIMAL	10.00
CAMPGROUND RECEIPTS	CREDIT CARD FEES	12.86
PERMITS	BUILDING	50.00
METER DEPOSITS	ELECTRIC	1,050.00
MISCELLANEOUS	REFUSE-SALE OF SCRAP METAL	21.80
BUILDING RENTALS	NICHOLS HALL	95.00
MISCELLANEOUS	ELECTRIC RECONNECT FEE	105.00
MISCELLANEOUS	CHECK RETURN FEE	20.00
MISCELLANEOUS	REC DEPT-VARIOUS FEES/PMTS	160.00
CHARGE FOR SERVICES	SERVICES, FEES, MISC	-
MISCELLANEOUS	REIMB PHONE EXPENSE-ELEC	-
BUILDING RENTALS	COMMUNITY CENTER	225.00
MISCELLANEOUS	ASSESSMENT SEARCHES	10.00
MISCELLANEOUS	REIMBURSEMENTS	130.36
MISCELLANEOUS	MISC. - GENERAL	25.00
FINES	CRIMINAL	1,498.12
MISCELLANEOUS	CHARITABLE GAMBLING PROCEEDS	627.56
MISCELLANEOUS	EDA REIMBURSEMENT	31,110.46
MISCELLANEOUS	FUND 102-PMT FROM EDA TIF FEE	3,336.30
TAXES	TAX LEVY	35.47
<b>Summary Totals:</b>		<b>266,662.92</b>

Check Issue Date(s): 04/18/2016 - 04/21/2016

Per	Date	Check No	Vendor No	Payee	Check GL Acct	Amount
04/16	04/20/2016	2534	20022	BENCHMARK ENGINEERING INC	701-20200	256.50
04/16	04/20/2016	2535	30004	CITY OF MOUNTAIN IRON	701-20200	2,800.00
04/16	04/20/2016	2536	30077	THE COSTIN GROUP INC	701-20200	1,538.34
04/16	04/20/2016	2537	200020	THE TRENTI LAW FIRM	701-20200	362.45
04/16	04/19/2016	148368	10056	A T & T MOBILITY	604-20200	1,413.23
04/16	04/19/2016	148369	60019	AMANDA INMON	101-20200	239.02
04/16	04/19/2016	148370	10006	ANDERSON AUTO CENTER (DBA)	101-20200	43.67
04/16	04/19/2016	148371	10010	ARROW AUTO	101-20200	602.70
04/16	04/19/2016	148372	20022	BENCHMARK ENGINEERING INC	301-20200	52,955.59
04/16	04/19/2016	148373	30084	CARDMEMBER SERVICE	603-20200	5,865.80
04/16	04/19/2016	148374	30017	CARQUEST (MOUNTAIN IRON)	101-20200	443.08
04/16	04/19/2016	148375	170001	CENTURY LINK	101-20200	487.65
04/16	04/19/2016	148376	174	CHARITY LIMESAND	604-20200	130.22
04/16	04/19/2016	148377	30001	CHRISTENSEN PARTS SERVICE INC	101-20200	38.62
04/16	04/19/2016	148378	30083	CITY OF VIRGINIA	101-20200	4,826.50
04/16	04/19/2016	148379	30072	COMPUTER WORLD	101-20200	978.96
04/16	04/19/2016	148380	172	CORRINE RIAHALA	604-20200	188.86
04/16	04/19/2016	148381	40060	DELTA DENTAL OF MINNESOTA	101-20200	2,193.95
04/16	04/19/2016	148382	40049	DOWNS, MICHAEL	101-20200	24.50
04/16	04/19/2016	148383	50048	ENERGY INSIGHT INC	604-20200	713.31
04/16	04/19/2016	148384	50054	EVERBRIDGE, INC.	101-20200	3,400.00
04/16	04/19/2016	148385	60003	FIVE SEASONS SPORTS CENTER	301-20200	6,135.00
04/16	04/19/2016	148386	70016	GOPHER STATE ONE CALL INC	604-20200	17.40
04/16	04/19/2016	148387	80032	HARTIKKA, TERRY	101-20200	2,000.00
04/16	04/19/2016	148388	80022	HAWKINS INC	601-20200	223.32
04/16	04/19/2016	148389	140013	HD SUPPLY WATERWORKS, LTD.	601-20200	1,373.80
04/16	04/19/2016	148390	107	HIBBING COMM. & TECH COLLEGE	101-20200	595.00
04/16	04/19/2016	148391	190025	JUDY SEURER	101-20200	31.20
04/16	04/19/2016	148392		Information Only Check	101-20200	.00 V
04/16	04/19/2016	148393	120006	L & M SUPPLY	101-20200	1,506.27
04/16	04/19/2016	148394	120033	LAKE COUNTRY POWER	101-20200	200.00
04/16	04/19/2016	148395	173	LIFE HOUSE INC.	604-20200	415.71
04/16	04/19/2016	148396	8057	MELLIN PROMOTIONAL	101-20200	516.53
04/16	04/19/2016	148397	130006	MESABI HUMANE SOCIETY	101-20200	1,500.00
04/16	04/19/2016	148398	130026	MESABI SIGN COMPANY	604-20200	34.50
04/16	04/19/2016	148399	130040	MIDWEST SPORTSWEAR	101-20200	89.87
04/16	04/19/2016	148400	140026	MINNESOTA ENERGY RESOURCES	602-20200	2,368.21
04/16	04/19/2016	148401	130008	MINNESOTA MUNICIPAL UTILITIES	101-20200	620.00
04/16	04/19/2016	148402	130009	MINNESOTA POWER (ALLETE INC)	604-20200	108,400.03
04/16	04/19/2016	148403	130180	MINNESOTA TELECOMMUNICATIONS	101-20200	398.90
04/16	04/19/2016	148404	180085	MN STATE COLLEGES & UNIVERSITY	101-20200	430.00
04/16	04/19/2016	148405	130015	MOUNTAIN IRON PUBLIC UTILITIES	101-20200	15,989.82
04/16	04/19/2016	148406	140076	NATIONSTAMPS	101-20200	110.85
04/16	04/19/2016	148407	140042	NORTHERN DOOR & HARDWARE INC	101-20200	11.00
04/16	04/19/2016	148408	140055	NORTHERN VISUAL SERVICES LLP	602-20200	259.00
04/16	04/19/2016	148409	140016	NORTHLAND SECURITIES	102-20200	800.00
04/16	04/19/2016	148410	150022	OTIS-MAGIE INS. AGENCY INC	101-20200	204.00
04/16	04/19/2016	148411	160066	PACE ANALYTICAL SERVICES	602-20200	287.40
04/16	04/19/2016	148412	160057	PHIL'S GARAGE DOOR SERVICE	101-20200	3,608.00
04/16	04/19/2016	148413	30071	PUGLEASA, JOSEPH	101-20200	620.00
04/16	04/19/2016	148414	170007	QUILL CORPORATION	101-20200	310.35
04/16	04/19/2016	148415	180004	RANGE COOPERATIVES	101-20200	32.00
04/16	04/19/2016	148416	180073	RED ROCK RADIO	101-20200	520.00
04/16	04/19/2016	148417	190026	RICK COLDAGELLI	101-20200	31.75
04/16	04/19/2016	148418	190059	SAINT LOUIS COUNTY AUDITOR	603-20200	21,105.00
04/16	04/19/2016	148419	175	SCOTT HIRSCH	604-20200	86.88
04/16	04/19/2016	148420	190045	SERVICE SOLUTIONS	101-20200	23.00

Check Issue Date(s): 04/18/2016 - 04/21/2016

Per	Date	Check No	Vendor No	Payee	Check GL Acct	Amount
04/16	04/19/2016	148421	190006	SPRING CREEK OUTFITTERS INC	604-20200	6.66
04/16	04/19/2016	148422	190024	ST LOUIS CO SHERIFF LITMAN	101-20200	85,000.00
04/16	04/19/2016	148423	200020	THE TRENTI LAW FIRM	101-20200	3,967.29
04/16	04/19/2016	148424	180027	TNT FIRE PROTECTION	101-20200	2,755.02
04/16	04/19/2016	148425	200028	TRI CITIES BIOSOLIDS DISPOSAL	602-20200	6,132.00
04/16	04/19/2016	148426	200006	TRIMARK INDUSTRIAL	604-20200	492.45
04/16	04/19/2016	148427	210001	UNITED ELECTRIC COMPANY	604-20200	3,594.54
04/16	04/19/2016	148428	130011	UNITED STATES POSTAL SERVICE	602-20200	390.57
04/16	04/19/2016	148429	220014	VIKING INDUSTRIAL NORTH	101-20200	81.01
04/16	04/19/2016	148430	220004	VIRGINIA DEPARTMENT OF PUBLIC	604-20200	48,191.67
04/16	04/19/2016	148431	220020	VISA OR AMERICAN BANK CC PMT	101-20200	6,062.50
04/16	04/19/2016	148432	220013	VOL. FIREFIGHTERS' BENEFIT	101-20200	112.00
04/16	04/19/2016	148433	230043	WISCONSIN CENTRAL	602-20200	250.00
04/16	04/19/2016	148434	230028	WISCONSIN ENERGY CONSERVATION	604-20200	631.60
04/16	04/19/2016	148435	60038	WRIGHT EXPRESS FINAN SERV CORP	101-20200	3,751.17
04/16	04/19/2016	148436	240001	XEROX CORPORATION	602-20200	621.42
04/16	04/21/2016	148437	130011	UNITED STATES POSTAL SERVICE	603-20200	99.66
Totals:						412,295.10
Payroll-PP Ending 4/8/16						62,280.28
Sales & Use Tax-April 2016						18,439.34
TOTAL EXPENDITURES						<u>\$493,014.72</u>



# 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 23-16

### ACCEPTING BID

**WHEREAS**, pursuant to an advertisement for bids for Improvement Number 15-09, the improvement of Garden Drive between Arbor Lane and Fairview Lane by overlay, bids were received, opened and tabulated according to law, and the following bids were received complying with the advertisement:

	Base Bid
Mesabi Bituminous	\$53,632.10
Ulland Brothers	\$55,746.50
KGM Contracting	\$73,702.00

**AND WHEREAS**, it appears that Mesabi Bituminous of Gilbert, Minnesota is the lowest responsible bidder,

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

1. The Mayor and City Administrator are hereby authorized and directed to enter into the attached contract with Mesabi Bituminous of Gilbert, Minnesota in the name of the City of Mountain Iron for the improvement Garden Drive between Arbor Lane and Fairview Lane by overlay, according to the plans and specifications therefore approved by the City Council and on file in the Office of the City Administrator.
2. The City Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposits of the successful bidder and the next lowest bidder shall be retained until a contract has been signed.

**DULY ADOPTED BY THE CITY COUNCIL THIS 18<sup>th</sup> DAY OF APRIL, 2016.**

ATTEST:

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

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





# BENCHMARK ENGINEERING, INC.

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

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

April 6, 2016

Mr. Craig Wainio, City Administrator  
City of Mountain Iron  
8586 South Enterprise Drive  
Mountain Iron, MN 55768

Re: Garden Drive South from Fairview to Arbor Lane Street Improvements  
City of Mountain Iron  
Project No. MI16-02

Dear Mr. Wainio,

Bids were received for the Garden Drive South from Fairview to Arbor Lane street improvements at 10:00 AM on April 6, 2016. A total of three (3) bids were received, and the low bid was submitted by Mesabi Bituminous Inc. of Gilbert, Minnesota. A tabulation of bids is enclosed for your review.

If the City of Mountain Iron intends to award this project at its April 18<sup>th</sup> City Council meeting, based upon our review of the bid information, it is recommended that you award the base bid to Mesabi Bituminous, Inc. in the amount of **\$53,632.10**.

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

Sincerely,  
Benchmark Engineering, Inc.

Jeremy Schwarze  
Engineer in Training

Enclosure



ENGINEER'S ESTIMATE OF QUANTITIES AND OPINION OF COST  
 GARDEN DRIVE SOUTH FROM FAIRVIEW TO ARBOR LANE STREET IMPROVEMENTS  
 MOUNTAIN IRON, MINNESOTA  
 PROJECT NO: M116-02

SPEC. NO.	ITEM	UNITS	PROJECT QUANTITIES	ULLAND BROTHERS, INC		KGM CONTRACTORS, INC		MESABI BITUMINOUS, INC	
				UNIT COST	TOTAL AMOUNT	UNIT COST	TOTAL AMOUNT	UNIT COST	TOTAL AMOUNT
2021.601	MOBILIZATION	LUMP SUM	1	\$ 3,500.00	\$ 3,500.00	\$ 10,000.00	\$ 10,000.00	\$ 3,200.00	\$ 3,200.00
2104.501	REMOVE CURB & GUTTER	LIN. FT.	50	\$ 25.00	\$ 1,250.00	\$ 10.00	\$ 500.00	\$ 10.00	\$ 500.00
2232.501	MILL BITUMINOUS SURFACE	SQ. YD.	3,106	\$ 3.00	\$ 9,318.00	\$ 3.25	\$ 10,094.50	\$ 2.85	\$ 8,852.10
2360.501	TYPE SP 9.5 WEARING COURSE MIXTURE (B)	TON	430	\$ 55.45	\$ 23,843.50	\$ 72.00	\$ 30,960.00	\$ 58.00	\$ 24,940.00
2360.503	TYPE SP 12.5 NON-WEARING COURSE MIXTURE (BTON)	TON	215	\$ 59.00	\$ 12,685.00	\$ 66.50	\$ 14,297.50	\$ 56.00	\$ 12,040.00
2504.602	ADJUST VALVE - WATER	EACH	2	\$ 200.00	\$ 400.00	\$ 400.00	\$ 800.00	\$ 50.00	\$ 100.00
2506.522	ADJUST FRAME AND RING CASTING	EACH	5	\$ 300.00	\$ 1,500.00	\$ 500.00	\$ 2,500.00	\$ 200.00	\$ 1,000.00
2351.501	CONCRETE CURB & GUTTER DES. 8618	LIN. FT.	50	\$ 45.00	\$ 2,250.00	\$ 45.00	\$ 2,250.00	\$ 45.00	\$ 2,250.00
2563.601	TRAFFIC CONTROL	LUMP SUM	1	\$ 1,000.00	\$ 1,000.00	\$ 1,800.00	\$ 1,800.00	\$ 750.00	\$ 750.00
				<b>Total</b>	<b>\$ 55,746.50</b>		<b>\$73,202.00</b>		<b>\$53,632.10</b>



# CITY OF MOUNTAIN IRON

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## RESOLUTION NUMBER 24-16

### ACCEPTING BID

**WHEREAS**, pursuant to an advertisement for bids for Improvement Number 14-10, the construction of a Bicycle and Pedestrian Recreational Trail between Quartz Street the entrance to South Grove, bids were received, opened and tabulated according to law, and the following bids were received complying with the advertisement:

	Base Bid
Mesabi Bituminous	\$310,241.30
Ulland Brothers	\$397,358.78
KGM Contracting	\$477,357.60
Hammerlund Construction	\$317,000.00
Utility Systems	\$417,200.50

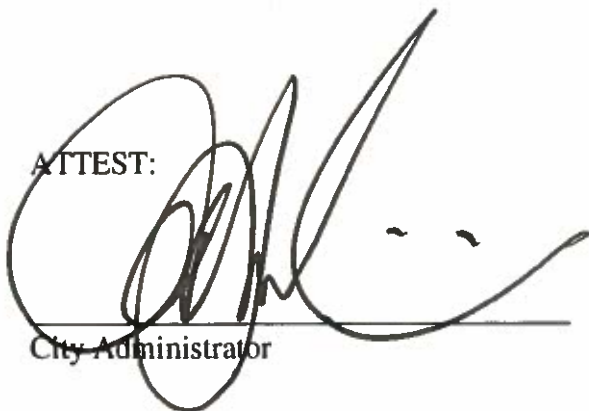
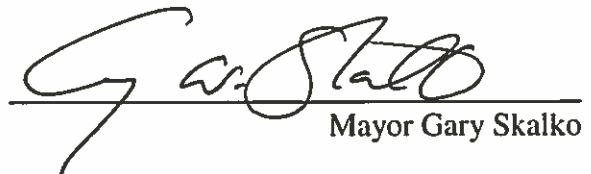
**AND WHEREAS**, it appears that Mesabi Bituminous of Gilbert, Minnesota is the lowest responsible bidder,

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

1. The Mayor and City Administrator are hereby authorized and directed to enter into the attached contract with Mesabi Bituminous of Gilbert, Minnesota in the name of the City of Mountain Iron for the construction of a Bicycle and Pedestrian Recreational Trail between Quartz Street the entrance to South Grove, according to the plans and specifications therefore approved by the City Council and on file in the Office of the City Administrator.
2. The City Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposits of the successful bidder and the next lowest bidder shall be retained until a contract has been signed.

**DULY ADOPTED BY THE CITY COUNCIL THIS 18<sup>th</sup> DAY OF APRIL, 2016.**

ATTEST:

  
\_\_\_\_\_  
City Administrator  
\_\_\_\_\_  
Mayor Gary Skalko



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

April 6, 2016

Mr. Craig Wainio, City Administrator  
City of Mountain Iron  
8586 South Enterprise Drive  
Mountain Iron, MN 55768

Re: Bicycle and Pedestrian Recreational Trail  
City of Mountain Iron  
Project No. MI14-10

Dear Mr. Wainio,

Bids were received for the Bicycle and Pedestrian Recreational Trail project at 10:00 AM on April 6, 2016. A total of six (6) bids were received, and the low bid was submitted by Mesabi Bituminous Inc. of Gilbert, Minnesota. A tabulation of bids is enclosed for your review.

If the City of Mountain Iron intends to award this project at its April 18<sup>th</sup> City Council meeting, based upon our review of the bid information, it is recommended that you award the base bid to Mesabi Bituminous, Inc. in the amount of **\$310,241.30**.

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

Sincerely,  
Benchmark Engineering, Inc.

Jeremy Schwarze  
Engineer in Training

Enclosure



ENGINEERS ESTIMATE OF QUANTITIES AND OPINION OF COST  
 BICYCLE AND PEDESTRIAN RECREATIONAL TRAIL  
 MOUNTAIN IRON, MINNESOTA  
 PROJECT NO. M14-10

