

**MOUNTAIN IRON CITY COUNCIL MEETING
COMMUNITY CENTER
MOUNTAIN IRON ROOM
MONDAY, JUNE 21, 2004 - 6:30 P.M.
A G E N D A**

- I. Roll Call
- II. Consent Agenda
 - A. Minutes of the May 19, 2004 Special Meeting (#1-4)
 - B. Minutes of the June 7, 2004 Regular Meeting (#5-16)
 - C. Bills and Payroll
 - D. Receipts
 - E. Communications (#42-47)
- III. Public Forum
- IV. Committee and Staff Reports
 - A. Mayor's Report
 - B. City Administrator's Report (#11-12)
 - C. Director of Public Work's Report
 - 1. Bridge Repair (#17)
 - 2. Maintenance Broom (#18)
 - 3. Mining Equipment (#19)
 - 4. County Road 761 (#20)
 - D. Director of Parks and Recreation's Report
 - E. City Engineer's Report
 - F. City Attorney's Report
 - G. Sheriff's Department Report
 - 1. Monthly Report (#21)
 - H. Utility Advisory Board
 - 1. Refuse Canister Policy (#22-23)
 - 2. Relocation of Recycling Roll-offs (#22)
 - 3. Water Line Extension (#22)
- V. Unfinished Business
 - A. Resolution 24-04 Land Sale (#24-25)
 - B. Resolution 25-04 Approving JOBZ Business Subsidy Policy (#26-33)
 - C. Resolution 26-04 Library Grant Support (#34-36)
 - D. Fire Truck Bids (#37)
- VI. New Business
 - A. Pagers and Emergency Number (#38)
 - B. City Endorsements (#39)
 - C. City Endowment Fund (#40)
 - D. Reschedule July 5th Meeting (#41)
 - E. Communications (#42-47)
- VII. Open Discussion
- VIII. Announcements
 - A. Filings for the Office of Mayor and Council – July 6-20, 2004 (#48)
- IX. Adjourn

Denotes page number in packet

MINUTES
SPECIAL MEETING
MOUNTAIN IRON CITY COUNCIL
MAY 19, 2004

Mayor Skalko called the City Council meeting to order at 6:31 p.m. with the following members present: Joe Prebeg, Jr., Allen Nelson, Dale Irish, Ed Roskoski, and Mayor Gary Skalko. Also present were: Craig J. Wainio, City Administrator; Jill M. Forseen, Municipal Services Secretary; Don Kleinschmidt, Director of Public Works; and Mac Rudstrom, Benchmark Engineering.

The Mayor outlined the procedure for the public hearing for the Heather Avenue Improvements to the public. The Mayor said that the purpose of the public hearing was to listen to the residents and hear their concerns regarding the project.

Mac Rudstrom, Benchmark Engineering, was presented and outlined the proposed drainage plans for Heather Avenue to the public.

Councilor Nelson asked if a petition was presented to the Council requesting improvements to Heather Avenue. Councilor Roskoski said that the City Council initiated the public hearing for the proposed improvements.

Bill Luzovich, 5456 Heather Avenue, questioned if the drainage problems were being assessed to the homeowners. The City Administrator said that Mr. Luzovich was outside of the affected drainage area and would not be assessed for any drainage improvements.

Jeff Pelletier, 8423 Dottie Lane, questioned why they were included on the drainage assessments to their property. Councilor Prebeg said that there is a drainage area improvement zone that would be charged assessments if the improvements were made.

Mark Kvas, 8410 Unity Drive, questioned how much the City wanted to drop the water level. The Director of Public Works stated that the water along Heather Avenue and Unity Drive would be drained and piped to Silver Creek.

The Engineer stated that having the drainage work going west on Unity Drive would not be feasible.

Dale Petersen, 5482 Heather Avenue, said that the corridor of Heather Avenue and Unity Drive needs to be ditched. He said that after the grader goes through there are wet spots on Heather Avenue shortly after. Mrs. Petersen said she felt that the drainage problem is the City's problem. Mr. Petersen said that if the road was overlaid there would be speed problems with traffic. Councilor Prebeg said that if there is speeding on the road, that is an enforcement problem and law enforcement personnel should be notified. Mrs. Petersen said that she does not understand how Kvas's property could have all of these ditches filled and sod across to Unity Drive, so if the water were to drain toward Silver Creek it would not flow past Kvas's property.

Darlene Kvas, 8410 Unity Drive, said they have not filled in the ditch where their property is, is the high point of the road and the ditch was in it's present state when they moved there 30 years ago.

Bill Luzovich, 5456 Heather Avenue, questioned the Director of Public Works regarding when he approached him about the installation of City water to their property at a cost of around \$250 and placing a hydrant there. Mr. Luzovich said that the estimated assessment is now \$4,000 for the water hookup. The Director of Public Works stated that the \$250 charge was the tap-in fee provided the City did extend the water line to the south from Centennial Drive to the end of Heather Avenue. Mr. Luzovich said that he would like to have Heather Avenue overlaid, but the water connection costs were too high.

Barb and Petronilo Landicho, 5481 Heather Avenue, questioned why the drainage option is assessed by the acreage and not the road frontage because they have only 250 feet of street frontage. The Engineer said that the drainage assessments are calculated by area. Mr. Landicho said that they have no problem with the drainage on their property. He questioned why the water hookup was \$250 in the 1980's and now it is \$1,300. The Director of Public Works said that the current water tap-in fee of \$250 has not changed since 1980 until now; the additional charges are for a contract price per foot to bring it to their property.

Mr. Landicho said that if the City would unplug the culvert at the intersection of Heather Avenue and Unity Drive the water would flow better. Mr. Landicho said that he would prefer that Heather Avenue remain gravel.

Dale Skinner, 8425 Heather Avenue, said that by Cinema 6 they have ditches on both sides of the property. He said that one ditch comes to an end and the ditch on the other side is full of eight inches of mud. He said that if the City cleaned out the culverts this would help the drainage.

Dean Niska, 5485 Heather Avenue, said that he or members of his family have lived on Heather Avenue for 50 years. He said that years ago Nichols Township hired his brother to dig out the ditch to Mud Lake and their swamp would be dry every Summer. Mr. Niska said that he was in favor of the overlay project, but not the drainage improvements, and he did not indicate one way or another on the water installation.

Warren Nordeen, 5459 Heather Avenue, said that he would be agreeable to having bituminous on Heather Avenue. He said that he is already hooked up to the City water.

Harriet Anderson, 5475 Heather Avenue, said she would like to see Heather Avenue paved.

Councilor Prebeg said that he spoke with John Jokinen from the County Assessor's office and he asked what the property value change would be if Heather Avenue was paved. Mr. Jokinen said that there would be no added value to the home, but there would be an additional value to the land \$100-\$1000, amounting to about \$15 on the property taxes.

Tom Seitz, 5435 Heather Avenue, said that he is in favor of having the road paved, but he has concerns with how the road would hold up. He said that he is not in favor of the water installation assessments, because he is already on public water.

The City Administrator said that the assessment policy doesn't differentiate between whether residents have public or private water already.

Larry Lindholm was present representing U. S. Steel Corporation. Mr. Lindholm said that USX Corporation is no longer the property owner, they sold the property to RGGSLands and Minerals. He said that RGGSL is not looking forward to paying any major assessments and they are not too favorable to any new improvements because they are not looking to sell lots.

Larry Lindholm, 8430 Centennial Drive, said that the drainage improvement and the overlay would have to be intertwined. He said that he would like to have the drainage area extended past his house. He said that he already has public water and he does not want to be assessed for someone else's water installation.

Mark Kvas said that he was concerned with the price of the drainage improvement price being too expensive.

Fred Jacobs, 8436 Mud Lake Road, questioned why he was listed on the drainage improvement project. He said that there is not any water on his land that goes west, all of the water goes east to Mud Lake. The City Engineer said that they just used quad maps to develop the drainage assessment area and there were no on-site elevations completed.

Ed Zeidler, 8450 Mud Lake Road, said that there is no way that the water from his property goes to Silver Creek; it all goes to Mud Lake.

Ed Zeidler spoke for Jack Knoll, 8446 Mud Lake Road, saying that the water from his property does not go to Silver Creek, it all goes to Mud Lake.

Jeff Pelletier spoke for Jesse and Sheila Richter, 8421 Dottie Lane, saying that they did not want the drainage improvements completed.

Dr. Donald Werner, 8425 Dottie Lane, said that he was not here to complain but to learn. He said that he dug a hole to plant a tree and the hole was filled with water, so he said, "Good Luck" to the Council regarding the drainage improvements.

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Special Meeting
May 19, 2004
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Earl Wilkins, 8420 Dottie Lane, said that he was surprised to receive an assessment letter for a drainage project for a street that he does not live on. He said that his drainage goes to the east. He questioned if the City had looked at raising the grade on Heather Avenue to drain the water. He also asked if anyone had checked with the Corp. of Engineers or the Minnesota Department of Natural Resources regarding affecting a wetland area.

Dale Skinner, 5425 Heather Avenue, said that they live at the end of Heather Avenue and they would be willing to be assessed for an overlay project.

Councilor Irish asked if it would be feasible to overlay Heather Avenue without completing a drainage improvement project. The Engineer said that would be a waste of City funds.

At 8:05 p.m., it was moved by Nelson and supported by Prebeg that the meeting be adjourned. The motion carried.

