

**MOUNTAIN IRON CITY COUNCIL MEETING  
COMMUNITY CENTER  
MOUNTAIN IRON ROOM  
MONDAY, MAY 20, 2013 - 6:30 P.M.  
A G E N D A**

- I. Roll Call
- II. Consent Agenda
  - A. Minutes of the May 6, 2013, Regular Meeting (#1-26)
  - B. Receipts
  - C. Bills and Payroll
  - D. Communications (#59-68)
- III. Public Forum
  - A. Public Hearing – Tax Increment District Number 14 Modifications (#29-31)
- IV. Committee and Staff Reports
  - A. Mayor’s Report
    - 1. Labor Management Meeting (#32)
    - 2. Set Committee-of-the-Whole Meeting (#33)
    - 3. Memorial Walk Donation (#34)
  - B. City Administrator’s Report
    - 1. Fire Truck Bids (#35-37)
    - 2. Authorization to Purchase Fencing (#38-39)
  - C. Public Works Director’s Report
    - 1. Summer Temporary Employees (#40)
  - D. Sheriff’s Department Report
  - E. City Attorney’s Report
  - F. City Engineer’s Report
  - G. Economic Development Authority
    - 1. Memorandum of Understanding (#41-44)
  - H. Liaison Reports
- V. Unfinished Business
- VI. New Business
  - A. Resolution Number 18-13 Modifying TIF District Number 14 (#45-55)
  - B. Community Business Partnership Annual Report (#56-57)
  - C. Special Events Permit (#58)
- VII. Communications (#59-68)
- VIII. Announcements
- IX. Adjourn

MINUTES  
MOUNTAIN IRON CITY COUNCIL  
MAY 6, 2013

Mayor Skalko called the City Council meeting to order at 6:30 p.m. with the following members present: Joe Prebeg, Jr., Susan Tuomela, Tony Zupancich, Alan Stanaway, and Mayor Gary Skalko. Also present were: Craig J. Wainio, City Administrator; Jill M. Clark, Municipal Services Secretary; Mike Downs, Interim Director of Public Works; Rod Flannigan, City Engineer; and Sally Peterangelo, Librarian.

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

1. Approve the minutes of the April 15, 2013, regular meeting as submitted.
2. Approve the minutes of the April 23, 2013, board of appeal meeting as submitted.
3. 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.
4. To acknowledge the receipts for the period April 16-30, 2013 totaling \$159,199.21, (a list is attached and made a part of these minutes).
5. To authorize the payments of the bills and payroll for the period April 16-30, 2013, totaling \$210,722.54, (a list is attached and made a part of these minutes).

The motion carried unanimously on a roll call vote.

At 6:31 p.m., it was moved by Zupancich and seconded by Prebeg to recess the regular meeting and reconvene the Board of Appeal meeting. The motion carried unanimously.

The Mayor asked for public input and there was none. He also asked if any communications were received regarding the meeting, and there were none.

At 6:32 p.m., it was moved by Zupancich and seconded by Prebeg that the Board of Appeal meeting be adjourned. The motion carried unanimously.

During the public forum, John Meglen, 8657 Highway 101, Mountain Iron, also the owner of J-M Auto Service in Eveleth, spoke and requested that the Council consider adopting a resolution opposing the westerly route of the proposed relocation of Highway 53.

It was moved by Prebeg and seconded by Zupancich to adopt Resolution Number 17-13, opposing the westerly relocation of Highway 53, (a copy is attached and made a part of these minutes). The motion carried on the following roll call vote: Zupancich, yes; Stanaway, yes; Tuomela, no; Prebeg, yes; and Skalko, no.

It was moved by Skalko and seconded by Stanaway to support the current Highway 53 relocation to be relocated westerly to Highway 37 to Highway 7 to Highway 169. The motion failed unanimously.

The following items were discussed during the Mayor’s report:

- NHL Playoffs. He congratulated the 2005 Mountain Iron-Buhl Graduate, Matt Niskanen, for being a member of the Pittsburgh Penguins and wished him luck in the playoffs.
- Recognitions. Councilor Tuomela recognized the volunteers that assisted with the Care Partners Fundraiser on April 30, 2013.
- Children’s Memorial Park. Councilor Tuomela informed the Council and the Public that the final order date for the Memorial Park tiles was May 15, 2013. She said to contact Cheryl Weappa or herself if anyone was interested in purchasing them.

It was moved by Tuomela and seconded by Prebeg to accept the retirement of the Mountain Iron Fire Chief, Joe Buria, with an effective date of June 30, 2013. The motion carried unanimously.

The Council thanked Mr. Joe Buria for his years of services on the Mountain Iron Fire Department.

It was moved by Zupancich and seconded by Stanaway to post for the position of the Fire Chief internally. The motion carried.

It was moved by Prebeg and seconded by Tuomela to accept the recommendation of the Utility Advisory Board and approve the large trash pickup scheduled, as submitted, for June 3 through June 14, 2013. The motion carried.

It was moved by Zupancich and seconded by Tuomela to authorize the purchase of the following transformers:

**RESCO ELECTRIC UTILITY SUPPLY**

Pad Mount Transformers

Five (5) 225 KVA	\$ 6,900 each	= \$34,500
Two (2) 300 KVA	\$10,016 each	= \$20,032
Two (2) 75 KVA	\$ 2,160 each	= \$ 4,320
One (1) 150 KVA	\$ 7,114 each	= \$ 7,114
One (1) 45 KVA	\$ 5,304 each	= \$ 5,304
One (1) 300 KVA	\$ 7,121 each	= \$ 7,121 (480/277)
One (1) 300 KVA	\$ 7,484 each	= \$ 7,484 (120/240)

**TOTAL \$85,875**

**BORDER STATES ELECTRIC**

Pad Mount Transformers

Two (2) 500 KVA	\$12,200 each	= \$24,400
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Pole Mount Transformers

Four (4) 10 KVA	\$ 585 each	= \$ 2,340
Four (4) 15 KVA	\$ 679 each	= \$ 2,680

**TOTAL \$29,420**

**TOTAL PURCHASES \$115,295**

The motion carried unanimously on a roll call vote.

It was moved by Stanaway and seconded by Tuomela to accept the recommendation of the Library Board and adopt the updated Library Board Policy, (a copy is attached and made a part of these minutes). The motion carried unanimously.

The Librarian reported on the following:

- Library Report. Submitted the April 2013 report to the Council.
- Health Sessions. Anne Flaim, Family Practitioner at Fairview Clinic, would be volunteering and presenting a series of health sessions at the Library.
- Meet the Author. Sarah Stonich, a Minnesota Author would be appearing at the Library on Thursday, May 16, 2013.

It was moved by Prebeg and seconded by Tuomela to accept the recommendation of the Parks and Recreation Board and dedicate the Wolf Park as the Jeremy Carpenter Park. The motion carried.

It was moved by Prebeg and seconded by Tuomela to accept the recommendation of the Parks and Recreation Board and authorize the agreement with Mr. Bill Haapala for the West Two Rivers Caretaker position, (a copy is attached and made a part of these minutes). The motion carried unanimously on a roll call vote.

It was moved by Zupancich and seconded by Stanaway to accept the recommendation of the Public Health and Safety Board and appoint Craig J. Wainio as Interim Emergency Management Director. The motion carried unanimously.

It was moved by Prebeg and seconded by Tuomela to accept the recommendation of the Street and Alley Committee and authorize Benchmark Engineering to develop plans and specifications for the construction of a sidewalk/path from the Unity Drive/Mud Lake Road intersection to the existing sidewalk located on Enterprise Drive South in front of the movie theater. The motion carried.

During the liaison reports, Councilor Tuomela, representing the Utility Advisory Board, said that they had acted on the large trash pickup and the transformers, and are currently looking at the South Grove for lighting.

It was moved by Zupancich and seconded by Tuomela to adopt Resolution Number 15-13, Setting Fees, (a copy is attached and made a part of these minutes). The motion carried.

It was moved by Zupancich and seconded by Stanaway to adopt Resolution Number 16-13, approving plans and specifications and ordering the advertisement for bids, (a copy is attached and made a part of these minutes). The motion carried unanimously.

It was moved by Prebeg and seconded by Tuomela to authorize Jeff & Greg Properties, Inc., dba: B. G.'s Saloon, to serve on-sale liquor at the Mountain Iron Community Center on May 18, 2013, for a wedding reception. The motion carried.

At 7:42 p.m., it was moved by Zupancich and seconded by Tuomela to recess the regular meeting and meet in a closed session, in approximately ten minutes, to discuss management negotiations pursuant to 2012 Minnesota Statutes 13D.03, and then possibly go back into an open session to possibly take action. The motion carried.

The Mayor called the closed session to order at 7:45 p.m., with the following members present: Joe Prebeg, Jr., Susan Tuomela, Tony Zupancich, Alan Stanaway, and Mayor Gary Skalko.

The Council discussed the management contracts for Craig J. Wainio, City Administrator, and Michael Downs, Interim Director of Public Works.

At 8:17 p.m., it was moved by Zupancich and seconded by Stanaway that the closed session be adjourned and the regular meeting be reconvene. The motion carried unanimously.

It was moved by Zupancich and seconded by Tuomela to have the Personnel Committee offer the employment agreement and salary to Michael Downs as discussed in the closed session. The motion carried unanimously.

It was moved by Zupancich and seconded by Tuomela to have the Personnel Committee offer the employment agreement and salary to Craig J. Wainio as discussed in the closed session. The motion carried unanimously.

At 8:19 p.m., it was moved by Skalko and seconded by Tuomela that the meeting be adjourned. The motion carried unanimously.

Submitted by:



Jill M. Clark, MMC  
Municipal Services Secretary

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

## COMMUNICATIONS

1. Marlene, representing John K. Memorial Law Enforcement Scholarship Foundation, a thank you for the contribution.
2. City of Virginia, forwarding Resolution Number 13070, in strong opposition to the Minnesota Department of Transportation's proposed westerly route to realign US Highway 53.

## Summary By Category And Distribution

Category	Distribution	Amount
METER DEPOSITS	ELECTRIC	800.00
METER DEPOSITS	WATER	40.00
UTILITY	UTILITY	150,147.91
PERMITS	VARIANCE	50.00
MISCELLANEOUS	BASEBALL/SOFTBALL FEES	930.00
CAMPGROUND RECEIPTS	FEES	1,010.00
BUILDING RENTALS	NICHOLS HALL	50.00
CHARGE FOR SERVICES	ELECTRIC-CHG FOR SERVICES	51.06
MISCELLANEOUS	ASSESSMENT SEARCHES	20.00
PERMITS	BUILDING	1,341.00
MISCELLANEOUS	MISC. - GENERAL	720.00
BUILDING RENTALS	BUILDING RENTAL DEPOSITS	600.00
MISCELLANEOUS	SALE-COPIES, MAPS, LABOR-ADMIN	34.50
CD INTEREST	CD INTEREST 101	301.42
CD INTEREST	CD INTEREST 602	3.86
CD INTEREST	CD INTEREST 603	30.92
CD INTEREST	CD INTEREST 604	50.24
CHARGE FOR SERVICES	WATER-CHARGE FOR SERVICES	70.00
LICENSES	ANIMAL	15.00
MISCELLANEOUS	BLUE CROSS/BLUE SHIELD PAYABLE	186.75
BUILDING RENTALS	COMMUNITY CENTER	50.00
MISCELLANEOUS	REIMBURSEMENTS	369.38
BUILDING RENTALS	SENIOR CENTER	50.00
MISCELLANEOUS	MISC. INCOME-ELECTRIC ACCT	2,236.17
MISCELLANEOUS	FAX CHARGES	3.00
COPIES	COPIES	38.00
Summary Totals:		<u>159,199.21</u>

