

**MOUNTAIN IRON CITY COUNCIL MEETING
COMMUNITY CENTER
MOUNTAIN IRON ROOM
MONDAY, SEPTEMBER 21, 2015 - 6:30 P.M.
A G E N D A**

- I. Roll Call
- II. Consent Agenda
 - A. Minutes of the September 8, 2015, special meeting (#1)
 - B. Minutes of the September 8, 2015, regular meeting (#2-19)
 - C. Receipts
 - D. Bills and Payroll
 - E. Communications (#118-120)
- III. Public Forum
- IV. Committee and Staff Reports
 - A. Mayor's Report
 - 1. EDA Board Resignation (#20)
 - B. City Administrator's Report
 - 1. Quotes for Wire Purchase (#21-24)
 - C. Library Director/Special Events Coordinator's Report
 - D. City Engineer's Report
 - 1. Change Order Number 1 – Mud Lake Force Main (#25-26)
 - 2. Final Pay Request – Mud Lake Force Main (#27-28)
 - 3. Change Order Number 1 – 2014 Street Improvements (#29-30)
 - 4. Final Pay Request – 2014 Street Improvements (#31-32)
 - E. City Attorney's Report
 - F. Planning and Zoning Commission
 - 1. Variance – Werschay (#33-40)
 - G. Utility Advisory Board
 - 1. Minnesota Power Contract (#41-93)
 - H. Liaison Reports
- V. Unfinished Business
 - A. Resolution Number 11-15 Accepting Work (#94-95)
- VI. New Business
 - A. Ordinance Number 07-15 Amending Zoning Ordinance (#96-98)
 - B. Ordinance Number 08-15 Amending Zoning Map (#99-102)
 - C. Resolution Number 23-15 PACE Joint Powers Agreement (#103-113)
 - D. Request to Serve Alcohol at Community Center (#114)
 - E. Temporary Liquor License – Soroptimist of Virginia (#115)
 - F. Temporary Liquor License – Friends of the Library (#116)
 - G. Set Closed Meeting for Employee Evaluations(#117)
- VII. Communications (#118-120)
- VIII. Announcements
- IX. Adjourn

MINUTES
SPECIAL MEETING
MOUNTAIN IRON CITY COUNCIL
SEPTEMBER 8, 2015

Mayor Skalko called the City Council meeting to order at 5:30 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; Jill M. Clark, Municipal Services Secretary; and Rod Flannigan, City Engineer.

At 5:32 p.m., it was moved by Prebeg and seconded by Tuomela to recess the special meeting and convene the public hearing for the proposed assessments for Unity Drive. The motion carried with Zupancich absent.

The following people spoke during the public hearing:

Wayne Pohia, 8754 Unity Drive, Mountain Iron, he expressed concern that the property pins were removed by the contractor. He said that he did not want to pay for his property to be surveyed. The City Engineer said he would review the situation.

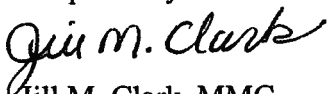
Crystal Yernatich, 8750 Unity Drive, Mountain Iron, submitted a letter to the Council regarding her concerns. The Mayor informed her that the letter was received. She stated that she was concerned with the additional five water and sewer connections that were made, that they were not being assessed for this work. Also, she said that her water line was uncovered by the contractor and was not restored to the same depth. She was also concerned that her water shut off was now located under the asphalt on the bike trail. She also said that she had a concern with the location of the signs on the bike trail that people riding a bicycle on the trail could hit their head on signs because they are located so low. She also said she was concerned with the rock barrier between the bike trail and the road. The City Engineer said that he would review her concerns.

Rita Brabec, 5481 Garden Drive, Mountain Iron, asked if a culvert could be added to the rear of her property. She also stated that she had a concern with brown water. The Mayor said that he would have the Director of Public Works contact her regarding her request for a culvert.

At 5:53 p.m., it was moved by Prebeg and seconded by Stanaway to adjourn the public hearing and reconvene the special meeting. The motion carried with Zupancich absent.

At 5:54 p.m., it was moved by Skalko and seconded by Tuomela that the meeting be adjourned. The motion carried with Zupancich absent.

Respectfully submitted:



Jill M. Clark, MMC
Municipal Services Secretary

MINUTES
MOUNTAIN IRON CITY COUNCIL
SEPTEMBER 8, 2015

Mayor Skalko called the City Council meeting to order at 6:30 p.m. with the following members present: Joe Prebeg, Jr., Tony Zupancich, Susan Tuomela, Alan Stanaway, and Mayor Gary Skalko. Also present were: Craig J. Wainio, City Administrator; Jill M. Clark, Municipal Services Secretary; Michael Downs, Director of Public Works; Rod Flannigan, City Engineer; Sally Yuccas, Librarian Director/Special Events Director and John Backman, Sergeant (entering at 6:34 p.m.).

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

1. Approve the minutes of the August 17, 2015, 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 16-31, 2015, totaling \$574,726.93, (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 16-31, 2015, totaling \$694,507.44, (a list is attached and made a part of these minutes).

The motion carried unanimously on a roll call vote.

No one spoke during the public forum.

The Mayor reported on the following:

- Condolences. To the family of Sandra Lautigar.
- Congratulations. Birthday wishes to Emil Stimac, he turned 90 on June 24th.
- Good Luck. To the Mountain Iron-Buhl School Athletes participating in Fall activities.
- Good Luck. To Matt Niskanen for his 9th season with the National Hockey League.

It was moved by Zupancich and seconded by Tuomela to approve the payment of the 2016 membership dues to the Coalition of Greater Minnesota Cities in the amount of \$5,174.00. The motion carried unanimously on a roll call vote.

It was moved by Prebeg and seconded by Tuomela to authorize the Minnesota Power contract extension, (a copy is attached and made a part of these minutes). The motion carried.

The City Administrator reported on the following:

- Congratulations. To Council Stanaway for his appointment to the Range Association of Municipalities and Schools (RAMS) Board.

- Recognition. The Mayor congratulated the City Administrator for getting a “Hole in One” while golfing.

The Librarian Director/Special Events Director reported on the following:

- Library Report. Submitted the August 2015 statistics.
- Friends of the Library. She announced a fundraiser scheduled for October 1st.
- Merritt Days Committee. She submitted final reports for the event.

It was moved by Zupancich and seconded by Tuomela to authorize payment request number two to Mesabi Bituminous Incorporated in the amount of \$316,176.63 for the reconstruction of Mountain Iron Drive. The motion carried unanimously on a roll call vote.

It was moved by Prebeg and seconded by Stanaway to authorize payment request number one to Hibbing Excavating Incorporated in the amount of \$94,078.49 for the Agate Street Storm Sewer Improvements. The motion carried unanimously on a roll call vote.

It was moved by Stanaway and seconded by Prebeg to accept the recommendation of the Public Health and Safety Board and approve the Mountain Iron Standard Operating Guidelines as presented. The motion carried.

It was moved by Zupancich and seconded by Tuomela to adopt Ordinance Number 06-15, amending the Zoning Ordinance, (a copy is attached and made a part of these minutes). The motion carried.

It was moved by Prebeg and seconded by Tuomela to adopt Resolution Number 19-15, adopting special assessments on Unity Drive, (a copy is attached and made a part of these minutes). The motion carried.

It was moved by Skalko and seconded by Prebeg to adopt Resolution Number 20-15, preliminary levy, representing a zero percent increase, (a copy is attached and made a part of these minutes). The motion carried.

It was moved by Prebeg and seconded by Tuomela to adopt Resolution Number 21-15, Market Rate Levy, (a copy is attached and made a part of these minutes). The motion carried.

It was moved by Zupancich and seconded by Tuomela to adopt Resolution Number 22-15, Economic Development Authority Levy, (a copy is attached and made a part of these minutes). The motion carried.

It was moved by Stanaway and seconded by Zupancich to approve the Arrowhead Economic Opportunity Agency’s Energy Assistance Program, (a copy is attached and made a part of these minutes). The motion carried.

It was moved by Zupancich and seconded by Tuomela to approve the Salvation Army’s agreement, (a copy is attached and made a part of these minutes). After further discussion,

Zupancich amended his motion and it was seconded by Tuomela to include a request to the Salvation Army to submit information regarding the amount of the contributions received from Mountain Iron residents and the payments contributed for Mountain Iron utility bills. The amended motion carried.

It was moved by Zupancich and seconded by Stanaway to authorize a \$150 hole sponsorship for the Fairview Range Medical Center charity golf event with the funds being expended from the Charitable Gambling Fund. The motion carried unanimously on a roll call vote.

It was moved by Prebeg and seconded by Stanaway to direct the City Engineer to relocate any missing survey pins, check the depths of the water pipes, and check the locations of the water shutoffs on the Unity Drive Extension Project. The motion carried.

At 7:04 p.m., it was moved by Skalko and seconded by Tuomela that the meeting be adjourned. The motion carried.

Submitted by:



Jill M. Clark, MMC
Municipal Services Secretary

www.mtniron.com

COMMUNICATION

1. Range Mental Health Center, Inc., a thank you for the support for the Project Warmth Fundraising Event.
2. Fairview Range Medical Center, a request for a contribution.

Summary By Category And Distribution

Category	Distribution	Amount
UTILITY	UTILITY	166,494.51
PERMITS	BUILDING	526.95
MISCELLANEOUS	REIMBURSEMENTS	22,643.94
CHARGE FOR SERVICES	ELECTRIC-CHG FOR SERVICES	108.11
MISCELLANEOUS	SALE-COPIES, MAPS, LABOR-ADMIN	3.00
METER DEPOSITS	ELECTRIC	2,500.00
CAMPGROUND RECEIPTS	FEES	5,000.00
CAMPGROUND RECEIPTS	LODGING TAX PAYABLE - W2 CAMP.	147.00
CAMPGROUND RECEIPTS	SALES TAX PAYABLE-W2 CAMPGR.	369.98
CAMPGROUND RECEIPTS	CREDIT CARD FEES	65.73
LICENSES	ANIMAL	20.00
MISCELLANEOUS	REIMB PHONE EXPENSE-ELEC	55.92
BUILDING RENTALS	BUILDING RENTAL DEPOSITS	400.00
BUILDING RENTALS	COMMUNITY CENTER	350.00
CD INTEREST	CD INTEREST 101	396.79
CD INTEREST	CD INTEREST 378	451.90
CD INTEREST	CD INTEREST 602	165.33
CD INTEREST	CD INTEREST 603	55.11
CD INTEREST	CD INTEREST 604	33.06
MISCELLANEOUS	BLUE CROSS/BLUE SHIELD PAYABLE	307.89
METER DEPOSITS	WATER	500.00
COPIES	COPIES	50.50
INTERGOVERNMENTAL REVENUE	TACONITE PRODUCTION TAX	373,659.00
BUILDING RENTALS	NICHOLS HALL	70.00
PERMITS	VARIANCE	150.00
CHARGE FOR SERVICES	WATER-CHARGE FOR SERVICES	152.21
MISCELLANEOUS	ASSESSMENT SEARCHES	50.00
Summary Totals:		<u>574,726.93</u>