Respectfully submitted:



Jill M. Forseen, CMC/MMCA
Municipal Services Secretary

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MINUTES
MOUNTAIN IRON CITY COUNCIL
JUNE 7, 2004

Mayor Skalko called the City Council meeting to order at 6:30 p.m. with the following members present: Joe Prebeg, Jr., Allen Nelson, Dale Irish, Ed Roskoski, and Mayor Gary Skalko. Also present were: Craig J. Wainio, City Administrator; Jill M. Forseen, Municipal Services Secretary; Don Kleinschmidt, Director of Public Works; Larry Nanti, Director of Parks and Recreation; Karen Luoma, Librarian; Joe Stewart, Sheriffs Sergeant; and Rod Flannigan, City Engineer (entering at 6:35 p.m.).

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

1. Add the following items to the agenda:
IV. D. 1. a. Temporary On-Sale Liquor License for Merritt Days
VI. O. Resolution #26-04 Supporting Excelsior Energy
2. Approve the minutes of the May 17, 2004, City Council meeting as submitted.
3. That the communications be accepted, placed on file, and those requiring further action by the City Council be acted upon during their proper sequence on the agenda.
4. To acknowledge the receipts for the period May 1-15, 2004, totaling \$92,864.89, (a list is attached and made a part of these minutes).
5. To authorize the payment of the bills and payroll for the period May 1-15, 2004, totaling \$302,678.32, (a list is attached and made a part of these minutes).

The motion carried unanimously on a roll call vote.

At 6:35 p.m., it was moved by Nelson and supported by Prebeg to recess the regular meeting and open the public hearing on the JOBZ Business Subsidy Policy. The motion carried.

The City Administrator explained that the policy covering the state JOBZ Project is in the City Council packet beginning on page 18. He stated that part of the statute that authorizes the JOBZ or Tax Free Zones requires the City to have a specific policy.

Councilor Roskoski questioned the City Administrator regarding who prepared the policy. The Administrator said that the policy came from the State and ARDC. The Administrator said that the City Council will have control over the wage and job criteria.

Councilor Roskoski questioned the City authorizing the Economic Development Authority to act as its agent. The Administrator said that the Council will have the final decision on all JOBZ programs.

Councilor Irish asked if the City Attorney had reviewed the policy. The Administrator said that Mary Frances from the Fryberger, Buchanan Legal Firm in Duluth had reviewed the document. Councilor Irish said that he would like the City Attorney to review the document.

Larry P. Johnson explained that the public hearing was just on the JOBZ program, anything approved for the program goes through the City Council.

At 6:50 p.m., it was moved by Nelson and supported by Prebeg to close the public hearing on the JOBZ Business Subsidy Policy and reconvene the regular meeting. The motion carried.

During the public forum, Dave Taus, the Mountain Iron-Buhl Girl's Softball Coach, was present and advised the City Council that the Girl's Softball Team would be traveling to the Region 7A State Tournament in Mankato on June 11th and 12th and he was requesting support from the Community. He also said that the School District is also working on starting a 14 year old and under softball program this summer. He was requesting the City to contribute \$240 to pay to get into the Summer League.

It was moved by Skalko and supported by Irish to authorize the payment of the \$240 for the Summer League and authorize a donation of \$150 to the Mountain Iron-Buhl Girl's Softball State Tournament Team. After further discussion, Mayor Skalko amended his motion to authorize a donation of \$150 donation for the Mountain-Iron Buhl Girl's Softball State Tournament Team and direct the Parks and Recreation Board to make a recommendation regarding the donation to the Summer League and have the City Council reconsider the issue at the June 21st City Council meeting. Councilor Irish supported the amended motion. The amended motion carried unanimously on a roll call vote.

It was moved by Skalko and supported by Prebeg to allow the Merritt Day's Committee to hold a Street Dance on Saturday, June 26, 2004 from 8:00 p.m. until midnight and that the beer garden area be guarded and enclosed with fencing with signage indicating that alcohol is only allowed in the beer gardens. The motion carried.

It was moved by Prebeg and supported by Irish to approve the application and permit for a temporary on-sale liquor license for Chicagami for June 26 & 27, 2004 at the South Grove Softball Fields, 8766 Mud Lake Road, Mountain Iron pending final approval from the Minnesota Department of Public Safety, Alcohol and Gambling Enforcement Division. The motion carried.

It was moved by Prebeg and supported by Skalko to authorize the Recreation Director to advertise for the 4th of July and Merritt Days Celebration. The motion carried unanimously on a roll call vote.

Mayor Skalko asked the Recreation Director when the Downtown Mountain Iron playground equipment would be installed. The Recreation Director said that the equipment should be delivered on June 16, 2004.

The Recreation Director advised the Council that the Office of Jobs and Training would like to place a worker with the City of Mountain Iron, at no cost to the City. He said that the worker worked June 7, 2004 and worked out well. He said that the worker is from the Spirit Lake area and would be working here for eight weeks. The Council took no formal action on the matter.

It was moved by Roskoski and supported by Irish to direct City Staff, with regards to Locomotive Park, that the brush be cut down from around the inside of the hoist house foundation area and then the area inside be filled with any type of fill material available. And further, to direct City Staff to not damage the two apples trees to the east of the building foundation, with the project being completed by August 31, 2004. The motion carried.

Mayor Skalko questioned when the water and sewer line extension in Locomotive Park were going to be completed. The Director of Public Works said that the utility extension do not have anything to do with the construction of the bike trail. He said that the plans are set for the water and sewer lines at the Locomotive Park.

Mayor Skalko and Councilor Prebeg updated the Council on the negotiations with the Mountain Iron-Buhl School District. The Mayor also thanked Larry P. Johnson for suggesting to the Council to have an appraisal completed on the school district property.

Mayor Skalko expressed concern regarding how the City assesses with regard to the sewer utilities. He felt that the assessments should be based on the number of connections and not by acreage. The Mayor requested the Director of Public Works to have the Utility Advisory Board review this policy.

The Administrator reported that the City was awarded a grant of \$3,500 from the Minnesota portion of the Federal Election Assistance for Individuals with Disabilities grant with the funding being used for polling place accessibility improvements.

Councilor Roskoski asked the Administrator if the City had received any Mineland Reclamation Grants. The Administrator said that the IRRRB had not notified the City of any grant award to date.

The Administrator advised the Council that the City Auditor will present the 2003 audit to the Council at either the June 21, 2004 or the first meeting in July.

It was moved by Roskoski and supported by Skalko to direct City Staff to formally request from U. S. Steel Corporation a shovel bucket with some teeth on it, a door, a 20-30 yard bucket, and have it delivered to the Wacootah Overlook. The motion carried.

Councilor Nelson expressed his gratitude to City Staff for good sound fiscal management shown by the upgrade in the Moody rating.

It was moved by Nelson and supported by Prebeg to accept the recommendation of the City Staff and award the crack sealing services to Northwest Asphalt Maintenance, Inc. based on their low quoted price of \$0.549 per pound installed. The motion carried unanimously on a roll call vote.

It was moved by Nelson and supported by Prebeg to authorize the City Staff to post the Main Street with “no parking” signs for June 10, 2004, to accommodate the Great River Bike Race. The motion carried.

Councilor Roskoski requested that the Director of Public Works have the Summer Staff clean up the area at the intersection of Marble Avenue and Locomotive Street, where there are taconite tailings and have the tailings placed in the area by the hoist house foundation. Councilor Roskoski asked the Recreation Director if the concrete area at Locomotive Park was swept. The Recreation Director advised him that the area was swept.

Councilor Irish questioned the Director of Public Works regarding the, more than usual, truck traffic on Grant Street. The Director of Public Works said that they have been opening up the areas where the water line breaks have occurred and are patching the areas.

Councilor Irish advised the Director of Public Works that the odor from the Wastewater Treatment Plant had been terrible again by his house.

It was moved by Roskoski and supported by Skalko to authorize the change order to raise the depressed area of Spruce Drive, between Aspen Lane and County Road 7, as presented by Benchmark Engineering in their memo dated May 27, 2004 in the amount of \$2,873 to the 2004 Street Overlay Projects. The motion carried on the following roll call vote: Prebeg, no; Nelson, yes; Irish, yes; Roskoski, yes; and Skalko, yes.

The City Engineer advised the Council that the 2004 Street Paving Projects would be started on Monday, June 14, 2004, with Marion Lane and North Court being completed first. He said that the overlays would probably be completed at the end of June.

The Council requested the City Administrator to forward Resolution Number 25-04 to the City Attorney for review. And further, the Council requested that the resolution be placed on the June 21, 2004, City Council agenda.

It was moved by Nelson and supported by Prebeg to direct City Staff to change the Building Usage Policy to indicate that rummage sales and flea markets would no longer be allowed at the Community Center, effective immediately. The motion carried.

At 8:21 p.m., Councilor Roskoski left the meeting.

At 8:23 p.m., Councilor Roskoski returned to the meeting.

It was moved by Skalko and supported by Irish to appoint Jason Goehring, 5472 Park Drive, Mountain Iron, to the Mountain Iron Economic Development Authority with the term expiring on December 31, 2005. The motion carried.

It was moved by Skalko and supported by Irish to appoint Barbara Fivecoate, 5422 Daisy Avenue, Mountain Iron, to the Mountain Iron Economic Development Authority, as the Planning and Zoning Commission Representative, with the term expiring on December 31, 2006. The motion carried with Councilor Nelson voting no.

It was moved by Skalko and supported by Prebeg to appoint Allen Nelson, 8511 Cardinal Street, Mountain Iron, to the Mountain Iron Economic Development Authority, as a City Council Representative, with the term expiring on December 31, 2007. The motion carried.

