

**MOUNTAIN IRON CITY COUNCIL MEETING  
COMMUNITY CENTER  
MOUNTAIN IRON ROOM  
MONDAY, JULY 6, 2009 - 6:30 P.M.  
A G E N D A**

- I. Roll Call
  - II. Consent Agenda
    - A. Minutes of the June 15, 2009, Regular Meeting (#1-17)
    - B. Receipts
    - C. Bills and Payroll
    - D. Communications (#37—42)
  - III. Public Forum
  - IV. Committee and Staff Reports
    - A. Mayor's Report
      - 1. Sports Complex Feasibility Study (#18)
    - B. City Administrator's Report
      - 1. AmericInn 3.2 Beer License and Wine License (#19)
    - C. Director of Public Works Report
      - 1. Transformer Quotes (#21)
    - D. Sheriff's Department Report
    - E. City Engineer's Report
      - 1. Change Order Number 1 (#23)
      - 2. Pay Request Number 4 (#24-25)
    - F. Parks and Recreation Board
      - 1. Locomotive Park Recommendation (#26-29)
    - G. Liaison Reports
  - V. Unfinished Business
  - VI. New Business
    - A. Resolution Number 30-09 Awarding Bid (#30-31)
    - B. Advertisement for Bids (#32)
    - C. Request to Waive Fees (#33)
    - D. Schedule Street and Alley Committee Meeting (#34)
    - E. New LGA Numbers (#35)
    - F. Communications
    - G. Closed Meeting – Consider Strategies for Labor Negotiations (#36)
  - VII. Communications (#37-42)
  - VIII. Announcements
  - IX. Adjourn
- # Denotes page number in packet

MINUTES  
MOUNTAIN IRON CITY COUNCIL  
JUNE 15, 2009

Mayor Skalko called the City Council meeting to order at 6:30 p.m. with the following members present: Joe Prebeg, Jr., Tony Zupancich, Alan Stanaway, Ed Roskoski, and Mayor Gary Skalko. Also present were: Craig J. Wainio, City Administrator; Jill M. Anderson, Municipal Services Secretary; Don Kleinschmidt, Director of Public Works; Rod Flannigan, City Engineer; Sam Aluni, City Attorney; John Backman, Sergeant; and Gary Giroux, City Auditor.

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

Add the following items to the agenda:

- VI. F. Re-bid Downtown Streetscape Project
- VI. B. Move to: III. Public Forum

- A. Approve the minutes of the June 1, 2009, Regular meeting as submitted.
- B. To acknowledge the receipts for the period June 1-15, 2009, totaling \$106,902.56, (a list is attached and made a part of these minutes).

The motion carried.

It was moved by Zupancich and seconded by Prebeg that the following consent agenda item be approved as follows:

- C. To authorize the payments of the bills and payroll for the period June 1-15, 2009, totaling \$296,842.21, (a list is attached and made a part of these minutes).

The motion carried unanimously on a roll call vote.

No one spoke during the public forum.

It was moved by Zupancich and seconded by Stanaway to adopt Resolution #26-09, approving the transfer of land to the Mountain Iron Economic Development Authority with the stipulation that the profit from the property go back to the Parks and Recreation Department to be used for the West Virginia/Ann's Acres area, (a copy is attached and made a part of these minutes). It was moved by Roskoski to **amend** the motion as follows: that the whole parcel be transferred, not minus the 60 feet on the East; that two independent appraisals be made as to the land value before the Mountain Iron Economic Development Authority (EDA) sells the land; that if the developer A & L does not complete their clinic project, then the land in question will revert back to the City with a refund in the purchase price minus any expenses incurred by the City and EDA. And further, if the sale price of the land to A & L stays at \$75,000 or less, that amount will be put back into the West Virginia recreation facilities; and if the land sale price is over

\$150,000, then at least 50% of the sale price be put back into the West Virginia area recreation facility. The **amendment to the motion failed** for lack of a second. The motion carried with Roskoski voting no.

The Mayor updated the Council on the following:

- County Road 102. The road work has been completed from Mud Lake Road to Highway 7. He thanked the County Board for getting this project completed.
- Highway 7. He said that this project is set to be completed this Summer.
- Proposed Sports Complex. He commented on the editorial that appeared in the Mesabi Daily News. He added that public entities apply for this bonding money because the deadline is June 25, 2009. He requested that City Staff check into the pros and cons of obtaining funding for this project.
- Iron Range Retriever Club. He said that they have a National Amateur Retriever Competition from June 14<sup>th</sup> through June 21<sup>st</sup>. He said that the competition has 122 dogs registered and handlers from 33 States and two Canadian Provinces.
- Tritec. He advised the Council that Tritec was getting into the wind energy business by making turbines for the wind towers.
- William Otto. He expressed condolences to the Otto family. He said that our thoughts and prayers were with the family.

It was moved by Skalko and seconded by Stanaway to set the next Labor/Management meeting for Tuesday, June 23, 2009 at 2:00 p.m. with Councilor Stanaway agreeing to attend. The motion carried.

The City Auditor reviewed the 2008 audit with the Council.

It was moved by Zupancich and seconded by Prebeg to accept the 2008 audit report as submitted. The motion carried.

At 7:13 p.m., the City Auditor left the meeting.

It was moved by Stanaway and seconded by Prebeg to approve the amendment to the Investment Policy, Policy Number 2007-01, (a copy is approved and made a part of these minutes). The motion carried.

The City Administrator updated the Council on the following:

- Grants. The City received two separate grants for the investigation and remedial action plans for the Park Ridge and the recycling area dump sites. He thanked Representative Rukavina for all of his assistance.
- Tritec. Gary Cerkvenik, Gary Skalko and Craig Wainio brought Tritec into the Wind Energy Project.
- Coalition of Greater Minnesota. Representatives will be at the Community Center on June 30<sup>th</sup> at 10:00 a.m. He requested the Council Members to attend.

It was moved by Roskoski and seconded by Zupancich to authorize the hiring of all of the summer seasonal employees, approve the rates of pay, positions listed, and authorize City Staff to modify the summer seasonal employee list as needed. The motion carried.

It was moved by Prebeg and seconded by Stanaway to authorize Benchmark Engineering to assemble the water supply model, perform the system analysis and produce the feasibility study for a lump sum price of \$11,200.00. After further discussion, Prebeg withdrew his motion and Stanaway withdrew his second.

It was moved by Prebeg and seconded by Zupancich to table the water supply model issue. The motion carried.

It was moved by Stanaway and seconded by Skalko to direct the City Attorney to research the possibility of seeking a non-profit status for the Merritt Days Committee. The motion carried.

It was moved by Prebeg and seconded by Stanaway to adopt the Accounts Receivable Payment Policy, Policy Number 2009-03, as presented, (a copy is attached and made a part of these minutes). It was moved by Roskoski and seconded by Stanaway to remove the last sentence of the policy. The **amendment failed** with Prebeg, Zupancich, Stanaway and Skalko voting no. The original motion carried with Roskoski voting no.

The following were discussed during the Liaison Reports:

- Personnel Committee. Councilor Prebeg said that there was a meeting held today to discuss labor negotiations and he announced that there would not be a closed session at the end of the City Council meeting.
- Library Board. Councilor Stanaway presented the Library report with a record number of attendees in May.

It was moved by Prebeg and seconded by Zupancich to adopt Ordinance Number 05-09, amending the text of Chapter 55, Section 55.22 of the Mountain Iron City Code, regulation of Individual Sewage Treatment Systems, (a copy is attached and made a part of these minutes). The motion carried.

It was moved by Roskoski and seconded by Zupancich to adopt Resolution Number 27-09, accepting the bid for the Old Highway 169 and Mill Avenue Projects, (a copy is attached and made a part of these minutes). The motion carried.

It was moved by Zupancich and seconded by Skalko to adopt Resolution Number 28-09, accepting the bid on the Forest Drive Project provided that the Economic Development Authority pays for the Project in full, (a copy is attached and made a part of these minutes). The motion carried.

