

**MOUNTAIN IRON CITY COUNCIL MEETING
COMMUNITY CENTER
MOUNTAIN IRON ROOM
TUESDAY, SEPTEMBER 3, 2013 - 6:30 P.M.
A G E N D A**

- I. Roll Call
- II. Consent Agenda
 - A. August 19, 2013, Regular Meeting (#1-24)
 - B. Receipts
 - C. Bills and Payroll
 - D. Communications (#151-164)
- III. Public Forum
 - A. Public Hearing – Commerce Street Vacation (#25)
- IV. Committee and Staff Reports
 - A. Mayor's Report
 - B. City Administrator's Report
 1. AEOA Energy Assistance Vendor Agreement(#31-34)
 2. Authorization to Commence Condemnation Proceedings(#35)
 3. Gas Service Contract (#36-37)
 4. Award Abatement and Demolition Quotes(#38-47)
 5. Agreement with WEC to Provide Residential CIP(#48-60)
 - C. Public Works Director's Report
 1. Substation Bids (#61-65)
 2. Sanitary Lift Station Study (#66-67)
 - D. Library Directors Report
 - E. Sheriff's Department Report
 - F. City Engineer's Report
 1. Pay Request Number 1 – County Road 102 Utilities (#68-70)
 2. Pay Request Number 1 – Unity Drive Improvements (#71-73)
 3. Pay Request Number 1 – Striping (#74-76)
 - G. Planning & Zoning Commission(#26-30)
 1. Variance-4929 Spirit Lake Road (#26-27)
 2. Variance-4919 Spirit Lake Road (#28-29)
 - H. Liaison Reports
- V. Unfinished Business
 - A. Resolution Number 24-13 Accepting Work (#77-78)
- VI. New Business
 - A. Resolution Number 30-13 Vacating Commerce Street (#79-81)
 - B. Resolution Number 31-13 Adopting Preliminary 2014 Levy (#82-93)
 - C. Resolution Number 32-13 Adopting 2014 Market Rate Levy (#94)
 - D. Resolution Number 33-13 Adopting 2014 EDA Levy (#95)
 - E. Resolution Number 34-13 Ordering A Public Hearing (#96-98)
 - F. Set a Date for the Public Hearing on the Budget (#99)
 - G. Master Road Agreement (#100-146)
 - H. Release Agreement (#147-150)
- VII. Communications (#151-164)
- VIII. Announcements
- IX. Closed Meeting (#165)
- X. Management Employment Agreement
- XI. Adjourn

**MINUTES
MOUNTAIN IRON CITY COUNCIL
AUGUST 19, 2013**

Mayor Skalko called the City Council meeting to order at 6:30 p.m. with the following members present: Joe Prebeg, Jr., Susan Tuomela, Alan Stanaway, and Mayor Gary Skalko. Absent member included: Tony Zupancich. Also present were: Craig J. Wainio, City Administrator; Michael Downs, Director of Public Works; Rod Flannigan, City Engineer; and John Backman, Saint Louis County Sergeant.

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

1. Approve the minutes of the August 5, 2013, regular meeting as submitted.
2. That the communications be accepted and placed on file and those requiring further action by the City Council be acted upon during their proper sequence on the agenda.
3. To acknowledge the receipts for the period August 1-15, 2013 totaling \$169,474.20, (a list is attached and made a part of these minutes).
4. To authorize the payments of the bills and payroll for the period August 1-15, 2013, totaling \$340,464.32, (a list is attached and made a part of these minutes).

The motion carried on the following roll call vote: Prebeg, yes; Zupancich, absent; Stanaway, yes; Tuomela, yes; and Skalko, yes.

No one spoke during the public forum.

The Mayor reported on the following:

- Merritt Days Committee. He thanked the Committee for another successful Merritt Days Celebration.
- City Engineer. Congratulated the Engineer for winning a Division 2D State Barrel Racing Competition.
- Congratulations. Councilor Stanaway congratulated his step daughter and son-in-law on the birth of their son, Dominic Lars. This is his sixth grandchild in their family.

It was moved by Skalko and seconded by Stanaway to set a labor management meeting for Tuesday, September 17, 2013 at 2 p.m. with Mayor Skalko and Councilor Prebeg attending the meeting. The motion carried with Zupancich absent.

It was moved by Tuomela and seconded by Prebeg to authorize Staff to participate in the Salvation Army's HeatShare program, (a copy is attached and made a part of these minutes). The motion carried with Zupancich absent.

It was moved by Prebeg and seconded by Tuomela to approve the amendment to the recycling agreement with Saint Louis County, extending the agreement one year, (a copy is attached and made a part of these minutes). The motion carried with Zupancich absent.

It was moved by Stanaway and seconded by Prebeg to authorize the purchase of a transformer from Minnesota Power for the Wal-Mart Store at a cost of \$21,706.63, with the understanding that Wal-Mart reimburse the cost of the transformer and the cost of the labor to install it. The motion carried on the following roll call vote: Stanaway, yes; Tuomela, yes; Prebeg, yes; Zupancich, absent; and Skalko, yes.

It was moved by Prebeg and seconded by Stanaway to accept the recommendation of the Interview Panel and appoint Greg Chad for the Assistant Fire Chief Position. The motion carried with Zupancich absent.

It was moved by Prebeg and seconded by Tuomela to adopt Resolution Number 27-13, declaring cost to be assessed, and ordering preparation of proposed assessments, for the water project along County Road 7, (a copy is attached and made a part of these minutes). The motion carried with Zupancich absent.

It was moved by Prebeg and seconded by Tuomela to adopt Resolution Number 28-13, entering into Minnesota Department of Transportation agreement number 03756, (a copy is attached and made a part of these minutes). The motion carried with Zupancich absent.

It was moved by Stanaway and seconded by Tuomela to approve the agreement between the City and Wal-Mart concerning the construction of the signal at Highway 169 and Emerald Avenue, (a copy is attached and made a part of these minutes). The motion carried with Zupancich absent.

It was moved by Tuomela and seconded by Prebeg to adopt Resolution Number 29-13, accepting the bid on the sidewalk improvements, (a copy is attached and made a part of these minutes). The motion carried on the following roll call vote: Tuomela, yes; Prebeg, yes; Zupancich, absent; Stanaway, yes; and Skalko, yes.

It was moved by Prebeg and seconded by Tuomela to authorize Jeff & Greg Properties, Inc., dba: B. G.'s Bar & Grill to serve alcohol at the John Maki wedding on September 21, 2013 at the Community Center; and also to authorize Margies's Roosevelt Inc. to serve alcohol at the Donnelly wedding on October 5, 2013. The motion carried with Zupancich absent.

It was moved by Skalko and seconded by Stanaway to change the next regular meeting to Tuesday, September 3, 2013, due to the Labor Day holiday. The motion carried with Zupancich absent.

At 6:58 p.m., it was moved by Skalko and seconded by Tuomela that the meeting be adjourned. The motion carried with Zupancich absent.

Submitted by:



Jill M. Clark, MMC
Municipal Services Secretary

www.mtniron.com

COMMUNICATIONS

1. State of Minnesota Public Utilities Commission, notice of public hearing for application of Minnesota Power for a route permit.

Summary By Category And Distribution

Category	Distribution	Amount
UTILITY	UTILITY	153,170.13
MISCELLANEOUS	COCA-COLA RECEIPTS-CITY HALL	22.79
MISCELLANEOUS	BLUE CROSS/BLUE SHIELD PAYABLE	294.91
CAMPGROUND RECEIPTS	FEES	4,460.00
CAMPGROUND RECEIPTS	CREDIT CARD FEES	50.10
MISCELLANEOUS	REIMBURSEMENTS	350.00
PERMITS	BUILDING	5,408.03
METER DEPOSITS	ELECTRIC	800.00
CHARGE FOR SERVICES	ELECTRIC-CHG FOR SERVICES	37.53
MISCELLANEOUS	FAX CHARGES	6.00
LICENSES	ANIMAL	5.00
PERMITS	VARIANCE	300.00
BUILDING RENTALS	BUILDING RENTAL DEPOSITS	200.00
BUILDING RENTALS	COMMUNITY CENTER	100.00
PERMITS	VENDOR	150.00
MISCELLANEOUS	ELECTRIC RECONNECT FEE	35.00
COPIES	COPIES	3.00
CD INTEREST	CD INTEREST 101	550.00
CD INTEREST	CD INTEREST 378	121.00
CD INTEREST	CD INTEREST 602	121.00
CD INTEREST	CD INTEREST 603	110.00
CD INTEREST	CD INTEREST 604	198.00
MISCELLANEOUS	ASSESSMENT SEARCHES	30.00
MISCELLANEOUS	MISC. - GENERAL	18.71
TAXES	MISCELLANEOUS TAXES	2,848.00
MISCELLANEOUS	BASEBALL/SOFTBALL FEES	85.00
Summary Totals:		<u>169,474.20</u>

Check Issue Date(s): 08/16/2013 - 08/23/2013

Per	Date	Check No	Vendor No	Payee	Check GL Acct	Amount
08/13	08/19/2013	144164	130149	VOID - CASH	101-20200	25.00 -M
08/13	08/19/2013	144166	130173	VOID - CASH	101-20200	25.00 -M
08/13	08/16/2013	144249	130011	UNITED STATES POSTAL SERVICE	604-20200	392.02
08/13	08/19/2013	144250	10056	A T & T MOBILITY	604-20200	1,058.55
08/13	08/19/2013	144251	10070	A-1 RENTAL SERVICES INC	101-20200	1,230.08
08/13	08/19/2013	144252	10073	ABATETEK ENVIRONMENTAL SERVICE	301-20200	19,800.00
08/13	08/19/2013	144253	8143	ANDERSON, SHERYLL	604-20200	116.95
08/13	08/19/2013	144254	10021	ARROWHEAD LIBRARY SYSTEM	101-20200	282.74
08/13	08/19/2013	144255	20022	BENCHMARK ENGINEERING INC	301-20200	3,427.99
08/13	08/19/2013	144256	30084	CARDMEMBER SERVICE	603-20200	5,997.42
08/13	08/19/2013	144257	170001	CENTURY LINK	101-20200	394.75
08/13	08/19/2013	144258	30024	COALITION OF GREATER MN CITIES	101-20200	4,761.00
08/13	08/19/2013	144259	8140	CORRINE JORDAN	101-20200	100.00
08/13	08/19/2013	144260	8150	FINNELLY, MICHAEL	604-20200	136.70
08/13	08/19/2013	144261	8144	FLAIM, ANNE	604-20200	87.90
08/13	08/19/2013	144262	80050	HIBBING COMMUNITY COLLEGE	601-20200	1,440.00
08/13	08/19/2013	144263	80037	HOMETOWN MEDIA PARTNERS	101-20200	78.75
08/13	08/19/2013	144264	8142	JENSON, PAMELA	604-20200	101.46
08/13	08/19/2013	144265	8157	KNE, JON	101-20200	20.00
08/13	08/19/2013	144266	8156	LOCKE, DAVID	101-20200	60.00
08/13	08/19/2013	144267	8147	LORI, AARON	604-20200	198.53
08/13	08/19/2013	144268	8153	MASON, TONY	604-20200	95.31
08/13	08/19/2013	144269	8154	MATTILA, JODIE	101-20200	550.00
08/13	08/19/2013	144270	8145	MCINDOO, EVELYN	604-20200	42.08
08/13	08/19/2013	144271	140026	MINNESOTA ENERGY RESOURCES	101-20200	958.75
08/13	08/19/2013	144272	130009	MINNESOTA POWER (ALLETE INC)	604-20200	55,397.50
08/13	08/19/2013	144273	140047	NARDINI FIRE EQUIPMENT CO INC	101-20200	252.74
08/13	08/19/2013	144274	140071	NORTHLIGHT COLOR	101-20200	181.55
08/13	08/19/2013	144275	8148	O'NEIL, KATELYN	604-20200	330.30
08/13	08/19/2013	144276	8152	PARENTEAU, MONICA	604-20200	133.96
08/13	08/19/2013	144277	8155	PELKEY, RAY	101-20200	40.00
08/13	08/19/2013	144278	8149	POGACHNIK, WILFRED	604-20200	108.56
08/13	08/19/2013	144279	8139	REBECCA & BRIAN PAGE	101-20200	200.00
08/13	08/19/2013	144280	190045	SERVICE SOLUTIONS	101-20200	24.58
08/13	08/19/2013	144281	8146	SMITH, GORDANMAI	604-20200	92.99
08/13	08/19/2013	144282	200020	THE TRENTI LAW FIRM	101-20200	4,698.78
08/13	08/19/2013	144283	8151	TOBIN, JOHN	604-20200	120.43
08/13	08/19/2013	144284	8141	TREMBLAY, JOANI	604-20200	35.29
08/13	08/19/2013	144285	220004	VIRGINIA DEPARTMENT OF PUBLIC	604-20200	49,863.19
08/13	08/19/2013	144286	220020	VISA OR AMERICAN BANK CC PMT	101-20200	1,933.36
08/13	08/19/2013	144287	60038	WRIGHT EXPRESS FINAN SERV CORP	101-20200	8,777.71
08/13	08/19/2013	144288	240001	XEROX CORPORATION	101-20200	660.32

Totals:

164,132.24

Payroll-PP Ending 8/2/13
 Payroll-PP Ending 8/16/13

71,516.49
 104,815.59

TOTAL EXPENDITURES

\$340,464.32

HEATSHARE PROGRAM AGREEMENT

COMES NOW, Mountain Iron Public Utilities, in joint partnership with The Salvation Army, an Illinois Corporation (The Salvation Army), submits its joint customer contribution fund program plan as follows:

PROGRAM NAME:

HeatShare (A voluntary non-governmental program of The Salvation Army) which has been in existence since 1982.

PURPOSE:

The purpose of this energy related program, shall be to advance the common good and general welfare of the people by soliciting voluntary contributions from customers and employees to assist needy Minnesotans with energy related problems, including but not limited to residential heating bills, repairs on home heating equipment, and shut offs; and to provide assistance in reducing the cost of utilities for qualified low-income elderly, disabled, and others with special needs who have difficulty paying their energy related expenses.

CUSTOMER NOTIFICATION:

Customers will be notified through Mountain Iron Public Utilities. Notifications will be made via bill inserts and/or newsletters. In addition, press releases and media notification will be utilized when appropriate and beneficial to HeatShare and Mountain Iron Public Utilities.

TRANSFER/DISTRIBUTION OF FUNDS:

Mountain Iron Public Utilities will transfer funds to The Salvation Army on a regular basis in amounts equal to contributions received and processed prior to such date. Funds will be allocated by each Salvation Army unit corresponding to Mountain Iron Public Utilities in direct proportion to donations received from their area. On an exceptional basis, The Salvation Army, will have at their discretion, the authority to adjust the distribution of funds where they deem fit. A minimum of 85% of the funds will be used in the distribution of funds as per the attached guidelines A-1 and A-2.

IMPLEMENTATION:

Implementation is scheduled with the insertion of customer notification/authorization in at least one monthly bill or newsletter each year thereafter, unless this agreement is terminated.

ADDITIONAL:

Mountain Iron Public Utilities proposes at this time to defray the expense of solicitation through paying of bill insert costs, any promotional costs deemed necessary, and the cost of collection and transmittal of contributions.

EFFECTIVE DATE:

This plan becomes effective this October 1, 2013, and stays effective until September 30, 2014, or until Mountain Iron Public Utilities or The Salvation Army terminates this agreement by giving a 90 day written notice to the other party.

NOTICE:

The Salvation Army will follow the operational guidelines (A-1 and A-2) attached hereto. Notices shall be deemed given upon personal delivery, or when deposited in the United States mail, postage prepaid and addressed as follows:

If to Mountain Iron Public Utilities:

Attn: Craig Wainio
Title: City Administrator
Address: 8586 Enterprise Dr S
Mountain Iron, MN 55768
Phone: 218-748-7570

If to The Salvation Army:

Attn: Mike McGlone
Title: Statewide HeatShare Director
Address: 2445 Prior Avenue
Roseville, MN 55113
Phone: 651-746-3542

WHEREFORE, Mountain Iron Public Utilities, requests that its proposed joint customer contribution fund program be approved as submitted.

By: [Signature]
Title: MAYOR
Attest: [Signature]
Title: CITY ADMINISTRATION
Dated the 20th day of August 2013

The Salvation Army
An Illinois Corporation

By: _____
Title: Divisional Commander
Attest: _____
Title: Statewide HeatShare Director
Dated the _____ day of _____ 2013

THE SALVATION ARMY HEATSHARE PROGRAM GUIDELINES

TO QUALIFY FOR ASSISTANCE FROM HEATSHARE:

1. Applicants must have a final or shut off notice and;
2. Applicants must be income eligible as per Attachment A-2 and;
3. Applicants must have applied for assistance previously from other available public or private agencies and;
4. Applicants must reside in the designated areas where funds are raised for the program.
5. Applicants must be:
 - a. 55 years of age or older, or disabled/handicapped, such that financial assistance from the HeatShare program would relieve a substantial need or
 - b. Circumstances have arisen which deplete an individuals or families immediate cash resources. For example, an illness, major repair bill or sudden lay off, may leave a family, usually able to cope with insufficient cash resources to meet heating needs even though normally they have sufficient income to do so.
 - c. After initial assistance has been received, if an underlying problem exists (such as a client paying more rent than their income will allow) attempts must be made to remedy the situation before further assistance will be given.
 - d. Households who request assistance in consecutive years will be asked to participate in activities to strengthen the self-sufficiency of the family.
6. Assistance is available only once per year at a maximum of \$400.
7. Types of assistance granted will be for natural gas, electric, fuel oil, and propane.

Note: These are guidelines and on occasion, due to extenuating circumstances, clients may be given special considerations.

THE SALVATION ARMY HEATSHARE INCOME GUIDELINES

2013-2014 ANNUAL NET INCOME

HOUSEHOLD SIZE	TOTAL ANNUAL INCOME	TOTAL MONTHLY INCOME	TOTAL HOURLY WAGE
1	\$21,184	\$1,765	\$10.85
2	\$27,702	\$2,309	\$14.22
3	\$34,220	\$2,852	\$17.67
4	\$40,738	\$3,395	\$20.89
5	\$47,256	\$3,983	\$23.99
6	\$53,774	\$4,481	\$27.35
7	\$54,996	\$4,583	\$27.93
8	\$56,219	\$4,685	\$28.62
9	\$57,441	\$4,787	\$29.21
10	\$58,663	\$4,889	\$29.83
11	\$59,885	\$4,990	\$30.47
12	\$61,107	\$5,092	\$30.99

The above guidelines are based on 50% of State Median Income.

St. Louis County Environmental Services Department

AMENDMENT TO SERVICE AGREEMENT FOR COLLECTION OF RESIDENTIAL AND COMMERCIAL RECYCLABLE MATERIALS

THIS AGREEMENT, made as of this 1st day of January, 2014, by and between ST. LOUIS COUNTY, a body corporate and politic existing under the laws of the State of Minnesota, hereinafter referred to as "County", and the CITY OF MT. IRON, residing at 8586 Enterprise Drive South; Mt. Iron, MN 55768 hereinafter referred to as "Provider."

WITNESSETH:

WHEREAS, the County and Provider entered into an Agreement, hereinafter referred to as the "Original Agreement" on January 1, 2008, which allows the County to pay for the processing and marketing of Curbside collected recyclable materials, up to a predetermined maximum tonnage, weighed and hauled by the Provider to the County-owned recyclables processing facility; and

WHEREAS, the parties desire to amend the Original Agreement so as to enable both parties to continue to enjoy the mutual benefits it provides by extending its term and services provided thereunder; and

WHEREAS, Section I. of the Original Agreement provides for two one-year extensions of the Original Agreement; and

WHEREAS, the County and Provider wish to enter into the second one-year extension of the Original Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable considerations, the parties do agree as follows:

1. Extend the Term of the Original Agreement to December 31, 2014 upon the mutual agreement of both parties as allowed under Section I of the Original Agreement.
2. All other provisions of the Original Agreement, except as amended herein, shall remain in full force and effect through its duration.

IN WITNESS THEREOF, the parties have executed the Original Agreement on the date and year first written above.

CITY OF MT. IRON

ST. LOUIS COUNTY

BY: _____
GARY SKALKO
Mayor

BY: _____
CHRIS DAHLBERG, Chair
St. Louis County Board

BY: _____
CRAIG WAINIO
City Administrator

BY: _____
DONALD DICKLICH
County Auditor

BY: _____
TED TROOLIN, Director
Environmental Services Department

APPROVED AS TO FORM AND
EXECUTION:

BY: _____
JAMES NEPHEW
Assistant County Attorney

DAMION: 2013-008053
Original DAMION: 2007-003980

BOARD MEMO NO. 07 - 44

DATE: October 25, 2007

FROM: Dana Frey
County Administrator

Ted Troolln
Solid Waste Director

RE: Cities' Curbside Recyclable Materials Processing Agreements

BACKGROUND:

St. Louis County has established recycling goals and programs that meet or exceed state requirements and provide residents of the County's Solid Waste Service Area with a convenient opportunity to recycle. The County has also developed an infrastructure to ensure the long term collection and processing of recycled materials.

One aspect of local recycling programs is the provision of curbside recycling in certain areas. St. Louis County works in conjunction with four cities in the Solid Waste Service Area to offer convenient opportunities to recycle for city residents. These cities (Hibbing, Virginia, Mt. Iron and Eveleth) operate city curbside collection programs for recyclables generated by their residents. The cities fund all costs associated with collection of the recyclables. The County funds the processing and marketing of the recyclables, keeping any revenue generated from the sale of the materials. The County contracts with a private company (Northern Minnesota Recycling or "NMR") to secure the processing and marketing of these curbside collected recyclables.

Since 1993, the Solid Waste Department has developed an agreement with each city operating a curbside program establishing: (1) the terms and conditions for the delivery of recyclables to the County recyclable materials processing facility or transfer station and (2) the County's commitment to funding the processing of acceptable recyclables up to a maximum allowable annual tonnage per city. The current agreement expires on December 31, 2007. The Department intends to enter into new agreements with the cities. The proposed agreements provide the same level of services as past agreements. The new agreements will expire in 2012 but allow for two (2), one-year extensions, upon mutual agreement of the parties.

CURRENT ISSUE:

Based on discussions with the curbside cities representatives, the cities and the Department wish to continue providing curbside recyclable materials collection, processing and marketing by entering into new agreements. The County is agreeing to fund recyclables processing (up to an annual maximum per city level) provided the quality of the recyclables delivered to the County meets program acceptance criteria. Under the proposed agreement, the cities must meet the following requirements:

- Each city must have a weight- or volume-based system for both residential and commercial garbage customers.
- Each city must have a minimum of one curbside recycling collection per resident/business per month.
- At least once per month, each city must accept in its curbside program

commingled fiber items including newspaper, magazines, catalogs up to ½-inch thick, junk mail (including "window" envelopes), office paper, file folders, and box-board (cereal boxes, beverage cases, etc.).

- At least once per month, each city must accept in its curbside program commingled core recyclables: glass containers (clear, brown, and green), aluminum and bi-metal cans, tin-coated steel cans, and "necked" high-density polyethylene (HDPE) and "necked" polyethylene terephthalate (PET) plastic containers.
- Each city must accept brown paper bags in the cardboard collection.
- Each city must have its recycling trucks or trailers weighed on the weigh scale at the Regional Landfill or at a County transfer station prior to being delivered to the County-designated recyclable materials processing facility or transfer station.
- Each city, at their own expense, will be responsible for delivering their recyclable materials to the County-designated recyclable materials processing facility or transfer station.
- Each city utilizing the County-designated recyclable materials processing facility, shall deliver to that facility all program-approved recyclable materials collected in the curbside program.
- Under the agreement, processing fees will only be paid for recyclables processed at the County-designated recyclable materials processing facility.
- The County will pay only for the processing of clean, program-approved and properly prepared recyclables.
- The County shall determine responsibility for landfill tipping fees of unacceptable materials delivered to the recycling processor.

Maximum annual tonnage limits for the 2008 through 2012 curbside program will remain at the following levels:

Eveleth	275 tons
Hibbing	1,800 tons
Mt. Iron	230 tons
Virginia	1,450 tons

Processing cost for tonnage exceeding the maximum tonnage limit will be the responsibility of the city.

The term of the proposed agreements is from January 1, 2008 through December 31, 2012. The term may be extended for an additional period of up to two (2) years at one-year intervals, upon mutual agreement of the parties. The agreements do not include any direct payments to the cities.

For any questions or comments related to the agreements, please contact Ted Troolin at 749-0639 or ext. 7639.



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 27-13

DECLARING COST TO BE ASSESSED, AND ORDERING PREPARATION OF PROPOSED ASSESSMENT

WHEREAS, costs have been determined for Improvement Number 11-05, the improvement to the Mountain Iron Water System along County Road 7 between Spruce Drive and Southern Drive by installing a water main and the contract price for such improvement is \$326,165.25, and the expenses incurred in the making of such improvement amount to \$56,153.07 so that the total cost of the improvement will be \$382,318.32.

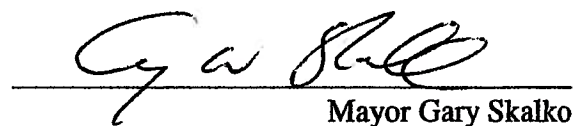
NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MOUNTAIN IRON, MINNESOTA:

1. The portion of the cost of such improvement to be paid by the City is hereby declared to be \$344,086.49 and the portion of the cost to be assessed against benefited property owners is declared to be \$38,321.83.
2. Assessments shall be payable in equal annual installments extending over a period of 10 years, the first of the installments to be payable on or before the first Monday in January, 2014, and shall bear interest at the rate of 8 percent per annum from the date of the adoption of the assessment resolution.
3. The City Administrator, with the assistance of the city engineer, shall forthwith calculate the proper amount to be specially assessed for such improvement against every assessable lot, piece or parcel of land within the district affected, without regard to cash valuation, as provided by law, and he shall file a copy of such proposed assessment in his office for public inspection.
4. The City Administrator shall upon the completion of such proposed assessment, notify the City Council thereof.

DULY ADOPTED BY THE CITY COUNCIL THIS 19th DAY OF AUGUST, 2013.

ATTEST:



City Administrator

Mayor Gary Skalko



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 28-13

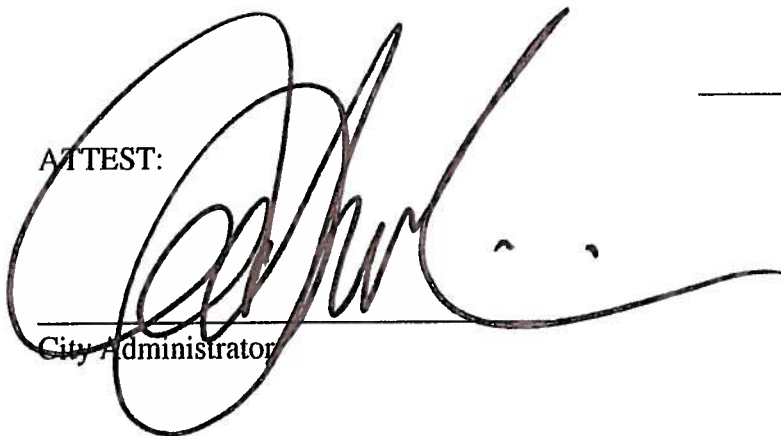
ENTERING INTO Mn/DOT AGREEMENT NUMBER 03756

BE IT RESOLVED BY THE CITY COUNCIL OF MOUNTAIN IRON, MINNESOTA that the City of Mountain Iron enter into Mn/DOT Agreement No. 03756 with the State of Minnesota, Department of Transportation to provide for payment by the City to the State for the State furnished materials and other associated construction to be performed upon, along and adjacent to Trunk Highway No. 169 at the intersection of Ridge Park Drive (RP 361.5) within the corporate City limits under State Project No. 6935-92.

BE IT FURTHER RESOLVED that the Mayor and the City Administrator are authorized to execute the Agreement and any amendments to the Agreement.

DULY ADOPTED BY THE CITY COUNCIL THIS 19th DAY OF AUGUST, 2013.

ATTEST:



City Administrator

Mayor Gary Skalko

COST REIMBURSEMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this "Agreement") is made as of this ___ day of _____, 2013 (the "Effective Date"), by and between the City of Mountain Iron, a Minnesota municipal corporation (the "City"), and Wal-Mart Real Estate Business Trust, a Delaware statutory trust (the "Developer").

RECITALS

WHEREAS, Developer has acquired fee title interest in a certain parcel of land legally described as set forth at Exhibit A, located in the City of Mountain Iron, County of Saint Louis, State of Minnesota (the "Wal-Mart Property");

WHEREAS, Developer plans to develop a Wal-Mart retail store and associated parking on the Wal-Mart Property; and

WHEREAS, the development includes the construction and installation of the following public improvements: the installation of a traffic signal at the intersection of Minnesota Trunk Highway 169 and Rock Ridge Road ("Traffic Signal") and construction and installation of certain improvements to the highway median near the same intersection (collectively, the "TH 169 Improvements"); which improvements are more fully described and depicted in the plans prepared by Kimley-Horn & Associates, Inc. and attached hereto as Exhibit B.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the Parties contained herein, the Parties agree as follows:

1. **Plans.** The Developer shall provide the City with construction and engineering plans for the TH 169 Improvements, at no cost to the City. Plans may be finalized after the Effective Date of this Agreement, but all plans must be finalized and submitted to the City for approval by the City Engineer and the Minnesota Department of Transportation ("MnDOT") before any work on the TH 169 Improvements may begin.

2. **TH 169 Improvements.** The City shall obtain from MnDOT all required permits and authority to construct the TH 169 Improvements. The Developer shall reimburse the City's out-of-pocket expenses in obtaining all such approvals and permits from MnDOT. The Developer shall be solely responsible for construction and installation of the TH 169 Improvements. Following installation and acceptance by MnDOT, the City thereafter shall be solely responsible for all costs of operating, maintaining and repairing the Traffic Signal. The City shall not withhold a certificate of occupancy for the Wal-Mart building based solely on the failure to complete the TH 169 Improvements.

3. **Payment for TH 169 Improvements.** The Developer shall pay all costs of the installation and construction of the TH 169 Improvements. In addition to the MnDOT permitting expenses set forth at Paragraph 2, the Developer shall reimburse the City's actual out-of-pocket third party expenses the City incurs in connection with the construction and installation of the TH 169 Improvements up to, but not exceeding, \$4,000.00 ("Maximum Cap"). To obtain reimbursement, the City shall submit invoices to the Developer with reasonable detail of the City's

out-of-pocket expenses. The Developer will pay such invoices within 60 days after receipt, but has no obligation to pay a total of more than the Maximum Cap.

4. **Developer's Default.** In the event of a default by the Developer as to any work under this Agreement, the City may, at its option, perform such work after first giving the Developer not less than thirty (30) days' prior written notice and the opportunity to cure such default within said 30-day period. The Developer shall, within 60 days after receipt of written notice, reimburse the City for any reasonable expenses the City incurred in performing such work.

5. **Miscellaneous.**

a. Third parties shall have no recourse against the City or the Developer under this Agreement.

b. If any portion, section, subsection, sentence, clause, paragraph, or phrase of this Agreement is for any reason held invalid, such decision shall not affect the validity of the remaining portion of this Agreement.

c. The action or inaction of the City or the Developer shall not constitute a waiver or amendment to the provisions of this Agreement. To be binding, amendments or waivers shall be in writing, signed by the Parties, and approved by written resolution of the City Council. Either Party's failure to promptly take legal action to enforce this Agreement shall not be a waiver or release.

d. This Agreement shall not be assigned by any Party without the written consent of all Parties.

e. It is expressly agreed that nothing contained in this Agreement shall be construed to contain a covenant, either express or implied, to develop the Wal-Mart Property, to commence the operation of a business, or thereafter continuously operate any business on the Wal-Mart Property by the Developer. The Developer may, at its sole discretion and at any time, cease the operation of its business on the Wal-Mart Property and the City waives any action for legal damages or other equitable relief against the Developer as a result of such cessation of business activity.

f. Any headings of the various articles, sections and other subdivisions of this Agreement are for convenience of reference only and shall not modify, define or limit any of the terms or provisions of this Agreement.

g. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same instrument.

6. **Notices.** Required notices to the Developer shall be in writing, and shall be either hand delivered to the Developer, its employees or agents, or mailed to the Developer by certified mail at the following address:

Mountain Iron, MN (4849)
Development Agreement
Page 2

Wal-Mart Real Estate Business Trust
2001 SE 10th Street
Bentonville, AR 72716
Attention: Real Estate Manager (Store #4849-00)

With a copy to: Kimley-Horn & Associates, Inc.
2550 University Ave West, Suite 238N
St. Paul, MN 55114
Attention: Will Matzek

Required notices to the City shall be in writing and shall be either hand delivered to the City Administrator or mailed to the City by United States surface mail in care of the City Administrator at the following address:

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

[The remainder of this page is intentionally blank.]

In acceptance of this Agreement, the appropriate representatives of the Developer and the City have executed this Agreement as of the Effective Date set forth above.