It was moved by Skalko and supported by Roskoski to appoint Dale Irish, 5425 Mineral Avenue, Mountain Iron, to the Mountain Iron Economic Development Authority, as a City Council Representative, with the term expiring on December 31, 2008. The motion carried.

It was moved by Skalko and supported by Irish to appoint Larry P. Johnson, 5701 Marble Avenue, Mountain Iron, to the Mountain Iron Economic Development Authority with the term expiring on December 31, 2009. The motion carried.

It was moved by Skalko and supported by Irish to appoint Mary Jacobsen, 8825 Highway 101, Mountain Iron, to the Mountain Iron Economic Development Authority with the term expiring on December 31, 2010. The motion carried.

It was moved Skalko and supported by Roskoski to appoint Anthony J. Zupancich, 8925 Highway 101, Mountain Iron, to the Mountain Iron Economic Development Authority, with the term expiring on December 31, 2010. The motion carried with Councilors Prebeg and Nelson voting no.

The Mayor directed the Administrator to notify those that were appointed to the Mountain Iron Economic Development Authority.

It was moved by Skalko and supported by Irish to direct City Staff to publish a request for quotes in the Mesabi Daily News for tuck pointing and lintels for the Mountain Iron Library and present the quotes to the City Council at the first meeting in July. The motion carried with Councilors Prebeg and Nelson voting no.

Councilor Prebeg questioned how much funding had been spent on the Library building to bring it up to ADA compliance. He said that the Council has been upgrading the building, but there still is no elevator installed to comply with ADA. The Mayor said that the City still may receive a grant for the elevator or a loan could be obtained from Rural Development for the installation of the elevator.

It was moved by Skalko and supported by Roskoski to direct the City Staff to obtain quotes for granular fill, mill feed or Class 5 to upgrade Spring Park Road and Heather Avenue for the short term, and have the quotes available for the first meeting in July. The motion carried with Councilors Prebeg and Nelson voting no.

The City Engineer said that their firm did look into grant funding options for Heather Avenue and there were no viable grants available to upgrade the drainage area.

Councilor Roskoski expressed concern regarding not enough information being submitted to the property owners for the public hearings.

It was moved by Skalko and supported by Irish to direct the City Administrator to complete the following items for the State Library Grant:

- 1) Write a letter that states the City of Mountain Iron will provide the parking pad, lighting and signage,
- 2) provide a revised budget, and
- 3) pass a new or amended City Council resolution that includes the increased grant request and City match.

The motion carried with Nelson voting no.

It was moved by Irish and supported by Skalko to direct City Staff to re-apply for the Community Development Block Grant for the funding year 2005 for the installation of an elevator in the Mountain Iron Library for the maximum amount of \$50,000. The motion carried with Councilor Nelson voting no.

The Mayor said he would contact Erik Wedge regarding parking for the handicapped in the back of the Library building.

At 9:12 p.m., Councilor Prebeg left the meeting.

It was moved by Skalko and supported by Irish to direct City Staff to install a culvert with gravel dirt and do some cleaning and brushing for the Downtown Sliding Hill with the project completed by November 1, 2004. The motion carried with Councilor Prebeg absent.

At 9:15 p.m., Councilor Prebeg returned to the meeting.

It was moved by Irish and supported by Roskoski to direct City Staff to send a letter to the Minnesota Pollution Control Agency inquiring if the City were to use any of the three old dump sites for recreational use, would the City be required to have the property cleaned up. And further, what the risk would be to the City in the future if the clean up was not completed. The motion carried.

It was moved by Roskoski and supported by Irish to obtain quotes for additional signage for Highway 169 reading “Historic Downtown Mountain Iron” be authorized, with Councilor Irish being the designated liaison with MN/DOT to complete this request. The motion carried with Councilor Nelson voting no.

It was moved by Roskoski and supported by Skalko to direct Benchmark Engineering, Inc. to explore various options and provide maps and projected costs for City sewer, City water, and paved street, with or without curbing, for the Spring Park Road area. And further, the City Council will schedule another public hearing when all of this information is available and explain to the residents what their assessment rates would be. The motion carried with Councilors Prebeg and Nelson voting no.

It was moved by Roskoski and supported by Irish to direct the Administrator to work with the City Engineer and the City of Virginia to inquire about a possible paving project for all or a portion of 16th Avenue. The motion carried with Councilors Prebeg and Nelson voting no.

It was moved by Roskoski and supported by Irish to direct the Administrator or the Director of Public Works to contact the Saint Louis County Engineer and inquire on the status of the improvements/repairs to County Road 761 between Old Highway 169 and New Highway 169. The motion carried with Councilor Nelson voting no.

It was moved by Nelson and supported by Prebeg to adopt Resolution Number 26-04, Supporting Excelsior Energy, (a copy is attached and made a part of these minutes). The motion carried with Councilor Irish voting no.

During the open discussion, Councilor Prebeg inquired about the thank you letter received from the City of Aurora. He expressed his gratitude to the City Administrator and the Director of Public Works for offering their assistance to the City of Aurora.

Also during the open discussion, Councilor Irish inquired about the pager fees paid.

At 9:45 p.m., it was moved by Roskoski and supported by Nelson that the meeting be adjourned. The motion carried.

Respectfully submitted:



Jill M. Forseen, CMC/MMCA
Municipal Services Secretary

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COMMUNICATIONS

1. City of Aurora, a thank you to the City for offering help and support following their May 5th Wastewater Treatment Facility Explosion.
2. MediaCom, forwarding new digital pricing information.
3. Joan Bond, a thank you to the City Staff for all of the assistance while using the Community Center.

Summary By Category And Distribution

Category	Distribution	Amount
CAMPGROUND RECEIPTS	FEES	1,438.00
BUILDING RENTALS	COMMUNITY CENTER	319.12
BUILDING RENTALS	BUILDING RENTAL DEPOSITS	700.00
PERMITS	BUILDING	126.66
MISCELLANEOUS	BASEBALL/SOFTBALL FEES	685.00
UTILITY	UTILITY	83,125.23
MISCELLANEOUS	ASSESSMENT SEARCHES	60.00
SPECIAL ASSESSMENTS	SPECIAL ASSESS.-BOND MONEY	1,728.95
MISCELLANEOUS	REIMBURSEMENTS	4,081.66
BUILDING RENTALS	NICHOLS HALL	110.00
MISCELLANEOUS	CHECK RETURN FEE	20.00
SPECIAL ASSESSMENTS	INTEREST-SP.ASSESS.-BONDS ISSU	20.27
MISCELLANEOUS	MOSES RESTITUTION	100.00
BUILDING RENTALS	SENIOR CENTER	25.00
MISCELLANEOUS	DONATIONS FOR DOWNTOWN PARK	100.00
METER DEPOSITS	ELECTRIC	200.00
BUILDING RENTALS	CITY HALL	25.00
Summary Totals:		<u>92,864.89</u>