SPEC. NO.	ITEM	UNITS	PROJECT QUANTITIES	ENGINEERS ESTIMATE		KGM CONTRACTORS, INC		LULLAND BROTHERS, INC		HAMMERSLUND CONSTRUCTION, INC		UTILITY SYSTEMS OF AMERICA, INC		MCSABI BITUMINOUS, INC	
				UNIT COST	TOTAL AMOUNT	UNIT COST	TOTAL AMOUNT	UNIT COST	TOTAL AMOUNT	UNIT COST	TOTAL AMOUNT	UNIT COST	TOTAL AMOUNT	UNIT COST	TOTAL AMOUNT
2101.501	MOBILIZATION	LUMP SUM	1.0	\$15,000.00	\$ 15,000.00	\$ 31,000.00	\$ 31,000.00	\$ 34,210.00	\$ 34,210.00	\$ 27,316.90	\$ 27,316.90	\$ 47,000.00	\$ 47,000.00	\$ 9,500.00	\$ 9,500.00
2101.511	CLEARING AND GRUBBING	LUMP SUM	1.0	\$5,000.00	\$ 5,000.00	\$ 18,000.00	\$ 18,000.00	\$ 8,580.00	\$ 8,580.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 3,500.00	\$ 3,500.00
2104.501	REMOVE CURB AND GUTTER	LNK. FT.	20.0	\$ 100.00	\$ 2,000.00	\$ 10.00	\$ 200.00	\$ 9.00	\$ 180.00	\$ 12.00	\$ 240.00	\$ 4.00	\$ 80.00	\$ 10.00	\$ 200.00
2104.503	REMOVE BITUMINOUS PAVEMENT	SQ. FT.	126.0	\$ 52.00	\$ 6,552.00	\$ 1.40	\$ 176.40	\$ 5.00	\$ 630.00	\$ 2.00	\$ 252.00	\$ 1.00	\$ 126.00	\$ 4.00	\$ 504.00
2104.513	SAVING BIT PAVEMENT (FULL OR PPH)	LNK. FT.	35.0	\$ 70.00	\$ 2,450.00	\$ 4.00	\$ 140.00	\$ 5.10	\$ 178.50	\$ 3.00	\$ 105.00	\$ 3.00	\$ 105.00	\$ 5.00	\$ 175.00
2104.521	SALVAGE CHAIN LINK FENCE	LNK. FT.	180.0	\$ 7.00	\$ 1,260.00	\$ 5.00	\$ 900.00	\$ 5.00	\$ 900.00	\$ 4.50	\$ 810.00	\$ 5.00	\$ 900.00	\$ 5.00	\$ 900.00
2104.523	SALVAGE SIGN	EACH	4.0	\$10.00	\$ 40.00	\$ 55.00	\$ 220.00	\$ 35.50	\$ 142.00	\$ 30.00	\$ 120.00	\$ 100.00	\$ 400.00	\$ 25.00	\$ 100.00
2105.501	COMMON EXCAVATION (PV)	CU. YD.	14,353.0	\$ 55.00	\$ 789,615.00	\$ 14.10	\$ 202,377.30	\$ 11.50	\$ 165,057.50	\$ 6.00	\$ 86,118.00	\$ 12.00	\$ 172,236.00	\$ 9.00	\$ 129,177.00
2105.503	ROCK EXCAVATION (PV)	CU. YD.	150.0	\$30.00	\$ 4,500.00	\$ 95.00	\$ 14,250.00	\$ 10.00	\$ 1,500.00	\$ 10.00	\$ 1,500.00	\$ 5.00	\$ 750.00	\$ 10.00	\$ 1,500.00
2105.505	HAZARDOUS EXCAVATION (PV)	CU. YD.	415.0	\$40.00	\$ 16,600.00	\$ 18.00	\$ 7,470.00	\$ 11.50	\$ 4,772.50	\$ 12.00	\$ 4,980.00	\$ 14.00	\$ 5,810.00	\$ 15.00	\$ 6,225.00
2105.522	SELECT GRANULAR BORROW (CV) MOD. 10%	CU. YD.	819.0	\$30.00	\$ 24,570.00	\$ 16.75	\$ 13,685.25	\$ 20.00	\$ 16,380.00	\$ 21.50	\$ 17,677.50	\$ 18.00	\$ 14,724.00	\$ 18.00	\$ 14,724.00
2105.604	SOIL STABILIZATION	SQ. YD.	7,386.0	\$1.00	\$ 7,386.00	\$ 1.10	\$ 8,124.60	\$ 0.31	\$ 2,289.46	\$ 0.50	\$ 3,693.00	\$ 0.50	\$ 3,693.00	\$ 0.30	\$ 2,215.80
2105.604	GEOTEXTILE FABRIC TYPE V	SQ. YD.	622.0	\$7.00	\$ 4,354.00	\$ 2.75	\$ 1,710.50	\$ 2.00	\$ 1,244.00	\$ 2.00	\$ 1,244.00	\$ 3.00	\$ 1,866.00	\$ 2.00	\$ 1,244.00
2111.502	AGGREGATE SURFACING (CV) CLASS 5	CU. YD.	162.0	\$16.00	\$ 2,600.00	\$ 38.00	\$ 6,156.00	\$ 40.00	\$ 6,480.00	\$ 30.00	\$ 4,860.00	\$ 35.00	\$ 5,670.00	\$ 31.00	\$ 5,022.00
2111.503	AGGREGATE BASE (CV) CLASS 5	CU. YD.	903.0	\$16.00	\$ 14,448.00	\$ 20.00	\$ 18,060.00	\$ 28.40	\$ 25,645.20	\$ 36.00	\$ 32,508.00	\$ 25.00	\$ 22,575.00	\$ 24.00	\$ 21,672.00
2360.501	SP 12.5 WEARING COURSE MIXTURE (2:1)	TON	834.0	\$70.00	\$ 58,380.00	\$ 69.70	\$ 58,129.80	\$ 67.33	\$ 52,150.02	\$ 59.50	\$ 49,621.00	\$ 65.00	\$ 54,210.00	\$ 59.50	\$ 49,621.00
2501.511	18" CS PIPE CURVERT	LNK. FT.	320.0	\$20.00	\$ 6,400.00	\$ 50.00	\$ 16,000.00	\$ 34.00	\$ 4,080.00	\$ 35.00	\$ 7,000.00	\$ 43.00	\$ 13,860.00	\$ 33.00	\$ 6,660.00
2501.511	24" CS PIPE CURVERT	LNK. FT.	270.0	\$25.00	\$ 6,750.00	\$ 60.00	\$ 16,200.00	\$ 34.50	\$ 9,315.00	\$ 40.00	\$ 10,800.00	\$ 45.00	\$ 12,150.00	\$ 36.00	\$ 9,720.00
2501.515	18" CS PIPE APPROX	EACH	8.0	\$20.00	\$ 160.00	\$ 235.00	\$ 1,880.00	\$ 190.00	\$ 1,520.00	\$ 250.00	\$ 2,000.00	\$ 275.00	\$ 2,200.00	\$ 200.00	\$ 1,600.00
2501.515	24" CS PIPE APPROX	EACH	2.0	\$30.00	\$ 60.00	\$ 305.00	\$ 610.00	\$ 310.00	\$ 620.00	\$ 275.00	\$ 550.00	\$ 315.00	\$ 630.00	\$ 200.00	\$ 400.00
2511.501	HANDRAIL RIRAP CLASS III	CU. YD.	76.0	\$40.00	\$ 3,040.00	\$ 75.00	\$ 5,700.00	\$ 70.00	\$ 5,320.00	\$ 50.00	\$ 3,800.00	\$ 44.00	\$ 3,344.00	\$ 30.00	\$ 2,300.00
2521.501	4" CONCRETE WALK	SQ. FT.	280.0	\$5.00	\$ 1,400.00	\$ 11.00	\$ 3,080.00	\$ 13.90	\$ 3,892.00	\$ 8.00	\$ 2,240.00	\$ 8.00	\$ 2,240.00	\$ 12.50	\$ 3,500.00
2531.604	6" CONCRETE VALLEY GUTTER	SQ. YD.	4.0	\$5.00	\$ 20.00	\$ 135.00	\$ 540.00	\$ 198.00	\$ 792.00	\$ 100.00	\$ 400.00	\$ 100.00	\$ 400.00	\$ 95.00	\$ 380.00
2531.618	TRUNCATED DOWNS	SQ. FT.	140.0	\$5.00	\$ 700.00	\$ 43.00	\$ 6,010.00	\$ 36.70	\$ 5,138.00	\$ 40.00	\$ 5,600.00	\$ 30.00	\$ 4,200.00	\$ 55.00	\$ 7,700.00
2551.509	GUIDE POST TYPE B	EACH	100	\$10.00	\$ 1,000.00	\$ 80.00	\$ 8,000.00	\$ 35.70	\$ 3,570.00	\$ 100.00	\$ 1,000.00	\$ 45.00	\$ 450.00	\$ 60.00	\$ 600.00
2557.501	WIRE FENCE DESIGN GOW-9322	LNK. FT.	250.0	\$15.00	\$ 3,750.00	\$ 35.00	\$ 8,750.00	\$ 33.00	\$ 8,250.00	\$ 32.00	\$ 8,000.00	\$ 35.00	\$ 8,750.00	\$ 33.50	\$ 8,375.00
2557.603	INSTALL CHAIN LINK FENCE	LNK. FT.	180.0	\$2.00	\$ 360.00	\$ 19.00	\$ 3,420.00	\$ 20.00	\$ 3,600.00	\$ 17.75	\$ 3,195.00	\$ 20.00	\$ 3,600.00	\$ 18.50	\$ 3,330.00
2561.601	TRAFFIC CONTROL	LUMP SUM	1.0	\$1,000.00	\$ 1,000.00	\$ 5,500.00	\$ 5,500.00	\$ 3,310.00	\$ 3,310.00	\$ 4,000.00	\$ 4,000.00	\$ 1,650.00	\$ 1,650.00	\$ 1,600.00	\$ 1,600.00
2564.531	SIGN PANELS TYPE C	SQ. FT.	61.0	\$30.00	\$ 1,830.00	\$ 35.00	\$ 2,135.00	\$ 36.70	\$ 2,231.70	\$ 45.00	\$ 2,745.00	\$ 40.00	\$ 2,400.00	\$ 38.00	\$ 2,318.00
2564.602	INSTALL SIGN	EACH	4.0	\$10.00	\$ 40.00	\$ 55.00	\$ 220.00	\$ 102.00	\$ 408.00	\$ 250.00	\$ 1,000.00	\$ 135.00	\$ 500.00	\$ 130.00	\$ 460.00
2564.901	TRAFFIC SIGNS AND DEVICES	LUMP SUM	1.0	\$500.00	\$ 500.00	\$ 2,675.00	\$ 2,675.00	\$ 306.00	\$ 306.00	\$ 1,000.00	\$ 1,000.00	\$ 500.00	\$ 500.00	\$ 350.00	\$ 350.00
2573.502	SILT FENCE TYPE PA	LNK. FT.	2,180.0	\$4.00	\$ 8,720.00	\$ 3.40	\$ 7,412.00	\$ 3.10	\$ 6,756.00	\$ 2.00	\$ 4,360.00	\$ 2.15	\$ 4,695.00	\$ 2.10	\$ 4,578.00
2573.602	ROCK DITCH CHECK	EACH	2.0	\$70.00	\$ 140.00	\$ 740.00	\$ 1,480.00	\$ 240.00	\$ 480.00	\$ 250.00	\$ 500.00	\$ 250.00	\$ 500.00	\$ 125.00	\$ 250.00
2573.602	SEDIMENT CONTROL STRUCTURE	EACH	3.0	\$1,500.00	\$ 4,500.00	\$ 2,500.00	\$ 7,500.00	\$ 3,000.00	\$ 9,000.00	\$ 500.00	\$ 1,500.00	\$ 1,000.00	\$ 3,000.00	\$ 1,200.00	\$ 3,600.00
2575.511	MULCH MATERIAL TYPE I	TON	5.0	\$10.00	\$ 50.00	\$ 500.00	\$ 2,500.00	\$ 460.00	\$ 2,300.00	\$ 300.00	\$ 3,000.00	\$ 325.00	\$ 1,625.00	\$ 315.00	\$ 1,575.00
2575.523	ENDSOIL CONTROL BLANKET CAT. 4P	SQ. YD.	3,659.0	\$20.00	\$ 73,180.00	\$ 2.05	\$ 7,521.45	\$ 1.90	\$ 6,971.10	\$ 1.40	\$ 5,116.60	\$ 1.50	\$ 5,501.50	\$ 1.50	\$ 5,501.50
2575.555	TREE ESTABLISHMENT	LUMP SUM	1.0	\$5,000.00	\$ 5,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,010.00	\$ 3,010.00	\$ 1,600.00	\$ 1,600.00	\$ 1,750.00	\$ 1,750.00	\$ 1,700.00	\$ 1,700.00
2582.502	4" SOLID LINE EPOXY	LNK. FT.	134.0	\$5.00	\$ 670.00	\$ 10.70	\$ 1,431.80	\$ 20.40	\$ 2,731.60	\$ 5.00	\$ 670.00	\$ 10.00	\$ 1,340.00	\$ 3.00	\$ 402.00
				Total	\$397,707.90	\$477,357.60	\$397,354.76	\$317,900.00	\$417,300.50	\$310,241.30					

County Gap \$ 274,560.00



# CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

PHONE: 218-748-7570 • FAX: 218-748-7573 • [www.mtniron.com](http://www.mtniron.com)  
8586 ENTERPRISE DRIVE SOUTH • MOUNTAIN IRON, MN • 55768-8260

## **NOTICE - PROPERTY OWNERS IN THE CITY OF MOUNTAIN IRON**

### ***IMPORTANT NOTICE REGARDING ASSESSMENT & CLASSIFICATION OF PROPERTY***

This may affect your 2017 property tax payments

Notice is hereby given that the Local Board of Appeal & Equalization  
for the City of Mountain Iron in St. Louis County, Minnesota  
shall meet at the

Mountain Iron Community Center  
Mountain Iron Room

8586 Enterprise Drive South, Mountain Iron MN 55768

on

Thursday, April 21, 2016 from 6:00-7:00 p.m.

The purpose of this meeting is to determine whether taxable property in the City  
of Mountain Iron has been properly valued and classified by the assessor, and to  
determine whether corrections need to be made.

If you believe the value or classification of your property is incorrect, please  
contact your assessor's office to discuss your concerns. If you are still not  
satisfied with the valuation or classification after discussing it with your assessor,  
you may appear before the local board of appeal and equalization. The board  
shall review the valuation, classification, or both if necessary, and shall correct it  
as needed. Generally, an appearance before your local board of appeal and  
equalization is required by law before an appeal can be taken to the county board  
of appeal and equalization.

Craig J. Wainio  
Clerk of Mountain Iron

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

March 30, 2016

MINUTES  
MOUNTAIN IRON CITY COUNCIL  
BOARD OF APPEAL AND EQUALIZATION  
APRIL 21, 2016

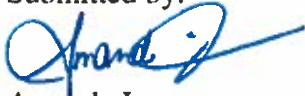
Mayor Gary Skalko called the meeting to order at 6:02 p.m. with the following Council members present: Joseph Prebeg, Jr., Susan Tuomela, and Alan Stanaway. Absent member included: Tony Zupancich. Also present were: Amanda Inmon, Municipal Services Secretary; Principal Appraiser for Saint Louis County, Brian Grahek, Real Estate Appraiser for Saint Louis County; Shawn Hiney; Real Estate Appraiser for Saint Louis County, Paul Cherry; Saint Louis Assistant County Assessor, Ben Thomas.

The Saint Louis County officials stated that this was a non-appraisal year for Mountain Iron.

**It was moved by Prebeg and seconded by Tuomela to accept the recommendation of the County Assessor to reduce the building value amount from \$40,700 to \$33,400 to the property of Warren Erickson, 5688 Mineral Avenue, Mountain Iron, Parcel Code 175-0020-00720. The motion carried with Zupancich absent.**

**At 7:02p.m., it was moved by Skalko and seconded by Tuomela to adjourn the Board of Appeal and Equalization meeting. The motion carried with Zupancich absent.**

Submitted by:



Amanda Inmon  
Municipal Services Secretary

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

**COUNCIL LETTER 050216-IVB1**

**ADMINISTRATION**

**COOPERATIVE AGREEMENT**

**DATE:** April 28, 2016

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

---

This agreement was presented by St. Louis County concerning the old town to South Grove bike and pedestrian trail. Currently, the City will be receiving 85% Federal funding for the project. The County is proposing to de-federalize to project because the funding actually flows through the County to the City. In essences the County will take our federal money and use it on another federal project they are going to replace our funding with county funding. Federal funding has a lot more stipulations and requirements to it and as a benefit to the City and since the County is already complying on the other project they will move the funding. It will be no net loss in funding for the City also we will save money and time by not having to comply with federal regulations. It is recommended that the attached agreement between the City and the County be approved.





# Saint Louis County

Public Works Department • Richard H. Hansen Transportation & Public Works Complex  
4787 Midway Road, Duluth, MN 55811 • Phone: (218) 625-3830

**James T. Foldesi, P.E.**  
Public Works Director/  
Highway Engineer

April 19, 2016

Mr. Craig Wainio  
Administrator/Clerk  
City of Mountain Iron  
8586 Enterprise Dr. South  
Mt. Iron, MN 55768

Re: Cooperative Agreement for CP 0000-127242/SP 69-090-029 Federal Funding

Dear Mr. Wainio:

Please find enclosed 3 (three) copies of the cooperative agreement for the above listed project. Please have the proper Mt. Iron authorities sign all of the agreements, and attach a City Board Resolution if one is required by your city.

When signed, please return all of the agreements to me. We would appreciate receiving the amendments at your earliest convenience to keep the project on schedule.

When fully executed, I will send an original copy to you for your use. If you have any questions, please call me @ (218) 625-3834.

Sincerely,

Boyd W. Johnson  
Contract Administration Manager

Enc.

C: SLC - project file and File SP 69-604-073

Contract Routing

St. Louis County  
Public Works Department  
4787 Midway Road  
Duluth, MN 55811

Department: Public Works

Contact Person: Boyd Johnson

Contract With: CITY OF MT IRON

Purpose: CP000-127242 / SP 09-090-029 FUND SWOT

Type of Contract: COOPERATIVE w/ 1969-604-073

Contact person shall indicate (with X) persons who must review and sign. COUNTY ATTORNEY MUST BE THE LAST TO SIGN ALL CONTRACTS.

I. CONTRACT DRAFT OR PROPOSAL

Review and Approval

		<u>Initial</u>	<u>Date</u>
<input type="checkbox"/> Purchasing Division	<u>File No</u>	_____	_____
<input type="checkbox"/> County Attorney Draft/Review	<u>Damion No.</u>	_____	_____
<input checked="" type="checkbox"/> Department Head Review		<u>[Signature]</u>	<u>4/12/2016</u>
County Board Authorization if Applicable	<u>16-233, 4/12/16</u>		
	<u>Resolution No.</u>		
	MUST BE ATTACHED		

II. CONTRACT EXECUTION

Must Sign if X

	<u>Date</u>
<input checked="" type="checkbox"/> Contractor	
<input checked="" type="checkbox"/> Department Head	<u>4/19/2016</u>
<input type="checkbox"/> Procurement Manager	_____
<input type="checkbox"/> County Board Chairperson	_____
<input type="checkbox"/> Auditor	_____
<input checked="" type="checkbox"/> County Attorney	_____

RETURN THIS FORM, WITH ALL COPIES OF THE FULLY EXECUTED CONTRACT, TO CONTACT PERSON LISTED ABOVE.

Contact person shall send this form with a copy of completed contract to the Auditor for official file.

TO JMF 4/18/16  
TO MT IRON 4/19/16

**AGREEMENT**

THIS AGREEMENT is between the City of Mountain Iron, a political subdivision of the State of Minnesota, hereinafter referred to as the "City", and the COUNTY OF ST. LOUIS, a duly organized county within the State of Minnesota, hereafter referred to as the "County".

WITNESSETH:

WHEREAS, the City has applied for and secured Federal TAP Funds through the Minnesota State Transportation Improvement Program (STIP) for construction of a pedestrian and bicycle connection from Old Town Center to a location south of TH 169 located in Mountain Iron, Minnesota, hereafter referred to as the "Project" and,

WHEREAS, the County is required to act as the fiscal agent and contract administrator for the State of Minnesota in administering federal TAP funding and is required to administer the construction contract for the Project, hereafter referred to as the "Contract", under the Minnesota Department of Transportation Delegated Contract Process and,

WHEREAS, the County has SP 069-604-073 that is not fully funded with Federal monies to the 80 percent maximum amount, and

WHEREAS, the City, to de-federalize the Project, agrees to transfer the Federal monies allocated for the Project to the County for use on SP 069-604-073. In return, the County will not be required to be the fiscal agent or contract administrator for the Project and will pay the City up to \$274,560.00 in County funds.

THEREFORE, IT IS MUTUALLY AGREED AND UNDERSTOOD, with regard to the Project, the parties hereby agree to the following:

1. The City is responsible for the design, construction, contract administration, project management and all other activities necessary to design, construct, and maintain the trail connection from Old Town Center to a location south of TH 169.
2. The City shall be responsible for costs incurred for the design, construction, contract administration, project management and maintenance of the trail connection from Old Town Center to a location south of TH 169.
3. The City shall submit to the County, prior to advertising, the Statement of Estimated Quantities (SEQ). The SEQ shall detail the pay items and quantities for the trail, as well as any other construction incorporated into the Project.
4. Upon award of the contract, the County will pay the City for construction costs of the Project up to 95% of 80 % of the total construction bid costs that are eligible for federal funding, to a maximum of \$247,560.00.
5. The County will make final payment to the City after final acceptance of the Project. Final payment shall include all required funds up to 80% of reimbursable construction items and pay up to a maximum of \$247,560.00. Payment will be due within thirty (30) days of receipt of a valid statement of final contract construction quantities for the cost

**St. Louis County  
City of Mountain Iron  
Pedestrian and Bike Trail  
SP 69-090-029, C.P. 0000-127242**

for the project. In the event that the amount of funds advanced by the County are in excess of the required funds, the excess shall be returned to the County without interest within 30 days of invoice.

6. The City is responsible for all costs exceeding the maximum match of \$247,560.00 to be paid by the County.

**FURTHERMORE,**

1. The City agrees that it shall indemnify, save, and hold harmless the County and all of its employees and agents from any and all claims, demands, actions or causes of action of whatever nature or character arising out of or by reason of the City's execution or performance of the work provided for herein. The City further agrees to defend at its own cost and expense any action or proceeding commenced for the purpose of asserting any claim of whatever character arising from the County's execution or performance of the work provided for herein.
2. The County agrees that it shall indemnify, save, and hold harmless the City and all of its employees and agents from any and all claims, demands, actions or causes of action of whatever nature or character arising out of or by reason of the County's execution or performance of the work provided for herein. The County further agrees to defend at its own cost and expense, any action or proceeding commenced for the purpose of asserting any claim of whatever character arising from the County's execution or performance of the work provided for herein.

IT IS FURTHER AGREED, that any and all employees of the County of St. Louis, while engaged in the performance of any work or service which the County is specifically required to perform under this Agreement, shall be considered employees of the County only and not of the City, and that any and all claims that may or might arise under the Workers Compensation Act of the State of Minnesota on behalf of said employees while so engaged and any and all claims made by any third parties as a consequence of any act of said employees, shall be the sole obligation of the County.

IT IS FURTHER AGREED, that any and all employees of the City, while engaged in the performance of any work or service which the City is specifically required to perform under this Agreement, shall be considered employees of the City only and not of the County, and that any and all claims that may or might arise under the Workers Compensation Act of the State of Minnesota on behalf of said employees while so engaged and any and all claims made by any third parties as a consequence of any act, of said employees, shall be the sole obligation of the City.

**St. Louis County  
City of Mountain Iron  
Pedestrian and Bike Trail  
SP 69-090-029, C.P. 0000-127242**

IN WITNESS WHEREOF, the parties have executed this Agreement this

\_\_\_\_\_ day of \_\_\_\_\_, 2014.

**CITY OF MOUNTAIN IRON**

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_

**COUNTY OF ST. LOUIS**

By \_\_\_\_\_  
County Board Chair

By \_\_\_\_\_  
County Auditor

By  \_\_\_\_\_  
Public Works Director/  
Highway Engineer

APPROVED AS TO FORM:

By \_\_\_\_\_  
County Attorney



*Resolution*  
*of the*  
**Board of County Commissioners**  
*St. Louis County, Minnesota*  
*Adopted on: April 12, 2016 Resolution No. 16-233*  
*Offered by Commissioner: Jewell*

---

**Agreement with City of Mt. Iron for Fund Transfer for County Project 0000-127242**

RESOLVED, That the St. Louis County Board authorizes an agreement, and any amendments approved by the County Attorney, with the City of Mt. Iron where the city will transfer federal monies allocated for the city's project CP 0000-127242/SP 69-090-029 to the county for use on its project CP 0004-136147/SP 69-604-073, and St. Louis County will pay the city up to \$247,560 in county funds for the federal funds received from the city. The transfer will be within Fund 220, Agency 220398.

Commissioner Jewell moved the adoption of the Resolution and it was declared adopted upon the following vote:  
Yeas – Commissioners Jewell, Boyle, Dahlberg, Stauber, Nelson and Chair Raukar - 6  
Nays – None  
Absent – Commissioner Rukavina – 1

---

STATE OF MINNESOTA  
Office of County Auditor, ss.  
County of St. Louis

I, DONALD DICKLICH, Auditor of the County of St. Louis, do hereby certify that I have compared the foregoing with the original resolution filed in my office on the 12<sup>th</sup> day of April, A.D. 2016, and that this is a true and correct copy.

WITNESS MY HAND AND SEAL OF OFFICE at Duluth, Minnesota, this 12<sup>th</sup> day of April, A.D., 2016.

DONALD DICKLICH, COUNTY AUDITOR

By

  
Deputy Auditor/Clerk of the County Board

**COUNCIL LETTER 050216-IVC1**

**PUBLIC WORKS**

**CONCRETE PROPOSAL**

**DATE:** April 28, 2016

**FROM:** Mike Downs  
Director of Public Works

Craig J. Wainio  
City Administrator

---

Attached is a proposal from Cone Construction for our 2016 cement work. This project includes the batting cage and pavilion at South Grove as well as sidewalk replacement at the Community Center and the concrete for the new area for the garbage cans at the Community Center. It is recommended that the City Council approve the quote presented by Cone Construction.