It was moved by Zupancich and seconded by Stanaway to request that Saint Louis County re-bid the Mountain Iron Streetscape Project. The motion carried.

At 8:10 p.m., it was moved by Skalko and seconded by Zupancich that the meeting be adjourned. The motion carried.

Submitted by:



Jill M. Anderson, CMC/MMCA  
Municipal Services Secretary

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

## Summary By Category And Distribution

Category	Distribution	Amount
CHARGE FOR SERVICES	REFUSE REMOVAL-CHG FOR SERVICE	190.00
UTILITY	UTILITY	96,798.13
CAMPGROUND RECEIPTS	FEES	3,950.05
PERMITS	BUILDING	980.65
MISCELLANEOUS	BLUE CROSS/BLUE SHIELD PAYABLE	144.84
CHARGE FOR SERVICES	ELECTRIC-CHG FOR SERVICES	50.00
CHARGE FOR SERVICES	SEWER-CHARGE FOR SERVICES	7.08
MISCELLANEOUS	BASEBALL/SOFTBALL FEES	205.00
METER DEPOSITS	ELECTRIC	50.00
MISCELLANEOUS	ASSESSMENT SEARCHES	60.00
PERMITS	CONDITIONAL USE	150.00
CD INTEREST	CD INTEREST 301	1,195.90
MISCELLANEOUS	SEPTIC APPLICATIONS	300.00
BUILDING RENTALS	BUILDING RENTAL DEPOSITS	1,000.00
BUILDING RENTALS	COMMUNITY CENTER	1,050.00
CD INTEREST	CD INTEREST 378	284.52
CD INTEREST	CD INTEREST 602	67.95
CD INTEREST	CD INTEREST 603	72.19
MISCELLANEOUS	REIMBURSEMENTS	186.00
COPIES	COPIES	30.25
BUILDING RENTALS	NICHOLS HALL	25.00
LICENSES	ANIMAL	15.00
BUILDING RENTALS	SENIOR CENTER	90.00
Summary Totals:		<u>106,902.56</u>

Per	Date	Check No	Vendor No	Payee	Check GL Acct	Amount
06/09	06/09/2009	138032	602	VOID - MINNESOTA TEEN CHALLENGE	101-20200	200.00 -M
06/09	06/09/2009	138052	602	MINNESOTA TEEN CHALLENGE	101-20200	165.00
06/09	06/12/2009	138053	130011	MOUNTAIN IRON POSTMASTER	604-20200	337.36
06/09	06/17/2009	138054	10056	A T & T MOBILITY	101-20200	1,099.26
06/09	06/17/2009	138055	10008	AIRGAS NORTH CENTRAL	101-20200	143.55
06/09	06/17/2009	138056	10057	AMERICAN BANK	101-20200	1,500.00
06/09	06/17/2009	138057	130017	AMERICAN BANK	604-20200	371.87
06/09	06/17/2009	138058	10047	AMERICAN TEST CENTER	604-20200	900.00
06/09	06/17/2009	138059	10061	APPLIANCE RECYCLING CENTERS OF	604-20200	1,381.50
06/09	06/17/2009	138060	10021	ARROWHEAD LIBRARY SYSTEM	101-20200	1.25
06/09	06/17/2009	138061	10023	ARROWHEAD REGIONAL DEVELOPME	101-20200	250.00
06/09	06/17/2009	138062	20009	BARBER GRAPHICS	101-20200	1,523.35
06/09	06/17/2009	138063	630	BERNICE ROSETH	604-20200	322.99
06/09	06/17/2009	138064	633	BILL AHO	101-20200	20.00
06/09	06/17/2009	138065	20014	BORDER STATES ELECTRIC SUPPLY	604-20200	180.85
06/09	06/17/2009	138066	20049	BOUND TREE MEDICAL	101-20200	2,155.28
06/09	06/17/2009	138067	628	BRIAN J. O'BRIEN	604-20200	220.42
06/09	06/17/2009	138068	220003	CITY OF VIRGINIA	101-20200	255.71
06/09	06/17/2009	138069	30059	CVAR, THOMAS	101-20200	378.20
06/09	06/17/2009	138070	30072	CW TECHNOLOGY	301-20200	1,693.04
06/09	06/17/2009	138071	616	DAN LONG	101-20200	100.00
06/09	06/17/2009	138072	40005	DM&IR - CN - ACCOUNTS PAYABLE	601-20200	118.09
06/09	06/17/2009	138073	620	DONNA BASSO	101-20200	100.00
06/09	06/17/2009	138074	621	DOREEN POSENER	101-20200	100.00
06/09	06/17/2009	138075	40030	DULUTH CLINIC	604-20200	125.00
06/09	06/17/2009	138076	40015	DULUTH NEWS TRIBUNE	101-20200	257.40
06/09	06/17/2009	138077	500012	ERA LABORATORIES INC	601-20200	562.80
06/09	06/17/2009	138078	627	GLEN MICHAEL	604-20200	116.04
06/09	06/17/2009	138079	70016	GOPHER STATE ONE CALL INC	604-20200	71.05
06/09	06/17/2009	138080	70038	GREAT NORTHERN EQUIPMENT INC	101-20200	179.04
06/09	06/17/2009	138081	70028	GREATER MINNESOTA AGENCY INC	101-20200	192.00
06/09	06/17/2009	138082	80029	H G HARVEY CONSTRUCTORS INC	301-20200	13,424.00
06/09	06/17/2009	138083	80032	HARTIKKA, TERRY	101-20200	300.00
06/09	06/17/2009	138084	80022	HAWKINS INC	602-20200	963.57
06/09	06/17/2009	138085	80010	HOMETOWN ELECTRIC	604-20200	794.93
06/09	06/17/2009	138086	90012	IREA SECRETARY/TREASURER	101-20200	50.00
06/09	06/17/2009	138087	90015	IRON RANGE TOURISM BUREAU	101-20200	230.00
06/09	06/17/2009	138088	626	JENNIFER VOSSIER	604-20200	288.48
06/09	06/17/2009	138089	625	JOAN LEWANDOSKI	101-20200	250.00
06/09	06/17/2009	138090	100019	JOLA & SOPP EXCAVATING INC	602-20200	1,170.00
06/09	06/17/2009	138091	613	JON MONACELLI	101-20200	200.00
06/09	06/17/2009	138092	629	JOSHUA CORNELIUS OR CASSANDRA	604-20200	278.64
06/09	06/17/2009	138093	100012	JUNIOR LIBRARY GUILD	101-20200	234.00
06/09	06/17/2009	138094		Information Only Check	101-20200	.00 V
06/09	06/17/2009	138095	120006	L & M SUPPLY	101-20200	2,017.78
06/09	06/17/2009	138096	632	LAURENCE NYMAN	604-20200	92.22
06/09	06/17/2009	138097	130030	MACQUEEN EQUIPMENT	603-20200	388.67
06/09	06/17/2009	138098	607	MARY LYNN GOLOBICH	101-20200	200.00
06/09	06/17/2009	138099	619	MARY SIMON	101-20200	200.00
06/09	06/17/2009	138100	130045	MCFOA TREASURER	101-20200	35.00
06/09	06/17/2009	138101	130006	MESABI HUMANE SOCIETY	101-20200	1,500.00
06/09	06/17/2009	138102	624	MIB SCHOOL DISTRICT #712	101-20200	200.00
06/09	06/17/2009	138103	130039	MINNESOTA DEPT OF COMMERCE	604-20200	340.95
06/09	06/17/2009	138104	130044	MINNESOTA DEPT OF HEALTH	601-20200	1,497.00
06/09	06/17/2009	138105	140026	MINNESOTA ENERGY RESOURCES	101-20200	1,123.12
06/09	06/17/2009	138106	130066	MINNESOTA POLLUTION CONTROL AG	301-20200	75.00
06/09	06/17/2009	138107	130009	MINNESOTA POWER	604-20200	51,546.38