DEVELOPER: WAL-MART REAL ESTATE BUSINESS TRUST

By: _____
John Clarke

Its: Vice President – Real Estate

CITY OF MOUNTAIN IRON

By: _____
Gary Skalko, Mayor

and

By: _____
Craig J. Wainio, City Administrator

5441519_4

EXHIBIT A

LEGAL DESCRIPTION

Outlot A, ROCK RIDGE DEVELOPMENT, according to the recorded plat thereof, St. Louis County, Minnesota. Except the following two tracts of land, described as follows:

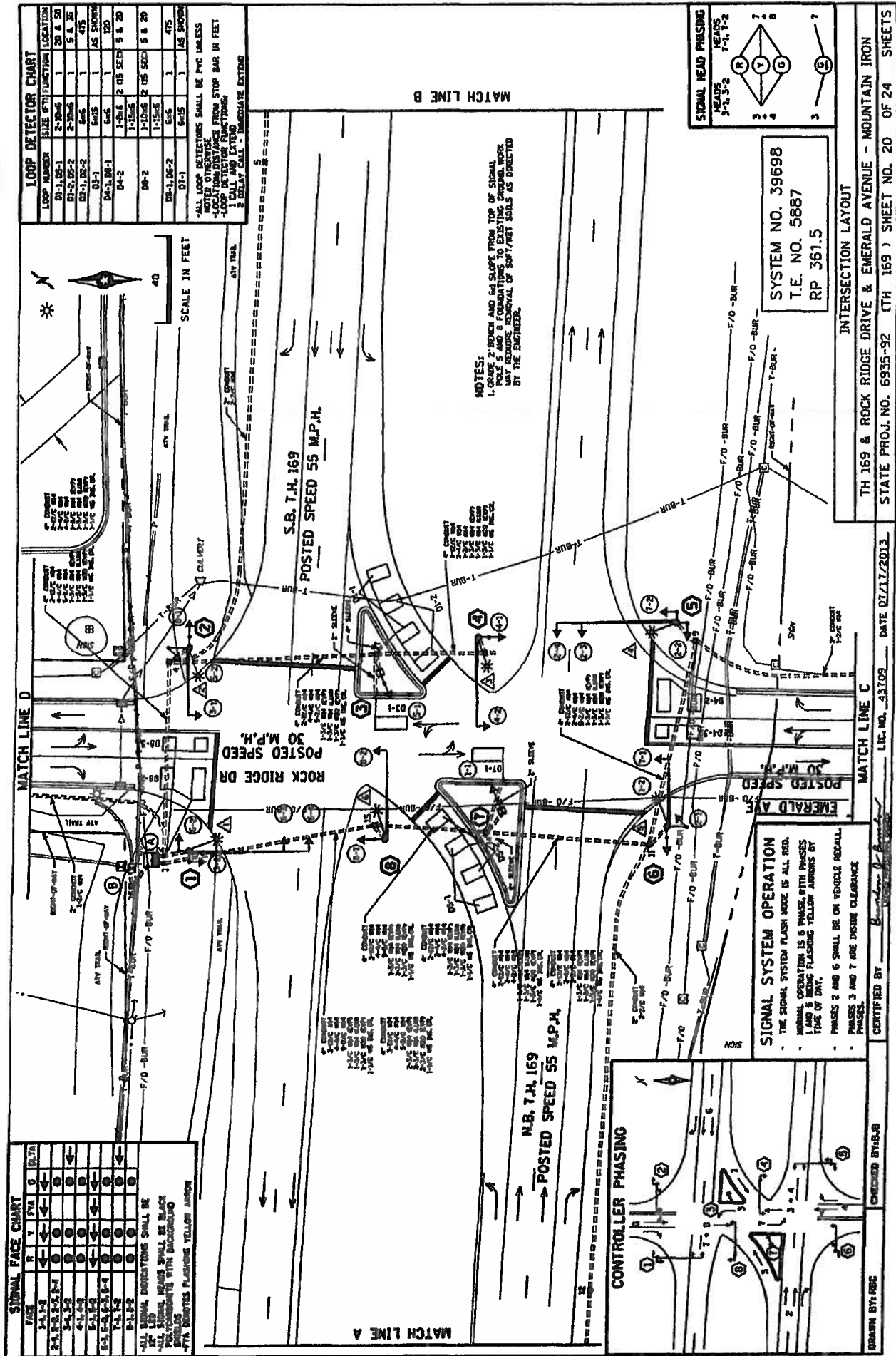
Beginning at the southwest corner of said Outlot A; thence South 01 degrees 07 minutes 38 seconds West, along the southerly extension of the west line of said Outlot A, a distance of 45.47 feet to the south line of the North Half of said Park Ridge Drive; thence North 47 degrees 39 minutes 50 seconds East, along the south line of the North Half of said Park Ridge Drive, a distance of 167.67 feet; thence northeasterly, continuing along the south line of the North Half said of Park Ridge Drive, a distance of 125.39 feet, along a tangential curve, concave to the southeast, having a radius of 300.00 feet, and a central angle of 23 degrees 56 minutes 50 seconds; thence North 00 degrees 00 minutes 00 seconds East, not tangent to said curve, a distance of 91.59 feet; thence North 12 degrees 24 minutes 30 seconds East a distance of 51.19 feet; thence North 00 degrees 00 minutes 00 seconds East a distance of 250.00 feet; thence northwesterly a distance of 29.21 feet, along a tangential curve, concave to the southwest, having a radius of 44.50 feet, and a central angle of 37 degrees 36 minutes 16 seconds; thence North 37 degrees 36 minutes 16 seconds West, tangent to the last described curve, a distance of 138.51 feet; thence North 90 degrees 00 minutes 00 seconds West a distance of 134.71 feet to the west line of said Outlot A; thence South 01 degrees 07 minutes 38 seconds West, along said west line, a distance of 658.98 feet to said point of beginning.

And

That part of said Outlot A which lies northerly of a line parallel with, and 40.00 feet southerly, of a line described as beginning at a point on the west line of said Outlot A, distant 40.03 feet south of the northwest corner of said Outlot A; thence North 88 degrees 58 minutes 16 seconds East, parallel with the north line of said Outlot A, a distance of 565.12 feet; thence southeasterly a distance of 350.00 feet, along a tangential curve, concave to the southwest, having a radius of 900.00 feet, and a central angle of 22 degrees 16 minutes 53 seconds; thence continuing southeasterly a distance of 185.00 feet, along a compound curve, having a radius of 270.00 feet and a central angle of 39 degrees 15 minutes 28 seconds and said line there terminating.

EXHIBIT B

Plans of TH 169 Improvements





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 29-13

ACCEPTING BID

WHEREAS, pursuant to an advertisement for bids for Improvement Number 13-10, the proposed sidewalk improvements to the Main Street, Mountain Avenue, and Enterprise Drive South by construction, bids were received, opened and tabulated according to law, and the following bids were received complying with the advertisement:

Hibbing Excavating, Inc.	\$117,941.50
C & C Winger	\$147,638.00

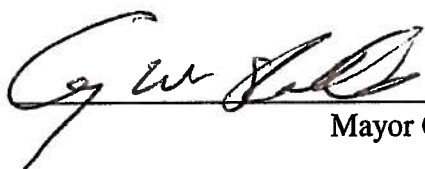
AND WHEREAS, it appears that Hibbing Excavating, Inc. of Hibbing, Minnesota is the lowest responsible bidder,

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 Hibbing Excavating, Inc. of Hibbing, Minnesota in the name of the City of Mountain Iron for Improvement Number 13-10, the proposed sidewalk improvements to the Main Street, Mountain Avenue, and Enterprise Drive South by construction, 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 19th DAY OF AUGUST, 2013.

ATTEST:


Mayor Gary Skalko


City Administrator

**CITY OF MOUNTAIN IRON
COUNTY OF SAINT LOUIS
STATE OF MINNESOTA**

**NOTICE OF PUBLIC HEARING ON VACATION OF
COMMERCE STREET AND A PORTION OF PARK RIDGE
DRIVE PURSUANT TO MINNESOTA STATUTE §412.851**

NOTICE IS HEREBY GIVEN that a hearing will be held before the City Council on the 3rd day of September, 2013, in the Community Center located at 8586 Enterprise Drive South at 6:30pm to consider a proposed vacation all of Commerce Street and a portion of Park Ridge Drive between the Eastern boundary of the Rock Ridge Development Plat and the commencement of Commerce Street.

Dated this 6th day of August 2013.

SIGNED BY:

City Administrator

CITY OF MOUNTAIN IRON

☐ **CONDITIONAL USE PERMIT** ☒ **VARIANCE APPLICATION**

Name of Owner: Pentti, Mahonen Signature of Owner: *Pentti Mahonen*
 Address: 4929 Spirit Lake Road Mt. Iron MO 65708 Date: 8/2/13

Legal Description:
 Sec/Lot 36 Twp/Block 58 Rge/Subd 18 Parcel Code: 175-0058-0080 ✓
Lot 8, Block 1, Spirit Lake Addition

Description of Proposed Use for CONDITIONAL USE PERMIT:

150' lake setback for septic to 75'

Statement as to why proposed use will not cause injury to value of adjoining property.

Marilyn West
Adjoining property owner would install systems side by side
 Statement as to how proposed use is to be designed, arranged, and operated in order to permit development and use of neighboring property.

Designed by JBN Inc. Permitted and verified by St. Louis County Health Department
 Area for which VARIANCE requested: (i.e. setbacks, height, etc)

Setback change from lake from 150' to 75'
 Statement addressing condition of "undue hardship" for which VARIANCE is requested.

Available property across road is unsuitable for septic.

*Owner is required to submit a vicinity map, drawn to scale, showing owners and adjoining property including all existing or proposed buildings or uses. Use reverse side of this form.

OFFICE USE ONLY

ITEM	ACTION	DATE	INITIAL
Application Submitted/Paid	JBN Inc. At \$150- Rec. 3.002480	8-5-2013	gmc
Zoning Administrator Review	E-mailed to JDE	8-5-2013	gmc
Public Hearing Set	Hearing set for 8/26/13 6:05	8-6-2013	gmc
Hearing Notice Published	Hometown Focus	8-16-2013	gmc
Planning & Zoning Recommendation (Board of Adjustment and Appeals Rec.)			
City Council Action			
Filed with County Recorder			

Conditions Attached _____

VICINITY MAP TO SCALE - SHOW DIMENSIONS OF LOT AND ALL EXISTING AND PROPOSED STRUCTURES, DISTANCES FROM FRONT, SIDE AND REAR LOT LINE SETBACKS TO ALL EXISTING AND PROPOSED STRUCTURES. SHOW ALLEY AND STREET NAMES ABUTTING LOT.

I/We certify that the proposed construction will conform to the dimensions and uses shown and that no changes will be made without first obtaining approval.

Pamela Mahan
OWNERS SIGNATURE

8/5/13

DATE



INDICATE NORTH IN CIRCLE

Spirit Lake

75'

1,500 gallon
two compartment
concrete pump tank

Deck

House

170'

N →

60' 75' Rock Bed

Garage

Sand Point Well

30' x 90' Mound
(approximately)

Spirit Lake Road

140'

Each square = 10'

CITY OF MOUNTAIN IRON

☐ **CONDITIONAL USE PERMIT** ☒ **VARIANCE APPLICATION**

Name of Owner: Marilyn West Signature of Owner: Marilyn West
 Address: 4919 Spirit Lake Road Mt. Iron MN 55768 Date: 8/2/13

Legal Description:

Sec/Lot 30 Twp/Block 58 Rge/Subd 18 Parcel Code: 175-0058-00090 ✓
lot 9, Block 1, Spirit Lake Addition

Description of Proposed Use for CONDITIONAL USE PERMIT:

150' lake setback for septic to 75'
 Statement as to why proposed use will not cause injury to value of adjoining property.

Penti Mahonen

Adjoining property owner would install systems side by side
 Statement as to how proposed use is to be designed, arranged, and operated in order to permit development and use of neighboring property.

Designed by JBN Inc Permitted and verified by St. Louis County Health Department
 Area for which VARIANCE requested: (i.e. setbacks, height, etc)

Setback change from lake from 150' to 75'
 Statement addressing condition of "undue hardship" for which VARIANCE is requested.

Available property across road is unsuitable for septic.
 *Owner is required to submit a vicinity map, drawn to scale, showing owners and adjoining property including all existing or proposed buildings or uses. Use reverse side of this form.

OFFICE USE ONLY

ITEM	ACTION	DATE	INITIAL
Application Submitted/Paid	<u>JBN Inc. Pd \$150.00 Rec. # 3.022480</u>	<u>8-5-2013</u>	<u>gmc</u>
Zoning Administrator Review	<u>E-mailed to JBN</u>	<u>8-5-2013</u>	<u>gmc</u>
Public Hearing Set	<u>Hearing set for 8/26/13 6:10</u>	<u>8-6-2013</u>	<u>gmc</u>
Hearing Notice Published	<u>Hometown Focus</u>	<u>8-16-2013</u>	<u>gmc</u>
Planning & Zoning Recommendation (Board of Adjustment and Appeals Rec.)			
City Council Action			
Filed with County Recorder			

Conditions Attached _____

VICINITY MAP TO SCALE - SHOW DIMENSIONS OF LOT AND ALL EXISTING AND PROPOSED STRUCTURES, DISTANCES FROM FRONT, SIDE AND REAR LOT LINE SETBACKS TO ALL EXISTING AND PROPOSED STRUCTURES. SHOW ALLEY AND STREET NAMES ABUTTING LOT.

I/We certify that the proposed construction will conform to the dimensions and uses shown and that no changes will be made without first obtaining approval.

OWNERS SIGNATURE

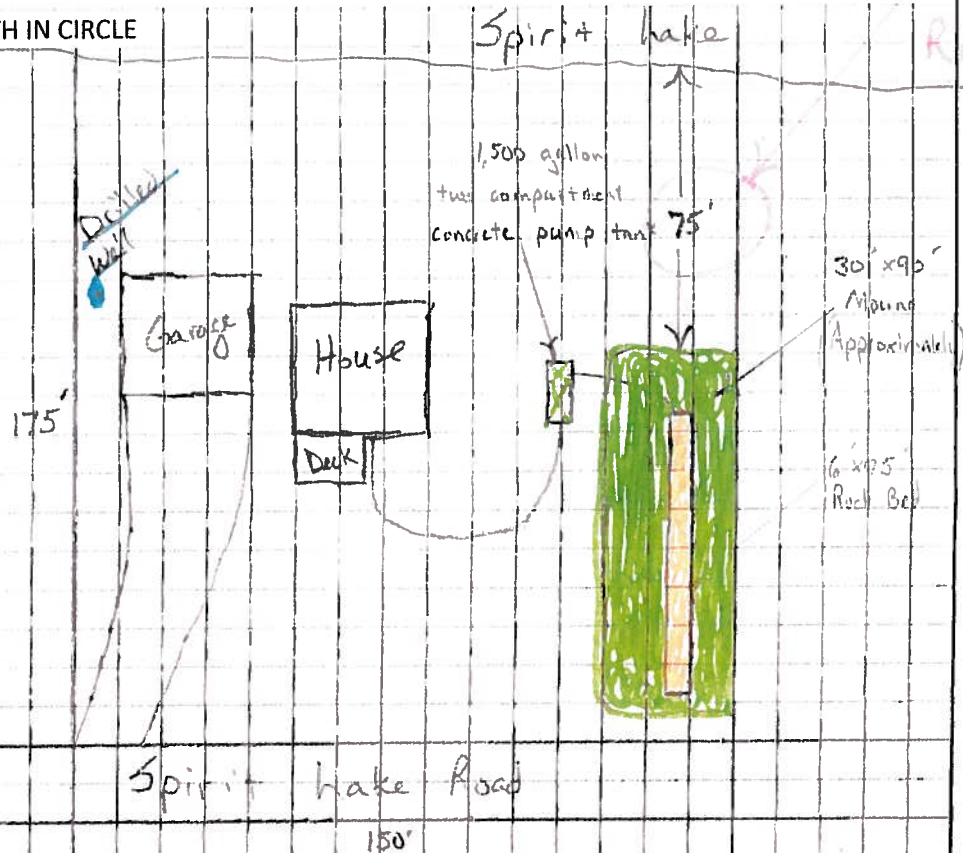
Manlynn West

DATE

7-35-87



INDICATE NORTH IN CIRCLE



Each square = 10'



Saint Louis County

Environmental Services Department • Onsite Wastewater Division

307 First St. So., Suite 115 • Virginia, MN 55792

Phone: (218) 749-0625 or 1-800-450-9278 • Fax: (218) 749-0650

Ted Troolin

Director

August 22, 2013

To: City of Mt. Iron Variance Board

From: Donna O'Connor, St. Louis County
Environmental Health Specialist

Re: Proposed Septic System Construction at:

4919 Spirit Lake Road, Sect 30, Twp 58, R 18, Block 001, Lot 009

4929 Spirit Lake Road, Sect 30, Twp 58, R 18, Block 001, Lot 008

I have reviewed the septic system designs and conducted a site visit with the Subsurface Sewage Treatment System (SSTS) Designer Brad Nygaard at 4919 and 4929 Spirit Lake Road.

The existing septic systems are considered Failing by Definitional with less than 12" separation to seasonally saturated soil. There is no place on the lot to construct a standard septic system that will meet the well, road and 150' lake setback.

St. Louis County Environmental Services recommends approving the variance to install new mound septic systems for both properties at the reduced set back of at least 75' where 150' is required on a Natural Environmental lake.

COUNCIL LETTER 090313-IVB1

ADMINISTRATION

AEOA AGREEMENT

DATE: August 29, 2013

FROM: Craig J. Wainio
City Administrator

Staff is requesting approval to again participate in the AEOA Energy Assistance Program to benefit low and moderate income households through the 2013-2014 heating season. The City of Mountain Iron has participated in this program for a number of years and staff recommends continued participation. It is recommended that the City Council approve the Energy Assistance Vendor Agreement between the City and AEOA.

8/19/2013

Dear Energy Vendor:

Enclosed is the Energy Assistance Program Vendor Agreement for vendors who participate in the FFY2014 Heating Season.

It is necessary to have a signed vendor agreement on file before any payments are made by our Agency.

We have included the Vendor Chapter and the Crisis Chapter from the FFY 2014 Energy Assistance Manual. In an effort to emphasize changes we have tried to highlight important changes. Please take the time to read both chapters. Especially those vendors who deliver fuels (LP/OIL) will be affected by the changes. We will be asking for more information and for more participation from you. If the need is expressed we will try to arrange for a meeting at AEOA to answer questions during the first week in September.

Connected utility vendors experienced changes last year mid-season that are also detailed in the Crisis chapter. The major changes in crisis for connected utilities have to do with the need for clients to apply for Cold Weather Protection and the need for an actual disconnect being possible. The changes last year, for the most part, have been carried over to this year with no major changes.

Please sign and return the agreement and any other attachments necessary as soon as possible so your customers that are eligible for the Energy Assistance Program may receive assistance.

Please send this information to:

ATTN: BECKY
AEOA Energy Assistance Program
702 Third Avenue South
Virginia, MN 55792

Sincerely,

A handwritten signature in cursive script that reads "Mary C. Heilman".

Mary Heilman
Energy Assistance Program Coordinator
ENC



Agreement Between Energy Vendor and Service Provider

MOUNTAIN IRON CITY OF PUBLIC UTILITIES, 8586 ENTERPRISE DR S MT IRON MN 55768 and successor home energy providers, hereafter referred to as "the energy vendor", hereby agrees to cooperate with Arrowhead Economic Opportunity Agency ~AEOA hereafter referred to as "the Service Provider", and the Minnesota Department of Commerce (MDOC), Energy Assistance Programs, hereafter referred to as "the State" to deliver the Minnesota Energy Assistance Program for Federal Fiscal Year 2014 (FFY 2014), October 1, 2013 through September 30, 2014.

I. The energy vendor and the Service Provider will:

1. Follow Energy Assistance Program (EAP) policies and procedures in the *EAP Policy Manual* (In particular Chapter 3).
2. Maintain accurate client and consumption information.
3. Comply with the Minnesota Government Data Practices Act (MGDPA), Minn. Stat. Ch. 13, as it applies to all data provided by the State under this agreement and as it applies to all data created, collected, received, stored, used, maintained or disseminated by the energy vendor or the Service Provider, in performing the duties under this agreement. In the administration of this program, the energy vendor and the service provider have access to a protected data base containing private information on individuals protected under the MGDPA. The energy vendor and the Service Provider agree to not release any private data, including from the database, to any third party without written authorization from the subject of the data.
4. Share information with each other as needed to perform the duties under this agreement.
5. Negotiate for continuation or reconnection of service to households determined eligible for EAP Primary Heat and EAP Crisis Benefits.
6. Establish a dispute resolution process to resolve issues arising during the term of this agreement.
7. Collaborate and do everything possible to ensure the customer has continuous access to home heating.
8. Minimize the risks of a customer's home energy crisis through the use of the Crisis Benefits.
9. Encourage regular payments from the household.
10. Collaborate to reduce home energy costs.
11. Work together to ensure EAP payments are appropriately applied to accounts and used for EAP services as designated by the Service Provider.

II. The Service Provider will:

1. Determine customer eligibility.
2. Provide new and existing energy vendors with information about the eHEAT software system.
 - Encourage all energy vendors to become an eHEAT user, allowing them access to eligibility and benefit data "online".
 - Provide necessary and/or ongoing training to energy vendors using eHEAT.
3. Make authorization through eHEAT, telephone, fax or electronic communication for:
 - Payments for electricity, heating fuels and delivery of fuel.
 - Continuation or reconnection of connected utilities.
 - Payments for fees including: service deposits, pressure tests, line bleeding, tank setting, tank rental, membership, if applicable.
 - Removal from load limiters.
 - Payments due and past due amounts for electricity and heating fuels.
4. Maintain a file of customer authorizations for exchange of private data between the Service Provider and the energy vendor.
5. Enter account number into eHEAT in the format supplied by the energy vendor.

III. The energy vendor will:

1. Ensure EAP eligible households are not treated adversely compared to other households. Oil and propane dealers are required to comply with the Discrimination Prohibition in Minn. Stat. §325E.027.
2. Supply account number format to the Service Provider.
3. Provide to the Service Provider a written price list for normal and customary services for home energy costs including but not limited to:
 - Leak seek and pressure tests
 - Bleeding lines
 - Tank setting
 - Service deposits
 - Reconnection fees
 - Membership fees
 - Minimum delivery requirements and costs
 - Emergency fuel and after hours delivery costs
4. When possible deliver remaining EAP benefit before September 30, 2014.
5. Provide at the request of the customer, the Service Provider or the State, information on applicant households' home energy costs, dwelling consumption data, delivery dates, bill payment history or arrearage history. This information will be provided in the format requested.
6. Provide dwelling consumption data within 5 business days of the request in eHEAT.
7. Respond promptly to consumption requests for crisis situations.
8. Register with EAP to receive payments.
9. Use the warrant or EFT date as the EAP payment date.
10. Apply all EAP payments to the households account within 5 business days of receipt of payment.
11. Apply EAP payments to the household's energy costs before applying other energy payments.

12. Accept all customer payments.
13. Use EAP funds to pay for home energy costs, including fuel and other routine and required services as designated by the Service Provider. Expenses such as service contracts, water, sewer, garbage, cable, internet, telephone, gasoline, machine parts, engine oil, etc. cannot be paid with EAP funds.
14. Continue service, reconnect or deliver fuel to households as negotiated by the Service Provider on behalf of the household.
15. When addressing household energy emergencies, when possible, accept eHEAT payment status of "Payable" for payment. When eHEAT is not available, accept early notification authorization by telephone, fax or electronic communication for delivery of fuel, continuation or reconnection of connected utilities, or service deposits if applicable, and removal from load limiters.
16. Accept a household application status in eHEAT of "approved" as income eligibility validation for the Energy Assistance Program.
17. Report dangerous heating or fuel delivery situations for EAP households to the Service Provider.
18. Process and refund to the State any refunds requested by the Service Provider within 10 business days.
19. Process and refund to the State all credits attributable to EAP payments made during FFY 2014 remaining on a customer's account within 10 business days after a client ceases to be a customer.
20. Upon customer request, return to the household any EAP funds remaining on the household's account after September 30, 2014.
21. Notify the Service Provider or DOC if there is reason to believe EAP funds have been misused as described in the EAP Policy Manual.
22. Allow the Service Provider or State access to fiscal records of EAP transactions for audit purposes for period of three (3) years after payment.
23. Complete and submit the *EAP Leveraging Report* to the State.
24. Use eHEAT when possible to administer EAP program business, including but not limited to:
 - Providing consumption
 - Maintaining energy vendor account numbers
 - Monitoring eligibility and payments
 - Recording refunds
25. Implement and maintain eHEAT database security policies by:
 - Limiting access to authorized personnel only
 - Ensuring each user is assigned a unique user ID
 - Ensuring email addresses associated with each user ID are current
 - Disabling users immediately upon termination of their role in the service delivery of EAP
 - Disabling users who are on a temporary leave of absence, extended vacation, etc

IV. Either party to this agreement may terminate it at any time, with or without cause, upon thirty days written notice to each other and the State. Upon termination, the energy vendor must provide an estimated final invoice for the energy vendor's services performed. Upon termination and submission of a final invoice, and upon acceptance of the final invoice by the state, the energy vendor will be entitled to payment for services satisfactorily performed.

V. Signatures:

Energy Vendor:		
Authorized Energy Vendor Representative:		
_____ Please Print Name	_____ Signature	_____ Date
Company Contact Person:		
_____ Please Print Name	(_____) _____ Telephone	(_____) _____ Fax
(_____) _____ 24 hour emergency number to address after hours emergencies	_____ E-mail address	
EAP Service Provider:		
Authorized Service Provider Representative:		
_____ Please Print Name	_____ Signature	_____ Date
Energy Assistance Coordinator:		
_____ Please Print Name	(_____) _____ Telephone	(_____) _____ Fax
(_____) _____ 24 hour emergency number	_____ E-mail address	

COUNCIL LETTER 090313-IVB2

ADMINISTRATION

CONDEMNATION PROCEEDINGS

DATE: August 29, 2013

FROM: Public Health and Safety Board

Craig J. Wainio
City Administrator

The Public Health and Safety Board along with City Staff is requesting that the City Council authorize the City Attorney to begin condemnation proceedings for a residence at 5472 Bluebell Avenue. In discussions with the sister of the deceased owner she has no intention of seeking ownership of the property through the probate systems and has no plans to make the property tax payments and she is in full support of any City actions. The property is in a severe state of disrepair and is uninhabitable and the City has received numerous blight complaints. We believe the best course of action would be to condemn the residence and use the IRRRB Residential Redevelopment Program to remove the structure, instead of waiting for the property to become tax forfeit.

COUNCIL LETTER 090313-IVB3

ADMINISTRATION

GAS SERVICE AGREEMENT

DATE: August 29, 2013
FROM: Craig J. Wainio
City Administrator

Enclosed in your packet is a gas service contract with Minnesota Energy Resources to provide gas service to South Forest Grove. With residence being constructed in that addition it has become beneficial to install the gas main. Due to the construction taking place, the price for the installation was greatly reduced from when the development first went in. It is recommended that the City Council approve the Gas Service Agreement with Minnesota Energy Resources.



Minnesota Energy Resources Corporation
2665 145th Street West
Rosemount, MN 55068
www.minnesotaenergyresources.com

August 23, 2013

Gas Service Contract Contribution in aid of Construction (CIAC) INVOICE

The decision to take advantage of the benefits of clean, efficient gas is a natural one. You can depend on us for safe, reliable, cost-effective service and support long after the pipes are in the ground and you begin enjoying the advantages of natural gas as your energy source of choice.

In compliance with our tariff, a feasibility study was done to assure that the price of construction and service will not place undue burden on all of our customers per order of the Public Utilities Commission (PUC). This is an economic evaluation for a distribution system extension to determine the allowable investment the company can make without negatively impacting the current rate payers. The model takes into consideration the capital costs for the extension, the timing for the customer connects, abnormal conditions, the revenue for projected customer volumes, the revenue for customer charges, required Operations & Maintenance costs, cost of capital, etc. Based on the results of the analysis, the gap between the actual cost and the feasible portion of the overall cost is identified as a Contribution in aid To Construction (CIAC). This gap (CIAC) is billed to the customer before installation can proceed.

THIS AGREEMENT made and entered into by and between Minnesota Energy Resources Corporation. (MERC), hereinafter called "**Company**", and Craig Waixio hereinafter called "**Applicant**".

WITNESSETH:

In consideration of the provision for payment and other terms and conditions set out below, the parties agree as follows:

1. That Company will install natural gas service to the premise location described as:
Main Extension – Forest Drive, Install 1990' of 2" PE main for 20 residential lots
2. Applicant understands and agrees that Applicant will receive gas service under a separate application or contract with Company and that such service will be rendered subject to Company's available gas supply and its applicable tariff terms and conditions as such available supply may vary and as such terms and conditions may be revised from time to time.
3. This agreement is subject to the valid and applicable rules, regulations, decisions and orders of state and federal agencies with jurisdiction and to modifications of the Company's tariff terms and conditions or promulgated pursuant thereto.

COUNCIL LETTER 090313-IVB4

ADMINISTRATION

DEMOLITION

DATE: August 29, 2013
FROM: Craig J. Wainio
City Administrator

Staff sought and received quotes for the hazardous substance removal and demolition of four properties in our community under the IRRRB Residential Redevelopment Program. Enclosed, please find those quotes. It is recommended that the hazardous substance removal be awarded to Grivette Environmental from Eveleth for a low quote of \$12,000. Secondly, it is recommended that the the demolition of those properties be awarded to G-Men from Ely in the amount of \$33,247. The IRRRB will be paying 75% of the demolition costs with the County assisting on the three tax forfeited properties.



Proposal

August 15, 2013

Craig Wainio
City of Mt. Iron
8586 Enterprise Drive South
Mt. Iron, MN 55768

Dear Mr. Wainio

Grivette Environmental Management LLC (GEM) is pleased to provide you with a quotation for your proposed project for the: **Demolition of four properties in Mt. Iron.** Having examined the site of the proposed project and being familiar with the conditions surrounding the project our proposal is as follows:

GEM proposes to furnish all labor, materials, equipment, supplies, disposal and insurance. Asbestos abatement procedures will comply with all EPA, OSHA, state and local regulations governing asbestos control. All work will be done in accordance with specifications. The following is the proposed scope of work.

1. Falcon Ave: Removal of asbestos containing drywall joint compound.

Price: \$2,950.00

Falcon Ave: Removal of asbestos containing linoleum.

Price: \$1,600.00

Due to the condition of the roof this price does not include removal of the roofing material. Roofing material is allowed to go with the demolition debris.

2. 8786 Arbor: Removal of asbestos containing acoustical ceiling texture.

Price: \$5,100.00

3. 5681 Mineral Ave: Removal of asbestos containing floor tile.

Price: \$1,550.00

4. 8863 Quartz Street: Stabilize peeling lead based paint.

Price: \$800.00

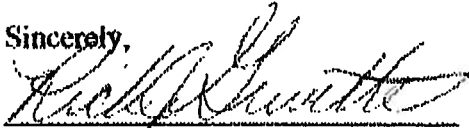
416 Fayal Road, Suite C

PHONE: 218-741-0241 FAX: 218-741-0242

Eveleth, MN 55734-1518

If you have any further questions regarding this matter please feel free to contact our office.

Sincerely,



Rick J. Grivette
President

Accepted

PROPOSAL
AUG 23, 2013



TO:
City OF MOUNTAIN IRON

Project Property:
FALCON AVE
5681 MINERAL AVE
8863 QUARTZ ST
8786 ARBOR LANE

We propose to abate as specified, per all local, Federal and State regulations.

The proposal does include the proper disposal of such materials in a licensed landfill, labor, notification to the State of Minnesota if applicable and materials.

SCOPE OF WORK
~~QUARTZ STREET~~

~~FALCON AVE~~ - STABLIZATION OF LEAD BASED PAINT FROM KITCHEN, UPSTAIRS HALL, SW BED ROOM, NE BED, SE BED RM (800.00)

5681 MINERAL AVE - REMOVAL OF 200 SQ FT OF ASBESTOS FLLOOR TILE FROM FITCHEN- STABLIZATION OF LEAD BASED PAINT FROM WINDOWS (2200.00)

FALCON AVE- REMOVAL OF ASBESTOS DRYWALL AND LINO IN LIVIVING ROOM AND BATHROOM (3200.00)

8786 ARBOR LANE - REMOVAL OF ASBESTOS CEILING TEXTURE AND CLEAN UP FALLEN MATERIAL THROUGH HOME APPROX 2000 SQ FT (7500.00)

TOTAL 13700.00
Quote is good for 30 days

Balance due upon completion.

If this is acceptable please sign and date below and return a copy to our office either by fax (218) 262 1273 or email Matt@Abatetek.com

X

Accepted By

Date

1810 3rd Ave East , Hibbing, MN 55746 · Tel: (218) 262-1196 · Fax: (218) 262-1273
<http://www.AbateTek.com> · Matt@AbateTek.com



P. O. Box 269
Ely, MN 55731
218-365-5587
info@GmenES.com
www.GmenES.com

June 20, 2013

City of Mountain Iron
Attn: Craig Wainio
8586 S. Enterprise Dr.
Mountain Iron, MN 55768

PROPOSAL
8863 Quartz Ave., Mountain Iron

Proposal includes labor and equipment to complete the following:

- Demolition of house.
- Removal of all debris from site.
- Removal and proper disposal of any and all concrete.
- Backfill and grade site for proper drainage.
- Seed for erosion control.