Check Issue Date(s) 09/08/2015 - 09/09/2015

Per	Date	Check No	Vendor No	Payee	Check GL Acct	Amount
09/15	09/09/2015	147433	10070	A-1 RENTAL SERVICES INC	101-20200	87.00
09/15	09/09/2015	147434	10075	AMERIPRIDE SERVICES	101-20200	39.88
09/15	09/09/2015	147435	10020	ASPEN EQUIPMENT COMPANY	101-20200	146.43
09/15	09/09/2015	147436	5007	ASSURANT EMPLOYEE BENEFITS	101-20200	952.24
09/15	09/09/2015	147437	734	B.G.'S BAR AND GRILL	101-20200	265.82
09/15	09/09/2015	147438	20010	BISS LOCK INC	101-20200	59.00
09/15	09/09/2015	147439	30017	CARQUEST (MOUNTAIN IRON)	101-20200	148.09
09/15	09/09/2015	147440	170001	CENTURY LINK	101-20200	116.39
09/15	09/09/2015	147441	30082	CITY OF EVELETH	101-20200	289.80
09/15	09/09/2015	147442	9027	CLAIRE SEPPI	101-20200	33.00
09/15	09/09/2015	147443	9033	CLAYTON ZEIDLER	101-20200	200.00
09/15	09/09/2015	147444	30024	COALITION OF GREATER MN CITIES	101-20200	5,174.00
09/15	09/09/2015	147445	30072	COMPUTER WORLD	101-20200	1,400.30
09/15	09/09/2015	147446	30032	COURT ADMIN.-CONCILIATION	604-20200	168.00
09/15	09/09/2015	147447	9034	DEBORAH ALTO	101-20200	100.00
09/15	09/09/2015	147448	400012	DIAMOND MOWERS INC	101-20200	133.76
09/15	09/09/2015	147449	9029	DOUCETTE'S LANDSCAPING &	601-20200	500.00
09/15	09/09/2015	147450	50041	EMERGENCY AUTOMOTIVE TECH INC	301-20200	2,327.82
09/15	09/09/2015	147451	500012	ERA LABORATORIES INC	601-20200	845.60
09/15	09/09/2015	147452	50051	ESRI	301-20200	400.00
09/15	09/09/2015	147453	60026	FASTENAL COMPANY	101-20200	245.80
09/15	09/09/2015	147454	60006	FISHER PRINTING COMPANY	101-20200	1,992.00
09/15	09/09/2015	147455	70004	GRANDE ACE HARDWARE	101-20200	44.96
09/15	09/09/2015	147456	70028	GREATER MINNESOTA AGENCY INC	101-20200	204.00
09/15	09/09/2015	147457	70029	GUARDIAN PEST CONTROL INC	101-20200	88.60
09/15	09/09/2015	147458	140013	HD SUPPLY WATERWORKS, LTD.	601-20200	942.90
09/15	09/09/2015	147459	80057	HEART GRAPHICS AND	101-20200	210.55
09/15	09/09/2015	147460	80059	HEIMAN FIRE EQUIPMENT	301-20200	11,768.90
09/15	09/09/2015	147461	80008	HIBBING EXCAVATION INC	301-20200	94,078.49
09/15	09/09/2015	147462	80037	HOMETOWN MEDIA PARTNERS	101-20200	30.00
09/15	09/09/2015	147463	90026	INDUSTRIAL LUBRICANT COMPANY	101-20200	1,393.00
09/15	09/09/2015	147464	9015	JAKE LUNDBERG	601-20200	75.57
09/15	09/09/2015	147465	9004	JODIE MATTILA	101-20200	137.15
09/15	09/09/2015	147466	110037	KELLER FENCE COMPANY	101-20200	3,075.00
09/15	09/09/2015	147467	110006	KEN WASCHKE AUTO PLAZA	101-20200	321.29
09/15	09/09/2015	147468	120013	L & L RENTALS INC	101-20200	83.29
09/15	09/09/2015	147469	120032	LAKE COUNTRY POWER	101-20200	202.00
09/15	09/09/2015	147470	120002	LAWSON PRODUCTS INC	101-20200	692.30
09/15	09/09/2015	147471	120019	LEAGUE OF MN CITIES	101-20200	3,081.00
09/15	09/09/2015	147472	120052	LEHMAN FABRICATING INC	603-20200	1,607.70
09/15	09/09/2015	147473	120014	LUNDGREN MOTORS	101-20200	33.10
09/15	09/09/2015	147474	130030	MACQUEEN EQUIPMENT	603-20200	361.59
09/15	09/09/2015	147475	9001	MARY ERICKSON	101-20200	77.31
09/15	09/09/2015	147476	8057	MELLIN PROMOTIONAL	101-20200	2,480.72
09/15	09/09/2015	147477	130041	MESABI BITUMINOUS	101-20200	317,471.63
09/15	09/09/2015	147478	5061	MESABI FAMILY YMCA	101-20200	200.00
09/15	09/09/2015	147479	110035	MIDWEST COMMUNICATIONS	101-20200	620.00
09/15	09/09/2015	147480	130133	MIDWEST PLAYSCAPES INC	301-20200	29,802.24
09/15	09/09/2015	147481	130044	MINNESOTA DEPT OF HEALTH	601-20200	1,481.88
09/15	09/09/2015	147482	140026	MINNESOTA ENERGY RESOURCES	101-20200	424.76
09/15	09/09/2015	147483	130082	MINNESOTA MAYORS ASSOCIATION	101-20200	30.00
09/15	09/09/2015	147484	130009	MINNESOTA POWER (ALLETE INC)	101-20200	2,010.66
09/15	09/09/2015	147485	9005	MOUNTAIN IRON LIONS CLUB	101-20200	270.00
09/15	09/09/2015	147486	140052	NORTHEAST SERVICE COOPERATIVE	101-20200	150.00
09/15	09/09/2015	147487	140072	NORTHERN STAR FOOD EQUIPMENT	101-20200	628.93
09/15	09/09/2015	147488	9032	NORTHLAND LEARNING CENTER	101-20200	200.00
09/15	09/09/2015	147489	140016	NORTHLAND SECURITIES	102-20200	1,980.00

Check Issue Date(s): 09/08/2015 - 09/09/2015

Per	Date	Check No	Vendor No	Payee	Check GL Acct	Amount
09/15	09/09/2015	147490	140008	NORTRAX EQUIPMENT/POWERPLAN	101-20200	132.70
09/15	09/09/2015	147491	150004	OCCUPATIONAL DEVELOPMENT CTR	101-20200	51.64
09/15	09/09/2015	147492	40032	OFFICE OF MN IT SERVICES	101-20200	424.07
09/15	09/09/2015	147493	160023	POHAKI LUMBER	101-20200	30.37
09/15	09/09/2015	147494	160071	PURCHASE POWER	101-20200	2,000.00
09/15	09/09/2015	147495	170007	QUILL CORPORATION	101-20200	548.83
09/15	09/09/2015	147498	180008	RADKO IRON & SUPPLY INC	101-20200	59.48
09/15	09/09/2015	147497	180004	RANGE COOPERATIVES	101-20200	17.18
09/15	09/09/2015	147498	180083	RAPID RENTAL & SUPPLY VIR	101-20200	626.03
09/15	09/09/2015	147499	9013	REBECCA SCHROEDER	101-20200	66.24
09/15	09/09/2015	147500	180073	RED ROCK RADIO	101-20200	560.00
09/15	09/09/2015	147501	9030	RESIDENTIAL SERVICES INC	101-20200	200.00
09/15	09/09/2015	147502	9028	RITTER & RITTER INC	601-20200	500.00
09/15	09/09/2015	147503	180005	ROAD MACHINERY AND SUPPLY	101-20200	2,645.29
09/15	09/09/2015	147504	9031	SHERYL KOICHEVAR	101-20200	200.00
09/15	09/09/2015	147505	190004	SKUBIC BROS INC	101-20200	152.73
09/15	09/09/2015	147506	190024	ST LOUIS CO SHERIFF LITMAN	101-20200	42,500.00
09/15	09/09/2015	147507	190002	ST LOUIS COUNTY AUDITOR	603-20200	18,825.00
09/15	09/09/2015	147508	200003	TACONITE TIRE SERVICE	603-20200	257.60
09/15	09/09/2015	147509	200036	TRITEC OF MINNESOTA INC	603-20200	118.11
09/15	09/09/2015	147510	200052	TUOMELA, SUSAN	101-20200	45.57
09/15	09/09/2015	147511	210009	USA BLUE BOOK	602-20200	207.66
09/15	09/09/2015	147512	220025	VERIZON WIRELESS	101-20200	26.48
09/15	09/09/2015	147513	220014	VIKING INDUSTRIAL NORTH	604-20200	631.55
09/15	09/09/2015	147514	230039	WAYNE EDWARDS	101-20200	400.00
09/15	09/09/2015	147515	230028	WISCONSIN ENERGY CONSERVATION	604-20200	70.32
09/15	09/09/2015	147516	240001	XEROX CORPORATION	604-20200	578.16
09/15	09/09/2015	147517	260005	ZEP MANUFACTURING COMPANY	101-20200	314.10
09/15	09/09/2015	147518	260001	ZIEGLER INC	602-20200	64.65
09/15	09/09/2015	147519	9035	CENTRAL MESABI MEDICAL	230-20200	150.00

Totals.

564,288.21

Payroll-PP Ending 8/28/15	112,282.58
Electronic Trans-Sale/Use Tax 8/20/15	<u>17,936.65</u>
TOTAL EXPENDITURES	<u>\$694,507.44</u>



August 28, 2015

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

Re: Extension of Current Capacity Charge for August 2015

Dear Craig:

In connection with those negotiations, and in the spirit of good faith that we will reach an agreement in principal in the near term, Minnesota Power hereby agrees to extend the current capacity charge of \$19.18 for an additional month (retroactive to August 1, 2015 and extending through August 31, 2015), subject to the following provision: in the event that negotiations do not result in a new wholesale electric service agreement, the current formula rate contract will remain in place, the capacity charge will revert to \$22.81 per kW month effective September 1, 2015, and the annual true-up mechanism in the formula rate will continue to apply. For purposes of this paragraph, an agreement in principle of a term sheet outlining the provisions of the new agreement, signed by each municipal wholesale customer by September 30, 2015, shall satisfy the requirement of the reduced rate in August 2015. It is anticipated that a new wholesale electric service agreement will become effective retroactive to September 1, 2015, and that the \$19.18 per kW rate billed in August 2015 shall not be subject to the annual capacity true-up under the current contract.

Please indicate your acceptance of this proposed amendment to the current contract and the rate reduction for the month of August 2015 by executing below and returning a copy to me.

Sincerely,

Patrick K. Mullen
Vice President - Marketing
Minnesota Power

City of Mountain Iron – Public Utilities

By: 

Title: Mayor

Date: 9/9/2015



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

ORDINANCE NUMBER 06-15

AMENDING SECTION 154 OF THE MOUNTAIN IRON CITY CODE

THE CITY OF MOUNTAIN IRON HEREBY ORDAINS:

Section 1. Amending Section 154.022. Section 154.022 (B) (7) of the Mountain Iron City Code is hereby amended to read as follows:

Accessory structures, including solar collectors or panels, communication towers and one wind energy conversion systems shall be permitted as an accessory use, provided that any tower shall be set back from all property lines a distance equal to or greater than the tower height as measured from the base of the tower, but in no case shall tower height exceed 130 feet.

Section 2. Amending Section 154.023. Section 154.023 (B) (4) of the Mountain Iron City Code is hereby amended to read as follows:

Accessory structures, including solar collectors or panels and one wind energy conversion system meeting the requirements specified in Section 154.022 (B) (7). Communication towers are not a permitted use.

Section 3. Amending Section 154.024. Section 154.024 (B) (3) of the Mountain Iron City Code is hereby amended to read as follows:

Accessory structures, including solar collectors or panels, providing the maximum floor area per structure does not exceed 900 square feet. Communication towers are not a permitted use.

Section 4. Amending Section 154.025. Section 154.025 (B) (4) of the Mountain Iron City Code is hereby amended to read as follows:

Accessory structures, including solar collectors or panel, with a maximum floor area per structure of 900 square feet and garage structures sufficient to house one vehicle for each dwelling unit for multiple dwellings. Communication towers are not a permitted use.

Section 5. Amending Section 154.026. Section 154.026 (B) (5) of the Mountain Iron City Code is hereby amended to read as follows:

Accessory structures as listed in Section 154.022 (B) (7), except communication towers are not permitted.

Section 6. Amending Section 154.027. Section 154.027 (B) (13) of the Mountain Iron City Code is hereby amended to read as follows:

Accessory uses or structures incidental to the principal use, not including communication towers.

Section 7. Amending Section 154.028. Section 154.028 (C) (8) of the Mountain Iron City Code is hereby added to read as follows:

Accessory structures as listed in 154.022 (B) (7).

Section 8. Amending Section 154.080. Section 154.080 (C) of the Mountain Iron City Code is hereby amended to read as follows:

A building permit is not required for accessory buildings of 120 square feet or less if they are not placed on a permanent foundation, not located in the front yard, and meet rear and side setbacks, except in Zoning Classifications that limit the total square footage of accessory structures.

Section 9. Inconsistent Ordinances. All Ordinances or portions thereof inconsistent with this Ordinance shall be repealed and replaced with the provisions of this Ordinance.

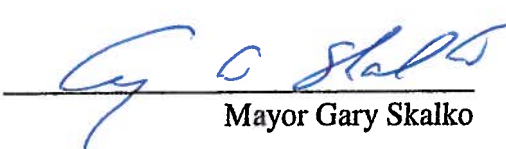
Section 10. Effective Date. This Ordinance shall be effective in accordance with State Statute.

DULY ADOPTED BY THE CITY COUNCIL THIS 8th DAY OF SEPTEMBER, 2015.