M = Manual Check, V = Void Check

Per	Date	Check No	Vendor No	Payee	Check GL Acct	Amount
06/09	06/17/2009	138108	130010	MINNESOTA UC FUND	101-20200	1,360.30
06/09	06/17/2009	138109	130015	MOUNTAIN IRON PUBLIC UTILITIES	101-20200	12,173.13
06/09	06/17/2009	138110	617	NICOLE OLLILA	101-20200	200.00
06/09	06/17/2009	138111	140052	NORTHEAST SERVICE COOPERATIVE	101-20200	45,165.37
06/09	06/17/2009	138112	140042	NORTHERN DOOR & HARDWARE INC	101-20200	427.07
06/09	06/17/2009	138113	140004	NORTHERN ENGINE & SUPPLY INC	101-20200	286.81
06/09	06/17/2009	138114	618	PAMELA KOSTA	101-20200	100.00
06/09	06/17/2009	138115	160034	PARADE FLOAT	101-20200	50.00
06/09	06/17/2009	138116	160035	PARADE FLOAT	101-20200	25.00
06/09	06/17/2009	138117	160033	PARADE FLOATS	101-20200	75.00
06/09	06/17/2009	138118	634	PARADE WINNER	101-20200	10.00
06/09	06/17/2009	138119	635	PARADE WINNER	101-20200	10.00
06/09	06/17/2009	138120	636	PARADE WINNER	101-20200	10.00
06/09	06/17/2009	138121	637	PARADE WINNER	101-20200	10.00
06/09	06/17/2009	138122	638	PARADE WINNER	101-20200	10.00
06/09	06/17/2009	138123	160038	PITNEY BOWES GLOBAL FINANCIAL	603-20200	361.93
06/09	06/17/2009	138124	160037	PRAXAIR	101-20200	47.13
06/09	06/17/2009	138125	170005	QUALITY FLOW SYSTEMS INC	602-20200	723.10
06/09	06/17/2009	138126	170001	QWEST	101-20200	355.27
06/09	06/17/2009	138127	180062	RANGE MEDICAL CENTER LTD	604-20200	100.00
06/09	06/17/2009	138128	180052	REED BUSINESS INFORMATION	101-20200	1,043.04
06/09	06/17/2009	138129	180045	RESERVE ACCOUNT	603-20200	1,000.00
06/09	06/17/2009	138130	190059	SAINT LOUIS COUNTY AUDITOR	603-20200	17,758.82
06/09	06/17/2009	138131	622	SCOTT CHANDLER	101-20200	100.00
06/09	06/17/2009	138132	190045	SERVICE SOLUTIONS	101-20200	22.26
06/09	06/17/2009	138133	615	SHELLY HAUSER	101-20200	100.00
06/09	06/17/2009	138134	631	TARA HERBERG	604-20200	248.82
06/09	06/17/2009	138135	623	TERESA DEBEVEC	101-20200	100.00
06/09	06/17/2009	138136	200042	TERRY KNUTI/DJ SERVICES	101-20200	300.00
06/09	06/17/2009	138137	614	TERRY NISKA	101-20200	200.00
06/09	06/17/2009	138138	200043	TESSMAN SEED COMPANY	101-20200	2,864.63
06/09	06/17/2009	138139	200020	THE TRENTI LAW FIRM	101-20200	4,122.80
06/09	06/17/2009	138140	612	TRUDI PARPOVICH	101-20200	200.00
06/09	06/17/2009	138141	210004	UPSTART INC	101-20200	441.98
06/09	06/17/2009	138142	220025	VERIZON WIRELESS	101-20200	15.46
06/09	06/17/2009	138143	220026	VIRGINIA HOME CENTER	602-20200	3,886.00
06/09	06/17/2009	138144	220020	VISA OR AMERICAN BANK CC PMT	301-20200	6,510.95
06/09	06/17/2009	138145	230001	WALKER GIROUX AND HAHNE LTD	101-20200	27,100.00
06/09	06/17/2009	138146	230028	WISCONSIN ENERGY CONSERVATION	604-20200	192.30
06/09	06/17/2009	138147	240001	XEROX CORPORATION	604-20200	615.70

Totals: 220,343.66

Payroll-PP Ending 6/12/09	56,305.17
Electronic Trans.-Sales Tax 6/19/09	10,628.09
Electronic Trans.-Sales Tax 6/26/09	9,565.29
<b>TOTAL EXPENDITURES</b>	<b><u>\$296,842.21</u></b>



# INVESTMENT POLICY

Policy Number 2007-01

Adopted March 5, 2007

Amended June 15, 2009

## I. SCOPE

The purpose of this Policy statement is to establish standards governing the investment of City funds. In accordance with Minnesota Statutes 385.05 and 118A.02, the City Treasurer is authorized to invest the City's funds in accordance with the Minnesota Statute of 118A.04 and 118A.05, which defines the types of securities and financial instruments we are allowed to purchase. The investment policy applies to all the investment activities of the City of Mountain Iron.

## II. OBJECTIVE

The primary objectives, in priority order, of investment activities shall be:

### 1. Safety

Safety of principal is the foremost objective of the City of Mountain Iron. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and market risk.

### 2. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). However, we practice the philosophy of "buy and hold". What this means is that whenever we buy a security, it is our intention to hold it until it matures.

### 3. Return on Investments

The investment portfolio shall be designed with the objective of attaining a market rate of return given cash flow characteristics of the portfolio. The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity except when the liquidity needs of the portfolio require that the security be sold.

### **III. STANDARDS OF CARE**

#### **1. Prudence**

The standard of prudence to be used by investment officials shall be the "prudent person" standard which states: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The prudent investor rule shall be applied in the context of managing the overall portfolio.

#### **2. Delegation of Authority**

The City Council of the City is ultimately responsible for the investment of funds. Minnesota Statutes Chapter 118A.02 delegates or authorizes the Treasurer to conduct the actual transactions. Therefore, the City Administrator is appointed as the Investments Officer and is authorized to invest public funds within the confines of this Policy for the City Council.

### **IV. Safekeeping and Custody**

#### **1. Authorized Financial Dealer and Institution**

The City will conduct its investment transactions with several legal, competing, reputable investment securities dealers or banks located in the United States. The City will obtain a completed "Notification to Broker and Certification by Broker" statement of investment restrictions from each dealer in accordance with Minnesota Statute 118A.04.

#### **2. Delivery vs. Payment**

All trades where applicable will be executed by delivery vs. payment (DVP). This ensures that securities are deposited in the eligible financial institution prior to the release of funds. Securities will be held by a third party custodian as evidenced by safekeeping receipts.

### **V. SUITABLE AND AUTHORIZED INVESTMENTS**

The City will invest only in instruments permitted by Minnesota Statutes 118A.04-.05, which are categorized as follows:

1. United States securities-governmental bonds, notes, bills, mortgages (excluding high-risk mortgage-backed securities), and other securities, which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by the Acts of Congress.

2. State and Local securities-general obligations securities of any state or local government rated "A" or better, revenue obligation securities of any state or local government rated "AA" or better; and a general obligation of the Minnesota housing finance agency which is a moral obligation of the State and is rated "A" or better.
3. Commercial paper-unsecured promissory notes by corporations that are rated in the highest quality category by at least two nationally recognized rating agencies and matures in 270 days or less.
4. Time deposits-certificates of deposit fully insured by the Federal Deposit Insurance Corporation or bankers acceptances of United State banks; or have full collateral by the financial institution.
5. Repurchase agreements (Repos)-contracts whereby a holder of securities sells the securities to an investor and agrees to repurchase them at a fixed price on a fixed date. The City in effect lends money to another party and holds the security as collateral until it is repurchased by the other party.
6. Money market mutual funds-shares of a Minnesota joint powers investment trust whose investments are restricted to securities described in (1) through (5) above, or shares of an investment company that meets the requirements of Minnesota Statutes 118A.05, subd. 4 (4).

## VI. INVESTMENT PARAMETERS

### 1. Diversification

The investments will be diversified by:

- a. limiting investments to avoid over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities),
- b. investing in securities with varying maturities.