# Cone Construction Inc.

# QUOTE

25929 County Rd. 59  
Bovey, MN 55709

(218) 245-2313  
(218) 245-2100 FAX

**QUOTE TO:**  
City of Mt. Iron  
  
Attn: Mike

BID DATE 04/15/2016  
QUOTE DATE 04/15/2016  
Project No.  
Project No.  
Eng. Firm:

**PROJECT:**  
South Grove  
Povillion and Batting Cage  
City of Mt.Iron

Estimator: Eimer

Time:

No.	Description	Unit	Quant.	Unit PRICE	AMOUNT
2021.501	Mobilization Lump	L.S.	1.00	\$600.00	\$600.00
2521.501	5" Concrete Pavilion	Sq. Ft.	1,200.00	\$7.66	\$9,192.00
2521.501	4" Concrete Batting Cage	Sq. Ft.	1,050.00	\$5.66	\$5,943.00
<b>TOTAL</b>					<b>\$15,735.00</b>
Each Mobilization after first add					\$0.00

**COMMENTS:**

1. Cone's share of bond and required taxes is included.
2. The costs for excavation and or removal is by others.
3. The costs for bedding materials and installation labor related to items of quote is by others, and is not included in this quote.
4. Cone will do fine grading of in place bedding materials.
5. Required Traffic control costs (including railroad requirements if required) related to the installation of items is not included in this quote.
6. Construction staking costs related to above units of quote is by others.
7. On site or laboratory requirements for concrete testing and costs is by others, and is not included in this quote.
8. 1ft. of room between existing dirt and back of new curb needed for proper placement. (Backfilling is not included)
9. 6" of sod on each side of walk to be removed by others to allow for walk forming and installation.
10. General Contractor to supply concrete truck washout area per plans.
11. Cold weather protection is not included in this quote.



# Cone Construction Inc.

25929 County Rd. 59  
Bovey, MN 55709

(218) 245-2313  
(218) 245-2100 FAX

# QUOTE

**QUOTE TO:**  
City of Mt. Iron

**Attn:** Mike 218-748-7670

**BID DATE** 04/15/2016  
**QUOTE DATE** 04/15/2016  
**Project No.**  
**Project No.**  
**Eng. Firm:**

**PROJECT:**  
Community Center  
Repair  
City of Mt. Iron

**Estimator:** Elmer **Time:**

No.	Description		Unit	Quant.	PRICE	AMOUNT
2021.501	Mobilization	Lump	L.S.	1.00	\$600.00	\$600.00
2521.501	4" Concrete	Walk	Sq. Ft.	758.00	\$7.66	\$5,806.28
2521.501	5" Concrete	Side Entrance	Sq. Ft.	240.00	\$8.77	\$2,104.80
2531.501	Design B6-1B	Curb & Gutter	Lin. Ft.	120.00	\$31.34	\$3,760.80
2531.507	5" Concrete	Garbage Pad	Sq. Ft.	120.00	\$7.66	\$919.20
<b>TOTAL</b>						<b>\$13,191.08</b>
Each Mobilization after first add						<b>\$0.00</b>

**COMMENTS:**

1. Cone's share of bond and required taxes is included.
2. The costs for excavation and or removal is by others.
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10. General Contractor to supply concrete truck washout area per plans.
11. Cold weather protection is not included in this quote.

**COUNCIL LETTER 050216-IVG1**

**STREET AND ALLEY**

**CRACK SEALING**

**DATE:** April 28, 2016

**FROM:** Street and Alley Committee

Mike Downs  
Director of Public Works

Craig J. Wainio  
City Administrator

---

The Street and Alley Committee recommends that the City Council authorize staff to seek quotes for up to \$20,000 worth of crack sealing for various recently paved City streets.

**COUNCIL LETTER 050216-IVG2**

**STREET AND ALLEY**

**SPIRIT LAKE ROAD**

**DATE:** April 28, 2016

**FROM:** Street and Alley Committee

Mike Downs  
Director of Public Works

Craig J. Wainio  
City Administrator

---

The Street and Alley Committee recommends that the City Council contact the St. Louis County concerning the condition of Spirit Lake Road.

**COUNCIL LETTER 050216-VIA**

**CITY COUNCIL**

**RESOLUTION NUMBER 25-16**

**DATE:** April 28, 2016

**FROM:** City Council

Craig J. Wainio  
City Administrator

---

Resolution Number 25-16 Supporting St. Louis County's ATV Ordinance is being placed on the agenda as directed at the last City Council meeting.



# CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

PHONE: 218-748-7570 ▪ FAX: 218-748-7573 ▪ [www.mtniron.com](http://www.mtniron.com)  
8586 ENTERPRISE DRIVE SOUTH ▪ MOUNTAIN IRON, MN ▪ 55768-8260

## RESOLUTION NUMBER 25-16

### SUPPORTING THE SAINT LOUIS COUNTY ATV ORDINANCE

**WHEREAS**, Saint Louis County is developing an All-Terrain Vehicle (ATV) Ordinance to allow for the operation of ATVs on County Roads; and

**WHEREAS**, the City of Mountain Iron supports the operation of ATV's within its City Limits including on County Roads; and

**WHEREAS**, a Saint Louis County ordinance providing for the clear and county wide regulations of the operation of ATVs on County Road is needed.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MOUNTAIN IRON, MINNESOTA**, that the City of Mountain Iron whole heartedly supports Saint Louis County in their efforts in developing and approving an ordinance to allow for the operation of ATVs on County Roads.

**DULY ADOPTED BY THE CITY COUNCIL THIS 2<sup>nd</sup> DAY OF MAY, 2016.**

---

Mayor Gary Skalko

ATTEST:

---

City Administrator

**COUNCIL LETTER 050216-VIB**

**EDA**

**RESOLUTION 26-16**

**DATE:** April 28, 2016  
**FROM:** Economic Development Authority  
Craig J. Wainio  
City Administrator

---

Resolution Number 26-16 states that the City will establish a TIF district for the proposed housing development at Rock Ridge. This resolution is needed to help the project gain a favorable ranking with the Minnesota Housing Finance Agency. At their meeting on April 20<sup>th</sup> the EDA has extensive discussions with the developer of this project and has forwarded the project to the City Council for final consideration.



# CITY OF MOUNTAIN IRON

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## RESOLUTION NUMBER 26-16

### **CONSENTING TO THE PROCESS FOR THE CREATION OF A HOUSING TAX INCREMENT FINANCING DISTRICT IN SUPPORT OF THE PROPOSED ROCK RIDGE MULTIFAMILY HOUSING PROJECT**

**WHEREAS**, the City of Mountain Iron (the "City") is a municipal corporation and political subdivision duly organized and existing under the Constitution and laws of the State of Minnesota; and

**WHEREAS**, pursuant to the Constitution and laws of the State of Minnesota, particularly Minnesota Statutes, Sections 469.174-469.1799 et. seq., as amended, the City acting through the Mountain Iron Economic Development Authority (the "EDA") is authorized to use tax increment financing to carry out the public purposes described therein and contemplated thereby; and

**WHEREAS**, a proposal has been made by Domus Development (the "Developer") to construct 50 units of multifamily housing at Rock Ridge in the City and 100% of the units will be affordable to persons with incomes at 60% of the area median income (the "Project"); and

**WHEREAS**, the Developer has submitted its development proposal to the City and the City is supportive of continuing further consideration of the Project; and

**WHEREAS**, the City wishes to support the Project and directs staff to work with the Developer to take the steps necessary to create a tax increment financing district for the Project but cannot agree to create a tax increment district until all statutory requirements have been satisfied, including the consideration of comments from the public and affected governmental jurisdictions following a public hearing; and

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MOUNTAIN IRON, MINNESOTA**, that the City supports the Project and, subject to final determination of project eligibility, required reviews, public input, notices and hearings, and without surrendering its legislative discretion, hereby authorizes staff to proceed with the steps required to establish a tax increment financing district for the Project; and

**BE IT FURTHER RESOLVED**, that City staff, in connection with the activities required to be undertaken by the City and the EDA, continue its analysis of the Rock

Ridge project, negotiate the terms and conditions of a development contract with the Developer or an affiliate whose general partner is controlled by the Developer, and prepare a development plan and tax increment financing plan for the Project, all subject to final determination of project eligibility, required reviews, public input, notices and hearings.

**DULY ADOPTED BY THE CITY COUNCIL THIS 2<sup>nd</sup> DAY OF MAY, 2016.**

---

Mayor Gary Skalko

ATTEST:

---

City Administrator



## Rock Ridge Workforce Housing Development

### General Details

The Rock Ridge Workforce Housing Project is a housing development consisting of 50 newly constructed workforce rental housing units. The development will provide numerous benefits to the area including:

- New construction and added investment to the Rock Ridge Development
- Utilize in-place infrastructure along Rock Ridge Road (Sewer, Water, Stormwater Retention System)
- Affordable rental housing close to jobs – Workforce Housing
- Jobs associated with the construction, design and trades for commercial construction project
- Enhance the inventory of available rental housing stock to accommodate growth
- Replace lost affordable housing inventory from mine acquisitions
- Sustainability and Green Design features including Solar Car Ports and Passive House Design where the project will utilize a design that will reduce heating and cooling costs by 70-80%

Minnesota Housing Finance Agency (MHFA) has identified Mountain Iron as a community in need of workforce housing. The methodology is based upon total job and total job growth and data from Minnesota Department of Employment and Economic Development.

Workforce housing is generally understood to mean affordable housing for households with earned income that is insufficient to secure quality housing in a reasonable proximity to the workplace.

The development team evaluated a number of resources to evaluate and access the opportunity for housing including historical market studies and a commissioned market feasibility study (Prior & Associates March 2016). The team was also informed by Mountain Iron's prior planning efforts which include: Mountain Iron's Economic Development Strategy prepared by Arrowhead Regional Development Commission in 2010, The City of Mountain Iron's Comprehensive Plan 2008 and Public Visioning for an update to the Comprehensive Plan which is ongoing.

According to the Market Feasibility Study that Domus Development commissioned from Prior & Associates in February of 2016 there is ***pent up demand for 89 rental units*** in the market area. The study projected that the market area would gain approximately 19 renter households annually through 2021.

**Targeted Income Levels:**

Unit Type	Number of units	Gross Rent	Targeted Income
1 BR	11	\$598	\$22,350 - \$25,550
2 BR	23	\$718	\$25,550 – \$31,900
3 BR	17	\$830	\$28,750 - \$37,050

**Tentative Funding Sources and Uses**

**Total Development Cost = \$12,386,510**

Sources	
First Mortgage	\$2,364,000
Tax Credit Equity	\$9,289,589
Request for IRRRB Funds	\$330,000
Request for TIF	\$227,000
<b>Total Funding Sources =</b>	<b>\$12,386,510</b>

**We request three items from the Mountain Iron EDA:**

1. Letter of support stating that this development aligns with the City’s Comprehensive Plan (2008), Economic Development Strategy (2010); that the development will meet locally identified housing needs; and that the proposed housing is in short supply in the local housing market

**\*\*Attachment 1** outlines some selected narratives from Mt. Iron planning documents that relate to rental housing and workforce housing

2. Preliminary approval for tax increment financing: this starts the official process of analyzing the amount of increment that the development will generate. To achieve points with MHFA Mountain Iron would need to create a TIF district and a resolution of support from City Council stating an “up to” amount. This resolution would need to be approved by City Council by MHFA Application deadline in early June 2016. (\*Cerk; \*Becky )

**Attachment 1**

**Selected Narratives and Information from Mt. Iron Planning Documents**

According to the 2008 City of Mountain Iron Comprehensive Plan the subject property was guided towards commercial zoning however, since the Comprehensive Plan was finalized the Rock Ridge Development and Walmart was completed. The Rock Ridge Housing site is located 600 feet from a 'Multi-family Residential 2' zoning district on maps found in the plan. Multi-family 2 Residential District is characterized as development denser and not seen in other residential land use districts.

<b><i>Alignment of Comprehensive Plan</i></b>	In close proximity to Multifamily Assets in Mountain Iron and within close proximity to Multifamily Zoning
---	--

The Comprehensive Plan also indicated a "short supply" of rental housing. Our understanding is that no new rental housing units were added to the Quad Cities since 1990. In another study, The City of Mountain Iron Economic Development Strategy (February 2010) sites a "short supply" of rental units as the new developments consisted of single family housing (pg. 8).

<b><i>Proposed Housing is in Short Supply</i></b>	Economic Development Strategy & Comprehensive Plan and Prior & Associates Market Feasibility Study
---	--

The development team reviewed Meeting Minutes and Public Visioning Session Summaries that Arrowhead Regional Development Commission is conducting on behalf of the City of Mountain Iron with the purpose of updating the Comprehensive Plan (January 13<sup>th</sup>, February 10<sup>th</sup>, 2016 and ongoing). The visioning session identified a need for more housing for middle and low income ranges (Feb. 10<sup>th</sup> Future Assets).

<b><i>Proposed Housing is in Short Supply</i></b>	Public Visioning Session: Update of Comprehensive Plan
---	--

In the City of Mountain Iron Economic Development Strategy (February 2010), the range readiness housing work team identified the need for new workforce rental units. The study mentions both subsidized, affordable rental rates, and market rate rents. At that time market rents were shown to be \$625/month and over. Affordable rents from \$375 to \$625 per month and subsidized rents typically below \$375/month (pg. 16).

<b><i>Alignment of Economic Development Strategy</i></b>	Workforce Housing
--	-------------------

The Economic Development Strategy suggested general actions for housing development, one of them was to promote housing on parcels (or lots) with existing infrastructure (pg. 17). The development will be located in a newly created development with in-place infrastructure (sewer, water and a storm water retention system north of Rockridge Development).

<b><i>Alignment of Economic Development Strategy</i></b>	Promote Housing on Existing Infrastructure
--	--









**Becky Landon**  
*Chief Executive Officer*  
475 Cleveland Ave N, #325, Saint Paul, MN 55104  
651-238-6890 | becky@landon-group.com

Chief Executive Officer and founder of Landon Group, Becky has been providing expert consulting services for over 15 years. She works closely with for-profit and non-profit developers to coordinate the complex financing behind successful affordable housing and commercial economic development projects.

Becky's previous experience includes working as a financial analyst for Springsted Incorporated, a public finance advisory firm, and as a housing development officer for the Minnesota Housing Finance Agency. She also has experience in the use of New Market tax credits in commercial revitalization projects.

Becky holds an MBA from the University of Saint Thomas (2002) and Bachelor of Arts in Political Science from the Southwest State University (1993). She is certified as a Housing Development Finance Professional by the National Development Council.

In 2013, Becky was named as one of the top 50 women in business by the Minneapolis/Saint Paul Business Journal. This prestigious award honors her hard work and dedication to maximizing funding for her clients and to building the affordable communities of tomorrow.

#### Recent Projects

**Project Manager of Commons @ Penn development in Minneapolis (47 affordable rental housing units and 3,000 square foot commercial space):**

- Secured over \$13M in funding from 14 different sources.
- Coordinated all aspects of this complex, high density, mixed-used development while balancing the needs of the non-profit developer.
- Helped shape the development team and guide the project from acquisition to construction, which is now underway.

**Financial Consultant to Episcopal Homes in Saint Paul (170 units for seniors, from affordable independent living to a full service nursing home):**

- Coordinated the financial structure of all public and private resources for the \$48M project.
- Ensure the project stays on budget and in compliance with all funder requirements during the 24-month construction period.
- Compile, prepare and submit all draws for payment during construction



# Landon Group

*Developing Expertise*

Landon Group knows what it takes to structure and finance successful affordable housing developments. We work with a broad spectrum of developers and real estate owners, from national for-profit housing developers looking for specialized expertise or extra capacity on a funding application, to new nonprofit developers needing full-service project management.

Our principal services relate to financing and project management for affordable housing, mixed-use and mixed-income developments.

**Landon Group is a dynamic consulting firm with a breadth of services for both nonprofit and for-profit organizations.**

- Our team is positive, productive, and has established relationships throughout the real estate development, financing, and public funding communities.
- Our collective work history encompasses state, city and county, as well as both for-profit and non-profit developments.
- Our team is committed to the highest standards – you will see this in our exacting attention to detail twinned with a deep understanding of deal structure, and in the results we achieve.
- We have the highest level of technical knowledge.
- Our approach is focused on team-building and problem solving.

Our work is tailored to each client's specific needs and packaged according to the extent of the assistance needed for particular projects or tasks. Landon Group consultants work closely with each client to determine the level of service needed to meet their goals. All work performed is collaborative and transparent.

Landon Group's team of five (including one Director of Housing Development, two Housing Development Specialists, and one Executive Assistant), led by Chief Executive Officer Becky Landon, has an outstanding track record of working on the premiere affordable housing and community development projects in the Twin Cities and the state of Minnesota.

Landon Group has success in navigating the intricacies of new construction, acquisition and rehab, historic preservation, 100% affordable housing, mixed-income housing, mixed-use developments, community commercial space, community assets, portfolio refinancing and general development consultation.

Our diverse portfolio of work represents a clientele that ranges from small start-ups to some of the biggest and most sophisticated developers in the state. Regardless of the size and scope of the project, Landon Group approaches all work with the highest level of work ethic and commitment.

**Our services in Affordable Housing include:**

- Financial feasibility studies; financial modeling and deal structuring
- Securing real estate financing from both public and private funding sources
- Leading or participating in meetings with potential funders, City elected officials and staff, client board leadership and staff, neighborhood stakeholders and others
- Assisting in selection of development team: architect, contractor, attorney, property management, and others as needed





# Landon Group

*Developing Expertise*

- Assisting in selection of lender and tax credit investor; negotiating terms and business points
- Coordinating city approval processes: zoning, site plan review and other
- Maintaining communication with client's staff, Minnesota Housing staff, municipal staff, title company, attorneys, architects, tax credit investor, lenders and others involved in the development
- Coordinating financial closing: preparing and compiling items required by Minnesota Housing, tax credit investors, and other lenders/funders to ensure that the project moves through underwriting and closing in a timely manner
- Managing construction draws: preparing monthly construction draws; completing project close-out per lender requirements

Our success with guiding complex projects through to completion is unparalleled. We have helped structure and secure over \$580M in financing, leveraged hundreds of millions of dollars of additional resources and played key roles on the development teams of award-winning projects. A number of Landon Group clients have received awards for the unique qualities of their developments:

- Midway Village, the expansion project of Episcopal Homes in Saint Paul, and West Broadway Crescent, a new development of CommonBond Communities were both recognized by Finance and Commerce in its "Top Projects Series of 2014."
- In addition, the Midway Chamber of Commerce awarded Episcopal Homes with its 2015 Non-Profit-of-the-Year Award for its community-centered diligence, as well as for-profit organization partnerships.
- Park Manor Estates, development of The Schuett Companies, Inc., received a prestigious Development of Distinction award in 2014 from Novogradac & Company LLP as the "Low Income Housing Tax Credit Development that Best Preserves Existing Affordable Rental Housing."

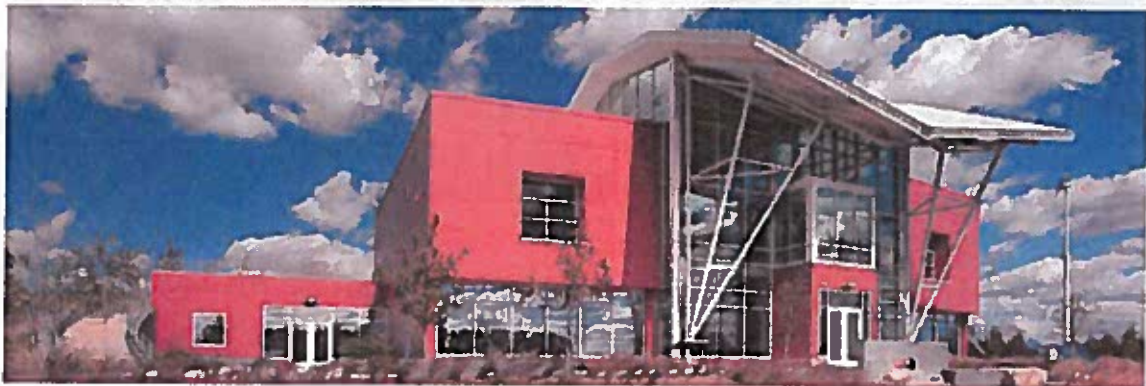




**LHB**

Architecture & Planning  
201-500 employees

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**Specialties**

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**Website**

<http://www.LHBcorp.com>

**Industry**

Architecture & Planning

**Type**

Privately Held

**Headquarters**

21 West Superior Street, Suite 500  
Duluth, Minnesota 55802 United  
States

**Company Size**

201-500 employees

**Founded**

1966



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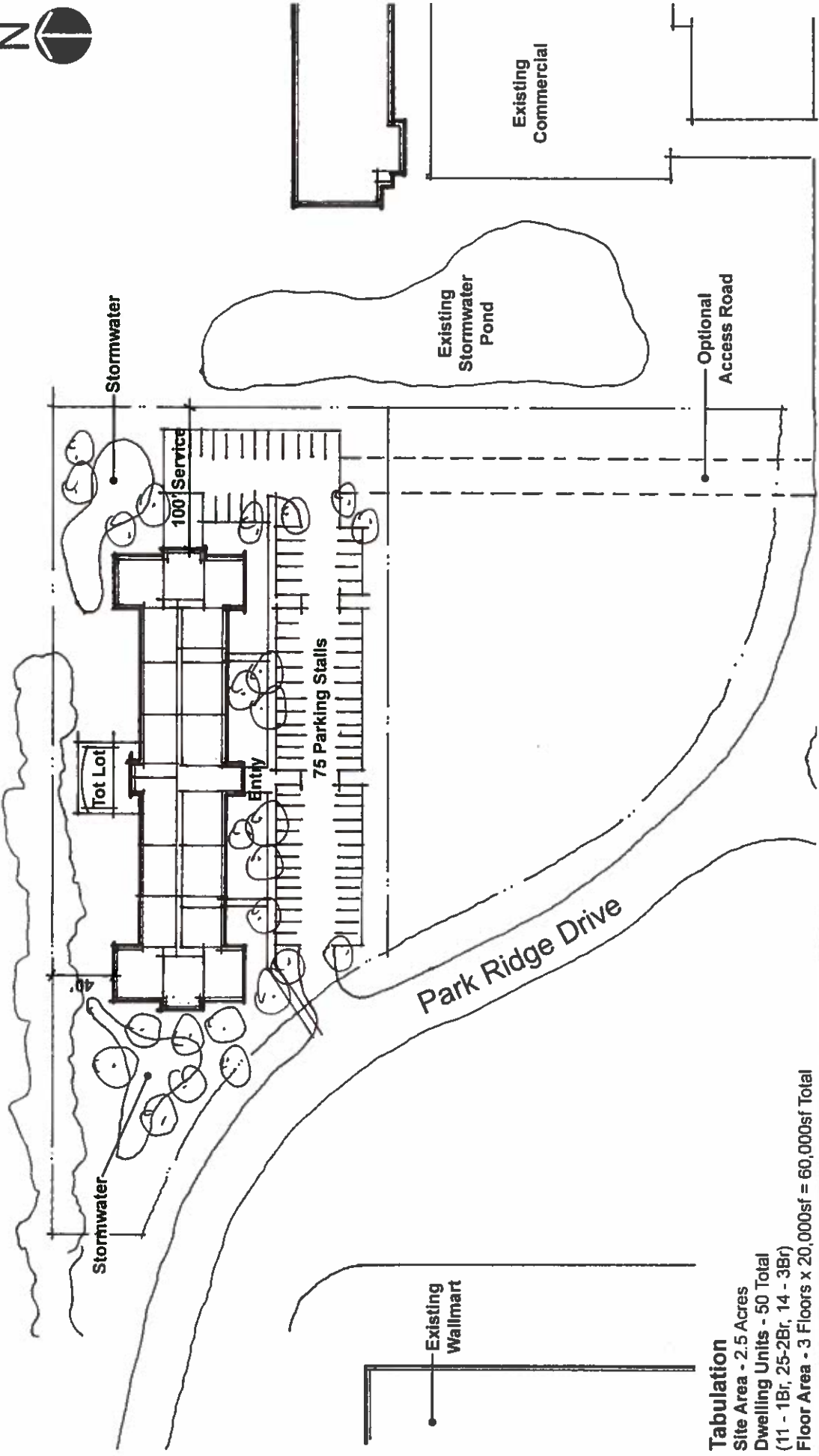
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**Tabulation**  
 Site Area - 2.5 Acres  
 Dwelling Units - 50 Total  
 (11 - 1Br, 25-2Br, 14 - 3Br)  
 Floor Area - 3 Floors x 20,000sf = 60,000sf Total

**MOUNTAIN IRON FAMILY HOUSING**  
 Mountain Iron, Minnesota





# KINGS BEACH HOUSING NOW

KINGS BEACH, CA



Kings Beach Housing Now is a breakthrough affordable workforce housing project in the Lake Tahoe Basin. This award-winning project is outstanding because it answers a region's desperate call for affordable, sustainable housing. Prior to Kings Beach Housing Now, decent, affordable living solutions for the workforce simply did not exist in the area. Kings Beach Housing Now addresses the urgent need for affordable workforce housing while helping to protect the natural beauty of Lake Tahoe and its surrounding environment. Kings Beach Housing Now has been honored with several prestigious awards, including the 2014 AIA/HUD Housing & Community-Informed Design Award and the 2014 Governor's Environmental and Economic Leadership Award for Environmental and Economic Partnerships.