Check Issue Date(s): 04/23/2013 - 05/08/2013

## Report Criteria:

Check Check No = 143749-143822

Per	Date	Check No	Vendor No	Payee	Check GL Acct	Amount
05/13	05/01/2013	143749	130011	UNITED STATES POSTAL SERVICE	604-20200	486.86
05/13	05/07/2013	143750	10064	A B E ENVIRONMENTAL SYSTEMS	101-20200	4,662.00
05/13	05/07/2013	143751	10006	ANDERSON AUTO CENTER	101-20200	344.16
05/13	05/07/2013	143752	10019	ARMORY SHELL	101-20200	106.88
05/13	05/07/2013	143753	5007	ASSURANT EMPLOYEE BENEFITS	601-20200	685.49
05/13	05/07/2013	143754	20043	BOBCAT OF DULUTH, INC.	101-20200	195.87
05/13	05/07/2013	143755	404	CARE PARTNERS	101-20200	200.00
05/13	05/07/2013	143756	30017	CARQUEST (MOUNTAIN IRON)	604-20200	111.34
05/13	05/07/2013	143757	170001	CENTURY LINK	101-20200	113.14
05/13	05/07/2013	143758	30004	CITY OF MOUNTAIN IRON	604-20200	15.69
05/13	05/07/2013	143759	30020	CLAREY'S SAFETY EQUIPMENT INC	101-20200	5,196.39
05/13	05/07/2013	143760	30072	COMPUTER WORLD	101-20200	2,823.32
05/13	05/07/2013	143761	30032	COURT ADMIN.-CONCILIATION	604-20200	10.00
05/13	05/07/2013	143762	40053	DISPLAY SALES	101-20200	1,589.77
05/13	05/07/2013	143763	50039	EMERGENCY MEDICAL PRODUCTS INC	101-20200	608.89
05/13	05/07/2013	143764	500012	ERA LABORATORIES INC	602-20200	338.80
05/13	05/07/2013	143765	50047	ESS BROTHERS & SONS INC	101-20200	1,055.93
05/13	05/07/2013	143766	60026	FASTENAL COMPANY	101-20200	40.06
05/13	05/07/2013	143767	60006	FISHER PRINTING COMPANY	101-20200	287.49
05/13	05/07/2013	143768	60003	FIVE SEASONS SPORTS CENTER	604-20200	34.19
05/13	05/07/2013	143769	60042	FLUID-TECH	101-20200	1,758.86
05/13	05/07/2013	143770	5103	FRANCINE WILLIAMS	101-20200	25.00
05/13	05/07/2013	143771	70035	G & K SERVICES	101-20200	62.19
05/13	05/07/2013	143772	70028	GREATER MINNESOTA AGENCY INC	101-20200	204.00
05/13	05/07/2013	143773	70029	GUARDIAN PEST CONTROL INC	101-20200	81.81
05/13	05/07/2013	143774	80032	HARTIKKA, TERRY	101-20200	800.00
05/13	05/07/2013	143775	80051	HASBARGEN, BRUCE A.	301-20200	11,207.25
05/13	05/07/2013	143776	80022	HAWKINS INC	601-20200	1,441.73
05/13	05/07/2013	143777	80001	HILLYARD/HUTCHINSON	101-20200	152.70
05/13	05/07/2013	143778	80037	HOMETOWN MEDIA PARTNERS	101-20200	63.00
05/13	05/07/2013	143779	4042	JAN KNUTI	101-20200	100.00
05/13	05/07/2013	143780	5051	JANA PIERSIG	101-20200	200.00
05/13	05/07/2013	143781	5047	KATHY WITZMAN	101-20200	100.00
05/13	05/07/2013	143782	110006	KEN WASCHKE AUTO PLAZA	604-20200	40.23
05/13	05/07/2013	143783	120032	LAKE COUNTRY POWER	101-20200	215.89
05/13	05/07/2013	143784	120052	LEHMAN FABRICATING INC	101-20200	35.00
05/13	05/07/2013	143785	3039	MARGARET SOYRING	101-20200	100.00
05/13	05/07/2013	143786	5052	MERRILU DELCARO	101-20200	200.00
05/13	05/07/2013	143787	130026	MESABI SIGN COMPANY	101-20200	132.53
05/13	05/07/2013	143788	130077	MIB QUARTERBACK CLUB	101-20200	44.69
05/13	05/07/2013	143789	140026	MINNESOTA ENERGY RESOURCES	101-20200	6,252.57
05/13	05/07/2013	143790	130009	MINNESOTA POWER (ALLETE INC)	101-20200	1,342.63
05/13	05/07/2013	143791	180072	MINNESOTA STATE COLLEGES & UNV	101-20200	80.00
05/13	05/07/2013	143792	4052	MINNESOTA VIRTUAL ACADEMY	101-20200	200.00
05/13	05/07/2013	143793	120007	MOTION INDUSTRIES INC	101-20200	227.41
05/13	05/07/2013	143794	140014	NELSON WILLIAMS LININGS INC	603-20200	3,099.38
05/13	05/07/2013	143795	140052	NORTHEAST SERVICE COOPERATIVE	101-20200	50,561.84
05/13	05/07/2013	143796	140055	NORTHERN VISUAL SERVICES LLP	101-20200	30.00
05/13	05/07/2013	143797	140056	NORTHLAND TRUST SERVICES INC	601-20200	9,850.00
05/13	05/07/2013	143798	40032	OFFICE OF ENTERPRISE TECHNOLOG	101-20200	420.72
05/13	05/07/2013	143799	160060	PIT & QUARRY SUPPLIES INC	101-20200	993.94
05/13	05/07/2013	143800	170007	QUILL CORPORATION	101-20200	94.34
05/13	05/07/2013	143801	180008	RADKO IRON & SUPPLY INC	101-20200	958.94
05/13	05/07/2013	143802	180017	RELIABLE OFFICE SUPPLIES	101-20200	584.05

Check Issue Date(s): 04/23/2013 - 05/08/2013

Per	Date	Check No	Vendor No	Payee	Check GL Acct	Amount
05/13	05/07/2013	143803	190003	SARANEN AUTO	101-20200	42.84
05/13	05/07/2013	143804	190045	SERVICE SOLUTIONS	101-20200	24.58
05/13	05/07/2013	143805	190101	SIM SUPPLY INC	101-20200	255.87
05/13	05/07/2013	143806	190004	SKUBIC BROS INC	603-20200	576.91
05/13	05/07/2013	143807	190039	ST LOUIS COUNTY RECORDERS OFFC	101-20200	292.00
05/13	05/07/2013	143808	190098	ST PAUL STAMP WORKS INC	101-20200	98.37
05/13	05/07/2013	143809	190099	SUBSURFACE INCORPORATED	101-20200	122.91
05/13	05/07/2013	143810	5056	SUE CERKVENIK	101-20200	100.00
05/13	05/07/2013	143811	5054	TAMI SKADSEM	101-20200	170.00
05/13	05/07/2013	143812	210001	UNITED ELECTRIC COMPANY	604-20200	597.21
05/13	05/07/2013	143813	5050	UNIV.OF MN-SCHOOL OF PUB HEALT	101-20200	200.00
05/13	05/07/2013	143814	210009	USA BLUE BOOK	601-20200	111.59
05/13	05/07/2013	143815	220025	VERIZON WIRELESS	101-20200	17.20
05/13	05/07/2013	143816	220014	VIKING INDUSTRIAL NORTH	101-20200	72.08
05/13	05/07/2013	143817	220013	VOL. FIREFIGHTERS' BENEFIT	101-20200	98.00
05/13	05/07/2013	143818	230030	WATER CANNON INC	101-20200	344.46
05/13	05/07/2013	143819	230005	WESCO DISTRIBUTION INC	101-20200	2,602.63
05/13	05/07/2013	143820	230028	WISCONSIN ENERGY CONSERVATION	604-20200	333.75
05/13	05/07/2013	143821	260005	ZEP MANUFACTURING COMPANY	101-20200	281.34
05/13	05/07/2013	143822	260001	ZIEGLER INC	101-20200	477.00

Totals:

117,385.71

Payroll-PP Ending 4/26/13

93,336.83

TOTAL EXPENDITURES

\$210,722.54



Mountain Iron Public Library

2013 Policy Manual

The mission of the Mountain Iron Public Library is to provide quality materials and services which fulfill educational, informational, cultural, and recreational needs of the entire community in an atmosphere that is welcoming, respectful, and businesslike.

The library will serve all residents of the community and the public library system area. Service will not be denied or abridged because of religious, social, economic, or political status; or because of mental, emotional, or physical condition; age; or sexual orientation.

The use of the library may be denied for due cause. Such cause may be failure to return library materials, destruction of library property or materials, disturbance of other patrons, or other illegal, disruptive, or objectionable conduct on library premises.

May 6, 2013  
Approved by the City Council

## Mountain Iron Public Library Board

- Library Board consists of five members appointed by the Mayor, approved by City Council
- Library Board meetings are held on a monthly basis in the Library meeting room
- Board members serve a three year term. Board members may be on the board for three/"3" year consecutive terms
- Library Officers consists of: President and Secretary
- Library Boards acts as a Committee of the Whole
- Annual meetings are held each January. Election of Officers take place during this annual meeting
- Librarian shall be in attendance at all Library Board meetings
- There must be three board members to reach a quorum. Meetings may be held with less than three but no actions may be taken

## Mountain Iron Library Circulation Policy

- Patrons should present a driver's license or some other current form of identification to obtain a library card. Applicants under 16 must have a parent or guardian give their consent.
- If a patron loses his/her card, they should notify the library as soon as possible and request a replacement.
- Loan periods: All items (books, magazines, CDs and books on tape) are checked out for 4 weeks and may be renewed for an additional 4 weeks. DVD movies go out for 3 days.
- Current issues of periodicals may circulate
- Generally, reference materials do not circulate
- Reserves may be placed by patrons either in person or over the phone. There is no charge to the person for placing a reserve for interlibrary loan services
- We charge 25 cents per page for copy services and \$1.00 per fax page
- If materials are damaged so as to be judged by the library as being unsuitable for the collection, the patron must pay for the replacement cost
- The Mountain Iron Public Library adheres strictly to all sections of the Minnesota Statutes regarding the protection of the confidentiality of its users

## Unattended Children Policy

Children are always welcome at the Mountain Iron Public Library, and we are concerned about their safety and welfare. However, parents and caregivers are responsible for monitoring the activities and regulating the behavior of their children when their children are in the library.

If an unattended child is being disruptive, is habitually left unattended for long periods of time, or is deemed to be at risk of coming to harm, an effort will be made to locate the responsible parent, guardian, or caregiver.

A child less than ten years old should never be left alone at the library.

Children from 10-12 should not be left for longer than two hours.

We respect the privacy of all library patrons and will intervene only when, in the opinion of library staff, the safety of a child is being threatened.

## Mountain Iron Public Library Disaster Policy

**Fire:** Do not panic, but do not under-estimate the potential danger to customers or staff represented by a fire. At the first indication of smoke or flame, investigate the situation to determine location and extent of the fire. If the fire can obviously be contained and extinguished quickly and safely by staff, proceed to do so. If the fire cannot be controlled immediately call 911 and clear the building. The time to think about a fire is before it happens. Familiarize yourself with the type, location, and application of the fires extinguishers in the building. Orient all staff and volunteers to this information.

**Health emergencies:** Staff members should exercise caution when administering first aid of even a minor nature because of the safety of the injured individual and the potential liability of the staff member. Without specialized training it is not advisable for staff to undertake more than keeping the sick or injured patron comfortable and protected from needless disturbance until medical help can be obtained. Since each case is unique, staff members should use their own judgment to do what is prudent and reasonable. The Rescue Squad/Police (911 if available) should be called immediately in the event of any serious problem. No medication, including aspirin, should ever be dispensed to the public.

**Bomb threats:** Quietly and calmly clear the building after receiving a bomb threat call. Immediately after the caller hangs up, call the police. The police will handle the actual bomb search.

**Snow storms:** The Library will follow the recommendation and actions of the city between 8:00 a.m. and 4:00 p.m. Closing during other days and hours will be at the discretion of the Library Director.

## **Volunteers and Friends of the Library:**

The Library Board encourages individuals and groups to volunteer their time and efforts in the service of the Mountain Iron Public Library. In appreciation of volunteer services, the Library acknowledges the need to organize volunteer activities and provide for appropriate recognition befitting the benefit to the library and the communities it serves.

A library Friends group is a formal association of people who unite and execute, in conjunction with library goals and the needs of the Library Director, programs and events to benefit the library. In particular, a Friends groups is often heavily involved in fund-raising for the library and often oversees periodic booksales. Friends groups always serve at the pleasure of the library board.

**Mountain Iron Public Library Services:**

- Select, organize, and make available necessary books and materials
- Provide guidance and assistance to patrons
- Sponsor and implement programs, exhibits, displays, book lists, etc
- Cooperate with other community agencies and organizations
- Secure information beyond its own resources when requested
- Lend to other libraries upon request
- Develop and provide services to patrons with special needs
- Maintain a balance in its services to various age groups
- Provide service during hours which best meet the needs of the community, including evening and weekend hours
- Regularly review library services being offered
- Use media and other public mechanisms to promote the full range of available library service

## Mountain Iron Library Internet Use Policy

The Mountain Iron Public Library is providing access to the Internet as a means to enhance the information and learning opportunities for the citizens of the library's service area. The Library Board has established the Internet use policy to ensure appropriate and effective use of this resource.

Access to the Internet is available to all patrons; however; this service may be restricted at any time for use not consistent with the guidelines. Parents of minor children must assume responsibility for their children's use of the library's Internet service; prior to being granted access to the Internet, anyone under 18 years of age, along with a parent or guardian must sign the Internet Use Agreement.

Users should be aware that the inappropriate use of electronic information resources can be a violation of local, state, and federal laws and can lead to prosecution. The user will be held responsible for his/her actions using the Internet. Users are expected to abide by the policies below which include generally accepted rules of network etiquette. Unacceptable uses of the service will result in suspension or revocation of Internet use privileges.

The Internet is a decentralized, unmoderated global network; the Mountain Iron Public Library has no control over the content found there. The library will not censor access to material nor protect users from offensive information, and it is not responsible for the availability and accuracy of information found on the Internet.

The library cannot assure that data or files downloaded by users are virus-free. The library is not responsible for damages to equipment or data on a user's personal computer from the use of data download from the library's Internet service.

The use of the Internet and e-mail is not guaranteed to be private. Messages relating to or in support of illegal activities will be reported to the proper authorities.

- Users may use the Internet for research and the acquisition of information to address their educational, vocational, cultural, and recreational needs
- Users will respect and uphold copyright laws and all other applicable laws and regulations; they will not use it for illegal purposes
- Users will respect the rights and privacy of others by not accessing private files
- Users agree not to incur any costs for the library through their use of the Internet
- Users shall not create and/or distribute computer viruses on the Internet
- Users shall not deliberately or willfully cause damage to computer equipment, programs or parameters
- Users will respect time limits if other patrons are waiting for a computer.



## Mountain Iron Public Library Internet Use Agreement

I understand and will abide by the Mountain Iron Public Library's Internet Use Policy. I further understand that any violation of the regulations is unethical and may constitute a criminal offense. Should I commit any violation, my access privileges will be revoked and appropriate legal action may be taken.

User's Name: \_\_\_\_\_

User's Signature: \_\_\_\_\_

Date: \_\_\_\_\_

As the parent or guardian of this individual, I accept full responsibility for my child's use of the Mountain Iron Public Library's Internet service and agree to oversee my child's use of this service. I have read the attached Internet Use Policy, and I understand that the library's access to the Internet is intended and designed for educational and informational purposes. I will not hold the library responsible for materials or information acquired by my child through the use of the library's Internet service. I hereby give permission for my child to use the library's network for Internet access and certify that the information contained on this form is correct.