Proposal pricing excludes testing and/or necessary abatement. Utility disconnect to be coordinated between G-Men, City of Mtn. Iron and the appropriate utility companies.

TOTAL PRICE: \$ 6,272.00

Proposed By:

G-Men Environmental Services, Inc.

Accepted By:

City of Mountain Iron

Jeremiah Day, President

Signature

Printed Name





P. O. Box 269
Ely, MN 55731
218-365-5587
info@GmenES.com
www.GmenES.com

June 20, 2013

City of Mountain Iron
Attn: Craig Wainio
8586 S. Enterprise Dr.
Mountain Iron, MN 55768

PROPOSAL
5681 Mineral Ave., Mountain Iron

Proposal includes labor and equipment to complete the following:

- Demolition of house.
- Removal of all debris from site.
- Removal and proper disposal of any and all concrete.
- Backfill and grade site for proper drainage.
- Seed for erosion control.

Proposal pricing excludes testing and/or necessary abatement. Utility disconnect to be coordinated between G-Men, City of Mtn. Iron and the appropriate utility companies.

TOTAL PRICE: \$ 13,169.00

Proposed By:

G-Men Environmental Services, Inc.

Accepted By:

City of Mountain Iron

Jeremiah Day, President

Signature

Printed Name





P. O. Box 269
Ely, MN 55731
218-365-5587
info@GmenES.com
www.GmenES.com

June 20, 2013

City of Mountain Iron
Attn: Craig Wainio
8586 S. Enterprise Dr.
Mountain Iron, MN 55768

PROPOSAL
8786 Arbor Lane, Mountain Iron

Proposal includes labor and equipment to complete the following:

- Demolition of house.
- Removal of all debris from site.
- Removal and proper disposal of any and all concrete.
- Backfill and grade site for proper drainage.
- Seed for erosion control.

Proposal pricing excludes testing and/or necessary abatement. Utility disconnect to be coordinated between G-Men, City of Mtn. Iron and the appropriate utility companies.

TOTAL PRICE: \$ 10,765.00

Proposed By:

G-Men Environmental Services, Inc.

Accepted By:

City of Mountain Iron

Jeremiah Day, President

Signature

Printed Name





P. O. Box 269
Ely, MN 55731
218-365-5587
info@GmenES.com
www.GmenES.com

June 20, 2013

City of Mountain Iron
Attn: Craig Wainio
8586 S. Enterprise Dr.
Mountain Iron, MN 55768

PROPOSAL
xxxx Falcon Ave., Mountain Iron

Proposal includes labor and equipment to complete the following:

- Demolition of house.
- Removal of all debris from site.
- Removal and proper disposal of any and all concrete.
- Backfill and grade site for proper drainage.
- Seed for erosion control.

Proposal pricing excludes testing and/or necessary abatement. Utility disconnect to be coordinated between G-Men, City of Mtn. Iron and the appropriate utility companies.

TOTAL PRICE: \$ 3,041.00

Proposed By:

G-Men Environmental Services, Inc.

Accepted By:

City of Mountain Iron

Jeremiah Day, President

Signature

Printed Name



HIBBING EXCAVATING INC.
3402 15TH AVENUE EAST
HIBBING, MN 55746
PHONE (218) 263-7476
FAX (218) 263-3542

**RESIDENTIAL,
COMMERCIAL & INDUSTRIAL
CONTRACTORS**

July 9, 2013

RE: Mt. Iron Demolition

City of Mt. Iron
Attn: Craig Wainio
Mountain Iron, MN

Please accept our quote for the upcoming project; our quote is based upon our work scope below lump sum. All four buildings for demolition are tied given the variety of debris to be removed and landfills accepting debris. Please note that there is additional cost in the homes given the MSW wastes and costs for separating, please call with any questions.

Lump Sum Base Bid

\$ 89200.00

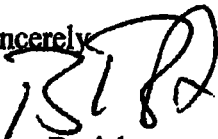
Included

- Mobilization
- MPCA Notifications
- Permits our work only
- Sewer & Water disconnects at property line
- Complete above grade structure removal
- Below grade foundation and slab removals
- Import granular backfill for footing and basement voids
- Final clean up

Not Included

- Any hazardous materials
- Rodent extermination
- Top soiling lot
- Seed n mulch lot

Sincerely,



Brian Burich

Craig J. Wainio

From: Brian Burich [bburich@bougalisandsons.com]
Sent: Thursday, August 08, 2013 9:09 AM
To: Craig J. Wainio
Cc: 'Brian Burich'
Subject: Mt.Iron Demo

Craig,

Per your request last week to break out numbers on the four homes being demolished, they are as follows

Please note all buildings are still tied

5681 Mineral	50400.00
8786 Arbor	18400.00
8863 Quartz	11800.00
Falcon	8600.00

Total	89200.00
-------	----------

Thank you

Brian Burich
Project Manager
Bougalis & Sons Co.
Hibbing Excavating Inc.
bburich@bougalisandsons.com
www.bougalisandsons.com
O-218-263-7476
D-218-894-7401
F-218-894-7401
C-218-969-4640

COUNCIL LETTER 090313-IVA4

ADMINISTRATION

CIP AGREEMENT

DATE: August 29, 2013
FROM: Craig J. Wainio
City Administrator

Enclosed, please find a an agreement with Wisconsin Energy Conservation for the administration of the City's residential Conservation Improvement Program. The City has used WECC for a number of years to help us achieve our mandated conservation improvement goals. WECC is also used by Minnesota Power under the same capacity. The agreement continues this relationship and is recommended for approval.

AGREEMENT FOR PROGRAM ADMINISTRATION SERVICES

THIS AGREEMENT (hereinafter, "Agreement") with an effective date of August 30, 2013 ("Effective Date") is made by and between **Wisconsin Energy Conservation Corporation**, whose principal business address is 431 Charmany Dr., Madison, WI 53719 (hereinafter, "WECC"), and **Mountain Iron Public Utility** whose principal business address is 8586 South Enterprise Drive, Mountain Iron, MN 55768 (hereinafter "Mountain Iron" or "Company"), hereafter collectively referred to as the "Parties" and individually as a "Party".

WHEREAS, Company desires to obtain and WECC desires to provide certain services for Company described in paragraph 1 below;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the Parties agree as follows:

1. Scope of Project Services

Company desires to have WECC perform, and WECC agrees to perform, the Services associated with the **Mountain Iron Conservation Improvement Program (CIP) for 2013**. WECC shall furnish all supervision and labor and provide all goods and materials necessary to perform the Services. The Services shall be performed in accordance with (i) the best practices within the industry prevailing at the time the work is performed; (ii) all applicable codes and laws and (iii) the terms of any schedules to this Agreement. WECC shall diligently prosecute the Services and provide a sufficient number of employees to complete the Services. For purposes of this Agreement, Services means the functions, duties and activities set forth in the Scope of Project Services, attached as Exhibit A which is incorporated herein by reference.

2. Term of Agreement

The initial Term of this Agreement shall begin on the Effective Date and end on the earlier of (i) the date that the Project Services is fully performed and Company has received all deliverables required pursuant to Exhibit A; or (ii) **July 1, 2014**, unless this Agreement is otherwise amended or terminated earlier in accordance with the provisions of this Agreement.

2.1 Commencement. This Agreement and the terms herein shall become binding when executed by the authorized signatories of the Company and WECC. This Agreement supersedes all other contracts, discussions, agreements negotiations, oral statements or representations between the Parties.

2.2 Early Termination. Either Party may terminate this Agreement for its convenience, upon thirty (30) days written notice to the other Party, provided however, such termination shall not diminish the obligations or rights with respect to the terms and conditions for goods provided or performance of any services which have been commenced prior to the effective date of termination.

2.4 Provisions Not Affected by Termination. Any termination shall not affect the provisions of this Agreement relating to indemnity, warranties made herein by the Parties, warranties implied by law, or remedies for breach of the Agreement, either by contract or by common law.

3. Payment, Fees and Expenses Compensation for the completion of Services shall be in accord with Exhibit B attached and incorporated as an addendum to this Agreement.

4. Representations/Warranty

WECC represents and warrants to Company that the Services provided under this Agreement shall be performed with the degree of skill and care that is required by current, sound

professional and industry procedures and practices, and in conformance with generally accepted professional and industry standards prevailing at the time the work is performed. Company reserves the right to review WECC's work so as to ensure that the Services are performed in a manner consistent with program guidelines and appropriate for the purposes of this Agreement.

5. Independent Contractor

At all times during the term of this Agreement, WECC shall be and remain an independent contractor. WECC shall perform the Services under this Agreement according to its own means and methods, and the performance shall remain in the exclusive charge and control of WECC. It is expressly understood that Company does not directly hire any of WECC's personnel or assume any liability therefore. Nothing herein shall be construed as creating a relationship of employer and employee between Company and WECC, or between Company and WECC's employees or agents. WECC's employees shall be and remain employees of WECC, and WECC shall be responsible for payment of benefits and the entire compensation of each of WECC's employees (or its beneficiaries), including employment taxes, unemployment compensation, and any similar taxes associated with employment. WECC agrees and represents that, as employer of such persons, it shall comply with all applicable laws and regulations. This Agreement is not exclusive. Except as set forth in the Agreement or a schedule, WECC has no power or authority to act for, represent, or bind Company in any manner.

6. Insurance

During the term of this Agreement, WECC shall maintain insurance in the minimum amounts as outlined below:

General Liability – not less than \$1,000,000 per occurrence and in the aggregate for bodily injury, property damage; including personal injury/advertising injury and products/completed operations.

Employer's Liability – not less than \$1,000,000 each accident for bodily injury by accident, and \$1,000,000 each employee and policy limit for bodily injury by disease.

Automobile Liability - (owned, non-owned or hired) in a combined single limit not less than \$1,000,000 per accident for bodily injury and property damage liability.

Worker's Compensation – in accordance with the statutory requirements of each state in which the Services are to be performed and any other state in which WECC operates.

7. Indemnification

WECC hereby indemnifies and holds Company, its directors, employees and agents harmless from and against all claims, liabilities, damages, losses, costs or expenses (including but not limited to reasonable attorneys fees) arising out of the negligent acts or willful misconduct of WECC, its employees, subcontractors and other agents of WECC or its subcontractors. This indemnification includes, but is not limited to, the following:

- Personal injury suffered by a third party, or any employee of Company, WECC and any subcontractor of WECC.
- Property damage incurred by any third party or by Company, WECC and any subcontractor of WECC.
- Any negligent, intentional or wrongful acts or omission of WECC, and any subcontractor of WECC.

- A breach of this Agreement by WECC.
- A failure of WECC to comply with any applicable laws, including but not limited to environment protection laws.
- Any failure of WECC to pay federal, state and local taxes, including but not limited to employee withholding, or any failure to provide workers' compensation coverage to WECC's employees.

Company hereby indemnifies and holds WECC, its directors, employees and agents harmless from and against all claims, liabilities, damages, losses, costs or expenses (including but not limited to reasonable attorneys' fees) arising out of the negligent acts or omissions of Company, its employees, subcontractors and other agents of Company or its subcontractors. This indemnification includes, but is not limited to, the following:

- Personal injury suffered by a third party, or any employee of WECC, Company or subcontractor of Company.
- Property damage incurred by any third party or by WECC, Company, and any subcontractor of Company.
- Any negligent, intentional or wrongful acts or omission of Company, and any subcontractor of Company.
- A breach of this Agreement by Company
- A failure of Company to comply with any applicable laws, including but not limited to environmental protection laws.
- Any failure of Company to pay federal, state and local taxes, including but not limited to employee withholding, or any failure to provide workers' compensation coverage to Company's employees.

8. Subcontractor

WECC may subcontract any portion of its Services, provided that WECC shall remain fully responsible for all Services performed by subcontractor. WECC shall maintain accurate accounts and records pertaining to all fees, costs and expenses, and shall directly reimburse subcontractor for services rendered, in accordance to such agreement between WECC and subcontractor.

9. Force Majeure

Either party's performance of any part of the Agreement shall be excused to the extent that it is hindered, delayed or otherwise made impractical by reason of flood, riot, fire, explosion, war, acts or omissions of the other party or any other cause, whether similar or dissimilar to those listed, beyond the party's reasonable control. If any such event occurs, the non-performing party shall make reasonable efforts to notify the other party of the nature of such condition and the extent of the delay and shall make reasonable, good faith efforts to resume performance as soon as possible.

10. Ownership of Material Produced

All reports, studies, plans, specifications, data and other information developed, written, prepared, or contributed by WECC pursuant to this Agreement, shall be delivered to and become the property of Company. Upon receipt of written approval from Company, WECC may retain one copy of such items solely for its use as historical and legal reference.

11. Compliance with Laws

By executing this Agreement, WECC certifies that it is in full compliance with all Equal Employment, Non-discrimination and Affirmative Action laws, regulations and ordinances, and

that WECC will, at all times during the period this Agreement is in effect, remain in full compliance with all Equal Employment, Non-discrimination and affirmative Action laws, regulations and ordinances.

12. Confidentiality

Neither party shall disclose Confidential Information communicated to it with respect to services to be performed under this Agreement to a third party (other than the Party's employees, lenders, counsel, accountants or advisors who have a need to know such information) except in order to comply with any applicable law, regulation, in connection with any court or regulatory proceeding, or after obtaining written permission from the other Party to disclose such information; provided, however, each Party shall, to the extent practicable, use reasonable efforts to prevent or limit the disclosure. The Parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with, this confidentiality obligation. For purposes of this Agreement, Confidential Information shall mean all information designated by a Party as confidential, proprietary, and competitively sensitive and or trade secret information.

13. Governing Law and Venue

This Agreement and the rights and duties of the Parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the state of Wisconsin without regard to principles of conflicts of law. Each Party waives its respective right to any jury trial with respect to any litigation arising under or in connection with this agreement. The sole and exclusive venue for any disputes, claims or causes of action, legal or equitable, shall be the state courts of Wisconsin. This section 13 and its requirement shall survive the term or any extension terms of this agreement.

14. Limitation of Liability

Except for the Parties indemnification obligations under Section 7, neither Party shall be liable to the other Party for any incidental, indirect, special, punitive or consequential damages (including without limitation any damages relating to lost profits) arising in connection with this Agreement.

15. Communications and Notices

Any notice given pursuant to this Agreement must be in writing and shall be effective when delivered personally or by a reputable delivery service to the address set forth below or such other address as a Party may designate for itself in accordance with this Section:

If to Company:	If to WECC:
Mountain Iron Public Utility Attn: Judy Seurer 8586 South Enterprise Drive Mountain Iron, MN 55768	Wisconsin Energy Conservation Corporation Attn: Brian Driscoll 431 Charmany Drive Madison, WI 53719

16. Headings

The headings in this Agreement are included only as reference and shall not limit or alter the meaning of any of the terms and conditions herein.

17. Severability

The provisions of this Agreement are severable, and the invalidity or unenforceability of any one or more provision(s) shall not affect or limit the validity of the remaining provisions. Should any particular provision be held to be unreasonable or unenforceable for any reason, then such provision shall be given effect and enforced to whatever extent would be reasonable and enforceable under the applicable law.

18. Entire Agreement

This Agreement is the entire agreement between the Parties pertaining to the services to be provided hereunder, and there are no other understandings, agreements, or representations between them pertaining to services to be provided hereunder.

19. Public and Community Relations

WECC shall use its best efforts to maintain a good public image for Company and shall be responsive to concerns raised by community members. All information regarding this Agreement, or of Services performed pursuant to this Agreement, requested by news, reporting, and other agencies will be handled directly by Company. WECC shall not disclose information of a sensitive nature to any third parties without Company's prior written consent. With the sole exception of publication of such information within WECC's corporate entity and subject to the Confidentiality provisions of this Agreement, WECC shall not refer to Company or any company affiliated with Company in any advertising or other publication in connection with goods or services rendered by WECC, without the prior written approval of Company.

20. Waiver

Failure or delay on the part of either party to exercise any right, power, privilege or remedy hereunder shall not constitute a waiver thereof. A waiver of any default shall not operate as a waiver of any other default or of the same type of default on a future occasion.

21. No Third-Party Beneficiaries

No provision of the Agreement or schedules is intended or shall be construed to be for the benefit of any third party, except to the extent the entities identified in Exhibit C benefit from the Services provided.

22. Assignment

This Agreement shall inure to the benefit of and be binding upon the Parties' respective successors and assigns, and neither Party shall assign this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld.

IN WITNESS THEREOF, the Parties hereto have caused this Agreement to be signed by their duly authorized representatives.

Mountain Iron Public Utility

Wisconsin Energy Conservation Corporation

By: _____
Name: _____
Title: _____

Date

By: _____
Name: Mary Woolsey Schlaefer
Title: President and CEO

Date

EXHIBIT A

Scope of Project Services

This document outlines the Scope of Project Services between Wisconsin Energy Conservation Corporation (WECC or Contractor) and **Mountain Iron Public Utility** (Mountain Iron or Company) pursuant to the Agreement effective August 30, 2013 between WECC and Company pertaining to the **Mountain Iron Conservation Improvement Program (CIP) for 2013**. The Mountain Iron's service territory includes retailers identified in Exhibit C, attached.

Introduction and Market Description

The Mountain Iron CIP for 2013 targets lighting products and appliances that are certified by the U.S. Environmental Protection Agency (EPA) and U.S. Department of Energy (DOE) as meeting both energy reduction thresholds and technical specifications (ENERGY STAR qualified). These products are manufactured by major United States and international corporations and distributed through retail outlets nationwide.

1. Program Goals and Objectives

1.1 Contractor Goals:

- 1.1.1 Initiate the sale of 30 Compact Fluorescent Lamps (CFLs) throughout the Mountain Iron's service territory in 2013 and provide a wattage breakdown of those sales to Mountain Iron.
- 1.1.2 Initiate the sale of:
 - 1.1.2.1 Five fixtures; ten clothes washers; five refrigerators/freezers; two CACs; three ECM furnaces
- 1.1.3 Reinforce the ENERGY STAR logo as the mark of a high quality, and that the energy efficient lighting products and appliances will save customers money.

1.2 Contractor Objectives:

- 1.2.1 Develop manufacturer and retailer partnerships to increase the availability of ENERGY STAR qualified lighting products and appliances.
- 1.2.2 Recruit retailer and manufacturer participation in the Mountain Iron CIP for 2013.
- 1.2.3 Meet program savings goals and increase market share for ENERGY STAR lighting products and appliances.

2. Program Delivery

- 2.1 The Mountain Iron CIP for 2013 will be delivered from August 30, 2013 to July 1, 2014.
- 2.2 The WECC team will implement program strategies, working closely with market players, such as manufacturers and retailers, to promote ENERGY STAR lighting products and appliances to consumers in the Mountain Iron's service territory.
- 2.3 Program goals include:

- 2.3.1 Increase consumers' demand for ENERGY STAR lighting products, and appliances by educating and marketing to consumers the benefits of ENERGY STAR lighting products.
- 2.3.2 Enhance partnerships with retailers and/or manufacturers, coordinate ENERGY STAR marketing plans, and program promotions. These enhanced partnerships will increase the availability and demand of ENERGY STAR qualified lighting products, and appliances.
- 2.3.3 If and when available, leverage incentives and marketing dollars from participating retailers and/or manufacturers.

2.4 The Contractor will work to implement the following delivery strategies:

- 2.4.1 Recruit retail partners.

3. Target Markets

- 3.1 The Contractor will work to target key geographic markets and the retailers in the Mountain Iron's service territory, as specified by Mountain Iron.

4. Work Requirements

- 4.1 The Contractor is responsible for all implementation and reporting for the Mountain Iron CIP for 2013 and will work closely with Mountain Iron on the planning and development of the promotion.
- 4.2 The Contractor shall implement program strategies that work closely with market players to promote ENERGY STAR qualified compact fluorescent lamps, and appliances to consumers in the Mountain Iron's service territory.
- 4.3 The Contractor shall recruit retailer and/or manufacturer participation in the Mountain Iron CIP for 2013, specifically targeting retailers in the Mountain Iron's service territory.
- 4.4 The Contractor will work with participating retailers and/or manufacturers on point-of-purchase (POP) materials. POP will identify Mountain Iron as a sponsor of the Mountain Iron CIP for 2013 and identify Mountain Iron, if and when possible.
- 4.5 Contractor shall work with Mountain Iron to make available a local contact number for retailers, manufacturers, and consumers to call in with any questions on the promotion.
- 4.6 The Contractor will provide Mountain Iron with a complete list of participating retailers and their addresses to be posted to the Mountain Iron's website by the respective webmaster at their discretion.
- 4.7 The Contractor shall provide the following to participating retailers:
 - 4.7.1 Education regarding the Mountain Iron CIP for 2013.
 - 4.7.2 Program information and point-of-purchase (POP) materials.

5. Marketing

- 5.1 The Contractor shall work with Mountain Iron to promote the Mountain Iron CIP for 2013 in coordination with national and regional ENERGY STAR activities (eg. October – Energy Awareness Month).
- 5.2 The Contractor will provide the services, as listed in the budget, and here within Goals and Objectives.
- 5.3 \$3,000 budget
 - 5.4 • marketing schedule/summary
 - 5.5 • print ad (1 design)
 - 5.6 • website/newsletter copy
 - 5.7 • article development/distribution (1 article)
 - 5.8 • special event public relations (1 event)
- 5.9 \$3,500 budget
 - 5.10 • marketing schedule/summary
 - 5.11 • print ad (1 design)
 - 5.12 • website/newsletter copy
 - 5.13 • article development/distribution (2 articles)
 - 5.14 • special event public relations (1 event)
- 5.15 \$4,000 budget
 - 5.16 • marketing schedule/summary
 - 5.17 • print ad (2 designs)
 - 5.18 • website/newsletter copy
 - 5.19 • article development/distribution (2 articles)
 - 5.20 • special event public relations (1 event)

6. Processing

- 6.1 WECC will work to ensure Mountain Iron's dollars stay within the Mountain Iron's service territory.
- 6.2 WECC will reimburse the participating retail stores and/or manufacturers for each of the qualified bulbs sold and appliances sold that are verified by WECC. Retailers and/or manufacturers will not be reimbursed for more than their allocation, unless special arrangements are agreed upon in writing between the Company and WECC.

7. Deliverables

The Contractor shall provide the following as deliverables to Mountain Iron by agreed upon dates with Mountain Iron:

- 7.1 Monthly invoices will be sent to Mountain Iron, and scorecards will be sent during months of program, activity (electronic copy)
- 7.2 A final report (electronic copy) consisting of:
 - 7.2.1 Summary of program
 - 7.2.2 Marketing efforts
 - 7.2.3 POP Materials
 - 7.2.4 Results in the form of a final scorecard

EXHIBIT B
Compensation for Project Services

This document between Wisconsin Energy Conservation Corporation (WECC) and **Mountain Iron Public Utility**. (Mountain Iron or Company) hereafter collectively referred to as the "Parties" outlines the compensation for completion of Project Services pursuant to the Agreement effective August 30, 2013 between WECC and Company, pertaining to the **Mountain Iron Public Utility CIP for 2013**.

Estimated Program Expenses

2013 Mountain Iron Budget	
Incentives: Lighting, Appliances, Refrigerators and Freezers, and HVAC	\$1,399.00
Administration	\$1,530.00
Marketing	\$3,000.00
Total	\$5,929.00

1. Incentives: Lighting, Appliances, Refrigerators and Freezers, and HVAC \$1,399.00
Company agrees to compensate WECC **\$1,399.00** for the completion of the Scope of Project Services for Incentives.

2. Administration \$1,530.00
Company agrees to compensate WECC for the completion of the Scope of Project Services at an actual cost basis for all WECC administration estimated at **\$1,530.00**.

Administration include, but are not necessarily limited to: general program oversight, promotion planning, utility coordination; retailer and manufacturer negotiations; development of point of sale materials, print ads and press releases; monthly reporting and invoicing; retailer recruitment/management; delivery of POP and staff education; administration support; rebate fulfillment; and database setup.

3. Marketing \$3,000.00
Company agrees to compensate WECC for the completion of marketing services detailed in the Goals and Objectives. These services include: marketing schedule/summary; print ad (1 design); website/newsletter copy; article development/distribution (1 article); special event public relations (1 event). The actual cost basis for all WECC marketing services is estimated at **\$3,000.00**.

4. Invoicing
WECC shall submit monthly invoices to Company by the twenty fifth day of each month following the execution of this Agreement. The invoices shall provide incentive costs and administrative costs. Company shall provide WECC payment within thirty days (30) of receipt of invoice.

5. Projected Total Compensation \$5,929.00

Based upon the estimated CFL sales of 30 bulbs; five fixtures; ten clothes washers; five refrigerators/freezers; two CACs; three ECM Furnaces during the term of this Agreement, the **estimated total compensation shall be \$5,929.00.**

EXHIBIT C
Mountain Iron Service Territory

Lighting/Appliance Retailers

<u>Store</u>	<u>Address</u>	<u>City</u>	<u>Appliances/Measures</u>
Keenan's	310 Grant Avenue	Eveleth	Clothes Washer, Refrigerator
L&M Fleet Supply	3923 1st Avenue	Hibbing	Lighting
Lowe's	12025 HWY 169	Hibbing	Clothes Washer, Refrigerator
Sears	990 W 41st Street	Hibbing	Clothes Washer, Refrigerator
Ace Hardware	214 Chestnut Street	Virginia	Lighting
Jenia's	102 Chestnut Street	Virginia	Clothes Washer, Refrigerator
Perpich	8421 Enterprise Drive North	Virginia	Clothes Washer, Refrigerator
Sears	5465 17th Ave W #200	Virginia	Clothes Washer, Refrigerator
L&M Fleet Supply	8497 Enterprise Drive North	Virginia	Lighting

HVAC Contractors

No contractors participating at this time.

COUNCIL LETTER 090313-IVC1

PUBLIC UTILITIES

SUBSTATION

DATE: August 29, 2013

FROM: Mike Downs
Director of Public Works

Craig J. Wainio
City Administrator

Staff sought bids for the construction of substation in accordance with the City's voltage modification plan and due to the relocation of County Road 102 and continued expansion of the Community Center area. Two bids were received one from Minnesota Power for \$486,000 and one from Utilities Plus Energy Services in the amount of \$534,800. It is recommended that the City Council authorize Minnesota Power to construct the new substation. A portion of the funds allocated by the Legislature in 2013 will be used for this project.

Craig J. Wainio

From: Michael Downs
Sent: Thursday, August 29, 2013 10:49 AM
To: Craig J. Wainio
Subject: Fwd: Mt Iron padmount substation

Sent from my iPhone

Begin forwarded message:

From: "Eric Clement (MP)" <EClement@mnpower.com>
Date: August 29, 2013, 10:43:35 AM CDT
To: "Michael Downs (mdowns@ci.mountain-iron.mn.us)" <mdowns@ci.mountain-iron.mn.us>
Cc: "Eric Clement (MP)" <EClement@mnpower.com>
Subject: Mt Iron padmount substation

Mike,

I finished my estimate for the Mt. Iron padmount substation build. My estimate includes tapping off the existing 302 feeder once it has been relocated. We will set a primary metering pole and a riser pole before we head underground into the substation site. We will build the substation and set all equipment then energize everything. Mt Iron will be responsible for bringing the cable into the two new reclosers. The main expenses for the substation are listed below.

1 - 7500KVA Transformer -	110K
3 - 333KVA Regulators -	108K
2 - 15kv reclosers -	46K
1 - 15kv switchgear -	13K
Metering setup -	30K
Contractor work -	30K
Minor material -	36K
Vehicle costs -	29K
MP labor costs -	40K
Margin -	44K
Total	486K

Call with any questions.

Thanks,

Eric Clement, PE
Lead Senior Engineer
Minnesota Power
401 Douglas Ave
Eveleth, MN 55734-0770
(218) 471-4009

Utilities Plus Energy Services, Inc.
1260 Industrial Park Drive
Eveleth, MN 55734
218-744-4200 Office
218-744-1001 Fax



August 27, 2013

Revision 0

Mountain Iron Public Utilities
8586 Enterprise Drive South
Mountain Iron, MN 55768
Attn: Mike Downs

Re: 7500 kVA regulated substation located in the proposed Wal-Mart Location

Dear Mike,

Thank you for the opportunity to provide a proposal for engineering and the installation of 7500 kVA Transformer and Associated Equipment. Utilities Plus has experience with the design, installation, maintenance and testing of this type of substation. Our local Eveleth office has the engineers and technicians available to provide these type of services. We thank you for your consideration and hope to be favored with the following proposal.

Utilities Plus Energy Services Inc. will provide engineering and installation of the improvements requested. The substation will consist of a 7500 kVA transformer with an under oil switch on the transformer to prevent ferroresonance conditions upon energization. The transformer will be set on a concrete slab. The complete substation will be padmounted with underground conductors. Provisions have been made for elbow arresters when required. Arrestors have been included in our proposal where required to protect the underground conductors and associated equipment.

The secondary 13.8kV bus will consist of a regulated and non-regulated bus that feeds to a four way switch. Regulators will consist of three single phase padmounted regulators, each with an integrated bypass switch. Each regulator will sit on a fiberglass basement. The four way switch will serve two, three phase reclosers, each providing a distribution feeder for the city's requirements. All equipment is padmounted and will sit on fiberglass basements. The Mt. Iron electric utility will continue with their distribution from the load side of the reclosers.

We have included a padmounted station service transformer to be connected in the substation to provide operating power for the reclosers, lighting and general use circuits. An outdoor distribution panel is included in order to serve these branch circuits.

Following is a description of the services UPES proposes to provide under this contract:

- 1) UPES engineers will meet with utility officials to finalize design and location
- 2) Provide certified engineering drawings for approval by the utility
- 3) Provide a complete material list before construction for approval by the utility

Utilities Plus Energy Services, Inc.
1260 Industrial Park Drive
Eveleth, MN 55734
218-744-4200 Office
218-744-1001 Fax



- 4) Furnish and install up to 300 feet of primary cables or a 100 ft. three phase feeder to the service point at Minnesota Power's service point.
- 5) Furnish and install one 7500 kVA pad mount transformer
- 6) Furnish and install junction cabinet and concrete pad for transformer.
- 7) Furnish and install grounding grid.
- 8) Furnish and install (3) Voltage Regulators on fiberglass basements. (14 weeks delivery).
- 9) Furnish and install (2) Reclosers and associated basements. (13-17 weeks delivery).
- 10) Furnish and install (1) 4-Way Switch and associated basement. (14 weeks delivery).
- 11) Furnish and install up to 1000 feet 15 kV Concentric Neutral Conductor to connect all components within substation layout area.
- 12) Provide site work, excavating and grading. Soil conditions are assumed to be normal gravel and workable material. Rock, slab or wet area remediation may require additional charges.
- 13) Provide relay settings and testing of relays on reclosers
- 14) Program and set regulator controls.
- 15) Provide commissioning of all equipment to insure equipment is ready for service.
- 16) Provide equipment specific training to utility employees as required
- 17) Provide complete documentation of commissioning results
- 18) Provide certified as-built drawings.
- 19) Provide required bonds and insurance.

Utilities Plus Energy Services Inc. proposes to complete the above services for a lump sum fee of **\$534,800.00**

Sales tax estimated at 6.875% will add approximately an additional **\$36,700.00**.

The above price does include shipping and delivery of all materials, equipment, engineering, mobilization, installation and commissioning.

Following are some conditions required with a contract.

1. The transformer has a payment schedule of:
 - A. 20% upon issue of order
 - B. Additional 30% upon drawing approval
 - C. Remaining 50% on shipment.
2. The transformer has a cancelation policy as follows:
 - A. 10% after order entry.
 - B. Add 20% after outline drawing completion.
 - C. After start of manufacture - percentage complete plus 30% for engineering.

Utilities Plus Energy Services, Inc.
1260 Industrial Park Drive
Eveleth, MN 55734
218-744-4200 Office
218-744-1001 Fax



3. Based upon transformer requirements our proposal requires \$24,000.00 upon issue of project, and \$36,000.00 (4) weeks after order. The remainder of the order would be billed on the arrival of equipment and work completed.
4. We have included 100 circuit feet of 25 kV cable but not the lightning arrestors, cutouts, or cable terminations on the pole. We believe Minnesota Power and Light would provide these and the cable covering on the riser pole to their standards.
5. The primary metering will be provided by Minnesota Power and Light.
6. We added 120V Station Power for the reclosers. We have included a padmount transformer for this purpose.
7. Pricing of this proposal is good for 30 days.

If you have any questions concerning this proposal please contact me at 218-780-3562. This proposal is subject to our terms and conditions between the City of Mt. Iron and Utilities Plus Energy Services and UPES form UP41700. We thank you for the opportunity and look forward to developing a mutually beneficial relationship.

Sincerely,

A handwritten signature in dark ink, appearing to read "Kip A. Kennedy", is written over a light blue horizontal line.

Kip A. Kennedy, PE
Engineering Manager
kkennedy@utilsplus.com
218-744-4200, Office
218-780-3562, Mobile

Mike Thielen, PE
Utilities Plus Energy Services
W: 218-744
C: 218-780-3562

Accepted: Mountain Iron Public Utilities

By: _____

Title: _____

Date: _____



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

August 27, 2013

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

Re: City of Mountain Iron
Sanitary Lift Station Study
Project No.: MI13-CE

Dear Mr. Wainio;

Please include this proposal for professional services in your next scheduled City Council meeting packet.