### 2. Maximum Maturities

To the extent possible, the City of Mountain Iron will attempt to match its investments with anticipated cash flow requirements. In this manner, we "ladder" our investment maturities to ensure that a portion of the portfolio is maturing monthly, or as needed to meet projected expenditures. Unless matched to a specific cash flow, the City of Mountain Iron will not directly invest in securities maturing more than 10 years from the date of purchase. Reserve funds may be invested in securities exceeding 5 years if the maturity of such investments are made to coincide as nearly as practicable with the expected use of funds.

### 3. Speculative Investments Not Allowed

The City will not purchase investments which, at the time of investment, are not intended to be held to maturity, or which the City would not be able to hold to

maturity because of cash flow requirements. This does not mean that an investment cannot be sold prior to maturity.

## **VII. REPORTING**

Annually, the City Administrator will submit a current listing of the City's investments to the City Council.

## **VIII. COMPETITIVE SELECTION OF INVESTMENT PURCHASES**

For each investment opportunity, when possible, quotes will be solicited from at least three authorized financial institutions for options with regards to term and instrument. The City will accept the quote that it determines best complies with the investment Objectives and Diversification constraints described in this Policy.

## **IX. DEPOSIT CUSTODIAL CREDIT RISK**

The City will minimize deposit Custodial Credit Risk, which is the risk of loss of failure of the depository bank (or credit union), by obtaining collateral or bond for all uninsured amounts on deposit, and by obtaining necessary documentation to show compliance with state law and a perfected security interest under federal law. (June 15, 2009)

## **X. INVESTMENT CUSTODIAL CREDIT RISK**

The City will eliminate investment Custodial Credit Risk by permitting brokers that obtained investments for the City to hold them only to the extent there is SIPC and excess SIPC coverage available. Securities purchased that exceed available SIPC coverages shall be transferred to the City's custodian. (June 15, 2009)

## **XI. POLICY**

### **1. Exemption**

Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

### **2. Amendment**

This policy shall be reviewed on an annual basis by the City Administrator. Any changes must be approved by the City Council.

# ACCOUNTS RECEIVABLE PAYMENT POLICY

Policy Number 2009-03

Adopted: June 15, 2009

The City of Mountain Iron hereby establishes that all charges and fees owed to the City, including utility bills, will be charged a fee of 3% the total amount owed if paid by credit or debit card. All charges and fees may be paid by cash, check, money order or direct wire transfer.

The City Administrator or Director of Public Works may revise this policy as needed or waive the fee on credit or debit card use for extenuating circumstances.



# CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

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8586 ENTERPRISE DRIVE SOUTH • MOUNTAIN IRON, MN • 55768-8260

## ORDINANCE NUMBER 05-09

### AMENDING THE TEXT OF CHAPTER 55, SECTION 55.22 OF THE MOUNTAIN IRON CITY CODE, REGULATION OF INDIVIDUAL SEWAGE TREATMENT SYSTEMS

#### THE CITY OF MOUNTAIN IRON ORDAINS:

**SECTION 1. AMENDMENTS.** The text of Chapter 55 of the City Code, Section 55.22, is hereby repealed and replaced with the following:

#### Section 55.22 - Regulation of Individual Sewage Treatment Systems

- Subd. 1 **Purpose.** The purpose of the Sewage and Wastewater Treatment Systems Ordinance is to provide minimum standards for and regulation of individual sewage treatment systems (ISTS) and septage disposal including the proper location, design, construction, operation, maintenance and repair to protect surface water and ground water from contamination by human sewage and waterborne household and commercial waste; to protect the public's health and safety, and to eliminate or prevent the development of public nuisances pursuant to the authority granted under Minnesota Statutes Chapters 115.55 and 115.56 and Minnesota Rules Chapter 7080, 7081, 7082 and 7083 as amended that may pertain to sewage and wastewater treatment.
- Subd. 2 **Standards Adopted by Reference.** The City hereby adopts, by reference, Minnesota Rules Parts 7080, 7081, 7082 and 7083, as now constituted and as amended from time to time.
- Subd. 3 **Permits.** No person shall install, alter, repair or extend any individual sewage treatment system in the City without first applying for and obtaining a permit from the City of Mountain Iron.
- Subd. 4 **Administration of Section.** For purposes of this Ordinance, the City Council shall appoint an agent to serve as the individual sewage treatment inspector for the City of Mountain Iron. The said agent shall be responsible for the administration of the Individual Sewage Treatment System Standards.

Subd. 5 License Requirements. No person shall engage in the evaluation, inspection, design, installation, construction, alteration extension, repair, maintenance or pumping of on-site individual sewage treatment systems without first obtaining a license to perform such tasks from the Minnesota Pollution Control Agency, except as provided under paragraph 7083.

Subd. 6 Enforcement. Any person who violates any of the provisions of this ordinance or who makes any false statement on a Certificate of Compliance, shall be guilty of a misdemeanor, punishable by imprisonment or a fine or both as defined by laws.

**SECTION 2. INCONSISTENT ORDINANCES.** Any inconsistent ordinance or parts thereof are hereby repealed and replaced with the provision of this ordinance.

**SECTION 3. EFFECTIVE DATE.** This ordinance shall become effective one day after publication.

**DULY ADOPTED BY THE CITY COUNCIL THIS 15<sup>th</sup> DAY OF JUNE, 2009.**

Attested:

City Administrator

  
Mayor Gary Skalko



# CITY OF MOUNTAIN IRON

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## RESOLUTION NUMBER 26-09

### APPROVING THE TRANSFER OF LAND TO MT. IRON ECONOMIC DEVELOPMENT AUTHORITY

**WHEREAS**, the City Council of the City of Mountain Iron ("City") owns certain property located in the project area (the "Project Area) developed by the Mt. Iron Economic Development Authority (the "EDA"), pursuant to Minn. Stat. §§469.027 and 469.028, described as all of Lots Two (2) and Three (3) and the westerly 60 feet of Lot Four (4), Block Two (2), MOUNTAIN IRON EXPRESSWAY DEVELOPMENT, Saint Louis County, State of Minnesota (the "Property");

**WHEREAS**, the EDA wishes to enter into a development agreement with a new developer for construction for certain improvements located on the Property; and

**WHEREAS**, the Property must be conveyed from the City to the EDA, and from the EDA to the developer.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MOUNTAIN IRON, MINNESOTA**, that the City approves the transfer of the Property to the EDA.

**BE IT FURTHER RESOLVED** by the City Council of the City of Mountain Iron that the City authorizes its Mayor and Administrator to execute any and all such documents and instruments as may be necessary to transfer the Property to the EDA, including the quit claim deed in the form attached hereto as **Exhibit A**.

**DULY ADOPTED BY THE CITY COUNCIL THIS 15<sup>th</sup> DAY OF JUNE, 2009.**

ATTEST:

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

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





# CITY OF MOUNTAIN IRON

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## RESOLUTION NUMBER 27-09

### ACCEPTING BID

**WHEREAS**, pursuant to an advertisement for bids for the improvement of Old Highway 169 approximately from one mile west of the Costin Plat to the western city limits by overlayment and the improvement of Mill Avenue between the centerline of Agate Street and the centerline of Mountain Avenue by overlayment, bids were received, opened and tabulated according to law, and the following bids were received complying with the advertisement:

Mesabi Bituminous	\$289,556.50
Ulland Brothers	\$329,855.25

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

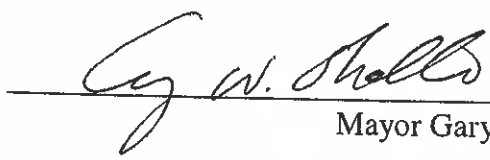
**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOUNTAIN IRON, MINNESOTA:**

1. The Mayor and City Administrator are hereby authorized and directed to enter into the attached contract with Mesabi Bituminous of Gilbert, Minnesota in the name of the City of Mountain Iron for the improvement of Old Highway 169 approximately from one mile west of the Costin Plat to the western city limits by overlayment and the improvement of Mill Avenue between the centerline of Agate Street and the centerline of Mountain Avenue by overlayment according to the plans and specifications therefore approved by the City Council and on file in the Office of the City Administrator.
2. The City Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposits of the successful bidder and the next lowest bidder shall be retained until a contract has been signed.