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 19-15

ADOPTING ASSESSMENT

WHEREAS, pursuant to proper notice duly given as required by law, the City Council has met and heard and passed upon all objections to the proposed assessment for Improvement Number MI13-07 the improvement of Unity Drive between the centerline of Diamond Lane and the centerline of Park Drive by construction.

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

1. Such proposed assessment, a copy of which is attached hereto and made a part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it.
2. Such assessment shall be payable in equal annual installments extending over a period of ten years, the first of the installments to be payable on or before the first Monday in January 2016, and shall bear interest at the rate of 4.25 percent per annum from the date of the adoption of this assessment resolution. To the first installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2016. To each subsequent installment, when due, shall be added interest for one year on all unpaid installments.
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 treasurer, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of this resolution; and he/she may, at any time thereafter, pay to the city treasurer 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 next succeeding year.
4. The City Administrator shall forthwith transmit a certified duplicate of this assessment to the County Auditor to be extended on the property tax lists of the County. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

DULY ADOPTED BY THE CITY COUNCIL THIS 8th DAY OF SEPTEMBER, 2015.

ATTEST:

City Administrator



Mayor Gary Skalko

Unity Drive Extension Assessment Estimates

Name	Address	City	Parcel Code	Feet	Assessment	Final Assessment
Vernon Paschke	5471 Garden Drive	Mountain Iron MN 55768	175-0055-2520	52.5	\$439.32	\$439.32
City of Mountain Iron	8586 Enterprise Drive South	Mountain Iron MN 55768		204	\$1,707.06	\$1,707.06
Thomas R & Stefanie Nicolanci	8821 Unity Drive	Mountain Iron MN 55768	175-0070-01315	214.5	\$1,794.93	\$1,000.00
Thomas R & Stefanie Nicolanci	8821 Unity Drive	Mountain Iron MN 55768	175-0070-01325	861	\$7,204.82	\$3,000.00
Gerald E & Patricia A Claesson	5416 Garden Drive	Mountain Iron MN 55768	175-0070-01327	230	\$1,924.63	\$1,924.63
Amanda L Claesson	5416 Garden Drive	Mountain Iron MN 55768	175-0070-01326	230	\$1,924.63	\$1,924.63
ISD 712	5720 Marble Avenue	Mountain Iron MN 55768	175-0070-01430	1306	\$10,928.56	\$10,928.56
ISD 712	5720 Marble Avenue	Mountain Iron MN 55768	175-0071-00870	232	\$1,941.37	\$1,941.37
City of Mountain Iron	8586 Enterprise Drive South	Mountain Iron MN 55768	175-0055-02680	85	\$711.28	\$711.28
Brian K Burress	5472 Park Drive	Mountain Iron MN 55768	175-0055-02682	115	\$962.32	\$962.32
Brian Buffetta	8384 Balsam Drive	Mountain Iron MN 55768	175-0055-02705	149	\$1,246.83	\$1,246.83
Rita L Brabec	5481 Garden Drive	Mountain Iron MN 55768	175-0070-01495	137	\$1,146.41	\$1,146.41
Thomas R & Stefanie Nicolanci	8821 Unity Drive	Mountain Iron MN 55768	175-0070-01494	193	\$1,615.02	\$1,000.00
Theadore J & Julie A Erchul	8762 Unity Drive	Mountain Iron MN 55768	175-0070-01488	232	\$1,941.37	\$1,941.37
Corey & Alicia Atkins	8368 Spruce Drive	Mountain Iron MN 55768	175-0070-01481	232	\$1,941.37	\$1,941.37
Byron T Negen	5490 Davis Avenue	Mountain Iron MN 55768	175-0070-01491	66	\$552.29	\$552.29
Wayne W & Lynn M Pohia	8754 Unity Drive	Mountain Iron MN 55768	175-0070-01487	232	\$1,941.37	\$1,941.37
Daniel A Yernatich	8750 Unity Drive	Mountain Iron MN 55768	175-0070-01484	232	\$1,941.37	\$1,941.37
Leonard J Roskoski	8680 Unity Drive	Mountain Iron MN 55768	175-0070-01441	1303	\$10,903.46	\$5,000.00
Lyle Johnston & Sally L Aspin	5442 Diamond Lane	Mountain Iron MN 55768	175-0130-00350	116	\$970.68	\$970.68

Totals

6422 \$53,739.07 \$42,220.85



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 20-15

APPROVING PROPOSED 2015 TAX LEVY, COLLECTABLE 2016

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 2015, 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 8th DAY OF SEPTEMBER, 2015.

ATTEST:

City Administrator

Mayor Gary Skalko



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RESOLUTION NUMBER 21-15

APPROVING PROPOSED 2016 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 2015 payable in 2016 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 8th DAY OF SEPTEMBER, 2015.

ATTEST:

City Administrator



Mayor Gary Skalko



CITY OF MOUNTAIN IRON

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RESOLUTION NUMBER 22-15

CONCERNING THE 2016 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.

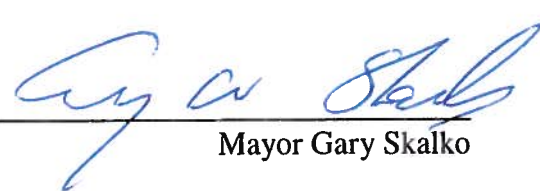
NOW, THEREFORE BE IT RESOLVED by the City Council of Mountain Iron, Minnesota, that for the purpose of further development and to provide for any activities that are within the jurisdiction of the Mountain Iron Economic Development Authority as defined according to Minnesota Statutes. The Mountain Iron 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 8th DAY OF SEPTEMBER, 2015.

ATTEST:



City Administrator



Mayor Gary Skalko



Agreement Between Energy Vendor and Service Provider

___MT IRON CITY OF PU 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 (COMM), Energy Assistance Programs, hereafter referred to as "the State" to deliver the Minnesota Energy Assistance Program for Federal Fiscal Year 2016 (FFY 2016), October 1, 2015 through September 30, 2016.

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 Energy Vendor, the State, or its contractors 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. Use information obtained from Energy Vendor, the State, or its contractors for the sole purpose of performing responsibilities and duties for energy programs run by the State. Further, Service Provider and Energy Vendor shall implement and maintain appropriate and reasonable administrative, technical and physical safeguards to protect such information from accidental or unauthorized access, use, disclosure, and loss or destruction.
5. Share information with each other as needed to perform the duties under this agreement.
6. Negotiate for continuation or reconnection of service to households determined eligible for EAP benefits.
7. Establish a dispute resolution process to resolve issues arising during the term of this agreement.
8. Collaborate and do everything possible to ensure the customer has continuous access to home heating.
9. Minimize the risks of a customer's home energy crisis through the use of the EAP benefits.
10. Encourage regular payments from the household.
11. Collaborate to reduce home energy costs.
12. 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:

13. Determine customer eligibility.
14. 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.
15. Make authorization through eHEAT, telephone, fax or electronic communication of payments for:
 - Electricity, heating sources and delivery of fuel.
 - Continuation or reconnection of connected utilities.
 - Fees including: service deposits, pressure tests, line bleeding, tank setting, tank rental, membership, if applicable.
 - Removal from load limiters.
 - Due and past due amounts for electricity and heating fuels.
16. Maintain customer authorizations for exchange of private data between the Service Provider and the energy vendor.
17. Enter account number into eHEAT in the format supplied by the energy vendor.

III. The energy vendor will:

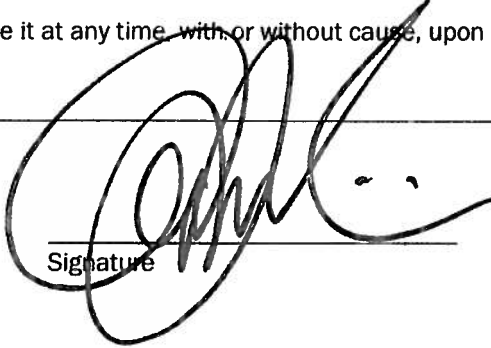
18. Ensure EAP eligible households are not treated adversely compared to other households. Oil and propane dealers are required to comply with the Discrimination Prohibition in Minn. Stat. §325E.027. In addition, propane dealers are required to comply with the following: Price and Fee Disclosure, Budget Payment Plan, Propane Purchase Contracts, and Terms of Sale in Minn. Stat. §§216B.0992 - .0995.
19. Supply account number format to the Service Provider.
20. Upon request, provide a written price list of normal & customary services for home energy costs including but not limited to:


▪ Leak seek and pressure tests	▪ Reconnection fees
▪ Bleeding lines	▪ Membership fees
▪ Tank setting	▪ Minimum delivery requirements and costs
▪ Service deposits	▪ Emergency fuel and after hours delivery costs
1. When possible deliver remaining EAP benefit before September 30, 2016.
2. Timely 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, arrearage history or post-delivery information. This information will be provided in the format requested.
3. Provide dwelling consumption data within 5 business days of the request in eHEAT.
4. Respond promptly to consumption requests for crisis situations.

5. Register with the State to receive EAP payments.
 6. Use the warrant or EFT date as the EAP payment date.
 7. Apply all EAP payments to the households account within 5 business days of receipt of payment.
 8. Apply EAP payments to the household's energy costs before applying other energy payments.
 9. Accept all customer payments.
 10. 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.
 11. Continue service, reconnect or deliver fuel to households as negotiated by the Service Provider on behalf of the household.
 12. 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, and removal from load limiters.
 13. Accept a household application status in eHEAT of "approved" as income eligibility validation for EAP.
 14. Report dangerous heating or fuel delivery situations for EAP households to the Service Provider.
 15. Process and refund to the State any refunds requested by the Service Provider within 10 business days.
 16. Process and refund to the State all credits attributable to EAP payments remaining on a customer's account within 10 business days after a client ceases to be a customer.
 17. Notify the Service Provider or State if there is reason to believe EAP funds have been misused as described in the EAP Policy Manual.
 18. Allow the Service Provider or State access to fiscal records of EAP transactions for audit purposes for period of three (3) years after payment.
 19. Complete and submit the EAP Leveraging Report to the State, when requested.
 20. 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
1. 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.

V. Signatures:

Energy Vendor:		
Authorized Energy Vendor Representative:		
<u>Craig J. Wainio</u>		<u>9-9-15</u>
Please Print Name	Signature	Date
Company Contact Person:		
<u>Judy Seurer</u>	<u>(218) 748-7570</u>	<u>(218) 748-7573</u>
Please Print Name	Telephone	Fax
<u>() 1-888-223-9883</u>	<u>jseurer@ci.mountain-iron.mn.us</u>	
24 hour emergency number to address after hours emergencies	E-mail address	

EAP Service Provider:		
Authorized Service Provider Representative:		
<u>Mary C. Heilman</u>		
Please Print Name	Signature	Date
Energy Assistance Coordinator:		
<u>Mary C. Heilman</u>	<u>(218) 748-7342</u>	<u>(612) 465-5869</u>
Please Print Name	Telephone	Fax
<u>(800) 662-5711</u>	<u>mary.heilman@aeoa.org</u>	
24 hour emergency number	E-mail address	

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, 2015, and stays effective until September 30, 2016, 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:

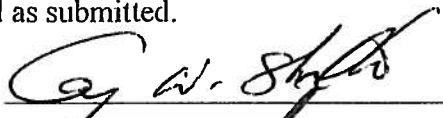
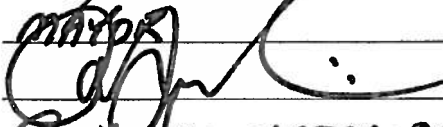
If to Mountain Iron Public Utilities:

Attn: Craig Wainio
Title: City Administrator
Address: 8586 Enterprise Dr S
Mountain Iron, MN 60768
Phone: 218-748-7570

If to The Salvation Army:

Attn: Mike McGlone
Title: Statewide HeatShare Director
Address: 2445 Prior Avenue
Roseville, MN 60113
Phone: 651-746-3542

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

By: 
Title: MAYOR
Attest: 
Title: CITY ADMINISTRATOR
Dated the 8TH day of September 2015

The Salvation Army
An Illinois Corporation

By: _____
Title: Divisional Commander
Attest: _____
Title: Statewide HeatShare Director
Dated the _____ day of _____ 2015

Craig J. Wainio

From: Jeremy Jesch <jjjesch@hotmail.com>
Sent: Wednesday, September 16, 2015 3:37 PM
To: Craig J. Wainio
Subject: EDA

Board members,

It is with some indecision that I must submit my resignation from the EDA board. I am now coaching MIB football. Along with coaching basketball in the winter I will be unable to attend meetings. I have enjoyed working with you all. Thank you.