Parent's/Guardian Name: \_\_\_\_\_

Parent's/Guardian's Signature: \_\_\_\_\_

Date: \_\_\_\_\_



# CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

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## CITY OF MOUNTAIN IRON WEST TWO RIVERS CARETAKER AGREEMENT

WHEREAS, the City of Mountain Iron, St. Louis County, Minnesota, is the owner of the West Two Rivers Campground facility; and

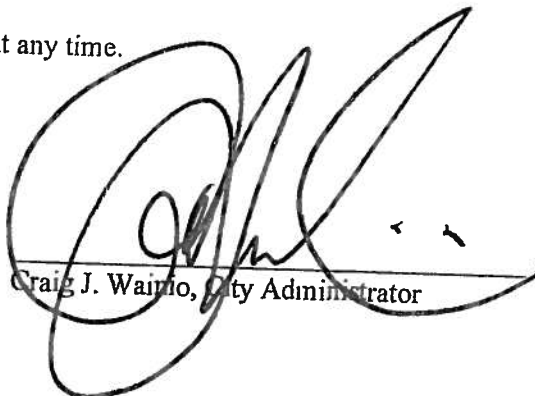
WHEREAS, William P. Haapala wishes to contract with the City of Mountain Iron to operate the said campground;

NOW, THEREFORE, be it agreed, by and between the parties hereto as follows:

1. William P. Haapala agrees to manage said West Two Rivers Campground for the period of Wednesday, May 8<sup>th</sup>, 2013 through Tuesday, September 24<sup>th</sup>, 2013.
2. The City of Mountain Iron agrees to pay William P. Haapala the sum of \$625.00 per week for operation of said facility for said 20-week period. Said compensation shall be paid bi-weekly. **The manager agrees to staff the campground and/or office daily between the hours of 11:00 a.m. to 7:00 p.m., seven days per week** and respond to requests for information or service from campground users at other times of the day. If necessary, the manager must inform the City Administrator or designee of any changes in the schedule. If the manager is to be absent at any time, he must post this information on the Caretaker's Board outside of the building stating his departure and arrival.
3. William P. Haapala agrees to act as manager of the campground facility and to collect the fees for the campground and to transmit the same to the City of Mountain Iron on an as-needed basis, during office hours. The manager is to reside at the campground and must provide his own furnishings for the provided manager's quarters. The City of Mountain Iron will provide electrical service to this site.
4. William P. Haapala consents and agrees that the contractual duties of supervising the West Two Rivers Campground facility include, but are not limited to, those indicated on Exhibit "A" attached hereto and made a part of hereof.
5. William P. Haapala consents and agrees that services and duties of supervising the West Two Rivers Campground facility indicated on Exhibit "A" attached and other duties are required to be performed by him individually. William P. Haapala is prohibited from subcontracting and/or hiring out any of his responsibilities to any other individual or organization, without the express written consent of the City of Mountain Iron.
6. The City of Mountain Iron can terminate this contract at any time.

DATED this \_\_\_\_ day of 5-9-13, 2013

William P. Haapala 5-9-13  
William P. Haapala - Signature & Date

  
Craig J. Wainio, City Administrator

**2013**  
**EXHIBIT "A"**  
**WEST TWO RIVERS CAMPGROUD MAINTENANCE GUIDE**

**DAILY:**

1. Clean bathrooms and fixtures, sweep and mop the control building.
2. Clean up camping areas and all other grounds.
3. Wipe off picnic tabletops at campsites and pavilions.
4. Pick-up litter on bench area, boat landings and fishing dock.
5. Collect fees as needed and turn in fees and receipts daily at the Mountain Iron City Hall.
6. Managers' residence and grounds must be kept clean and in order at all times.
7. Check bathrooms and shower stalls.
8. Perform daily inspections of all campsites each evening to ensure that payments have been made on all occupied sites and make appropriate arrangements for collection of unpaid fees.
9. Take reservations for campsites, and maintain camping and building rental records as required by the Owner.
10. Enforce campground rules and regulations, contact law enforcement when necessary.
11. Provide all campers with a copy of the campground rules and explain rules as necessary.
12. Maintain public information material as provided by the City at the campground office, answer questions and inquiries concerning the information and available services in and around Mountain Iron.
13. Inspect campground for safety-maintenance conditions and necessary repairs, and inform City personnel promptly if any repairs or other corrections are needed.
14. Clean, sweep and mop office, kitchen, dining room, pavilion, water fountain and concession buildings as needed, cleaning supplies to be furnished by Owner.

**WEEKLY:**

1. Cut the grass and do trimming of the campground.
2. Clean area around woodshed – rake all sticks, etc.
3. Wash windows and screens on all buildings as needed.
4. Pick up litter along County Road 761 (Campground Road) twice a week.
5. Clean/wash shower curtains.
6. Scrub out shower stalls. This includes walls and floors of shower stalls and bathrooms.

**AS NEEDED:**

1. Clear branches from campground area.
2. Clean and inventory storage area in control building.
3. Empty garbage cans.
4. Clean cabin after being used.
5. Perform duties as assigned by the Public Works Director as to the operation of the campground.
6. Notify portable toilet contractor of problems or additional servicing when required.



# CITY OF MOUNTAIN IRON

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## RESOLUTION NUMBER 15-13

### ESTABLISHING A FEE SCHEDULE

**WHEREAS**, the City of Mountain Iron City Code provides that permit/license fees be established from time to time by Resolution adopted by the City Council; and

**WHEREAS**, the Council has expressed a desire to review the fee schedule on a regular basis; and

**WHEREAS**, staff has completed a formal review of all fees charged by the City, and would recommend the attached fee schedule.

**NOW THEREFORE, BE IT RESOLVED** by the City Council of the City of Mountain Iron that the attached fee schedule be adopted:

(See Attachment)

**BE IT FURTHER RESOLVED**, that these fees shall become effective June 1, 2013.

**DULY ADOPTED BY THE CITY COUNCIL THIS 6<sup>th</sup> DAY OF MAY, 2013.**

ATTEST.

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

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

CITY OF MOUNTAIN IRON FEE SCHEDULE

FEE NAME	FEES	COMMENTS
Off-Sale Non-Intoxicating Liquor License	\$ 5.00	
On-Sale Non-Intoxicating Liquor License	\$ 25.00	
Off-Sale Liquor License	\$ 75.00	
Club On-Sale Liquor License	\$ 00.00	
Sunday Liquor License	\$ 200.00	
On-Sale Liquor License	\$ 600.00	
Tobacco License	\$ 100.00	
Peddler Permit	\$ 25.00	
1 to 5 Day Vendor Permit	\$ 50.00	
6 days to 1 Year Vendor Permit	\$ 200.00	
Street Cut Permit	\$ 25.00	
Massage Parlor License	\$ 25.00	
Special Events Permit	\$ 25.00	
Sign Permit	\$ 30.00	
Extensive Excavation/Fill or Borrow Pit Permit	\$ 50.00	plus consulting
Certificate Of Occupancy	\$ 50.00	plus consulting
Conditional Use Permit	\$ 150.00	
Variance Application	\$ 150.00	
Joint CUP/Variance Application	\$ 200.00	
Rezoning Application	\$ 150.00	
Planned Unit Development Application	\$ 150.00	plus consulting
Floodplain Permit	\$ 25.00	
Platting Application	\$ 150.00	plus consulting
Street Vacation Application	\$ 150.00	
Dog License	\$ 5.00	spayed/nuetered
Dog License	\$ 10.00	
Copies	\$ 0.25	per side
Fax	\$ 1.00	per sheet
911 Maps	\$ 5.00	
Certified Copies	\$ 5.00	
Meeting DVD's	\$ 10.00	
Assessment Search	\$ 10.00	
Returned Checks	\$ 20.00	
Camping Fees	\$ 20.00	per night
Camping Fees	\$ 120.00	per week
Camping Fees	\$ 400.00	per month
Water Tap Fees	\$ 125.00	or actual/greater
Water Meter Test	\$ 50.00	
Water Turn On	\$ 35.00	during work hours
Water Turn On	\$ 150.00	after hours

Water Meter Test	\$	30.00
Sewer Tap In	\$	50.00
Sewer Disconnect Inspection	\$	35.00
Electric Turn On	\$	35.00 work hours
Electric Turn On	\$	150.00 after hours
Electric Meter Estimate	\$	25.00
Electric Meter Testing	\$	50.00
Electric Hook-up		Actual Cost Plus materials
Small Trencher w/ operator	\$	75.00 per hour
Trencher w/ operator	\$	100.00 per hour
Bucket Truck w/ operator	\$	100.00 per hour
Auger Truck w/ operator	\$	100.00 per hour
Dump Truck w/operator	\$	100.00 per hour
Backhoe w/ operator	\$	100.00 per hour
Grader w/ operator	\$	125.00 per hour
Sweeper w/operator	\$	100.00 per hour
Loader w/ operator	\$	100.00 per hour
Bobcat w/ operator	\$	75.00 per hour
Roller w/ operator	\$	75.00 per hour
Tractor/mower w/ operator	\$	100.00 per hour
Air Compressor	\$	75.00 per hour

Meter Deposits:

Electric	\$	150.00
Electric (Electric Heat)	\$	350.00
Electric Park Villa	\$	150.00
Water	\$	40.00



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**Residential Permit Fees effective April 1, 2013, as approved by the City Council on April 1, 2013:**

## Permit

- \$100 Single Family Dwelling
- \$ 50 Addition to Single Family Dwelling
- \$ 35 Garage
- \$ 25 Garage Addition, Deck, Accessory Building
- \$ 10 Reroofing, Residing, Window Replacement, Fence, All Others

## Inspections

The number of required inspections will be determined at the time of permit issuance by the Residential Building Official. A fee of \$35 for each inspection will be added to the permit fee.

Estimated number of inspections:

Single Family Dwelling	12
Addition to Single Family Dwelling	6-12
Garages & Garage Additions	2-4
Deck	2
Accessory Building	1-2
Reroofing	1-2
Residing, Window Replacement	1

## Plan review

In addition to the permit and inspection fees, the following plan review fees will be added:

Single Family Dwelling	\$50
Additions to Single Family Dwelling	\$35
Garage, Garage Addition, Deck	\$25

## State Surcharge

A surcharge of .0005 times the valuation is added to the above fees, with a minimum of \$5.00.

(This fee is mandated by the State of Minnesota and forwarded to them.)

**Electric Utility:**

New Electrical Service Installation Fee (a new 200 amp service must have a by-pass meter base)	The actual cost of installation, for Labor and materials, <i>less</i> \$200.00 For single phase services and actual Cost <i>less</i> \$500.00 for three phase installations.
Unity Addition Electric Connection Fee	\$300.00
Unity II Addition Electric Connection Fee	actual cost of materials & labor + pro-rated cost of transformer
South Forest Grove Electric Connection Fee	actual cost of materials & labor + pro-rated cost of transformer
Electric Connection Fee	\$ 35.00 during normal hours \$140.00 after normal hours
Electric Disconnection Fee	\$ 35.00 during normal hours \$140.00 after normal hours
Electric Meter Testing (If the customer requests a meter test, there is no charge if the meter tested high. Charges apply if the meter is found to be correct or registering slow.)	actual cost of test performed

Electrical Affidavit forms are available online or at City Hall for no fee.



**Refuse/Recycling Utility:**

Large trash pickup \$ 10.00 per household during large trash pickup

Extra garbage pickups are charged according to the rate established for the size can dumped.

90 gallon can is \$15.00

60 gallon can is \$10.00

30 gallon can is \$5.00

300 gallon can is \$20.00.

Residential customers requesting a 300 gallon can to assist them in cleaning out a home are charged according to the number of pickups made for the can. There will be a one month maximum on availability of the can.

Delivery and return charge \$50.00

Charge per container dump \$15.00

It is the responsibility of the customer to call for delivery of and emptying of the canister.

Residential customers who wish to change the size of their refuse canister will be allowed one exchange without any additional charge. Customers requesting exchanges, in excess of one time, will be charged an exchange fee of \$25.00 per exchange.

Refuse customers wishing to temporarily suspend their service must pay a \$25.00 pickup fee to have their can removed and a \$25.00 return fee to have their can returned, or normal pickup charges will continue to be charged. The can must be removed in order for pickup charges to be suspended.

There is no charge to deliver a can to new customers or to pick up a can from customers in the process of selling their property.



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## RESOLUTION NUMBER 16-13

### APPROVING PLANS AND SPECIFICATIONS AND ORDERING ADVERTISEMENT FOR BIDS

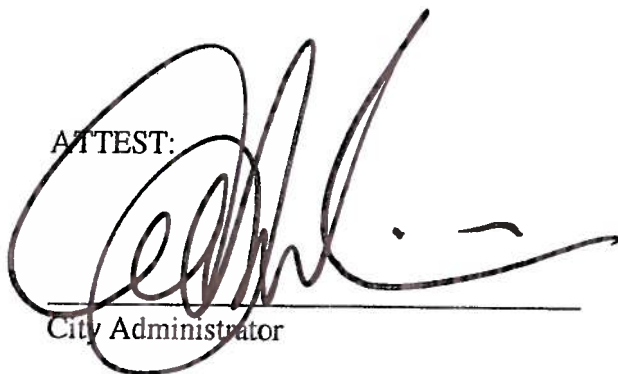
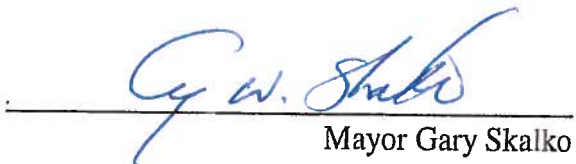
WHEREAS, pursuant to a motion passed by the City Council, the City Engineer has prepared plans and specifications for Improvement Number 12-04, the proposed improvement of new County Road 102 between the centerline of Nichols Avenue and the centerline of Mineral Avenue by installing utilities and has presented such plans and specifications to the council for approval;

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

1. Such plans and specifications, a copy of which is attached hereto and made a part hereof, are hereby approved.
2. The City Administrator shall prepare and cause to be inserted in the official paper an advertisement for bids upon the making of such improvement under such approved plans and specifications. The advertisement shall be published for 21 days, shall specify the work to be done, shall state that bids will be received by the clerk until 10:00 a.m. on June 12, 2013, at which time they will be publicly opened in the Mountain Iron Room of the Community Center by the City Administrator and engineer, will then be tabulated, and will be considered by the City Council at 6:30 p.m. on June 17, 2013, in the Mountain Iron Room of the Community Center. Any bidder whose responsibility is questioned during consideration of the bid will be given an opportunity to address the council on the issue of responsibility. No bids will be considered unless sealed and filed with the clerk and accompanied by a cash deposit, cashier's check, bid bond or certified check payable to the City Administrator for ten percent of the amount of such bid.