**DULY ADOPTED BY THE CITY COUNCIL THIS 15<sup>th</sup> DAY OF JUNE, 2009.**

ATTEST:

  
City Administrator

  
Mayor Gary Skalko



# CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

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## RESOLUTION NUMBER 28-09

### ACCEPTING BID

**WHEREAS**, pursuant to an advertisement for bids for the improvement of Forest Drive between east line of Mineral Avenue and the end of Forest Drive by tarvia surfacing, installation of curbs and gutters, the construction of storm water systems and the construction of water and waste water mains, bids were received, opened and tabulated according to law, and the following bids were received complying with the advertisement:

Ulland Brothers	\$471,837.98
Bougalis Construction	\$434,844.65
Casper Construction	\$438,000.00
Utility Systems of America	\$441,834.20
Hibbing Excavating	\$437,895.89
Mesabi Bituminous	\$431,886.15
Wagner Construction	\$436,985.30

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

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

1. The Mayor and City Administrator are hereby authorized and directed to enter into the attached contract with Mesabi Bituminous of Gilbert, Minnesota in the name of the City of Mountain Iron for the improvement of Forest Drive between east line of Mineral Avenue and the end of Forest Drive by tarvia surfacing, installation of curbs and gutters, the construction of storm water systems and the construction of water and waste water mains by overlayment according to the plans and specifications therefore approved by the City Council and on file in the Office of the City Administrator.
2. The City Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposits of the successful bidder and the next lowest bidder shall be retained until a contract has been signed.

**DULY ADOPTED BY THE CITY COUNCIL THIS 15<sup>th</sup> DAY OF JUNE, 2009.**

ATTEST:

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

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

**COUNCIL LETTER 070609-IVA1**

**MAYOR SKALKO**

**SPORTS COMPLEX FEASIBILITY STUDY**

**DATE:** July 1, 2009

**FROM:** Mayor Skalko

Craig J. Wainio  
City Administrator

---

Background information provided by Mayor Skalko:

Direct Staff to work with all parties to complete feasibility study on the proposed city-owned Sports Complex.

Excerpt of the minutes from the July 6, 2009, City Council meeting:

It was moved by \_\_\_\_\_ and seconded by \_\_\_\_\_ that the liquor license applications for the period July 6, 2009 through December 31, 2009, be approved and issued to the following individual and business establishment pursuant to the approval, where necessary, of the Liquor Control Commission and pursuant to the payment of all outstanding license fees and utility charges:

WJ Holdings, Inc.  
DBA: AmericInn Lodge & Suites  
5480 Mountain Iron Drive  
Virginia, MN 55792

3.2 Beer License  
Wine License



**COUNCIL LETTER 070609-IVC1**

**PUBLIC UTILITIES**

**TRANSFORMER QUOTES**

**DATE:** July 1, 2009  
**FROM:** Don Kleinschmidt  
Director of Public Works

---

The following are the quotes received for electric transformers:

Six (6) each of 25 KVA Transformers  
Six (6) each of 10 KVA Transformers

**QUOTE TABULATIONS**

	<u>VENDOR</u>	<u>TRANSFORMERS</u>
1)	BORDER STATES	\$ 16,020.00
2)	WESCO	\$ 20,683.44
3)	RESCO – ERMCO	\$ 23,358.00

Staff recommends purchase of the 12 electric transformers for underground electric service to Border States at their low quote of \$16,020.00.

This purchase will be funded from the Electric Enterprise Fund.



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Mt. Iron, MN 55768-0261  
tel: 218-735-8914 • fax: 218-735-8923  
email: info@bm-eng.com

June 29, 2009

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

Re: City of Mountain Iron, MN  
South Grove Tennis Court Construction  
Project No. MI08-1

Dear Mr. Wainio;

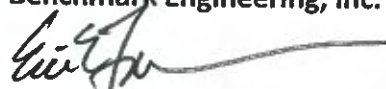
Enclosed please find final Pay Request No. 4 for the City of Mountain Iron South Grove Tennis Court Construction project in the amount of **\$5,075.50**, for approval at your next scheduled City Council meeting. All work has been completed in accordance with the contract documents.

Also enclosed for approval is final compensating change order #1 that increases the final project cost by \$2,792.50. The change order is due to minor final contract quantity adjustments. Once approved, please sign and date the change order and return two (2) copies to our office. Our office will forward a fully executed copy of the final change order to the Contractor.

In addition, enclosed is the project IC-134 form for your files. It is recommended that the City Council first approve the final change order and then the final pay request for the above referenced project.

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

Sincerely,  
**Benchmark Engineering, Inc.**



Eric E. Fallstrom, P.E.

Enclosures

Pc: Mr. Jerry Nemanich, Mesabi Bituminous, Inc.

# CHANGE ORDER

Order No. 1 - FINAL

Date: 6/19/09

NAME OF PROJECT/PROJECT NO: South Grove Tennis Court Reconstruction / MI08-1

OWNER: City of Mountain Iron

CONTRACTOR: Mesabi Bituminous, Inc.  
P.O. Box 728, Gilbert, MN 55741

ENGINEER: Benchmark Engineering, Inc.

### Reason for Change Order:

This final compensating change order is required to set the contract amount equal to the actual project cost. The increase in cost is due to minor final contract quantity adjustments.

### The following changes are hereby made to the CONTRACT DOCUMENTS:

The contract amount is increased by **\$2,792.50**.

### Change to CONTRACT PRICE:

Original CONTRACT PRICE	\$ <u>98,717.50</u>
Current CONTRACT PRICE adjusted by previous CHANGE ORDERS	\$ <u>98,717.50</u>
The CONTRACT PRICE due to this CHANGE ORDER will be <u>increased</u> by:	\$ <u>2,792.50</u>
The new CONTRACT PRICE including this CHANGE ORDER will be:	\$ <u>101,510.00</u>

Recommended by:   
Engineer (Authorized Signature)

6-19-2009  
Date:

Approved by: \_\_\_\_\_  
Owner (Authorized Signature)

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

Accepted by:   
Contractor (Authorized Signature)

6-24-09  
Date:



RECOMMENDATION OF PAYMENT

No. 4-FINAL

Owner's Project No.: \_\_\_\_\_

Engineer's Project No.: MI08-1

Project: South Grove Tennis Court Reconstruction

CONTRACTOR: Mesabi Bituminous, Inc., P.O. Box 728, Gilbert, MN 55741

For Period Ending: June 29, 2009

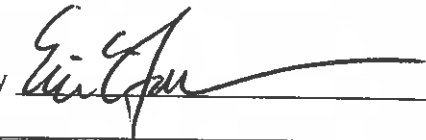
To: City of Mountain Iron  
Owner

Attached hereto is the CONTRACTOR's Application for Payment for Work accomplished under the Contract through the date indicated above. The application meets the requirements of the Contract Documents for the payment or work completed as of the date of this Application.

In accordance with the Contract the undersigned recommends payment to the CONTRACTOR of the amount due as shown below.

BENCHMARK ENGINEERING, INC.

Dated June 29, 2009

By 

STATEMENT OF WORK

Original Contract Price	\$ <u>98,717.50</u>	Work & Materials to Date	\$ <u>101,510.00</u>
Net Change Orders	\$ <u>2,792.50</u>	Amount Retained	\$ <u>0.00</u>
Current Contract Price	\$ <u>101,510.00</u>	Subtotal	\$ <u>101,510.00</u>
		Previous Payments	\$ <u>96,434.50</u>
		<b>Amount Due this Payment</b>	<b>\$ <u>5,075.50</u></b>



June 29, 2009

PAY REQUEST NO. 4 - FINAL  
 SOUTH GROVE TENNIS COURT RECONSTRUCTION  
 PROJECT NO.: MI08-1  
 CITY OF MOUNTAIN IRON, MINNESOTA

CONTRACTOR: MESABI BITUMINOUS, INC.