- 77 units for low-income families
- Located on five scattered sites
- First deed-restricted housing ever built in the Lake Tahoe Basin
- Multi-award winning development
- All sites located near transit/amenities
- 100% onsite stormwater detention
- LEED Silver



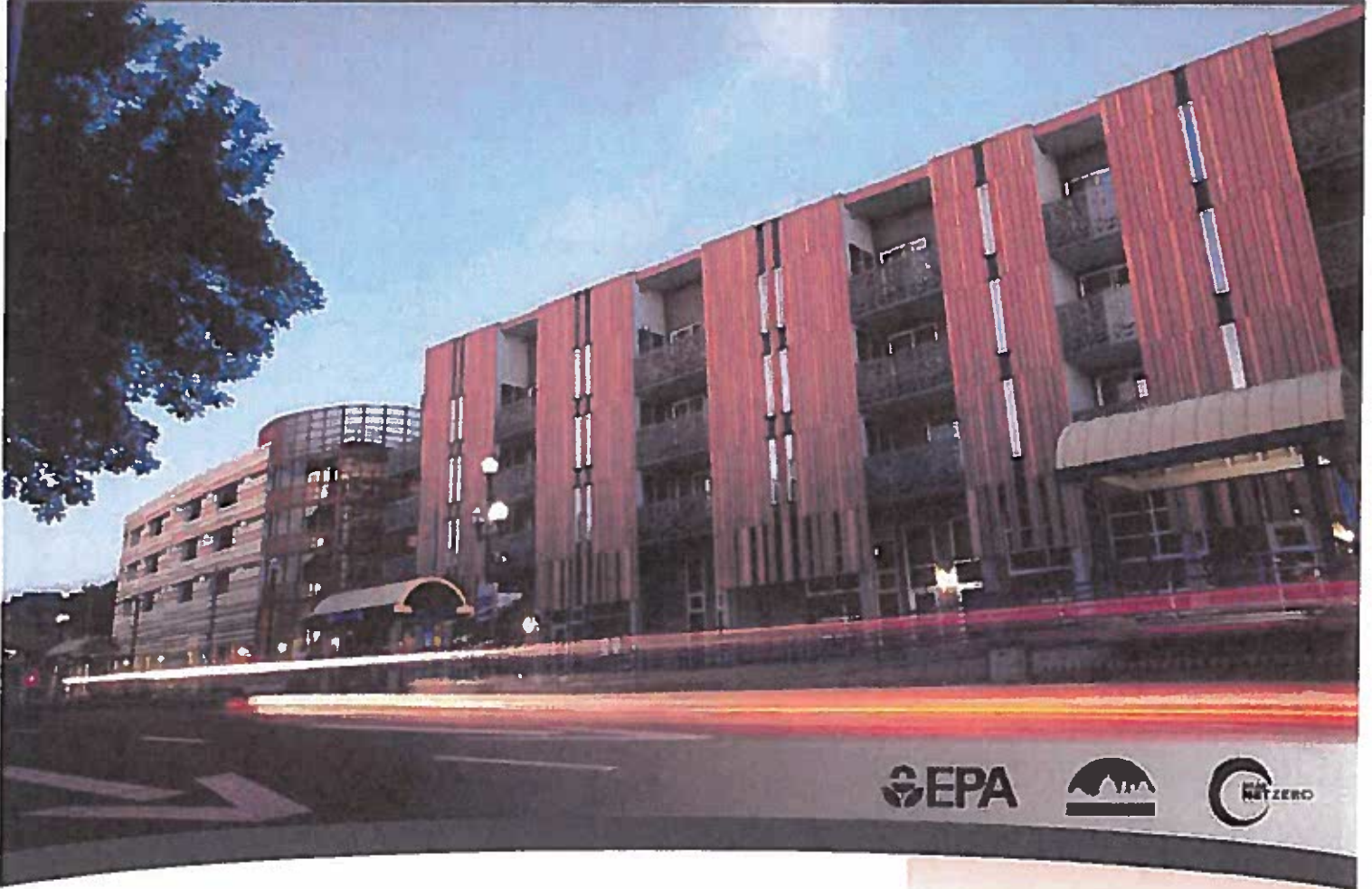
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# LA VALENTINA

SACRAMENTO, CA



La Valentina grew out of an assemblage of vacant, blighted parcels on a brownfield site into a vibrant transit village in the heart of Sacramento's urban core. The mixed-use, transit-oriented development provides 81 units of much-needed affordable housing to low-income families earning between 30 and 60 percent of the area median income. Additionally, La Valentina's ground floor retail spaces are conveniently located directly adjacent to a light rail station, further attracting economic opportunity to this area. Recognized as a model for smart growth, La Valentina has been the recipient of a number of prestigious awards, including the U.S. Environmental Protection Agency's National Award for Smart Growth Achievement, and the Sacramento Area Council of Governments' Blueprint Excellence Award.

- 81 units for low-income families
- Multi-award winning development
- Two distinct sites: Station & North
- Near-Net Zero energy usage (North)
- TOD adjacent to light rail station
- Mixed-use with ground floor commercial
- SMUD Home of the Future Pilot Project
- Designed by David Baker + Partners (Station) and YHLA Architects (North)



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# GARVEY COURT

EL MONTE, CA



Garvey Court represents the first mixed-use development and the first LEED-certified building ever built in the City of El Monte. The project replaces a vacant, blighted site located along a major transportation corridor with 68 residential units for low-income seniors. The LEED Platinum building includes a comprehensive health and wellness center, a landscaped courtyard with public art fixtures, and commercial space on the ground floor. The residential units are restricted to seniors aged 55 and older, with 100 percent of the units restricted to tenants with incomes at or below 50 percent of the area's median income. Domus has partnered with the Cleaver Family Wellness Center to offer comprehensive social, recreational, and supportive services for the residents of Garvey Court.

- 68 units for low-income seniors
- Certified LEED Platinum
- First mixed-use development in the City of El Monte
- On-site wellness center
- Ground floor commercial
- Rooftop photovoltaic panels
- Landscaped courtyard with public art



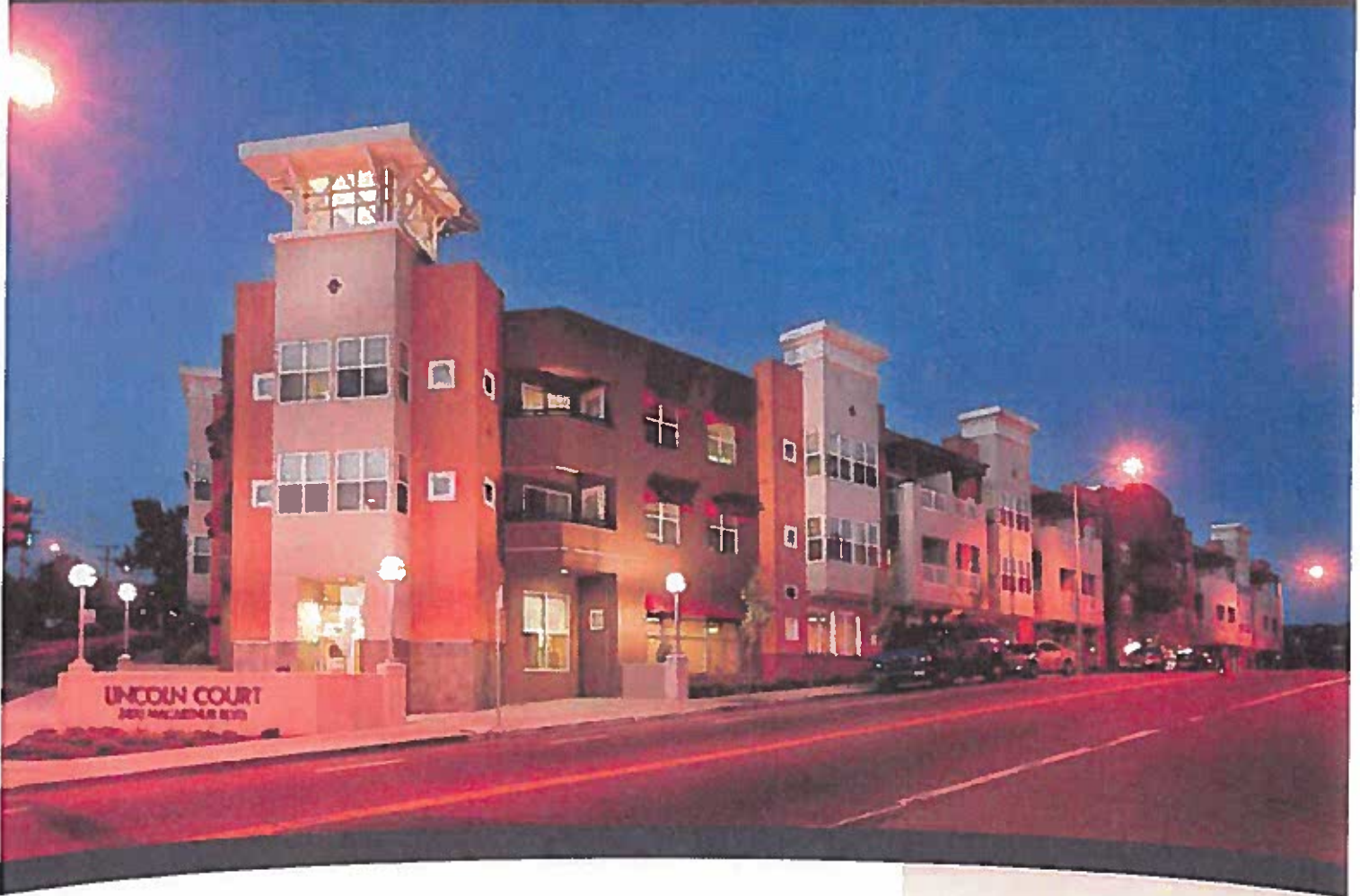
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# LINCOLN COURT

OAKLAND, CA



Located in Oakland's vibrant Dimond District, Lincoln Court provides 82 apartments for low-income seniors, many of whom have disabilities. In partnership with neighborhood groups and the City of Oakland, Domus was able to transform the long-troubled site into a valuable addition to the community. Lincoln Court redeveloped a site that was previously occupied by the Hillcrest Motel, a blighted motel known for drug activity and prostitution. The new landmark building establishes a fresh neighborhood identity and represents a valuable addition to the community. An expansive on-site senior center managed by Self-Help for the Elderly offers supportive services, allowing residents to age in place gracefully. In 2008, Lincoln Court was named a Best Affordable Residential Finalist by the SF Business Times.

- 82 units for low-income seniors
- Replaced crime-ridden motel with neighborhood gem
- On-site 4,300+ SF senior center
- Senior supportive services provided by Self-Help for the Elderly
- Lushly landscaped central courtyard
- Designed by YHLA Architects



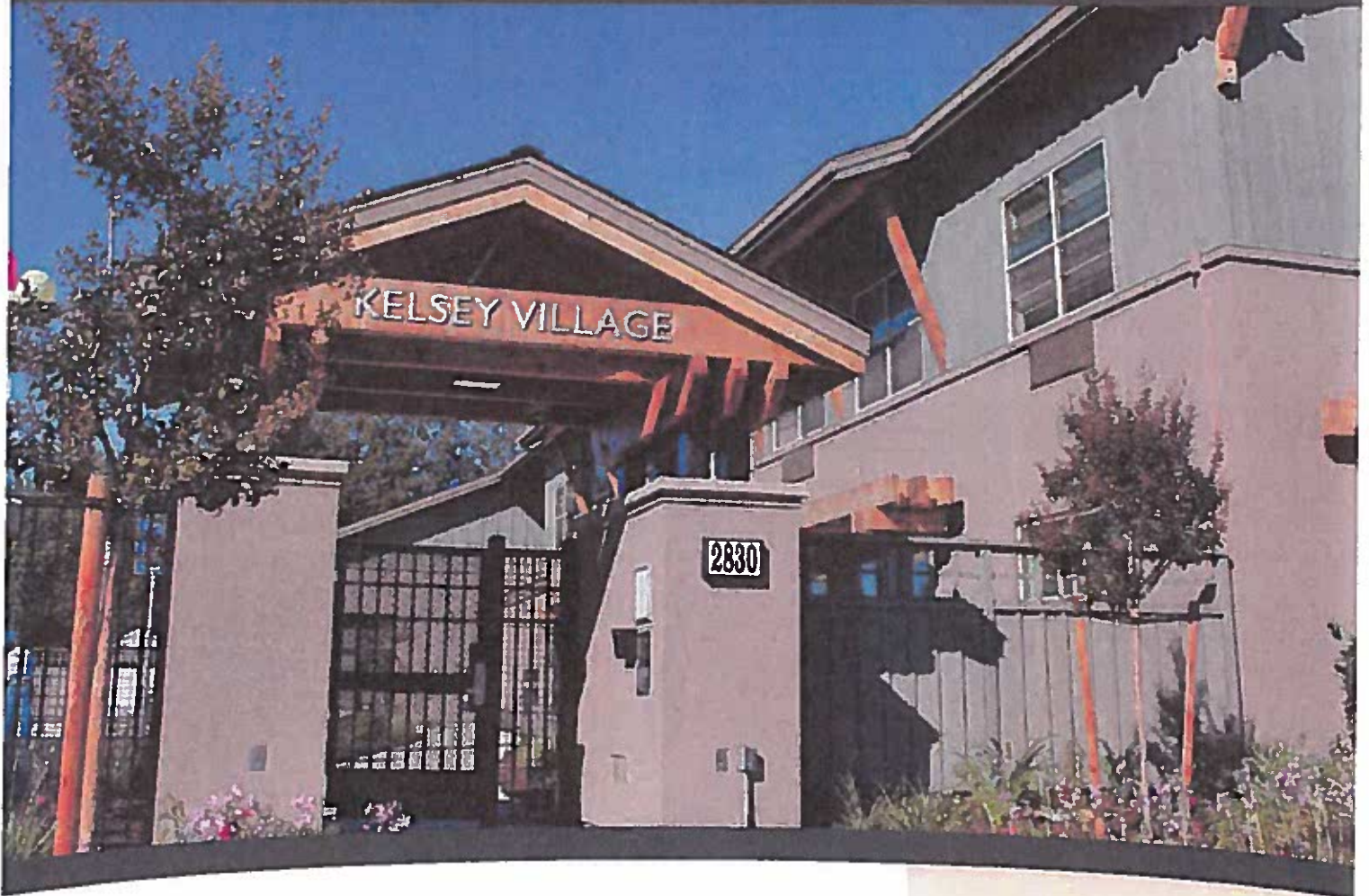
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# KELSEY VILLAGE

SACRAMENTO, CA



Kelsey Village is a joint venture between Domus Development and Satellite Affordable Housing Associates. This project utilizes a HUD 811 Grant originally awarded to Satellite for a 20-unit supportive housing project in Manteca that fell victim to the economic recession. Kelsey Village replaces a vacant, blighted former motel and SRO facility with 20 newly constructed affordable housing units with 50 percent of the units reserved for those with developmental disabilities. An on-site case manager works with residents to connect them with high-quality services nearby and provide opportunities on-site. Designed with disabled populations in mind, amenities include a large community room, private meeting rooms for case management, on-site laundry, a terrace, and a community garden with wheelchair accessibility.

- 20 units for low-income residents, with 50% reserved for people with developmental disabilities
- On-site case management
- Accessible community garden
- Large community room
- Designed by YHLA Architects
- Best Affordable Residential Award Finalist, Sacramento Business Journal



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# ENTRATA

PITTSBURG, CA



Entrata was conceived by the City of Pittsburg as a gateway to the downtown waterfront in Pittsburg, California. Entrata grew out of a joint venture between Domus and the City of Pittsburg to create a mixed-use, mixed-income building in the city's recently redeveloped downtown. The project provides 28 residential units—13 affordable and 15 market rate—as well as ground floor commercial space occupied by municipal administrative offices. The project also includes striking public art by acclaimed environmental artist Topher Delaney.

- 13 affordable units, 15 market rate units
- Mixed-use development
- Ground floor commercial space
- Public art by Topher Delaney
- Designed by Woldemar & Associates
- Gateway into recently redeveloped Downtown Pittsburg



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DEVELOPMENT

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# TYLER COURT

EL MONTE, CA



Tyler Court provides 20 units of affordable senior housing in El Monte. This 15,000 square foot site was formerly home to a blighted eyesore along a popular commercial strip. Domus worked closely with the City of El Monte to develop an architectural and financing plan that would create a high-quality development—quickly. By leveraging tax credits with federal HOME funds, Domus was able to replace the neighborhood eyesore with a certified LEED Platinum craftsman-style building. Designed by YHLA Architects, the housing development features a community room, terrace, and solar panels integrated into the awnings, carports, and roof well. Additional green features include drought-tolerant landscaping, high-efficiency drip irrigation, and permeable pavers that filter stormwater and reduce pollutants.

- 20 units for low-income seniors
- Certified LEED Platinum
- On-site senior services
- Designed by YHLA Architects
- Rooftop photovoltaics panels
- Drought-tolerant landscaping



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# LA ALMENARA

PITTSBURG, CA



La Almenara grew out of a public-private partnership to address the foreclosure crisis in the City of Pittsburg. Domus provided development, finance, and construction management expertise in replacing abandoned and foreclosed properties with safe, affordable dwelling units. La Almenara is part of an effort which aims to mitigate the negative impacts of the housing crisis by strategically developing multiple scattered sites throughout downtown Pittsburg, all of which were foreclosed and abandoned. A partnership with the City of Pittsburg successfully leveraged federal Neighborhood Stabilization Program funding with Low Income Housing Tax Credits to create a twenty-unit complex to the Corner of 10th and Beacon Streets. This partnership was awarded by the Association of Bay Area Governments in 2014.

- 20 units for low-income families
- Utilizes Neighborhood Stabilization Program (NSP) funds
- Public-Private Partnership Award Honorable Mention from the Association of Bay Area Governments
- Amenities Include a computer lab, fitness room, tot lot, and picnic area



**DOMUS**  
DEVELOPMENT

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



# CURTIS PARK COURT

SACRAMENTO, CA



Curtis Park Court will be the first development within Curtis Park Village, a 72-acre infill development on a remediated brownfield that was formerly home to Union Pacific Railyards. An adjacent bike and pedestrian bridge will connect residents to a variety of local amenities, including Sacramento City College, Sacramento Zoo, and Land Park. The project will feature 91 one- and two-bedroom apartments affordable to seniors living on a fixed income. Curtis Park Court is a transit oriented development within walking distance of Curtis Park, a Sacramento Regional Transit light rail station, and neighborhood-serving retail with a grocery anchor tenant. The project includes a 1,300 SF community area, as well as plenty of indoor and outdoor bike storage to promote active aging. All units have been designed to be fully accessible or adaptable, thereby allowing for aging in place.

- 91 units for low-income seniors
- First TOD for seniors in Sacramento
- Walking distance to light rail station, parks, shopping, and other amenities
- Community gardens and plenty of bike parking encourage active aging
- On-site community rooms, management, and resident services
- Units fully accessible or adaptable to allow residents to age in place



**DOMUS**  
DEVELOPMENT

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# BLUE MOUNTAIN TERRACE

WINTERS, CA



Nestled between the historic downtown and the main entrance into the city, Blue Mountain Terrace will provide 63 apartment homes and a senior community center on a key infill site between Grant Avenue and Baker Street in downtown Winters. The three-story residential building will be home to one- and two-bedroom apartments affordable to seniors on a fixed income. The community center has been designed to include a commercial-grade kitchen for senior nutrition programs. Outdoor amenities include a public plaza with seating, drought-tolerant landscaping, passenger loading areas, and a community garden. Blue Mountain Terrace will allow local seniors to age in place within walking distance of the historic downtown, health services, markets, restaurants, and Putah Creek.