Best
Jeremy Jesch

Sent from my iPhone

COUNCIL LETTER 092115-IVB1

ELECTRICAL DEPARTMENT

WIRE QUOTES

DATE: September 17, 2015

FROM Craig J. Wainio
City Administrator

The Electrical Department solicited and received quotes for 2750 feet of electrical wire for the installation of street lighting along the new County Road 102. Enclosed are the quotes for your review. It is recommended that the low quote from RESCO be accepted in the amount of \$5500. The purchase of the wire will be reimbursed by US Steel as part of the County Road 102 project.



QUOTE

UPC VENDOR	QUOTE DATE	ORDER NO
000000	09/11/15	621809-00
P O NO		PAGE #
		1

CUST # 44393
 SHIP TO MOUNTAIN IRON PUBLIC
 8866 SLATE STREET
 MOUNTAIN IRON, MN 55768

CORRESPONDENCE TO: Resco
 PO BOX 44430
 MADISON, WI 53744-4430

BILL TO MOUNTAIN IRON PUBLIC UTILITIES
 8586 ENTERPRISE DR. SOUTH
 MOUNTAIN IRON, MN 55768

INSTRUCTIONS		TERMS
		.25% 15 N 30
SHIP POINT	SHIP VIA	SHIPPED
Resco - Moorhead	Common Carr	

LINE NO	PRODUCT AND DESCRIPTION	QUANTITY ORDERED	QUANTITY BO	QTY SHIPPED	QTY U/M	UNIT PRICE	AMOUNT (NET)
CURRENTLY IN STOCK IN MOORHEAD WAREHOUSE SUBJECT TO PRIOR SALE							
1	09120470KERITE CBL MV 1/0SOLAL 15K 220E PR 3RSJKT16/14 PTUP 2750 Vendor Prod: 111S15-C1200-0002	2750		2750	foot	2.76	7590.00
2	09120470PRYSMIAN CBL MV 1/0SOLAL 15K 220E PR 3RSJKT16/14 PTUP 2750 Vendor Prod: 20127239	2750		2750	foot	2.38	6545.00
3	09120303HENDRIX CBL MV 1/0 SOL 15 KTRXLP 220 JK1614 PKG QTY 2750 Vendor Prod: U015K0010A-0182	2750		2750	foot	2.07500	5706.25
4	09120303PRYSMIAN CBL MV 1/0SOLAL 15K 220T RXLP3RSJKT16/14 PTUP2750 Vendor Prod: 20127203	2750		2750	foot	2.00	<u>5500.00</u>
4	Lines Total		Qty Shipped Total	11000		Total Invoice Total	25341.25 25341.25



BORDER STATES
Supply Chain Solutions™

Border States Electric Supply
Electrical Wholesale Supply of Utah | Western Extralite

Border States Electric - DUL
BSE - Duluth
4451 Airpark Blvd
Duluth MN 55811-5728
Phone: 218-727-8170

Mountain Iron Light & Water Dept
8586 Enterprise Dr S
Mountain Iron MN 55768-8260

Quote

BSE Quote: 23752675
Sold-to Acct #: 5047
Valid From: 09/11/2015 To: 09/25/2015
PO No: Mike
PO Date: 09/11/2015

Created By: Christopher Akers
Tel No: 701-239-2386
Fax No: 701-232-7673

Inco Terms:
FOB ORIGIN

Payment Terms:
Net 25th prox

Taxes, if applicable, are not included.

Cust Item	BSE Item	Material MFG - Description	Quantity	Price	Per UoM	Value
	000020	2613343 BICC - 1/0 SOLID 220 TRXLP 16#14 JKT 2750FT 1/0 Solid Aluminum, .220 TR-XLP 15KV, 133% 16#14 plain copper neutrals .050 LLDPE Jacket with 3- extruded red stripes with sequintial foot mark Industry spec: AEIC CS8 and ICEA S-94-649 On non returnable wood reels on 2750ft Delivery: 8 Days	2,750 FT	2.52 / 1	FT	6,930.00
Total Value						6,930.00

To access BSE's Terms and Conditions of Sale, please go to
<https://www.borderstateselectric.com>

This quote has not been reviewed for compliance with the Buy American Act or the American Recovery and Reinvestment Act requirements. BSE reserves the right to amend both our bill of material and our proposal accordingly if BAA/ARRA compliance is required.



WESCO
DISTRIBUTION®

2650 7TH AVE NORTH
PHONE: 701-232-4446
FARGO ND 58102

Quotation

UNLESS THERE ARE DIFFERENT OR ADDITIONAL TERMS AND CONDITIONS CONTAINED IN A MASTER AGREEMENT THAT MODIFY WESCO'S STANDARD TERMS, BUYER AGREES THAT THIS QUOTE AND ANY RESULTING PURCHASE ORDER WILL BE GOVERNED BY WESCO'S TERMS AND CONDITIONS DATED 011107 AVAILABLE AT [HTTP://WWW.WESCO.COM/TERMS_AND_CONDITIONS_OF_SALE.PDF](http://www.wesco.com/terms_and_conditions_of_sale.pdf), WHICH TERMS ARE INCORPORATED HEREIN BY REFERENCE AND MADE PART HEREOF. PLEASE CONTACT THE SELLER IDENTIFIED ON THIS QUOTE IF YOU REQUIRE A PRINTED COPY.

To: MOUNTAIN IRON, CITY OF
8866 SLATE STREET

MOUNTAIN IRONMN 55768

Date: 09/11/15
Branch: 7852
Project Number: QUOTE
Project Name
Quoted To:
Date of Your Inquiry: 09/11/15

When ordering please refer to Quotation Number: 672433

Item	Quantity	Catalog Number and Description	Unit Price	U/M	Total Price	Rate of Cash Discount	Shipping Time (Weeks)	Customer Delivery Date
1	2750	WIRE 15KV TRXLP1/0 SOL 220 16 275 1/0 SOLID ALUM, 15KV, 220MIL, TRXLP, 16 X #14 JACKETED CABLE REEL 2,750' +/- 10% LENGTH TOLERANCE . STOCK, SUBJECT TO PRIOR SALE NET 30 DAYS FREIGHT ALLOWED WESCO TERMS AND CONDITIONS APPLY	2320.000	M	6380.00	0.00		09/18/15
TOTAL:					6380.000			

F.O.B. Point of Shipment. The prices stated in this offer shall, unless renewed, automatically expire fifteen days (15) from the date of this offer.

Per:



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

September 15, 2015

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

Re: Mud Lake Road Forcemain Improvements
City of Mountain Iron
Project No.: MI15-02

Dear Mr. Wainio;

Enclosed please find Pay Request No. 2-Final for the Mud Lake Road Forcemain Improvements project in the amount of **\$13,664.35**, for approval at your next scheduled City Council meeting. Also enclosed, please find Change Order No. 1-Final.

Change Order No. 1 decreases the Contract amount by \$228.00. This is necessary to close out this project. Change Order No. 1 is due to a small change in the contract quantities.

Please approve Change Order No. 1 first. Then consider the Pay Request No. 2 Final. Approve Pay Request No. 2 contingent upon receiving IC-134 form and all payroll reports.

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.
Project Engineer

Enclosure

Pc: Mr. Jim Pucel, Utility Systems of America, Inc.

CHANGE ORDER

Order No. 1-Final

Date: 9/15/15

NAME OF PROJECT/PROJECT NO: Mud Lake Forcemain Improvements
OWNER: City of Mountain Iron
CONTRACTOR: Utility Systems of America, Inc.
PO Box 706, Eveleth, MN 55734
ENGINEER: Benchmark Engineering, Inc.

Reason for Change Order:


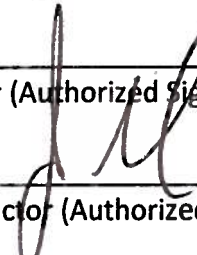
This Change Order is to set the contract amount equal to the amount of actual work. This is the final compensating change order for this project.

The following changes are hereby made to the CONTRACT DOCUMENTS:

The contract amount is decreased by **(\$228.00)**.

Change to CONTRACT PRICE:

Original CONTRACT PRICE	\$ <u>238,175.00</u>
Current CONTRACT PRICE adjusted by previous CHANGE ORDERS	\$ <u>238,175.00</u>
The CONTRACT PRICE due to this CHANGE ORDER will be <u>decreased</u> by:	\$ <u>(228.00)</u>
The new CONTRACT PRICE including this CHANGE ORDER will be:	\$ <u>237,947.00</u>

Recommended by:  9-15-15
Engineer (Authorized Signature) Date:
Approved by: _____ Date:
Owner (Authorized Signature)
Accepted by:  9-16-15
Contractor (Authorized Signature) Date:

RECOMMENDATION OF PAYMENT

No. 2-Final

Owner's Project No.: _____

Engineer's Project No.: MI15-02

Project: Mud Lake Forcemain Improvements

CONTRACTOR: Utility Systems of America, Inc., PO Box 706, Eveleth, MN 55734

For Period Ending: September 15, 2015

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 September 15, 2015

By 

STATEMENT OF WORK

Original Contract Price	\$ <u>238,175.00</u>	Work & Materials to Date	\$ <u>237,947.00</u>
Net Change Orders	\$ <u>(228.00)</u>	Amount Retained (5%)	\$ <u>0.00</u>
Current Contract Price	\$ <u>237,947.00</u>	Subtotal	\$ <u>237,947.00</u>
		Previous Payments	\$ <u>224,282.65</u>
		Amount Due this Payment	\$ <u>13,664.35</u>



PAY REQUEST NO. 2 - Final
 Mud Lake Forcemain Improvements
 CITY OF MOUNTAIN IRON, MINNESOTA
 PROJECT NO: MI15-02

DATE: September 15, 2015

BASE BID				BID AMOUNT			
				UTILITY SYSTEMS OF AMERICA			
SPEC. NO.	ITEM	UNITS	EST. QUANTS	UNIT COST	TOTAL AMOUNT	COMPLETED TO DATE	TOTAL AMOUNT
2021.501	MOBILIZATION	LUMP SUM	1.0	\$27,500.00	\$27,500.00	1.0	\$27,500.00
2104.501	REMOVE PIPE SEWERS	LIN. FT.	15.0	\$10.00	\$150.00	10.0	\$100.00
2105.503	ROCK EXCAVATION	CU. YD.	10.0	\$10.00	\$100.00	0.0	\$0.00
2105.525	TOPSOIL BORROW	CU. YD.	15.0	\$10.00	\$150.00	36.0	\$360.00
2221.503	AGGREGATE BASE (CV), CLASS 5	CU. YD.	50.0	\$25.00	\$1,250.00	0.0	\$0.00
2221.521	AGG. SHOULDERING CLASS I	CU. YD.	50.0	\$35.00	\$1,750.00	40.0	\$1,400.00
2503.511	12" DIP CL 52	LIN. FT.	15.0	\$65.00	\$975.00	25.0	\$1,625.00
2503.511	12" HDPE SEWER - SDR11(DIRECTIONAL DRILLED)	LIN. FT.	2,550.0	\$60.00	\$153,000.00	2,550.0	\$153,000.00
2503.511	12" PVC PIPE SEWER - C905	LIN. FT.	15.0	\$50.00	\$750.00	0.0	\$0.00
2503.602	FLUSH MH DESIGN 4007	EACH	1.0	\$28,000.00	\$28,000.00	1.0	\$28,000.00
2508.602	12" HDPE MECHANICAL JOINT ADAPTER	EACH	6.0	\$350.00	\$2,100.00	5.0	\$1,750.00
2504.602	12" GATE VALVE AND BOX	EACH	2.0	\$4,200.00	\$8,400.00	2.0	\$8,400.00
2508.603	SEWER FITTINGS	POUNDS	250.0	\$8.00	\$2,000.00	514.0	\$4,112.00
2503.602	CONNECT TO EXISTING SANITARY SEWER	EACH	1.0	\$2,500.00	\$2,500.00	1.0	\$2,500.00
2503.602	CONNECT TO EXISTING MANHOLES (SANITARY)	EACH	1.0	\$3,200.00	\$3,200.00	1.0	\$3,200.00
2503.602	TRACER WIRE ACCESS BOX	EACH	5.0	\$100.00	\$500.00	5.0	\$500.00
2563.601	TRAFFIC CONTROL	LUMP SUM	1.0	\$4,000.00	\$4,000.00	1.0	\$4,000.00
2575.505	TURF ESTABLISHMENT	LUMP SUM	1.0	\$1,500.00	\$1,500.00	1.0	\$1,500.00
2673.502	SILT FENCE	LIN. FT.	70.0	\$5.00	\$350.00	0.0	\$0.00

BASE BID TOTALS

\$238,175.00

COMPLETED TO DATE: \$237,947.00

RETAINAGE: \$0.00

SUBTOTAL: \$237,947.00

PREVIOUS PAYMENTS: (\$224,282.65)

PAY REQUEST NO. 2: **\$13,664.35**

Ala J. Johnson



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

September 15, 2015

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

Re: 2014 Street Improvements Project
City of Mountain Iron
Project No.: MI14-02

Dear Mr. Wainio;

Enclosed please find Pay Request No. 4 for the Mountain Iron 2014 Street Improvements project in the amount of **\$15,860.37**, for approval at your next scheduled City Council meeting. Also enclosed, please find Change Order No. 1 –Final.