**DULY ADOPTED BY THE CITY COUNCIL THIS 6<sup>th</sup> DAY OF MAY, 2013.**

ATTEST:

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



# CITY OF MOUNTAIN IRON

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## **RESOLUTION NUMBER 17-13 OPPOSING THE MINNESOTA DEPARTMENT OF TRANSPORTATION'S PROPOSED WESTERLY ROUTE FOR THE RELOCATION OF HIGHWAY 53**

**WHEREAS**, the City Council of the City of Mountain Iron is in opposition of the Minnesota Department of Transportation's proposed westerly route, which follows Highway 37, County Road 7, and Highway 169, prior to reentering Highway 53; and

**WHEREAS**, the Mountain Iron City Council requests the Minnesota Department of Transportation to remove the westerly route as an option for the relocation of Highway 53, as the route would not be in the best interest of the communities located in the eastern Iron Range area; and

**WHEREAS**, the Mountain Iron City Council believes the westerly route would be devastating for businesses, public health and safety; and

**WHEREAS**, the Mountain Iron City Council hereby requests the Minnesota Department of Transportation to concentrate on proposed routes M-1 and E-2 and resolve this issue as soon as possible,

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Mountain Iron hereby goes on record in opposition of the proposed westerly route to relocate Highway 53.

Moved by Councilor **Prebeg** supported by Councilor **Zupancich** that the above resolution be adopted.

Ayes: - **Councilors Zupancich, Stanaway, and Prebeg - 3**

Nays: - **Councilor Tuomela and Mayor Skalko - 2**

**DULY ADOPTED BY THE CITY COUNCIL THIS 6<sup>TH</sup> DAY OF MAY, 2013.**

ATTEST:

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

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



**MEMORANDUM**

**To:** Craig Wainio, City Administrator  
**From:** Tammy Omdal  
**Date:** May 9, 2013  
**Re:** Public Hearing for Modification of Tax increment Financing District No. 14

---

On May 20, 2013, the City of Mountain Iron (the "City") is scheduled to conduct a public hearing for the proposed modification of Tax Increment Financing (Economic Development) District No. 14 ("the District"). This memo provides background information for the public hearing and related Council action. A current draft of the proposed resolution for City Council consideration to authorize the modification of the Tax Increment Financing (TIF) Plan for the District is attached to this memorandum.

**Notifications**

The use of TIF is governed by Minnesota Statutes, Sections 469.174 through 469.1799 (the "TIF Act"). All notifications required by the TIF Act have been accomplished:

1. The County and the School District received copies of the draft modifications to the TIF Plan for the District, including information on its fiscal and economic implications, pursuant to Minnesota Statutes, Section 469.175, Subd. 2, on April 19, 2013.
2. The notice of the public hearing was published on May 3, 2013.

**Actions**

The City Council will conduct the public hearing. After closing the public hearing, the Council may consider and take action on the proposed modification of the District. My recommendation is that the Council act to approve the resolution modifying the District. The modification is necessary to modify the TIF Plan for the District to include corrections made under Minnesota Statutes 469.177, Subdivision 13, by St. Louis County for the District and to reduce the geographic area of the TIF District.

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**Modifications to TIF Plan Summary**

The following table summarizes the key elements of the proposed modifications to the TIF Plan for the District.

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<b>Item</b>	<b>Plan Section</b>	<b>Comments on Purpose of Modification</b>
Estimated Net Tax Capacity	Article III, Section 3.10	The original TIF Plan estimated a net tax capacity of \$1,071. The County certified an original net tax capacity of \$0. The property at the time the TIF District was certified was owned by the City and was not subject to property taxes. The modified TIF Plan is based on the certified original net tax capacity.
Duration of the TIF District No. 14	Article III, Section 3.13	St. Louis County found that there were TIF payment errors involving the District. In order to correct these errors, agreement was reached between the St. Louis County Auditor and the City. The County will extend the duration of the TIF district for an additional three years. This will be done to correct the lack of TIF funds that were generated for taxes payable 2010, 2011, and 2012. The new decertification date will now be 12/31/2021.
Fiscal Disparities	Article III, Section 3.14	The original TIF Plan anticipated that fiscal disparities would be paid from outside of the TIF District. The City does not have the authority to elect this option for an economic development TIF district. The modified TIF Plan will include language that supports the fact that fiscal disparities will be paid from properties within the TIF District.
Description of TIF District No. 14	Exhibit A	When the original TIF Plan was adopted, the TIF District consisted of one parcel that was at the time owned by the City. The parcel was subsequently subdivided into multiple parcels. The proposed modification will reduce the geographic boundary of the TIF District and the parcels to remain within the modified TIF District will be 14 parcels. A revised map of the boundaries of the modified TIF District will be included with Exhibit A.
Estimated Project Costs	Exhibit B	The original TIF Plan included estimated tax increment to be distributed by the County that is greater than the current estimate based on the reduced parcels within the TIF District and the payment of fiscal disparities from parcels within the TIF District. The proposed modified TIF Plan includes updated projected source and use of Funds. The modified TIF Plan also recognizes the fact the City acted to issue a bond

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<b>Item</b>	<b>Plan Section</b>	<b>Comments on Purpose of Modification</b>
		in the form of a TIF Note.
Impact on Other Taxing Jurisdictions	Exhibit C	The impact on other taxing jurisdictions is updated in the modified TIF Plan based on the revised estimated captured tax capacity for the modified TIF District.
Tax Increment Details as Required by MN Statute 469.175(2)	Exhibit D	The estimated tax increments to be collected over the maximum life of the TIF District need to be updated based on the modified TIF Plan and the reduction in estimated captured tax capacity.
Captured Tax Capacity and Estimated Tax Increment	Exhibit E	The estimated cash flow from tax increment needed to be update based on the modified TIF Plan, inclusive of the reduction in parcels, certified original net tax capacity, and fiscal disparities contribution.
Original Tax Capacity of All Parcels in the TIF District	Exhibit F	This schedule is not required in the TIF Plan and is proposed to be deleted in its entirety.
Present Value Analysis as Required by MN Statute, Section 469.175(3)(2)	Exhibit G	The estimated future market value with tax increment financing is updated in this exhibit based on amended estimates in the modified TIF Plan.
Estimated Semi-Annual Cash Flow	Exhibit H	This schedule is not required in the TIF Plan and is proposed to be deleted in its entirety.

**COUNCIL LETTER 052013-IVA1**

**MAYOR GARY SKALKO**

**LABOR/MANAGEMENT MEETING**

**DATE:** May 16, 2013

**FROM:** Mayor Gary Skalko

Craig J. Wainio  
City Administrator

---

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

Set the second meeting of the year on Thursday, June 13<sup>th</sup>, 2013 at 2:00 p.m.

**COUNCIL LETTER 052013-IVA2**

**MAYOR GARY SKALKO**

**C.O.W. MEETING WITH  
BIOSOLID AUTHORITY**

**DATE:** May 16, 2013

**FROM:** Mayor Gary Skalko

Craig J. Wainio  
City Administrator

---

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

Meeting will be held on Monday, June 3, at 5:30 p.m. at City Hall.



**COUNCIL LETTER 052013-IVA3**

**MAYOR GARY SKALKO**

**DONATION FOR DUSTIN DAMM  
MEMORIAL WALK**

**DATE:** May 16, 2013  
**FROM:** Mayor Gary Skalko  
Craig J. Wainio  
City Administrator

---

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

The “walk” was held on Thursday, May 16<sup>th</sup>. It was held to raise monies for mental illness. I suggest a donation of \$200 taken from the charitable gambling fund.

**COUNCIL LETTER 052013-IVB1**

**ADMINISTRATOR**

**FIRE TRUCK BIDS**

**DATE:** May 16, 2013  
**FROM:** Craig J. Wainio  
City Administrator

---

The City received two bids for the sale of the 1988 Fire Engine which are enclosed for your review.

great lakes pre-owned fire apparatus

www.greatlakesfireapparatus.com



May 2, 2013

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

Dear Administrator Wainio:

Attached please find my bid for the 1988 Chevrolet pumper:

**\$5789.99**

If I am the high bidder, I can be contacted at 269-760-5269.

Thank you.

Sincerely,

George W. Sheets  
Founder & CEO

## Craig J. Wainio

---

**From:** Dan Nechanicky [Dan.Nechanicky@cushwakenm.com]  
**Sent:** Monday, May 13, 2013 1:08 PM  
**To:** Craig J. Wainio  
**Subject:** RE: 1988 Chevy Kodiak

Thanks Craig,

I am a private collector so I don't have the budget of a city fire department. I could bid \$3,100. I would love to have the truck and would take great care of it. If there are no higher bids, I could overnight a check.

Thanks,

Dan.

---

**From:** Craig J. Wainio [mailto:[cwainio@ci.mountain-iron.mn.us](mailto:cwainio@ci.mountain-iron.mn.us)]  
**Sent:** Monday, May 13, 2013 12:41 PM  
**To:** Dan Nechanicky  
**Subject:** Re: 1988 Chevy Kodiak

24800

Email is fine

Sent from my iPhone

On May 13, 2013, at 10:45 AM, "Dan Nechanicky" <[Dan.Nechanicky@cushwakenm.com](mailto:Dan.Nechanicky@cushwakenm.com)> wrote:

Thanks. Still waiting for mileage. If I can get that today, I will try to overnight a bid. I assume you need a letter and not just an email. Thanks. Dan.

*Sent from my Verizon Wireless 4G LTE DROID*

"Craig J. Wainio" <[cwainio@ci.mountain-iron.mn.us](mailto:cwainio@ci.mountain-iron.mn.us)> wrote:

No damage

---

**From:** Dan Nechanicky [mailto:[Dan.Nechanicky@cushwakenm.com](mailto:Dan.Nechanicky@cushwakenm.com)]  
**Sent:** Friday, May 10, 2013 3:46 PM  
**To:** Craig J. Wainio; Buria, Joseph M.  
**Subject:** RE: 1988 Chevy Kodiak

Any word on mileage?

I see bids are due Tuesday.

Also, do you know if the body has any damage. The photos only show two sides.

Thanks for your help.

**COUNCIL LETTER 052013-IVB2**

**ADMINISTRATOR**

**AUTHORIZE PURCHASE**

**DATE:** May 16, 2013  
**FROM:** Craig J. Wainio  
City Administrator

---

Staff is seeking authorization to purchase decorative fencing for locomotive park and for the downtown park. This fencing will be used to enclose the shovels located at each. The Parks and Recreation Board has approved the style of fencing and recommend the purchase. The fencing was quoted through the State bidding process and is a budgeted item. The quote is enclosed for your review.



### ESTIMATION WORKSHEET

8511 Xylon Avenue North • Brooklyn Park, MN 55445-1820  
Office (763) 425-5050 Fax (763) 425-9006

www.tcfence.com



#### CUSTOMER INFORMATION

Name: City of Mountain Iron

Address: \_\_\_\_\_

City: Mountain Iron, MN.

Attention: Craig Wainio

Ornamental fence (two enclosures)

Salesperson: JEFF BECKER

Date of Contact: 05-07-13

Date of Quote: 05-07-13

Date to Install: \_\_\_\_\_

Terms: \_\_\_\_\_

**PRICES QUOTED ARE GUARANTEED FOR 15 DAYS**

#### Furnish and Install

#1 (48lf x 18lf enclosure)

132 lf of 5' tall Jerith Industrial #202 Black 3 - rail Ornamental Aluminum Fence.  
1 ea. 6' wide x 5' tall single swing walk gate to match fence.

#2 (30lf x 18 lf enclosure)

96 lf of 5' tall Jerith Industrial #202 Black 3 - rail Ornamental Aluminum Fence.  
1 ea. 6' wide x 5' tall single swing walk gate to match fence.

**Total = \$12,850.00**

Materials only **\$11,215.00** (F.O.B. Brooklyn Park, MN.)

Freight charges would need to be added to ship direct to Mountain Iron from the manufacturer

Any questions concerning our bid, please give me a call.  
Thanks for the opportunity to provide you costs on this fence project.  
Sincerely yours.

**COUNCIL LETTER 052013-IVC1**

**PUBLIC WORKS**

**SUMMER EMPLOYMENT**

**DATE:** May 16, 2013

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

Craig J. Wainio  
City Administrator

---

Staff is seeking City Council approval to hire summer temporary employees, a list will be available at the City Council meeting.

**COUNCIL LETTER 052013-IVG1**

**EDA**

**MEMO OF UNDERSTANDING**

**DATE:** May 16, 2013

**FROM:** EDA

Craig J. Wainio  
City Administrator

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The Economic Development Authority is recommending the adoption of the memorandum of understanding for the Rock Ridge Development. This memorandum states that when statute allows and the developer request, the City will establish a tax increment financing districts for potential developments in Rock Ridge.



**MEMORANDUM OF UNDERSTANDING BETWEEN MT. IRON ECONOMIC  
DEVELOPMENT AUTHORITY, THE CITY OF MOUNTAIN IRON  
AND  
NORTHWARD PROPERTIES, LLC**

**TIF PROJECTS**

This Memorandum of Understanding ("Memorandum") is dated as of this \_\_\_\_ day of \_\_\_\_\_, 2012 (the "Memorandum") and is entered into by and between the Mt. Iron Economic Development Authority (the "EDA"), the City of Mountain Iron, Minnesota (the "City"), and Northward Properties, LLC (the "Developer").