Check Issue Date(s): 05/25/2004 - 06/11/2004

Per	Date	Check No	Vendor No	Payee	Check GL Acct	Amount
06/04	06/08/2004	29975	130017	AMERICAN BANK	002-20200	1,400.00
06/04	06/08/2004	29976	140026	AQUILA	002-20200	2,559.41
06/04	06/08/2004	29977	10010	ARROW AUTO	002-20200	14.80
06/04	06/08/2004	29978	10021	ARROWHEAD LIBRARY SYSTEM	002-20200	348.10
06/04	06/08/2004	29979	10023	ARROWHEAD REGIONAL DEVELOPME	002-20200	1,000.00
06/04	06/08/2004	29980	20001	BAKER FIRE EQUIPMENT	002-20200	855.00
06/04	06/08/2004	29981	20011	BERGY'S AUTO REPAIR	002-20200	1,141.00
06/04	06/08/2004	29982	642	BERNADETTE SUOMI	002-20200	15.00
06/04	06/08/2004	29983	20010	BISS LOCK INC	002-20200	9.59
06/04	06/08/2004	29984	20043	BOBCAT OF DULUTH, INC.	002-20200	18.18
06/04	06/08/2004	29985	20007	BP	002-20200	2,274.88
06/04	06/08/2004	29986	625	BRANDI MALENIUS	002-20200	100.00
06/04	06/08/2004	29987	30017	CARQUEST (MOUNTAIN IRON)	002-20200	481.29
06/04	06/08/2004	29988	627	CHERYL SEE	002-20200	50.00
06/04	06/08/2004	29989	632	CHRIS MARIUCCI	002-20200	50.00
06/04	06/08/2004	29990	623	CINDY YATES	002-20200	425.00
06/04	06/08/2004	29991	220003	CITY OF VIRGINIA	002-20200	74.74
06/04	06/08/2004	29992	30062	CUTLER-MAGNER COMPANY	002-20200	155.00
06/04	06/08/2004	29993	40034	DAMBERG SCOTT GERZINA WAGNER	002-20200	1,605.45
06/04	06/08/2004	29994	637	DENISE MORGAN	002-20200	100.00
06/04	06/08/2004	29995	40032	DEPARTMENT OF ADMINISTRATION	002-20200	467.34
06/04	06/08/2004	29996	40009	DEPARTMENT OF COMMERCE	002-20200	12.07
06/04	06/08/2004	29997	624	ELLEN NELSON	002-20200	708.06
06/04	06/08/2004	29998	50005	EXACT EYE CARE	002-20200	370.77
06/04	06/08/2004	29999	60003	FIVE SEASONS SPORTS CENTER	002-20200	14.26
06/04	06/08/2004	30000	5007	FORTIS BENEFITS	002-20200	510.40
06/04	06/08/2004	30001	60009	FRED FAUST	002-20200	65.49
06/04	06/08/2004	30002	622	GENE & JENNIFER GILBERTSON	002-20200	516.89
06/04	06/08/2004	30003	70004	GRANDE ACE HARDWARE	002-20200	49.84
06/04	06/08/2004	30004	70028	GREATER MINNESOTA AGENCY INC	002-20200	186.00
06/04	06/08/2004	30005	80022	HAWKINS INC	002-20200	441.51
06/04	06/08/2004	30006	80005	HIGGINS INDUSTRIAL SUPPLY	002-20200	875.00
06/04	06/08/2004	30007	80002	HILLYARD	002-20200	243.67
06/04	06/08/2004	30008	90006	IRON TRAIL MOTORS	002-20200	14.38
06/04	06/08/2004	30009	100015	J. APPLESEED	002-20200	84.75
06/04	06/08/2004	30010	100008	JENIAS APPLIANCE & TV	002-20200	467.54
06/04	06/08/2004	30011	640	JOAN BOND	002-20200	100.00
06/04	06/08/2004	30012	639	JODIE MATTILA	002-20200	50.00
06/04	06/08/2004	30013	631	JOHN LINDQUIST	002-20200	100.00
06/04	06/08/2004	30014	120032	LAKE COUNTRY POWER	002-20200	134.31
06/04	06/08/2004	30015	630	LAURIE NIETERS	002-20200	100.00
06/04	06/08/2004	30016	120039	LEEF SERVICES	002-20200	23.92
06/04	06/08/2004	30017	120008	LEHMAN FABRICATING INC	002-20200	126.63
06/04	06/08/2004	30018	120026	LES HARKONEN BAND	002-20200	300.00
06/04	06/08/2004	30019	638	MARILYN WEST	002-20200	100.00
06/04	06/08/2004	30020	130106	MEDIACOM - MIDWEST	002-20200	55.95
06/04	06/08/2004	30021	626	MEGAN LUUKKONEN	002-20200	50.00
06/04	06/08/2004	30022	130052	MERRITT DAYS COMMITTEE	002-20200	2,000.00
06/04	06/08/2004	30023	130004	MESABI DAILY NEWS	002-20200	2,290.13
06/04	06/08/2004	30024	130006	MESABI HUMANE SOCIETY	002-20200	854.87
06/04	06/08/2004	30025	635	MIB COMMUNITY EDUCATION	002-20200	100.00
06/04	06/08/2004	30026	621	MIB GIRLS SOFTBALL	002-20200	150.00
06/04	06/08/2004	30027	130116	MINNESOTA CITY/CO MGMT ASSOC.	002-20200	80.00
06/04	06/08/2004	30028	130044	MINNESOTA DEPT OF HEALTH	002-20200	1,211.00
06/04	06/08/2004	30029	130009	MINNESOTA POWER	002-20200	43,799.80
06/04	06/08/2004	30030	130079	MN ASSOCIATION OF SMALL CITIES	002-20200	1,113.57
06/04	06/08/2004	30031	120007	MOTION INDUSTRIES INC	002-20200	15.33

M = Manual Check, V = Void Check

Check Issue Date(s): 05/25/2004 - 06/11/2004

Per	Date	Check No	Vendor No	Payee	Check GL Acct	Amount
06/04	06/08/2004	30032	628	MOUNTAIN IRON LIONS CLUB	002-20200	100.00
06/04	06/08/2004	30033	130037	M-R SIGN	002-20200	122.01
06/04	06/08/2004	30034	629	NANCY ROLFE	002-20200	100.00
06/04	06/08/2004	30035	140052	NORTHEAST SERVICE COOPERATIVE	002-20200	30,881.91
06/04	06/08/2004	30036	180006	P & H MINEPRO SERVICES	002-20200	915.17
06/04	06/08/2004	30037	160005	PLAZA HARDWARE	002-20200	17.89
06/04	06/08/2004	30038	170007	QUILL CORPORATION	002-20200	287.59
06/04	06/08/2004	30039	170001	QWEST	002-20200	99.55
06/04	06/08/2004	30040	180045	RESERVE ACCOUNT	002-20200	500.00
06/04	06/08/2004	30041	634	VOID - RICHARD MOORE	002-20200	.00
06/04	06/08/2004	30042	641	SAMANTHA PRESTON	002-20200	15.00
06/04	06/08/2004	30043	190003	SARANEN AUTO	002-20200	489.81
06/04	06/08/2004	30044	190010	SEPPI BROTHERS	002-20200	4,410.39
06/04	06/08/2004	30045	190045	SERVICE SOLUTIONS	002-20200	340.85
06/04	06/08/2004	30046	190004	SKUBIC BROS INC	002-20200	197.02
06/04	06/08/2004	30047	636	SOROPTIMIST CLUB	002-20200	100.00
06/04	06/08/2004	30048	190002	ST LOUIS COUNTY AUDITOR	002-20200	6,305.85
06/04	06/08/2004	30049	190016	ST LOUIS COUNTY AUDITOR	002-20200	4,800.22
06/04	06/08/2004	30050	190039	ST LOUIS COUNTY RECORDERS OFFC	002-20200	105.00
06/04	06/08/2004	30051	5003	STEVE NORVITCH	002-20200	135.37
06/04	06/08/2004	30052	633	SUSAN FOUCAULT	002-20200	50.00
06/04	06/08/2004	30053	200003	TACONITE TIRE SERVICE	002-20200	160.00
06/04	06/08/2004	30054	200026	TERRA FERMA DEVELOPMENT	002-20200	181.05
06/04	06/08/2004	30055	200020	THE TRENTI LAW FIRM	002-20200	3,603.62
06/04	06/08/2004	30056	200006	TRIMARK INDUSTRIAL	002-20200	82.03
06/04	06/08/2004	30057	200027	TRUE VALUE HOME CENTER	002-20200	87.93
06/04	06/08/2004	30058	210002	UNITED TRUCK BODY COMPANY INC	002-20200	436.74
06/04	06/08/2004	30059	210020	USI INC	002-20200	92.61
06/04	06/08/2004	30060	220025	VERIZON WIRELESS, BELLEVUE	002-20200	13.02
06/04	06/08/2004	30061	220004	VIRGINIA DEPARTMENT OF PUBLIC	002-20200	29,156.16
06/04	06/08/2004	30062	230022	WELLS FARGO REMITTANCE CENTER	002-20200	2,108.00
06/04	06/08/2004	30063	230004	WENCK ASSOCIATES INC	002-20200	2,141.70
06/04	06/08/2004	30064	230005	WESCO DISTRIBUTION INC	002-20200	6,574.84
06/04	06/08/2004	30065	230010	WILBUR & VIOLET BALL	002-20200	1,000.00
06/04	06/08/2004	30066	240001	XEROX CORPORATION	002-20200	335.84
06/04	06/08/2004	30067	260005	ZEP MANUFACTURING COMPANY	002-20200	45.07
06/04	06/10/2004	30068	634	RICHARD MOORE	002-20200	75.00

Totals:

	166,528.16
Payroll-PP Ending 5/21/04	77,442.38
Payroll-PP Ending 6/4/04	50,745.05
Sales Tax-Electronic Transfer	7,962.73
TOTAL EXPENDITURES	<u>\$302,678.32</u>



CITY OF MOUNTAIN IRON

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RESOLUTION NUMBER 26-04

SUPPORTING EXCELSIOR ENERGY

WHEREAS, Excelsior Energy developing the Mesaba Energy Project which will be located on the Iron Range of Northeastern Minnesota, and

WHEREAS, on June 35, 2004, Excelsior Energy will be submitting its application to the United States Department of Energy (DOE) for \$150 million of finding under DOE's Clean Coal Power Initiative (CCPI) Round 2 Solicitation, and

WHEREAS, energy is a basic necessity of life throughout this country, and of particular importance to those families living in the Northeastern Minnesota, an area whose industry and jobs are vitally dependent upon ample supplies of clean and reasonably priced energy, and

WHEREAS, the Mesaba Energy Project will play a vital role in helping to diversify and transform the economy of Northeastern Minnesota, and

WHEREAS, the Mesaba Energy Project will create upwards of 1000 construction jobs, new permanent employment, and stimulate the Iron Range economy, and

WHEREAS, this nation's energy dependence on foreign sources of supply, the ever-increasing cost of natural gas and our nation's national security interests are matters of growing concern for the leaders of this country, and

WHEREAS, future energy supplies and a cleaner environment for the people and businesses of Minnesota would be greatly enhanced with the construction of the energy facility planned by Excelsior Energy, a projected \$1 Billion project that would bring enormous growth and opportunity to the people of Northeastern Minnesota, with the creation of as many as 1,000 construction jobs, and hundreds of full time jobs, with excellent wage pay and benefits, and

WHEREAS, this new facility will deploy the newest state-of-the-art Integrated Gasification Combined Cycle (IGCC) technology in its production of energy, and would be a beacon of environmental potential demonstrating to the rest of the Nation that energy can be produced from coal, America's most abundant energy resource, without harming the air, water, natural resources, and wildlife of this area, and

WHEREAS, the successful demonstration of the IGCC technology by Excelsior Energy confirming the enormous future potential of power generation and environmental performance from this new facility deploying IGCC technology will be of great benefit our entire nation.