The City of Mountain Iron staff request that two lift stations be reviewed along Mud Lake Road. Benchmark Engineering, Inc. proposes to team with Stantec Consulting Services, Inc. to complete this task.

SCOPE OF SERVICES

Evaluation of two lift stations for station flow/pump capacity, station response time, equipment condition and effectiveness, back up level control system, alarm monitoring options and types of pump starters such as variable frequency drive or soft starts.

The evaluations and report will include the following tasks:

- Project kickoff meeting
- Review of data from City to establish preliminary evaluation criteria
- Site visits to each lift station and meeting with staff to discuss station details and operations
- Evaluation of all data
- Preparation of report including opinions of probable costs
- Review of report draft
- Delivery of final report.

Re: City of Mountain Iron
Sanitary Lift Station Study
Project No.: MI13-CE
Page | 2

Based on our understanding of this project and scope we propose to provide the above services for a not-to-exceed fee of \$11,869, plus reimbursable expenses. Reimbursable expenses are estimated to be in the range of \$600.

Should the City Council find this proposal for professional services acceptable, we will begin work on this project in September.

If you have any questions please contact me at 218.735.8914.

Sincerely,
Benchmark Engineering, Inc.



Alan Johnson, P.E.
Project Engineer



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

August 27, 2013

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

Re: City of Mountain Iron, MN
County Road 102 Utility Extensions
Project No. MI12-04

Dear Mr. Wainio:

Enclosed please find Pay Request No. 1 for County Road 102 Utility Extension project in the amount of **\$293,444.84** for approval at your next scheduled City Council meeting. This payment is for the work completed to date. Please refer to the enclosed pay request breakdown for a summary of items completed.

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

Sincerely,
Benchmark Engineering, Inc.



Alan J. Johnson, P.E.

Enclosures

pc: Mr. Andrew Wagner, Ulland Brothers, Inc.

RECOMMENDATION OF PAYMENTNo. 1

Owner's Project No.: _____

Engineer's Project No.: MI12-04Project: County Road 102 Utility ExtensionsCONTRACTOR: Ulland Brothers, Inc., 505 West 37th Street, Hibbing, MN 55746For Period Ending: August 27, 2013To: **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: August 27, 2013By  _____**STATEMENT OF WORK**

Original Contract Price	\$ <u>625,000.00</u>	Work & Materials to Date	\$ <u>308,889.30</u>
Net Change Orders	\$ <u>0.00</u>	Amount Retained	\$ <u>15,444.46</u>
Current Contract Price	\$ <u>625,000.00</u>	Subtotal	\$ <u>293,444.84</u>
		Previous Payments	\$ <u>0.00</u>
		Amount Due this Payment	\$ <u>293,444.84</u>



PAY REQUEST NO. 1

 UTILITY EXTENSION COUNTY ROAD 102
 CITY OF MOUNTAIN IRON, MINNESOTA

PROJECT NO: MI12-04

				CONTRACTOR: ULLAND BROTHERS			
SPEC. NO.	ITEM	UNITS	EST. QUANTS	UNIT COST	QUANTITY THIS PERIOD	QUANTITY TO DATE	TOTAL
2021.501	MOBILIZATION	LUMP SUM	1.0	\$18,637.55	1.0	1.00	\$18,637.55
2101.501	CLEARING	ACRE	2.0	\$1,000.00	2.0	2.00	\$2,000.00
2101.506	GRUBBING	ACRE	2.0	\$2,500.00	2.0	2.00	\$5,000.00
2104.501	REMOVE PIPE SEWERS	LIN. FT.	366.0	\$15.00		0.00	\$0.00
2104.523	SALVAGE MANHOLES	EACH	1.0	\$1,000.00		0.00	\$0.00
2105.501	COMMON EXCAVATION	CU. YD.	24,000.0	\$3.00	24,000.0	24,000.00	\$72,000.00
2105.503	ROCK EXCAVATION	CU. YD.	300.0	\$12.00	44.0	44.00	\$528.00
2105.535	SALVAGED TOPSOIL (LV)	CU. YD.	403.0	\$7.00	403.0	403.00	\$2,821.00
2118.607	AGGREGATE SURFACING (CV) CLASS 5	CU. YD.	40.0	\$24.00	2.0	2.00	\$48.00
2501.515	12" RC PIPE APRON	EACH	2.0	\$560.00	1.0	1.00	\$560.00
2501.515	48" RC PIPE APRON	EACH	1.0	\$1,400.00	1.0	1.00	\$1,400.00
2501.511	6" PVC PIPE SEWER, SDR 35	LIN. FT.	76.0	\$26.00	84.0	84.00	\$2,184.00
2503.511	8" PVC PIPE SEWER, SDR 35	LIN. FT.	596.0	\$42.00	381.0	381.00	\$16,002.00
2503.541	12" RC PIPE SEWER, DES. 3006	LIN. FT.	1,021.0	\$48.00	1,029.0	1,029.00	\$49,392.00
2503.541	42" RC PIPE SEWER, DES. 3006	LIN. FT.	21.0	\$134.00		0.00	\$0.00
2503.541	48" RC PIPE SEWER, DES. 3006	LIN. FT.	150.0	\$136.00	144.0	144.00	\$19,584.00
2503.602	CONNECT TO EXISTING MANHOLES (SANITARY)	EACH	1.0	\$2,000.00	1.0	1.00	\$2,000.00
2503.603	8" X 6" WYE	EACH	1.0	\$100.00	1.0	1.00	\$100.00
2503.602	TRACER WIRE ACCESS BOX	EACH	1.0	\$100.00		0.00	\$0.00
2504.602	CONNECT TO EXISTING WATERMAIN	EACH	5.0	\$1,700.00	1.0	1.00	\$1,700.00
2504.602	HYDRANT	EACH	3.0	\$5,000.00	1.0	1.00	\$5,000.00
2504.602	6" GATE VALVE AND BOX	EACH	3.0	\$1,350.00	1.0	1.00	\$1,350.00
2504.602	8" GATE VALVE AND BOX	EACH	4.0	\$1,650.00	1.0	1.00	\$1,650.00
2504.602	12" GATE VALVE AND BOX	EACH	7.0	\$2,650.00	2.0	2.00	\$5,300.00
2504.602	6" HDPE MECHANICAL JOINT ADAPTER	EACH	5.0	\$325.00		0.00	\$0.00
2504.602	12" HDPE MECHANICAL JOINT ADAPTER	EACH	24.0	\$400.00		7.00	\$2,800.00
2504.603	6" WATERMAIN DUCTILE IRON CL 52	LIN. FT.	120.0	\$48.00	80.0	80.00	\$3,840.00
2504.603	8" WATERMAIN DUCTILE IRON CL 52	LIN. FT.	64.0	\$60.00	40.0	40.00	\$2,400.00
2504.603	10" WATERMAIN DUCTILE IRON CL 52	LIN. FT.	8.0	\$90.00	8.0	8.00	\$720.00
2504.603	12" WATERMAIN DUCTILE IRON CL 52	LIN. FT.	10.0	\$95.00	2.0	2.00	\$190.00
2504.603	6" WATERMAIN HDPE	LIN. FT.	167.0	\$34.00		0.00	\$0.00
2504.603	12" WATERMAIN HDPE	LIN. FT.	5,506.0	\$45.00	1,320.0	1,320.00	\$59,400.00
2504.604	2" POLYSTYRENE INSULATION	SQ. YD.	114.0	\$8.00	6.0	6.00	\$48.00
2504.608	DUCTILE IRON FITTINGS	POUND	740.0	\$8.00	400.0	400.00	\$3,200.00
2506.501	CONST. DRAINAGE STRUCTURE DES. F	LIN. FT.	25.3	\$200.00	25.3	25.30	\$5,060.00
2506.501	CONST. DRAINAGE STRUCTURE DES. 4007	LIN. FT.	43.2	\$230.00	24.7	24.70	\$5,681.00
2506.501	CONST. DRAINAGE STRUCTURE DES. 84-4020	LIN. FT.	18.0	\$525.00	18.0	18.00	\$9,450.00
2506.516	CASTING ASSEMBLY	EACH	8.0	\$470.00		0.00	\$0.00
2506.602	CONSTRUCT DRAINAGE STRUCTURE DESIGN SPECIAL	EACH	1.0	\$3,600.00	1.0	1.00	\$3,600.00
2511.501	RANDOM RIPRAP CLASS III	CU. YD.	4.1	\$100.00	30.0	30.00	\$3,000.00
2557.501	WIRE FENCE DESIGN 72-9322	LIN. FT.	1,120.0	\$24.00		0.00	\$0.00
2557.517	INSTALL VEHICLE GATE (DOUBLE)	EACH	2.0	\$2,060.00		0.00	\$0.00
2563.601	TRAFFIC CONTROL	LUMP SUM	1.0	\$1,000.00		0.00	\$0.00
2573.502	SILT FENCE, TYPE PREASSEMBLED & MAINTAINED	LIN. FT.	825.0	\$2.25	775.0	775.00	\$1,743.75
2573.512	TEMPORARY DITCH CHECK TYPE 3	LIN. FT.	200.0	\$0.01		0.00	\$0.00
2573.512	TEMPORARY DITCH CHECK TYPE 7	CU. YD.	100.0	\$0.01		0.00	\$0.00
2573.602	STABILIZED CONSTRUCTION ENTRANCE	EACH	2.0	\$500.00	1.0	1.00	\$500.00
2575.523	EROSION CONTROL BLANKET, CATEGORY 3	SQ. YD.	1,995.0	\$0.01		0.00	\$0.00
2575.523	EROSION CONTROL BLANKET, CATEGORY 6	SQ. YD.	2,125.0	\$0.01		0.00	\$0.00
2575.555	TURF ESTABLISHMENT	LUMP SUM	1.0	\$6,950.00		0.00	\$0.00

CONTRACT AMOUNT: \$625,000.00

COMPLETED TO DATE: \$308,889.30

LESS RETAINAGE: (\$15,444.47)

SUBTOTAL PAY REQUEST #1: \$293,444.84

LESS PREVIOUS PAYMENTS: \$0.00

TOTAL PAY REQUEST #1: **\$293,444.84**



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

August 29, 2013

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

Re: City of Mountain Iron, MN
Unity Drive Improvements
Project No. MI13-07

Dear Mr. Wainio:

Enclosed please find Pay Request No. 1 for Unity Drive Improvements project in the amount of **\$25,299.45** for approval at your next scheduled City Council meeting. This payment is for the work completed to date. Please refer to the enclosed pay request breakdown for a summary of items completed.

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

Sincerely,
Benchmark Engineering, Inc.



Alan J. Johnson, P.E.

Enclosures

pc: Mr. Jim Bougalis, Hibbing Excavating, Inc.

RECOMMENDATION OF PAYMENTNo. 1

Owner's Project No.: _____

Engineer's Project No.: MI13-07Project: Unity Drive ImprovementsCONTRACTOR: Hibbing Excavating, Inc., 3402 15th Avenue East, Hibbing, MN 55746For Period Ending: August 29, 2013

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: August 29, 2013By **STATEMENT OF WORK**

Original Contract Price	\$ <u>586,445.50</u>	Work & Materials to Date	\$ <u>26,631.00</u>
Net Change Orders	\$ <u>0.00</u>	Amount Retained	\$ <u>1,331.55</u>
Current Contract Price	\$ <u>586,445.50</u>	Subtotal	\$ <u>25,299.45</u>
		Previous Payments	\$ <u>0.00</u>
		Amount Due this Payment	\$ <u>25,299.45</u>



Pay Request No. 1
IMPROVEMENTS TO UNITY DRIVE CORRIDOR
CITY OF MOUNTAIN IRON, MINNESOTA
PROJECT NO: MI13-07

DATE: August 29, 2013

				CONTRACTOR: HIBBING EXCAVATING INC.			
SPEC. NO.	ITEM	UNITS	EST. QUANTS	UNIT COST	QUANTITY THIS PERIOD	QUANTITY TO DATE	TOTAL AMOUNT
2101.502	CLEARING AND GRUBBING	LUMP SUM	1	\$48,000.00	0.25	0.25	\$12,000.00
2104.501	REMOVE FENCE - POST AND WIRE	LIN. FT.	1,083	\$5.00		0.0	\$0.00
2104.501	REMOVE SEWER PIPE (CULVERTS)	LIN. FT.	124	\$5.00		0.0	\$0.00
2104.501	REMOVE CURB & GUTTER	LIN. FT.	15	\$25.00		0.0	\$0.00
2104.505	REMOVE BITUMINOUS PAVEMENT	SQ. YD.	34	\$15.00		0.0	\$0.00
2104.513	SAWING BITUMINOUS PAVEMENT	LIN. FT.	60	\$5.00		0.0	\$0.00
2104.521	SALVAGE WOVEN WIRE FENCE	LIN. FT.	194	\$5.00		0.0	\$0.00
2104.602	RELOCATE MISC. STRUCTURES	EACH	2	\$2,500.00		0.0	\$0.00
2105.501	COMMON EXCAVATION (PV)	CU. YD.	3,396	\$7.00		0.0	\$0.00
2105.503	ROCK EXCAVATION	CU. YD.	100	\$55.00		0.0	\$0.00
2105.607	SELECT GRANULAR BORROW (CV)	CU. YD.	3,017	\$12.00		0.0	\$0.00
2105.523	COMMON BORROW (CV)	CU. YD.	268	\$12.00		0.0	\$0.00
2105.525	TOPSOIL BORROW	CU. YD.	350	\$22.00		0.0	\$0.00
2105.603	CONSTRUCT DRAINAGE DITCH	LIN. FT.	2,162	\$7.00		0.0	\$0.00
2104.604	GEOTEXTILE FABRIC TYPE V	SQ. YD.	13,200	\$1.50		0.0	\$0.00
2211.503	AGGREGATE BASE (CV) CLASS V	CU. YD.	2,960	\$18.00		0.0	\$0.00
2221.503	AGGREGATE SHOULDERING (CV) CL.1	CU. YD.	396	\$18.00		0.0	\$0.00
2360.501	TYPE SP 9.5 WEARING COURSE MIXTURE (3,C)	TON	2,070	\$73.00		0.0	\$0.00
2360.503	TYPE SP 12.5 NON-WEAR COURSE MIXTURE (3,B)	TON	1,651	\$66.00		0.0	\$0.00
2501.511	12" CS PIPE CULVERT	LIN. FT.	152	\$22.00		0.0	\$0.00
2501.511	12" RC PIPE CULVERT	LIN. FT.	96	\$28.00		0.0	\$0.00
2501.511	24" RC PIPE CULVERT	LIN. FT.	144	\$38.00		0.0	\$0.00
2501.511	12" CS PIPE APRON	EACH	14	\$100.00		0.0	\$0.00
2501.515	12" RC PIPE APRON	EACH	5	\$450.00		0.0	\$0.00
2501.515	24" RC PIPE APRON	EACH	6	\$750.00		0.0	\$0.00
2503.511	6" PVC PIPE SEWER -	LIN. FT.	223	\$22.00	173.0	173.0	\$3,806.00
2503.511	8" PVC PIPE SEWER - SDR 35	LIN. FT.	15	\$50.00		0.0	\$0.00
2503.541	12" RC PIPE SEWER 3006 CL III	EACH	60	\$44.00		0.0	\$0.00
2503.602	8"X6" PVC WYE	EACH	4	\$275.00	4.0	4.0	\$1,100.00
2503.602	TRACER WIRE ACCESS BOX	EACH	7	\$75.00	5.0	5.0	\$375.00
2503.602	CONNECT TO EXISTING MANHOLE (SAN)	EACH	3	\$1,500.00		0.0	\$0.00
2503.602	CONNECT TO EXISTING SANITARY SEWER	EACH	3	\$250.00	3.0	3.0	\$750.00
2504.608	DUCTILE IRON FITTINGS	POUNDS	230	\$4.00		0.0	\$0.00
2504.602	ADJUST VALVE BOX - WATER	EACH	5	\$150.00		0.0	\$0.00
2504.602	ADJUST CURB BOX	EACH	4	\$250.00		0.0	\$0.00
2504.602	3/4" CORPORATION STOP	EACH	6	\$275.00	5.0	5.0	\$1,375.00
2504.602	3/4" CURB STOP & 1.5" BOX	EACH	6	\$375.00	5.0	5.0	\$1,875.00
2504.602	CONNECT TO EXISTING WATERMAIN	EACH	2	\$1,800.00		0.0	\$0.00
2504.602	6" GATE VALVE AND BOX	EACH	2	\$1,250.00		0.0	\$0.00
2504.603	6" WATERMAIN DUCTILE IRON CL. 52	LIN. FT.	66	\$65.00		0.0	\$0.00
2504.603	3/4" TYPE K COPPER	LIN. FT.	164	\$25.00	164.0	164.0	\$4,100.00
2504.604	2" INSULATION	SQ. YD.	20	\$20.00		0.0	\$0.00
2506.501	CONSTRUCT DRAINAGE STRUCTURE DESIGN G	LIN. FT.	4.7	\$250.00		0.0	\$0.00
2506.516	CASTING ASSEMBLY	EACH	1	\$500.00		0.0	\$0.00
2506.522	ADJUST FRAME AND RING CASTING	EACH	7	\$200.00		0.0	\$0.00
2506.603	RECONSTRUCT SANITARY MANHOLES	LIN. FT.	7	\$400.00		0.0	\$0.00
2511.501	RANDOM RIPRAP CLASS III	CU. YD.	75	\$55.00		0.0	\$0.00
2540.602	RELOCATE MAIL BOX	EACH	10	\$100.00		0.0	\$0.00
2575.505	SODDING TYPE LAWN	SQ. YD.	350	\$8.75		0.0	\$0.00
2563.601	TRAFFIC CONTROL	LUMP SUM	1	\$2,500.00	0.50	0.50	\$1,250.00
2564.602	F&I SIGN PANEL (STOP SIGN) NOT INCL. POST	EACH	1	\$100.00		0.0	\$0.00
2573.502	SILT FENCE - PREASSEMBLED	LIN. FT.	1,580	\$3.10		0.0	\$0.00
2573.530	STORM DRAIN INLET PROTECTION	EACH	4	\$100.00		0.0	\$0.00
2573.602	TEMPORARY ROCK CONSTRUCTION ENTRANCE	EACH	2	\$1,500.00		0.0	\$0.00
2575.555	TURF ESTABLISHMENT	LUMP SUM	1	\$2,200.00		0.0	\$0.00
2575.602	SEDIMENT BASIN	EACH	4	\$2,500.00		0.0	\$0.00

CONTRACT AMOUNT: **\$586,445.50**

COMPLETED TO DATE: **\$26,631.00**

LESS RETAINAGE: **(\$1,331.55)**

SUBTOTAL PAY REQUEST #1: **\$25,299.45**

LESS PREVIOUS PAYMENTS: **\$0.00**

TOTAL PAY REQUEST #1: **\$25,299.45**

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

August 26, 2013

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

Re: City of Mountain Iron, MN
2013 Striping Improvements
Project No. MI13-11

Dear Mr. Wainio;

Enclosed please find Final Pay Request No. 1 for the Mountain Iron 2013 Striping Improvements project in the amount of **\$9,844.00**, for approval at your next scheduled City Council meeting.

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.
Vice President

Enclosure

Pc: AAA Striping Service Co.

RECOMMENDATION OF PAYMENTNo. 1-FINAL


Owner's Project No.: _____

Engineer's Project No.: MI13-11Project: 2013 Striping ImprovementsCONTRACTOR: AAA Striping Service Co., 12220 43rd Street NE, St. Michael, MN 55376For Period Ending: August 26, 2013To: 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 August 26, 2013By **STATEMENT OF WORK**

Original Contract Price	\$ <u>9,921.00</u>	Work & Materials to Date	\$ <u>9,844.00</u>
Net Change Orders	\$ <u>0.00</u>	Amount Retained	\$ <u>0.00</u>
Current Contract Price	\$ <u>9,921.00</u>	Subtotal	\$ <u>9,844.00</u>
		Previous Payments	\$ <u>0.00</u>
		Amount Due this Payment	\$ <u>9,844.00</u>



August 26, 2013


FINAL PAY REQUEST NO. 1
2013 STRIPING IMPROVEMENTS
MOUNTAIN IRON, MINNESOTA
PROJECT NO.: MI13-11

CONTRACTOR: AAA STRIPING SERVICE CO.

ITEM NO.	ITEM	UNITS	PLAN QUANTITY	UNIT COST	QUANTITY TO DATE	TOTAL AMOUNT
2582.502	4" DOUBLE SOLID YELLOW LINE - EPOXY	LIN. FT.	12,985.0	\$0.56	12,915.0	\$7,232.40
2582.502	4" SOLID YELLOW LINE - EPOXY	LIN. FT.	3,415.0	\$0.28	2,905.0	\$813.40
2582.502	4" SOLID WHITE LINE - EPOXY	LIN. FT.	1,200.0	\$0.27	1,100.0	\$297.00
2582.502	4" BROKEN YELLOW LINE - EPOXY	LIN. FT.	690.0	\$0.28	590.0	\$165.20
2582.502	24" SOLID LINE YELLOW - EPOXY	LIN. FT.	42.0	\$5.50	40.0	\$220.00
2582.502	24" SOLID LINE WHITE - EPOXY	LIN. FT.	105.0	\$9.00	124.0	\$1,116.00

COMPLETED TO DATE: \$9,844.00
LESS PREVIOUS PAYMENTS: \$0.00

TOTAL FINAL PAY REQUEST #1: **\$9,844.00**


BENCHMARK ENGINEERING, INC.

COUNCIL LETTER 090313-VA

ADMINISTRATION

RESOLUTION NUMBER 24-13

DATE: August 29, 2013

FROM: Craig J. Wainio
City Administrator

Resolution Number 24-13 closes out the Bluebell and Daffodil paving project which was completed in 2012. At the next meeting a Resolution Declaring the Costs and Ordering the Preparation of an Assessment Role will be presented. This is part of the Special Assessment process.

The engineer has made arrangement with Mesabi Bituminous to make the necessary repairs, if for some reason they do not make the repairs, the cost of the repairs will be taken out of the retainage of this project or another that they undertake in the City.



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 24-13

ACCEPTING WORK

WHEREAS, pursuant to a written contract signed with the City on August 24, 2011, Mesabi Bituminous of Gilbert, Minnesota has satisfactorily completed Improvement Number 11-05, the proposed improvement of Bluebell Avenue and Daffodil Avenue between the centerline of Unity Drive and the centerline of Jasmine Street by reconstruction or overlayment in accordance with such contract,

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOUNTAIN IRON, MINNESOTA, that the work completed under said contract is hereby accepted and approved, and,

BE IT FURTHER RESOLVED, that the City Administrator and Mayor are hereby directed to issue a proper order for the final payment on such contract, in exchange for the contractor's receipt evidencing payment in full.

DULY ADOPTED BY THE CITY COUNCIL THIS 3rd DAY OF SEPTEMBER, 2013.

Mayor Gary Skalko

ATTEST:

City Administrator

COUNCIL LETTER 090313-VIA

ADMINISTRATION

RESOLUTION NUMBER 30-13

DATE: August 29, 2013
FROM: Craig J. Wainio
City Administrator

Resolution Number 30-13 authorizes the vacation is accordance with a petition from Northwards Properties for the vacation of Commerce Street and a part of Park Ridge Drive in the Rock Ridge Development. While this vacation is warranted due to the proposed new County Road 102 right-of-way and the removal of Commerce Street due to the Walmart Project, the petitioner has requested that this Resolution be tabled until they have an agreement with US Steel regarding the 102 project



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 30-13

A RESOLUTION VACATING STREETS UPON A PETITION OF A MAJORITY OF ABUTTING LANDOWNERS

WHEREAS, a petition signed by the majority of property owners abutting Commerce Street and a portion of Park Ridge Drive between the Eastern boundary of the Rock Ridge Development Plant and the commencement of Commerce Street in the City of Mountain Iron was received by the City Administrator on the 15th day of July, 2013; and

WHEREAS, the petition requested that the City Council pursuant to Minnesota Statute §412.851 vacate all of Commerce Street and a portion of Park Ridge Drive between the Eastern boundary of the Rock Ridge Development Plat and the commencement of Commerce Street in Rock Ridge Development, Mountain Iron

WHEREAS, the City Administrator reviewed and examined the signatures on said petition and determined that such signatures constituted a majority of the landowners abutting upon the streets to be vacated; and

WHEREAS, a public hearing to consider the vacation of such street was held on the 3rd day of September, 2013, before the City Council in the City Hall located at 8586 Enterprise Drive South at 6:30 pm after due published and posted notice had been given, as well as personal mailed notice to all affected property owners by the City Administrator on the 6th day of August, 2013 and all interested and affected persons were given an opportunity to voice their concerns and be heard; and

WHEREAS, any person, corporation or public body owning or controlling easements contained upon the property vacated, reserves the right to continue maintaining the same or to enter upon such way or portion thereof vacated to maintain, repair, replace or otherwise attend thereto; and

WHEREAS, the Council in its discretion has determined that the vacation will benefit the public interest because it no longer is needed as a public street and by closing the road the health and safety of the public can be maintained.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MOUNTAIN IRON, COUNTY OF SAINT LOUIS MINNESOTA, that such petition for vacation is hereby granted and the streets described as follows is hereby vacated:

Commerce Street and a portion of Park Ridge Drive between the Eastern boundary of the Rock Ridge Development Plant and the commencement of Commerce Street in Rock Ridge Development Addition, Mountain Iron.

BE IT FURTHER RESOLVED, that the Mayor and City Administrator are hereby authorized to sign all documents necessary to effectuate the intent of this resolution.

DULY ADOPTED BY THE CITY COUNCIL THIS 3rd DAY OF SEPTEMBER, 2013.

Mayor Gary Skalko

ATTEST:

City Administrator

COUNCIL LETTER 090313-VIB

ADMINISTRATION

2013 BUDGET

DATE: August 29, 2013
FROM: Craig J. Wainio
City Administrator

Enclosed in you packet you will find a preliminary draft of the 2014 Budget. At this meeting the City Council needs to set the proposed levy for 2014. The budget and adjoining Resolution show no change in the levy from 2013.

Resolution Number 31-13 adopts the preliminary levy amount that must be certified to the County by September 15th. This Resolution is presented with no change in the levy from last year. It is recommended that the City Council adopt Resolution Number 31-13.

Resolution Number 32-13 adopts the market rate levy for payment of the voter approved community center bonds. The amount reflected is to cover bond payments for 2014. It is recommended that the City Council adopt Resolution Number 32-13 as presented.

Resolution Number 33-13 sets the EDA levy for 2014. This Resolution reflects a levy of the same amount as last year which generates approximately \$12,000 for the EDA. It is recommended that the City Council adopt Resolution Number 33-13 as presented.

BUDGET SUMMARY

CITY OF MOUNTAIN IRON

EXPENDITURES	2013 Budget	2014 Budget	Difference	Percent
Administration	\$ 614,000.00	\$ 625,000.00	\$ 11,000.00	1.8%
Public Safety	\$ 639,500.00	\$ 642,500.00	\$ 3,000.00	0.5%
Public Works	\$ 921,000.00	\$ 941,000.00	\$ 20,000.00	2.2%
Culture and Rec	\$ 417,500.00	\$ 430,000.00	\$ 12,500.00	3.0%
General Government	\$ 1,017,057.00	\$ 1,132,879.00	\$ 115,822.00	11.4%
TOTAL	\$ 3,609,057.00	\$ 3,771,379.00	\$ 162,322.00	4.5%
REVENUE				
Taxes	\$ 542,086.00	\$ 544,086.00	\$ 2,000.00	0.4%
Intergovernmental Aid	\$ 2,081,268.00	\$ 2,236,590.00	\$ 155,322.00	7.5%
General Revenue	\$ 197,000.00	\$ 202,000.00	\$ 5,000.00	2.5%
TOTAL	\$ 2,820,354.00	\$ 2,982,676.00	\$ 162,322.00	5.8%
GENERAL LEVY	\$ 788,703.00	\$ 788,703.00	-	0.0%

BUDGET SUMMARY

CITY OF MOUNTAIN IRON

REVENUE

GENERAL REVENUE	2013 Budget	2014 Budget	Difference	Percent
Lic. & Permits	\$ 25,000.00	\$ 30,000.00	\$ 5,000.00	20.0%
Charges for Service	\$ 55,000.00	\$ 55,000.00	-	0.0%
Fines	\$ 12,000.00	\$ 12,000.00	-	0.0%
Interest	\$ 10,000.00	\$ 5,000.00	(5,000.00)	-50.0%
Refunds	\$ 90,000.00	\$ 95,000.00	\$ 5,000.00	5.6%
General	\$ 5,000.00	\$ 5,000.00	-	0.0%
Subtotal	\$ 197,000.00	\$ 202,000.00	\$ 5,000.00	2.5%

INTERGOVERNMENTAL REVENUE

Local Government Aid	\$ 1,156,268.00	\$ 1,281,590.00	\$ 125,322.00	10.8%
Taconite Production Tax	\$ 500,000.00	\$ 515,000.00	\$ 15,000.00	3.0%
Taconite Municipal Aid	\$ 300,000.00	\$ 310,000.00	\$ 10,000.00	3.3%
Mining Effects Tax	\$ 100,000.00	\$ 100,000.00	-	0.0%
Other	\$ 25,000.00	\$ 30,000.00	\$ 5,000.00	20.0%
Subtotal	\$ 2,081,268.00	\$ 2,236,590.00	\$ 155,322.00	7.5%

TAXES

Tax Levy	\$ 788,703.00	\$ 788,703.00	\$ -	0.0%
Special Levies	\$ 418,275.00	\$ 418,275.00	-	0.0%
Market Rate Levy	\$ 83,811.00	\$ 83,811.00	-	0.0%
Misc. Taxes	\$ 20,000.00	\$ 20,000.00	-	0.0%
Franchise	\$ 20,000.00	\$ 22,000.00	\$ 2,000.00	10.0%
Subtotal	\$ 1,330,789.00	\$ 1,332,789.00	\$ 2,000.00	0.2%

Total	\$ 3,609,057.00	\$ 3,771,379.00	\$ 162,322.00	4.5%
--------------	------------------------	------------------------	----------------------	-------------

BUDGET SUMMARY
CITY OF MOUNTAIN IRON
EXPENDITURES

DEPARTMENT	2013 Budget	2014 Budget	Difference	Percent
City Council	\$ 26,000.00	\$ 26,000.00	\$ -	0.0%
Administration	\$ 527,000.00	\$ 527,000.00	\$ -	0.0%
Election	\$ -	\$ 5,000.00	\$ 5,000.00	100.0%
Assessing	\$ 33,000.00	\$ 33,000.00	\$ -	0.0%
Planning & Zoning	\$ 28,000.00	\$ 34,000.00	\$ 6,000.00	21.4%
Sheriffs	\$ 510,000.00	\$ 510,000.00	\$ -	0.0%
Fire Protection	\$ 100,000.00	\$ 103,000.00	\$ 3,000.00	3.0%
Emergency Management	\$ 6,000.00	\$ 6,000.00	\$ -	0.0%
Animal Control	\$ 23,500.00	\$ 23,500.00	\$ -	0.0%
Streets	\$ 725,000.00	\$ 735,000.00	\$ 10,000.00	1.4%
Buildings	\$ 196,000.00	\$ 206,000.00	\$ 10,000.00	5.1%
Campground	\$ 54,500.00	\$ 55,000.00	\$ 500.00	0.9%
Recreation	\$ 218,000.00	\$ 219,000.00	\$ 1,000.00	0.5%
Government	\$ 252,300.00	\$ 262,300.00	\$ 10,000.00	4.0%
Library	\$ 145,000.00	\$ 156,000.00	\$ 11,000.00	7.6%
Transfers	\$ 764,757.00	\$ 870,579.00	\$ 105,822.00	13.8%
Total	\$ 3,609,057.00	\$ 3,771,379.00	\$ 162,322.00	4.5%

BUDGET CITY OF MOUNTAIN IRON REVENUE

TAXES	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2013 YTD	2014 BUDGET	%
Tax Levy	\$ 1,130,759.00	\$ 1,090,067.00	\$ 788,703.00	\$ 547,054.00	\$ 788,703.00	0.0%
Special Levies	\$ -	\$ -	\$ 418,275.00	\$ -	\$ 418,275.00	0.0%
Bond Levy	\$ 83,811.00	\$ 219,892.00	\$ 83,811.00	\$ 192,944.00	\$ 83,811.00	0.0%
Misc Taxes	\$ 18,857.00	\$ 32,181.00	\$ 20,000.00	\$ 21,284.00	\$ 20,000.00	0.0%
Franchise	\$ 24,851.00	\$ 24,443.00	\$ 20,000.00	\$ 18,353.00	\$ 22,000.00	10.0%
TOTAL	\$ 1,258,278.00	\$ 1,366,583.00	\$ 1,330,789.00	\$ 779,635.00	\$ 1,332,789.00	0.2%