SPEC NO.	ITEM DESCRIPTION	UNIT	PROJECT QUANTITY	UNIT COST	QUANTITY TO DATE	TOTAL AMOUNT
2104.505	REMOVE BITUMINOUS PAVEMENT	SQ. YD.	1,630.0	\$2.00	1,660.0	\$3,320.00
2104.509	REMOVE POST (TENNIS POSTS)	SET	2.0	\$100.00	2.0	\$200.00
2104.513	SAWING PAVEMENT - FULL DEPTH	LIN. FT.	15.0	\$6.00	0.0	\$0.00
2104.513	SAWING PAVEMENT - 2" DEPTH	LIN. FT.	236.0	\$2.00	236.0	\$472.00
2105.501	COMMON EXCAVATION	CU. YD.	1,930.0	\$7.00	1,930.0	\$13,510.00
2105.535	SELECT GRANULAR BORROW (CV)	CU. YD.	1,650.0	\$8.00	1,700.0	\$13,600.00
2105.604	GEOTEXTILE FABRIC TYPE V	SQ. YD.	1,650.0	\$1.25	1,650.0	\$2,062.50
2211.503	AGGREGATE BASE (CV), CLASS 5	CU. YD.	285.0	\$16.00	285.0	\$4,560.00
2350.501	TYPE LV5 WEARING COURSE MIXTURE (B)	TON	145.0	\$85.00	159.5	\$13,557.50
2350.501	TYPE LV4 WEARING COURSE MIXTURE (B)	TON	140.0	\$85.00	154.0	\$13,090.00
2357.502	BIT. MATERIAL FOR TACK COAT	GAL.	85.0	\$3.00	85.0	\$255.00
2502.501	4" PRECAST CONCRETE HEADWALL	EACH	1.0	\$100.00	1.0	\$100.00
2502.541	4" PERFORATED TP PIPE DRAIN W/ SOCK	LIN. FT.	620.0	\$6.25	620.0	\$3,875.00
2502.602	4" TP FLUSHING & OBSERVATION RISER	EACH	5.0	\$500.00	5.0	\$2,500.00
2540.601	TENNIS COURT SURFACING & STRIPING	LUMP SUM	1.0	\$6,000.00	1.0	\$6,000.00
2540.601	TENNIS NET SUPPORT POSTS	SET	2.0	\$1,100.00	2.0	\$2,200.00
2557.602	F & I FENCING (10' CHAIN LINK & POSTS)	LIN. FT.	456.0	\$43.00	456.0	\$19,608.00
2557.603	SITE SECURITY / SECURITY FENCE	LUMP SUM	1.0	\$1,000.00	1.0	\$1,000.00
2575.555	TURF ESTABLISHMENT	LUMP SUM	1.0	\$1,600.00	1.0	\$1,600.00

\$98,717.50

  
 BENCHMARK ENGINEERING, INC.

COMPLETED TO DATE: \$101,510.00  
 LESS RETAINAGE: \$0.00  
 SUBTOTAL PAY REQUEST #4: \$101,510.00  
 LESS PREVIOUS PAYMENTS: (\$96,434.50)  
**TOTAL PAY REQUEST #4: \$5,075.50**

**COUNCIL LETTER 070609-IVF1**  
**PARKS & RECREATION BOARD**  
**LOCOMOTIVE PARK LONG RANGE PLAN**

**DATE:** July 1, 2009  
**FROM:** Parks & Recreation Board  
Don Kleinschmidt  
Director of Public Works

---

The Parks & Recreation Board is recommending to the City Council the adoption of the Locomotive Park Long Range Plan concept as presented.

# Locomotive Park, Mountain Iron, MN

Client: City of Mountain Iron  
 Project Design Date: 2009  
 Location: Mountain Iron, Minnesota  
 Project Scope: Concept Plan Design



# Locomotive Park, Mountain Iron, MN

**Client:** City of Mountain Iron  
**Date:** May 10, 2009  
**Location:** Mountain Iron, Minnesota  
**Project Scope:** Opinion of Probable Cost

Open shelter, 20 x 18		\$ 20,000.00
Benches, 7 @ \$750.00 ea.		\$ 4,550.00
Picnic tables, 7 @ \$650.00 ea.		\$ 4,550.00
Grills, 2 @ \$300.00 ea.		\$ 600.00
Garbage receptacles, 4 @ \$550.00 ea.		\$ 2,200.00
Interpretive Plaque, 5 @ \$700.00 ea.		\$ 3,500.00
Information Board, (1)		\$ 3,500.00
Flagpoles, 3 @ \$400.00 ea.		\$ 1,200.00
Residual material, locomotive		\$ 5,000.00
Train Ramp, unloading ramp look		\$ 9,000.00
Demo, old street etc., patio area		\$ 8,000.00
Re-landscape site:		
Dirt	\$3,000.00	
Perennials/shrubs	\$3,000.00	
Trees	\$ 800.00	
Seed for lawn	<u>\$1,000.00</u>	\$ 7,800.00
New aluminum fencing-overlook		\$ 3,000.00
New aluminum fencing around locomotive		\$ 6,000.00
New concrete work		\$ 4,000.00
Brick work		\$ 45,000.00
Retaining wall and steps		\$ 10,000.00
New bituminous trail areas		\$ 8,000.00
Sanitation building concrete flush		\$ 120,000.00
<b>TOTAL</b>		<b>\$ 265,900.00</b>





DESIGN • SIGNING

PLANNING • GRANTS

FRIZZELL WINTER ASSOCIATES

LANDSCAPE ARCHITECTS

Frizzell Winter Associates / Landscape Architects is an exciting new company established in 2008 and located in Bemidji, MN. The owners are John C. Winter, Registered Landscape Architect and Erica L. Frizzell, Associate Landscape Architect.

John has over 35 years of experience in the landscape architecture industry. He has worked several years with the DNR in a variety of roles. These include: State Park Development Resource Supervisor, State Park Administrator, Metro Regional State Park Manager, and the Northwest Regional State Park Manager. He has also owned his own landscape nursery and design-build landscape company in Rosemount, MN. Currently he is also part owner of Northwoods Landscape & Recreation, Inc. with his son Scott.

Erica has over 7-1/2 years of experience in the landscape architecture industry. Her professional training has been with a small high-end residential company and also a multi-disciplinary firm comprised of engineers, planners, landscape architects and surveyors. Work experience includes landscape design and construction documentation for commercial and retail projects, residential P.U.D.'s, and neighborhood parks. She has a strong background in landscape and graphic design with computer skills in programs such as AutoCAD and Adobe Photoshop, Illustrator, and InDesign.

Our firm is involved in both the planning and design and construction document phases of landscape architecture projects. Our experience gives us the ability to work on projects such as regional and community parks, commercial/retail site design and residential design. We have a strong knowledge of the recreation industry that include the design of playground structures, shelters and choosing appropriate site furnishings for the site. We also have the ability to do shoreline restoration, wetland mitigation, and prairie/wildlife landscapes. We enjoy working with schools and parks in establishing educational native planting areas and directing them in interpretive and informational signs that are used as learning tools. Our scope of work includes but is not limited to:

Park Design

- Operations/Budgeting
- Plant Design
- Walkways
- Playgrounds
- Athletic Fields
- Parking Lots
- Picnic Shelters
- Fountains
- Ponds
- Benches
- Outdoor Grills

Commercial/Retail Design

- Plant Design
- Plazas/Courtyards
- Walkways
- Pergolas/Arbors
- Brickwork
- Parking Lots
- Lighting
- Monuments
- Raingardens
- Ponds
- Fountains

Residential Design

- Plant Design
- Walkways
- Maintenance
- Gazebos
- Pergolas/Arbors
- Decks
- Water Gardens
- Fountains
- Fire Pits
- Outdoor Fireplaces
- Lighting

Frizzell Winter Associates / Landscape Architects are professionals that can help you achieve your landscape design goals at a very reasonable price. Please contact us for your next project.