**INTENT OF PARTIES**

1. It is the intent of the EDA, City and Developer (collectively, the "Parties") to describe a general process for the potential development or redevelopment of property owned by the Developer within the City (each, a "Project") that would otherwise not occur without tax increment assistance.
2. The Developer and City and EDA will exercise their best efforts to negotiate and enter into a binding Development Agreement ("Development Agreement") for a Project, the provisions of which will supersede, but be consistent with the terms of this Memorandum. The Development Agreement will contain such other terms and conditions as are customary in the industry and are otherwise agreed to by Developer, City and EDA, including the creation of tax increment financing districts in accordance with Minnesota Statutes Section 469.174 through 469.1799 (the "Tax Increment Act").
3. The Developer acknowledges that the Tax Increment Act may limit the type of district and assistance available. The Developer further acknowledges that the City and EDA will not initiate preparation of a Development Agreement until the Developer has provided the City and EDA with sufficient detail about the Project to enable the City and EDA to accurately estimate the level of tax increment financing required by the Project to make it economically feasible. The City and EDA will take into account, among other things, the need for "gap financing," the amount of public benefit from the Project, the design of the Project, and the costs of the Project which are eligible to be reimbursed from tax increments.
4. Prior to preparation of the Development Agreement, the Developer acknowledges that it will be required to provide the City and EDA with all documentation deemed necessary by the City and EDA to evaluate the Project, including but not limited to the following: (a) a timetable, acceptable to the City, for the construction of the Project; (b) letters of intent, commitment proposals or other evidence reasonably satisfactory to the City, from financial institutions, subject to customary contingencies, to provide financing for the Project; (c) site plan and project design documents prepared by an architect, in form and substance acceptable to the City and EDA; and (d) a pro forma budget for the Project, showing all Project costs and sources

of funds, including a separate break out of costs eligible to be financed in accordance with the Tax Increment Act.

5. The Developer agrees that it is responsible, whether or not the Development Agreement is executed, to pay the reasonable fees and expenses incurred by the City and EDA to the following: (a) the fees and expenses of the law firm of Fryberger, Buchanan, Smith & Frederick, P.A. for the preparation of this Memorandum and the Development Agreement, (b) fees and expenses for any financial analysis required for the creation of a tax increment financing district for a project, and (c) the fees and expenses of any other consultants retained by the City and EDA. The City and EDA will notify the Developer prior to retaining any additional consultants for the Project, which notification will include an estimate of the consultant's fees and expenses. The Developer acknowledges that the City and EDA will retain 10% of any tax increment generated to pay "Administrative Expenses" of the City and EDA incurred with respect to the tax increment district where a Project is located, and therefore that portion of tax increments will not be available to reimburse the Developer for any of the costs paid by the Developer set forth above.

6. The Developer shall be responsible for its own legal fees, costs and expenses in connection with each Project.

7. The City and EDA shall have the right to terminate this Memorandum by giving written notice to the Developer upon the occurrence of any of the following:

8. This Memorandum and any future Development Agreement will be subject to approval by the City Council of the City of Mountain Iron and the Board of the Mt. Iron Economic Development Authority.

9. The Developer represents that the execution and delivery of this Memorandum has been duly authorized by all necessary action on the part of the Developer.

10. The Developer releases from and covenants and agrees that the City and EDA, and their governing body, officers, agents, servants and employees thereof (hereinafter, for purposes of this Section, collectively the "Indemnified Parties") shall not be liable for and agrees to indemnify, defend and hold harmless the Indemnified Parties from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from the actions or inactions of the Developer (or if other persons acting on its behalf or under its direction or control) under this Memorandum.

*(the remainder of this page is intentionally left blank)*

11. The City, EDA and Developer each agree to proceed diligently and in good faith toward the execution of a legally binding Development Agreement, but neither shall be liable to the other by reason of any actual or alleged breach of this Memorandum.

In Witness whereof the Parties have signed their names as of the date first written above.

CITY OF MOUNTAIN IRON, MINNESOTA

By \_\_\_\_\_  
Its \_\_\_\_\_

CITY OF MT. IRON, MINNESOTA ECONOMIC  
DEVELOPMENT AUTHORITY

By \_\_\_\_\_  
Its \_\_\_\_\_

NORTHWARD PROPERTIES, LLC

By \_\_\_\_\_  
Its \_\_\_\_\_



# 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 18-13

### APPROVING MODIFICATION OF THE TAX INCREMENT FINANCING PLAN FOR TAX INCREMENT DISTRICT NO. 14

**WHEREAS**, the City of Mountain Iron, Minnesota (the "City") originally established Tax Increment Financing (Redevelopment) District No. 14 (the "TIF District") and approved the Tax Increment Financing Plan (the "TIF Plan") therefor under pursuant to Minnesota Statutes, Sections 469.124 through 469.134 and Minnesota Statutes, Sections 469.174 through 469.1799, both inclusive, as amended (collectively, the "Act") on January 7, 2008; and

**WHEREAS**, the City wishes to modify the TIF Plan to include corrections made under Minnesota Statutes 469.177, Subdivision 13, by St. Louis County for the TIF District and to reduce the geographic area of the TIF District to reflect an agreement reached between the St. Louis County Auditor and the City of Mountain Iron; and

**WHEREAS**, the City Council has investigated the facts and has caused to be prepared a modification to the adopted TIF District and TIF Plan therein; and

**WHEREAS**, the City has performed all actions required by law to be performed prior to the modification of the TIF Plan, including, but not limited to, notification of St. Louis County and Independent School District No. 712 having taxing jurisdiction over the property included in the TIF District and the holding of a public hearing upon published and mailed notice as required by law.

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

1. The modifications of the TIF District and TIF Plan as described in Attachment 1 of this resolution are hereby ratified and affirmed.
2. The City Administrator is authorized and directed to transmit a certified copy of this resolution together with the modified TIF Plan to the Office of the State Auditor, the Minnesota Department of Revenue and St. Louis County.

**DULY ADOPTED BY THE CITY COUNCIL THIS 20<sup>TH</sup> DAY OF MAY, 2013.**

ATTEST:

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

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

## ATTACHMENT 1

### MODIFICATION NO. 1 TO AMENDED TAX INCREMENT FINANCING PLAN FOR TAX INCREMENT DISTRICT NO. 14 WITHIN MUNICIPAL DEVELOPMENT DISTRICT NO. 1

Public Hearing Date: May 20, 2013  
Adoption Date: \_\_\_\_\_, 2013

#### I. Introduction and Background

The purpose of the proposed Modification to the Tax Increment Financing Plan for Tax Increment Financing District No. 14 (“the District”) is to modify the TIF Plan to include corrections made under Minnesota Statutes 469.177, Subdivision 13, by St. Louis County for the TIF District and to reduce the geographic area of the TIF District to reflect an agreement reached between the St. Louis County Auditor and the City of Mountain Iron.

The sections of the Modified Plan specifically being modified (as detailed in Section II of this document) include:

- Article III, Section 3.10 Estimated Net Tax Capacity
- Article III, Section 3.13 Duration of Tax Increment Financing District No. 14
- Article III, Section 3.14 Fiscal Disparities
- Exhibit A – Description of Tax Increment Financing District No. 14
- Exhibit B – Estimated Project Costs
- Exhibit C – Impact on Other Taxing Jurisdictions
- Exhibit D – Tax Increment Details as Required by Minnesota Statutes 469.175(2)
- Exhibit E – Captured Tax Capacity and Estimated Tax Increment
- Exhibit F – Original Tax Capacity of All Parcels in the Tax Increment Financing District
- Exhibit G – Present Value Analysis as Required by Minnesota Statutes, Section 469.175(3)(2)
- Exhibit H – Estimated Semi-Annual Cash Flow

The City of Mountain Iron (the “City”) established Project Area No. 1 and adopted a tax increment financing plan (“TIF Plan”) for the District on February 20, 2008. The City made the request for certification of the TIF District to the St. Louis County Auditor (the “County”) on June 19, 2008. The TIF District certification date is September 30, 2008. The County set the decertification of the TIF District to be December 31, 2018.

The County notified the City in a letter dated February 20, 2013 that a correction will be made to the District by the County pursuant to Minnesota Statute. The County found that there were TIF payment errors involving the District.

The County will utilize option number five (5) under Minnesota Statute 469.177, Subdivision 13, to take appropriate action so that the amount of increment compensates for the error. The County contacted the State Auditor TIF Division and the Minnesota Department of Revenue regarding the error and was instructed that option number five was acceptable.

The County will extend the duration of the District for an additional three years. This will be done to correct the lack of TIF Funds (payments to the City) that were generated for taxes payable in

2010, 2011, and 2012. The new decertification date for the district is December 31, 2021; three years later than the original decertification date of December 31, 2018.

The City has determined modification to the District is necessary. The original TIF Plan remains in full force and effect and are not modified except as described in this modification document.

**II. TIF Plan Modifications to TIF District No. 14**

The following sections of the Original TIF Plan for TIF District No. 14, dated February 20, 2008, are modified as shown:

Article III, Section 3.10 Estimated Recent Net Tax Capacity.

**Replaced in its entirety to read as follows:**

The net tax capacity of all taxable property in Tax Increment Financing District No. 14, as most recently certified by the Commissioner of Revenue of the State at time of adoption of the Tax Increment Financing Plan, being the certification made in 2007 with respect to the net tax capacity of such property as of January 2, 2006, for taxes payable in 2007 is \$0.

In determining the original net tax capacity the net tax capacity of real property exempt from taxation at the time of the request shall be zero, except for real property which is tax exempt by reason of public ownership by the requesting authority and which has been publicly owned for less than one year prior to the date of the request for certification, in which event the net tax capacity of the property shall be the net tax capacity as most recently determined by the commissioner of revenue. All property within the boundaries of Tax Increment Financing District No. 14 were publicly owned for more than one year prior to the date of the request for certification.

Article III, Section 3.13 Duration of Tax Increment Financing District No. 14:

**Replaced in its entirety to read as follows:**

The Tax Increment Financing Act allows “economic development districts” to remain in existence for a period of 8 years from the receipt of the first Tax Increments. The County has informed the City in writing in a letter dated, February 20, 2013, the decertification date of Tax Increment Financing District No. 14 will be December 31, 2021.

Article III, Section 3.14 Fiscal Disparities:

**Add New Section in its entirety to read as follows:**

Fiscal disparity contributions attributable to the TIF District shall be made from property inside the boundaries of the TIF District as described in Minnesota Statutes 469.177, Subdivision 3. Tax Increment Financing District No. 14 is an economic development district and the City does not have the authority to elect option (a) under Minnesota Statutes 469.177, Subdivision 3, to allow for fiscal disparities to be paid from property outside the boundaries of the TIF District.

Exhibit A – Description of Tax Increment Financing District No. 14:

**Replaced in its entirety to read as follows:**

The original TIF Plan included a single parcel, parcel number 175-0071-00880. At time of adoption of the TIF Plan, on February 20, 2008, the parcel owner was the City of Mountain Iron. This single parcel was subsequently subdivided into multiple parcels within the same geographic area. The TIF Plan is amended to include a reduction in the geographic area of Tax Increment Financing District No. 14 and the parcels located in Tax Increment Financing District No. 14 are as follows:

175-0035-00020

175-0035-00030

175-0035-00040

175-0035-00050

175-0035-00060

175-0035-00070

175-0035-00080

175-0035-00090

175-0035-00170

Exhibit A (Continued):

The Map below shows the geographic boundaries of Project Area No. 1 and the modified boundaries of Tax Increment Financing District No. 14 (inclusive of the parcels listed in Exhibit A):

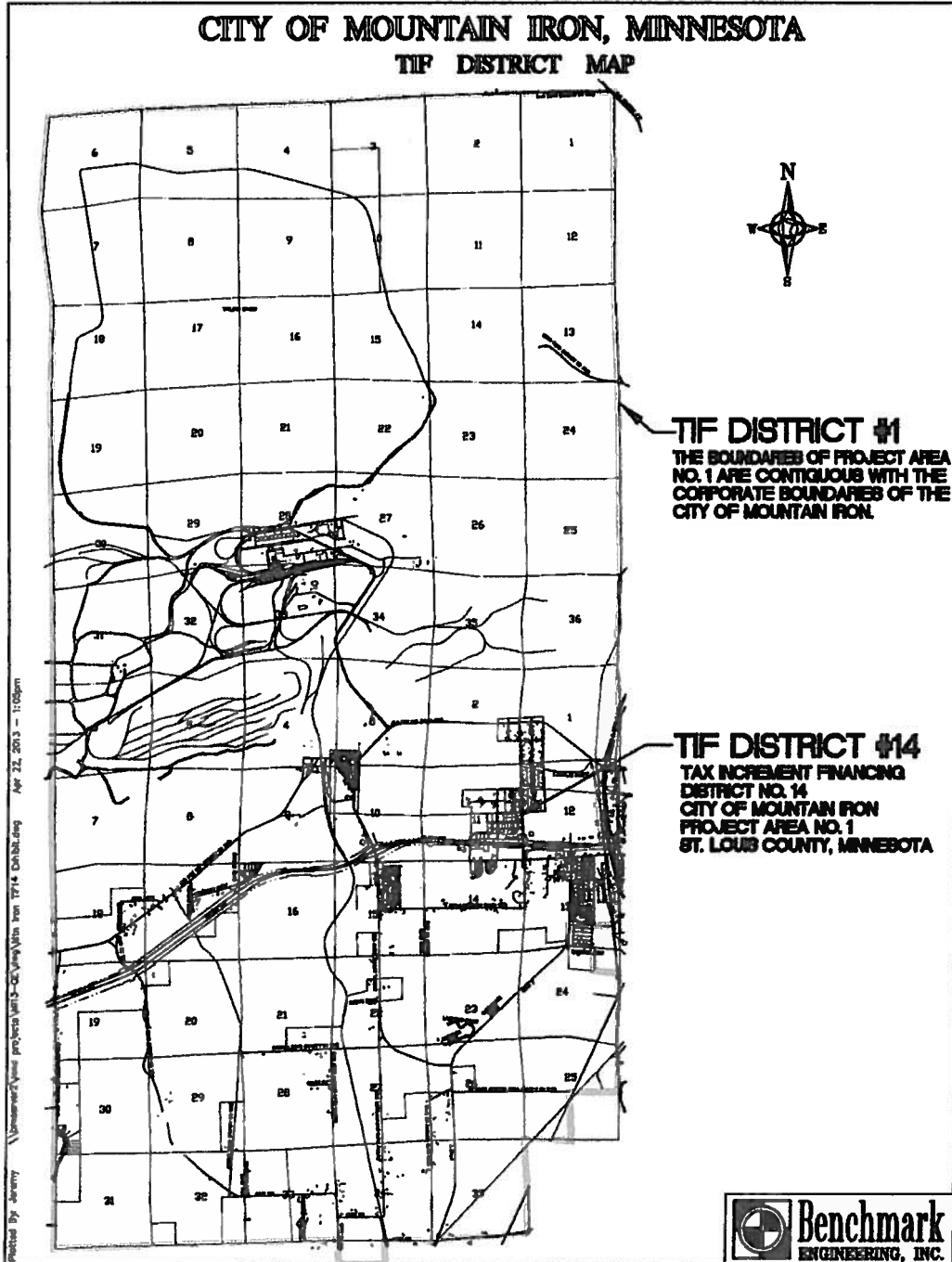




Exhibit B – Estimated Project Costs:

Replaced in its entirety to read as follows:

**Mountain Iron  
City of Mountain Iron  
Tax Increment Financing District No. 14  
Projected Use of Tax Increment**

**Estimated Tax Increment Revenues (from tax increment generated by the district)**

Tax increment revenues distributed from the county	\$846,000
Interest and investment earnings	\$5,000
Sales/lease proceeds	\$0
Market value homestead credit	\$0
<b>Total Estimated Tax Increment Revenues</b>	<b>\$851,000</b>

**Estimated Project/Financing Costs (to be paid or financed with tax increment)**

Project costs	
Land/building acquisition	\$0
Site improvements/preparation costs	\$501,000
Utilities	\$0
Other qualifying improvements	\$0
Construction of affordable housing	\$0
Small city authorized costs, if not already included above	\$0
Administrative costs	\$85,000
<b>Estimated Tax Increment Project Costs</b>	<b>\$586,000</b>
Estimated financing costs	
Interest expense	\$265,000
<b>Total Estimated Project/Financing Costs to be Paid from Tax Increment</b>	<b>\$851,000</b>

**Estimated Financing**

Total amount of bonds to be issued*	\$501,000
-------------------------------------	-----------

**\*Estimate of Bonded Indebtedness** – The City does not intend to issue Tax Increment Bonds to finance the above public costs. Rather, the City intended to finance said costs on a pay as you go basis, including the payment of interest thereon via a Tax Increment Revenue note. The City however, reserves the right to issue bonds to finance said public costs.

Exhibit C – Impact on Other Taxing Jurisdictions:

**Replaced in its entirety to read as follows:**

**City of Mountain Iron  
Tax Increment Financing District No. 14  
Impact on Other Taxing Jurisdictions**

**ANNUAL TAX INCREMENT**

Estimated Annual Captured Tax Capacity (Full Development)	\$86,577
Payable 2008 Local Tax Rate (as certified 9/30/2008)	117.660%
Estimated Annual Tax Increment	\$101,866

**Percent of Tax Base**

	Net Tax Capacity (NTC)	Captured Tax Capacity	Percent of Total NTC
Mountain Iron	1,700,497	86,577	5.09%
St. Louis County	157,976,214	86,577	0.05%
ISD #712	2,657,367	86,577	3.26%

**Dollar Impact of Affected Taxing Jurisdictions**

	Net Tax Capacity (NTC)	% of Total	Tax Increment Share	Added Local Tax Rate
Mountain Iron	55.253%	46.960%	47,836	2.813%
St. Louis County	61.428%	52.208%	53,182	0.034%
ISD #712	0.000%	0.000%	0	0.000%
Other	0.979%	0.832%	848	
Totals	117.660%	100.000%	101,866	

*NOTE NO. 1: Assuming that ALL of the captured tax capacity would be available to all taxing jurisdictions even if the City does not create the Tax Increment District, the creation of the District will reduce tax capacities and increase the local tax rate as illustrated in the above tables.*

*NOTE NO. 2: Assuming that NONE of the captured tax capacity would be available to the taxing jurisdiction if the City did not create the Tax Increment District, then the plan has virtually no initial effect on the tax capacities of the taxing jurisdictions. However, once the District is established, allowable costs paid from the increments, and the District is terminated, all taxing jurisdictions will experience an increase*

**Exhibit D – Tax Increment Details as Required by Minnesota Statutes 469.175(2)**

Replaced in its entirety to read as follows:

**City of Mountain Iron  
Tax Increment Financing District No. 14  
Estimated Tax Increments Over Maximum Life of District**

Based on Pay 2008 Tax Rate (Certified Original)= 117.660% 55.253% 61.428% 0.000% 0.979%

TIF District	Taxes Payable Year	New Tax Capacity	Base Tax Capacity	Captured Tax Capacity	Estimated Total Tax Increment	City TIF Related Share	County TIF Related Share	School TIF Related Share	Other TIF Related Share
1	2013	91,630	-	73,892	86,942	40,828	45,391	0	723
2	2014	93,463	-	75,370	88,680	41,644	46,298	0	738
3	2015	95,332	-	76,878	90,454	42,477	47,224	0	753
4	2016	97,238	-	78,415	92,263	43,327	48,169	0	767
5	2017	99,183	-	79,983	94,108	44,193	49,132	0	783
6	2018	101,167	-	81,583	95,991	45,077	50,115	0	799
7	2019	103,190	-	83,215	97,910	45,979	51,117	0	814
8	2020	105,254	-	84,879	99,869	46,898	52,139	0	832
9	2021	107,359	-	86,577	101,866	47,836	53,182	0	848
<b>Total</b>					<b>848,083</b>	<b>398,259</b>	<b>442,767</b>	<b>0</b>	<b>7,057</b>

**Exhibit E – Captured Tax Capacity and Estimated Tax Increment:  
Replaced in its entirety to read as follows:**

**Tax Increment Financing District No. 14  
Modification No. 1**

TIF Dist.	Taxes Value Payable	New Tax	Base Tax Capacity <sup>1,2</sup>	Fiscal Disparities Contrib. <sup>3</sup>	Captured Tax Capacity	Original Tax Rate <sup>5</sup>	100.00% Estimated Tax Increment <sup>1</sup>	10.00% City Admin. <sup>4</sup>	0.36% State Auditor Deduct.	Avail. Net Annual Tax Increment <sup>1</sup>	Total PV of Net Avail. Tax Incr. 4.00%.	
1	2012	2013	91,630	0	(17,738)	73,892	117.660%	86,942	(8,694)	(313)	77,935	78,455
2	2013	2014	93,463	0	(18,092)	75,370	117.660%	88,680	(8,868)	(319)	79,493	155,371
3	2014	2015	95,332	0	(18,454)	76,878	117.660%	90,454	(9,045)	(326)	81,083	230,778
4	2015	2016	97,238	0	(18,823)	78,415	117.660%	92,263	(9,226)	(332)	82,705	304,708
5	2016	2017	99,183	0	(19,200)	79,983	117.660%	94,108	(9,411)	(339)	84,358	377,187
6	2017	2018	101,167	0	(19,584)	81,583	117.660%	95,991	(9,599)	(346)	86,046	448,246
7	2018	2019	103,190	0	(19,976)	83,215	117.660%	97,910	(9,791)	(352)	87,767	517,911
8	2019	2020	105,254	0	(20,375)	84,879	117.660%	99,869	(9,987)	(360)	89,523	586,211
9	2020	2021	107,359	0	(20,783)	86,577	117.660%	101,866	(10,187)	(367)	91,313	653,171
<b>TOTAL =</b>							<b>848,083</b>	<b>(84,808)</b>	<b>(3,053)</b>	<b>760,222</b>	<b>0</b>	

**Assumptions:**

1. Adjustment to future valuation (inflation) = 2%
2. New tax capacity calculated on seven parcels with combined total estimated value of \$4,772,500.
3. Parcels are within a fiscal disparities area and an economic development district, fiscal disparities to be paid from "within district".
4. The City Administrative percentage is at the maximum allowable 10%.
5. The tax rate = the certified original tax rate for TIF 14, as established by St. Louis County Auditor on 9/30/2008.
6. The certified base tax capacity for the District is \$0, as established by St. Louis County Auditor on 9/30/2008.
7. The decertification date for TIF 14 is 12/31/2021.

Exhibit F – Original Tax Capacity of All Parcels in the Tax Increment Financing District:  
**Deleted in its entirety.**

Exhibit G – Present Value Analysis as Required by Minnesota Statutes, Section 469.175(3)(2):  
**Replaced in its entirety to read as follows:**

**City of Mountain Iron  
Tax Increment Financing District No. 14  
Present Value Analysis As Required By  
Minnesota Statutes 469.175(3)(2)**

1	Estimated Future Market Value w/ Tax Increment Financing	4,722,500
2	Payable 2013 Market Value	<u>0</u>
3	Market Value Increase (1-2)	4,722,500
4	Present Value of Future Tax Increments	<u>653,171</u>
5	Market Value Increase Less PV of Tax Increments	4,069,329
6	Estimated Future Market Value w/o Tax Increment Financing	0 <sup>1</sup>
7	Payable 2013 Market Value	<u>0</u>
8	Market Value Increase (6-7)	<u>0</u>
9	Increase in MV From TIF	<u><u>4,069,329</u></u> <sup>2</sup>

<sup>1</sup> Assume 2.0% appreciation over 8 year life of district

<sup>2</sup> Statutory compliance achieved if increase in market value from TIF (Line 9) is greater than or equal to zero.

Exhibit H – Estimated Semi-Annual Cash Flow:  
**Deleted in its entirety.**

STATE OF MINNESOTA  
COUNTY OF ST. LOUIS  
CITY OF MOUNTAIN IRON

I, the undersigned, being the duly qualified and City Clerk of the City of Mountain Iron, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council of said City, duly called and held on the date therein indicated, insofar as such minutes relate to the modification of the Tax Increment Financing Plan for Tax Increment Financing (Economic) District No. 14 therein in the City.

WITNESS my hand this \_\_\_\_ day of May, 2013.

\_\_\_\_\_

City Clerk

## COMMUNITY BUSINESS PARTNERSHIP GRANT PROGRAM

Annual Accounting Report Due: June 1, 2013

Grantee: City of Mountain Iron

Business Name	Total Project Cost	Amount Loaned	Term	Interest Rate	Monthly Payment	Current Yes/No	First Payment Date
None							

### CERTIFICATION

I hereby certify that the above is a true copy of a semi-annual Community Business Partnership Grant accounting report, adopted and approved by the City Council of said \_\_\_ City of Mountain Iron on \_\_\_\_ May 20\_\_\_\_\_, 2013.

Subscribed and sworn to  
before me this \_\_\_\_ day  
of May, 2013.

\_\_\_\_\_  
(Notary)

\_\_\_\_\_  
(City Clerk or Officials of Organization)

**COMMUNITY BUSINESS PARTNERSHIP GRANT PROGRAM**  
**Annual Report Due: June 1, 2013**

**Grantee: City of Mountain Iron**

<input type="text" value="\$38,177.92"/>	Account Balance as of June 1, 2012
-	
<input type="text" value="\$0.00"/>	Loaned Out Amount: June 1, 2012 to Present
=	
<input type="text" value="\$38,177.92"/>	Unliquidated Amount After Above Loan Disbursals
+	
<input type="text" value="\$0.00"/>	Total Loan Payments Received from Applicants
=	
<input type="text" value="\$38,177.92"/>	Amount Before Bank Interest Earnings
+	
<input type="text" value="\$56.92"/>	Bank Interest Received: Through June 1, 2013
-	
<input type="text" value="\$0.00"/>	Bank Fees
+/-	
<input type="text" value="\$0.00"/>	Other Miscellaneous Disbursals/Expenses (If Applicable)
=	
<input type="text" value="\$38,234.84"/>	Ending Balance: June 1, 2013



## SPECIAL EVENTS PERMIT REQUIREMENTS

TYPE OF EVENT: Color Dash 5K Fun Run

NAME OF PERSON/BUSINESS: Mesabi Family Ymca

NAME OF PERSON RESPONSIBLE FOR EVENT: Becky Zubich

PHONE NUMBER: 218-749-8020

LOCATION OF EVENT: Mesabi Family Ymca / Unity Drive / Merritt parking lot

DATE & TIME OF EVENT: Saturday, July 20, 2013 9am

IS SANITATION FACILITIES AND POTABLE WATER AVAILABLE?: yes

IS SECURITY/CROWD MANAGEMENT PROVIDED FOR?: yes

WHAT TYPE OF PARKING AND/OR TRAFFIC ISSUES ARE PRESENT?: Na  
Will be using Ymca parking lot

WILL EMERGENCY & MEDICAL SERVICES BE NEEDED?: no

WILL FIRE/SAFETY SERVICES BE NEEDED?: Will be talking to Sheriff dept. about  
Unity/Hwy 7 intersection

INSURANCE AFFIDAVIT: in file

PROVISIONS FOR CLEAN-UP OF PREMISES & SURROUNDING AREA/TRASH DISPOSAL: Na

ARE TEMPORARY CONSTRUCTION BARRICADES/FENCING NEEDED?: no

PROVISIONS FOR REMOVAL OF ADVERTISING/PROMOTIONAL MATERIALS: Na

WILL THERE BE ALCOHOL CONSUMPTION?: no

IF SO, INSURANCE AFFIDAVIT: Na

FEE PAID PER CITY ORDINANCE: \$ 25.00

DATE(S) PERMIT IS ACTIVE FOR: July 20, 2013

APPROVED BY: \_\_\_\_\_ DATE APPROVED: \_\_\_\_\_

**PAID**  
Recpt # 2.150455  
MAY 10 2013

MTN IRON  
PUBLIC UTILITIES

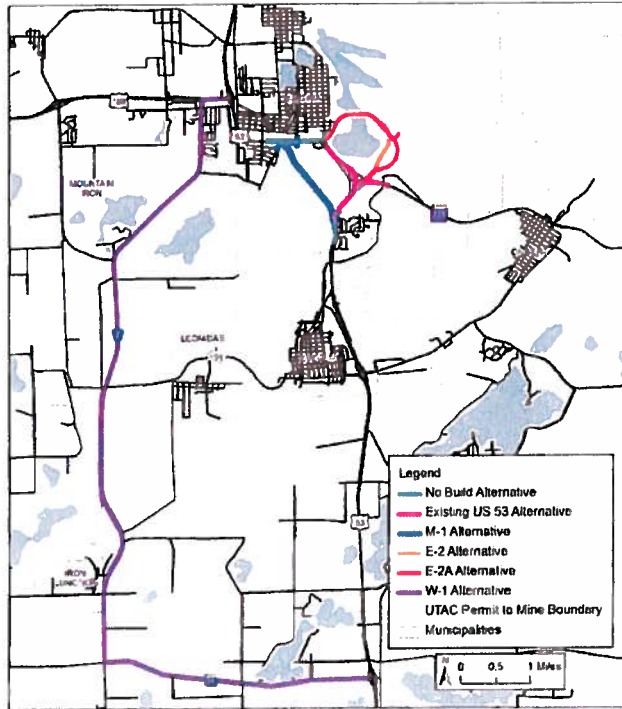


# HIGHWAY 53 VIRGINIA TO EVELETH

## What Happens Next?

MnDOT will:

- Conduct an economic analysis of the effects of the alternatives (community input to be obtained). Conduct additional resource evaluation (wetlands, noise, air, etc.) for new alternatives.
- Stakeholder meetings (communities, agencies)
- Continue preliminary engineering to determine construction costs on all alternatives.
- Evaluate the new alternatives and update the analysis for prior alternatives
- Coordinate with appropriate reviewing and permitting agencies
- Continue with the DEIS process to meet the timeline



## How Do I Stay Informed?

Watch for announcements regarding future public meetings and opportunities to provide input. The project website is also a good source of information, or you may contact the MnDOT Project Manager, Roberta Dwyer, with questions.