INTERGOVERNMENTAL REVENUE

LGA	\$ 1,156,268.00	\$ 1,156,268.00	\$ 1,156,268.00	\$ 578,134.00	\$ 1,281,590.00	10.8%
Tac. Prod Aid	\$ 467,173.00	\$ 524,618.00	\$ 500,000.00	\$ 272,151.00	\$ 515,000.00	3.0%
Tac. Aid	\$ 314,618.00	\$ 316,329.00	\$ 300,000.00	\$ -	\$ 310,000.00	3.3%
Mining Effects	\$ 91,753.00	\$ 90,268.00	\$ 100,000.00	\$ 53,443.00	\$ 100,000.00	0.0%
Misc. Aid	\$ 46,051.00	\$ 67,740.00	\$ 25,000.00	\$ 2,265.00	\$ 30,000.00	20.0%
TOTAL	\$ 2,075,863.00	\$ 2,155,223.00	\$ 2,081,268.00	\$ 905,993.00	\$ 2,236,590.00	7.5%

GENERAL REVENUE

Lic. & Permits	\$ 24,826.00	\$ 35,281.00	\$ 25,000.00	\$ 71,541.00	\$ 30,000.00	20.0%
Charges for Service	\$ 59,358.00	\$ 60,120.00	\$ 55,000.00	\$ 51,878.00	\$ 55,000.00	0.0%
Fines	\$ 17,296.00	\$ 12,492.00	\$ 12,000.00	\$ 12,100.00	\$ 12,000.00	0.0%
Interest	\$ 9,438.00	\$ 4,986.00	\$ 10,000.00	\$ (10,817.00)	\$ 5,000.00	-50.0%
Refunds	\$ 101,967.00	\$ 165,155.00	\$ 90,000.00	\$ 83,720.00	\$ 95,000.00	5.6%
General	\$ 4,303.00	\$ 2,818.00	\$ 5,000.00	\$ 1,956.00	\$ 5,000.00	0.0%
TOTAL	\$ 217,188.00	\$ 280,852.00	\$ 197,000.00	\$ 210,378.00	\$ 202,000.00	2.5%
TOTAL	\$ 3,551,329.00	\$ 3,802,658.00	\$ 3,609,057.00	\$ 1,896,006.00	\$ 3,771,379.00	4.5%

BUDGET
CITY OF MOUNTAIN IRON
GOVERNMENT OPERATIONS

CITY COUNCIL	2011	2012	2013	2014	%
	ACTUAL	ACTUAL	BUDGET	YTD	BUDGET
Council Salaries	\$ 20,400.00	\$ 20,400.00	\$ 20,400.00	\$ 11,900.00	\$ 20,400.00
Other	\$ 2,380.00	\$ 5,181.00	\$ 5,600.00	\$ 1,966.00	\$ 5,600.00
TOTAL	\$ 22,780.00	\$ 25,581.00	\$ 26,000.00	\$ 13,866.00	\$ 26,000.00
					0%
					0%
					0%

ADMINISTRATION

Salaries	\$ 203,569.00	\$ 210,156.00	\$ 215,000.00	\$ 117,082.00	\$ 220,000.00	2%
Payroll Taxes	\$ 33,371.00	\$ 31,147.00	\$ 35,000.00	\$ 18,350.00	\$ 35,000.00	0%
Insurance-Group	\$ 64,046.00	\$ 61,033.00	\$ 70,000.00	\$ 35,864.00	\$ 70,000.00	0%
Insurance-General	\$ 35,632.00	\$ 37,511.00	\$ 60,000.00	\$ 959.00	\$ 50,000.00	-17%
Independent Audit	\$ 19,900.00	\$ 26,300.00	\$ 20,000.00	\$ 22,166.00	\$ 25,000.00	25%
Engineering Fees	\$ 10,838.00	\$ 6,080.00	\$ 45,000.00	\$ 778.00	\$ 30,000.00	-33%
Legal Fees	\$ 48,903.00	\$ 54,989.00	\$ 42,000.00	\$ 20,342.00	\$ 45,000.00	7%
Communications	\$ 26,746.00	\$ 22,326.00	\$ 15,000.00	\$ 16,131.00	\$ 20,000.00	33%
Supplies	\$ 4,999.00	\$ 4,645.00	\$ 5,000.00	\$ 2,582.00	\$ 5,000.00	0%
Operations	\$ 25,847.00	\$ 29,744.00	\$ 20,000.00	\$ 12,486.00	\$ 27,000.00	35%
TOTAL	\$ 473,851.00	\$ 483,931.00	\$ 527,000.00	\$ 246,740.00	\$ 527,000.00	0%

ELECTION

Salaries	\$ 248.00	\$ 2,628.00	\$ -	\$ -	\$ 3,000.00	100%
Operations	\$ 22.00	\$ 1,379.00	\$ -	\$ -	\$ 2,000.00	100%
TOTAL	\$ 270.00	\$ 4,007.00	\$ -	\$ -	\$ 5,000.00	0%

2011 2012 2013 2014

BUDGET
CITY OF MOUNTAIN IRON
GOVERNMENT OPERATIONS

ASSESSING	ACTUAL	ACTUAL	BUDGET	YTD	BUDGET	%
Contract Services	\$ 31,898.00	\$ 31,934.00	\$ 32,000.00	\$ -	\$ 32,000.00	0%
Operations	\$ -	\$ 305.00	\$ 1,000.00	\$ -	\$ 1,000.00	0%
TOTAL	\$ 31,898.00	\$ 32,239.00	\$ 33,000.00	\$ -	\$ 33,000.00	0%

PLANNING & ZONING

Salaries	\$ 15,475.00	\$ 23,537.00	\$ 20,000.00	\$ 32,310.00	\$ 25,000.00	25%
Payroll Taxes	\$ 1,184.00	\$ 1,800.00	\$ 2,500.00	\$ 2,472.00	\$ 3,000.00	20%
Operations	\$ 5,170.00	\$ 6,946.00	\$ 5,500.00	\$ 3,535.00	\$ 6,000.00	9%
TOTAL	\$ 21,829.00	\$ 32,283.00	\$ 28,000.00	\$ 38,317.00	\$ 34,000.00	21%

ADMINISTRATION

TOTAL	\$ 550,628.00	\$ 578,041.00	\$ 614,000.00	\$ 298,923.00	\$ 625,000.00	2%
--------------	---------------	---------------	---------------	---------------	---------------	----

BUDGET
CITY OF MOUNTAIN IRON
PUBLIC SAFETY

POLICE PROTECTION	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2013 YTD	2014 BUDGET	%
Contract Services	\$ 504,592.00	\$ 490,000.00	\$ 500,000.00	\$ 291,665.00	\$ 500,000.00	0%
Other Expenditures	\$ 6,815.00	\$ 13,220.00	\$ 10,000.00	\$ 3,661.00	\$ 10,000.00	0%
TOTAL	\$ 511,407.00	\$ 503,220.00	\$ 510,000.00	\$ 295,326.00	\$ 510,000.00	0%

FIRE PROTECTION						
Salaries	\$ 21,297.00	\$ 30,172.00	\$ 23,000.00	\$ 17,811.00	\$ 25,000.00	9%
Payroll Taxes	\$ 2,365.00	\$ 3,953.00	\$ 3,000.00	\$ 2,049.00	\$ 4,000.00	33%
Training	\$ 7,850.00	\$ 7,411.00	\$ 20,000.00	\$ 8,131.00	\$ 20,000.00	0%
Maintenance	\$ 4,603.00	\$ 14,070.00	\$ 11,000.00	\$ 16,568.00	\$ 11,000.00	0%
Operations	\$ 22,141.00	\$ 47,028.00	\$ 20,000.00	\$ 21,493.00	\$ 20,000.00	0%
Firemen's Relief	\$ 22,031.00	\$ 20,293.00	\$ 23,000.00	-	\$ 23,000.00	0%
TOTAL	\$ 80,287.00	\$ 122,927.00	\$ 100,000.00	\$ 66,052.00	\$ 103,000.00	3%

EMERGENCY MANAGEMENT						
Plan Update	\$ -	\$ -	\$ 5,000.00	\$ -	\$ 5,000.00	0%
Operations	\$ 25.00	\$ 25.00	\$ 1,000.00	\$ -	\$ 1,000.00	0%
TOTAL	\$ 25.00	\$ 25.00	\$ 6,000.00	\$ -	\$ 6,000.00	0%

ANIMAL CONTROL						
Contract Services	\$ 18,960.00	\$ 18,960.00	\$ 23,000.00	\$ 10,500.00	\$ 23,000.00	0%
Operations	\$ 111.00	\$ 108.00	\$ 500.00	\$ -	\$ 500.00	0%
TOTAL	\$ 19,071.00	\$ 19,068.00	\$ 23,500.00	\$ 10,500.00	\$ 23,500.00	0%

PUBLIC SAFETY						
TOTAL	\$ 610,790.00	\$ 645,240.00	\$ 639,500.00	\$ 371,878.00	\$ 642,500.00	0%

BUDGET
CITY OF MOUNTAIN IRON
PUBLIC WORKS

STREETS	2011	2012	2013	2013	2014	%
	ACTUAL	ACTUAL	BUDGET	YTD	BUDGET	
Salaries	\$ 352,996.00	\$ 320,858.00	\$ 360,000.00	\$ 184,743.00	\$ 360,000.00	0%
Payroll Taxes	\$ 57,600.00	\$ 53,409.00	\$ 50,000.00	\$ 30,615.00	\$ 55,000.00	10%
Insurance-Group	\$ 108,762.00	\$ 95,257.00	\$ 125,000.00	\$ 56,178.00	\$ 120,000.00	-4%
Utilities	\$ 57,711.00	\$ 55,548.00	\$ 55,000.00	\$ 27,248.00	\$ 55,000.00	0%
Maintenance	\$ 96,379.00	\$ 97,902.00	\$ 70,000.00	\$ 57,403.00	\$ 75,000.00	7%
Supplies	\$ 42,149.00	\$ 34,047.00	\$ 40,000.00	\$ 23,693.00	\$ 40,000.00	0%
Operations	\$ 54,438.00	\$ 58,647.00	\$ 25,000.00	\$ 30,843.00	\$ 30,000.00	20%
TOTAL	\$ 770,035.00	\$ 715,668.00	\$ 725,000.00	\$ 410,723.00	\$ 735,000.00	1%

BUILDINGS						
Salaries	\$ 60,604.00	\$ 66,841.00	\$ 65,000.00	\$ 41,318.00	\$ 65,000.00	0%
Payroll Taxes	\$ 10,356.00	\$ 11,145.00	\$ 11,000.00	\$ 6,688.00	\$ 11,000.00	0%
Insurance-Group	\$ 22,347.00	\$ 23,586.00	\$ 23,000.00	\$ 13,305.00	\$ 23,000.00	0%
Utilities	\$ 46,651.00	\$ 39,233.00	\$ 45,000.00	\$ 19,196.00	\$ 45,000.00	0%
Communications	\$ 2,169.00	\$ 3,184.00	\$ 2,000.00	\$ 2,213.00	\$ 2,000.00	0%
Supplies	\$ 27,143.00	\$ 39,545.00	\$ 25,000.00	\$ 30,211.00	\$ 30,000.00	20%
Operations	\$ 35,887.00	\$ 28,988.00	\$ 25,000.00	\$ 29,763.00	\$ 30,000.00	20%
TOTAL	\$ 205,157.00	\$ 212,522.00	\$ 196,000.00	\$ 142,694.00	\$ 206,000.00	5%

PUBLIC WORKS						
TOTAL	\$ 975,192.00	\$ 928,190.00	\$ 921,000.00	\$ 553,417.00	\$ 941,000.00	2%

BUDGET
CITY OF MOUNTAIN IRON
CULTURE AND RECREATION

CAMPGROUND	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2013 YTD	2014 BUDGET	%
Salaries	\$ 11,570.00	\$ 15,977.00	\$ 21,000.00	\$ 9,279.00	\$ 21,000.00	0%
Payroll Taxes	\$ 4,250.00	\$ 5,047.00	\$ 2,000.00	\$ 4,499.00	\$ 2,000.00	0%
Insurance-Group	\$ -	\$ 2,196.00	\$ 3,000.00	\$ 1,158.00	\$ 3,000.00	0%
Utilities	\$ 8,194.00	\$ 8,168.00	\$ 7,500.00	\$ 3,516.00	\$ 8,000.00	7%
Operations	\$ 13,138.00	\$ 16,714.00	\$ 20,000.00	\$ 1,682.00	\$ 20,000.00	0%
Advertising	\$ 300.00	\$ 147.00	\$ 1,000.00	\$ 100.00	\$ 1,000.00	0%
TOTAL	\$ 37,452.00	\$ 48,249.00	\$ 54,500.00	\$ 20,234.00	\$ 55,000.00	1%

RECREATION DEPARTMENT

Salaries	\$ 68,742.00	\$ 83,108.00	\$ 107,000.00	\$ 41,375.00	\$ 107,000.00	0%
Payroll Taxes	\$ 8,977.00	\$ 11,102.00	\$ 13,000.00	\$ 5,663.00	\$ 13,000.00	0%
Insurance-Group	\$ 19,936.00	\$ 23,496.00	\$ 25,000.00	\$ 12,896.00	\$ 25,000.00	0%
Utilities	\$ 10,525.00	\$ 8,306.00	\$ 11,000.00	\$ 9,374.00	\$ 11,000.00	0%
Maintenance	\$ 14,376.00	\$ 19,186.00	\$ 9,000.00	\$ 4,495.00	\$ 10,000.00	11%
Operations	\$ 24,996.00	\$ 20,990.00	\$ 22,000.00	\$ 9,045.00	\$ 22,000.00	0%
Baseball/Softball	\$ 3,521.00	\$ 6,383.00	\$ 6,000.00	\$ 577.00	\$ 6,000.00	0%
Special Events	\$ 18,640.00	\$ 20,892.00	\$ 25,000.00	\$ 4,462.00	\$ 25,000.00	0%
TOTAL	\$ 169,713.00	\$ 193,463.00	\$ 218,000.00	\$ 87,887.00	\$ 219,000.00	0%

LIBRARY

Salaries	\$ 62,547.00	\$ 74,321.00	\$ 80,000.00	\$ 45,563.00	\$ 85,000.00	6%
Payroll Taxes	\$ 9,921.00	\$ 11,667.00	\$ 12,000.00	\$ 7,083.00	\$ 12,000.00	0%
Insurance-Group	\$ 16,440.00	\$ 16,637.00	\$ 15,000.00	\$ 14,761.00	\$ 20,000.00	33%
Utilities	\$ 6,516.00	\$ 5,493.00	\$ 9,000.00	\$ 3,594.00	\$ 8,000.00	-11%
Books	\$ 24,126.00	\$ 24,064.00	\$ 17,000.00	\$ 13,008.00	\$ 19,000.00	12%
Communications	\$ 2,089.00	\$ 2,864.00	\$ 5,000.00	\$ 1,739.00	\$ 3,000.00	-40%
Operations	\$ 29,299.00	\$ 11,394.00	\$ 7,000.00	\$ 5,787.00	\$ 9,000.00	29%
TOTAL	\$ 150,938.00	\$ 146,440.00	\$ 145,000.00	\$ 91,535.00	\$ 156,000.00	8%

CULTURE AND RECREATION

TOTAL	\$ 358,103.00	\$ 388,152.00	\$ 417,500.00	\$ 199,656.00	\$ 430,000.00	3%
--------------	---------------	---------------	---------------	---------------	---------------	----

BUDGET

CITY OF MOUNTAIN IRON

GENERAL GOVERNMENT

GENERAL GOVERNMENT	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2013 YTD	2014 BUDGET	%
Cash Short and Over	\$ 6.00	\$ (63.00)	\$ 10.00	\$ 1.00	\$ 10.00	0%
Cemeteries	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	0%
Retire/Pension Contrib.	\$ 86,329.00	\$ 161,145.00	\$ 130,000.00	\$ 101,799.00	\$ 140,000.00	8%
Public Expense	\$ 8,093.00	\$ 1,589.00	\$ 7,990.00	\$ 12,773.00	\$ 7,990.00	0%
Promotion and Tourism	\$ 4,291.00	\$ 3,055.00	\$ 3,000.00	\$ 1,796.00	\$ 3,000.00	0%
EMT Equipment	\$ 8,731.00	\$ 10,223.00	\$ 12,000.00	\$ 9,190.00	\$ 12,000.00	0%
Intergovernmental Coop	\$ -	\$ -	\$ -	\$ 2,502.00	\$ -	0%
Contribution - QCJRA	\$ 7,308.00	\$ 6,577.00	\$ 7,300.00	\$ 6,577.00	\$ 7,300.00	0%
Planning	\$ -	\$ 3,833.00	\$ 5,000.00	\$ 3,833.00	\$ 5,000.00	0%
Televise Meetings	\$ 17,450.00	\$ 15,350.00	\$ 12,000.00	\$ 16,600.00	\$ 12,000.00	0%
Hydrants	\$ 320.00	\$ 517.00	\$ 1,500.00	\$ -	\$ 1,500.00	0%
TCBDA	\$ 48,950.00	\$ 51,407.00	\$ 52,000.00	\$ 29,897.00	\$ 52,000.00	0%
Mineview in the Sky	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	0%
Tax Abatement	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 5,000.00	\$ 10,000.00	0%
TOTAL	\$ 202,978.00	\$ 275,133.00	\$ 252,300.00	\$ 201,468.00	\$ 262,300.00	4%
TRANSFERS						
Capital Improvement	\$ 530,411.00	\$ 368,757.00	\$ 349,757.00	\$ 204,025.00	\$ 470,579.00	35%
Mining Effects	\$ 45,877.00	\$ 45,134.00	\$ 50,000.00	\$ 25,000.00	\$ 50,000.00	0%
OPEB	\$ 60,000.00	\$ -	\$ -	\$ -	\$ -	0%
Debt Service	\$ 345,000.00	\$ 365,000.00	\$ 365,000.00	\$ 212,916.00	\$ 350,000.00	-4%
TOTAL	\$ 981,288.00	\$ 778,891.00	\$ 764,757.00	\$ 441,941.00	\$ 870,579.00	14%
GENERAL GOVERNMENT						
TOTAL	\$ 1,184,266.00	\$ 1,054,024.00	\$ 1,017,057.00	\$ 643,409.00	\$ 1,132,879.00	11%
TOTAL EXPENDITURES	\$ 3,678,979.00	\$ 3,593,647.00	\$ 3,609,057.00	\$ 2,067,283.00	\$ 3,771,379.00	



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 31-13

APPROVING PROPOSED 2013 TAX LEVY, COLLECTABLE 2014

BE IT RESOLVED, by the City Council of the City of Mountain Iron, County of Saint Louis, Minnesota, that the following sums of money be levied for the current year, collectable in 2014, upon the taxable property in the City of Mountain Iron for the following purposes:

TOTAL PROPOSED LEVY	\$1,206,978.00
---------------------	----------------

The City Administrator is hereby instructed to transmit a certified copy of this Resolution to the County Auditor of Saint Louis County, Minnesota.

DULY ADOPTED BY THE CITY COUNCIL THIS 3rd DAY OF SEPTEMBER, 2013.

ATTEST:

Mayor Gary Skalko

City Administrator



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 32-13

APPROVING PROPOSED 2014 MARKET RATE BASED REFERENDUM LEVY FOR THE GENERAL OBLIGATION COMMUNITY CENTER BONDS AND INTEREST

WHEREAS, in February 1998 the voters in the City of Mountain Iron approved a market rate based referendum levy for bonds and interest to construct the Mountain Iron Community Center.

NOW, THEREFOR BE IT RESOLVED, by the City Council of the City of Mountain Iron, County of Saint Louis, Minnesota, that the following market rate based levy shall be made in 2013 payable in 2014 for all property in the City of Mountain Iron:

General Obligation Community Center Bond levy shall be \$83,811.00

The City Administrator is hereby instructed to transmit a certified copy of this resolution to the County Auditor of Saint Louis County, Minnesota.

DULY ADOPTED BY THE CITY COUNCIL THIS 3rd DAY OF SEPTEMBER, 2013.

Mayor Gary Skalko

ATTEST:

City Administrator



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 33-13

CONCERNING THE 2013 ECONOMIC DEVELOPMENT AUTHORITY TAX LEVY

WHEREAS, the Mountain Iron Economic Development Authority was created on the 19th day of April, 2004, pursuant to Minnesota Statutes 469.090-469.108 and;

WHEREAS, Minnesota Statutes, Section 469.107, Subdivision 1, specifically authorized the Mountain Iron Economic Development Authority to levy against the taxable property of the City of Mountain Iron, St. Louis County, Minnesota.

NOW, THEREFORE BE IT RESOLVED by the City Council of Mountain Iron, Minnesota, that for the purpose of further development and to provide for any activities that are within the jurisdiction of the Mountain Iron Economic Development Authority as defined according to Minnesota Statutes. The Mountain Iron City Council submits to the County Auditor of St. Louis County, Minnesota, a final tax levy with a levy set to the maximum allowable for the Mountain Iron Economic Development Authority.

DULY ADOPTED BY THE CITY COUNCIL THIS 3rd DAY OF SEPTEMBER, 2013.

Mayor Gary Skalko

ATTEST:

City Administrator

COUNCIL LETTER 090313-VIE

ADMINISTRATION

RESOLUTION NUMBER 34-13

DATE: August 29, 2013
FROM: Craig J. Wainio
City Administrator

Resolution Number 34-13 sets a public hearing for the proposed assessments for the County Road 7 water main extension project completed in 2012. Attached to the resolution is the proposed assessment role. The public hearing is scheduled for the first meeting in October. It is recommended that the City Council adopt Resolution Number 34-13 as presented.



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 34-13

CALLING A HEARING ON PROPOSED ASSESSMENT

WHEREAS, by a resolution passed by the council on August 19, 2013, the City Administrator was directed to prepare a proposed assessment of the cost of Improvement Number M111-05 the improvements to the Mountain Iron Water System along County Road 7 between Spruce Drive and Southern Drive by installing a water main, and

WHEREAS, the City Administrator has notified the council that such proposed assessment has been completed and filed in his/her office for public inspection,

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

1. A hearing shall be held at 6:30 p.m. on October 7, 2013 in the Community Center located at 8586 Enterprise Drive South to pass upon such proposed assessment. All persons owning property affected by such improvement will be given an opportunity to be heard with reference to such assessment.
2. The City Administrator is hereby directed to cause a notice of the hearing on the proposed assessment to be published once in the official newspaper at least two weeks prior to the hearing, and he/she shall state in the notice the total cost of the improvement. He/She shall also cause mailed notice to be given to the owner of each parcel described in the assessment roll not less than two weeks prior to the hearing.
3. The owner of any property so assessed may, at any time prior to certification of the assessment to the county auditor, pay the whole of the assessment on such property, with interest accrued to the date of payment, to the City of Mountain Iron, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of the assessment. An owner may at any time thereafter, pay to the City Administrator the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year.

DULY ADOPTED BY THE CITY COUNCIL THIS 3rd DAY OF SEPTEMBER, 2013.

ATTEST:

Mayor Gary Skalko

City Administrator

Parcel Code	Name	Address	City	Front Footage	Total	Assessment Amount	Per Foot
175-0071-01360	RGGS	100 WAUGH DRIVE SUITE 400	HOUSTON TX 77007	730	\$ 382,318.32	\$ 13,139.94	\$ 18.00
175-0071-01365	Mountain Iron EDA	8586 Enterprise Drive South	Mountain Iron MN 55768	286	\$ 51,479.77	\$ 5,147.98	\$ 18.00
175-0071-01395	Mountain Iron EDA	8586 Enterprise Drive South	Mountain Iron MN 55768	573	\$ 103,139.55	\$ 10,313.95	\$ 18.00
175-0071-01390	RGGS	100 WAUGH DRIVE SUITE 400	HOUSTON TX 77007	535	\$ 96,299.58	\$ 9,629.96	\$ 18.00
				2124	\$ 382,318.32	\$ 38,231.83	

COUNCIL LETTER 090313-VIF

ADMINISTRATION

SET HEARING ON LEVY

DATE: August 29, 2013

FROM: Craig J. Wainio
City Administrator

AS part of the budgeting and levy requirements the City Council must set a hearing date where the budget and levy will be discussed. Staff is recommending that this occur at either the November 18th meeting or the December 2nd meeting.

COUNCIL LETTER 090313-VIG

ADMINISTRATION

MASTER ROAD AGREEMENT

DATE: August 29, 2013

FROM: Craig J. Wainio
City Administrator

Enclosed, please find a proposed master road agreement between the City, the EDA and US Steel. This agreement lays out the responsibility of each of the parties with respect to the County Road 102 relocation project. Staff and the City Attorney have reviewed and determine the agreement to be acceptable. If acceptable to the City Council it is recommended that the agreement be approved.

**AGREEMENT REGARDING RELOCATION/RECONSTRUCTION OF PORTIONS OF
COUNTY STATE AID HIGHWAYS 102 AND 109 ("AGREEMENT")**

This Agreement sets forth the agreement between United States Steel Corporation, a Delaware Corporation, (hereinafter "Minntac"), the City of Mountain Iron, a political subdivision under the laws of the State of Minnesota, and the Mountain Iron Economic Development Authority, a public body, corporate and politic and political subdivision under the laws of the State of Minnesota, (hereinafter the City of Mountain Iron and the Mountain Iron Economic Development Authority are collectively referred to as "Mt. Iron") concerning the relocation/reconstruction of a portion of County State Aid Highway No. 102 (hereinafter "CSAH 102") and the vacation of a portion of CSAH 102 and County State Aid Highway No. 109 (hereinafter "CSAH 109"). As used in this Agreement, Minntac and Mt. Iron are sometimes collectively referred to as the "Parties." This Agreement shall be effective as of the last signature hereto ("Effective Date").

WHEREAS, a portion of CSAH 102 and CSAH 109 is located in the City of Mt. Iron, County of St. Louis, State of Minnesota and crosses certain mineral lands which interfere with Minntac's mining operations; and,

WHEREAS, Minntac contacted St. Louis County in accordance with Minnesota Statute Sec. 160.10, Subd. 1, regarding interference of a portion of CSAH 102 and 109 with mining operations; and,

WHEREAS, pursuant to Minn. Stat. Sec. 160.10, Subd. 1, Minntac and St. Louis County have agreed upon the relocation and subsequent vacations of portions of CSAH 102 and CSAH 109; and,

WHEREAS, the roadway to be vacated is a portion of CSAH 102 from approximately the intersection of CSAH 102 and Parkville Road west to a point approximately 500 feet East of CSAH 102 and Mt. Iron's main street, and a portion of CSAH 109 from approximately the intersection of CSAH 102 and CSAH 109 south to approximately the intersection of CSAH 109 and Parkville Road. The roads to be vacated are more precisely depicted on Exhibit A; and

WHEREAS, a general depiction of the Relocated CSAH 102 alignment is depicted in Exhibit B;
and,

WHEREAS, the current design of the Relocated CSAH 102 is depicted in Exhibit C. Exhibit C
will be supplemented in the future to include the final design plans; and

WHEREAS, upon completion of the Relocated CSAH 102, Minntac shall turn the newly
constructed CSAH 102 over to the County.

NOW THEREFORE, the Parties intending to be legally bound do hereby agree as follows:

1. Minntac agrees to acquire right-of-way as depicted in Exhibit D for the Relocated CSAH
102. Minntac will also acquire additional right-of-way for the Relocated CSAH 102 as depicted in
Exhibit B.

2. Mt. Iron agrees that the land North of the Relocated CSAH 102 currently zoned as “Mineral
Mining” (“MM”) and shown in Exhibit E, (Exhibit E is an excerpt from the City of Mt. Iron’s zoning
map) will remain with the Mineral Mining zoning designation unless Minntac makes a request for a
change.

3. Pursuant to the terms of the Purchase Agreement attached as Exhibit F, Mt. Iron shall
sell to Minntac the land legally described in Exhibit F, providing marketable title to the surface and to
the stock piles owned by Mt. Iron. Additionally, Mt. Iron shall grant the necessary, temporary
construction easements as provided in Exhibits G-1 through G-4.

4. Mt. Iron agrees to convey at no charge, by quit claim deed, whatever rights it has in the land
depicted in Exhibit H (a portion of Park Ridge Drive), to St. Louis County, for the Relocated CSAH
102 at such time that Minntac conveys the rest of the Relocated CSAH 102 to St. Louis County.

5. Pursuant to the terms of the Purchase Agreement attached as Exhibit I, Minntac has sold to
Mt. Iron the land legally described in Exhibit I.

6. At the present time, Minntac is considering whether to request that Mt. Iron zone the approximate four acre parcel depicted in Exhibit J to allow a convenience store and a gas station. If Minntac makes such a request, Mt. Iron shall zone the land to allow the proposed convenience store and gas station. Said convenience store will also contain a storage area for employees of Minntac to store their personal belongings including, but not limited to, the storage of their firearms.

7. The Relocated CSAH 102 passing through the Rock Ridge Development (Section 3 as depicted on Exhibit B) and converging into the current Park Ridge Drive (Section 4 as depicted on Exhibit B) shall be designed for speeds of 30 miles per hour. Minntac acknowledges that Mt. Iron has no jurisdiction over the speed.

8. The parties acknowledge that St. Louis County is the current owner of the road surface and gravel located on the portion of CSAH 102 and CSAH 109 to be vacated and as depicted in Exhibit A. Upon the construction and acceptance of the Relocated CSAH 102, St. Louis County, under a separate agreement with Minntac, has agreed at Minntac's request to close the portions of CSAHs 102 and 109 as depicted in Exhibit A, and convey the road surface and gravel to Minntac at no charge prior to vacating the relevant portions of CSAHs 102 and 109 as set forth in Exhibit A. If, after vacating the portion of CSAH 102 and CSAH 109 set forth in Exhibit A, Mt. Iron appears to have any surface interest in said vacated roads, Mt. Iron shall execute a quit claim deed to Minntac for such interest, at no additional cost to Minntac. Additionally, if after vacating the portion of CSAH 102 and CSAH 109 set forth in Exhibit A, Mt. Iron appears to have any right-of-way interest in said vacated roads, Mt. Iron shall vacate any such interest at no cost to Minntac. Mt. Iron agrees to waive any claim for damages as a result of the above vacations.

9. The parties shall each be responsible to pay for the construction of utilities for the Relocated CSAH 102 as set forth in Exhibit K. Upon completion of construction of the utilities as set

forth in Exhibit K by Minntac, an inspection by Benchmark Engineering, Inc. which certifies that the work done by Minntac has been completed per specifications, and As-Built Drawings prepared by Benchmark Engineering, Inc. are provided to Mt. Iron, Mt. Iron shall take possession of all of the utilities constructed by Minntac, shall be responsible for all future maintenance costs, and shall defend, indemnify, and hold harmless Minntac, its successors and assigns from any claims relating to Minntac's construction of any utilities as set forth in Exhibit K.

10. Mt. Iron agrees to pay at its own expense for the construction of the Pond Control Structure pursuant to Exhibit K. Mt. Iron acknowledges that its contractor has contacted Minntac and requested that it be allowed to place material removed for the Pond Control Structure on Minntac's property. If Mt. Iron's contractor places any material on Minntac's property, Mt. Iron's contractor shall enter into a separate agreement with Minntac, which shall include, but not be limited to, a fee for placement of the removed material, indemnity, hold harmless and such insurance requisites that Minntac may require. If any of the material removed for the Pond Control Structure is placed on Minntac's property, Mt. Iron agrees to make no claim for said material and acknowledges that Minntac will own any material, which is removed and placed on Minntac's property.

11. Mt. Iron shall grant to Minntac, a permit, pursuant to Chapter 94 of the Mt. Iron City Code, as Minntac may deem necessary, allowing Minntac, its employees, contractors or agents to go upon such portions of Park Ridge Drive in order to construct the Relocated CSAH 102 pursuant to the final design plans.

12. If Commerce Street has not been vacated, Mt. Iron shall grant to Minntac, a permit, pursuant to Chapter 94 of the Mt. Iron City Code, as Minntac may deem necessary, allowing Minntac, its employees, contractors or agents to go upon Commerce Street in order to remove bituminous surface and to fill and or grade the surface area to match surrounding grade elevation. Mt. Iron agrees to make

no claim for the bituminous surface and gravel on Commerce Street and acknowledges that Minntac will own and be responsible to dispose of the bituminous surface, which is removed.

13. Until St. Louis County accepts the Relocated CSAH 102, Mt. Iron agrees that Minntac, its employees, contractors, or agents can close Typical Section “3”, Typical Section “2”, and Typical Section “1” as depicted on Exhibit B, and Park Ridge Drive north of the Holiday Inn Express Hotel and Suites to the public except for those entities that obtain a license from Minntac. For any of the portions of the Relocated CSAH 102 that Minntac closes, Minntac agrees to grant a license to Mt. Iron in order to provide reasonable and necessary access to Mt. Iron’s employees, representatives, agents, consultants, and contractors, and to Silicon Energy MN, LLC and its employees, representatives, agents, consultants, and contractors. Such license shall include, but not be limited to, indemnity, hold harmless, and such insurance requisites that Minntac may require. Until St. Louis County accepts the Relocated Highway, Mt. Iron acknowledges that the public shall use County Road 109 to access Park Ridge Drive, Lake Country Power, and Eichorn’s Mini Storage (Typical Section “4” as depicted on Exhibit B).