*We look forward to hearing from you!*

John C. Winter

Registered Landscape Architect

(C) 218.556.1022 (Toll Free) 800.310.1022

johnwinter@midco.net

Erica L. Frizzell

Associate Landscape Architect

(O) 218.224.3644 (C) 218.368.3446 (Toll Free) 800.471.34

ericalfrizzell@gmail.com



# CITY OF MOUNTAIN IRON

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## RESOLUTION NUMBER 30-09

### ACCEPTING BID

**WHEREAS**, pursuant to an advertisement for bids for the improvement of the area between Mineral Avenue and the DM&IR RR ROW along the general area of the RR Spur located in the Southwest Quarter of Section 10, Township 58 North, Range 18 West by the installation of water and wastewater mains, bids were received, opened and tabulated according to law, and the following bids were received complying with the advertisement:

Utility Systems of America	\$303,623.50
Hammerlund Construction	\$305,000.00
Bougalis Construction	\$319,642.50
Jola & Sopp Excavating	\$321,210.50
Casper Construction	\$331,772.50
Wagner Construction	\$348,697.00
Hibbing Excavating	\$350,799.00
Northdale Construction	\$360,376.12
Kuechle Underground	\$386,677.50
Arcon Construction	\$395,091.88
Ulland Brothers	\$395,875.00
KTM Paving	\$407,088.36

**AND WHEREAS**, it appears that Utility Systems of America of Eveleth, Minnesota is the lowest responsible bidder,

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

1. The Mayor and City Administrator are hereby authorized and directed to enter into the attached contract with Utility Systems of America of Eveleth, Minnesota in the name of the City of Mountain Iron for the improvement of the area between Mineral Avenue and the DM&IR RR ROW along the general area of the RR Spur located in the Southwest Quarter of Section 10, Township 58 North, Range 18 West by the installation of water and wastewater mains according to the plans and specifications therefore approved by the City Council and on file in the Office of the City Administrator.
2. The City Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposits of the successful bidder and the next lowest bidder shall be retained until a contract has been signed.

**DULY ADOPTED BY THE CITY COUNCIL THIS 6<sup>th</sup> DAY OF JULY, 2009.**

ATTEST:

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

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



**BENCHMARK  
ENGINEERING, INC.**

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

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

June 30, 2009

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

Re: Energy Park Utility Extension  
City of Mountain Iron  
Project No. MI09-08

Dear Mr. Wainio,

Bids were received on June 30, 2009 for the above referenced project. A total of twelve (12) bids were received and upon tabulation the low bidder for the project is Utility Systems of America, Inc. A copy of the bid tabulation is enclosed.

If the City of Mountain Iron intends to award at its July 6, 2009 City Council meeting, it is recommended that you award the bid to Utility Systems of America, Inc. in the amount of **\$303,623.50**.

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

Sincerely,  
**Benchmark Engineering, Inc.**

Eric E. Fallstrom, P.E.

Enclosures





# BENCHMARK ENGINEERING, INC.

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

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

June 30, 2009

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

RE: Concrete Inspection – Mt. Iron Waste Treatment Digester Building  
Project No. MI09-18

Dear Mr. Wainio;

Benchmark Engineering, Inc. is nearing the completion of the construction plans and specifications for the Concrete Inspection – Mt. Iron Waste Treatment Digester Building with repairs to the Digester Building.

At this time, Benchmark Engineering is requesting City Council action to advertise for bids for the above referenced project. The bid opening will be set for Thursday July 30, 2009 at 11:00 a.m. at the Mountain Iron City Hall. The award of the bid could then be considered by the City Council at the August 3, 2009 meeting.

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

Sincerely,

BENCHMARK ENGINEERING, INC.



Joseph Palo, P.E.  
Project Engineer

Art by Jody Bergsma © Jody Bergsma Galleries, Inc. Bellingham, Washington www.jodybergama.com © Localist Tree SNFCS047

Mayor Skalko & Council  
On behalf of Rolly's  
Rangers 1 & 2 (Sand Lake  
Struggle Cancer walk) I'm  
asking you to please  
waive the fee for the  
use of the Nichol's Town  
Hall - July 17<sup>th</sup> for our  
Annual Bake Sale Benefits.  
All proceeds are donated  
to the cancer walk.  
Thank you -  
Shirley Savella and  
Team members.  
P.S. your welcome to attend.



**COUNCIL LETTER 070609-VID**

**ED ROSKOSKI**

**SCHEDULE STREET & ALLEY  
COMMITTEE MEETING**

**DATE:** July 1, 2009  
**FROM:** Councilor Ed Roskoski  
Craig J. Wainio  
City Administrator

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

There are a good ½ dozen issues that should be looked at and decided on.

**COUNCIL LETTER 070609-VIE**

**ED ROSKOSKI**

**NEW LGA NUMBERS**

**DATE:** July 1, 2009  
**FROM:** Councilor Ed Roskoski  
Craig J. Wainio  
City Administrator

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

The Council at a COW or Regular Meeting should review the new LGA numbers in regard to budget items and projects for the rest of 2009.

**COUNCIL LETTER 070609-VIG**  
**NEGOTIATIONS COMMITTEE**  
**CLOSED MEETING**

**DATE:** July 1, 2009  
**FROM:** Negotiations Committee  
Craig J. Wainio  
City Administrator

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The City Council may enter into a Closed Meeting to discuss contract negotiations strategies with AFSCME Local Union #453.

## COMMUNICATIONS

1. St. Luke's, a letter of thanks for supporting their new clinic.
2. Range Assoc. of Municipalities and Schools, a memo concerning the Governor's Unallotment.



June 18, 2009

The Honorable Gary Skalko  
Mayor, City of Mountain Iron  
8586 Enterprise Drive S.  
Mountain Iron, MN 55768

Dear Mayor Skalko:

On behalf of St. Luke's, I want to thank you for your support of St. Luke's establishing a new clinic in your fine city of Mountain Iron.

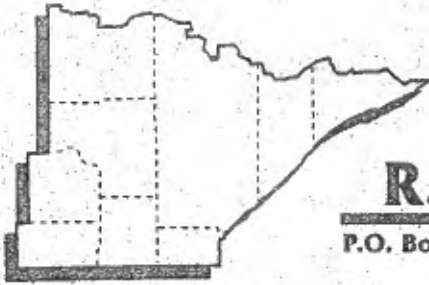
We are all very excited about our new clinic site and how our patients, the city, and St. Luke's will benefit from our new partnership. If you have any questions or concerns, please feel free to call me at 218-249-5612.

Again, thank you for your gracious hospitality and support of St. Luke's.

Sincerely,

Ronald P. Franzen  
Vice President

RPF:ks



One Range...One Voice

## Range Association of Municipalities and Schools

P.O. Box 705, Buhl, MN 55713

PHONE (218) 258-3216

FAX (218) 258-3217

To: All RAMS Members and Associate Members

From: Ron Dicklich Executive Director

Subject: Governors Unallotment

I will spare you my personal assessment of the Governor's cuts or a long dissertation of the constitutionality of his action. He did have a chance to produce a balanced budget in cooperation with the Legislature, as was the intent of the process as designed by our Founding Fathers. He chose this route instead. We will leave the legal recourse up to the Legislature and those injured by his acts. We definitely are one of those groups injured, and could join an action intended to make the Chief Executive of the State operate legally.

Enclosed you will find sheets laying out all of the unallotments and specific cuts to most Taconite Cities and Towns. In K-12 Education he does not make cuts, but does lay out the \$1.8 Billion shift that he will make. In the first year of the Biennium he will require School Districts to recognize a portion of their Property Tax receipts early and then delay \$.6 billion in state aid payments. In the second year of the Biennium School districts will receive in FY 2010 73% of their entitlement and the remaining 27% in 2011. This amount is about \$1.2 billion. This is not exactly "no cut", as the School Districts will need to borrow money at a price to cover delayed payments. Very few can bankroll these delayed payments any more. He next reduces LGA and Market Value homestead credit by \$300 million: \$99.7 million in 2010 and \$200.3 million in 2011 is how the State will dole out those cuts. About one third of this cut is at the County level. He also cuts Higher Education \$100 million. This cut will be divided equally - \$50 to the University of Minnesota, and \$50 million to MNSCU. These cuts will affect our area institutions and bring tuition costs to over 50% at all Minnesota campuses. The last big cut is in the area of Health and Human Services to the tune of \$236 million. This is on top of the over \$300 million cut that he signed during the Session. I cannot even begin to describe the effect this will have on Counties who already took one-third of the LGA cuts, let alone all healthcare facilities that will be affected. Also aids to Families will be cut in the worst economic times in almost 80 years. Our area will suffer by this as well as the other Government cuts and the imminent property tax increases that will occur.