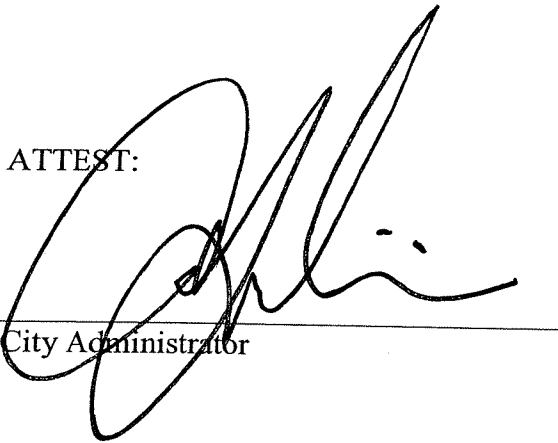
NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF MOUNTAIN IRON, MINNESOTA, that the City of Mountain Iron supports and endorses the Clean Coal Power Initiative proposal of Excelsior Energy, and urges the Secretary of Energy to approve its application.

BE IT FURTHER RESOLVED BY THE MOUNTAIN IRON CITY COUNCIL, that the City of Mountain Iron does hereby call on the Congress of the United States and the elected leaders of the State of Minnesota to do everything within their power and influence to expedite the approval, financing, construction and operation of this planned energy facility of Excelsior.

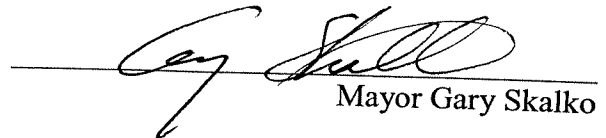
BE IT FURTHER RESOLVED BY THE MOUNTAIN IRON CITY COUNCIL, that the City of Mountain Iron authorizes the City Administrator to promptly transmit a copy of this Resolution to the Secretary of Energy and other officials in Minnesota and Washington, D.C.

DULY ADOPTED BY THE CITY COUNCIL THIS 7th DAY OF JUNE, 2004.

ATTEST:



City Administrator



Mayor Gary Skalko

COUNCIL LETTER 062104-IVC1

PUBLIC WORKS

CANADIAN NATIONAL BRIDGE REPAIR

DATE: June 17, 2004

FROM: Don Kleinschmidt
Director of Public Works

Craig J. Wainio
City Administrator

Staff has contacted Canadian National Railway concerning the City Council request to paint and repair the railroad bridge located in downtown Mountain Iron. Canadian National officials responded stating that there is no money allocated for that project in the 2004 bridge repair budget. The project will be looked at to be included in future bridge repair budgets.

COUNCIL LETTER 062104-IVC2

PUBLIC WORKS

MESABI TRAIL MAINTENANCE BROOM

DATE: June 17, 2004

FROM: Don Kleinschmidt
Director of Public Works

Larry Nanti
Director of Parks & Recreation

Craig J. Wainio
City Administrator

Staff is requesting City Council approval to purchase a pickup truck mounted broom from United Truck Body at their low quote of \$4,550.22. This purchase will be funded from the 2004 Mesabi Trail Maintenance Budget of \$5,000.00.

This broom is a truck-mounted broom that will be used for sweeping the Mesabi Trail portion that is located in the City of Mountain Iron. The Rail Authority would like the trail swept at least two times per week or more depending on the trail condition.

Quotes: United Truck Body of Duluth MN	\$4,550.22
Pete's Snowplow Sales of Hibbing MN	\$4,943.62

COUNCIL LETTER 062104-IVC3

PUBLIC WORKS

MINING EQUIPMENT

DATE: June 17, 2004

FROM: Don Kleinschmidt
Director of Public Works

Craig J. Wainio
City Administrator

The mining equipment donated from Minntac consisting of two rotary bits and two shovel bucket dipper teeth have been picked up. Staff is requesting Council direction as to display and design plans for placement of these items.

The aerial photo of Mountain Iron that Minntac donated is in the process of being framed along with the new zoning map. The large size of the maps required special order materials. They should be completed shortly.

COUNCIL LETTER 062104-IVC4

PUBLIC WORKS

COUNTY ROAD 761

DATE: June 17, 2004

FROM: Don Kleinschmidt
Director of Public Works

Craig J. Wainio
City Administrator

Saint Louis County Public Works Department was contacted as to the status of upgrading County Road 761. The road is in the preliminary design stage as to the exact layout. No time frame was available as to when the road construction would begin. If the City of Mountain Iron has any input on this project, Saint Louis County would try and incorporate these into the design standards.



Saint Louis County

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

Ross Litman
Sheriff

TO: City of Mountain Iron City Council & Mayor
FROM: Sgt. Joseph Stewart
RE: May 2004 Activity Report
DATE: June 15, 2004

The St Louis County Sheriffs Office in Mountain Iron received 129 calls for service during May 2004. They made 30 traffic stops and issued 10 citations. The calls are listed below:

- 13-On Views (Stops Deputies made checking on vehicles/persons/ or activities)
- 10-ATL vehicles for reported traffic violations
- 9-Assists to Virginia Sheriffs Office
- 9-Alarm Calls
- 8-Assists to Virginia Police
- 7-Theft Complaints
- 6-Verbal Domestic Calls
- 5-Assists to Hibbing & Buhl Sheriffs
- 4-Patrol requests
- 4-Disturbance Calls
- 4-Traffic Accidents
- 4-Criminal Damage to Property Complaints
- 4-Attempts to locate Runaway Juveniles
- 3-Careless Driving Complaints
- 3-DUI arrests
- 2-Requests to unlock car doors
- 2-Welfare checks on persons
- 2-Trespass complaints
- 30-other calls for service

Reply to:

- | | | | | |
|---|---|---|--|---|
| <input type="checkbox"/> Administrative Offices
100 N 5th Ave. W, Rm 103
P.O. Box 16187 Duluth, MN 55816
Phone: (218) 726-2341
Fax: (218) 726-2171 | <input type="checkbox"/> County Jail
4334 Haines Road
Duluth, MN 55811
Phone: (218) 726-2345
Fax: (218) 725-6134 | <input type="checkbox"/> Emergency Management
5735 Old Miller Trunk Hwy
Duluth, MN 55811
Phone: (218)
Fax: (218) | <input type="checkbox"/> Sheriff's Office
300 South 5th Avenue
Virginia, MN 55792
Phone: (218) 749-7134
Fax: (218) 749-7192 | <input type="checkbox"/> Sheriff's Office
1810 12th Ave. E
Hibbing, MN 55746
Phone: (218) 262-0132
Fax: (218) 262-6334 |
|---|---|---|--|---|

6 / 17 / 2004

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CITY COUNCIL

COUNCIL LETTER 062104-IVH

UTILITY ADVISORY BOARD

RECOMMENDATIONS

DATE: June 17, 2004

FROM: Don Kleinschmidt
Director of Public Works

Craig J. Wainio
City Administrator

The Utility Advisory Board is recommending the Mountain Iron City Council adopt the following action as acted upon at their meeting held on May 25, 2004.

- 1) Adoption of the attached Refuse Canister Policy
- 2) Move the recycling roll-off containers to the new yard site with placement prior to the access gate.
- 3) Authorize Benchmark Engineering to prepare plans and quotes for the waterline extension from Unity Drive South along Mountain Iron Drive.



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REFUSE CANISTER POLICY

Policy Number 2004-

Adopted:

All refuse must be properly bagged and contained within a City supplied canister with the lid or cover closed. Refuse may not be piled on the top or around the canister.

Any residential or commercial customer that violates this policy will be cited and sent a written letter outlining the violation(s) and required corrective action. After two written notices in one calendar year, January 1 to December 31, the customer will be given the next largest canister available and will be billed at the scheduled amount for the larger canister. In addition the customer will be assessed a \$15.00 exchange fee.

Residents who wish to change the size of their refuse canister shall make this request to the City of Mountain Iron. Customers will be allowed one exchange without any additional charge. Customers requesting exchanges, in excess of one time, will be charge an exchange fee of \$15.00 per exchange.

COUNCIL LETTER 062104-VA

ADMINISTRATION

RESOLUTION NUMBER 24-04

DATE: June 16, 2004
FROM: Craig J. Wainio
City Administrator

Resolution Number 24-04 Authorizing the Sale of Property, is required in order to record the deeds along the right-of-way that the City recently acquired from the Regional Rail Authority. At the previous meeting, the City Council authorized this sale to adjoining property owners, saving ownership of a 50 foot wide parcel through the center of the right-of-way.

It is recommended that the City Council approve Resolution Number 24-04 Authorizing the Sale of Property.



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RESOLUTION NUMBER 24-04

AUTHORIZING THE SALE OF CERTAIN PROPERTY

WHEREAS, the City Council has heretofore determined that it is beneficial to the City of Mountain Iron to convey certain property.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF MOUNTAIN IRON, MINNESOTA that the Mayor and City Administrator, upon receipt of payment, execute the deed to convey real property in St. Louis County, Minnesota, described as follows:

That portion of the former Burlington Northern and Santa Fe Railway Company's (formerly Great Northern Railway Company) 100 foot wide Virginia to Wacootah, Minnesota Branch Line right-of-way, now discontinued, being 50 feet wide on each side of said Railway Company's Main Track centerline as originally located and constructed upon, over and across the Northwest Quarter and the South Half of the Northeast Quarter of Section 12, all in Township 58 North, Range 18 West of the Fourth Principal Meridian, St. Louis County, Minnesota.

Subject to the City of Mountain Iron retaining ownership of 25 feet on each side of said Railway Company's Main Track centerline as originally located and constructed upon.

Subject, however, to all existing interests, including but not limited to all reservations, rights-of-way and easements of record or otherwise.

DULY ADOPTED BY THE CITY COUNCIL THIS 21st DAY OF JUNE, 2004.