14. Mt. Iron agrees to defend, indemnify, and hold harmless Minntac for any costs associated with remediation by the MPCA, except for any remediation by the MPCA directly attributable to the negligence of Minntac as related to the relocation/reconstruction of CSAH 102, regarding the Park Ridge Road Landfill also known as the Nichols Dump Site and the Mt. Iron No. 2 Dump Site.

15. This Agreement shall be governed by the law of the State of Minnesota without regard to its conflict of law provisions. The Parties each irrevocably agree that any legal action or proceeding seeking the enforcement or interpretation of this Agreement shall be brought in the State of Minnesota, District Court, County of St. Louis, Sixth Judicial District (to be tried in the City of Virginia) or United States District Court-District of Minnesota in Duluth, Minnesota. Each Party hereby irrevocably

submits itself to the jurisdiction of any such courts, and waives any objection it may now or hereafter have to the placing of venue in any such courts and any right to remove any such action or proceeding to another court.

16. This Agreement may only be terminated as follows:

- a. At any time by mutual agreement of the Parties; or**
- b. Minntac shall have the right to terminate this Agreement upon thirty (30) days written notice if, in its sole discretion, conditions necessary to fulfill its obligations under this Agreement are no longer viable. Such conditions include, but are not limited to: (i) failure to obtain environmental permits for its proposed mine extension and construction of the Relocated CSAH 102 from the necessary permitting governmental units, including the Dept. of Army, Corps of Engineers; (ii) failure to secure mining leases, for fair value, with the State of Minnesota and private parties needed for the proposed extension of Minntac's mining operations; (iii) failure to secure financing for the construction of the Relocated CSAH 102; (iv) failure of St. Louis County, the Minnesota Department of Transportation and Mt. Iron to approve of the design and plans of the Relocated CSAH 102; or**
- c. By either party upon thirty (30) days' written notice in the event of default by the other party, provided however that such termination shall not be effective if the defaulting party cures such default by the end of the thirty (30) day notice period. If, after undertaking reasonable efforts to cure such default, such default cannot be cured within the thirty (30) day notice period, the defaulting party shall give notice to the non-defaulting party within the thirty (30) day notice period and indicate a reasonable approximation of when such default shall be cured; however, in no event shall any**

period to cure a default exceed ninety (90) days from the date of first written notice by the non-defaulting party. For purposes of this provision, notices shall be sent to the following representatives:

For Minntac:

**Thomas Kelly
General Manager, Minntac
P.O. Box 417
Mountain Iron, MN 55768**

For Mt. Iron:

**Gary Skalko
Mayor, City of Mountain Iron
8586 Enterprise Drive South
Mountain Iron, MN 55768**

**Mark W. Furry
Senior General Attorney
United States Steel Corporation
600 Grant Street, Room 1500
Pittsburgh, PA 15219**

**Sam Aluni
City Attorney, City of Mountain
Trenti Law Firm
225 N. First Street
Virginia, MN 55792**

For Mt. Iron Economic Development Authority:

**Anthony Zupancich
President
Mt. Iron Economic Development Authority
8586 Enterprise Drive South
Mountain Iron, MN 55768**

17. Except in those specific instances in which indemnification has been discussed earlier in this Agreement, the Parties hereby agree that they shall defend, indemnify and save harmless the other party and all of their employees, representatives and agents from any and all claims, demands, actions or causes of action of whatever nature or character arising out of or by reason of their negligent or intentional acts or omissions in the execution or performance of the work provided herein.

18. Any and all employees of Mt. Iron, while engaged in the performance of any work or service which Mt. Iron is specifically required to perform under this Agreement, shall be considered employees of Mt. Iron, and not Minntac, and that any and all claims that may or might arise under the Workers Compensation Act of the State of Minnesota on behalf of said employees while so engaged

and any claims made by any third parties as a consequence of any act of said employees, shall be the sole obligation of Mt. Iron.

Any and all employees of Minntac, while engaged in the performance of any work or service which Minntac is specifically required to perform under this Agreement, shall be considered employees of Minntac, and not Mt. Iron, and that any and all claims that may be or might arise under the workers Compensation Act of the State of Minnesota on behalf of said employees while so engaged and any claims made by any third parties as a consequence of any act of said employees, shall be the sole obligation of Minntac.

SIGNATURE PAGE TO FOLLOW

**UNITED STATES STEEL
CORPORATION, MINNTAC**

**CITY OF MT. IRON, A POLITICAL
SUBDIVISION UNDER THE LAWS OF THE
STATE OF MINNESOTA**

**By: Thomas Kelly
Its General Manager, Minntac**

**By: Gary Skalko
Its Mayor**

Dated: _____

Dated: _____

**By: Craig Wainio
Its City Administrator**

Dated: _____

**MT. IRON ECONOMIC DEVELOPMENT
AUTHORITY, A PUBLIC BODY, CORPORATE
AND POLITIC AND POLITICAL SUBDIVISION
UNDER THE LAWS OF THE STATE OF
MINNESOTA**

**By: Anthony Zupancich
Its President**

Dated: _____

**By: Craig Wainio
Its Executive Director**

Dated: _____

W/Attachments:

Exhibit A: Portions CSAW 102 and CSAH 109 to be vacated;
Exhibit B: Proposed realignment of CSAH 102 and 109;
Exhibit C: Design for segments of the Relocated CSAH 102 and a portion of CSAH 109;
Exhibit D: Property purchased by Minntac containing additional right-of-way;
Exhibit E: Property north of the proposed new relocated CSAH 102 to remain zoned as Mineral Mining;
Exhibit F: Purchase Agreement of the property to Minntac from Mt. Iron;
Exhibits G-1-G-4: Description of temporary construction easements to Minntac from Mt. Iron;
Exhibit H: Property conveyed to St. Louis County from Mt. Iron (a portion of Park Ridge Drive);
Exhibit I: Purchase Agreement of the property to be sold to Mt. Iron from Minntac;
Exhibit J: Property to be zoned by Mt. Iron to allow a convenience store and gas station;
Exhibit K: Utility Cost Exhibit.

EXHIBIT A

EXISTING COUNTY ROADWAY TO BE VACATED

**BENCHMARK
ENGINEERING, INC.**
10000 Highway 104
P.O. Box 201
Minnetonka, MN 55345
Phone: 763-751-8014
Fax: 763-751-8023
E-Mail: info@benchmarkeng.com
Website: www.benchmarkeng.com

US HWY 160

OLD HWY 102

CASSIDIAN PT

PROPOSED 102 REALIGNMENT

SOUTH ROAD

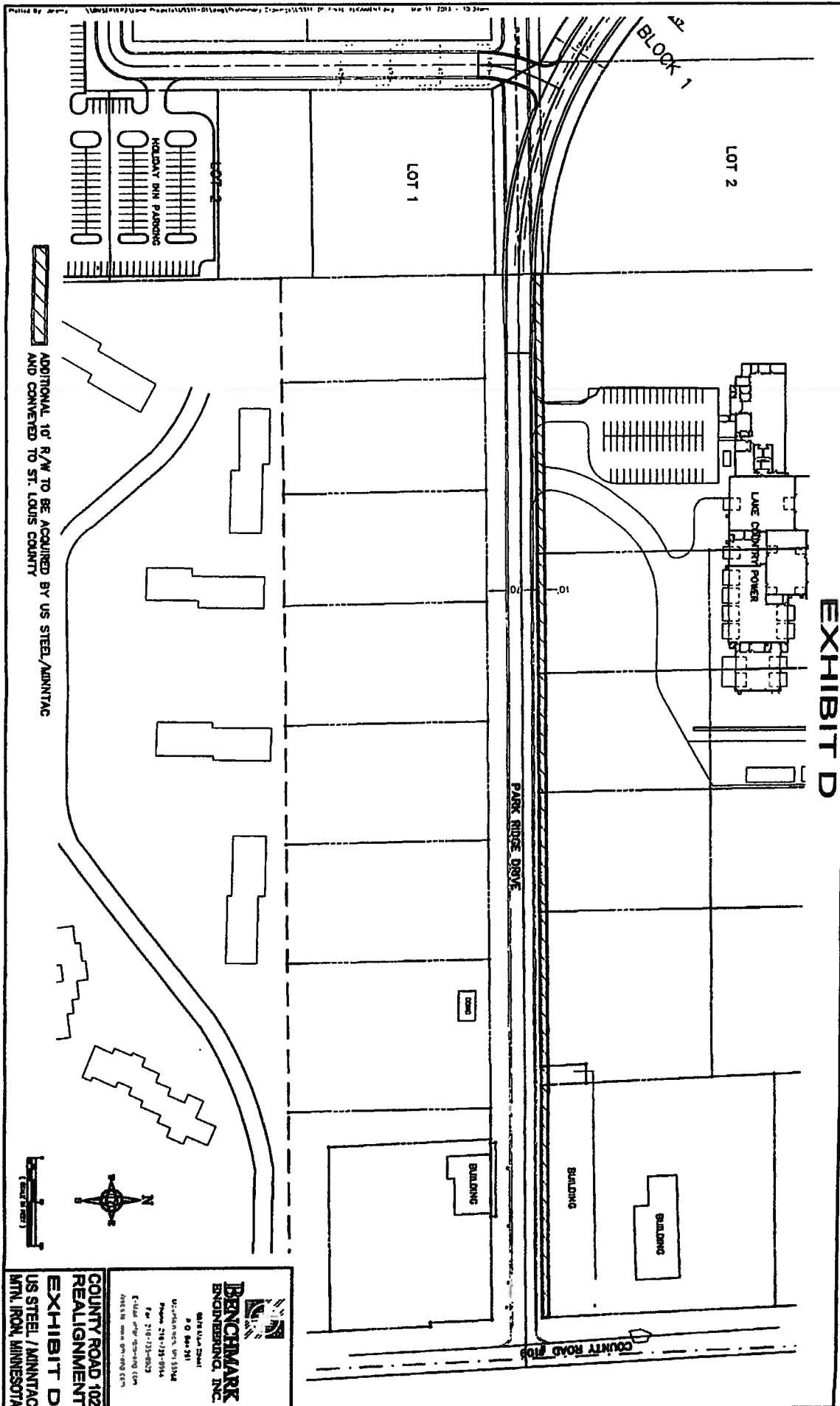
US STEEL / MINNTAC
EXHIBIT B
COUNTY ROAD 102
REALIGNMENT

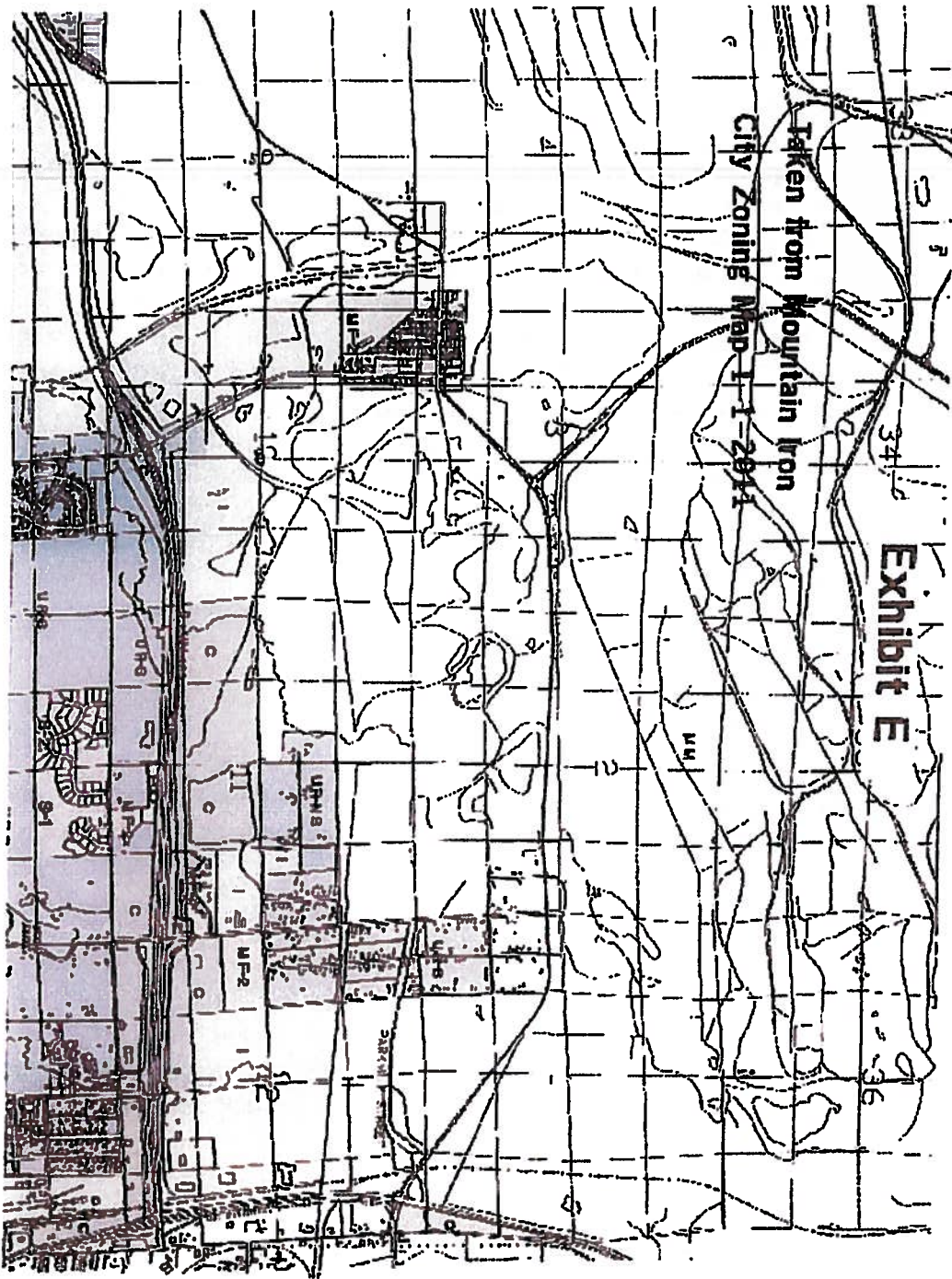
BENCHMARK
ENGINEERING, INC.
2000 1st Ave. S.
P.O. Box 241
Maplewood, MN 55122
Phone: 763-252-8811
Fax: 763-252-8812
E-Mail: info@benchmark-inc.com
Website: www.benchmark-inc.com

North Arrow

08/29/2013







REAL ESTATE PURCHASE AGREEMENT

This REAL ESTATE PURCHASE AGREEMENT (this "Agreement") is made by and between MT. IRON ECONOMIC DEVELOPMENT AUTHORITY, a body public, corporate and politic and a political subdivision under the laws of the State of Minnesota, with an address of 8586 Enterprise Drive South, Mountain Iron, Minnesota, 55768 ("Seller") and UNITED STATES STEEL CORPORATION, a Delaware corporation, with its principal place of business at 600 Grant Street, Pittsburgh, PA 15219, or its assigns ("Buyer") to be effective as of the date this Agreement is fully executed by Buyer and Seller as indicated by the dates on the signature page hereto (the "Effective Date").

1. Sale of the Property; Purchase Price.

1.1. Agreement. Upon and subject to the terms and conditions set forth herein, Seller hereby agrees to grant and sell to Buyer, and Buyer hereby agrees to purchase from Seller, all lands located in the City of Mountain Iron, County of St. Louis, and State of Minnesota, which are owned by the City of Mountain Iron and necessary for the construction of, and subsequent transfer to St. Louis County, Minnesota, of the realigned County Road 102; and for a new entrance road to the United States Steel Corporation Minntac plant located in Mountain Iron, Minnesota (the "Property"). At the time of executing this Agreement, the parties agree that at least the Property described on Exhibit "A" attached hereto and forming a part hereof, has been identified as being included in this transfer. If the Seller is the owner of any rights in the railroad right-of-way excepted on Exhibit "A", such rights are included in this transfer to Buyer.

This transfer includes all improvements (including all fixtures attached thereto as of the Effective Date), and all appurtenances thereto, and all mining and mineral rights related thereto, if any, owned by the Seller; free and clear of all liens, encumbrances, leases, and contracts including those temporary road construction easements therein described. Temporary road construction easements shall terminate at such time as road construction is complete.

1.2. Purchase Price. The purchase price for the Property is Four Hundred Fifty Thousand and 00/100 Dollars (\$450,000.00) (the "Purchase Price"). Buyer shall pay Seller earnest money in the amount of Two Hundred Fifty and 00/100 Dollars (\$250.00), upon execution of this Agreement, which payment shall be applied to and be a part of the purchase price at the time of closing.

2. Books and Records; Disclosure.

2.1. Documents. This sale includes all documents relating to the Property, including, without limitation, any and all of the following: (a) surveys, maps, and other plans or specifications; (b) permits or licenses; (c) any and all documents relating to the environmental condition of the Property and/or Hazardous Materials (defined in Section 3.5 below) transported to or stored on the Property (collectively, the "Documents").

2.2. Disclosure. Within ten (10) days after the Effective Date, Seller shall make available to Buyer all Documents in Seller's possession or reasonable control and permit Buyer to inspect and copy the same at Buyer's expense. If disclosure of any Document will, in Seller's sole judgment, adversely affect any proprietary interest of Seller, Seller may require Buyer to execute a confidentiality agreement prior to inspecting such Document. Seller represents that

Seller has no knowledge of and has received no notice of any violations of State, County, or Federal law regarding use or condition of the Property.

3. Purpose. The purpose of the sale and purchase of the Property is for construction of a relocated County Road 102, and construction of a new entrance road providing ingress and egress to Buyer's taconite mining operation known as Minntac. The Property is also sometimes known as the "Roadway".

4. Representations and Covenants. Seller represents and covenants that:

4.1 Title; Liens; Physical Condition. Seller is the owner of fee simple title to the Property; no labor or materials have been provided to the Property for which payment has not been made and which may become a lien against the Property; and to the best of Seller's knowledge, there are no material defects in the Property.

4.2 Boundary Lines. No buildings or other structures on other adjacent properties encroach on the boundary lines of the Property; and there is a right to access the Property to/from a public right of way.

4.3 Contracts and Leases. Seller represents and warrants that there are no contracts or leases in effect with regard to the Property.

4.4 Assessments. Seller represents and warrants that any un-liened assessments levied against any of the Property, including without limitation, assessments for sidewalks, shall be satisfied prior to or at the Closing; and that in the event such assessments are not satisfied prior to or at the Closing, Seller shall remain obligated to satisfy such assessments thereafter.

4.5 Environmental. Seller represents and warrants that to the best of Seller's knowledge: (a) the Property does not contain: (i) any substances that may be hazardous to human health or safety or harmful to the environment, including, without limitation, asbestos or asbestos containing materials (ACMs), polychlorinated biphenyl (PCBs), or petroleum or petroleum products (such as gasoline, fuel, or oil) or any substance, pollutant, contaminant, waste, by-product, or constituent regulated under any applicable local, state, or federal law, rule, or regulation (collectively, "Hazardous Materials") or (ii) any above ground or underground storage tanks (UST's); and (b) no person who previously owned or occupied the Property did so in a manner that violates any applicable local, state, or federal law, rule, or regulation.

4.6 Notices. Seller has not received any notice (a) from any governmental authority regarding (i) any violation of any law, ordinance, code, or regulation relating to the Property, including without limitation, zoning, housing, building, safety, or fire codes or (ii) any eminent domain, condemnation, special taxing district, rezoning, or similar proceedings, or (b) regarding any breach of any restrictive covenants to which the Property is subject.

4.7 Material Changes. Seller shall not commit, or permit to be committed, any material changes to the Property or any part thereof or fixtures thereto or thereon during the pendency of this Agreement.

4.8 Notice of Changes. Seller shall promptly notify Buyer in writing of any material change affecting the Property that becomes known to Seller prior to the Closing.

4.9 Legal Violations. Seller represents to Buyer that Seller's use and ownership of the Property has not been in violation, and is not in violation of any County, State, or Federal laws, rules, or regulations. Seller represents that it has received no notices of such violations.

4.10 Survival. All representations, warranties, and covenants shall survive the closing and shall not merge into the Deed.

5. Inspection of Property.

5.1 Inspections. At any time up until the Closing ("**Inspection Period**"), Buyer or Buyer's authorized representatives may, at Buyer's own cost and expense, perform any and all inspections and investigations of the Property and the suitability thereof for Buyer's intended use, including, without limitation:

(a) **Survey, Title.** Obtain, any survey, title commitment, title search, title opinion, or title insurance policy binder which it deems necessary or desirable, including to determine the marketability, insurability, or use of the Property by Buyer.

(b) **Physical Inspections.** Inspect and test the physical condition of the Property, including, without limitation, compliance with all codes, ordinances, or regulations, including, without limitation, zoning, housing, building, safety, or fire codes, ordinances, and regulations,, and other applicable statutes, ordinances, rules and regulations.

(c) **Environmental Inspection.** Perform a comprehensive environmental site assessment and compliance audit, including soil sampling, for the presence of Hazardous Materials on the Property and the applicability of government environmental standards, licenses, and permits, which assessments or audits may include drilling on the Property.

(d) **Documents.** Review and inspect any and all Documents to determine the status, quality, and condition of the Property.

5.2 Pre-Closing Access. Seller hereby grants to Buyer and Buyer's contractors, representatives, and agents, during the Inspection Period, a license to access and enter upon the Property from time to time to conduct any and all of the aforementioned inspections and tests, as well as inspections and testing by contractors and engineers for purposes of obtaining information related to bidding for construction of the roadway on the realigned County Road 102.

5.3 Right to Terminate. (a) In the event that the results of Buyer's inspections as described above are unsatisfactory to Buyer, in Buyer's sole absolute discretion, or (b) if for any reason or no reason whatsoever, Buyer elects, in Buyer's sole absolute discretion, not to proceed with the transaction, then in either such event, prior to the expiration of the Inspection Period, Buyer may terminate this Agreement by providing written notice of such termination to Seller, whereupon this Agreement shall be null and void and of no further force or effect.

6. Contingencies.

6.1 Buyer. The obligations of Buyer under this Agreement are contingent upon each of the following, failure of any one of which will give the Buyer the option to terminate this Agreement, at which time all earnest money paid shall be returned to the Buyer:

(a) **Title.** Title shall be a marketable title, or made marketable by Seller by the date of closing.

(b) **Approvals.** Approval of Buyer's Executive Management, as well as authorization by Executive Management to advance funds to complete the Roadway project, including (i) vacation of a part of County Road 109, and (ii) relocation of part of County Road 102; along with all necessary governmental approvals, all environmental permits, and the ability to obtain property necessary to complete said roadway projects.

(c) **Property Investigations.** Seller shall have provided to Buyer any and all environmental reports in Seller's possession. Buyer's satisfaction with environmental condition of the Property.

7. Closing. The Closing Date shall be a date following at least fifteen (15) days' notice by Buyer to Seller, but no later than September 15, 2013.

8. Costs.

8.1 Seller's Costs. Seller shall be responsible for (a) the cost to prepare the Warranty Deed, (b) the costs to clear title to the Property, including, without limitation, satisfaction of all mortgages, liens, and encumbrances, and all County, City, School District or other real estate taxes for any year prior to the year in which the Closing occurs, (c) the cost of providing to Buyer an up to date Abstract of Title for the property, and (d) realty transfer taxes, deed stamps, or similar charges imposed on the making or recordation of the Deed.

8.2 Buyer's Costs. Buyer shall be responsible for (a) the cost to record the Deed; and (b) the costs of procuring any title insurance on the Property that Buyer may choose to purchase.

8.3 Prorations. The following items shall be prorated between the parties as follows:

(a) **Real Estate Taxes.** The Property is owned by the Seller, City of Mountain Iron, and there are no real estate taxes due on the Property, the Property being exempt from taxes.

(b) **Other Charges.** Such other charges as are ordinarily and customarily prorated in real estate transactions in the location of the Property, shall be prorated as of the Closing Date.

9. Maintenance; Delivery of Possession. From the Effective Date to the Closing Date, Seller shall maintain and keep the Property in substantially the same condition as it was on the Effective Date. On the Closing Date, Seller shall deliver possession of the Property to Buyer, free of debris, and in substantially the same condition as it was on the Effective Date, except ordinary wear and tear and use of consumables.

10. Risk of Loss; Insurance. Risk of loss of the Property shall remain upon Seller until the Closing. In the event the Property suffers any damage prior to the Closing, Seller shall provide Buyer with written notice of such damage within three (3) days of the damage and Buyer shall have the option, at its sole and absolute discretion, to: (a) terminate this Agreement; or (b) proceed to Closing and pay the Purchase Price in full.

11. Eminent Domain; Proceeds. If, prior to the Closing, the Property becomes subject to a taking, in whole or in part, by eminent domain, inverse condemnation, or for any public or quasi-public use, or if any notice of intent of taking or sale in lieu of taking is received by Seller or Buyer, option, at its sole and absolute discretion, to: (a) terminate this Agreement; or (b) proceed to Closing and pay the Purchase Price in full.

12. Real Estate Brokers. Each party warrants to the other that it has had no dealings with any person, firm, broker, or finder in connection with the negotiation of this Agreement and/or the consummation of the transaction contemplated hereby, and that no broker or other person, firm, or entity is entitled to any commission or finder's fee in connection with this transaction as a result of any dealings or acts of such party. Each party agrees to indemnify, defend, protect, and hold the other harmless from and against any cost, expense, or liability for compensation, commission, or charges which may be claimed by any broker, finder, or other similar entity by reason of any dealings or act of the indemnifying party.

13. Default. In the event of default:

13.1 By Buyer. In the event of a breach of this Agreement by Buyer that continues for ten (10) days following Seller's written notice to Buyer thereof, Seller may terminate this Agreement, whereupon Seller's sole and exclusive remedy shall be a right to receive the deposit, if any, paid by Buyer hereunder, as liquidated damages, in which event this Agreement shall become null and void and of no further force or effect.

13.2 By Seller. In the event of a breach of this Agreement by Seller that continues for ten (10) days following Buyer's written notice to Seller thereof, Buyer may pursue any of the following remedies: (a) to terminate this Agreement, whereupon the deposit, if any, paid by Buyer shall be returned to Buyer and this Agreement shall become null and void and of no further force or effect, and both parties shall be released of all further liability hereunder, (b) seek specific performance of this Agreement; or (c) file an action at law against Seller for Buyer's damages resulting from Seller's breach hereof including, without limitation, consequential damages, loss of bargain, and Enforcement Expenses (provided below). Seller acknowledges and agrees that money damages would not be a sufficient remedy for its breach or threatened breach of this Agreement and that Buyer shall be entitled, without any bond or other security being required, to specific performance as a remedy for any such breach or threatened breach without proof of actual damages. Buyer's pursuit of specific performance shall not be an exclusive remedy, and to the extent that Buyer initially pursues specific performance pursuant to clause (b) of this Section and subsequently decides to cease its efforts to pursue specific performance or is not able to obtain specific performance from Seller for any reason, then Buyer may thereafter elect to exercise its remedy for damages under clause (c) of this Section.

14. Miscellaneous.

14.1 Enforcement Expenses. In any proceeding for damages or equitable relief under this Agreement, the substantially prevailing party shall be entitled, at the discretion of the court, to reimbursement from the losing party of all reasonable fees and costs incurred in securing the relief granted in such proceeding (including attorney's fees and costs and expenses of litigation).

14.2 Good Faith and Reasonableness Implied. In all matters contained herein, both parties shall have an implied obligation of good faith and reasonableness.

14.3 Waiver of Tender. The parties waive formal tender of all deliveries hereunder.

14.4 Notices. All notices, requests, demands, directions, and other communications (collectively, "**notices**") under this Agreement shall be in writing, unless otherwise expressly permitted hereunder, and shall be sent by U.S. Postal Service express mail or other overnight courier service; facsimile; or personal delivery; in all cases with charges prepaid. Any properly given notice shall be effective when received; provided, however, if a party is required to provide notice by a certain date or time, notice made by that party shall be effective when dispatched by that party. All notices shall be sent to the applicable party at the address stated herein or in accordance with the last notice from such party to the other party hereto.

14.5 Certification of Non-Foreign Status of Seller. Section 1445 of the U. S. Internal Revenue Code of 1986, 26 U.S.C. §1445, as amended (the Foreign Investment in Real Property Tax Act of 1980, 26 U.S.C. §§861 et seq., as amended) provides that a buyer of property located in the United States must withhold tax if the Seller is a foreign person. Seller certifies that Seller is not a foreign person within the meaning of Section 1445(b)(2) of the Internal Revenue Code. Seller understands that this certification may be disclosed to the Internal Revenue Service and that any false statement contained herein could be punished by fine, imprisonment, or both, and Seller will execute an affidavit to this effect at Closing.

14.6 Entire Contract; Amendment. This Agreement constitutes the entire contract between the parties hereto, and there are no other understandings, oral or written, relating to the subject matter hereof. This Agreement may not be changed, modified, or amended, in whole or in part, except in writing signed by all parties affected thereby.

14.7 Time of the Essence. Time is of the essence with respect to this Agreement and each and every term, condition, obligation, covenant, agreement, or provision contained herein.

14.8 Construction. Wherever used herein, the singular shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders. Section and paragraph headings are inserted for convenience only and do not form part of the text of this Agreement. This Agreement shall be construed and enforced in accordance with the laws of the state in which the Property is located, without giving effect to its conflicts of law provisions.

14.9 Binding Effect. This Agreement and all of its terms and conditions shall extend to and be binding upon each of the parties hereto and upon their respective heirs, executors, administrators, successors, and assigns. Buyer is expressly permitted to assign and delegate all of its rights and obligations hereunder to another party without Seller's prior consent.

14.10 Contract Formation, Counterparts. Each party's obligations hereunder become binding upon that party's execution hereof, irrespective of the time at which this Agreement is countersigned by the other party. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall be deemed to be one and the same agreement. This Agreement may be executed and transmitted between the parties via electronic means, including email or facsimile, and each party waives any objection to the presentation of any such facsimiled signature as original.

14.11 Further Assurances. Each party will, upon request of the other party, execute such additional instruments, documents, or certificates as the other party reasonably deems necessary or desirable in order to confirm conveyance, assignment, and transfer of the Property to Buyer and/or to otherwise effectuate the transaction contemplated by this Agreement.

14.12 1031 Exchange. In connection with any tax deferred exchange pursuant to Section 1031 of the Internal Revenue Code of 1986, as amended (an "Exchange"), Buyer may assign this Agreement and its rights hereunder to any affiliate and/or a qualified intermediary participating in such Exchange as contemplated by said Section 1031 and related rules and regulations, and Seller agrees to reasonably cooperate with Buyer with regard to such Exchange. Notwithstanding the foregoing, such Exchange shall not: (a) cause the Seller to incur any cost or expense, and the Buyer agrees to indemnify and hold harmless Seller from any such expense or cost (including reasonable attorneys' fees) arising from the transaction being effectuated through an Exchange; (b) create any additional obligations or liabilities on the part of Seller; (c) require Seller to take title to any property in conjunction with such exchange; and (d) delay the Closing Date. Buyer's obligations and rights under this Agreement are not contingent upon the transaction being effectuated through an Exchange. Seller makes no representations or warranties as to the tax consequences or effectiveness of an Exchange. The provisions of this Section shall survive the Closing.

14.13 Addendum. Attached hereto is an Addendum with additional terms and conditions that shall be applicable to this Agreement.

IN WITNESS WHEREOF, in consideration of the mutual covenants and agreements herein and intending to be legally bound hereby, the parties have executed this Agreement as of the date set forth below:

SELLER:

MT. IRON ECONOMIC DEVELOPMENT
AUTHORITY, a body public, corporate and politic
and a political subdivision under the laws of the
State of Minnesota

By: Anthony Zupanich, President

By: Craig Wainio, Executive Director

Date: _____, 2013

BUYER:

United States Steel Corporation,
a Delaware corporation

By: _____

Name: _____

Title: _____

Date: _____, 2013

EXHIBIT

Addendum to Purchase Agreement
Seller – City of Mountain Iron
Buyer – United States Steel Corporation

1. Well Disclosure. There are no wells on the Property.
2. Individual Sewage Treatment System Disclosure. There are no individual on-site sewage treatment systems on the Property.
3. Protected Sites. The Property has no conditions that are protected by federal or state law (such as American Indian burial grounds, other human burial grounds, ceremonial earthworks, historical structures or materials, or archeological sites).
4. Hazardous Substances, Petroleum Products, and Underground Storage Tanks.

If Seller has disclosed the presence of underground storage tanks, then Seller represents and warrants that all of the underground tanks known to Seller on the Property have been disclosed to Buyer on the attached drawing or map. Seller shall provide at closing the affidavits required by Minnesota Statutes Section 115B.16, Subd. 2, and 116.48 if applicable to the Property and record an affidavit attesting to the location of any underground tanks which are used for the storage of petroleum products.

Seller represents and warrants that there have been no acts or occurrences upon the Property that have caused or would cause hazardous substances or petroleum products to be released or discharged into the subsoil or ground water of the Property or other property in the area. Seller represents and warrants that the Property is free of hazardous substances and is not subject to any "superfund" type liens or claims by governmental regulatory agencies or third parties arising from the release or threatened release of hazardous substances in, on, or about the Property. Seller shall indemnify and hold Buyer harmless from any and all claims, causes of action, damages, losses, or costs (including attorneys' fees) relating to hazardous substances or petroleum products in the subsoil or ground water of the Property or any other property in the area which arise from or are caused by acts or occurrences upon the Property prior to Buyer taking possession.