- 63 units for low-income seniors
- On-site senior community center
- Community center will include stage and commercial-grade kitchen
- Walking distance to goods and services
- Adjacent to health services
- Designed to allow for aging in place
- Exterior features include public plaza and drought-tolerant landscaping



**DOMUS**  
DEVELOPMENT

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



# ANCHOR VILLAGE

STOCKTON, CA



Anchor Village will provide supportive affordable housing with social services to veterans at risk of homelessness and individuals living with mental illness. In partnership with AG Spanos Companies, Domus Development plans to create 51 apartments and approximately 8,000 SF of ground floor community servicing space on a 0.7 acre lot. To address the unique needs of this population, the project will include an on-site property manager and supportive services. Ground floor space will include counseling offices, indoor bike storage, and a state-of-the-art fitness and wellness center. All units with the exception of the manager's unit will be restricted to low-income households. Comprehensive social services will be administered by San Joaquin County Behavioral Health Services. Anchor Village is located near several amenities including the Downtown Transit Center. Additionally, the building will be designed to LEED Silver standards and will exceed Title 24 by at least 15%.

- 51 units
- 8,000 SF on-site community space
- Walking distance to goods and services
- Easy access to Downtown Transit Center
- On-site property management and resident services
- Exterior features include public plaza and resident gardens



**DOMUS**  
DEVELOPMENT

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

# VETERANS SQUARE

PITTSBURG, CA



Located on an infill parcel in Downtown Pittsburg, Veterans Square will provide 30 units of much-needed housing for veterans in Pittsburg, CA. The four-story building will be comprised of 28 one-bedroom units, 2 two-bedroom units, a ground floor community/social service center for residents, and an on-site management office. Additional site amenities include 30 parking spaces. The project will be 100% affordable with a 55-year deed restriction, and rents will range from approximately 30% AMI to approximately 60% AMI. A portion of the units will be reserved for tenants with special needs. Veterans Square is the result of a partnership between the City of Pittsburg and Domus Development. Domus has worked with the City of Pittsburg on several innovative and transformative projects, including Siena Court, Entrata, Santa Fe Commons, and La Almenara.

- 30 units
- On-site community center
- Walking distance to goods and services
- On-site parking and bike storage
- Exterior features include outdoor seating and drought-tolerant landscaping



**DOMUS**  
DEVELOPMENT

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



# McCLELLAN VETERANS HOUSING

McCLELLAN PARK, CA



Domus Development set out to create housing that would meet the needs of veterans. Located in renovated airmen housing at the former McClellan Air Force Base, McClellan Veterans Housing will create affordable housing for veterans in close proximity to military-serving amenities. The site is ideally situated less than one-quarter mile from the McClellan Veterans Administration (VA) medical and dental clinic, and walking distance to the Commissary and the military Exchange Services (BX). The 53-unit development is comprised of 52 apartments affordable to low-income households and one manager's unit. The project includes 48 studio apartments and four two-bedroom apartments designed to address the lack of housing for veterans with families. Comprehensive case management will be provided on-site to all interested residents by Sacramento Self Help Housing, an experienced social service provider with programs tailored to homeless veterans and individuals living with post-traumatic stress, military sexual trauma, and mental illness.

- 53 units
- On-site, full-time case management
- Walking distance to VA medical/dental clinic
- Located on former military base



**DOMUS**  
DEVELOPMENT

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





**JONG C. LIMB,  
PRINCIPAL**

Jong Limb is a founding partner bringing over twenty-five years of experience in the equity investment and asset management side of project development. In 1998, Jong founded Newport Partners, LLC, a company providing deal origination and due diligence services to investors in Section 42 transactions. Prior to forming his own company, Jong was President of Edison Capital Housing Investments. While at Edison, Jong developed the Affordable Housing Program, one of the largest direct investment programs in the country with equity investment programs totaling over \$750 million in 250+ projects.

**EDUCATION:**

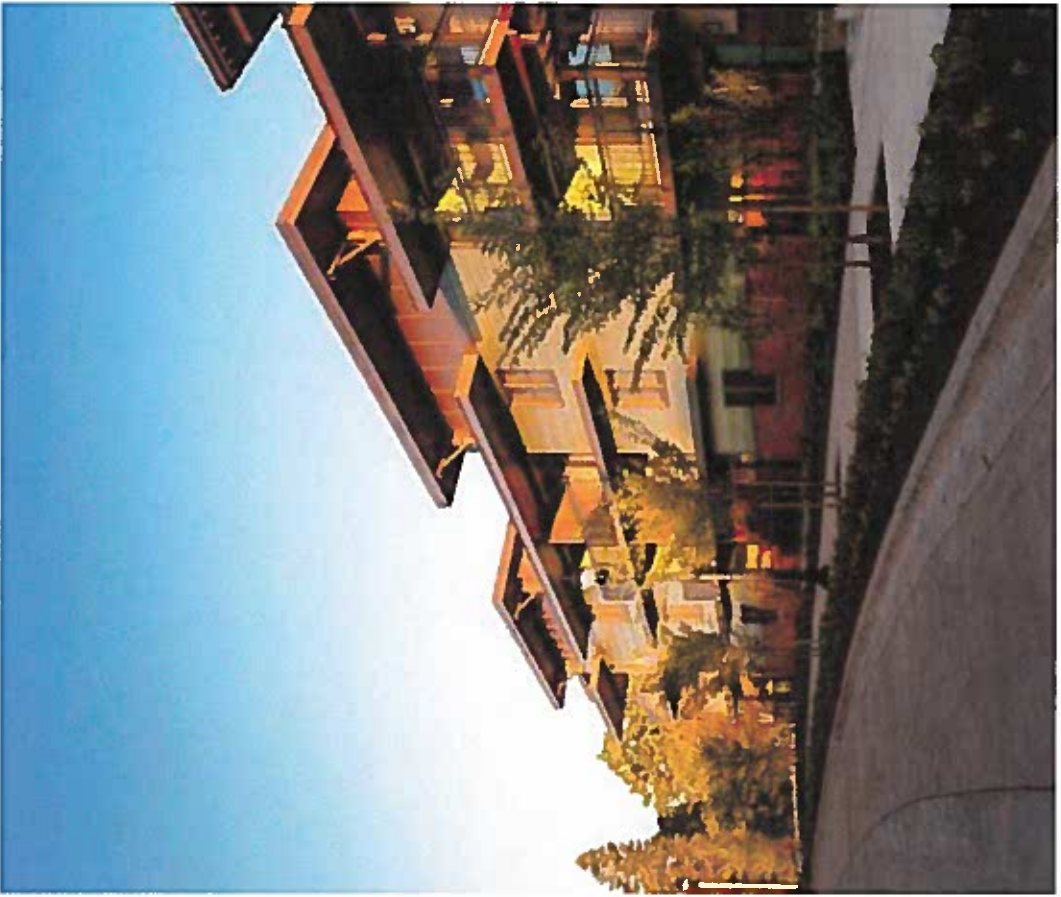
Masters in Business Administration with an emphasis in Finance,  
*University of San Diego*  
Bachelors in Accounting and Economics,  
*New York University*

**MONIQUE R. HASTINGS,  
PRINCIPAL**

Monique Hastings is a founding partner. Prior to forming Domus, Monique co-founded Newport Partners, LLC in 1998 to provide deal origination, due diligence, documentation and asset management services to investors in Section 42 transactions. Monique is responsible for investor reporting and overseeing the legal review process, as well as maintaining and enhancing existing client relationships. Prior to forming her own company, Monique managed the Boston office of Edison Capital and presided over \$200 million of equity closings as well as the asset management of over 16,000 units. Prior, Monique was also a Property Development Manager where she was responsible for lease negotiations and asset management of retail, commercial, residential, and Industrial projects. Monique is also a California Licensed Real Estate Broker.

**EDUCATION:**

Bachelor of Arts in Business Administration  
with an emphasis in Accounting,  
*California State University, Fullerton*





## **CREATING EXTRAORDINARY HOMES, BUILDING STRONG COMMUNITIES**

Domus Development has been creating and preserving affordable housing and innovative infill mixed-use projects since 2003. In fulfilling our mission, we are committed to using our development expertise and creativity to finance and build attractive, well-designed assets that promote economic and community prosperity. Domus firmly believes in the importance of collaboration between the public and private sectors in order to create the highest quality product. We seek the broad support of community organizations and concerned neighbors during the early phases of project development to ensure a successful project. We endeavor to create sustainable communities that enhance the living experience of our residents while equally benefiting the neighborhood and the environment.



**DOMUS**  
DEVELOPMENT



## OUR COMPANY

### ***Expertise***

Domus has the expertise in-house to structure and execute complex deals, and our development partners include the industry's most knowledgeable professionals. We are an efficient, vertically-integrated operation with expertise in development, design, financing, syndication, construction, property management, and asset management. Our ongoing partnerships include Newport Partners for syndication, NP Construction for general contracting, and Domus Management Company for property management.

### ***Innovation***

Each of our projects is unique; design and development decisions are made after evaluating the individual needs of each site and its surrounding neighborhood. Using this approach, we are able to create projects that not only serve the needs of our residents, but also act as a catalyst in revitalizing neighborhoods. Domus is highly skilled in complex financial layering and has a demonstrated track record of securing highly-competitive funding sources. We have expertise in utilizing ground leases, air rights, mixed-use and mixed-income properties.

### ***Efficiency***

One key to Domus' success is that we are a small, nimble firm. Domus retains experienced in-house staff that can manage the development process from project conception through completion. We have been recruited to respond to eyesores in several jurisdictions because we can act quickly on funding opportunities.

### ***Accuracy***

Domus was formed in 2003 by principals with more than two decades of experience acquiring, developing, and financing multifamily residential developments. Although we are a boutique operation, our development team members have decades of experience utilizing a wide array of public and private financing tools. Domus has the expertise in-house to structure and execute complex deals, and our development partners include the industry's most knowledgeable professionals.

### ***Commitment***

Our portfolio of projects demonstrates Domus' focus on a triple bottom line of environmental sustainability, social responsibility, and economic viability. All of our projects are high-density infill products that epitomize smart growth and responsible land use. Our portfolio of high-quality affordable housing shows our ongoing commitment to working families and seniors on a fixed income.

### ***Excellence***

We hold ourselves and our development partners to the highest standards. We have earned a reputation for completing the most challenging projects under the most difficult circumstances. Our firm has been the beneficiary of a number of honors from prestigious agencies and organizations, including the U.S. Environmental Protection Agency, U.S. Department of Housing and Urban Development, American Institute of Architects, and the U.S. Green Building Council.





## OUR PROJECTS

### COMPLETED PROJECTS

***La Valentina***

81 units of mixed-use, transit-oriented, affordable housing in Sacramento, CA

***Kings Beach Housing Now***

77 units of affordable workforce housing in Kings Beach, CA

***Temple Art Lofts***

29 units of mixed-use, affordable housing for artists in Vallejo, CA

***Garden Village***

195 affordable family units rehabilitated in Sacramento, CA

***Siena Court***

111 units of mixed-use, affordable senior housing in Pittsburg, CA

***Lincoln Court***

82 units of affordable supportive senior housing in Oakland, CA

***Garvey Court***

68 units of LEED Platinum, mixed-use, affordable senior housing in El Monte, CA

***Kelsey Village***

20 units of affordable special needs housing in Sacramento, CA

***Tyler Court***

20 units of LEED Platinum affordable senior housing in El Monte, CA

***Entrata***

28 units of mixed-use, affordable and market rate housing in Pittsburg, CA

***La Almenara***

20 units of affordable family housing in Pittsburg, CA

***Santa Fe Commons***

10 units of affordable family housing on six scattered sites in Pittsburg, CA

***Southcrest***

30 affordable family units rehabilitated in Sacramento, CA

***Northland Village***

145 affordable family units rehabilitated in Sacramento, CA

***Oak Ridge***

35 affordable senior units rehabilitated in Sonoma, CA

***Citrus Commons***

32 affordable senior/family units rehabilitated in Cloverdale, CA



## OUR PROJECTS (CONTINUED)

### PROJECTS UNDER DEVELOPMENT

***Curtis Park Court***

91 units of LEED Silver affordable senior housing in Sacramento, CA

***Creekview Terrace***

120 units of LEED Silver affordable senior housing in San Pablo, CA

***Blue Mountain Terrace***

63 units of LEED Silver affordable senior housing in Winters, CA

***Anchor Village***

51 units of affordable housing for veterans in Stockton, CA

***Sutter Place***

47 units to be rehabilitated and affordability preserved in Carmichael, CA

***McClellan Veterans Housing***

53 units of affordable housing for veterans in Sacramento, CA

***Veterans Square***

30 units of affordable housing for veterans in Pittsburg, CA

## OUR DISTINCTIONS

### **DOMUS DEVELOPMENT / MEEA KANG, PRESIDENT**

**LOCUS Leadership Award, 2014**

*Smart Growth America*

**Growing Smarter Together: Public-Private Partnership Honorable Mention, 2014**

*Association of Bay Area Governments*

**Women Who Mean Business Award, 2013**

*Sacramento Business Journal*

**Housing Innovator Award, 2013**

*Sacramento Housing Alliance*

**Leaders of the Year, 2012**

*Sacramento Business Journal*

**Northern California Real Estate Women of Influence, 2011**

*San Francisco Business Times*

**Visionary 2020 Award, 2010**

*Sierra Business Council*

**Cool California Small Business, 2010**

*California Air Resources Board*

### **LA VALENTINA**

**National Award for Smart Growth Achievement, 2013**

*U.S. Environmental Protection Agency*

**Gold Nugget Award: Best Sustainable Residential Development, 2013**

*Pacific Coast Builders Conference*

**Best Infill Project, 2012**

*Sacramento Business Journal*

**Transit-Oriented Development of the Year, 2012**

*Sacramento Regional Transit*

**Blueprint Excellence Award, 2012**

*Sacramento Area Council of Governments*

**Home of the Future Pilot Project (La Valentina North)**

*Sacramento Municipal Utility District*

### **KINGS BEACH HOUSING NOW**

**Governor's Environmental and Economic Leadership Award, 2014**

*California Environmental Protection Agency*

**AIA/HUD Secretary's Housing and Community-Informed Design Award, 2014**

*Department of Housing and Urban Development / American Institute of Architects*

**Green Building Super Heroes Award, 2013**

*U.S. Green Building Council*

**Gold Nugget Award: Judges Special Award of Excellence**

**Outstanding Responsive Design Addressing Special Needs, 2013**

*Pacific Coast Builders Conference*

**Best in the Basin, 2011**

*Tahoe Regional Planning Agency*



## **OUR DISTINCTIONS (CONTINUED)**

### **TEMPLE ART LOFTS**

**Growing Smarter Together: Urban Design Award, 2014**  
*Association of Bay Area Governments*

**Preservation Design Award, 2013**  
*California Preservation Foundation*

### **KELSEY VILLAGE**

**Best Affordable Residential Finalist, 2013**  
*Sacramento Business Journal*

### **LINCOLN COURT**

**Best Affordable Residential Finalist, 2008**  
*San Francisco Business Times*





## **OUR OFFICES**

### **CORPORATE / MAILING ADDRESS**

9 Cushing, Suite 200  
Irvine, CA 92618

### **NORTHERN CALIFORNIA**

1000 K Street, Suite 250  
Sacramento, CA 95814  
(415) 856-0010

### **SOUTHWEST**

9 Cushing, Suite 200  
Irvine, CA 92618  
(949) 923-7800

### **EMAIL**

[info@domusd.com](mailto:info@domusd.com)

### **WEBSITE**

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

**COUNCIL LETTER 050216-VIC**

**ADMINISTRATION**

**PROJECT SUPPORT**

**DATE:** April 28, 2016

**FROM:** Economic Development Authority

Craig J. Wainio  
City Administrator

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As part of the application to the Minnesota Housing Finance Agency for the proposed housing development at Rock Ridge, the developer is requesting the following motion be approved by the City Council. The statement is being forward to the City Council by the EDA for consideration. This motion will help in gaining points to bolster the application ranking.

A motion of support stating that this development aligns with the City's Comprehensive Plan (2008), Economic Development Strategy (2010); that the development will meet locally identified housing needs; and that the proposed housing is in short supply in the local housing market.

**COUNCIL LETTER 050216-VID**

**RAMS**

**RESOLUTION 27-16**

**DATE:** April 28, 2016

**FROM:** RAMS

Craig J. Wainio  
City Administrator

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Resolution Number 27-16 is being presented to the City Council at the request of the Range Association of Municipalities and School for your consideration.



# 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 27-16

### SUPPORT OF S.F.3582 - IRRRB REORGANIZATION

**WHEREAS**, the Iron Range Resources and Rehabilitation Board (IRRRB) was created in 1941 by the Minnesota legislature to provide a structure to promote economic development, assist local communities, townships and school districts within the Taconite Assistance Area (TAA) with needed infrastructure repairs, upgrades and job growth opportunities, and

**WHEREAS**, the funds dedicated to the IRRRB are generated from iron ore and taconite mining operations in lieu of property taxes instead pay a production tax based on tons of ore produced and the industry is also exempt from the corporate franchise tax and instead pays an occupation tax, and

**WHEREAS**, taconite production and occupation taxes are a major revenue source for counties, cities, towns, and school districts located in the "Taconite Assistance Area." The Taconite Assistance Area includes all or a portion of Cook, Lake, St. Louis, Itasca, Aitkin, Crow Wing, and Koochiching counties. Part of the revenue is also paid to the Iron Range Resources and Rehabilitation Board (IRRRB), a state agency that conducts a variety of operations in northeastern Minnesota, and

**WHEREAS**, a recent audit of the IRRRB by the Minnesota Legislative Auditor has determined that the current structure of the board of the IRRRB may be subject to a challenge under the Minnesota constitution, and

**WHEREAS**, Senate Majority Leader, Tom Bakk has authored Senate File# 3582 which effectively alters the structure of the nine member board of directors of the IRRRB to an advisory board structure and affords the Commissioner of the Agency authority to exercise fiduciary responsibility over utilization of the agency's annual budget that will require approval of the Governor of the State of Minnesota similar to all other agencies in the state.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MOUNTAIN IRON, MINNESOTA**, that it emphatically endorses S.F. 3582 and stands united in our support to retain local control over the utilization of the taconite revenue entrusted to the IRRRB.

**DULY ADOPTED BY THE CITY COUNCIL THIS 2<sup>nd</sup> DAY OF MAY, 2016.**

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Mayor Gary Skalko

ATTEST:

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City Administrator

**COUNCIL LETTER 050216-VID**

**ADMINISTRATION**

**SOIL BORINGS**

**DATE:** April 28, 2016

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

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Enclosed is a proposal for the decommissioning of the Nichols Township ponds and involves boring to be done in that area. We have received MPCA approval on all of our preconstruction submittals and have entered into the required grant agreement and now we can begin the process of developing plans and specifications for the actual decommissioning. This project and associate borings are being paid through a grant from the State with the assistance of Senator Tomassoni. It is recommended that the proposal is approved by the City Council.

April 13, 2016

Proposal QTB033414

Craig J. Wainio, City Administrator  
City of Mountain Iron  
City Hall  
8586 South Enterprise Drive  
Mountain Iron, MN 55768

Re: Proposal for a Geotechnical Evaluation - Revised  
Nichols Pond Decommissioning  
South of Mud Lake Road  
Mountain Iron, Minnesota

Dear Mr. Wainio:

We respectfully submit this revised proposal to complete a geotechnical evaluation for the proposed Nichols Pond Decommissioning project at the above referenced site.

## **Our Understanding of Project**

We understand that the City of Mountain Iron has recently received a grant from the Minnesota Pollution Control Agency (MPCA) for the remediation of abandoned waste water treatment ponds formally operated for Nichols Township. The ponds are located south of Mud Lake Road and north of Mashkenode Lake within the city limits of Mountain Iron. The wastewater ponds consist of a larger pond approximately 21 1/2 acres in size connected to a smaller pond to south which is approximately 7 acres in size.

Benchmark Engineering, Inc. is working with Stantec and the City of Mountain Iron on developing procedures required to decommissioning the ponds. In typical pond decommissioning, the water and bio solids contained in the ponds, and the earthen embankment of the pond dikes are removed.

Typical wastewater holding ponds are constructed with an impermeable clay liner in order to contain the water and solids within them. Upon review of original plan drawings for the ponds, provided by the City of Mountain Iron, it appears that the height thickness of the clay embankment of the dikes is about 8 to 10 feet. It is unknown to us the thickness of the clay liner at the bottom of the ponds. We anticipate that water depth within the ponds is about 6 feet.

## **Purpose**

The purpose of our geotechnical evaluation will be to characterize subsurface geologic conditions at selected exploration locations within the pond and evaluate their impact on pond dewatering and planning for the pond decommissioning.

## **Scope of Services**

In order to provide recommendations for pond dewatering we propose an investigation that includes soil borings, piezometer wells, monitoring of static ground water, field tests, laboratory tests of soils and analysis of collected data.

The following tasks are proposed to help achieve the stated purpose. If unfavorable or unforeseen conditions are encountered at any point during the completion of the tasks that lead us to recommend an expanded scope of services, we will contact you to discuss the conditions before resuming work.

### **Site Access, Staking and Utility Clearance**

According to our review of aerial imagery and conversations with you, access to the ponds is through an existing road connecting to Mud Lake Road from the north. It is our understanding that the road has received minimal maintenance over the years and will require an all-terrain mounted drill rig to access the ponds and exploration locations. Our proposed scope includes a site visit to access site and access conditions.

We have assumed that large vegetation, brush and snow will be removed prior to our arrival onsite and that our dual axle support truck will be able to access the site and boring locations.

We will stake the boring locations and Benchmark Engineering will provide elevations at the locations.

Depending on access requirements, ground conditions or potential utility conflicts, our field crew may alter the exploration locations from those proposed to facilitate accessibility.

Prior to drilling or excavating, we will contact Gopher State One Call and arrange for notification to the appropriate utility vendors to mark and clear the exploration locations of public underground utilities. You or your authorized representative is responsible to notify us before we begin our work of the presence and location of any underground objects or private utilities that are not the responsibility of public agencies.