Well that is the cut wrap-up. We will have some challenging times ahead. In case any one wondered why Governor Pawlenty decided not to run again this should give you an answer. Even with these cuts, he leaves an estimated \$4.8 billion deficit for the next Biennium. Even Mr. Slippery would have a hard time explaining that that was responsible management during his campaign. Good luck to all. Hopefully your counterparts around the State will bring pressure on the Governor's friends that we need to do something next year. We will be there! The battle is not over. Thank you for your participation and allowing us to be in the process.



**Proposed Unallotments & Administrative Actions**  
**General Fund Summary by Omnibus Bill**  
(\$ in Thousands)

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2010-11</u>
<b>K-12 Education</b>			
Revenues	0	0	0
Expenditures	(1,068,593)	(702,439)	(1,771,032)
<b>Higher Education</b>			
Revenues	0	0	0
Expenditures	0	(100,000)	(100,000)
<b>Tax Policy, Aids and Credits</b>			
Revenues	35,000	133,700	168,700
Expenditures	(104,000)	(262,700)	(366,700)
<b>Health and Human Services</b>			
Revenues	0	0	0
Expenditures	(110,682)	(125,408)	(236,090)
<b>State Government</b>			
Revenues	0	0	0
Expenditures	(16,500)	(16,500)	(33,000)
<b><u>REPORT TOTALS:</u></b>			
Revenues	35,000	133,700	168,700
Expenditures	(1,299,775)	(1,207,047)	(2,506,822)
<b>NET CHANGE</b>	<b>(\$1,334,775)</b>	<b>(\$1,340,747)</b>	<b>(\$2,675,522)</b>

## 2009 and 2010 Unallotments based on Governor's June 16 Announcement

<b>11 RAMS Towns</b>	2009 MV Credit Cut	2009 MV Credit Cut
Arbo, Town of	0	0
Balkan, Town of	0	0
Biwabik, Town of	0	0
Embarrass, Town of	0	0
Fayal, Town of	-8,890	-17,780
Great Scott, Town of	0	0
Greenway, Town of	0	0
Lone Pine, Town of	-1,438	-1,523
McDavitt, Town of	0	0
Nashwauk, Town of	0	0
White, Town of	-7,485	-14,970

Schnoeden  $\$515 = \$53$

<b>All Northeast MN Towns</b>	2009 MV Credit Cut	2009 MV Credit Cut
AITKIN TOWN OF	-2612	-5511
ALANGO TOWN OF	0	0
ALBORN TOWN OF	0	0
ALDEN TOWN OF	0	0
ALVWOOD TOWN OF	0	0
ANGORA TOWN OF	-810	-1708
ANSEL TOWN OF	-416	-879
ARBO TOWN OF	0	0
ARDENHURST TOWN OF	-659	-1391
ARROWHEAD TOWN OF	-1041	-1988
AULT TOWN OF	-488	-1030
BALKAN TOWN OF	0	0
BALL BLUFF TOWN OF	0	0
BALSAM TOWN OF	-87	-183
BALSAM TOWN OF	-2145	-4283
BARCLAY TOWN OF	0	0
BASSETT TOWN OF	-191	-185
BAY LAKE TOWN OF	-4720	-6876
BEARVILLE TOWN OF	0	0
BEATTY TOWN OF	-1780	-1720
BEAVER BAY TOWN OF	-1460	-1479
BEAVER TOWN OF	-345	-690
BECKER TOWN OF	0	0
BEULAH TOWN OF	-245	-516
BIGFORK TOWN OF	0	0
BIRCH LAKE TOWN OF	-2672	-5638
BIWABIK TOWN OF	0	0
BLACKBERRY TOWN OF	0	0
BLIND LAKE TOWN OF	-113	-238
BOWSTRING TOWN OF	-1050	-2100

# 2009 and 2010 Unallotments based on Governor's June 16 Announcement

RAMS Cites	2009				2010				Total 2010 Aid & Credit Cut	
	Certified 2009 LGA	2009 Unallotment	2009 LGA After Unallotment	2009 MV Credit Cut	Total 2009 Aid & Credit Cut	Est. Current Law 2010 LGA	2010 Unallotment	2010 LGA After Unallotment		2010 MV Credit Cut
Aurora	689,157	-37,774	651,383	0	-37,774	699,951	-94,435	605,516	0	-94,435
Babbitt	387,600	-35,156	352,444	0	-35,156	387,487	-87,890	299,597	0	-87,890
Biwabik	319,935	-19,140	300,795	0	-19,140	311,235	-47,850	263,385	0	-47,850
Bovey	265,212	0	265,212	0	0	258,092	0	258,092	0	0
Buhl	346,139	0	346,139	0	0	336,349	0	336,349	0	0
Calumet	126,061	0	126,061	0	0	122,371	0	122,371	0	0
Chisholm	2,901,312	-102,190	2,799,122	0	-102,190	2,966,909	-255,475	2,711,434	0	-255,475
Coleraine	341,023	-24,926	316,097	0	-24,926	347,410	-62,315	285,095	0	-62,315
Cook	158,568	0	158,568	0	0	162,431	0	162,431	0	0
Ely	1,834,174	-77,902	1,756,272	0	-77,902	1,908,398	-194,755	1,713,643	0	-194,755
Eveleth	2,323,283	-79,574	2,243,709	0	-79,574	2,386,173	-198,935	2,187,238	0	-198,935
Gilbert	760,122	-38,808	721,314	0	-38,808	782,258	-97,020	685,238	0	-97,020
Grand Rapids	1,477,260	-196,372	1,280,888	0	-196,372	1,446,690	-483,104	963,586	0	-483,104
Hibbing	8,764,714	-355,740	8,408,974	0	-355,740	8,884,869	-889,350	7,995,519	0	-889,350
Hoyt Lakes	457,754	-40,590	417,164	0	-40,590	462,299	-101,475	360,824	0	-101,475
Keewatin	393,976	-25,652	368,324	0	-25,652	407,926	-64,130	343,796	0	-64,130
Kinney	63,315	0	63,315	0	0	61,615	0	61,615	0	0
La Prairie	72,437	0	72,437	0	0	69,495	0	69,495	0	0
Marble	235,484	0	235,484	0	0	228,484	0	228,484	0	0
McKinley	52,842	0	52,842	0	0	51,992	0	51,992	0	0
Mountain Iron	1,208,124	-61,952	1,146,172	0	-61,952	1,311,148	-154,880	1,156,268	0	-154,880
Nashwauk	422,330	0	422,330	0	0	412,900	0	412,900	0	0
Silver Bay	562,400	-43,846	518,554	0	-43,846	559,715	-109,615	450,100	0	-109,615
Taconite	99,424	0	99,424	0	0	96,064	0	96,064	0	0
Tower	90,126	0	90,126	0	0	85,136	0	85,136	0	0
Two Harbors	1,258,185	-81,312	1,176,873	0	-81,312	1,307,983	-199,967	1,108,016	0	-199,967
Virginia	4,479,565	-192,104	4,287,461	0	-192,104	4,543,808	-480,260	4,063,548	0	-480,260
<b>Total Cities Listed Above</b>	<b>30,090,522</b>	<b>-1,413,038</b>	<b>28,677,484</b>	<b>0</b>	<b>-1,413,038</b>	<b>30,599,188</b>	<b>-3,521,456</b>	<b>27,077,732</b>	<b>0</b>	<b>-3,521,456</b>