Change Order No. 1- Final increases the Contract amount by \$279.20. This is due to small quantity adjustments to set the contract equal to the amount of work completed.

Please approve Change Order No. 1-Final first. Then approve Pay Request No. 4 contingent upon receiving IC-134 forms.

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 Johnson, P.E.
Project Engineer

CHANGE ORDER

Order No. 1 -Final

Date: 9/9/15

NAME OF PROJECT/PROJECT NO: 2014 Street Improvements/ MI14-02

OWNER: City of Mountain Iron

CONTRACTOR: Mesabi Bituminous, Inc.
4988 Enterprise Drive, Gilbert, MN 55741

ENGINEER: Benchmark Engineering, Inc.

Reason for Change Order:

This Change Order is to compensate for small quantity changes that occurred during the project.

The following changes are hereby made to the CONTRACT DOCUMENTS:

The contract amount is increased by **\$279.20**.

Change to CONTRACT PRICE:

Original CONTRACT PRICE \$ 316,928.25

Current CONTRACT PRICE adjusted by previous CHANGE ORDERS \$ 316,928.25

The CONTRACT PRICE due to this CHANGE ORDER will be increased by: \$ 279.20

The new CONTRACT PRICE including this CHANGE ORDER will be: \$ 317,207.45

Recommended by: 
Engineer (Authorized Signature)

9-15-15
Date:

Approved by: _____
Owner (Authorized Signature)

Date:

Accepted by: _____
Contractor (Authorized Signature)

Date:

RECOMMENDATION OF PAYMENT

No. 4-Final

Owner's Project No.: _____

Engineer's Project No.: MI14-02

Project: 2014 Street Improvements

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

For Period Ending: September 15, 2015

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 September 15, 2015

By 

STATEMENT OF WORK

Original Contract Price	\$ <u>316,928.25</u>	Work & Materials to Date	\$ <u>317,207.45</u>
Net Change Orders	\$ <u>279.20</u>	Amount Retained (5%)	\$ <u>0.00</u>
Current Contract Price	\$ <u>317,207.45</u>	Subtotal	\$ <u>301,347.08</u>
		Previous Payments	\$ <u>301,347.08</u>
		Amount Due this Payment	\$ <u>15,860.37</u>



PAY REQUEST #4

2014 STREET IMPROVEMENTS PROJECT
CITY OF MOUNTAIN IRON, MINNESOTA
PROJECT NO: MI14-02

CONTRACTOR: MESABI BITUMINOUS, INC.

BASE BID

SPEC. NO.	ITEM	UNITS	PLAN QUANTITY	UNIT COST	QUANTITY TO DATE	TOTAL AMOUNT
2104.501	REMOVE PIPE SEWERS	LIN. FT.	20.0	\$11.00	20.0	\$220.00
2104.501	REMOVE CURB & GUTTER	LIN. FT.	254.0	\$5.00	254.0	\$1,270.00
2104.505	REMOVE BITUMINOUS PAVEMENT	SQ. YD.	191.0	\$6.00	206.0	\$1,236.00
2104.511	SAWING CONCRETE PAVEMENT (FULL DEPTH)	LIN. FT.	30.0	\$8.00	30.0	\$240.00
2104.513	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	LIN. FT.	292.0	\$5.00	329.0	\$1,645.00
2105.501	COMMON EXCAVATION	CU. YD.	174.0	\$15.00	174.0	\$2,610.00
2105.522	SELECT GRANULAR BORROW (MOD) (CV)	CU. YD.	40.0	\$15.00	40.0	\$600.00
2105.525	TOPSOIL BORROW (LV)	CU. YD.	10.0	\$25.00	0.0	\$0.00
2105.604	GEOTEXTILE FABRIC TYPE V	SQ. YD.	119.0	\$2.00	119.0	\$238.00
2123.503	MOTOR GRADER	HOUR	6.0	\$150.00	6.0	\$900.00
2211.503	AGGREGATE BASE (CV), CLASS 5	CU. YD.	116.0	\$22.00	116.0	\$2,552.00
2221.503	AGGREGATE SHOULDERING (CV), CLASS 1	CU. YD.	60.0	\$35.00	0.0	\$0.00
2232.501	MILL BITUMINOUS SURFACE (2")	SQ. YD.	11,485.0	\$2.00	11,442.0	\$22,884.00
2360.501	TYPE SP 9.5 WEARING COURSE MIXTURE (2,C)	TON	2,604.0	\$64.00	2,660.0	\$170,240.00
2360.503	TYPE SP 12.5 NON-WEARING COURSE MIXTURE (2,C)	TON	584.0	\$64.00	727.3	\$46,547.20
2502.541	4" PERF. PE PIPE DRAIN	LIN. FT.	58.0	\$10.00	59.0	\$590.00
2503.511	6" PVC PIPE SEWER, SDR 35	LIN. FT.	10.0	\$27.00	0.0	\$0.00
2503.511	8" PVC PIPE SEWER, SDR 35	LIN. FT.	160.0	\$34.00	140.0	\$4,760.00
2503.602	CONNECT TO EXISTING SANITARY SEWER	EACH	2.0	\$550.00	2.0	\$1,100.00
2503.602	TRACER WIRE ACCESS BOX	EACH	1.0	\$110.00	1.0	\$110.00
2504.602	ADJUST VALVE BOX - WATER	EACH	1.0	\$80.00	1.0	\$80.00
2504.604	2" POLYSTYRENE INSULATION	SQ. YD.	130.0	\$22.00	82.0	\$1,804.00
2506.501	CONST. DRAINAGE STRUCTURE DES. 4007	LIN. FT.	15.9	\$475.00	15.9	\$7,552.50
2506.516	CASTING ASSEMBLY	EACH	2.0	\$600.00	2.0	\$1,200.00
2506.522	ADJUST FRAME AND RING CASTING	EACH	15.0	\$300.00	15.0	\$4,500.00
2531.501	CONCRETE CURB & GUTTER - DES. D418	LIN. FT.	254.0	\$20.00	254.0	\$5,080.00
2563.601	TRAFFIC CONTROL	LUMP SUM	1.0	\$5,300.00	1.0	\$5,300.00
2573.530	STORM DRAIN INLET PROTECTION	EACH	5.0	\$100.00	0.0	\$0.00
2575.505	SODDING TYPE LAWN	SQ. YD.	110.0	\$15.00	0.0	\$0.00
2575.555	TURF ESTABLISHMENT	LUMP SUM	1.0	\$1,000.00	0.0	\$0.00
2582.501	PAVEMENT MESSAGE (RIGHT ARROW) EPOXY	EACH	1.0	\$220.00	0.0	\$0.00
2582.501	PAVEMENT MESSAGE (THRU ARROW) EPOXY	EACH	1.0	\$220.00	0.0	\$0.00
2582.502	4" DOUBLE SOLID LINE YELLOW-EPOXY	LIN. FT.	752.0	\$3.25	459.0	\$1,491.75
2582.502	4" SOLID LINE YELLOW-EPOXY	LIN. FT.	2,833.0	\$1.75	2,754.0	\$4,819.50
2582.502	4" BROKEN LINE YELLOW-EPOXY	LIN. FT.	730.0	\$1.75	540.0	\$945.00
2582.502	4" SOLID LINE WHITE-EPOXY	LIN. FT.	1,580.0	\$1.75	0.0	\$0.00

ADD ALTERNATE BID (SILICON WAY CURB & GUTTER)

SPEC. NO.	ITEM	UNITS	TOTAL QUANTITIES	UNIT COST	QUANTITY TO DATE	TOTAL AMOUNT
2104.501	REMOVE PIPE SEWERS	LIN. FT.	8.0	\$42.00	0.0	\$0.00
2503.541	15" RC PIPE SEWER	LIN. FT.	8.0	\$70.00	11.5	\$805.00
2503.602	CONNECT TO EXISTING STORM SEWER	EACH	2.0	\$100.00	1.0	\$100.00
2506.501	CONST. DRAINAGE STRUCTURE DES. F	LIN. FT.	6.9	\$475.00	6.9	\$3,277.50
2506.516	CASTING ASSEMBLY	EACH	1.0	\$600.00	1.0	\$600.00
2511.501	RANDOM RIPRAP CLASS III	CU. YD.	12.0	\$35.00	0.0	\$0.00
2531.501	CONCRETE CURB & GUTTER - DES. D418	LIN. FT.	1,560.0	\$14.00	1,565.0	\$21,910.00

COMPLETED TO DATE: \$317,207.45

LESS RETAINAGE (5%): \$0.00

SUBTOTAL PAY REQUEST #3: \$317,207.45

LESS PREVIOUS PAYMENTS: (\$301,347.08)

TOTAL PAY REQUEST #3:

\$15,860.37

COUNCIL LETTER 092115-IVF1

PLANNING AND ZONING

VARIANCE

DATE: September 17, 2015

FROM: Planning and Zoning Commission

Jerry Kujala
Zoning Administrator

Craig J. Wainio
City Administrator

On September 14th the Planning and Zoning Commission held a public hearing on consider the variance application from Frank and Diana Werschay. The application is included for your review. Upon completion of the hearing the Planning and Zoning Commission voted to recommend approval of the variance application to the City Council.

NOTICE OF PUBLIC HEARING

The Planning and Zoning Commission of the City of Mountain Iron will hold a public hearing on Monday, September 14, 2015 at 6:05 p.m. in the Mountain Iron Room of the Mountain Iron Community Center.

The purpose of the public hearing is to consider a request made by Frank and Diana Werschay, 4716 Majestic Lake Road, Mountain Iron, for a Variance as required by the Zoning Ordinance to add to a single family dwelling and construct an accessory building that would be closer to the lot lines than is allowed by the Zoning Ordinance. The property is legally described as follows:

Lot 5, Block 1, Majestic Lake Shores Addition to Mountain Iron

Parcel Code: 175-0019-00050

The public can present its opinions at the public hearing or by letter addressed to the Zoning Administrator, City of Mountain Iron, City Hall, 8586 Enterprise Drive South, Mountain Iron, Minnesota 55768-8260.

By Order of the Planning and Zoning Commission
Jerry D. Kujala
Zoning Administrator

www.mtniron.com

CITY OF MOUNTAIN IRON

CONDITIONAL USE PERMIT

VARIANCE APPLICATION

Werschlag *Alana Werschlag*

Name of Owner: Frank Diana Werschlag Signature of Owner: *signed purchase agreement*
 Address: 4716 Majestic Lake Road Date: 8-31-15
Mt. Iron, MN 744-4497 Mailing Address: 8580 Old Merabi Rd, Iron

Legal Description:
 Sec/Lot 33 Twp/Block 58 Rge/Subd 18 Parcel Code: 175-0019-00050
addition Lot 5, Block 1, Majestic Lake Shores

Description of Proposed Use for CONDITIONAL USE PERMIT:

The property is in disrepair. We would improve the appearance and abandon the outdoor privy and install one that is compliant w/ St. Louis County.
Statement as to why proposed use will not cause injury to value of adjoining property.

Lot to the North is where the neighbors drain field is. We talked with him and he said he had no problems because he could not do anything else with that side of his property. Other side is vacant lot. See map attached
Statement as to how proposed use is to be designed, arranged, and operated in order to permit development and use of neighboring property.

Area for which VARIANCE requested: (i.e. setbacks, height, etc)

Size of the lot. Slope of lot.

Statement addressing condition of "undue hardship" for which VARIANCE is requested.