### Project Web Site

<http://www.dot.state.mn.us/d1/projects/hwy53relocation/>

**Roberta Dwyer, PE, PTOE, Project Manager**  
District Land Management Engineer  
Minnesota Department of Transportation  
1123 Mesaba Avenue  
Duluth, MN 55811

**Phone: (218) 725-2781**  
[roberta.dwyer@state.mn.us](mailto:roberta.dwyer@state.mn.us)



# HIGHWAY 53 VIRGINIA TO EVELETH

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## **The Highway 53 Project**

In 1960, MnDOT agreed to an easement that allows Highway 53 to operate on land that has significant mineral resources. The easement agreement had a three year termination notice requirement. The landowner gave notice in May 2010 that the easement would be terminated. Given current project development requirements, seven years is the minimum timeframe for review, design, and construction of a highway relocation project; therefore MnDOT negotiated an extended termination date of May 2017. Since 2010, MnDOT has been studying alternatives for relocating Highway 53.

## **Where are we in the process?**

The environmental review process was initiated in 2011, and a Scoping process was completed to identify which alternatives would be studied in the Environmental Impact Statement (EIS). This process identified a No Build Alternative, Existing US 53 Alternative, and two build alternatives located on "middle" (M-1) and "eastern" (E-2) corridors. Although western corridor alternatives offered the opportunity to avoid mineral resources and active mining, the other alternatives provided options for managing that risk while minimizing other environmental and social impacts, therefore western alternatives were not carried forward at that time.


## **Why are we considering additional alternatives?**

Since then, through technical environmental and engineering analysis, significant challenges have been discovered to constructing and operating a roadway over an active mine or mineral reserves, and more may be uncovered as preliminary engineering continues. It is also likely that project costs for current alternatives will exceed the \$60 million project budget. It is in the best interest of the state that MnDOT reconsider alternatives that do not affect an active mine or mineral reserves.

The complete list of alternatives now being considered for evaluation includes:

- No Build Alternative (Easement Closed, Reroute on Existing Roadways)
- Existing US 53 Alternative (Easement Remains Open)
- M-1 Alternative (Through Active UTAC Mine)
- E-2 Alternative (Routing Around the Current Permit to Mine Area)
- E-2A Alternative (Alignment Adjustment to minimize Mineral Resources)
- W-1 Alternative (Avoidance of Active Mining and Mineral Reserve Areas)


## Public Open House April 22, 2013



### What Was the Result of the Scoping Process?


The following alternatives were determined to best meet the purpose and need for the project, and were originally retained for analysis in the Draft EIS:

- No Build Alternative (Easement Closed)
- Existing US 53 Alternative (Easement Remains Open)
- M-1 Alternative (Through Active UTAC Mine)
- E-2 Alternative (Routing Around Current Permit to Mine Area)

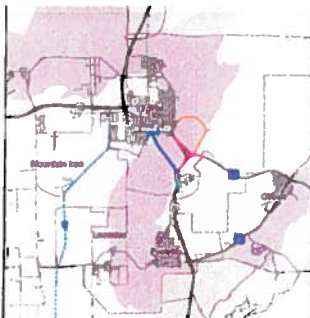



### Why Does MnDOT Need to Consider a New Route for Highway 53?

- 1960: MnDOT agreed to an easement that allowed Highway 53 in Virginia to operate on land that has significant mineral resources. This easement could be terminated on three years notice.
- May 2010: United Taconite and RGGS (land owner) gave notice of Highway 53 easement right termination
- Based on current project development requirements, seven years is the minimum timeframe for review, design, and construction of a highway relocation project
- MnDOT and landowner have currently agreed to a May 2017 easement termination date




### Virginia Horn of the Biwabik Iron Formation


### Highway 53 Project Purpose and Need

- The purpose of this project is to safely provide for the use of Highway 53 while addressing the existing easement agreement conditions
- Project needs include:
  - Address the 1960 easement agreement
  - Provide a roadway that meets regional travel and local access needs
  - Maintain connections to other important highways
  - Meet current and future transportation demand
- Other considerations include:
  - Support economic development
  - Use of Highway 53 as a utilities corridor
  - Avoid or minimize adverse effects to community and environmental resources



### Why Expand the Possible Alternatives?


- Likely that bridge, grading, right-of-way and mitigation costs for current alternatives will exceed the project budget of \$60 million
- Constructing/operating a roadway over an active mine or reserves has significant challenges – it is prudent to reconsider alternatives which avoid mineral resources.
- MnDOT has a responsibility to identify the most cost-effective, least impactful solution
- As preliminary engineering continues, more challenges may be discovered





### What Alternatives are Being Added?

- **W-1 Alternative**
  - Avoids mineral resources



Highway 53 - Puyallup to Everett

### Mine Air Quality

The placement of a road within a permit to mine area, requires the mine to meet air quality standards to be met for receptors/users of the road.

- **M-1 Alternative**
  - New roadway within Permit to Mine boundary
- **Existing US 53 Alternative**
  - Mine trucks passing under realigned US 53 within new mine boundary
- **No Build, E-2, and W-1 alternatives**
  - New roadway outside of current Permit to Mine boundary

Air quality concerns      No air quality concerns

Highway 53 - Puyallup to Everett

### Highway 53 Alternatives

- Existing US 53 Alternative
- No Build Alternative
- M-1 Alternative
- E-2 Alternative
- E-2A Alternative
- W-1 Alternative

Highway 53 - Puyallup to Everett

### Wetlands

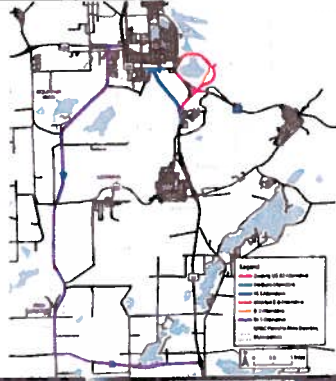
Constructing outside of existing right-of-way can involve impacts to natural resources such as wetlands.

- **No-Build Alternative**
  - Less than 1 acre for 2<sup>nd</sup> Avenue connection
- **M-1 Alternative**
  - About 15 acres
- **E-2 Alternative**
  - About 20 acres
- **W-1 Alternative**
  - Over 50 acres

Alternatives would result in varying levels of wetland impact.

Highway 53 - Puyallup to Everett

### Alternatives



Highway 53 - Puyallup to Everett

### Right-of-Way and Mineral Resources

Crossing a mineral resource body can encumber minerals that may otherwise be available for mining.

- **Existing US 53 Alternative**
  - Access lost to valuable mineral resources
- **M-1 Alternative**
  - Encumbers minerals in existing mine
- **E-2 Alternative**
  - Encumbers some mineral resources from future mining
- **No Build and W-1 alternatives**
  - Avoids crossing a mineral resource body
  - Access to mineral resources remains unchanged

Limits mineral access      Does not affect mineral access

Highway 53 - Puyallup to Everett

### Economic Impacts

*Economic considerations can range from vitality of mining operations, to access and connectivity to local goods and services.*

- No Build Alternative**
  - Avoids UTAC operations
  - Reroute impacts visibility and travel time to existing businesses
- Existing US 53 Alternative**
  - Loss of mining-related business
  - Loss of access to mineral resources
- E-2 Alternative**
  - Affects recovery of existing mineral resources
  - Keeps connection to local businesses
- M-1 Alternative**
  - Affects active mine operations and recovery of existing mineral resources
  - Keeps connection to local businesses
- W-1 Alternative**
  - Avoids mining impacts
  - Bypass impacts visibility and travel time to existing businesses

**Each alternative would result in some level of economic impact. MnDOT is committed to studying this issue further, with input from communities.**

### Utility and Trail Corridors

*Accommodation of these resources is not feasible with some alternatives.*

- E-2 Alternative**
  - Allows relocation of public utilities along new alignment of US 53
  - Can accommodate relocation of existing trail crossings
  - Provides new crossing of Mesabi Trail
- No Build Alternative**
  - Utilities would need to be removed and rerouted on another alignment
- M-1 Alternative**
  - Constrained section for utilities
  - No trail option
- W-1 Alternative**
  - Unknown potential for utility relocation options

**Potential for Relocation      Relocation Restricted**

### Community Impacts

*Connectivity between municipalities and access to services is a concern that will be addressed.*

- No Build**
  - Longer, indirect route/increased travel time between communities
  - School buses rerouted, longer trips
  - Emergency response times lengthened (5 to 17 mins)
- E-2 Alternative**
  - Slightly longer route, but still directly connected to other communities
  - Emergency response times lengthened (2 mins)
- M-1 Alternative**
  - Direct/shortest route between communities
  - Minimal adjustments to travel and response times
- W-1 Alternative**
  - Longer, indirect route/increased travel time between communities
  - School buses rerouted, longer trips
  - Emergency response times lengthened

**Each alternative would result in some level of community impact. MnDOT is committed to studying these issues further, with input from communities.**

### Engineering Concerns

*Working in a mining environment or on new alignments can have significant geotechnical and other design challenges.*

- No Build Alternative**
  - Does not provide needed traffic capacity
- E-2 Alternative**
  - Unique bridge structure; would have tallest piers in state
  - Depth of pit; construction access
- M-1 Alternative**
  - Blasting/seismic vibrations
  - Stability of mine fill
  - Width of footprint in mine
  - Air quality mitigation
  - Public safety concerns
- W-1 Alternative**
  - High water table (wellands); poor soils
  - Grade separations at railroad crossings and intersections
  - Utilities

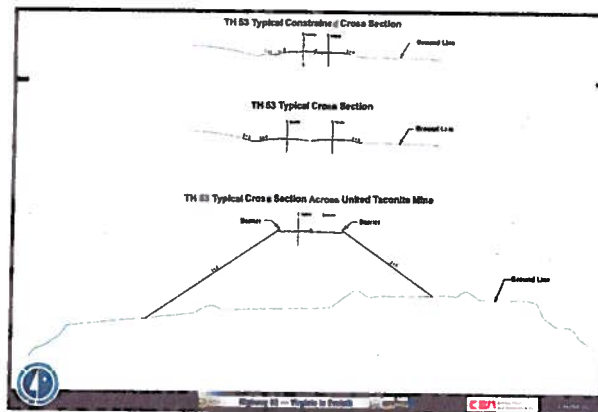
**Each alternative has specific engineering concerns.**

### Noise

*Increase traffic volumes could increase noise levels at nearby residences.*

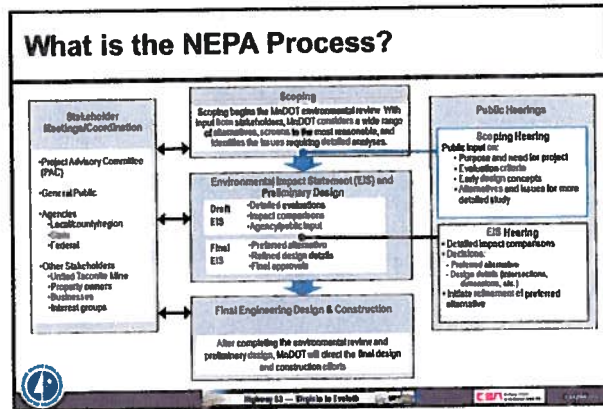
- No Build Alternative**
  - Traffic volumes would increase noise impacts to residences along the reroute alignment
- E-2 Alternative**
  - Roadway would be brought closer to 2<sup>nd</sup> Avenue neighborhood
- M-1 Alternative**
  - Roadway would be brought closer to Ridgewood neighborhood
- W-1 Alternative**
  - Increase in traffic volumes would increase noise impacts to residences along the alignment

**Each alternative would result in some level of noise impact.**



### Where Do We Go From Here?

- Economic analysis of the effects of all alternatives (community input to be obtained)
- Evaluation of new alternatives and update analysis for prior alternatives
- Coordination with appropriate reviewing and permitting agencies
- Selection of alternatives to be evaluated in the Draft EIS (may be all, or a selection of alternatives)