### **Penetration Test Borings**

We propose to drill seven (7) standard penetration test borings at selected locations on the pond dikes. We will extend 3 of the borings to a depth of 30 feet and 4 of the borings to a depth of 20 feet. The intention of the deeper boring is to reach a sand unit underlying the surficial till in the site vicinity for piezometer placements.

Penetration tests will generally be performed at 2 ½-foot vertical intervals to a depth of 16 feet, and at 5-foot intervals at greater depths (in general accordance with ASTM Method D1586). We will perform continuous sampling at anticipated bottom of pond depth elevations in order to better define the soil strata at these locations

If deeper borings (or additional borings) are needed, we will contact you prior to increasing our total estimated drilled footage and submit a Change Order summarizing the anticipated additional effort and the associated cost, for your review and authorization.

### **Groundwater Measurements**

We anticipate shallow groundwater conditions at the site. In order to evaluate and monitor the initial static groundwater levels and changing levels over time, we propose to install four (4) open pipe piezometers with five-foot screens at selected exploration borings. The locations of our proposed boring and piezometer locations are shown in the attached sketch.

We have budgeted to perform four (4) initial readings of piezometers including the installation of a data logger to collect groundwater levels at pre-determined time intervals. Regular monitoring of the remaining piezometers will be required for evaluation of groundwater conditions after the initial readings. We understand these readings will be collected by others. We understand Benchmark will provide periodic pond water and nearby stream water level elevations to help further our analysis.

Once the piezometers' water levels have stabilized, water levels will be measured, and slug tests will be performed to assess the hydraulic conductivities at each location. This information, along with the other information from the borings, will be used to carry out hydrologic calculations to estimate dewatering rates during pond decommissioning.

### **Borehole/Piezometer Abandonment**

Minnesota Well Code requires sealing of any boring or core that encounters groundwater and is either greater than 25 feet deep or penetrates a confining layer. Based on the proposed boring depths, we plan to seal 70 feet of borehole with bentonite grout.

We have not budgeted for removal of piezometers, we have assumed that the piezometers will be removed and abandoned by others.

### **Sample Review and Laboratory Testing**

Soil samples will be returned to our laboratory, where they will be visually classified and logged by a geotechnical engineer in general accordance with ASTM D2487. To help classify the materials encountered and estimate/measure the engineering properties necessary to our analyses, we have budgeted to perform the following laboratory tests:

- *(20) Moisture content tests (ASTM D2216)* – intended to aid in classification, evaluation of moisture condition, and estimation of engineering parameters;
- *(4) Sieve Analyses through the #200 sieve (ASTM D1140)* – intended to aid in classification and determination of the gravel- and sand-sized particle distribution;
- *(4) Mechanical sieve-hydrometer analyses (ASTM D422)* – intended to aid in classification and determination of the gravel-, sand-, silt- and clay-sized particle distribution;
- *(8) Percent passing the #200 sieve tests* – intended to aid in classification and to determine the percentage of silt/clay-sized (fines) particles;

It is our intention to only perform laboratory tests that will be necessary to our analyses. If after review of the soils it is our opinion that portions of the above schedule would not be cost-beneficial to the project, we will reduce the schedule and we will not charge for tests that are not performed. Conversely, if after review it appears that additional testing would provide potential cost-benefits to the project, we will request authorization for the additional testing through a Change Order.



## Reporting

Data obtained from the borings, piezometer measurements, field tests and laboratory tests will be used to evaluate the subsurface profile and groundwater conditions, perform analyses related to pond decommissioning and prepare a report, including:

- A site reconnaissance to evaluate site conditions and rig access
- A sketch showing project components, limits, and exploration locations.
- Logs of the borings describing the materials encountered and presenting the results of our groundwater measurements and laboratory tests.
- A summary of the subsurface profile and groundwater conditions.
- Discussion regarding the impact of groundwater on construction.
- Recommendations for short and long term dewatering of the ponds.
- Discussions on the water levels in the ponds over time in the case that the ponds are not dewatered

Only an electronic copy of our report will be submitted to you. At your request, additional copies can be prepared for other project team members.

## Additional Services

We have not included potential costs due to the need for snow plowing, towing, stand-by time or work that is not included in the above Scope of Services. Costs for snow plowing or towing (if necessary) will be charged at a rate of 1.15x the actual cost. Costs for stand-by time (defined as time spent by our field crew due to circumstances that are beyond the control of our field crew or its equipment), or beyond the scope of services indicated above will be charged at a rate of \$220 per hour.

If borings must be extended beyond their intended termination depths, or if additional borings are required, we will charge an additional \$25 per lineal foot beyond the originally intended termination depth.

## Cost

We will furnish the services described in this proposal for a lump sum fee of **\$21,000**. We will not exceed this estimated fee without your authorization through a Change Order.

A breakdown of the proposed fees is provided in the table below.

Service	Fee
Drilling and Piezometer Installation	\$10,190
Site Reconnaissance/Site Layout/Staking/Utility Clearance	\$1,100
Field Work /Slug Test/Piezometer Readings	\$3,260
Laboratory Testing	\$1,820
Engineering, Report Compilation, and Coordination	\$4,730
<b>Base Total</b>	<b>\$21,000</b>

Our work may extend over multiple invoicing periods. As such, for work that is performed during the course of each invoicing period, we will submit partial progress invoices.

## Schedule

We anticipate our work can be performed according to the following schedule:

- *Drill rig mobilization* – within 1 to 2 weeks following receipt of written authorization;
- *Field work mobilization* – within 1 to 2 weeks following receipt of written authorization;
- *Drill rig exploration/piezometer installation* – 3 days on-site to complete the work;
- *Field work exploration* –
  - 1 - 6 hour trip for site reconnaissance
  - 2 – 4 hour trips for initial piezometer readings
  - 2 – 6 hour trips for slug testing
- *Classification and laboratory testing* – within 1 to 2 weeks following completion of the field exploration;
- *Preliminary results* – as the data from piezometer readings are obtained and analyzed;
- *Preliminary Report submittal* – after sufficient data is obtained and analyzed, anticipated late spring.
- *Final Report submittal* – anticipated August 2016

If our proposed scope of services cannot be completed according to this schedule due to circumstances beyond our control, we may need to revise this proposal prior to completing the remaining tasks.

## General Remarks

We appreciate the opportunity to present this proposal to you. *If acceptable, please return a signed copy in its entirety as authorization to proceed.*

The proposed fee is based on the scope of services described and the assumptions that our services will be authorized within 30 days and that others will not delay us beyond our proposed schedule. We include the Braun Intertec General Conditions, which provide additional terms and are a part of our agreement. To have questions answered or schedule a time to meet and discuss our approach to this project further, please contact Vic Roethler at 218.929.1493 or [vroethler@braunintertec.com](mailto:vroethler@braunintertec.com).

Sincerely,

BRAUN INTERTEC CORPORATION



Victor M. Roethler, EIT  
Staff Engineer



Joseph C. Butler, PE  
Associate Principal/Senior Engineer

### Attachments:

Proposed Boring Location Sketch - Revised  
General Conditions (9/01/13)

c: Alan Johnson, PE, Benchmark Engineering

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The proposal is accepted, and you are authorized to proceed.

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Authorizer's Firm

---

Authorizer's Signature

---

Authorizer's Name (please print or type)

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Authorizer's Title

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Date



## General Conditions

### Section 1: Our Agreement

**1.1** Our agreement ("Agreement") with you consists of these General Conditions and the accompanying written proposal or authorization. This Agreement is our entire agreement. It supersedes prior agreements. It may be modified only in a writing signed by us, making specific reference to the provision modified.

**1.2** The words "you," "we," "us," and "our" include officers, employees, and subcontractors.

**1.3** In the event you use a purchase order or other form to authorize our services, any conflicting or additional terms are not part of our Agreement. Directing us to start work prior to execution of this Agreement constitutes your acceptance. If, however, mutually acceptable terms cannot be established, we have the right to withdraw our proposal without liability to you or others, and you will compensate us for services already rendered.

### Section 2: Our Responsibilities

**2.1** We will provide the services specifically described in our Agreement with you. You agree that we are not responsible for services that are not fairly included in our specific undertaking. Unless otherwise agreed in writing, our findings, opinions, and recommendations will be provided to you in writing. You agree not to rely on oral findings, opinions, or recommendations without our written approval.

**2.2** In performing our professional services, we will use that degree of care and skill ordinarily exercised under similar circumstances by reputable members of our profession practicing in the same locality. If you direct us to deviate from our recommended procedures, you agree to hold us harmless from claims, damages, and expenses arising out of your direction.

**2.3** We will reference our field observations and sampling to available reference points, but we will not survey, set, or check the accuracy of those points unless we accept that duty in writing. Locations of field observations or sampling described in our report or shown on our sketches are based on information provided by others or estimates made by our personnel. You agree that such dimensions, depths, or elevations are approximations unless specifically stated otherwise in the report. You accept the inherent risk that samples or observations may not be representative of things not sampled or seen and, further, that site conditions may change over time.

**2.4** Our duties do not include supervising your contractors or commenting on, overseeing, or providing the means and methods of their work, unless we accept such duties in writing.

We will not be responsible for the failure of your contractors to perform in accordance with their undertakings, and the providing of our services will not relieve others of their responsibilities to you or to others.

**2.5** We will provide a health and safety program for our employees, but we will not be responsible for contractor, job, or site health or safety unless we accept that duty in writing.

**2.6** You will provide, at no cost to us, appropriate site safety measures as to work areas to be observed or inspected by us. Our employees are authorized by you to refuse to work under conditions that may be unsafe.

**2.7** Estimates of our fees or other project costs will be based on information available to us and on our experience and knowledge. Such estimates are an exercise of our professional judgment and are not guaranteed or warranted. Actual costs may vary. You should allow a contingency in addition to estimated costs.

### Section 3: Your Responsibilities

**3.1** You will provide us with prior geotechnical and other reports, specifications, plans, and information to which you have access about the site. You agree to provide us with all plans, changes in plans, and new information as to site conditions until we have completed our work.

**3.2** You will provide access to the site. In the course of our work some site damage is normal even when due care is exercised. We will use reasonable care to minimize damage to the site. We have not included the cost of restoration of normal damage in the estimated charges.

**3.3** You agree to provide us, in a timely manner, with information that you have regarding buried objects at the site. We will not be responsible for locating buried objects at the site unless we accept that duty in writing. You agree to hold us harmless from claims, damages, losses, and related expenses involving buried objects that were not properly marked or identified or of which you had knowledge but did not timely call to our attention or correctly show on the plans you or others on your behalf furnished to us.

**3.4** You will notify us of any knowledge or suspicion of the presence of hazardous or dangerous materials in a sample provided to us. You agree to provide us with information in your possession or control relating to contamination at the work site. If we observe or suspect the presence of contaminants not anticipated in our Agreement, we may terminate our work without liability to you or to others, and we will be paid for the services we have provided.

**3.5** Neither this Agreement nor the providing of services will operate to make us an owner, operator, generator, transporter, treater, storer, or a disposal facility within the meaning of the Resource Conservation Recovery Act, as amended, or within the meaning of any other law governing the handling, treatment, storage, or disposal of hazardous materials. You agree to hold us harmless and indemnify us from any such claim or loss.

**3.6** Monitoring wells are your property, and you are responsible for their permitting, maintenance, and abandonment unless we accept that duty in writing.

**3.7** You agree to make disclosures required by law. In the event you do not own the site, you acknowledge that it is your duty to inform the owner of the discovery or release of contaminants at the site. You agree to hold us harmless and indemnify us from claims related to disclosures made by us that are required by law and from claims related to the informing or failure to inform the site owner of the discovery of contaminants.

### Section 4: Reports and Records

**4.1** Unless you request otherwise, we will provide our report in an electronic format.

**4.2** Our reports, notes, calculations, and other documents and our computer software and data are instruments of our service to you, and they remain our property but are subject to a license to you for your use in the related project for the purposes disclosed to us. You may not transfer our reports to others or use them for a purpose for which they were not prepared without our written approval. You agree to indemnify and hold us harmless from claims, damages, losses, and expenses, including attorney fees, arising out of such a transfer or use. At your request, we will provide endorsements of our reports or letters of reliance, but only if the recipients agree to be bound by the terms of our agreement with you and only if we are paid the administrative fee stated in our then current Schedule of Charges.

**4.3** Because electronic documents may be modified intentionally or inadvertently, you agree that we will not be liable for damages resulting from change in an electronic document occurring after we transmit it to you.

**4.4** If you do not pay for our services in full as agreed, we may retain work not yet delivered to you and you agree to return to us all of our work that is in your possession or under your control.

**4.5** Samples and field data remaining after tests are conducted and field and laboratory equipment that cannot be adequately cleansed of contaminants are and continue to be your property. They may be discarded or returned to

you, at our discretion, unless within 15 days of the report date you give us written direction to store or transfer the materials at your expense.

4.6 Electronic data, reports, photographs, samples and other materials provided by you or others may be discarded or returned to you, at our discretion, unless within 15 days of the report date you give us written direction to store or transfer the materials at your expense.

#### **Section 5: Compensation**

5.1 You will pay for services as agreed upon or according to our then current Schedule of Charges if there is no other written agreement as to price. An estimated cost is not a firm figure. You agree to pay all sales taxes and other taxes based on your payment of our compensation. Our performance is subject to credit approval and payment of any specified retainer.

5.2 You will notify us of billing disputes within 15 days. You will pay undisputed portions of invoices on receipt. You agree to pay interest on unpaid balances beginning 30 days after invoice dates at the rate of 1.5% per month, or at the maximum rate allowed by law.

5.3 If you direct us to invoice another, we will do so, but you agree to be responsible for our compensation unless you provide us with that person's written acceptance of all terms of our Agreement and we agree to extend credit to that person and to release you.

5.4 Your obligation to pay for our services under this Agreement is not contingent on your ability to obtain financing, governmental or regulatory agency approval, permits, final adjudication of lawsuit in which we are not involved, your successful completion of a project, receipt of payment from another, or any other event. No retainage will be withheld.

5.5 If you do not pay us within 60 days of invoice date, you agree to reimburse our expenses, including but not limited to attorney fees, staff time, and other costs of collection.

5.6 You agree to compensate us in accordance with our fee schedule if we are asked or required to respond to legal process arising out of a proceeding related to the project and as to which we are not a party.

5.7 If we are delayed by factors beyond our control, or if project conditions or the scope or amount of work change, or if changed labor union conditions result in increased costs, decreased efficiency, or delays, or if the standards or methods change, we will give you timely notice and we will receive an equitable adjustment of our compensation. If you and we do not reach agreement on such compensation within 30 days of our written application, we may terminate without liability to you or others.

5.8 If you fail to pay us within 60 days following invoice date, we may consider the default a total breach of our Agreement and, at our option, terminate our duties without liability to you or to others.

5.9 In consideration of our providing insurance to cover claims made by you, you hereby waive any right of offset as to fees otherwise due us.

#### **Section 6: Disputes, Damage, and Risk Allocation**

6.1 Each of us will exercise good faith efforts to resolve disputes without litigation. Such efforts will include, but not be limited to, a meeting(s) attended by each party's representative(s) empowered to resolve the dispute. Before either of us commences an action against the other, disputes (except collections) will be submitted to mediation.

6.2 Neither of us will be liable for special, incidental, consequential, or punitive damages, including but not limited to those arising from delay, loss of use, loss of profits or revenue, loss of financing commitments or fees, or the cost of capital.

6.3 We will not be liable for damages unless suit is commenced within two years of the date of injury or loss or within two years of the date of substantial completion of our services, whichever is earlier. We will not be liable unless you have notified us of the discovery of the claimed breach of contract, negligent act, or omission within 30 days of the date of discovery and unless you have given us an opportunity to investigate and to recommend ways of mitigating damages. You agree not to make a claim against us unless you have provided us at least 30 days prior to the institution of any legal proceeding against us with a written certificate executed by an appropriately licensed professional specifying and certifying each and every act or omission that you contend constitutes a violation of the standard of care governing our professional services.

6.4 For you to obtain the benefit of a fee which includes a reasonable allowance for risks, you agree that our aggregate liability for all claims will not exceed the fee paid for our services or \$50,000, whichever is greater. If you are unwilling to accept this allocation of risk, we will increase our aggregate liability to \$100,000 provided that, within 10 days of the date of our Agreement, you provide payment in an amount that will increase our fees by 10%, but not less than \$500, to compensate us for the greater risk undertaken. This increased fee is not the purchase of insurance.

6.5 You agree to indemnify us from all liability to others in excess of the risk allocation stated above and to insure this obligation.

6.6 The prevailing party in any action relating to this Agreement shall be entitled to recover

its costs and expenses, including reasonable attorney fees, staff time, and expert witness fees.

6.7 The law of the state in which our servicing office is located will govern all disputes. Each of us waives trial by jury. No officer or employee acting within the scope of employment shall have individual liability for his or her acts or omissions, and you agree not to make a claim against individual employees.

#### **Section 7: General Indemnification**

7.1 We will indemnify and hold you harmless from and against demands, damages, and expenses of others to the comparative extent they are caused by our negligent acts or omissions or those negligent acts or omissions of persons for whom we are legally responsible. You will indemnify and hold us harmless from and against demands, damages, and expenses of others to the comparative extent they are caused by your negligent acts or omissions or those negligent acts or omissions of persons for whom you are legally responsible.

7.2 To the extent it may be necessary to indemnify either of us under Section 7.1, you and we expressly waive, in favor of the other only, any immunity or exemption from liability that exists under any worker compensation law.

7.3 You agree to indemnify us against losses and costs arising out of claims of patent or copyright infringement as to any process or system that is specified or selected by you or by others on your behalf.

#### **Section 8: Miscellaneous Provisions**

8.1 We will provide a certificate of insurance to you upon request. Any claim as an Additional Insured shall be limited to losses caused by our sole negligence.

8.2 You and we, for ourselves and our insurers, waive all claims and rights of subrogation for losses arising out of causes of loss covered by our respective insurance policies.

8.3 Neither of us will assign nor transfer any interest, any claim, any cause of action, or any right against the other. Neither of us will assign or otherwise transfer or encumber any proceeds or expected proceeds or compensation from the project or project claims to any third person, whether directly or as collateral or otherwise.

8.4 Our Agreement may be terminated early only in writing. We will receive an equitable adjustment of our compensation in the event of early termination.

8.5 If a provision of this Agreement is invalid or illegal, all other provisions shall remain in full force and effect.

**COUNCIL LETTER 050216-VIE**

**PERSONNEL**

**DRUG AND ALCOHOL TESTING**

**DATE:** April 28, 2016

**FROM:** Personnel Committee

Craig J. Wainio  
City Administrator

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A number of years ago the City adopted a Drug and Alcohol Testing policy as required by the Federal Government. Overtime changes have been made to various laws, rules and regulations and well as testing protocol. Therefore, it was time to update or policy to comply with the current times. With the assistance of MMUA a new Drug and Alcohol Testing Policy was developed. The Personnel Committee recommends that the City Council approve the draft Drug and Alcohol Testing Policy as presented.

**City of Mountain Iron  
DRUG AND ALCOHOL TESTING POLICY FOR  
COMMERCIAL DRIVERS  
(DOT POLICY)**

**PURPOSE AND OBJECTIVES**

The City of Mountain Iron (“Employer”) has a vital interest in maintaining safe, healthful, and efficient working conditions for employees, and recognizes that individuals who are impaired because of drugs and/or alcohol jeopardize the safety and health of other workers as well as themselves. The Employer is concerned about providing a safe workplace for its employees, and while the Employer does not intend to intrude into the private lives of its employees, it is the goal to provide a work environment conducive to maximum safety and optimum work standards. Alcohol and drug abuse can cause unsatisfactory job performance, increased tardiness and absenteeism, increased accidents and workers’ compensation claims, higher insurance rates, and an increase in theft of Employer property. The use, possession, manufacture, sale, transportation, or other distribution of controlled substance or controlled substance paraphernalia and the unauthorized use, possession transportation, sale, or other distribution of alcohol is contrary to this policy and jeopardizes public safety.

In response to regulations issued by United States Department of Transportation (“DOT”), the Employer has adopted this Policy on Alcohol and Controlled Substances for employees who hold a commercial driver’s license (CDL) to perform their duties.

Given the significant dangers of alcohol and controlled substance use, each applicant and driver must abide by this policy as a term and condition of hiring and continued employment. Moreover, federal law requires the Employer to implement such a policy.

To ensure this policy is clearly communicated to all drivers and applicants, and in order to comply with applicable federal law, drivers and applicants are required to review this policy and sign the “Substance Abuse Policy Employee Acknowledgement of Notification” form. (See Section 4.)

Because changes in applicable law and the Employer’s practices and procedures may occur from time to time, this policy may change in the future, and nothing in this policy is intended to be a contract, promise, or guarantee the Employer will follow any particular course of action, disciplinary, rehabilitative or otherwise, except as required by law. This policy does not in any way affect or change the status of any at-will employee.

Any revisions to the Federal Omnibus Transportation Employee Testing Act will take precedence over this policy to the extent the policy has not incorporated those revisions.



## **PERSONS SUBJECT TO TESTING & TYPES OF TESTS**

All employees are subject to testing whose job duties include performing “safety-sensitive duties” on Employer vehicles that:

1. Have a gross combination weight rating or gross combination weight of 26,001 pounds or more, whichever is greater, inclusive of a towed unit(s) with a gross vehicle weight rating or gross vehicle weight of more than 10,000 pounds, whichever is greater; or
2. Have a gross vehicle weight rating or gross vehicle weight of 26,0001 or more pounds whichever is greater; or
3. Are designed to transport 16 or more passengers, including the driver; or
4. Are of any size and are used in the transportation of materials found to be hazardous for the purposes of the Hazardous Materials Transportation Act (49 U.S.C. 5103(b)) and which require the motor vehicle to be placarded under the Hazardous Materials Regulations (49 CFR part 172, subpart F).

The following functions are considered safety-sensitive:

- all time waiting to be dispatched to drive a commercial motor vehicle
- all time inspecting, servicing, or conditioning a commercial motor vehicle
- all time driving at the controls of the commercial motor vehicle
- all other time in or upon a commercial motor vehicle (except time spent resting in a sleeper berth)
- all time loading or unloading a commercial motor vehicle, attending the same, giving or receiving receipts for shipments being loaded or unloaded, or remaining in readiness to operate the vehicle
- all time repairing, obtaining assistance, or attending to a disabled commercial motor vehicle.