Mayor Gary Skalko

ATTEST:

City Administrator

COUNCIL LETTER 062104-VB

ADMINISTRATION

RESOLUTION NUMBER 25-04

DATE: June 16, 2004
FROM: Craig J. Wainio
City Administrator

Resolution Number 25-04 Adopting the JOBZ Business Subsidy Policy, is required is a requirement of the City's participation in the JOBZ program. A copy has been forwarded to Mr. Aluni for review.

It is recommended that the City Council approve Resolution Number 25-04 Adopting the JOBZ Business Subsidy Policy.

RESOLUTION NUMBER 25-04

JOBZ BUSINESS SUBSIDY POLICY AND CRITERIA

Policy Number 2004-

Adopted:

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOUNTAIN IRON, MINNESOTA, that it shall adopt the following Business Subsidy Policy and Criteria:

Preamble. Whenever the City of Mountain Iron invests public funds or agrees to voluntarily forfeit tax or other revenue that benefit private development projects, those projects should create the greatest number of FTE jobs that pay a living wage possible for the residents of the City of Mountain Iron and the surrounding region. Mountain Iron policy makers and economic development agents must keep the critical need for living wage FTE jobs the priority whenever public dollars are invested in a private business or development project.

Business Subsidy Public Purpose. The public purposes of this policy shall be to accomplish the following on behalf of the City of Mountain Iron:

1. Enhance economic growth in this area
2. Create high quality job growth in this area
3. Retain high quality jobs in this area
4. Stabilize the community

This policy is adopted in compliance with M.S. § 116J.994 Subd. 2. A copy of the policy shall be submitted to the Department of Employment and Economic Development along with the first annual Business Subsidy report.

Principles of Business Subsidy Implementation. The City of Mountain Iron shall target its business subsidy assistance to businesses that demonstrate a clear and ongoing commitment to the community by providing living wage jobs to their employees and to Mountain Iron residents, where applicable, by giving priority to those businesses over businesses that have not traditionally paid living wages.

The City of Mountain Iron shall focus its business subsidy assistance only to businesses which agree to comply with annual business subsidy reporting requirements as required by Job Opportunity Building Zone (JOBZ) statute M.S. §§ 469.310 - 469.320; and/or as required by the Business Subsidy statute M.S. §§ 116J.993 - 116J.995.

All other things being equal and to the extent legally possible, the City of Mountain Iron shall give preferential treatment for business subsidies to business that engage in responsible labor relations defined as neutrality on union organizing.

Although the primary purpose of this policy is the creation of living wage jobs, we cannot achieve our economic development goals without a trained and ready workforce and adequate childcare. The city shall commit to assist businesses to obtain trained and work-ready employees through the DEED Workforce Development Centers; MNSCU and other services; and to facilitate access to childcare.

The City of Mountain Iron agrees to require that a qualified business shall not to compete with or displace local businesses currently operating within the subzone community.

I. DEFINITIONS

“Authorized Business Subsidy Signatory” means the City Council who is authorized by this Policy to execute business subsidy agreements on behalf of the City of Mountain Iron.

“JOBZ Business Subsidy” means tax exemptions or tax credits available to a qualified business located in a job zone under the Job Opportunity Building Zone (JOBZ) statute M.S. §§ 469.310 - 469.320. JOBZ Business Subsidies shall include:

1. Exemption from individual income taxes as provided under M.S. § 469.316; and
2. Exemption from corporate franchise taxes as provided under M.S. § 469.317; and
3. Exemption from the state sales and use tax and any local sales and use taxes on qualifying purchases as provided in M.S. § 297A.68, subdivision 37; and
4. Exemption from the state sales tax on motor vehicles and any local sales tax on motor vehicles as provided under M.S. § 297B.03; and
5. Exemption from the property tax as provided in M.S. § 272.02, subdivision 64; and
6. Exemption from the wind energy production tax under M.S. § 272.029, subdivision 7; and
7. The jobs credit allowed under M.S. § 469.318.

“Business Subsidy” means a state or local government agency grant, contribution of personal property, real property, infrastructure, the principal amount of a loan at rates below those commercially available to the recipient, any reduction or deferral of any tax or any fee, any guarantee of any payment under any loan, lease, or other obligation, or any preferential use of government facilities given to a business, and as defined by the Business Subsidy statute M.S. §§ 116J.993 - 116J.995. Business subsidies shall include, but not be limited to:

1. Loan
2. Grant
3. Tax abatement
4. TIF or other tax reduction or deferral
5. Guarantee of payment

6. Contribution of property or infrastructure
7. Preferential use of governmental facilities
8. Land contribution
9. Other specified subsidy.

Business subsidies do not include the following:

1. Assistance of less than \$25,000.
2. assistance that is generally available to all businesses or to a general class of similar businesses, such as a line of businesses, size, location or similar general criteria;
3. public improvements to buildings or lands owned by the City of Mountain Iron that serve a public purpose and do not principally benefit a single business or defined group of businesses at the time the improvements are made;
4. Property polluted by contaminants being redeveloped as defined in M.S. § 116J.552, subd. 3.
5. assistance provided for the sole purpose of renovating old or decaying building stock or bringing it up to code and assistance to designated historic preservation sites or districts, provided that the assistance is equal to or less than 50% of the total cost of the development;
6. assistance to provide job readiness and training services;
7. assistance for housing;
8. assistance for pollution control or abatement, including assistance from a TIF hazardous substances subdistrict;
9. assistance for energy conservation;
10. tax reductions resulting from conformity with federal tax law;
11. workers compensation and unemployment compensation;
12. benefits derived from regulation;
13. indirect benefits derived from assistance to educational institutions;
14. funds from bonds allocated under M.S., Chapter 47A refunding bonds and 501(c)(3) bonds;
15. assistance for collaboration between a Minnesota higher education institution and a business;
16. assistance from a tax increment financing soils condition district as defined under M.S.469.174, subd.19;
17. redevelopment when the Recipients or Qualified Business' investment in the purchase of the site and in site preparation is 70 percent or more of the assessor's current years estimated market value;
18. general changes in tax increment financing law and other general tax law changes of a principally technical nature;
19. federal assistance until the assistance has been repaid to and reinvested by the local governmental unit;
20. funds from dock or wharf bonds issued by a seaway port authority;
21. business loans or loan guarantees of \$75,000 or less; and
22. Federal loan funds provided through the U.S. Economic Development Administration.

“Business Subsidy Report” means the annual reports submitted each year for each business receiving a business subsidy in the community. The report is submitted by the LGU in order to comply with M.S. § 116J.994 Subd. 7. (b).

“Criteria” means the equitably applied, uniform standards by which the Economic Development Agency and /or the City bases its decision to award any business subsidy to a private business or development project establishing a business and creating jobs in the City of Mountain Iron.

“DEED” means Minnesota Department of Employment and Economic Development.

“Economic Development Agent” means the city department, local or regional economic development agency or other authorized entity that is empowered to solicit, negotiate and form business subsidy agreements on behalf of the City of Mountain Iron. The Economic Development Agent for the City of Mountain Iron shall be the City Council, hereinafter “Agent”.

“Health Insurance” means basic health insurance which shall include: employer 100% premium payment for individual coverage or 80% premium payment for family coverage; employer minimum payment for 80% of office visits, emergency care, surgery and prescriptions; a maximum yearly deduction of \$1,000, and maternity coverage.

“Living Wage Job” shall mean a job which pays wages and health benefits that total at least the rate of 110% of the current poverty level for a family of four.

“Local Governmental Unit” hereinafter LGU, means the statutory or home rule charter city, county, town, iron range resources and rehabilitation agency, regional development commission.

“Operation Start Date” shall mean the date by which the business begins its operations in the zone as evidenced by constructing a facility or relocating to an existing building in a facility and beginning revenue generating operations and/or hiring employees.

“Qualified Business” means a person that carries on a trade or business at a place of business located within a Job Opportunity Building Zone as referenced in M.S. § 469.310 Subd. 11; and complies with the reporting requirements specified by M.S. § 469.313 Subd. 2. (5); and shall comply with the criteria in Section II.C. of this agreement; and shall also mean “Recipient” as defined by Business Subsidy law. A qualified business shall not include a retail business, a low-wage service business, an agricultural production business, or a business that pays less than the living wage defined in this agreement.

“Recipient” means any business entity that receives a business subsidy as defined by M.S. § 116J.993 and that has signed a Business Subsidy Agreement with a city.

“Relocating Business” A business relocating from another Minnesota non-JOB Zone location.

“Relocation Agreement” means a binding written agreement between a relocating qualified business and the commissioner of DEED pledging that the qualified business shall either: (a)

increase full-time for full-time equivalent employment in the first full year of operation within the job opportunity building zone by at least 20 percent, or (b) make a capital investment on the property equivalent to 10% of the gross revenues of operation that was relocated in the immediately preceding taxable year; and provides for repayment of all tax benefits if the requirements of (a) or (b) are not met.

“Subzone” means the parcel or parcel of land designated by the Commissioner of Employment and Economic Development within a Job Opportunity Building Zone within the boundaries of Mountain Iron to receive certain tax credits and exemptions specified under M.S. § 469.310-469.320.

“Zone” means a Job Opportunity Building Zone or an Agricultural Processing Facility Zone designated by the commissioner of Employment and Economic Development under M.S. § 469.314.