### Additional Studies Needed

- Traffic Analysis
- Engineering Constructability
- Noise
- Cost Estimates
  - Construction
  - Right-of-Way
- Economic Study
  - Vehicle Miles Traveled (VMT)
  - Market Analysis
  - Community Services

### Preliminary Schedule (subject to change)

Conduct Additional Studies	April 2013 – Spring 2014
Community and Agency Meetings	2013 – 2014
Amended Scoping Decision Document (SDD)	Spring/Summer 2013
Draft EIS Publication	Summer 2014
Select Preferred Alternative	Fall/Winter 2014
Final EIS	Spring 2015
Record of Decision	Summer 2015
Construction	Late 2015 – Spring 2017

### What is the NEPA Process?

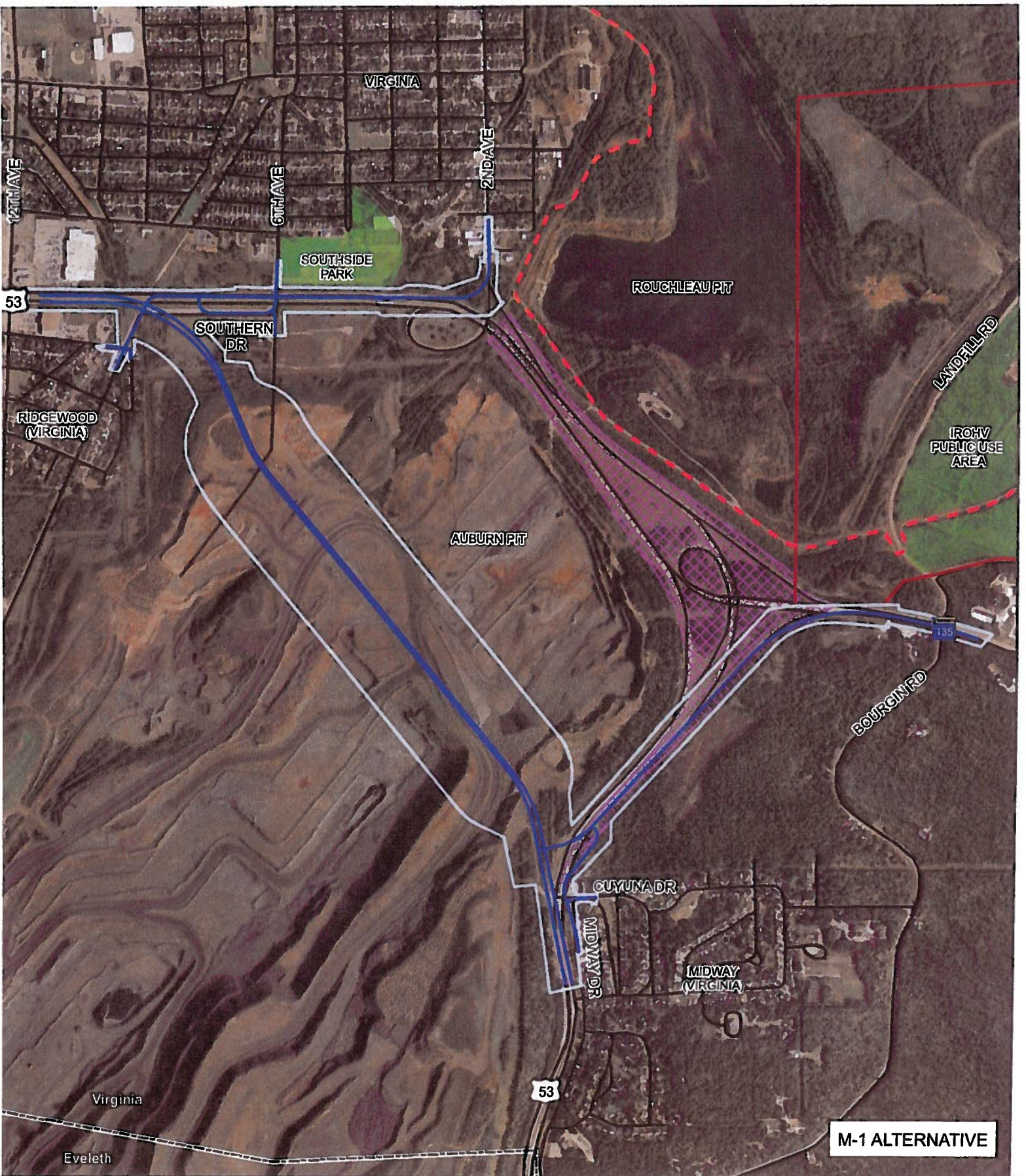
- Define a reasonable range of alternatives
- State Scoping Document and Decision
- Additional data collection and evaluation
- Federal/State Draft EIS
- Public comment period
- Federal/State Final EIS
- Record of Decision and Adequacy Determination

### Cliffs/United Taconite Concerns

*Cliffs will not support an easement for M-1*

- Air Quality
- Blasting
- Encumbrance of ore
- Safety
- Operational Issues





31/2012

**LEGEND**

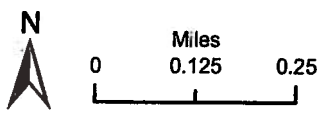
- M-1 ALIGNMENT
  - M-1 ESTIMATED CONSTRUCTION LIMITS
  - E-2 ALIGNMENT
  - E-2 ESTIMATED CONSTRUCTION LIMITS
- PUBLIC RECREATION LAND
  - MESABI TRAIL
  - IRON RANGE OFF-HIGHWAY VEHICLE RECREATION AREA
- EXISTING U
  - MUNICIPAL I





E-2 ALTERNATIVE

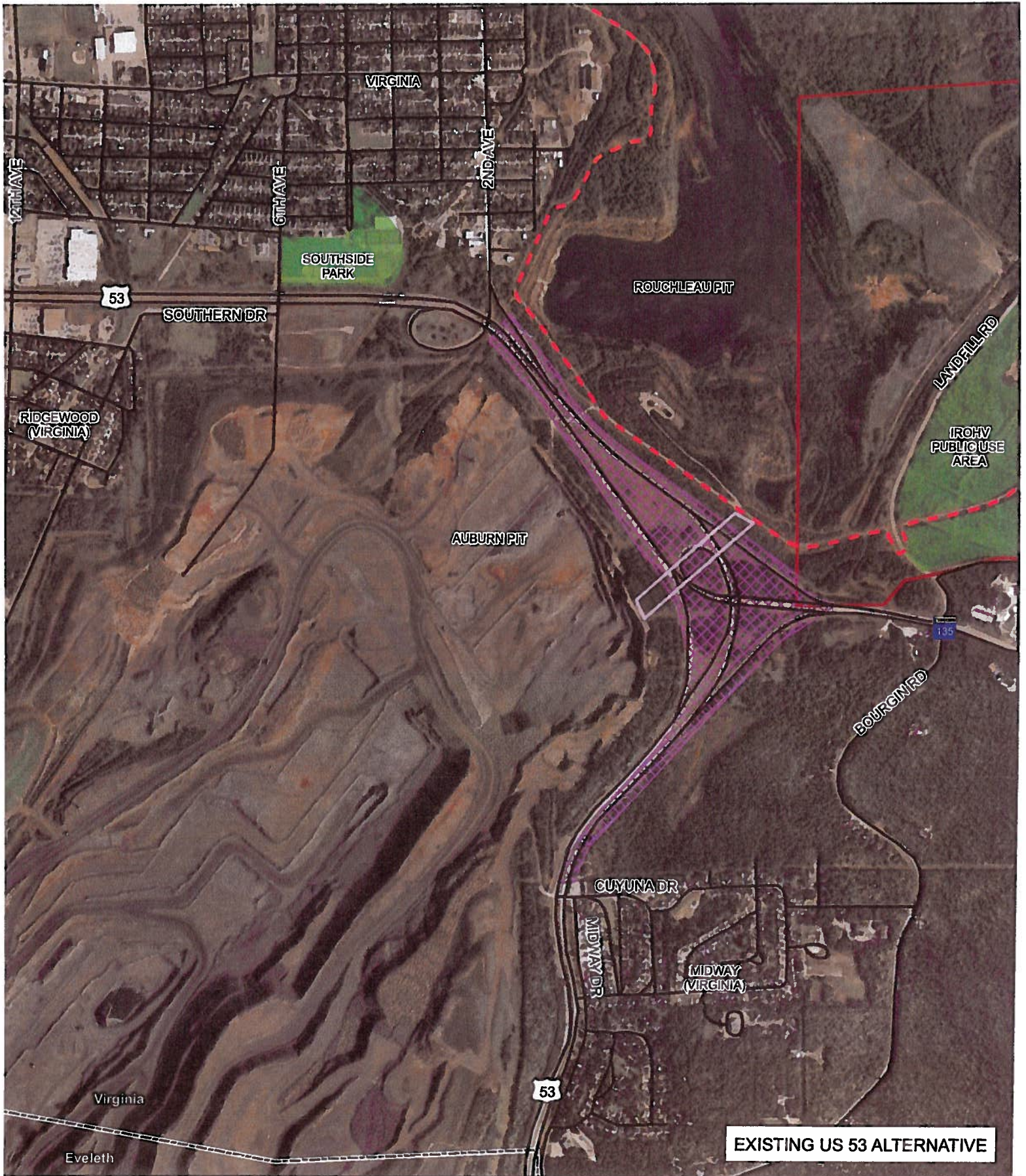
ASSESSMENT AREA  
BINARY



**BUILD ALTERNATIVES**  
US Highway 53 Virginia to Eveleth  
Draft Environmental Impact Statement










Source: NIAP 2010



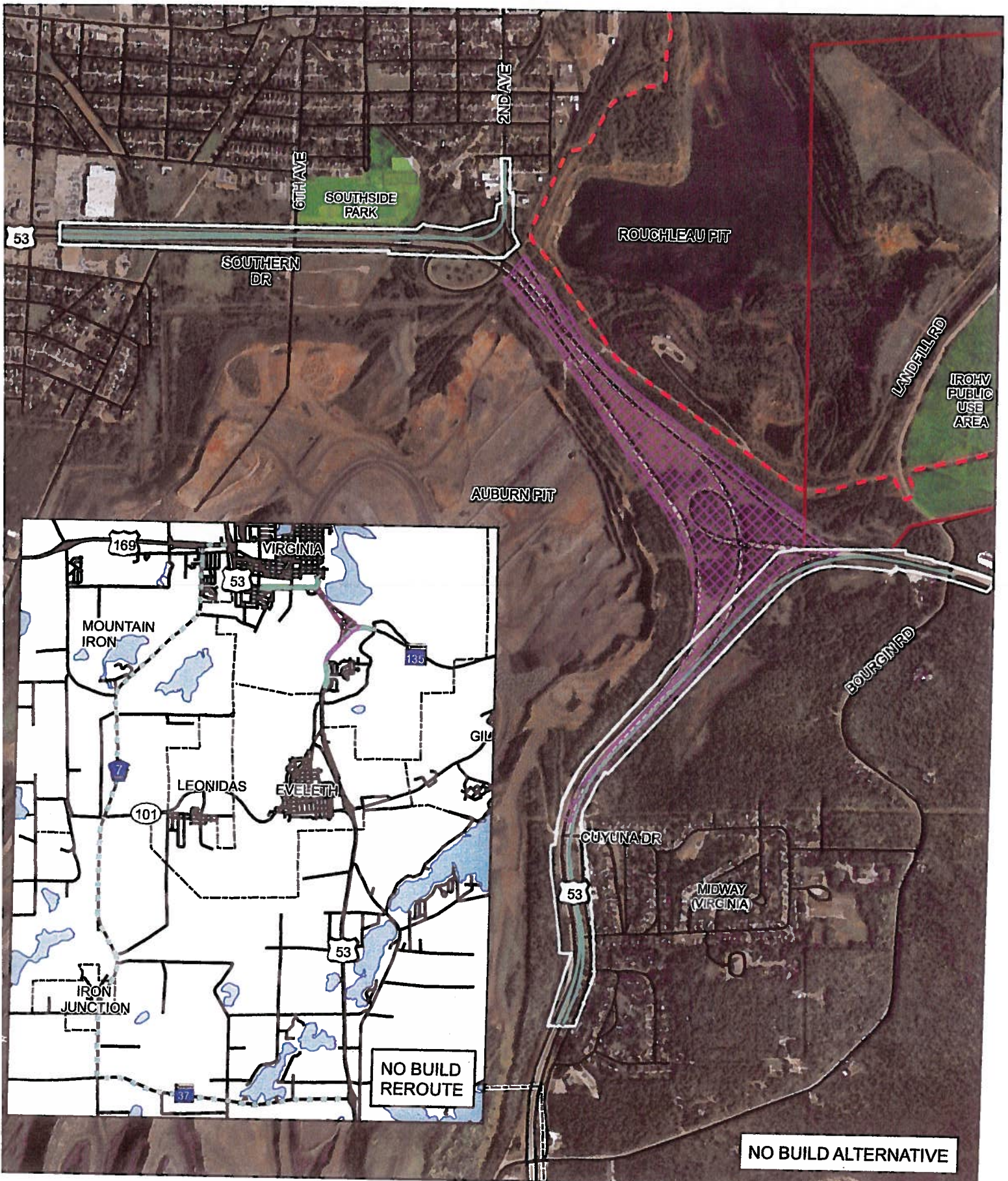


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- |  |  |
|--|--|
|  NO BUILD ALTERNATIVE                         |  PUBLIC RECREATION LAND                         |
|  No-Build Reroute                             |  MESABI TRAIL                                   |
|  NO BUILD ESTIMATED CONSTRUCTION LIMITS       |  IRON RANGE OFF-HIGHWAY VEHICLE RECREATION AREA |
|  EXISTING US 53 ESTIMATED CONSTRUCTION LIMITS |  MUNICIPAL BOUNDARY                             |
|  EXISTING US 53 EASEMENT AREA                 |  |





**NO BUILD ALTERNATIVE**

**EXISTING US 53  
AND  
NO BUILD ALTERNATIVES**

*US Highway 53 Virginia to Eveleth  
Draft Environmental Impact Statement*