Alana Werschlag

***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>Pd \$150.00 Rec.# 1.057780</u>	<u>8-31-15</u>	<u>QMC</u>
Zoning Administrator Review	<u>Set Hearing for 9/14/15 6:05pm</u>	<u>8-31-15</u>	<u>QMC</u>
Public Hearing Set	<u>9/14/15 6:05pm</u>	<u>9-1-15</u>	<u>QMC</u>
Hearing Notice Published	<u>Hometown Focus</u>	<u>9-4-15</u>	<u>QMC</u>
Planning & Zoning Recommendation (Board of Adjustment and Appeals Rec.)		<u>9-14-15</u>	
City Council Action			
Filed with County Recorder			

Conditions Attached _____

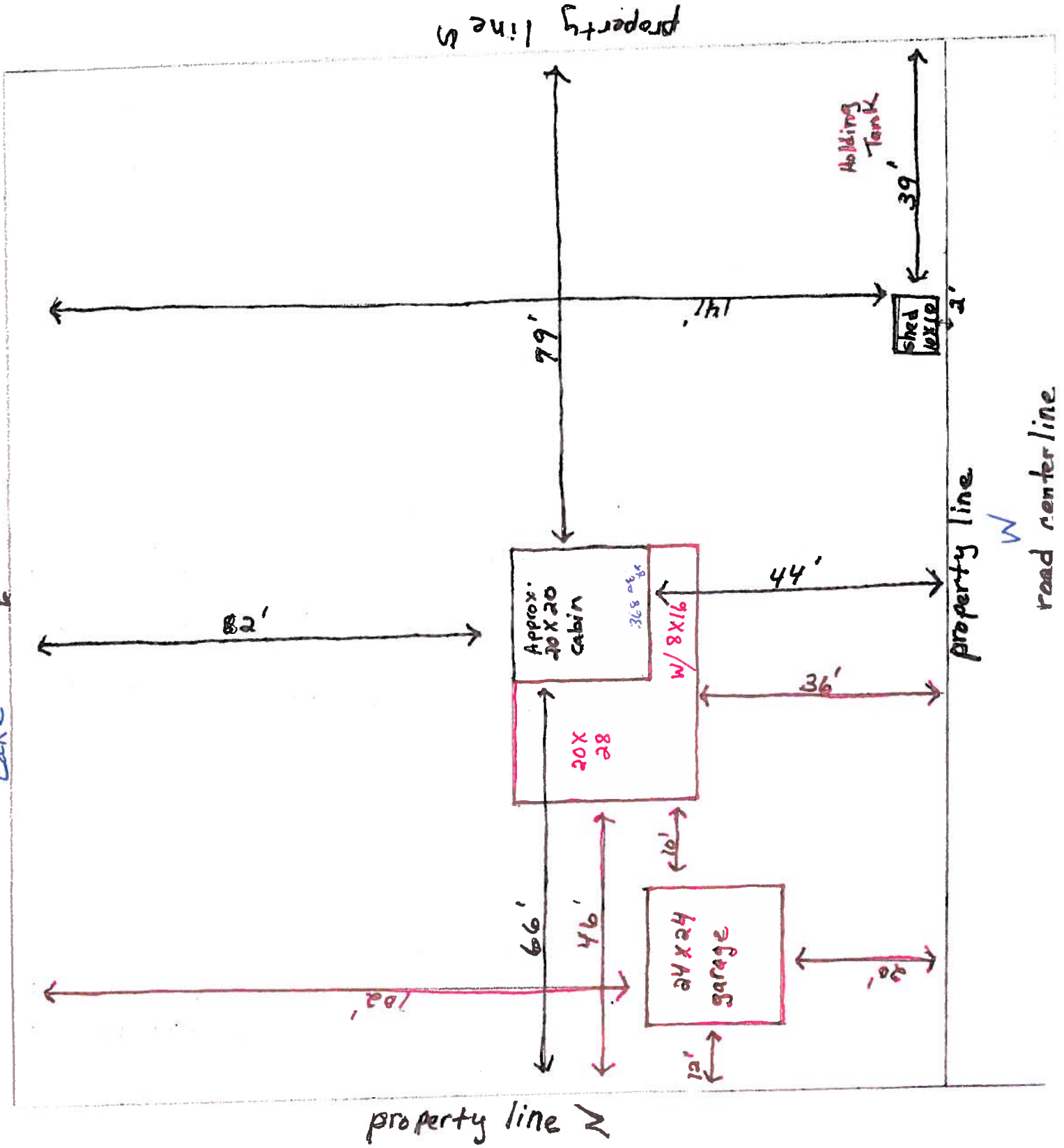
Lake ~~view~~ E

Frank & Diana Werschey

4716 Majestic Lake Rd.

parcel code # 175-0019-00050

existing
proposed approx.
1/4" = 6' Ht

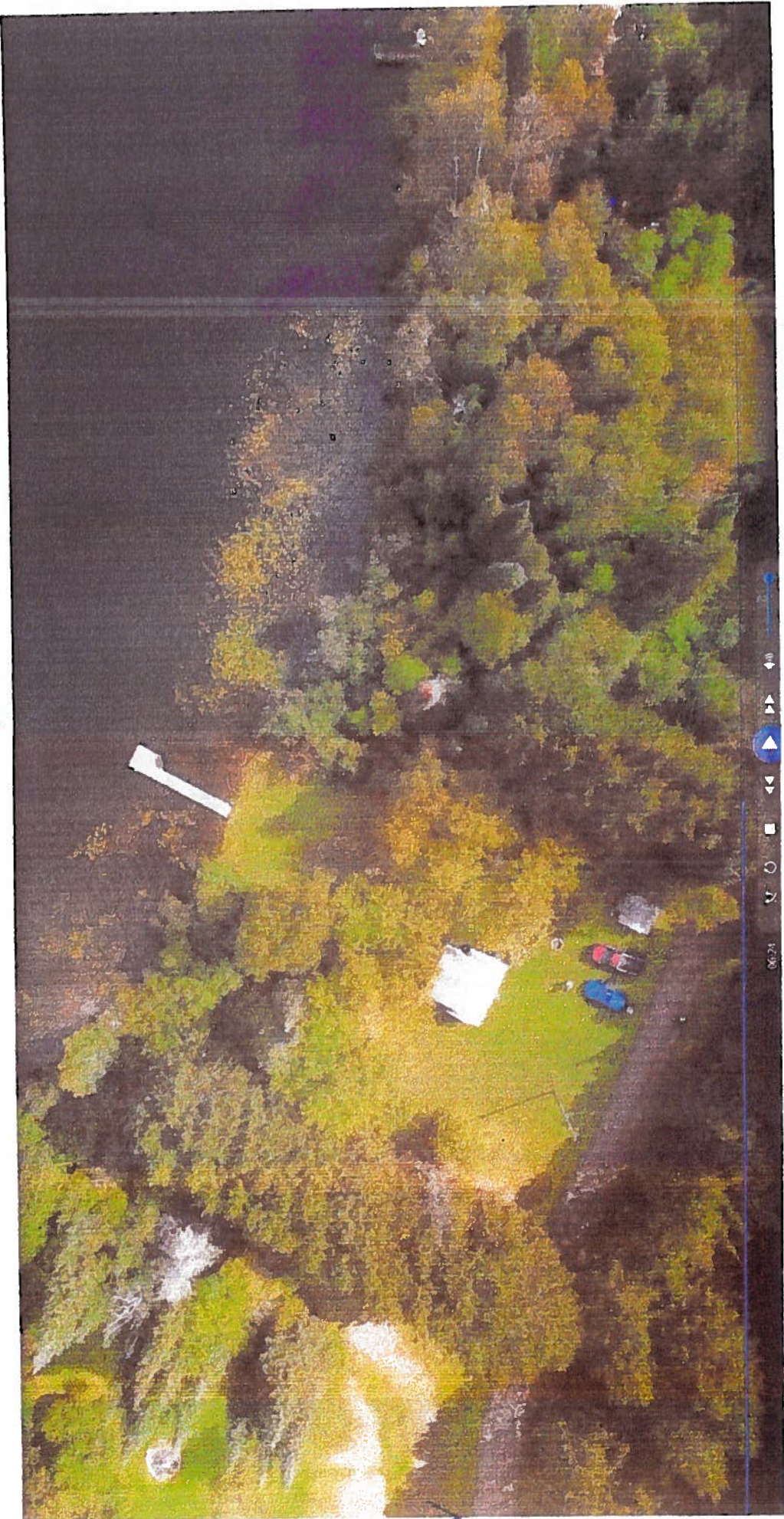


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4716 Majestic Lake Road

Active



Picture **11**
 MLS # **127559**
 Address **4716 Majestic Lake Road**
 Area **Mt. Iron-Buhl /Kinney**
 Asking Price **\$49,000**
 Garage Size **0**
 City **Mt. Iron**
 Total SQFT above Grade **368**

For Further Information:

Quick Links:
 Listing History

Documents (if available) Virtual Tour:

General

Room	Size	Level	Lower	Main	Upper	Lot Size (LxW):	255.43 X 155.00
Living Room:	9x11	Main	Square Feet: 0	368	0	Irregular Lot Size (Y/N):	Yes
Dining Room:	0		# Bedrooms: 0	1	0	Year Built:	1960
Family Room:	0		# Baths 0	0	0	Amps:	60
Kitchen:	9x11	Main				Section:	33
Bedroom 1:	8x15	Main	Percent of Bsmnt Finished:	0		Township:	58
Bedroom 2:	0		Total Finished SQFT:	368		Range:	18
			Total SQFT above Grade	368		Waterfront Name:	
						DNR Lake ID#:	

Garage Size: 0

Directions/Remarks

Directions: Take Highway 7 to County Road 101 to Majestic Lake Road to fire number 4716.

Legal: Lot 5 Block 1 Majestic Lake Shores

Remarks: CHARMING SEASONAL CABIN ON MAJESTIC LAKE. Lot size are approximate. 155 feet of lake frontage. Age of cabin is estimated. Outdoor privy. Seasonal cabin no heat.

Financing

Real Estate Tax: 496.10

Zoning: LR

Special Assessments: No

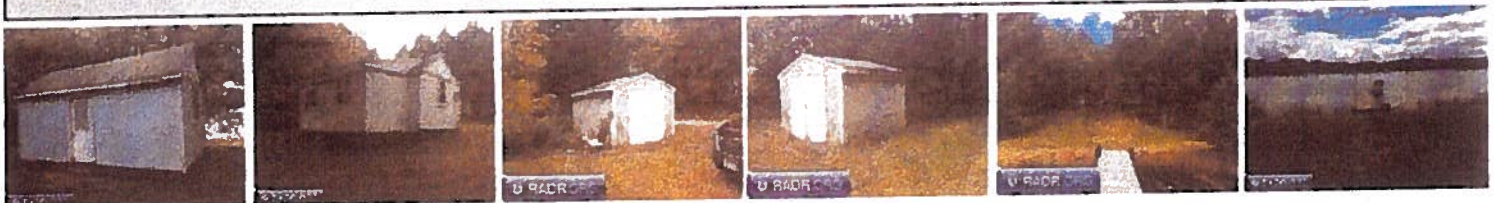
Classified: Non-Homestead

School District: Mt Iron/Buhl

Features

Amps	60	APPLIANCES	Electric Range, Microwave, Refrigerator	HEAT	See Remarks
Public	CHARMING SEASONAL CABIN ON MAJESTIC LAKE. Lot size are approximate. 155 feet of lake frontage. Age of cabin is estimated. Outdoor privy. Seasonal cabin no heat.	WATER HEATER	None	COOLING	None
Remarks		FIREPLACE	None		
		FENCING	None		
EXTERIOR STYLE	Hard Board One Story				