These warranties and indemnifications shall survive the Closing and shall not merge into the Deed.

Exhibit A

New County Road 102

PC	Description	Sec	Twp	Rge	Comments
175-0070-01280	NESW part of	10	58	18	As defined by Construction drawings
175-0070-01300	NWSE part of	10	58	18	As defined by Construction drawings
175-0070-01290	NESE part of	10	58	18	As defined by Construction drawings
175-0070-01420	NWSW part of	11	58	18	As defined by Construction drawings
175-0071-00960	NESW part of	11	58	18	As defined by Construction drawings

New Minntac Entrance Road Land

PC	Description	Sec	Twp	Rge	Comments
175-0070-01190	NENE Ex RY R of W	10	58	18	
175-0070-01200	NWNE Ex RY R of W	10	58	18	
175-0070-01210	SWNE Ex RY R of W	10	58	18	
175-0070-01240	Part of NENW	10	58	18	All land on East side of Iroquois Pit

EXHIBIT G-1
(Temporary Easement Description)
Mt. Iron to Minntac

TEMPORARY EASEMENT AREA 2

NW1/4-SE1/4
SEC 10 (58-18)

A 40.00 foot wide easement located in the Northwest Quarter of the Southeast Quarter of Section 10, Township 58 North, Range 18 West of the 4th Principal Meridian.

Said easement being from 50.00 feet to the right to 90.00 feet to the right of the following described line.

Commencing at a point 368.11 feet south of the northwest corner of and on the west line of said Northwest Quarter of the Southeast Quarter, and assigning a bearing of South 02 degrees 32 minutes 27 seconds West to said west line; thence North 48 degrees 27 minutes 54 seconds East 122.68 feet to the point of beginning; thence northeasterly along a tangential curve, concave to the south, having a radius of 550.00 feet, a central angle of 43 degrees 10 minutes 11 seconds, for a distance of 414.39 feet; thence South 88 degrees 21 minutes 55 seconds East 309.43 feet, and said center line there terminating.

Containing 0.6 acres more or less.

EXHIBIT G-2
(Temporary Easement Legal Description)
Mt. Iron to Minntac

TEMPORARY EASEMENT AREA 3

NE1/4-SE1/4
SEC10 (58-18)

An easement located in the Northeast Quarter of the Southeast Quarter of Section 10, Township 58 North, Range 18 West of the 4th Principal Meridian described as follows:

Commencing at the Northwest corner of and assigning a bearing of South 00 degrees 38 minutes 13 seconds East to the West line of the said Northeast Quarter of the Southeast Quarter, thence South 00 degrees 38 minutes 13 seconds East 181.71 feet to the point of beginning; thence continue South 00 degrees 38 minutes 13 seconds East 80.06 feet; thence South 88 degrees 21 minutes 55 seconds East 69.84 feet; thence North 01 degrees 38 minutes 05 seconds East 40.00 feet; thence South 88 degrees 21 minutes 55 seconds East 325.00 feet; thence South 01 degrees 38 minutes 05 seconds West 445.35 feet; thence North 89 degrees 52 minutes 38 seconds East 834.61 feet to the East line of the said Northeast Quarter of the Southeast Quarter; thence North 03 degrees 59 minutes 40 seconds West along said East line 254.09 feet; thence North 88 degrees 21 minutes 55 seconds West 208.73 feet; thence North 01 degrees 38 minutes 05 seconds East 75.00 feet; thence North 88 degrees 21 minutes 55 seconds West for a distance of 985.58 feet to the point of beginning.

Containing 8.9 acres more or less.

EXHIBIT G-2
(Temporary Easement Map)
Mt. Iron to Minntac

TEMPORARY EASEMENT AREA 3

NE1/4-SE1/4
SEC10 (58-18)

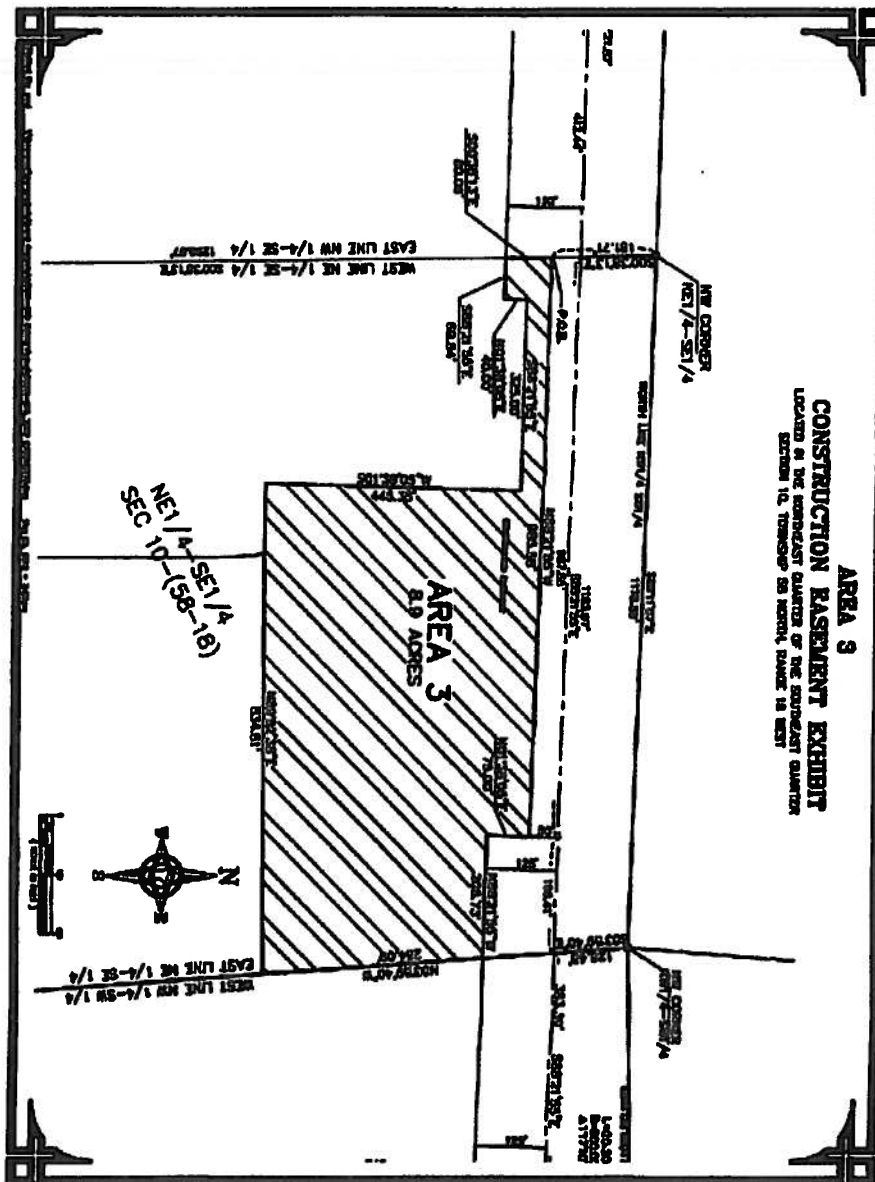


EXHIBIT G-3
(Temporary Easement Legal Description)
Mt. Iron to Minntac

TEMPORARY EASEMENT AREA 4

NW1/4-SW1/4
SEC 11 (58-18)

A 15.00 foot wide easement located in the Northwest Quarter of the Southwest Quarter of Section 11, Township 58 North, Range 18 West of the 4th Principal Meridian.

Said easement being from 50.00 feet to the right to 65.00 feet to the right of the following described line.

Commencing at a point 128.48 feet south of the northwest corner of and on the west line of said Northwest Quarter of the Southwest Quarter, and assigning a bearing of South 03 degrees 59 minutes 40 seconds East to said west line; thence South 88 degrees 21 minutes 55 seconds East 383.39 feet; thence easterly along a tangential curve, concave to the south, having a radius of 900.00 feet, a central angle of 21 degree 03 minutes 52 seconds, for a distance of 330.88 feet to the point of beginning; thence South 67 degrees 18 minutes 04 seconds East a distance of 389.32 feet, and said center line there terminating.

Together with a 100.00 foot wide easement, being from 50.00 feet to the right to 150.00 feet to the right of the following described line.

Beginning at the terminus of the above described center line, thence South 67 degrees 18 minutes 04 seconds East 159.98 feet along the prolongation of the above described line; thence southeasterly along a tangential curve concave to the north, with a radius of 700.00 feet, a central angle of 03 degrees 16 minutes 33 seconds, for a distance of 40.02 feet, and said center line there terminating.

Containing 0.6 acres more or less.

EXHIBIT G-4
(Temporary Easement Legal Description)

Mt. Iron to Minntac

TEMPORARY EASEMENT AREA 5

NE1/4-SW1/4
SEC 11 (58-18)

A 60.00 foot wide easement located in the Northeast Quarter of the Southwest Quarter of Section 11, Township 58 North, Range 18 West of the 4th Principal Meridian.

Said easement being from 50.00 feet to the right to 110.00 feet to the right of the following described line.

Commencing at a point 497.49 feet south of the northwest corner of and on the west line of said Northeast Quarter of the Southwest Quarter, and assigning a bearing of South 01 degrees 23 minutes 31 seconds East to said west line; thence easterly along a non-tangential curve concave to the north, the center of which bears North 05 degrees 04 minutes 44 seconds East, having a radius of 700.00 feet, a central angle of 10 degrees 12 minutes 41 seconds, for a distance of 124.75 feet to the point of beginning; thence along the prolongation of said curve, with a radius of 700.00 feet, a central angle of 24 degrees 35 minutes 15 seconds, for a distance of 300.39 feet; thence North 60 degrees 16 minutes 49 seconds East tangential to previous said curve 49.61 feet, and said center line there terminating.

Together with a 100.00 foot wide easement, being from 50.00 feet to the right to 150.00' to the right of the following described line.

Beginning at the terminus of the above described center line, thence North 60 degrees 16 minutes 49 seconds East along the prolongation of the above described line for a distance of 300.00 feet, and said center line there terminating.

Containing 1.2 acres more or less.

**NE1/4-SW1/4
SEC 11 (58-18)**

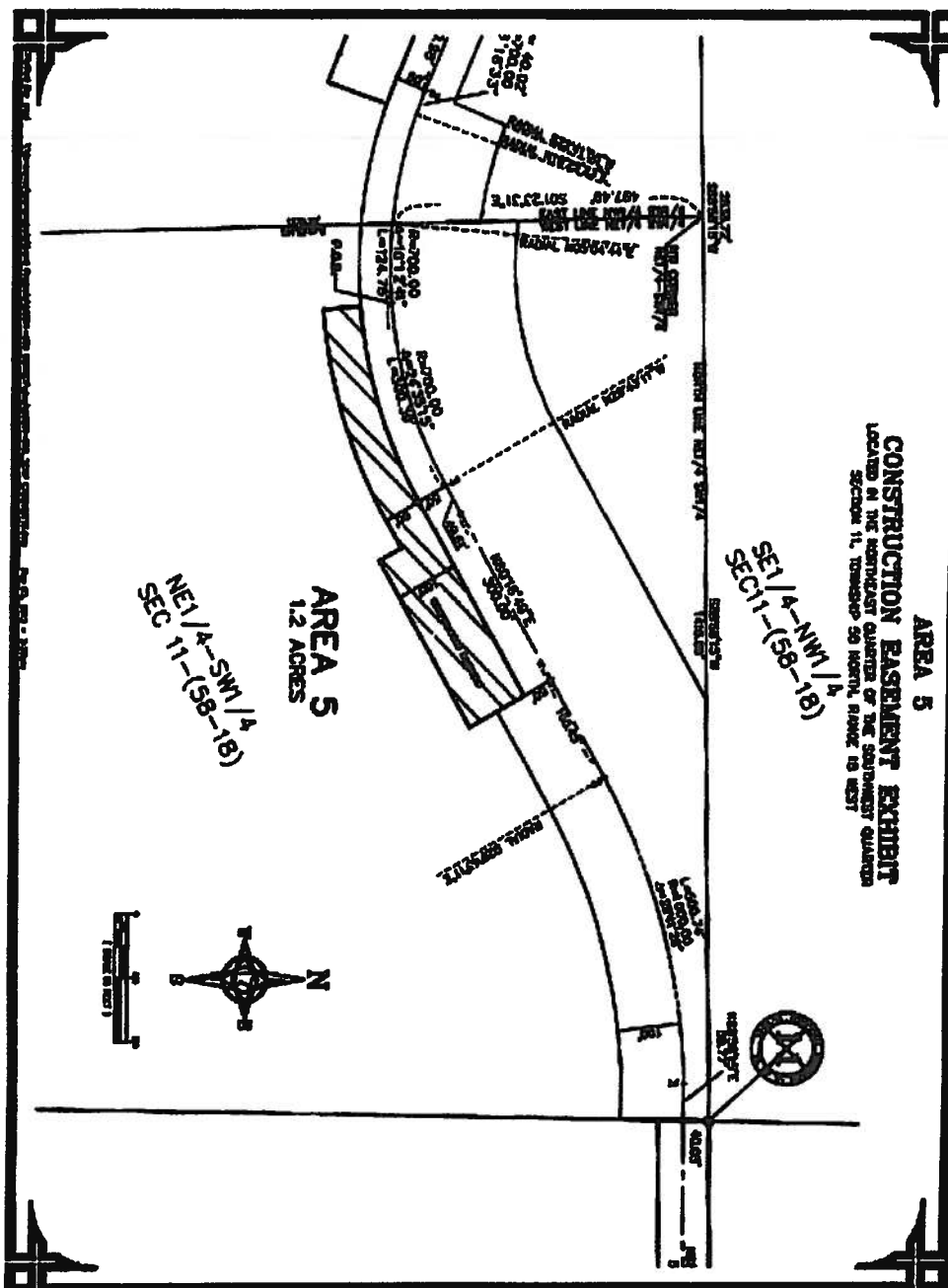
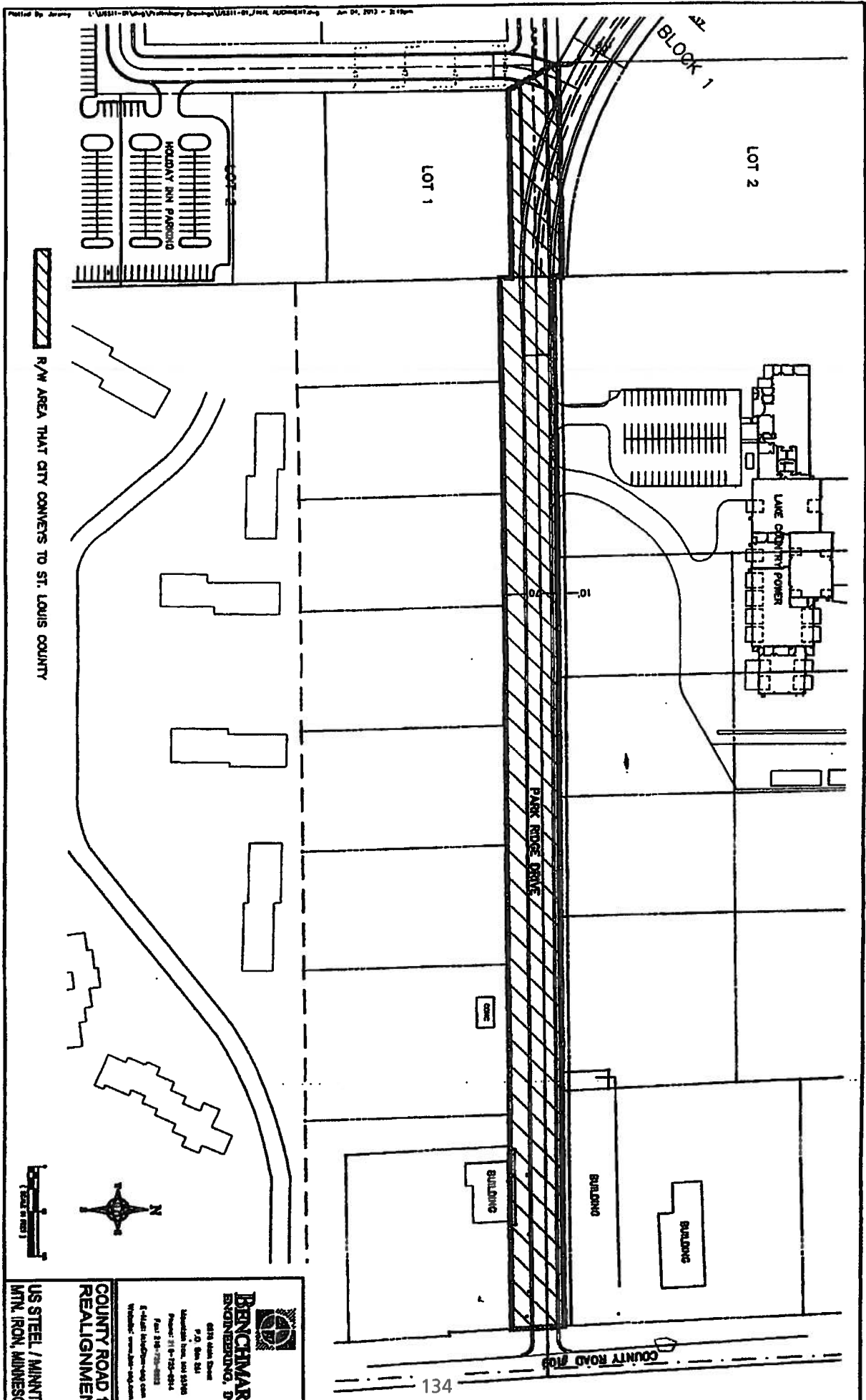


EXHIBIT H



REAL ESTATE PURCHASE AGREEMENT

This REAL ESTATE PURCHASE AGREEMENT (this "Agreement") is made by and between UNITED STATES STEEL CORPORATION, a Delaware corporation, with its principal place of business at 600 Grant Street, Pittsburgh, PA 15219 ("Seller") and Mt. Iron Economic Development Authority, a public body, corporate and politic and a political subdivision under the laws of the State of Minnesota, with an address of 8586 Enterprise Drive South, Mountain Iron, Minnesota, 55768, or its assigns ("Buyer") to be effective as of the date this Agreement is fully executed by Buyer and Seller as indicated by the dates on the signature page hereto (the "Effective Date").

1. Sale of the Property; Purchase Price.

1.1. Agreement. Upon and subject to the terms and conditions set forth herein, Seller hereby agrees to grant and sell to Buyer, and Buyer hereby agrees to purchase from Seller, lands located in the City of Mountain Iron, County of St. Louis, and State of Minnesota, *which are described on Exhibit A attached hereto and incorporated herein by reference*, together with all improvements thereon (including all fixtures attached thereto as of the Effective Date), and all appurtenances thereto, (the "Property"), free and clear of all liens, encumbrances, leases, and contracts.

1.2. Purchase Price. The purchase price for the Property is Two Thousand Five Hundred and 00/100 Dollars (\$2,500.00) (the "Purchase Price"). Buyer shall pay Seller earnest money in the amount of Two Hundred Fifty and 00/100 Dollars (\$250.00), upon execution of this Agreement, which payment shall be applied to and be a part of the purchase price at the time of closing.

2. Books and Records; Disclosure.

2.1 Documents. This sale includes all documents relating to the Property, including, without limitation, any and all of the following: (a) surveys, maps, and other plans or specifications; (b) permits or licenses; (c) any and all documents relating to the environmental condition of the Property and/or Hazardous Materials (defined in Section 3.5 below) transported to or stored on the Property (collectively, the "Documents").

2.2 Disclosure. Within ten (10) days after the Effective Date, Seller shall make available to Buyer all Documents in Seller's possession or reasonable control and permit Buyer to inspect and copy the same at Buyer's expense. If disclosure of any Document will, in Seller's sole judgment, adversely affect any proprietary interest of Seller, Seller may require Buyer to execute a confidentiality agreement prior to inspecting such Document. Seller represents that Seller has no knowledge of and has received no notice of any violations of State, County, or Federal law regarding use or condition of the Property.

3. Purpose. The purpose of the sale and purchase of the Property is for construction of a water retention pond.

4. Representations and Covenants. Seller represents and covenants that:

4.1 Title; Liens; Physical Condition. Seller is the owner of fee simple title to the Property; no labor or materials have been provided to the Property for which payment has not been

made and which may become a lien against the Property; and to the best of Seller's knowledge, there are no material defects in the Property.

4.2 Boundary Lines. No buildings or other structures on other adjacent properties encroach on the boundary lines of the Property; and there is a right to access the Property to/from a public right of way.

4.3 Contracts and Leases. Seller represents and warrants that there are no contracts or leases in effect with regard to the Property.

4.4 Assessments. Seller represents and warrants that any un-liened assessments levied against any of the Property, including, without limitation, assessments for sidewalks, shall be satisfied prior to or at the Closing, and that in the event such assessments are not satisfied prior to or at the Closing, Seller shall remain obligated to satisfy such assessments thereafter.

4.5 Environmental. Seller represents and warrants that to the best of Seller's knowledge: (a) the Property does not contain: (i) any substances that may be hazardous to human health or safety or harmful to the environment, including, without limitation, asbestos or asbestos containing materials (ACMs), polychlorinated biphenyl (PCBs), or petroleum or petroleum products (such as gasoline, fuel, or oil) or any substance, pollutant, contaminant, waste, by-product, or constituent regulated under any applicable local, state, or federal law, rule, or regulation (collectively, "Hazardous Materials") or (ii) any above ground or underground storage tanks (UST's); and (b) no person who previously owned or occupied the Property did so in a manner that violates any applicable local, state, or federal law, rule, or regulation.

4.6 Notices. Seller has not received any notice (a) from any governmental authority regarding (i) any violation of any law, ordinance, code, or regulation relating to the Property, including without limitation, zoning, housing, building, safety, or fire codes or (ii) any eminent domain, condemnation, special taxing district, rezoning, or similar proceedings, or (b) regarding any breach of any restrictive covenants to which the Property is subject.

4.7 Material Changes. Seller shall not commit, or permit to be committed, any material changes to the Property or any part thereof or fixtures thereto or thereon during the pendency of this Agreement.

4.8 Notice of Changes. Seller shall promptly notify Buyer in writing of any material change affecting the Property that becomes known to Seller prior to the Closing.

4.9 Legal Violations. Seller represents to Buyer that Seller's use and ownership of the Property has not been in violation, and is not in violation of any County, State, or Federal laws, rules, or regulations. Seller represents that it has received no notices of such violations.

4.10 Survival. All representations, warranties, and covenants shall survive the closing and shall not merge into the Deed.

5. Inspection of Property.

5.1 Inspections. At any time up until the Closing ("Inspection Period"), Buyer or Buyer's authorized representatives may, at Buyer's own cost and expense, perform any and all

inspections and investigations of the Property and the suitability thereof for Buyer's intended use, including, without limitation:

(a) Survey, Title. Obtain, any survey, title commitment, title search, title opinion, or title insurance policy binder which it deems necessary or desirable, including to determine the marketability, insurability, or use of the Property by Buyer.

(b) Physical Inspections. Inspect and test the physical condition of the Property, including, without limitation, compliance with all codes, ordinances, or regulations, including, without limitation, zoning, housing, building, safety, or fire codes, ordinances, and regulations, and other applicable statutes, ordinances, rules and regulations.

(c) Environmental Inspection. Perform a comprehensive environmental site assessment and compliance audit, including soil sampling, for the presence of Hazardous Materials on the Property and the applicability of government environmental standards, licenses, and permits, which assessments or audits may include drilling on the Property.

(d) Documents. Review and inspect any and all Documents to determine the status, quality, and condition of the Property.

5.2 Pre-Closing Access. Seller hereby grants to Buyer and Buyer's contractors, representatives, and agents, during the Inspection Period, a license to access and enter upon the Property from time to time to conduct any and all of the aforementioned inspections and tests.

5.3 Right to Terminate. (a) In the event that the results of Buyer's inspections as described above are unsatisfactory to Buyer, in Buyer's sole absolute discretion, or (b) if for any reason or no reason whatsoever, Buyer elects, in Buyer's sole absolute discretion, not to proceed with the transaction, then in either such event, prior to the expiration of the Inspection Period, Buyer may terminate this Agreement by providing written notice of such termination to Seller, whereupon this Agreement shall be null and void and of no further force or effect.

6. Contingencies.

6.1 Buyer. The obligations of Buyer under this Agreement are contingent upon each of the following, failure of any one of which will give the Buyer the option to terminate this Agreement, at which time all earnest money paid shall be returned to the Buyer:

(a) Title. Title shall be a marketable title, or made marketable by Seller by the date of closing.

(b) Property Investigations. Seller shall have provided to Buyer any and all environmental reports in Seller's possession. Buyer's satisfaction with environmental condition of the Property.

7. Closing. The Closing Date shall be on the same date and immediately following the closing whereby the Buyer herein is selling certain property owned by the Buyer herein to United States Steel Corporation, for a relocated County Road 102 to be constructed. Closing on the purchase by United States Steel Corporation from the Buyer herein is a contingency that must be fulfilled prior

to the obligations of United States Steel Corporation to sell the described property to the Buyer herein.

8. Costs.

8.1 Seller's Costs. Seller shall be responsible for (a) the cost to prepare the Warranty Deed, (b) the costs to clear title to the Property, including, without limitation, satisfaction of all mortgages, liens, and encumbrances, and all County, City, School District or other real estate taxes for any year prior to the year in which the Closing occurs, (c) the cost of providing to Buyer an up to date Abstract of Title for the property, and (d) realty transfer taxes, deed stamps, or similar charges imposed on the making or recordation of the Deed.

8.2 Buyer's Costs. Buyer shall be responsible for (a) the cost to record the Deed; and (b) the costs of procuring any title insurance on the Property that Buyer may choose to purchase.

8.3 Prorations. The following items shall be prorated between the parties as follows:

(a) **Real Estate Taxes.** Real estate taxes shall be prorated to the date of closing for real estate taxes due in the year of sale. Seller shall pay all real estate taxes due in the years preceding the closing date. The Seller shall not be responsible for taxes due in the years following the closing date.

(b) **Other Charges.** Such other charges as are ordinarily and customarily prorated in real estate transactions in the location of the Property shall be prorated as of the Closing Date.

9. Maintenance; Delivery of Possession. From the Effective Date to the Closing Date, Seller shall maintain and keep the Property in substantially the same condition as it was on the Effective Date. On the Closing Date, Seller shall deliver possession of the Property to Buyer, free of debris, and in substantially the same condition as it was on the Effective Date, except ordinary wear and tear and use of consumables.

10. Risk of Loss; Insurance. Risk of loss of the Property shall remain upon Seller until the Closing. In the event the Property suffers any damage prior to the Closing, Seller shall provide Buyer with written notice of such damage within three (3) days of the damage and Buyer shall have the option, at its sole and absolute discretion, to: (a) terminate this Agreement; or (b) proceed to Closing and pay the Purchase Price in full.

11. Eminent Domain; Proceeds. If, prior to the Closing, the Property becomes subject to a taking, in whole or in part, by eminent domain, inverse condemnation, or for any public or quasi-public use, or if any notice of intent of taking or sale in lieu of taking is received by Seller or Buyer, option, at its sole and absolute discretion, to: (a) terminate this Agreement; or (b) proceed to Closing and pay the Purchase Price in full.

12. Real Estate Brokers. Each party warrants to the other that it has had no dealings with any person, firm, broker, or finder in connection with the negotiation of this Agreement and/or the consummation of the transaction contemplated hereby, and that no broker or other person, firm, or entity is entitled to any commission or finder's fee in connection with this transaction as a result of any dealings or acts of such party. Each party agrees to indemnify, defend, protect, and hold the other harmless from and against any cost, expense, or liability for compensation, commission, or

charges which may be claimed by any broker, finder, or other similar entity by reason of any dealings or act of the indemnifying party.

13. Default. In the event of default:

13.1 By Buyer. In the event of a breach of this Agreement by Buyer that continues for ten (10) days following Seller's written notice to Buyer thereof, Seller may terminate this Agreement, whereupon Seller's sole and exclusive remedy shall be a right to receive the deposit, if any, paid by Buyer hereunder, as liquidated damages, in which event this Agreement shall become null and void and of no further force or effect.

13.2 By Seller. In the event of a breach of this Agreement by Seller that continues for ten (10) days following Buyer's written notice to Seller thereof, Buyer may pursue any of the following remedies: (a) to terminate this Agreement, whereupon the deposit, if any, paid by Buyer shall be returned to Buyer and this Agreement shall become null and void and of no further force or effect, and both parties shall be released of all further liability hereunder, (b) seek specific performance of this Agreement; or (c) file an action at law against Seller for Buyer's damages resulting from Seller's breach hereof including, without limitation, consequential damages, loss of bargain, and Enforcement Expenses (provided below). Seller acknowledges and agrees that money damages would not be a sufficient remedy for its breach or threatened breach of this Agreement and that Buyer shall be entitled, without any bond or other security being required, to specific performance as a remedy for any such breach or threatened breach without proof of actual damages. Buyer's pursuit of specific performance shall not be an exclusive remedy, and to the extent that Buyer initially pursues specific performance pursuant to clause (b) of this Section and subsequently decides to cease its efforts to pursue specific performance or is not able to obtain specific performance from Seller for any reason, then Buyer may thereafter elect to exercise its remedy for damages under clause (c) of this Section.

14. Miscellaneous.

14.1 Enforcement Expenses. In any proceeding for damages or equitable relief under this Agreement, the substantially prevailing party shall be entitled, at the discretion of the court, to reimbursement from the losing party of all reasonable fees and costs incurred in securing the relief granted in such proceeding (including attorney's fees and costs and expenses of litigation).

14.2 Good Faith and Reasonableness Implied. In all matters contained herein, both parties shall have an implied obligation of good faith and reasonableness.

14.3 Waiver of Tender. The parties waive formal tender of all deliveries hereunder.

14.4 Notices. All notices, requests, demands, directions, and other communications (collectively, "notices") under this Agreement shall be in writing, unless otherwise expressly permitted hereunder, and shall be sent by U.S. Postal Service express mail or other overnight courier service; facsimile; or personal delivery; in all cases with charges prepaid. Any properly given notice shall be effective when received; provided, however, if a party is required to provide notice by a certain date or time, notice made by that party shall be effective when dispatched by that party. All notices shall be sent to the applicable party at the address stated herein or in accordance with the last notice from such party to the other party hereto.

14.5 Certification of Non-Foreign Status of Seller. Section 1445 of the U. S. Internal Revenue Code of 1986, 26 U.S.C. §1445, as amended (the Foreign Investment in Real Property Tax Act of 1980, 26 U.S.C. §§861 et seq., as amended) provides that a buyer of property located in the United States must withhold tax if the Seller is a foreign person. Seller certifies that Seller is not a foreign person within the meaning of Section 1445(b)(2) of the Internal Revenue Code. Seller understands that this certification may be disclosed to the Internal Revenue Service and that any false statement contained herein could be punished by fine, imprisonment, or both, and Seller will execute an affidavit to this effect at Closing.

14.6 Entire Contract; Amendment. This Agreement constitutes the entire contract between the parties hereto, and there are no other understandings, oral or written, relating to the subject matter hereof. This Agreement may not be changed, modified, or amended, in whole or in part, except in writing signed by all parties affected thereby.

14.7 Time of the Essence. Time is of the essence with respect to this Agreement and each and every term, condition, obligation, covenant, agreement, or provision contained herein.

14.8 Construction. Wherever used herein, the singular shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders. Section and paragraph headings are inserted for convenience only and do not form part of the text of this Agreement. This Agreement shall be construed and enforced in accordance with the laws of the state in which the Property is located, without giving effect to its conflicts of law provisions.

14.9 Binding Effect. This Agreement and all of its terms and conditions shall extend to and be binding upon each of the parties hereto and upon their respective heirs, executors, administrators, successors, and assigns. Buyer is expressly permitted to assign and delegate all of its rights and obligations hereunder to another party without Seller's prior consent.

14.10 Contract Formation; Counterparts. Each party's obligations hereunder become binding upon that party's execution hereof, irrespective of the time at which this Agreement is countersigned by the other party. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall be deemed to be one and the same agreement. This Agreement may be executed and transmitted between the parties via electronic means, including email or facsimile, and each party waives any objection to the presentation of any such facsimiled signature as original.

14.11 Further Assurances. Each party will, upon request of the other party, execute such additional instruments, documents, or certificates as the other party reasonably deems necessary or desirable in order to confirm conveyance, assignment, and transfer of the Property to Buyer and/or to otherwise effectuate the transaction contemplated by this Agreement.

14.12 1031 Exchange. In connection with any tax deferred exchange pursuant to Section 1031 of the Internal Revenue Code of 1986, as amended (an "Exchange"), Buyer may assign this Agreement and its rights hereunder to any affiliate and/or a qualified intermediary participating in such Exchange as contemplated by said Section 1031 and related rules and regulations, and Seller agrees to reasonably cooperate with Buyer with regard to such Exchange. Notwithstanding the foregoing, such Exchange shall not: (a) cause the Seller to incur any cost or expense, and the Buyer agrees to indemnify and hold harmless Seller from any such expense or cost (including reasonable attorneys' fees) arising from the transaction being effectuated through an Exchange; (b) create any

additional obligations or liabilities on the part of Seller; (c) require Seller to take title to any property in conjunction with such exchange; and (d) delay the Closing Date. Buyer's obligations and rights under this Agreement are not contingent upon the transaction being effectuated through an Exchange. Seller makes no representations or warranties as to the tax consequences or effectiveness of an Exchange. The provisions of this Section shall survive the Closing.