The Employer may test any applicant to whom a conditional offer of employment has been made and any driver for controlled substance and alcohol under any of the following circumstances:

Pre-Employment Testing. All applicants, including current employees seeking a transfer, applying for a position where duties include performing safety-sensitive duties described above, will be required to take a drug test prior to the first time a driver performs a safety-sensitive function for the Employer. A driver may not perform safety-sensitive functions unless the driver has received a controlled substance test result from the Medical Review Officer (“MRO”) indicating a verified negative test result. In addition to pre-employment controlled substance testing, applicants will be required to authorize in writing former employers to release alcohol test results of .04 or greater, positive controlled substance test results, refusals to test, other violations of drug and alcohol testing regulations, and completion of return to duty requirements within the preceding three years. (See Release of Information from Previous Employer Form, in Section 4.)

The Employer will contact the candidate's DOT regulated previous and current employers within the last three years for drug and alcohol test results as referenced above, and review the testing history if feasible before the employee first performs safety-sensitive functions for the Employer.

**Post-Accident Testing.** As soon as practicable following an accident involving a commercial motor vehicle operating on a public road, the Employer will test each surviving driver for controlled substances and alcohol when the following occurs:

- The accident involves a fatality or
- The driver receives a citation for a moving traffic violation from the accident and an injury is treated away from the accident scene or
- The driver receives a citation for a moving traffic violation from the accident and a vehicle is required to be towed from the accident scene.

This chart summarizes when DOT post-accident testing needs to be conducted:

Type of accident involved	Citation issued to the DOT covered CDL driver?	Test must be performed by the Employer
i. Human fatality	YES	YES
	NO	YES
ii. Bodily injury with immediate medical treatment away from the scene	YES	YES
	NO	NO
iii. Disabling damage to any motor vehicle requiring tow away	YES	YES
	NO	NO

A driver subject to post-accident testing must remain readily available or the driver will be deemed to have refused to submit to testing. This requirement to remain ready for testing does not preclude a driver from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident or to obtain necessary medical care.

***Post-Accident Controlled Substance Testing***

Drivers are required to submit a urine sample for post-accident controlled substance testing as soon as possible. If the driver is not tested within thirty-two (32) hours after the accident, the Employer will cease its attempts to test the driver and prepare and maintain on file a record stating why the test was not promptly administered.

***Post-Accident Alcohol Testing***

Drivers are required to submit to post-accident alcohol testing as soon as possible. After an accident, consuming alcohol is prohibited until the driver is tested. If the driver is not tested within two (2) hours after the accident, the Employer will prepare and maintain on file a record stating why the test was not administered within that time. If eight hours have elapsed since the accident and the driver has not submitted to an alcohol test, the Employer will cease its attempts to test the driver and prepare and maintain on file a record stating why the test was not administered.

The Employer may accept the results of a blood or breath test in place of an alcohol test and urine test for the use of controlled substances if:

- The tests are conducted by federal, state, or local officials having independent authority for the test, and
- The tests conform to applicable federal, state, or local testing requirements, and
- The test results can be obtained by the Employer.

Whenever such a test is conducted by a law enforcement officer, the driver must contact the Employer and immediately report the existence of the test, providing the name, badge number, and telephone number of the law enforcement officer who conducted the test.

**Random Testing.** Every driver will be subject to unannounced alcohol and controlled substance testing on a random selection basis. Drivers will be selected for testing by use of a scientifically valid method under which each driver has an equal chance of being selected each time selections are made. These random tests will be conducted throughout the calendar year. Each driver who is notified of selection for random testing must cease performing safety-sensitive functions and report to the designated test site immediately. It is mathematically possible drivers may be selected and tested more than once, and others not at all

If a driver is selected for a random test while he or she is absent, on leave or away from work, that driver may be required to undergo the test when he or she returns to work.

For 2016, federal law requires the Employer to test at a rate of at least twenty-five percent (25%) of its average number of drivers for controlled substance each year, and to test at a rate of at least ten percent (10%) of its average number of drivers for alcohol each year. These minimum testing rates are subject to change by the DOT.

**Reasonable Suspicion Testing.** When a supervisor has reasonable suspicion to believe a driver has engaged in conduct prohibited by federal law or this policy, the Employer will require the driver to submit to an alcohol and/or controlled substance test. (See Reasonable Suspicion Observation Form in Section 4.)

The Employer's determination that reasonable suspicion exists to require the driver to undergo an alcohol test will be based on "specific, contemporaneous, articulable observations concerning the appearance, behavior, speech, or body odors of the driver." In the case of controlled substance, the observations may include indications of the chronic and withdrawal effects of a controlled substance.

The required observations for reasonable suspicion testing will be made by a supervisor or other person designated by the Employer who has received appropriate training in identification of actions, appearance and conduct of a driver which are indicative of the use of alcohol or controlled substance. (See Reasonable Suspicion Training Record form in Section 4.) These observations leading to an alcohol or controlled substance test will be reflected in writing and signed by the supervisor who made the observations. The record will be retained by the Employer. The person who makes the determination that reasonable suspicion exists to conduct testing, will not be the person conducting the testing, which shall instead be conducted by another qualified person.

Alcohol testing is authorized only if the observations are made during, just before, or just after the driver has ceased performing such functions. If a reasonable suspicion alcohol test is not administered within two (2) hours following the determination of reasonable suspicion, the Employer will prepare and maintain on file a record stating the reasons the alcohol test was not promptly administered. If a reasonable suspicion alcohol test is not administered within eight (8) hours following the determination of reasonable suspicion, the Employer will prepare and maintain on file a record stating the reasons the alcohol test was not administered, and will cease attempts to conduct the alcohol test.

Notwithstanding the absence of a reasonable suspicion test, no driver may report for duty or remain on duty requiring the performance of safety-sensitive functions while the driver is under the influence of or impaired by alcohol, as shown by the behavioral, speech, and performance indicators of alcohol use, nor will the Employer permit the driver to perform or continue to perform safety-sensitive functions until (1) an alcohol test is administered and the driver's alcohol concentration is less than .02; or (2) twenty-four (24) hours have elapsed following the determination of reasonable suspicion.

Return-to-Duty Testing. The Employer reserves the right to impose discipline against drivers who violate applicable FMCSA or DOT rules or this policy, subject to applicable personnel policy and collective bargaining agreements. Except as otherwise required by law, the Employer is not obligated to reinstate or requalify such drivers for a first positive test result.

Should the Employer consider reinstatement of a DOT covered driver, the driver must undergo a Substance Abuse Professional ("SAP") evaluation and participate in any prescribed education/treatment, and successfully complete return-to-duty alcohol test with a result indicating an alcohol concentration of less than 0.02 and/or or a controlled substance test with a verified negative result, before the driver returns to duty requiring the performance of a safety-sensitive function. The SAP determines if the driver has completed the education/treatment as prescribed.

The employee is responsible for paying for all costs associated with the return-to-duty test. The controlled substance test will be conducted under direct observation.

Follow-Up Testing. The Employer reserves the right to impose discipline against drivers who violate applicable FMCSA or DOT rules or this policy, subject to applicable personnel policies and collective bargaining agreements. Except as otherwise required by law, the Employer is not obligated to reinstate or requalify such drivers.

Should the Employer reinstate a driver following a determination by a Substance Abuse Professional (SAP) that the driver is in need of assistance in resolving problems associated with alcohol use and/or use of controlled substance, the Employer will ensure that the driver is subject to unannounced follow-up alcohol and/or controlled substance testing. The number and frequency of such follow-up testing will be directed by the SAP and will consist of at least six (6) tests in the first twelve (12) months following the driver's return to duty. Follow-up testing will not exceed sixty (60) months from the date of the driver's return to duty. The SAP may terminate the requirement for follow-up testing at any time after the first six tests have been administered, if the SAP determines such test is no longer necessary. The employee is responsible for paying for all costs associated with follow-up tests.

Follow-up alcohol testing will be conducted only when the driver is performing safety-sensitive functions, or immediately prior to or after performing safety-sensitive functions.

Cost of Required Testing. The Employer will pay for the cost of pre-employment, post-accident, random, and reasonable suspicion controlled substance and alcohol testing requested or required of all job applicants and employees. The driver must pay for the cost of all requested confirmatory re-tests, return-to-duty, and follow-up testing.

## **REQUIRED PRIOR CONTROLLED SUBSTANCE AND ALCOHOL CHECKS FOR APPLICANTS**

The Employer will conduct prior drug and alcohol checks of applicants for employment to drive a commercial motor vehicle. Applicants must execute a consent form authorizing the Employer to obtain the required information. The Employer will obtain (pursuant to the applicant's written consent) information on the applicant's alcohol test with a concentration result of 0.04 or greater, positive controlled substance test results, refusals to be tested, and other relevant information within the preceding three (3) years which are maintained by the applicant's previous employers. The Employer will obtain all information concerning the applicant which is maintained by the applicant's previous employers within the preceding three (3) years pursuant to DOT and FMCSA controlled substance and alcohol testing regulations. The Employer will review such records, if feasible, prior to the first time a driver performs safety-sensitive functions.

## PROHIBITED CONDUCT

The following conduct is explicitly prohibited by applicable DOT and FMCSA regulations and therefore constitutes violation of Employer policy.

Under the influence of alcohol when reporting for duty or while on duty. No driver may report for duty or remain on duty requiring the performance of safety-sensitive functions while having an alcohol concentration of 0.04 or greater. Drivers reporting for duty or remaining on duty to perform safety-sensitive functions while having an alcohol concentration of 0.02, but less than 0.04, will be removed from duty for 24 hours, escorted home and placed on vacation leave for hours missed from work.

On-Duty Use of Alcohol. No driver may use alcohol while performing safety-sensitive functions.

Pre-Duty Use of Alcohol. No driver may perform safety-sensitive functions within four (4) hours after using alcohol. If an employee has had alcohol within four hours they are to notify their supervisors before performing any safety-sensitive functions.

Alcohol Use Following an Accident. No driver required to take a post-accident alcohol test may use alcohol for eight (8) hours following the accident, or until the driver undergoes a post-accident alcohol test, which ever occurs first.

Refusal to Submit to a Required Alcohol or Controlled Substance Test. No applicant or driver may refuse to submit to pre-employment, post-accident, random, reasonable suspicion or follow-up alcohol or controlled substance testing.

In the event an applicant or driver does in fact refuse to submit to required alcohol or controlled substance testing, no test will be conducted. Refusal by a driver to submit to controlled substance or alcohol testing will be considered a positive test result, will cause disqualification from performing safety-sensitive functions, and may appear on the driver's permanent record. Drivers who refuse to submit to testing will be subject to discipline, up to and including termination. If an applicant refuses to submit to pre-employment controlled substance testing, any applicable conditional offer will be withdrawn.

For purposes of this section, a driver is considered to have refused to submit to an alcohol or controlled substance test when the driver:

- Fails to provide adequate breath for alcohol testing without a valid medical explanation after he or she has received notice of the requirement for breath testing.
- Fails to provide adequate urine for controlled substance testing without a genuine inability to provide a specimen (as determined by a medical evaluation), after he or she has received notice of the requirement for urine testing.
- Fails to report for testing within a reasonable period of time, as determined by the Employer.

- Fails to remain at a testing site until testing is complete.
- In the case of directly observed or monitored collection, fails to permit observation or monitoring.
- Fails or declines to take a second test as required by the Employer and/or collector.
- Fails to undergo a medical examination as directed by the Employer pursuant to federal law.
- Refuses to complete and sign the alcohol testing form, to provide a breath or saliva sample, to provide an adequate amount of breath, or otherwise cooperate in any way that prevents the completion of the testing process.
- Engages in conduct that clearly obstructs the test process.

Altering or attempting to alter a urine sample or breath test. A driver altering or attempting to alter a urine sample or controlled substance test, or substituting or attempting to substitute a urine sample, will be subject to providing a specimen under direct observation. Both specimens will be subject to laboratory testing. In such case, the employee may be subject to immediate termination of employment and any job offer made to an applicant will be immediately withdrawn.

Controlled Substance Use. No driver may report for duty or remain on duty requiring the performance of safety-sensitive functions when the driver uses any controlled substance, except when the use is pursuant to the instructions of a licensed medical practitioner who has advised the driver in writing the substance does not adversely affect the driver's ability to safely operate a commercial motor vehicle. Drivers must forward this information regarding therapeutic controlled substance use to the Employer immediately after receiving any such advice.

Having a medical marijuana card and/or a cannabis prescription from a physician does not allow anyone to use or possess that drug in the Employer's workplace. The federal government still classifies cannabis as an illegal drug. **There is no acceptable concentration of marijuana metabolites in the urine or blood of an employee who performs safety-sensitive duties for the Employer.** Employees are still subject to being tested under our policies, as well as for being disciplined, suspended or terminated after testing positive for cannabis while at work.

Controlled Substance Testing. No driver may report for duty, remain on-duty or perform a safety-sensitive function if the driver tests positive for controlled substance.

In addition to the conduct prohibited by applicable DOT and FMCSA regulations, the Employer also maintains other applicable policies regarding drug and alcohol that are applicable to all employees. For specifics regarding those requirements, refer to the Employer's policy for non-DOT related drug and alcohol policy.

## **COLLECTION AND TESTING PROCEDURES**

Drivers are required to report immediately upon notification to the collection site. For random tests conducted off site, employees may use an Employer vehicle to drive to the collection site.

Drivers will be expected to provide a photo ID card for identification to the collection staff. All drivers will be expected to cooperate with collection site personnel requests to remove any unnecessary outer garments such as coats, sweaters or jackets and will be required to empty their pockets. Collection personnel will complete a Federal Custody and Control Form (“CCF”) which drivers providing a sample will sign as well.

Alcohol Testing. Employees will be tested for alcohol just before, during, or immediately following performance of a safety-sensitive function. If a driver is also taking a DOT controlled substance test, generally speaking, the alcohol test is completed before the urine collection process begins. Screening tests for alcohol concentration will be performed utilizing a non-evidential screening device included by the National Highway Traffic Safety Administration on its conforming products list (e.g., a saliva screening device) or an evidential breath testing device (“EBT”) operated by a trained breath alcohol technician (“BAT”) at a collection site. An alcohol test usually takes approximately 15 minutes if the result is negative. If a driver’s first attempt is positive (with an alcohol concentration of .02 or greater), the driver will be asked to wait at least 15 minutes and then be tested again. The driver may not eat, drink or place anything in his/her mouth (e.g., cigarette, chewing gum) during this time. All confirmation tests will be conducted in a location that affords privacy to the driver being tested, unless unusual circumstances (e.g., when it is essential to conduct a test outdoors at the scene of an accident) make it impracticable to provide such privacy. Any results less than 0.02 alcohol concentration is considered a “negative” test result.

If the driver attempts and fails to provide an adequate amount of breath, he/she will be referred to a physician to determine if the driver’s inability to provide a specimen is genuine or constitutes a refusal to test. Alcohol test results are reported directly to the Employer by the collection site staff.

Controlled Substance Testing. The Employer will use a “split urine specimen” collection procedure for controlled substance testing. Collection of urine specimens for controlled substance testing will be conducted by an approved collector and will be conducted in a setting and manner to ensure the driver’s privacy.

Controlled substance testing generally takes about 15 minutes. At the collection site, the driver will be given a sealed container and must provide at least 45 ml of urine for testing. Once the sample is provided the collection personnel will check the temperature and color and look for signs of contamination. The urine is then split into two separate specimen containers (A, or “primary,” and B, or “split”) with identifying labels and security seals affixed to both. The collection facility will be responsible for maintaining a proper chain of custody for delivery of the sample to a DHHS-certified laboratory for analysis. The laboratory will retain a sufficient portion of any positive sample for testing and store that portion in a scientifically-acceptable manner for a minimum 365-day period.



If an employee fails to provide a sufficient amount of urine to permit a controlled substance test (45 milliliters of urine), the collector will discard the insufficient specimen, unless there is evidence of tampering with that specimen. The collector will urge the driver to drink up to 40 ounces of fluid, distributed reasonably over a period of up to three hours, or until the driver has provided a sufficient urine specimen, whichever occurs first. If the driver has not provided a sufficient specimen within three hours of the first unsuccessful attempt, the collector will cease efforts to attempt to obtain a specimen. The driver must then obtain, within five calendar days, an evaluation from a licensed physician, acceptable to the MRO, who has expertise in the medical issues raised by the employee's failure to provide a sufficient specimen. If the licensed physician concludes the driver has a medical condition, or with a high degree of probability could have, which precluded the driver from providing a sufficient amount of urine, the Employer will consider the test to have been canceled. If a licensed physician cannot make such a determination, the Employer will consider the driver to have engaged in a refusal to test, and will take appropriate disciplinary action under this policy.

The primary specimen is used for the first test. If the test is negative, it is reported to the MRO who then reports the result, following a review of the CCF Form for compliance, to the Employer. If the initial result is positive or non-negative, a "confirmatory retest" will be conducted on the primary specimen. If the confirmatory re-test is also positive, the result will be sent to the MRO. The MRO will contact the driver to verify the positive result. If the MRO is unable to reach the driver directly, the MRO must contact the Employer who will direct the driver to contact the MRO.

## **REVIEW OF TEST RESULTS**

The MRO is a licensed physician with knowledge and clinical experience in substance abuse disorders, and is responsible for receiving and reviewing laboratory results of the controlled substances test as well as evaluating medical explanations for certain drug test results. Prior to making a final decision to verify a positive test result, the MRO will give the driver or the job applicant an opportunity to discuss the test result, typically through a phone call. The MRO, or a staff person under the MRO's supervision, will contact the individual directly, on a confidential basis, to determine whether the individual wishes to discuss the test result. If the employee or job applicant wishes to discuss the test result:

- The individual may be required to speak and/or meet with the MRO, who will review the individual's medical history, including any medical records provided.
- The individual will be afforded the opportunity to discuss the test results and to offer any additional or clarifying information which may explain the positive test result. If the employee or job applicant believes a mistake was made at the collection site, at the laboratory, on a chain-of-custody form, or that the drug test results are caused by lawful substance use, the employee should tell the MRO.

- If there is some new information which may affect the original finding, the MRO may request the laboratory to perform additional testing on the original specimen in order to further clarify the results; and
- A final determination will be made by the MRO that the test is either positive or negative, and the individual will be so advised.

If the MRO upholds the positive, adulterated or substituted drug determination, that test result will be provided to the Employer. There is no opportunity to explain a positive alcohol test provided in the DOT regulations.

The driver can request the MRO to have the split specimen (the second “B” container) tested at the driver’s expense. This includes all costs that may be associated with the re-test. There is no split specimen testing for an invalid result. The driver has 72 hours after they have been notified of the positive result to make this request. If the employee requests an analysis of the split specimen, the MRO will direct the laboratory to send the split specimen to another certified laboratory for analysis.

If an employee has not contacted the MRO within 72 hours, the employee may present information documenting that serious injury, illness, lack of actual notice of the verified test result, inability to contact the MRO, or other circumstances unavoidably prevented the employee from making timely contact. If the MRO concludes there is legitimate explanation for the employee’s failure to contact within 72 hours, the MRO will direct the analysis of the split specimen.

If the results of the split specimen are negative, the Employer may pay for all costs associated with the test and there will be no adverse action taken against the employee or job applicant.

## **NOTIFICATION OF TEST RESULTS**

**Employees.** The Employer will notify a driver of the results of random, reasonable suspicion, and post-accident tests for controlled substance if the test results are verified positive, and will inform the driver which controlled substance or substances were verified as positive. Results of alcohol tests will be immediately available from the collection agent.

**Right to Confirmatory Retest.** Within seventy-two (72) hours after receiving notice of a positive controlled substance test result, an applicant or driver may request through the MRO a re-analysis (confirmatory retest) of the driver’s split specimen. Action required by federal regulation as a result of a positive controlled substance test (e.g., removal from safety-sensitive functions) will not be stayed during retesting of the split specimen. If the result of the confirmatory retest fails to reconfirm the presence of the controlled substance(s) or controlled substance metabolite(s) found in the primary specimen, or if the split specimen is unavailable, inadequate for testing or untestable, the MRO will cancel the test.

### Dilute Specimens

- *Dilute Negatives*  
*Creatinine concentration of specimen is equal to or greater than 2 mg/dL, but less than or equal to 5 mg/dL*  
If the Employer receives information that a driver has provided a dilute negative specimen, the Employer will direct a recollection, pursuant to the MRO's direction, under direct observation.

## **CONSEQUENCES FOR DRIVERS ENGAGING IN PROHIBITED CONDUCT**

Job Applicants. Any applicable conditional offer of employment will be withdrawn from a job applicant or employee seeking a transfer who refuses to be tested or tests positive for controlled substance pursuant to this policy.

Employees. Drivers who are known to have engaged in prohibited behavior with regard to alcohol misuse or use of controlled substance, as defined earlier in this policy, are subject to the following consequences:

- Removal from Safety-Sensitive Functions  
No driver may perform safety-sensitive functions, including driving a commercial motor vehicle, if the driver has engaged in conduct prohibited by federal law.  
  
No driver who is found to have an alcohol concentration of 0.02 or greater but less than 0.04 may perform or continue to perform safety-sensitive functions for the Employer, including driving a commercial motor vehicle, until the start of the driver's next regularly scheduled duty, but not less than twenty-four (24) hours following administration of the test.  
  
If a driver tests positive under this policy, or is found to have an alcohol concentration of .02 or greater but less than .04, the driver will be removed from safety sensitive duties and escorted home; the driver should not drive home, but be escorted to his or her home. The driver will then be placed on vacation, for hours missed from work.
- Notification of Resources Available  
The Employer will advise each driver who has engaged in conduct prohibited by federal law or who has a positive alcohol or controlled substance test of the resources available to the driver, in evaluating and resolving problems associated with the misuse of alcohol and use of a controlled substance, including the names, addresses, and telephone numbers of Substance Abuse Professionals and

counseling and treatment programs. The Employer will provide this SAP listing in writing at no cost to the driver.

- **Discipline**

The Employer reserves the right to impose whatever discipline the Employer deems appropriate in its sole discretion, up to and including termination for a first occurrence, against drivers who violate applicable FMCSA or DOT rules or this policy, subject to applicable personnel policies and collective bargaining agreements. Except as otherwise required by law, the Employer is not obligated to reinstate or requalify such drivers following a first positive confirmed controlled substance or alcohol test result.