Additional Photos

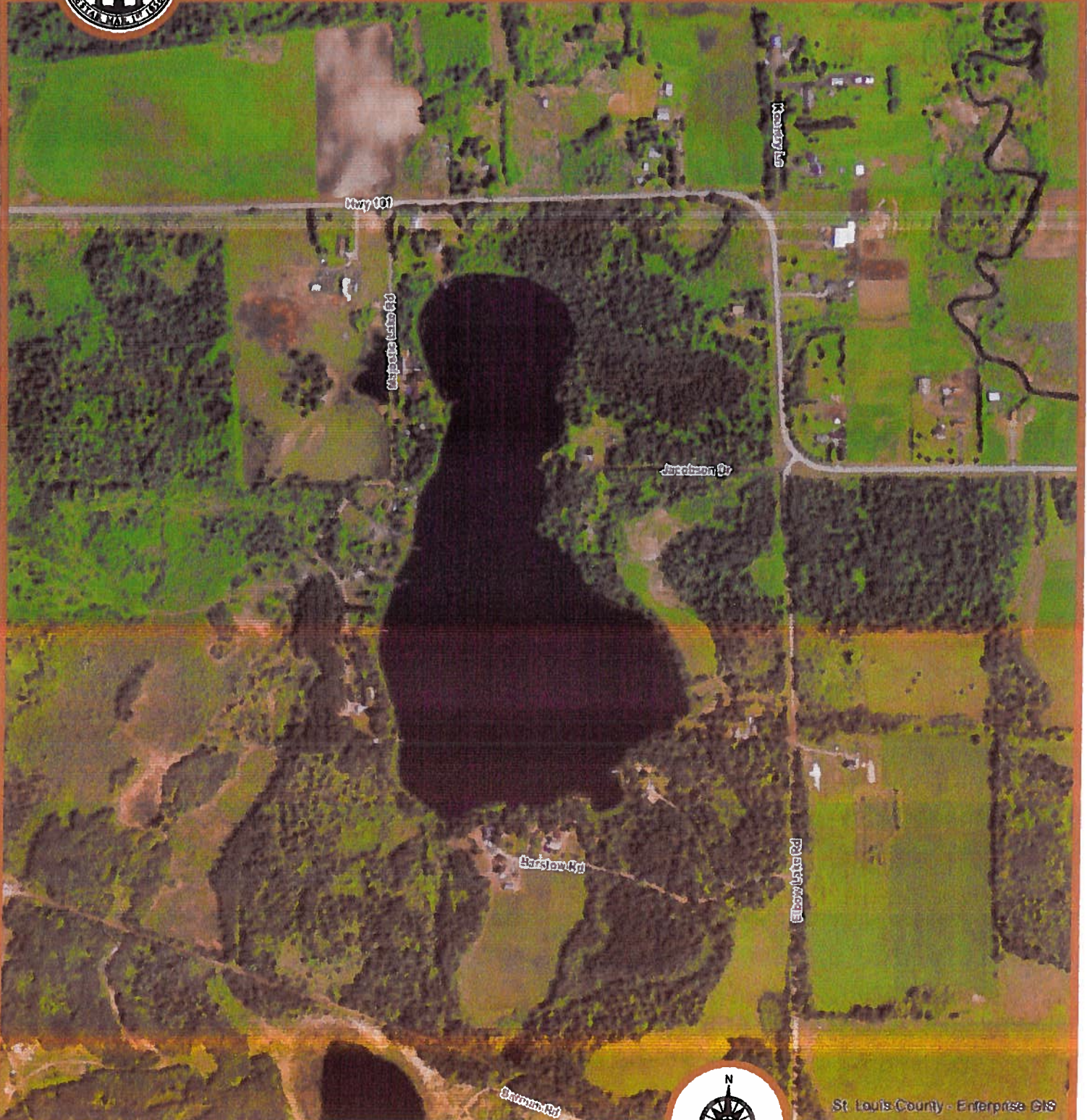


This information is deemed reliable, but not guaranteed.



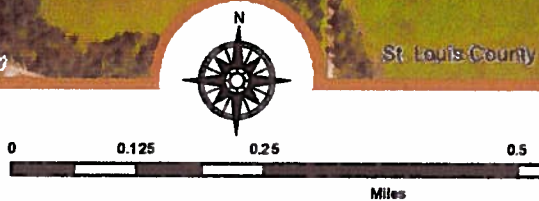
County Land Explorer

St. Louis County, Minnesota



St. Louis County - Enterprise GIS

County Land Explorer Map - St. Louis County MN



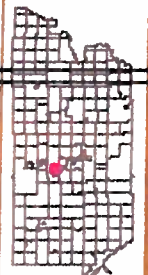
County Land Explorer
St. Louis County www.stlouiscountymn.gov/CountyLandExplorer Minnesota

Disclaimer

This is a compilation of records as they appear in the Saint Louis County Offices affecting the area shown. This drawing is to be used only for reference purposes and the County is not responsible for any inaccuracies herein.

Map created using County Land Explorer
gis.stlouiscountymn.gov/CountyLandExplorer

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COUNCIL LETTER 092115-IVG1

UTILITY ADVISORY BOARD

MN POWER AGREEMENT

DATE: September 17, 2015

FROM Utility Advisory Board

Mike Downs
Director of Public Works

Craig J. Wainio
City Administrator

At their meeting on September 15th the Utility Advisory Board reviewed the proposed electric service agreement with Minnesota Power. This agreement outlines the terms under which the City purchases wholesale power from Minnesota Power for the next 9 years. All municipal utilities that receive wholesale power from Minnesota Power have agreed to the same contract. The UAB recommends that the City Council adopt the electric service agreement as presented.

Market Based Electric Service Agreement

Electric Rate Schedule
Filing Party: ALLETE, Inc.

Other Party: City of Mountain Iron, Minnesota

Table of Contents

1. Amended and Restated Electric Service Agreement
2. ATTACHMENT A: Minnesota Power Regulations for Wholesale Electric Service
3. ATTACHMENT B: Power Supply Formula Rate

**AMENDED AND RESTATED
ELECTRIC SERVICE AGREEMENT
BETWEEN MINNESOTA POWER
AND
THE CITY OF MOUNTAIN IRON**

**RESALE SERVICE - FULL REQUIREMENTS
September 1, 2015**

Minnesota Power ("MP", "Minnesota Power", or "the Company") and the City of Mountain Iron, Minnesota ("Customer") hereby enter into an Electric Service Agreement (the "Agreement"), which provides that MP will supply electric power and associated energy sufficient for Customer to meet its electric system requirements for resale to its retail customers in its service territory effective September 1, 2015.

In consideration of the commitments herein and for other good and valuable considerations, MP and Customer, agree as follows:

1. **DEFINITIONS**

1.1 **Coincident Peak Demand** is Customer's hourly demand at the time of MP's maximum system peak demand (kW or kilowatt) measured during the month.

1.2 **Company's Basic Capacity Costs per kW (kilowatt)** is Company's annual Revenue Requirements associated with Company-owned power production facilities and with Company firm power purchases divided by the aggregate coincident peak kilowatts of all customer loads serviced by such generating capacity and purchased capacity, adjusted for transmission losses and load coincidence factor.

1.3 **Company's Basic Energy Costs per kWh (kilowatt hour)** is Company's annual Revenue Requirements for fuel and associated operation and maintenance expenses at Company owned power production facilities, and for energy associated with firm power purchases and economy purchases divided by the aggregate associated kilowatt-hours, adjusted for transmission losses.

1.4 **Excess Reactive Demand** is the amount by which the maximum 15-minute integrated reactive demand (KVAR or kilovolt-amperes reactive) measured during the current month exceeds 50% of the maximum 15-minute integrated demand (kW or kilowatt) measured during the current month.

1.5 **FERC** is the Federal Energy Regulatory Commission or its successor organization.

1.6 **MISO** is the Midcontinent Independent System Operator or its successor organization.

1.7 **Non-coincident Peak Demand** is Customer's highest fifteen minute demand (kW or kilowatt) measured during the month and used for determining monthly billed demand.

1.8 **Party** is either Customer or MP.

1.9 **Power Supply Formula Rate** is the embedded-cost-based rate designed to recover Minnesota Power's cost of providing full requirements electric service to Customer. (ATTACHMENT B).

1.10 **Renewable Energy** is electricity generated through use of any of the following resources: (1) wind, (2) solar, (3) geothermal, (4) hydro, (5) trees or other vegetation, (6) landfill gas; or (7) predominantly organic components of wastewater effluent sludge, or related by-products from publicly owned treatment works, but not including incineration of wastewater sludge. Or as may be amended from time to time in Minn. Stat. § 216B.2422, subdivision 1, paragraph (c) or other laws amendatory thereof.

1.11 **Service Regulations** is MP's Regulations for Wholesale Electric Service (attached to this Agreement as ATTACHMENT A) that govern MP's electric service to Customer.

1.12 **Service Year** is a twelve-month period beginning on January 1 and ending on December 31 (or, for 2015, the four-month period beginning on September 1) and shall be designated by the year the period begins.

2. TERM OF AGREEMENT

The term of the Agreement begins September 1, 2015 and ends at midnight on December 31, 2024, and will continue thereafter unless either MP or Customer terminates the agreement upon three years written notice to the other party; provided however, such termination notice may not be delivered prior to December 31, 2021.

3. ELECTRIC SERVICE AND RATES

3.1 **Customer Charge.** The Customer Charge shall be \$1,175 per month per Point of Delivery.

3.2 **Generation Capacity Charge.** The Generation Capacity Charge for each Service Year shall be as set forth below:

<u>Service year</u>	<u>Capacity charge</u>
9/1/2015 – 12/31/2015	\$22.60 per kW month
1/1/2016 – 12/31/2016	\$22.60 per kW month
1/1/2017 – 12/31/2018	\$19.18 per kW month
1/1/2019 – 12/31/2024 *	

* The Generation Capacity Charge for each Service Year beginning January 1, 2019 shall be based on the previous year Generation Capacity Charge adjusted as determined by the Power Supply Formula Rate for capacity (ATTACHMENT B), except that the Generation Capacity Charge shall not increase by more than 2% from the previous Service Year Generation Capacity Charge or decrease by more than 1% from the previous Service Year Generation Capacity Charge. The Power Supply Formula Rate calculation for the Generation Capacity Charge shall be based on the latest Minnesota Power FERC Form 1 data available (for example, the 2020 Service Year Generation Capacity Charge will be determined during 2019 based on Minnesota Power's 2018 FERC Form 1 data).

3.3 Base Energy Charge. The Base Energy Charge shall initially be \$0.017/kWh. The Base Energy Charge shall be reset annually on January 1 based on the previous Service Year actual average energy cost pursuant to the Power Supply Formula Rate for energy in ATTACHMENT B.

3.4 Resale Energy Adjustment. The Resale Energy Adjustment shall be calculated pursuant to the Power Supply Formula Rate for energy in ATTACHMENT B.

3.5 Excess Reactive Demand Charge. The Excess Reactive Demand Charge shall be \$0.15 per KVAR (kilovolt-amperes reactive) per month of Excess Reactive Demand.

3.6 Transmission Service and Ancillary Fees. In accordance with applicable filed and approved MISO tariffs, MP will be responsible, on Customer's behalf, for designating resources and securing transmission network service for energy delivery to customer. Customer will be responsible for any and all charges associated with such transmission services. Under MISO Network Service, the initial monthly transmission demand charge rate for the energy provided hereunder will be the appropriate control area's zonal tariff rate (Schedule 7-8-9) for Network Integration Transmission Service plus the MISO Scheduling, System Control and Dispatch Service fee (Schedule 1) plus the MISO Cost Recovery Adder (MISO Administration fee Schedule 10), plus MISO network upgrade charges from Transmission Expansion Planning fee (Schedule 26), Multi-Value Project Recovery Rider (Schedule 26-A), HVDC Administration fee (Schedule 35), and Cost Recovery of NERC Essential Action (Schedule 45) plus any charges not published to date, as such rates and fees may be revised periodically due to changes in MISO, or its successor organization's tariffs and fees (the "Transmission Service Rate"). Customer monthly Coincident Peak Demands with the appropriate control area's peak demand will be used in the application of these rates.

In addition, any applicable ancillary services will be provided in accordance with any applicable tariff ("Ancillary Services Fees"). The Ancillary Service Fees currently include: Reactive Supply and Voltage Control from Generation Sources Service (Schedule 2) and may include any charges not published to date, as such rates and fees may be revised periodically due to changes in MISO, or its successor organization's tariffs and fees. Customer's monthly Coincident Peak Demands with the appropriate control area's peak demand will be used in the application of these rates.

MP will bill Customer the actual monthly cost for the MISO Transmission Service Rate and Ancillary Services Fees no later than one month after MP receives the MISO Transmission Service invoice for each month. Upon termination of this Agreement any remaining unbilled accounts will be settled in full within one month. Customer reserves the right to audit relevant MISO invoices upon which such charges to Customer are based.