14.13 Addendum. Attached hereto is an Addendum with additional terms and conditions that shall be applicable to this Agreement.

IN WITNESS WHEREOF, in consideration of the mutual covenants and agreements herein and intending to be legally bound hereby, the parties have executed this Agreement as of the date set forth below:

SELLER:

United States Steel Corporation,
a Delaware corporation

By: _____

Name: _____

Title: _____

Date: _____, 2013

BUYER:

Mt. Iron Economic Development Authority, a public
body, corporate and politic and a political subdivision
under the laws of the State of Minnesota

By: Anthony Zupancich, President

By: Craig Wainio, Executive Director

Date: _____, 2013

**Addendum to Purchase Agreement
Seller – United States Steel Corporation
Buyer - City of Mountain Iron**

1. Well Disclosure. There are no wells on the Property.
2. Individual Sewage Treatment System Disclosure. There are no individual on-site sewage treatment systems on the Property.
3. Protected Sites. The Property has no conditions that are protected by federal or state law (such as American Indian burial grounds, other human burial grounds, ceremonial earthworks, historical structures or materials, or archeological sites).
4. Hazardous Substances, Petroleum Products, and Underground Storage Tanks.

If Seller has disclosed the presence of underground storage tanks, then Seller represents and warrants that all of the underground tanks known to Seller on the Property have been disclosed to Buyer on the attached drawing or map. Seller shall provide at closing the affidavits required by Minnesota Statutes Section 115B.16, Subd. 2, and 116.48 if applicable to the Property and record an affidavit attesting to the location of any underground tanks which are used for the storage of petroleum products.

Seller represents and warrants that there have been no acts or occurrences upon the Property that have caused or would cause hazardous substances or petroleum products to be released or discharged into the subsoil or ground water of the Property or other property in the area. Seller represents and warrants that the Property is free of hazardous substances and is not subject to any "superfund" type liens or claims by governmental regulatory agencies or third parties arising from the release or threatened release of hazardous substances in, on, or about the Property. Seller shall indemnify and hold Buyer harmless from any and all claims, causes of action, damages, losses, or costs (including attorneys' fees) relating to hazardous substances or petroleum products in the subsoil or ground water of the Property or any other property in the area which arise from or are caused by acts or occurrences upon the Property prior to Buyer taking possession.

These warranties and indemnifications shall survive the Closing and shall not merge into the Deed.

EXHIBIT A

(Legal Description)

The Southerly 230.00 feet of the East One-half of the Southwest Quarter of the Southwest Quarter of the Northeast Quarter, Section 11, Township 58 North, Range 18 West of the Fourth Principal Meridian, St. Louis County, Minnesota.

Containing 1.9 acres more or less

Subject to mining and mineral reservations of record.

EXHIBIT I (Map)

Minntac to City of Mt. Iron

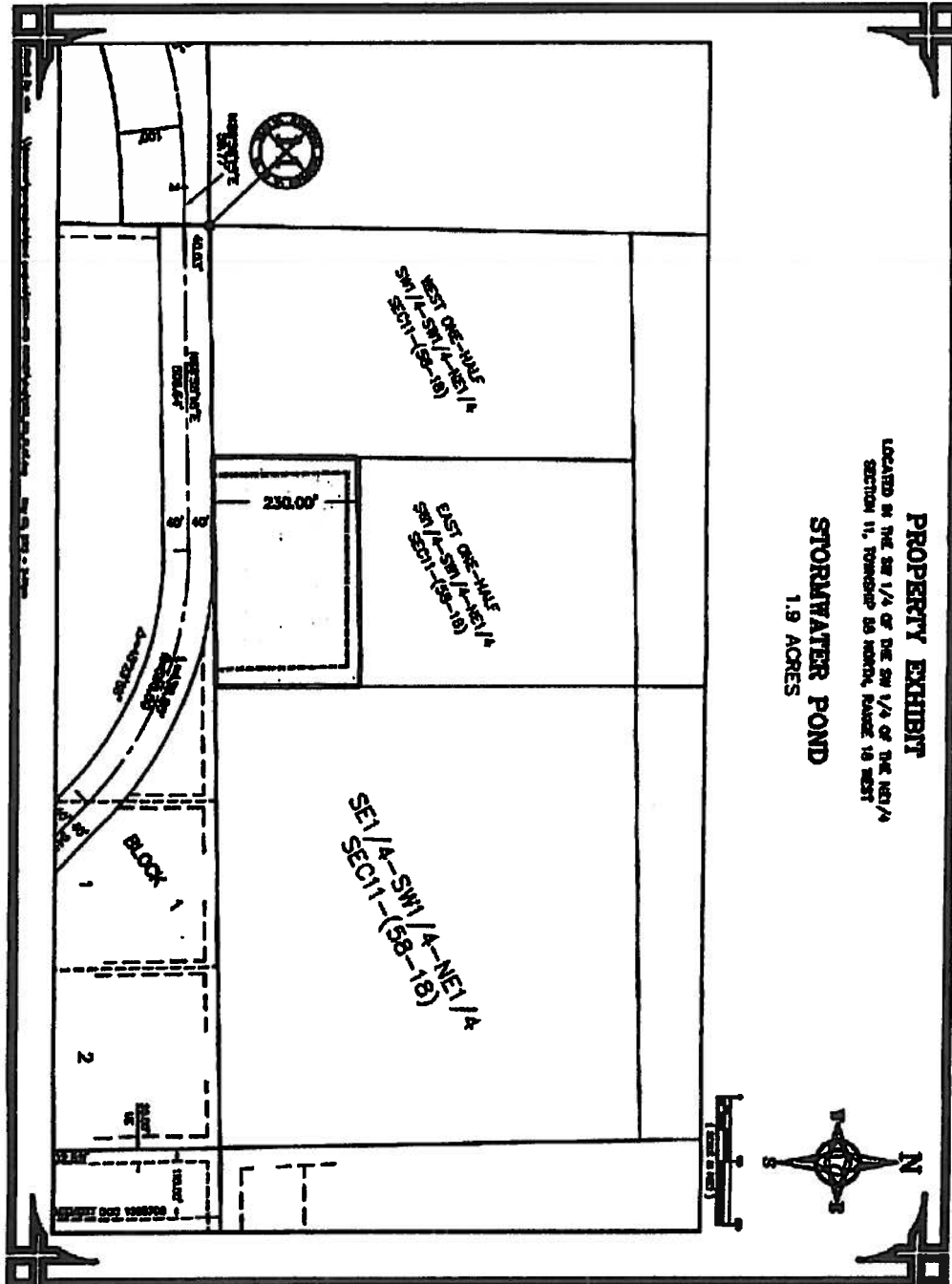
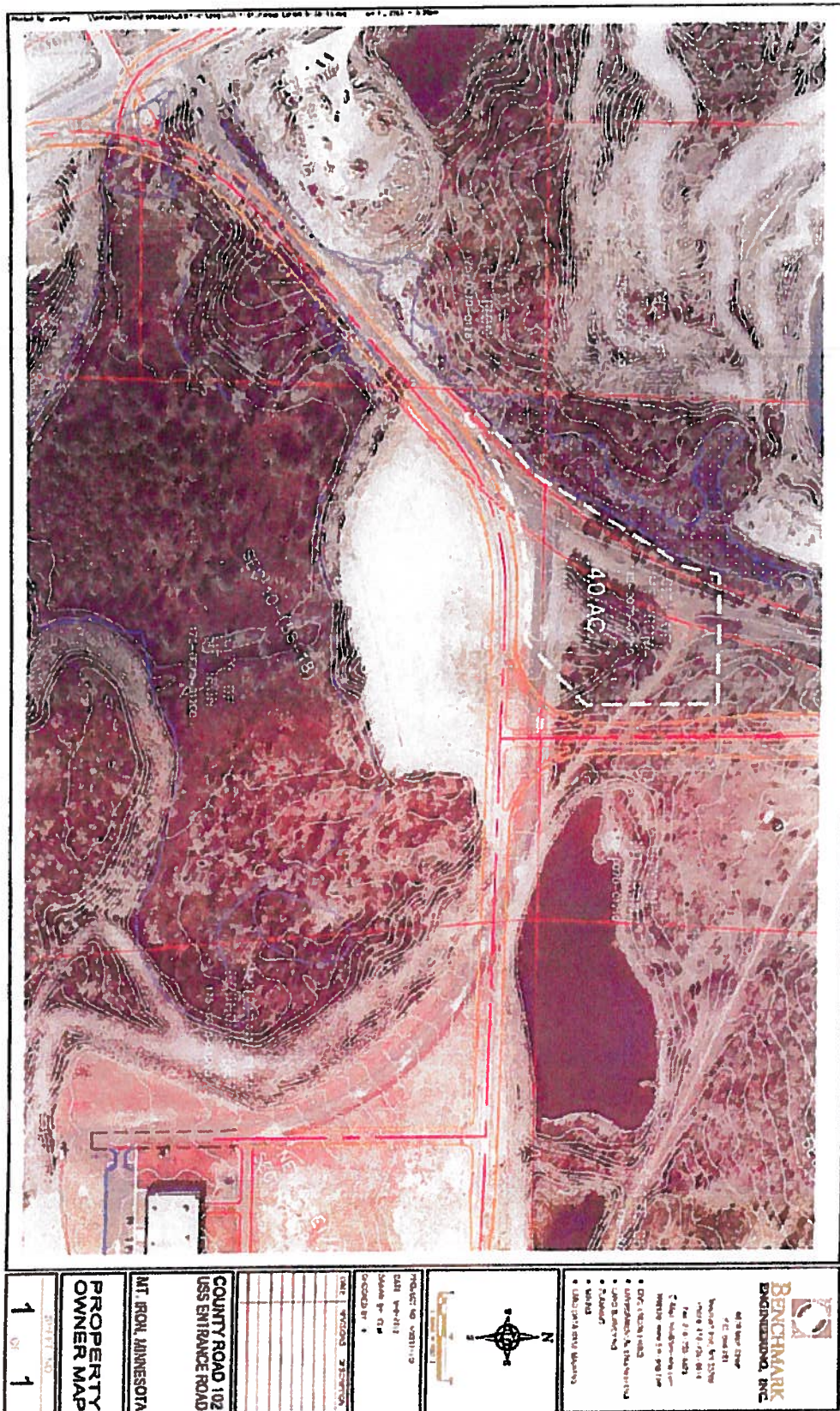


EXHIBIT J



COUNCIL LETTER 090313-VIH

ADMINISTRATION

RELEASE AGREEMENT

DATE: August 29, 2013

FROM: Craig J. Wainio
City Administrator

Enclosed, please find a Release of Access Agreement between the City of Mountain Iron and the Mountain Iron EDA. This agreement would release an easement obtained by the EDA from the City to construct the road and utilities across City property to serve the Energy Park and is no longer needed. As part of the process to clear up all legal issues and encumbrances on the right-of-way for relocated County Road 102, this easement needs to be removed. Staff and the City Attorney have reviewed and found the Agreement in order. It is recommended that the City Council approve the Release of Access Easement Agreement.

RELEASE OF ACCESS EASEMENT AGREEMENT

This Release is entered into this _____ day of _____, 2013, by and between the **City of Mountain Iron, Minnesota**, a Minnesota municipal corporation and political subdivision ("Grantor"), and **Mountain Iron Economic Development Authority**, a Minnesota public body, corporate and politic and political subdivision ("Grantee").

RECITALS

- A. The parties hereto entered into an Access Easement Agreement dated December 14, 2010, and recorded March 1, 2011, as Document No. 01156292 in the Office of the County Recorder, St. Louis County, Minnesota.
- B. The purpose of the Access Easement Agreement was to allow Grantee to construct an access road over a portion of the respective properties owned by Grantor and Grantee for ingress to and egress from the Grantee parcel from County Road 102.
- C. Due to the impending relocation of County Road 102 said access easement is no longer necessary or useful to the parties hereto.

NOW, THEREFORE, in consideration of the mutual covenants contained herein the parties agree as follows:

- 1. The aforesaid Access Easement Agreement Document No. 01156292 is hereby by mutual agreement and consent discharged and released.
- 2. This Agreement may be signed in counterparts with all such counterparts constituting the entire agreement.

3. This Agreement shall be governed by the laws of the State of Minnesota.

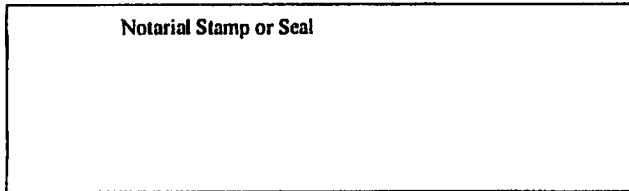
CITY OF MOUNTAIN IRON

By: _____
Gary Skalko, Mayor

By: _____
Craig J. Wainio, City Administrator

STATE OF MINNESOTA)
) ss.
COUNTY OF ST. LOUIS)

The foregoing instrument was acknowledged before me on _____, 2013, by Gary Skalko, the Mayor, and Craig J. Wainio, the City Administrator, of the City of Mountain Iron, Minnesota, a Minnesota municipal corporation and political subdivision, on behalf of the corporation.



Notary Public

(remainder of this page left blank intentionally)

**MOUNTAIN IRON ECONOMIC
DEVELOPMENT AUTHORITY**

By: _____
Anthony Zupancich, President

By: _____
Craig Wainio, Executive Director

STATE OF MINNESOTA)
) **ss.**
COUNTY OF ST. LOUIS)

The foregoing instrument was acknowledged before me on _____, 2013, by **Anthony Zupancich**, the President, and **Craig Wainio**, the Executive Director of **Mountain Iron Economic Development Authority**, a Minnesota public body, corporate and politic and political subdivision, on behalf of the **Mountain Iron Economic Development Authority**.

Notarial Stamp or Seal

Notary Public

THIS INSTRUMENT DRAFTED BY:
Sam A. Aluni
TRENTI LAW FIRM
225 1st Street North, Suite 1000
P.O. Box 958
Virginia, MN 55792

COMMUNICATIONS
SEPTEMBER 3, 2013

1. The Greater Minnesota Agency, forward the health insurance renewal information.
2. Tri-Cities Biosolids Disposal Authority, forwarding the 2014 budget information.
3. Biosolids Disposal Site Authority, forwarding the 2014 budget information.
4. Minnesota Department of Health, forward the sanitary survey report for the Mountain Iron Public Water System.



The Greater Minnesota Agency, Inc.

403 North First Street ★ Virginia, MN 55792 ★ 218-741-0646 ★ FAX 218-741-7062
Mick Giblin, Insurance Agent, Lic. #27047 ★ Becky Mickelson, Insurance Agent, Lic. #59214

August 23, 2013

Mr. Craig Wainio Administrator

City of Mt. Iron

8586 Enterprise Drive South

Mt. Iron, MN 55768

RE: 2014 BCBSM Renewal

Dear Craig,

Enclosed are the 2014 rates and renewal data for your group from BlueCross BlueShield of Minnesota
Through the Northeast Service Cooperative.

The rates shown a small change from current of 1.5%. Alternate rates for various plans are listed under
Section 11.

Also note the group renewal bulletin under Section One listing changes that may apply to your group.
It is the employer's responsibility to share this information with the employees.

Contact us with any questions or concerns you may have. We appreciate being of continued service
to you.

Sincerely,

Mick Giblin

Authorized Agent

Enclosure

Tri- Cities Biosolids Disposal Authority

**413 Pierce Street
Eveleth, MN 55734
218.742.4626**

City of Eveleth

City of Gilbert

City of Mt. Iron

August 21, 2013

Honorable Mayor and City Council
City of Mt. Iron
City Hall
Mt. Iron, MN 55768

Mayor and Council,

At a regular meeting of the Tri-Cities Biosolids Disposal Authority (TCBDA) held August 21, 2013 the 2014 TCBDA budget was adopted with a total of \$84,000.00. Enclosed is a copy of the 2014 TCBDA budget.

The 2014 TCBDA budget will be funded per the Ordinance that established the TCBDA. Each City pays according to the percentage of loads they hauled compared to the total loads from all three cities during a period of July 1, 2012 to June 30, 2013.

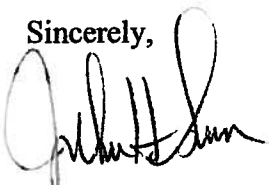
Mt. Iron's share of the 2014 budget is \$20,412.00.

The first quarter of Mt. Iron's share of the 2014 budget will be billed in late December 2013.

It is hoped that this information is sufficient for determining your City's budget.

If you have any questions concerning this budget, please contact Tim Satrang or myself.

Sincerely,



John H. Seurer, Sec/Tres for the BDSA

Copy: Tim Satrang

2014 TCBDA Budget

* Employees Wages&Benefits	\$ 55,000.00
Insurance & Bond	3,500.00
Office& Administration	200.00
Fuel	8,000.00
Repair & Maintenance	2,000.00
Garage Expense	2,500.00
Professional Services	3,300.00
Truck Replacement	12,000.00
Communication Rental	<u>500.00</u>
Subtotal	87,000.00
less BDSA reimbursements	<u>3,000.00</u>
Total	\$ 84,000.00

* Employee's includes AplTech/ Site Mgr, Sec/Treas, Relief Driver, and City of Mt. Iron Bookkeeper.

The 2014 TCBDA budget will be funded per Ordinance that established the TCBDA. Each City pays according to the percentage of loads that they hauled, compared to the totals from all three Cities during a period of July 1, 2012 to June 30, 2013.

<u>City</u>	<u>% of loads</u>	<u>Share of Budget</u>
Eveleth	48.7	\$ 40,908.00
Gilbert	27.0	22,680.00
Mt. Iron	<u>24.3</u>	<u>20,412.00</u>
Totals	100.0	\$ 84,000.00

Biosolids Disposal Site Authority

413 Pierce Street
Eveleth, MN 55734
718 747 4676

City of Eveleth

City of Gilbert

City of Virginia

City of Mt. Iron

August 21, 2013

Honorable Mayor and City Council
City of Mt. Iron
City Hall
Mt. Iron, MN 55768

Mayor and Council,

At a regular meeting of the Biosolids Disposal Authority (BDSA) held August 21, 2013 the BDSA budget was adopted with a total of \$37,600.00. Enclosed is a copy of the 2014 BDSA budget.

By Ordinance, this budget is to be funded by an annual per capita fee from each member City. At this time, the annual per capita fee for financing the 2014 budget was set at \$ 2.14645.

The 2010 census for the City of Mt. Iron is 2,869 persons. Mt. Iron's share of the BDSA 2014 budget is \$ 6,158.17.

Mt. Iron's share of the 2014 budget will be billed in late December 2013.

It is hoped that this information is sufficient for determining your City's budget.

If you have any questions concerning this budget, please contact Tim Satrang or myself.

Sincerely,



John H. Seurer, Sec/Tres for the BDSA

Copy: Tim Satrang

2014 BDSA Budget

Site Superintendent	500.00
Sites and Road Maintenance	13,000.00
Snow Plowing	5,000.00
Professional Services	3,100.00
Sec/Treas and Office	3,000.00
Insurance & Bond	3,000.00
Site Permanent Improvements	<u>9,000.00</u>

Total \$ 36,700.00

The 2014 BDSA Budget will be funded by an annual \$ 2.14645 per capita charge, per the Ordinance that established the BDSA. Each City's share is as follows:

<u>City</u>	<u>Population</u>	<u>Share of Budget</u>
Eveleth	3,718	7,980.50
Gilbert	1,799	3,861.46
Mt. Iron	2,869	6,158.17
Virginia	8,712	<u>18,699.87</u>
Totals	17,098	\$ 36,700.00

It was agreed that the City of Virginia should not have to pay for snow plowing as they do not haul in the winter. Virginia's share of the 2013 budget will be adjusted (reduced by 50.95%) of the actual 2013 snow plowing costs \$4980.00.

Adjustment to Virginia's share is $\$4890 \times 0.51 = \$ 2539.80$.

2014 BDSA Adjusted Share of Budget

<u>City</u>	<u>Population</u>	<u>Share of Budget</u>
Eveleth	3,718	7,980.50
Gilbert	1,799	3,861.46
Mt. Iron	2,869	6,158.17
Virginia	8,712	<u>16,160.07</u>
Totals	17,098	\$ 34,160.20



Protecting, maintaining and improving the health of all Minnesotans

July 22, 2013

Mountain Iron City Council
c/o City Administrator
Mountain Iron City Hall
8586 Enterprise Drive South
Mountain Iron, Minnesota 55768

Dear Council Members:

SUBJECT: Sanitary Survey Report for Mountain Iron Public Water System (PWS), St. Louis County, PWSID 1690035

Enclosed is a copy of the sanitary survey report summarizing an on-site inspection of your Community Public Water System. This report includes a review of the system's water source, facilities, equipment, operation, maintenance, and monitoring compliance for the purpose of evaluating the adequacy of the facilities for producing and distributing safe drinking water. Technical and management information regarding the operation of the system may also be provided. Conducting sanitary surveys on a regular basis is an important element in preventing contamination of drinking water supplies and in maintaining compliance with the National Primary Drinking Water Standards.

Please take appropriate action to address any deficiencies or recommendations identified within this report. A deficiency may lead to a contamination of the water supply or failure of the system to be in compliance with the Safe Drinking Water Act. The enclosed report must be kept on file and made available for public review for not less than ten (10) years.

The Minnesota Department of Health (MDH) continues to monitor your PWS for contaminants identified by state and federal drinking water regulations. The results of such monitoring are not part of this report. They are sent to you under separate cover as they become available.

If you have questions concerning the information contained in the report, please contact me at 218/302-6178.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Luhrsen", is located below the word "Sincerely,".

Michael Luhrsen, P.E.
Community Public Water Supply Unit
Environmental Health Division
11 East Superior Street, Suite 290
Duluth, Minnesota 55802-2007

ML
Enclosures
cc: Water Superintendent



**MINNESOTA DEPARTMENT OF HEALTH
SECTION OF DRINKING WATER PROTECTION
Public Water Supply Inventory Report**



System Name: **Mountain Iron**

PWSID: **1690035**

System Contact: **Tim Satrang**

Survey Date: **06/13/2013**

Surveyor: **Michael Luhrsen, P.E.**

PWS Type: **Community**

Contact Information

<u>Name</u>	<u>Address</u>	<u>Phone/Email</u>
Contact		
Tim Satrang		Business Phone 1 218/735-8559
Owner/Responsible Party		
Mountain Iron City Council	c/o City Administrator Mountain Iron City Hall 8586 Enterprise Drive South Mountain Iron, MN 55768	Business Phone 1 218/748-7570 Email cwainio@ci.mountain-iron.mn.us

Financial

Mountain Iron City Council	c/o City Administrator Mountain Iron City Hall 8586 Enterprise Drive South Mountain Iron, MN 55768	Business Phone 1 218/748-7570
----------------------------	---	-------------------------------

Sample Bottles/General Correspondence

Mountain Iron Water Superintendent	City Hall 8586 Enterprise Drive South Mountain Iron, MN 55768
---------------------------------------	---

Emergency Workday

Tim Satrang	Business Fax 218/748-7573 Business Phone 1 218/748-7570 Email publicworks@mtniron.com Pager 218/742-5631
-------------	---

Emergency After-Hours

Tim Satrang	Business Phone 1 218/748-7570
Craig Wainio, City Administrator	Business Phone 1 218/749-5297 Cell Phone 218/742-6561 Email cwainio@ci.mountain-iron.mn.us

Classification Information

Owner Type:	Municipal	Population:	2,999
System Class:	C	Service Connections:	948
Service Area Characteristics:	Municipal	Class Points:	0

Certified Operators

<u>Name</u>	<u>Class</u>	<u>Expiration Date</u>	<u>Name</u>	<u>Class</u>	<u>Expiration Date</u>
Satrang, Tim C.	B	06/30/2014	Albrecht, Lenny M.	C	07/31/2015

Production Totals

Design Capacity:		Emergency Capacity:	
Average Daily:	375,000 Gallons	Storage Capacity:	1,463,500 Gallons
Highest Daily:	600,000 Gallons		



**MINNESOTA DEPARTMENT OF HEALTH
SECTION OF DRINKING WATER PROTECTION
Public Water Supply Inventory Report**



System Name: **Mountain Iron**
PWSID: **1690035**
System Contact: **Tim Satrang**

Survey Date: **06/13/2013**
Surveyor: **Michael Luhrsen, P.E.**
PWS Type: **Community**

Source Information

Well #1

Unique Well No.: 00150524
Type: Well
Status: Active
Availability: Primary
Year Constructed: 1981
Well Depth: 375
Casing Depth: 160
Casing Diameter: 12
Screen Length:
Aquifer: Biwabik Iron-Formation

Source Type: Groundwater
Pump Capacity (gpm): 800
Pumping Rate (gpm): 800
Emergency Capacity:
Static Depth:
Drawdown:
Pump Type: Submersible

Well #2

Unique Well No.: 00150526
Type: Well
Status: Active
Availability: Primary
Year Constructed: 1981
Well Depth: 425
Casing Depth: 160
Casing Diameter: 12
Screen Length:
Aquifer: Biwabik Iron-Formation

Source Type: Groundwater
Pump Capacity (gpm): 250
Pumping Rate (gpm): 250
Emergency Capacity:
Static Depth:
Drawdown:
Pump Type: Submersible

Well #3

Unique Well No.: 00239976
Type: Well
Status: Out Long Term
Availability: Emergency
Year Constructed: 1956
Well Depth: 64
Casing Depth: 50
Casing Diameter:
Screen Length:
Aquifer: Quaternary Buried Artesian

Source Type: Groundwater
Pump Capacity (gpm): 400
Pumping Rate (gpm): 400
Emergency Capacity:
Static Depth:
Drawdown:
Pump Type:



MINNESOTA DEPARTMENT OF HEALTH
SECTION OF DRINKING WATER PROTECTION
Public Water Supply Inventory Report



System Name: **Mountain Iron**
PWSID: **1690035**
System Contact: **Tim Satrang**

Survey Date: **06/13/2013**
Surveyor: **Michael Luhrsen, P.E.**
PWS Type: **Community**

Source Information

Well #4

Unique Well No.: 00229166
Type: Well
Status: Out Long Term
Availability: Emergency
Year Constructed: 1956
Well Depth: 60
Casing Depth: 46
Casing Diameter:
Screen Length:
Aquifer: Quaternary Buried Unconfined

Source Type: Groundwater
Pump Capacity (gpm): 300
Pumping Rate (gpm): 300
Emergency Capacity:
Static Depth:
Drawdown:
Pump Type:

Treatment Information

TREATMENT PLANT #1

Type: Treatment Plant
Status: Active
Availability: Primary

Treatment Objective

Disinfection
Fluoride (Z)
Iron removal

Source Water: Groundwater
Design Capacity:
Emergency Capacity:

Treatment Process Mechanism

Chlorine/Gas
Fluoridation/Hydrofluosilicic acid
Filtration (Gravity)/Dual media
Oxidation - chemical/Chlorine

Well #3 Entry Point

Type: Treatment Plant
Status: Out Long Term
Availability: Emergency

Treatment Objective

Disinfection

Source Water: Groundwater
Design Capacity:
Emergency Capacity:

Treatment Process Mechanism

Chlorine/Gas

Well #4 Entry Point

Type: Treatment Plant
Status: Out Long Term
Availability: Emergency

Treatment Objective

Disinfection

Source Water: Groundwater
Design Capacity:
Emergency Capacity:

Treatment Process Mechanism

Chlorine/Gas

Storage Information

Elevated 450000

Type: Storage-Elevated
Status: Active

Capacity: 450,000 Gallons
Availability: Primary



**MINNESOTA DEPARTMENT OF HEALTH
SECTION OF DRINKING WATER PROTECTION
Public Water Supply Inventory Report**



System Name: **Mountain Iron**

PWSID: **1690035**

System Contact: **Tim Satrang**

Survey Date: **06/13/2013**

Surveyor: **Michael Luhrsen, P.E.**

PWS Type: **Community**

Storage Information

Ground 1000000

Type: Storage-Ground

Status: Active

Capacity: 1,000,000 Gallons

Availability: Primary

Ground 13500

Type: Storage-Ground

Status: Active

Capacity: 13,500 Gallons

Availability: Primary



MINNESOTA DEPARTMENT OF HEALTH
Section of Drinking Water Protection
Sanitary Survey Report



System Name: **Mountain Iron**

PWSID: **1690035**

System Contact: **Tim Satrang**

Survey Date: **06/13/2013**

Surveyor: **Michael Luhrsen, P.E.**

PWS Type: **Community**

Requirements and Recommendations

Water Source

As a reminder, it is required that a well for a community public water supply be located according to distances specified in Minn. Rules 4725.4450, including not less than 50 feet from a source of contamination including buried sewers (except as specified in Minn. Rules 4725.5850).

Pumps/Pump Facilities and Controls

No deficiencies observed.

Treatment

No deficiencies observed.

Water Storage

No deficiencies observed.

Distribution

It is recommended that dead ends in the distribution system be minimized by looping. If looping is not feasible, a fire hydrant, approved flushing hydrant or blow off for flushing purposes must be used at the dead ends to maintain water quality and/or chlorine residual. [Minnesota Rules 4715.0340]

All building services shall be installed in accordance with the Minnesota Plumbing Code, Minnesota Rules, Chapter 4715.

The minimum size of watermain, which provides for fire protection and serving fire hydrants, shall be six-inch diameter. Larger size mains will be required if necessary to allow the withdrawal of the required fire flow while maintaining the minimum residual pressure of 20 psi.

Monitoring/Reporting Data Verification

The following records are required to be maintained by the water supply system:

- a. Coliform bacteria results - 5 years
 - b. Chlorine residual results - 5 years
 - c. Chemical results - 10 years
 - d. Sanitary survey reports - 10 years
 - e. All lead and copper materials - 12 years
 - f. Consumer confidence reports - 3 years
 - g. Public Notices - 3 years
 - h. Fluoride quarterly results and monthly reports - 1 year
- [Minn. Rules 4720.0350]



MINNESOTA DEPARTMENT OF HEALTH
Section of Drinking Water Protection
Sanitary Survey Report



System Name: **Mountain Iron**
PWSID: **1690035**
System Contact: **Tim Satrang**

Survey Date: **06/13/2013**
Surveyor: **Michael Luhrsen, P.E.**
PWS Type: **Community**

Requirements and Recommendations

Water System Management/Operation

As a reminder, engineering plans for new, modifications to, or additions to the water supply system, including watermains, are required to be properly submitted to the Minnesota Department of Health for review. All plans must be approved prior to the start of construction. [Minn. Rules 4720.0010]

It is recommended that the owner of the water supply institute a system of permits and inspections to enforce the Minnesota Plumbing Code.

To ensure security, it is recommended that a daily check of critical system components be conducted, including confirmation that all doors and access hatches are locked.

Operator Compliance with State Requirements

The certified operators are required to qualify themselves by attending waterworks operators training seminars offered throughout the state. Continuing education is valuable experience for anyone engaged in this field. The required contact hours in the previous 3 years for certification renewal are:

Class A 32 contact hours
Class B 24 contact hours
Class C 16 contact hours
Class D 8 contact hours
Class E 4 contact hours
[Minn. Rules 9400.1200]

Other

Bacteriological Sampling Sites:
City Hall
Library
Wastewater Plant
Operators Residence



MINNESOTA DEPARTMENT OF HEALTH
Section of Drinking Water Protection
Sanitary Survey Report



System Name: **Mountain Iron**
PWSID: **1690035**
System Contact: **Tim Satrang**

Survey Date: **06/13/2013**
Surveyor: **Michael Luhrsen, P.E.**
PWS Type: **Community**

Bacteriological Results and Chlorine Residuals

<u>Date</u>	<u>Sampling Location</u>	<u>Chlorine Residual Free / Total (mg/L)</u>	<u>Coliform Bacteria</u>	<u>E.Coli</u>
06/13/2013	TREATMENT PLANT #1	0.60 /	Absent	
06/13/2013	Wastewater Plant	0.40 /	Absent	
06/13/2013	Service Station	0.40 /	Absent	

COUNCIL LETTER 090313-IX

PERSONNEL COMMITTEE

CLOSED MEETING

DATE: August 29, 2013
FROM: Personnel Committee
Craig J. Wainio
City Administrator

The City Council may go into Closed Session to discuss the negotiation being under taken with management personnel. The meeting is being closed pursuant to 2012 Minnesota Statutes 13D.03

The following provisions of State Statute must be observed:

- Before closing the meeting, the council must decide to close the meeting by a majority vote at a public meeting and must announce the time and place of the closed meeting.
- Before closing the meeting, the council must state on the record the specific grounds permitting the meeting to be closed and describe the subject to be discussed.
- A written record of all people present at the closed meeting must be available to the public after the closed meeting.
- The meeting must be tape-recorded.
- The recording must be kept for two years after the contract is signed.
- The recording becomes public after all labor agreements are signed by the city council for the current budget period.