- **Evaluation, and Return to Duty Testing**

Should the Employer wish to consider reinstatement of a driver who engaged in conduct prohibited by federal law and/or who had a positive alcohol or controlled substance test, the driver must undergo a SAP evaluation, participate in any prescribed education/treatment, and successfully complete return-to-duty alcohol test with a result indicating an alcohol concentration of less than 0.02 and/or or a controlled substance test with a verified negative result, before the driver returns to duty requiring the performance of a safety-sensitive function. The SAP will determine what assistance, if any, the driver needs in resolving problems associated with alcohol misuse and controlled substance use and will ensure the driver properly follows any rehabilitation program and submits to unannounced follow-up alcohol and controlled substance testing.

- **Follow-Up Testing**

If the driver passes the return-to-duty test, he/she will be subject to unannounced follow-up alcohol and/or controlled substance testing. The number and frequency for such follow-up testing will be as directed by the SAP and will consist of at least six tests in the first twelve months. These tests will be conducted under direct observation.

- **Refusal to test**

All drivers and applicants have the right to refuse to take a required alcohol and/or controlled substance test. If an employee refuses to undergo testing, the employee will be considered to have tested positive and may be subject to disciplinary action, up to and including termination. Refer to Refusing to Test provided earlier in this policy.

- **Responsibility for Cost of Evaluation and Rehabilitation**

Drivers will be responsible for paying the cost of evaluation and rehabilitation (including services provided by a Substance Abuse Professional) recommended or required by the Employer or FMCSA or DOT rules, except to the extent that such expense is covered by an applicable employee benefit plan or imposed on the Employer pursuant to a collective bargaining agreement.

## **LOSS OF CDL LICENSE FOR TRAFFIC VIOLATIONS IN COMMERCIAL AND PERSONAL VEHICLES**

Effective August 1, 2005, the FMCSA established strict rules impacting when CDL license holders can lose their CDL for certain traffic offenses in a commercial or personal vehicle. Employees are required to notify their supervisor immediately if the status of their CDL license changes in any way.

## **MAINTENANCE AND DISCLOSURE OF RECORDS**

Except as required or authorized by law, the Employer will not release driver's information that is contained in records required to be maintained by this policy or FMCSA and DOT regulations. In addition, a driver is entitled, upon written request, to obtain copies of any records pertaining to the driver's use of alcohol or a controlled substance, including any records pertaining to his or her alcohol or controlled substance tests.

## **POLICY CONTACT FOR ADDITIONAL INFORMATION**

If you have any questions about this policy or the Employer's controlled substance and alcohol testing procedures, you may contact your immediate supervisor, to obtain additional information.

## **DEFINITIONS**

**“Accident,”** means an occurrence involving a commercial motor vehicle operating on a public road which results in a fatality; bodily injury to any person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident; or one or more motor vehicles incurring disabling damage as a result of the accident, requiring the vehicle to be transported away from the scene by a tow truck or other vehicle. The term “accident” does not include an occurrence involving only boarding and alighting from a stationary motor vehicle; an occurrence involving only the loading or unloading of cargo; or an occurrence in the course of the operation of a passenger car or a multipurpose passenger vehicle unless the vehicle is transporting passengers for hire or hazardous materials of a type and quantity that require the motor vehicle to be marked or placarded in accordance with 49 C.F.R. § 177.823; 49 C.F.R. § 382.303(a); 49 C.F.R. § 382.303(f).

**“Alcohol Concentration (or Content),”** means the alcohol on a volume of breath expressed in terms of grams of alcohol per 210 liters of breath as indicated by an evidential breath test. 49 C.F.R. § 382.107.

**“Alcohol Use,”** means the consumption of any beverage, mixture, or preparation, including any medication, containing alcohol. 49 C.F.R. § 382.107.

**“Applicant,”** means a person applying to drive a commercial motor vehicle. 49 C.F.R. § 382.107.

**“Breath Alcohol Technician” or “BAT,”** means an individual who instructs and assists individuals in the alcohol testing process and operates an evidential breath testing device (EBT). 49 C.F.R. § 40.3.

**“Employer,”** means Employer of [Employer Name].

**“Employer Premises,”** means all job sites, facilities, offices, buildings, structures, equipment, vehicles and parking areas, whether owned, leased, used or under the control of the Employer.

**“Collection Site,”** means a place designated by the Employer where drivers present themselves for the purpose of providing a specimen of their urine or breath to be analyzed for the presence of alcohol or controlled substances. 49 C.F.R. § 40.3.

**“Commercial Motor Vehicle,”** means a motor vehicle or combination of motor vehicles used in commerce to transport passengers or property if the motor vehicle (1) has a gross combination weight rating or gross combination weight of 26,001 or more pounds, whichever is greater, inclusive of a towed unit(s) with a gross vehicle weight rating or gross vehicle weight of more than 10,000 pounds, whichever is greater; or (2) has a gross vehicle weight rating or gross vehicle weight of 26,001 or more pounds, whichever is greater; or (3) is designed to transport sixteen (16) or more passengers, including the driver; or (4) is of any size and is used in the transportation of



materials found to be in the transportation of materials found to be hazardous for the purposes of the Hazardous Materials Transportation Act (49 U.S.C. 5103(b)) and which require the motor vehicle to be placarded under the Hazardous Materials Regulation. (49 C.F.R. part 172, subpart F) § 382.107. Fire trucks and other emergency fire equipment are not considered to be commercial vehicles under this policy.

**“Confirmation (or Confirmatory) Test,”** for alcohol testing means a second test, following a positive non-evidential test, following a positive non-evidential (e.g., saliva) screening test or a breath alcohol screening test with the result of 0.02 or greater, that provides quantitative data of alcohol concentration. For controlled substance testing, “Confirmation (or Confirmatory) Test” means a second analytical procedure to identify the presence of a specific controlled substance or metabolite which is independent of the screen test and which uses a different technique and chemical principal from that of the screen test in order to ensure reliability and accuracy. 49 C.F.R. § 382.107.

**“Controlled Substance,”** means those substances identified in 49 C.F.R. § 40.21(a). Marijuana, amphetamines, opiates, (including heroin), phencyclidine (PCP), cocaine, and any of their metabolites are included within this definition. 49 C.F.R. § 382.107; 49 C.F.R. § 40.21(a).

**“Department of Transportation” or “DOT,”** means the United States Department of Transportation.

**“DHHS,”** means the Department of Health & Human Services or any designee of the Secretary, Department of Health & Human Services. 49 C.F.R. § 40.3.

**“Disabling Damage,”** means damage which precludes departure of a motor vehicle from the scene of the accident in its usual manner in daylight after simple repairs, including damage to motor vehicles that could have been driven, but would have been further damaged if so driven. Disabling damage does not include damage which can be remedied temporarily at the scene of the accident without special tools or parts, tire disablement without other damage even if no spare tire is available, headlight or tail light damage or damage to turn signals, horn or windshield wipers which make them inoperative. 49 C.F.R. § 382.107.

**“Driver,”** means any person who operates a commercial motor vehicle. This includes, but is not limited to full-time, regularly employed drivers; casual, intermittent or occasional drivers; leased drivers and independent owner-operator contractors who are either directly employed by or under lease to the Employer or who operate a commercial motor vehicle at the direction of or with the consent of the Employer. For purposes of pre-employment testing, the term driver includes a person applying to drive a commercial motor vehicle. 49 C.F.R. § 382.107.

**“Drug,”** has the same meaning as “controlled substance.”

**“Employee seeking a transfer,”** refers to an employee who is not subject to DOT regulations seeking a transfer to a position that will subject them to DOT regulations in the sought after position.

**“Evidential Breath Testing Device” or “EBT,”** means a device approved by the National Highway Traffic Safety Administration (“NHTSA”) for the evidential testing of breath and placed on NHTSA’s “Conforming Products List of Evidential Breath Measurement Devices.” 49 C.F.R. § 40.3.

**“Federal Motor Carrier Safety Administration” or “FMCSA,”** means the Federal Motor Carrier Safety Administration of the United States Department of Transportation.

**“Medical Review Officer” or “MRO,”** means a licensed physician (medical doctor or doctor of osteopathy) responsible for receiving laboratory results generated by a controlled substance testing program who has knowledge of substance abuse disorders and has appropriate medical training to interpret and evaluate an individual’s confirmed positive test result together with his or her medical history and any other relevant biomedical information. 49 C.F.R. § 40.3

**“Performing (a Safety-Sensitive Function),”** means any period in which a driver is actually performing, ready to perform, or immediately available to perform any safety-sensitive functions. 49 C.F.R. § 382.107.

**“Positive Test Result,”** means a finding of the presence of alcohol or controlled substance, or their metabolites, in the sample tested in levels at or above the threshold detection levels established by applicable law.

**“Reasonable Suspicion,”** means a belief a driver has engaged in conduct prohibited by the FMCSA controlled substance and alcohol testing regulations, except when related solely to the possession of alcohol, based on specific contemporaneous, articulable observations made by a supervisor or Employer official who has received appropriate training concerning the appearance, behavior, speech or body odors of the driver. The determination of reasonable suspicion will be made in writing on a Reasonable Suspicion Observation Form during, just preceding, or just after the period of the work day that the driver is required to be in compliance with this policy. In the case of a controlled substance, the observations may include indications of the chronic and withdrawal effects of a controlled substance.

**“Safety-Sensitive Function,”** means all time from the time a driver begins to work or is required to be in readiness to work until the time he or she is relieved from work and all responsibility for performing work. Safety-sensitive functions include:

- All time at an Employer plant, terminal, facility, or other property, or on any public property,

- waiting to be dispatched, unless the driver has been relieved from duty by the employer;
- All time inspecting equipment as required by 49 C.F.R. § 392.7 and 392.8 or otherwise inspecting, servicing, or conditioning any commercial motor vehicle at any time;
- All time spent at the driving controls of a commercial motor vehicle in operation;
- All time, other than driving time, in or upon any commercial motor vehicle except time spent resting in a sleeper berth (a berth conforming to the requirements of 49 C.F.R. § 393.76);
- All time loading or unloading a vehicle, supervising, or assisting in the loading or unloading, attending a vehicle being loaded or unloaded, remaining in readiness to operate the vehicle, or in giving or receiving receipts for shipments loaded or unloaded; and
- All time repairing, obtaining assistance, or remaining in attendance upon a disabled vehicle. 49 C.F.R. § 382.107.

**“Screening Test (also known as Initial Test),”** in alcohol testing, means an analytical procedure to determine whether a driver may have a prohibited concentration of alcohol in his or her system. Screening tests may be conducted by utilizing a non-evidential screening device included by the National Highway Traffic Administration on its conforming products list (e.g., a saliva screening device) or an evidential breath testing device (“EBT”) operated by a trained breath alcohol technician (“BAT”). In controlled substance testing, “Screening Test” means an immunoassay screen to eliminate “negative” urine specimens from further consideration. 49 C.F.R. § 382.107.

**“Substance Abuse Professional” or “SAP,”** means a licensed physician (medical doctor or doctor of osteopathy), licensed or certified psychologist, licensed or certified social worker, licensed or certified employee assistance professional, or licensed or certified addiction counselor (certified by the National Association of Alcoholism and Controlled Substance Abuse Counselors Certification Commission) with knowledge of and clinical experience in the diagnosis and treatment of alcohol and controlled substance-related disorders. 49 C.F.R. § 382.107.

**COUNCIL LETTER 050216-VIF**

**UAB**

**ONLINE PAYMENTS**

**DATE:** April 28, 2016

**FROM:** Utility Advisory Board

Mike Downs  
Director of Public Works

Craig J. Wainio  
City Administrator

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The Utility Advisory Board is recommending that the City Council approve the agreement with Payment Services Network to offer our customers the option to pay City bills online. PSN is a partner of Civic Systems which supplies all of our accounting and billing software.



## Pricing Proposal for City of Mountain Iron

Payment Service Network, Inc.  
2901 International Lane  
Madison Wisconsin 53704

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

VOICE 866.917.7368

FAX 608.442.5116

Ruth Ponder

DIRECT 608-442-5058

rponder@PaymentServiceNetwork.com

*Simplifying Your Business Day*





Thank you for allowing me to submit this proposal. Payment Service Network (PSN) provides a vast range of eServices for payment processing, billing and customer communication. After discussing your needs, I have developed the following proposal of services. Please let me know if there is any additional information you require. The staff at PSN looks forward to providing you with personalized service.

This proposal quotes costs for the services that are marked below. If you would like quotes on any additional services, please let me know.

**PAYMENT METHODS**

Included	Not Included	
√		Credit and Debit Card Payments
√		Checking and Savings Payments
	√	Cash and Money Orders

**PAYMENT CHANNELS**

Included	Not Included	
√		Online and Standard Mobile App
√		Automated Phone (IVR) and PSN Call Center
√		Counter Credit Card Swipes
√		Virtual Terminal for Your Staff
√		Cash Payment Locations Arranged by PSN
√		Residents' Banks' Bill Payment System
	√	Paper Check Scanning (Check 21)

**ADDITIONAL SERVICES**

Included	Not Included	
√		Web Customization
√		Data Sharing (System Integration)
√		eBills
	√	Customized Mobile App
	√	Customized Automated Phone (IVR)
	√	Outbound Auto-Call Messaging
	√	Lockbox Processing

## Implementation and Service Fees

Following are non-transactional fees which are either one-time, monthly or annual costs. If you need additional information on these costs, please let me know.

<b>Service Implementation Fee</b> <b>Includes, as applicable:</b> Implementation Team • Training • Online Portal Setup • Standard Mobile App Setup • IVR Setup • PSN Call Center Training Specific to Your Account • Merchant Application Processing • eBill Design • Marketing Support	One-time fee	\$149
<b>Data Sharing/Integration</b> <b>Includes, as applicable:</b> Integration Specialist • Creating Specifications • Developing Interface • Coordination with Your Software Supplier • Testing • Training	One-time fee	Waived
<b>Website Customization Fee</b> <b>Includes:</b> Development of Web Portal with Your Header and Links	One-time fee	\$200 <i>Optional Upgrade</i>
<b>Support, Maintenance Fee</b> <b>Includes, as applicable:</b> Online Portal, Standard Mobile App, IVR System Upgrades and Maintenance • Call Center Support for Your Customers • Email Notifications to Payers and Staff • Service Account Manager for Your Staff • Interface/Integration Support (Storage and Maintenance of Customer Data) • Reports • Online Account Management Center • System and Account Monitoring (24/7) • And More	Monthly fee NOTE: If PSN eBills are used, this fee is waived.	\$14.95
<b>eBill Fee</b> <b>Includes:</b> Creation of PDF eBills • Posting Online • Archiving for 24 Months • Email Notifications (Includes "Ready to View," "Coming Due" and "Past Due," as Applicable)	Monthly fee NOTE: If PSN eBills are used, the Support, Maintenance fee is waived	\$49.95
<b>Credit Card Terminal Maintenance Fee</b>	Monthly fee \$2.50 for each additional terminal	\$4.95 With Purchase of Credit Card Swipe Terminal
<b>PCI Security Compliance Fee</b> <b>Includes:</b> Required PCI Certification • Compliance with Credit Card Security Requirements • Auditing	Annual fee (one fee regardless of number of accounts)	\$89

### Equipment Cost- *Optional Upgrade*

<b>Credit Card Swipe Terminal-VeriFone VX520 with EMV Chip Reader*</b> <b>Includes:</b> Terminal • Setup • Shipping	One-time cost per terminal	\$219
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\*VeriFone vx520 can accommodate up to ten different payment types (utility, Licenses, Permits, Fees, Fines, etc.)

## Transaction Fees

To cover costs of processing payments through the network of financial institutions, the following fees will apply to each transaction. The fees are based on the type of payment (check, credit card) and/or how the payment is made.

### OPTION 1: Residents Pay All Fees

<i>Payment Channel</i>	<i>Check/Savings</i>	<i>Credit/Debit Card</i>
Online • Mobile • Virtual • Swipe • Automated Phone (IVR) • PSN Call Center	\$1.00	2.75% (+50¢ if under \$100)*

\*Credit cards include your choice of VISA, MasterCard, Discover and American Express

### OPTION 2: City Pays Check Fees & Residents Pay Credit Card Fees

#### Fees Paid by Your Residents

<i>Payment Channel</i>	<i>Check/Savings</i>	<i>Credit/Debit Card</i>
Online • Mobile • Virtual • Swipe • Automated Phone (IVR) • PSN Call Center	None	2.75% (+50¢ if under \$100)*

\*Credit cards include your choice of VISA, MasterCard, Discover and American Express

#### Fees Paid by You

<i>Payment Channel</i>	<i>Check/Savings</i>	<i>Credit/Debit Card</i>
Online • Mobile • Virtual	50¢	None
Automated Phone (IVR)	75¢	None
PSN Call Center	\$1.50	None

### OPTION 3: All Fees Paid by City

<i>Payment Channel</i>	<i>Check/Savings</i>	<i>Credit/Debit Card</i>
Online • Mobile • Virtual • Swipe	50¢	50¢ + credit card fees
Automated Phone (IVR)	75¢	75¢ + credit card fees
PSN Call Center	\$1.50	\$1.50 + credit card fees

Credit card fees for VISA, MasterCard, Discover:

Interchange Rate + Network Card Assessment Fee + Discount Rate + Authorization Fee

- *Interchange Rate:* You will pay the special government rate charged by the credit card company. PSN does not mark up the interchange rate to assure you get charged the lowest possible fee for the card being used by your resident. Potential range: 1.6% to 3%. Example: \$100 payment x 1.6% = \$1.60. Most debit cards are regulated and will have an interchange rate of 0.05% + 22¢. If you have a \$100 debit card payment the interchange would be 27¢. PSN will also arrange special utility interchange rates for your utility department should they use this service. Utility department fees are a flat rate between 45¢ - \$1.50; most settle between 65¢ - 75¢.
- *Network Card Assessment Fee:* You will pay the amount charged by the credit card networks; PSN does not mark up this fee. The fee is a percentage based on the total monthly payment amount and is charged monthly. Example: \$1,000 in total monthly payments x 0.14% network fee = \$1.40.
- *Discount rate* (a term used by merchant providers) is an added cost. It is a percent of the transaction. You will pay a discount fee of 0.4%. Example: \$100 payment x 0.4% discount fee = 40¢.
- *Authorization fee* is a flat fee of 10¢ per transaction.

Credit card fees for American Express (if you choose to accept): 2.60% plus \$0.50 if under \$100

### Optional Services

You can also convert time-consuming traditional payments to ePayments through PSN. These payments can automatically post to your software, if integrated. These fees are paid by the City.

<i>Conversion Methods</i>	<i>Fee</i>
Bank Bill Payment Paper Checks to ePayments	50¢
Cash to ePayment locaton <b>WAL-MART STORES, INC #04849</b> 8580 ROCK RIDGE DR MOUNTAIN IRON, MN 55768	50¢

*NOTE: A \$15 fee is charged to you for any disputed credit/debit card.  
Your residents will be charged a \$35 NSF fee.*



**Contact: Rachel Quednau**  
*Strong Towns*  
quednau@strongtowns.org  
503-445-6900

**FOR IMMEDIATE RELEASE**

### **Strong Towns to Host Community Conversations on Economics in the Iron Range**

Strong Towns, a national nonprofit working to strengthen financial resilience in America's towns and neighborhoods, will lead a weeklong series of community conversations in the Iron Range beginning May 16, sponsored by the IRRRB and the Blandin Foundation. (NOTE: This is a change from earlier information, which stated the events would begin May 9.)

During this week, Strong Towns staff, including President, Charles Marohn (a lifelong resident of northern Minnesota), will travel the length of the Iron Range to discuss why our communities are going broke and how to fix that. The answers lie in the way we have developed; the financial productivity of our places. The standard approach to economic growth—which often involves injecting outside funds in the hopes of catalyzing development—is not working and has left the Iron Range with financial challenges and unemployment.

Strong Towns will highlight creative ways to build better places and create more job opportunities, all while utilizing the assets that already exist in the community. This is a model that has proven to be successful in other towns throughout the country.

The schedule of public events is as follows:

**Monday, May 16<sup>th</sup>, 6pm, Grand Rapids**  
Timberlake Lodge (144 Southeast 17th Street, Grand Rapids)

**Tuesday, May 17<sup>th</sup>, 4pm, Hibbing**  
Barr Engineering (3128 14th Ave E, Hibbing)

**Wednesday, May 18<sup>th</sup>, 6pm, Aurora**  
Mesabi East School – Large Commons (601 N 1st St W, Aurora)

**Thursday, May 19<sup>th</sup>, 6pm, Virginia**  
Mesabi Range College - Virginia Campus (1001 Chestnut Street, Virginia)

**All members of the community are invited to attend these events and participate in discussions about the alternative economy and the Strong Towns approach.** Find out more at [www.StrongTowns.org/iron-range](http://www.StrongTowns.org/iron-range) .

In addition, we are working on smaller luncheon panel discussions:

- Grand Rapids: The Role of Tourists and Resettlers in Revitalizing the Local Economy
- Chisholm: Economic Gardening and the Importance of Nurturing Local Businesses
- East Range: Collaboration is Crucial
- Quad Cities: Attracting and Retaining Talent in the Iron Range

That leaves mornings and afternoons for meetings. We already have some lined up (meeting with City Administrator in Grand Rapids, a brownfield webcast presentation in Hibbing, a downtown walking tour in Virginia, tour of downtown Chisholm, tour of downtown Gilbert)

In addition to this on-the-ground conversation in the Iron Range, Strong Towns will also share a collection of stories from small business owners and community leaders in the Iron Range region on its media site, StrongTowns.org. This will include recorded interviews, written profiles and more, gaining a national audience for the Iron Range story.

Please contact me if you are interested in setting up interviews with Chuck Marohn.

**About Strong Towns:**

Founded in Brainerd, MN, Strong Towns is a national media organization whose mission is to advocate for a model of development that allows America's cities, towns and neighborhoods to grow financially strong and resilient. Strong Towns reaches an audience of more than 70,000 readers and listeners per month, and has over 1,000 members. Learn more at <http://www.strongtowns.org>

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# THANK YOU!



Thank you for your support in making the 2016 Mesabi Family YMCA Dinner & Auction Fundraiser a success!

With your generous support we were able to raise **\$15,244!**

Funds raised from this event will help keep YMCA programs and services affordable to all in our community.

Save the date for next year's event! **March 16, 2017**

*Cherise*  
*Angela Boyd*

*Becky Zubick*

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Virginia, MN 55792  
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*Summer Hodley*

*Lynda*

*Jessica*

*Jane Blomberg*