II. BUSINESS SUBSIDY REQUIREMENTS

A. Business Subsidy Policies. The City of Mountain Iron adopts the following:

1. Any time the City of Mountain Iron provides a business subsidy to a Qualified Business or Recipient that business is subject to the wage levels, job creation and other criteria set forth in this policy and specified in the Business Subsidy Agreement made with the LGU. In the event of a conflict between the requirements of the Business Subsidy statute M.S. §§ 116J.993 - 116J.995 and the JOBZ statute M.S. §§ 469.310 - 469.320, the JOBZ statute shall supersede.
2. The City of Mountain Iron requires that all FTE within a JOBZ area shall be compensated at not less than 110% of the federal poverty rate for a family of four. Compensation shall include wages and benefits.
3. The City of Mountain Iron requires that businesses meeting and maintaining business subsidy agreement requirements shall do so through December 31, 2015.
4. The qualified business shall be identified in the Business Subsidy Agreement as a:
 - a. Trade or business located in and operating in a JOBZ or APF Zone at the time of Zone designation; OR
 - b. New trade or business start-up located with the subzone; OR
 - c. Business expanding in the subzone which is a business that maintains its current operations in its current location and is expanding its operations and its payroll within the City of Mountain Iron subzone; OR
 - d. A business relocating from another state; OR
 - e. A business relocating from another Minnesota non-Zone location specifying the City.
5. The City of Mountain Iron may deviate from wage and job criteria in Section II, by documenting the reason in writing for the deviation and attaching a copy of this reason to the next annual Business Subsidy Report submitted to DEED.

6. The City of Mountain Iron shall have an overall goal of creating jobs under this policy shall be held by Mountain Iron residents. It is expected that all qualified businesses or recipients shall have a quantified target for the number of residents to be hired.
7. The City of Mountain Iron authorizes the Mayor as representative of the city to act as its Authorized Business Subsidy Signatory to execute business subsidy agreements on behalf of the City of Mountain Iron.
8. The City of Mountain Iron authorizes the Mountain Iron EDA to act as its Economic Development Agent for purposes of marketing and initiating and negotiating Business Subsidy Agreements on its behalf.
9. Requirements of businesses. The City of Mountain Iron shall require all businesses receiving a business subsidy to comply with the following:
 - a. The business shall attend a properly noticed public hearing shall be held by the City of Mountain Iron as provided by M.S. § 116J.994, when the value of the subsidy does or is expected to exceed \$100,000 from local sources. The purpose of the hearing shall be held to identify define the criteria that the qualified business or recipient shall meet in order to be eligible to receive a business subsidy or become a qualified business for purposes of the JOBZ statute. The hearing shall specify the subsidy provided, public purpose(s) that shall be achieved by offering the subsidy, and shall specify the measurable, specific, and tangible goals committed to by the qualified business. As provided by M.S. 116J.994, Subd. 5., a public notice shall be published in print and if possible, on the internet, at least 10 days prior to the hearing, identifying the location, date time and place of the hearing; and providing information about the business subsidy proposed, including a summary of the terms of the subsidy.
 - b. If the business is qualified to receive JOBZ tax benefits, that business shall agree to continue to operations in the jurisdiction where the subsidy is used (the subzone) for the duration of the job zone term.
 - c. If the qualified business or recipient is a relocating business under the definition in this agreement, the business shall be required to enter into a binding written "Relocation Agreement between the qualified business and the commissioner of DEED pledging that the qualified relocating business shall:
 - (1) Commit to signing a Relocation Agreement with DEED; and CHOOSE ONE from 2 or 3:
 - (2) Cease one or more operations or functions at a non-Zone location and begin performing substantially the same functions inside the Mountain Iron Zone; or
 - (3) Reduce employment at the non-Zone location starting one year before and ending one year after beginning operations in the Zone where its employees in the Zone are engaged in the same line of business as the employees at the location where it reduced

employment; and CHOOSE ONE (or BOTH, if applicable) from 4 and 5:

- (4) Increase full time employment by 20% (measured relative to the operations that were relocated) within the first full taxable year of operation within the Zone and maintains the required level of employment during each year of zone designation; or
- (5) Make a capital investment in the Zone equivalent to at least 10% of gross revenues for the taxable year immediately preceding relocation to the Zone.

d. The business shall identify an operation start date when business operations for the proposed qualified business are planned to begin in the zone. The date when business operations begin is called the "operation start date".

DULY ADOPTED BY THE CITY COUNCIL THIS 21st DAY OF JUNE, 2004.

Mayor Gary Skalko

ATTEST:

City Administrator

COUNCIL LETTER 062104-VIC

ADMINISTRATION

RESOLUTION 26-04

DATE: April 14, 2004
FROM: Craig J. Wainio
City Administrator

This Resolution authorizes Staff to submit an updated application for a public library accessibility grant. This application now incorporates the changes required by the State in order to received the grant.

It is recommended that the City Council adopt Resolution Number 26-04 Authorizing the Application for funding under the public library accessibility grant program.



CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

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

RESOLUTION NUMBER 27-04

AUTHORIZING GRANT APPLICATION

WHEREAS, the Mountain Iron Public Library building and public library services should be accessible to all residents; and,

WHEREAS, the City of Mountain Iron has title to the site and building where the Mountain Iron Public Library is located; and,

WHEREAS, the City of Mountain Iron has determined that various modifications are necessary within the Mountain Iron Public Library building to meet current Americans with Disabilities Act and Minnesota State Building Code Accessibility Standards; and,

WHEREAS, the City of Mountain Iron has determined that such modifications will cost approximately \$ _____; and,

WHEREAS, the City of Mountain Iron has determined that it will need a matching grant from the Department of Education to pay for such modifications; and,

WHEREAS, the City of Mountain Iron shall provide matching funds for expenditures relating to the public library accessibility project in an amount equal to the amount of the grant from non-state sources and that such match shall be dollar-for-dollar and not matched by in-kind contributions; and,

WHEREAS, the source of the matching funds will be Capital Improvement Funds; and,

WHEREAS, the City of Mountain Iron understands and agrees to adhere to the list of assurances as stated in the grant application.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MOUNTAIN IRON, MINNESOTA, that it authorizes the Mayor and City Administrator to submit a grant application totaling \$ _____ to make accessibility related modifications at the Mountain Iron Public Library building.

BE IT FURTHER RESOLVED BY THE MOUNTAIN IRON CITY COUNCIL, that the Mayor and City Administrator are authorized independently to sign and submit all applicable contracts, documents and agreements associated with the application or grant agreement on behalf of the City of Mountain Iron.

DULY ADOPTED BY THE CITY COUNCIL THIS 21st DAY OF JUNE, 2004.

ATTEST:

Mayor Gary Skalko

City Administrator



Mountain Iron Public Library

5742 Mountain Avenue
P.O. Box 477
Mountain Iron, MN 55768
218-735-8625 • Fax 218-735-8252

June 14, 2004

Mountain Iron City Council
Mountain Iron, MN 55768

Dear Council Members:

At our last board meeting of June 9, 2004, a letter to Mr. Wainio from Bruce Pomerantz, Library Development Specialist, was read.

We would, at this time, like the council to know that we are in full support of the three proposals listed in the letter, which would expedite the processing of the grant when funds become available. We sincerely hope that the actions listed by Mr. Pomerantz be given much consideration.

If we, the board, can be of any assistance, please feel free to contact us.

Sincerely,

Mountain Iron Public Library Board
Mountain Iron, MN 55768

COUNCIL LETTER 062104-VD

FIRE DEPARTMENT

FIRE TRUCK SALE BIDS

DATE: June 16, 2004
FROM: Fire Department
Craig J. Wainio
City Administrator

Based upon the recommendation of the Fire Department, all previous bids should be rejected and the 2 fire trucks should be advertised for bid.

COUNCIL LETTER 062104-VIA

COUNCILOR ROSKOSKI

PAGERS AND THE 1-800 CITY EMERGENCY NUMBERS

DATE: June 17, 2004

FROM: Ed Roskoski
Councilor

Craig J. Wainio
City Administrator

Background: City Staff should explain to the City Council how the emergency operation is set-up and works.

COUNCIL LETTER 062104-VIB

COUNCILOR ROSKOSKI

CITY ENDORSEMENTS

DATE: June 17, 2004

FROM: Ed Roskoski
Councilor

Craig J. Wainio
City Administrator

Background: I heard on the radio (KQDS) that Minnesota Power and the Mountain Iron Department of Public Utilities were advocating purchasing Sears energy efficient air conditioners from Sears stores in Virginia and Grand Rapids. I feel our (or any other) City should remain neutral in endorsing any private business/product.

COUNCIL LETTER 062104-VIC

COUNCILOR ROSKOSKI

**CITY ENDOWMENT FUND/
MOUNTAIN IRON FOUNDATION**

DATE: June 17, 2004

FROM: Ed Roskoski
Councilor

Craig J. Wainio
City Administrator

Background: This request is from the Mountain Iron Civic Association. Our Law Firm should be given the authority to see if the City and Civic Association could draw-up/work out a mutual agreement.

COUNCIL LETTER 06214-VID

ADMINISTRATION

RESCHEDULE NEXT MEETING

DATE: June 16, 2004
FROM: Craig J. Wainio
City Administrator

The next regular meeting of the City Council needs to be rescheduled due to the July 4th Holiday.

COMMUNICATIONS
JUNE 21, 2004

1. Marilyn Skaudis, Secretary for the Mountain Iron Senior Citizens Club, a thank you for planting the plants by the Seniors Building.
2. League of Minnesota Cities, the June 10, 2004 Friday Fax.
3. Federal Railroad Administration, notification of a public informational meeting on June 23, 2004, regarding the Interim Train Horn Rule.

6/14/04

Dear Council members -

At the recent meeting of
the Mt Iron Seniors, the

secretary was asked to send

a thank you  to the city

Council for planting the

flowers in the Seniors building

flower box. Once again, it

was greatly appreciated by

the club members. Also, the

flower boxes around the city

were commented upon.

Thank you for helping to

make our city quite festive

for the summer,

Sincerely,

Marilyn Skaudis, Secy



-FridayFax-

A weekly legislative update from the League of Minnesota Cities

June 10, 2004

Page 1

League Board holds special meeting to discuss LGA issue

In a special meeting today, the League of Minnesota Cities Board of Directors unanimously adopted a position calling on the Governor and legislative leaders to convene a special session to address a need for a technical fix to the LGA distribution formula.

In the 2003 special session tax bill that contained the most recent LGA reforms, the legislature inadvertently failed to delete a paragraph dealing with the LGA grandfather. In administering the formula last summer, the Department of Revenue accepted letters from House Tax Chair Ron Abrams (R-Minnetonka) and Senate Tax Chair Larry Pogemiller (DFL-Minneapolis) requesting that the 2004 distribution follow legislative intent with an apparent understanding that the 2004 legislature would fix the technical problem.

During the 2004 legislative session, both the House and Senate tax bills contained the fix and in committee discussions of the provision, no one testified in opposition to the elimination of the paragraph. In addition, the House and Senate written summaries of the provision indicated that the deletion of the paragraph was an inadvertent omission from the 2003 tax bill. Despite the non-controversial nature of the provision, the House and Senate never negotiated a conference committee compromise and therefore, the technical fix did not become law.

Interpretation of the effect of including the paragraph is not entirely clear. However, under either of the two interpretations that the League has heard discussed, including the grandfather paragraph in the formula would reduce the

LGA distribution significantly for Minneapolis and St. Paul and to a lesser extent other cities primarily in greater Minnesota. Other cities, primarily in the metro area, would experience LGA increases. The League will post estimates of the impacts on our web site when they are made available.

Administration officials as recently as yesterday indicated to us that they had not yet concluded how to interpret the law. In today's St. Paul Pioneer Press, however, the governor indicated that he would direct the Department of Revenue to interpret the law as drafted, including the grandfather paragraph. It is unclear whether this would impact the distribution in both 2004 and 2005 or just in 2005. Later today, we anticipate receiving official estimates from the Department of Revenue on the impact of this change. Unofficial estimates indicate that the change could redistribute approximately 8 to 10 percent of the LGA appropriation.

During the League Board's deliberations today, members discussed the importance of following legislative intent as outlined in last summer's letters from the House and Senate tax chairs. Members also discussed the need for stability and predictability in the LGA formula. Given that the legislature did not act to correct the problem during the 2004 session and given the governor's statements in the paper today, it appears that a special session is necessary to have the 2005 LGA distribution follow legislative intent.

The League will be communicating this position to the governor and legislators this week.

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



**Federal Railroad Administration
Wisconsin Department of Transportation**

**Interim Train Horn Rule
Public Information Meeting**

**Wednesday, June 23, 2004
1:00 p.m.**

**Wisconsin DOT, District 8
Temporary Office located at
1701 N 4th Street
Superior, WI**

The Federal Railroad Administration and Wisconsin Department of Transportation are hosting a public information meeting to educate communities about the FRA's new regulations and what steps communities need to take to comply with the Interim Final Rule. Tammy Wagner from the FRA will present information and answer questions about the new regulations, federal and state funding availability, and submitting public comments.

If you are interested in attending, please complete the registration form and mail or fax it to Anna Davey, DOT District Railroad Coordinator at 715-392-0879 by Monday, June 21. If you have any questions or need additional information, please call Tammy Wagner at 312-353-6203 ext 49. or email at tammy.wagner@fra.dot.gov

Featured Speakers:

**Ronald Adams, WI Department of Transportation
Tammy Wagner, Federal Railroad Administration
Rodney Kreunen, Wisconsin Commissioner of Railroads**



Meeting Topics:

- Overview of FRA Interim Final Horn Rule
- Maintaining existing quiet zones and how to establish a new quiet zone
- Funding options for implementing safety measures
- Commenting on FRA Interim Final Rule regulation
- Working with railroads, State agencies, and road authorities
- Questions and Answers

Registration Form

Federal Railroad Administration Interim Train Horn Rule Public Information Meeting Wednesday, June 23, 2004

The following person(s) will be attending:

Name(s): _____

Title(s): _____

Municipality/Agency: _____

Phone Number: _____

Email Address: _____

Return Form To:

Anna Davey, District Railroad Coordinator
 Wisconsin Department of Transportation
 Transportation District 8
 1701 N 4th Street
 Superior, WI 54880

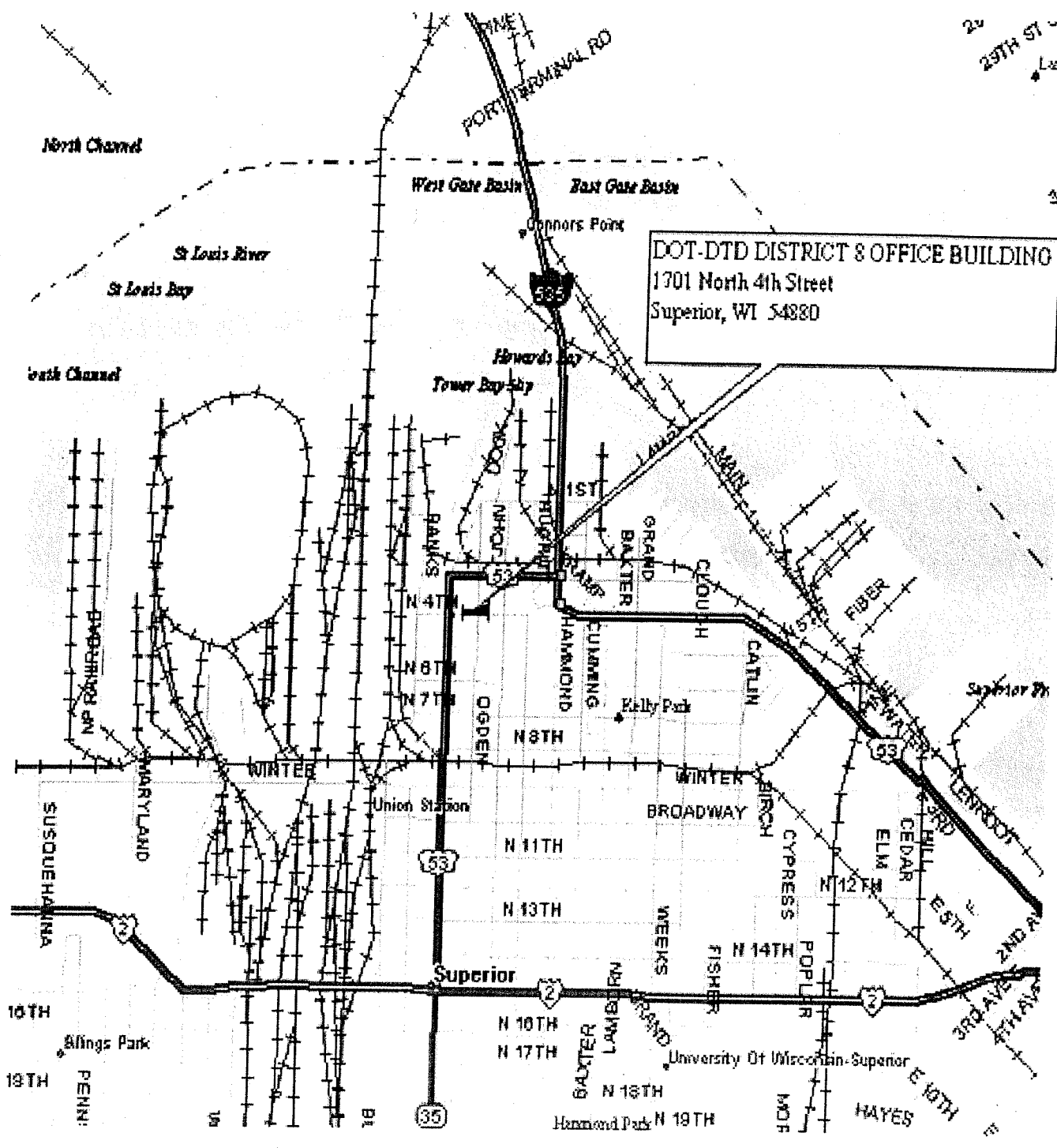
Office 715-392-7960
 Fax 715-392-0879



25
29TH ST
L&S

39

DOT-DTD DISTRICT 8 OFFICE BUILDING
1701 North 4th Street
Superior, WI 54880



**NOTICE OF FILING
MOUNTAIN IRON CITY ELECTION**

Notice is hereby given:

Filing affidavits of candidacy will be accepted at the Mountain Iron City Hall for the following city offices from:

OPENING DATE OF FILING

Tuesday, July 6, 2004
8:00 a.m.

CLOSING DATE OF FILING

Tuesday, July 20, 2004
5:00 p.m.

OFFICES

One Mayor Two (2) Year Term
Two Councilors Four (4) Year Term

PRIMARY ELECTION

Tuesday, September 14, 2004
POLLS OPEN: 7 a.m. to 8 p.m.

GENERAL ELECTION

Tuesday, November 2, 2004
POLLS OPEN: 7 a.m. to 8 p.m.

A two dollar (\$2.00) filing fee must be paid at the time of filing.

Jill M. Forseen, CMC
Deputy Registrar of Elections
City of Mountain Iron

www.mtniron.com