3.7 Service Voltage Adjustment. Where all electric service is delivered and metered at (or compensated to) the Service Voltage indicated below, the amount computed at the above rate, before other adjustments, will be adjusted as follows:

Less than 115 kV	Increase the amount computed above in the Generation Capacity Charge by \$1.55 per kW of Generation Capacity Demand. Upon request, if Customer is not currently taking electric service at 115kV, Minnesota Power will work with Customer to identify service points and substation equipment used to serve Customer. In cases where substation equipment is dedicated to serve customer's load, MP will work with Customer to evaluate options for Customer purchase of equipment (high voltage transformers, breakers, switches, etc.) in lieu of paying the service voltage adjustment above. MP will also work with Customer to evaluate options for shared facility leases or construction of any Customer-owned substation.
Less than 13.8 kV	Increase the amount computed above in Customer Charge, Generation Capacity Charge, Base Energy Charge/Resale Energy Adjustment, Reactive Demand Charge and Transmission and Ancillary Fees, including the Service Voltage Adjustment for Less than 115 kV, by 1%.

3.8 Annual Meeting and Customer Audit Rights. Minnesota Power shall annually arrange a meeting with the municipal customers subject to the Power Supply Formula Rates. The purpose of the meeting will be to review the formula calculations and the resulting rates for the current and upcoming Service Years.

At the annual meeting, Minnesota Power will:

- (i) provide sufficient information to enable Customers to verify the calculation of formula results from FERC Form No. 1 or other applicable accounting inputs and to compare that calculation to that of prior years; and
- (ii) identify any respects in which the formula rate's application to the upcoming Service Year materially differed from its application in the current year (e.g., due to changes in accounting procedures, the purchase or sale of major assets,

environmental regulations, or other such significant changes), and describe how such altered application has affected the formula output.

Customer shall have the right to audit the actual Service Year data to verify the formula inputs, calculations, and resulting rates, and to verify that all formula inputs have been adjusted as appropriate so that the formula output reflects the fully allocated average embedded cost. Minnesota Power will provide such information as the Customer may reasonably request in order to understand the actual rate calculations. The Customer shall be entitled to request Minnesota Power adjust the rates in the event that there is an error in the data or application of the formula rate used by Minnesota Power.

Any audit with respect to billings for a Service Year shall be completed by April 30 of the calendar year following the Service Year.

If the Customer does not object to the rate calculations in writing by June 30 of the calendar year following the Service Year, Minnesota Power's costs and rates for the Service Year shall be deemed final, shall not be subject to further dispute or challenge by the Customer, and shall not be subject to refund or collection.

If the Customer and Minnesota Power fail to resolve the Customer's objection within 60 days of such objection, the Customer may file a complaint with FERC pursuant to Federal Power Act Sections 205 or 206. In any such filing, the Customer shall specify the portion(s) of the revenue collection subject to dispute. In any such proceeding, Minnesota Power shall bear the burden of proving that it has reasonably applied the terms of the Formula Rate; that the resultant rate is just, reasonable, and not unduly discriminatory; and that it followed the applicable procedures herein. If the Customer disputes the rates, the Customer shall continue to pay its total bill on a monthly basis. If a refund is determined to be due to the Customer, it shall be paid to the Customer with interest calculated based upon the process set forth in Section 35.19a of the Commission's regulations, 18 CFR 35.19a.

The following example illustrates the timeline contemplated by the preceding provisions:

- Service Year: January 1, 2020 through December 31, 2020.
- Basis for actual rates and billing: Formula applied to actual calendar year 2018 FERC Form 1 data.
- Filing date of FERC Form 1 that will be used as basis for actual billing: April 18, 2019.
- Company's annual meeting with customers: between May and September 2019.
- End of Customer audit period: April 30, 2021.
- Deadline for Customer objections to rate calculations: June 30, 2021.

3.9 Changes to the Formula. If the formula must be changed to conform with changes in the format of FERC Form 1, the format of the Uniform System of Accounts, or other reasons of a similar nature that do not materially impact the results, Minnesota Power shall, absent extraordinary circumstances, provide Customers with 30 days' notice of Minnesota Power's intent to change such references or data sources in the formula and a full explanation of the

changes. If such notice is given and no Customer presents a good faith, written objection in response within 30 days, the Customers will be deemed to have consented to the change and the effective date necessary, including a retroactive effective date, to implement the formula as originally intended.

4. **RENEWABLE AND HIGH EFFICIENCY ENERGY RATE OPTION**

THIS OPTION IS NOT OPEN TO NEW SUBSCRIBERS AND SHALL BE DISCONTINUED DECEMBER 31, 2015.

Customer may voluntarily request to purchase from MP optional Renewable and/or High-Efficiency Energy for the purpose of meeting its requirement under Minn. Stat. § 216B.169 to offer its customers one or more options that allow a customer to determine that a certain amount of the electricity generated or purchased on behalf of the customer is renewable energy or energy generated by high-efficiency, low-emissions, distributed generation, such as fuel cells and microturbines fueled by a renewable fuel, as defined in Minn. Stat. § 216B.169.

Under the Renewable and High-Efficiency Energy Rate Option, MP shall make available to Customer Renewable and/or High Efficiency Energy in increments of 100 kWh blocks monthly on an as-needed basis to supply the actual energy subscriptions sold to Customer's retail customers. MP shall also provide to Customer administrative services associated with the provision of Renewable and/or High-Efficiency Energy. Customer shall notify MP each month of the number of blocks of energy to be purchased for that month.

The standard rates above shall apply. In addition, Customer shall have the option at its sole discretion to purchase a portion of its electric service requirements as Renewable and/or High-Efficiency Energy and pay the following additional charges if Customer elects the Renewable and High-Efficiency Energy Rate Option in accordance with the following:

4.1 **Renewable/High-Efficiency Service Charge (Annual).** Renewable/High Efficiency Service Charge shall be \$500 per year billed in January of each calendar year

4.2 **Renewable/High-Efficiency Energy Charge (Monthly).** Renewable/High Efficiency Energy Charge shall be \$2.50 per 100 kWh block per month for all kWh of Renewable/High-Efficiency Energy

5. **ADDITIONAL CUSTOMER-OWNED RENEWABLE GENERATION**

During the Term (and any extension thereof) Customer may add new renewable generation capacity in an amount up to a total of 10% (non-cumulative) of the total Customer load based on the Customer's previous calendar year average annual billed demand (e.g., if Customer's calendar year average annual demand billed to Customer from Minnesota Power in 2014 was 20 MW, Customer may add up to 2 MW of renewable generation within the city between 2015 and 2024). Customer may add the new renewable generation capacity in this provision in

addition to Customer-owned renewable generation capacity already in service and used to serve Customer load prior to September 1, 2015.

6. **RENEWABLE RESOURCE REQUIREMENTS**

Except for the limited provision of Paragraph 5 above, any requirements applicable to Customer to generate, satisfy, or procure renewable energy objectives under law (e.g., Minn. Stat. § 216B.1691, as may be amended) shall be satisfied by Company. Provided, however, that under Minn. Stat. § 216B.1691, any eligible energy technology requirements applicable to Customer shall first be satisfied by any Customer-owned eligible energy technology and thereafter by Company through the Term of this Agreement.

7. **LOAD GROWTH**

If Customer total native electrical load served by MP increases by more than 10,000 kW in any year, MP reserves the right to adjust its Electric Service and Rate (from those set forth above) to incorporate the additional incremental cost of obtaining power supply to serve such an increase. For additional power requirements in excess of 10,000 kW in any twelve month period MP must be notified. The additional power requirements in excess of 10,000 kW in any twelve month period will be subject to a surcharge for a period of five years from the date a binding commitment agreement to take the power is signed by the Customer. The surcharge will be assessed to cover the additional cost of obtaining such power supply in excess of Company's Basic Capacity and Energy Costs. The surcharge will not be less than zero. MP will advise the customer of approximate Company's Basic Capacity and Energy Cost 30 days prior to the beginning of each year.

8. **ADJUSTMENTS**

There shall be added to the monthly bill the applicable proportionate part of any taxes and assessments imposed by any governmental authority in excess of those in effect September 1, 2015, which are assessed on the basis of meters or customers, or the price of or revenues from electric energy or service sold, or the volume of energy generated, transmitted or purchased for sale or sold.

9. **SERVICE CONDITIONS**

9.1 **Type of Service.** Customer will take service from MP at three phase, 60 hertz, at one standard transmission voltage of 23,000 volts. Except as provided in Paragraphs 5 and 6 above, Customer will take all of its electric service requirements from MP for redistribution and resale. Delivery is where Company's wires connect to Customer's wires on Customer's dead end structure near Customer's substation located at 5528 Mineral Avenue, Mountain Iron, St. Louis County Minnesota, and where the Company's wires connect to Customer's wires near the

Customer's substation located at 8600 County Road 102, Mountain Iron, St. Louis County, Minnesota.

9.2 Point(s) of Delivery and Metering. By mutual agreement of MP and Customer, service may be taken at additional points of delivery; however, a separate Customer Charge shall be billed for each point of delivery. The measurements obtained at each point of delivery will be combined for billing purposes so as to produce the same quantities as measurements obtained by a single-metering installation. Combining the metering in this manner will provide Customer the benefit of any diversity which exists between the points of delivery and produce the equivalent maximum 15-minute demands (kW and KVAR) as would have been produced through metering the entire load at one metering point.

9.3 Equipment Ownership. Customer shall own, operate and maintain all facilities necessary to reach MP's available distribution or transmission line of adequate capacity to handle Customer's electric service requirements. Such facilities include any transformers, regulators, protective devices and other equipment needed to deliver electricity at Customer's utilization or distribution voltage. MP will own and maintain the metering equipment and any high-voltage disconnect switches which MP deems necessary.

9.4 Demand Waiver after System Outage. For billing purposes, MP will waive Customer Generation Capacity Demands and Coincident Peak Demands for one hour after any complete Customer system outage. If such hour is coincident with the MP system peak, Customer's load during the first hour thereafter will be considered the Coincident Peak Demand for billing purposes.

10. REGULATION AND JURISDICTION

Electric service shall be available from MP at the rates and under the terms and conditions set forth in this Agreement. Customer agrees to cooperate without waiver of substantive rights all regulatory filings made by MP with the FERC to implement this Agreement.

The Agreement and all the rates and charges herein are subject to approval, amendment and change by any regulatory body having jurisdiction thereof. Both MP and Customer reserve the right to seek amendments, changes, increases or decreases in the rates and charges set forth herein, in accordance with law, from any regulatory body having jurisdiction thereof.

Nothing contained herein shall be construed as affecting in any way the right of the party furnishing service under this Agreement to unilaterally make application to the FERC for a change in rates, charges, classification, or service, or any rule, regulation or contract relating thereto under Section 205 of the Federal Power Act and pursuant to the Commission's Rules and Regulations promulgated thereunder, or any other regulation or authority granted MP allowing the Company to change rates.

11. **NOTICES**

All notices required hereunder shall be given in writing and addressed or delivered to the following individuals. Notices shall be deemed received (i) upon delivery, when personally delivered; (ii) 48 hours after mailing, when sent via certified mail, return receipt requested; (iii) the next business day, when sent via overnight courier; and (iv) upon transmittal, when sent via facsimile or electronic mail.

Notices to Customer: City Administrator
City of Mountain Iron
8586 Enterprise Drive South
Mountain Iron, MN 55768

Notices to MP: Vice President, Marketing
Minnesota Power
30 W. Superior Street
Duluth MN 55802

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed by the duly authorized signatories the _____ day of _____, 2015.

CITY OF MOUNTIAN IRON

By: _____

Title: _____

MINNESOTA POWER

By: _____

Title: Vice President - Marketing

**ATTACHMENT A
MINNESOTA POWER
REGULATIONS FOR WHOLESALE ELECTRIC SERVICE**

Attached to and made part of agreement with _____

Dated _____

PURPOSE AND CONTENTS

These Service Regulations govern the supplying and taking of electric service. The regulations are designed to provide each Customer the greatest practicable latitude in the use of service consistent with reliable, economical and safe service to all Customers.

These Service Regulations and Rate Schedule are on file in the Company's various offices, and copies are obtainable by any Customer upon request made in person, by telephone or by mail, at any office of the Company.

	Section I—Definitions				Section V—Company's Installation
1	Customer	22	Installation and Maintenance		
2	Company	23	Protection by Customer		
3	Electric Service	24	Customer Extensions		
4	Customer's Installation	25	Relocation of Facilities		
5	Point of Attachment		Section VI—Metering		
6	Service Conductors	26	Installation		
7	Month	27	Evidence of Consumption		
8	Service Agreement	28	Tests		
9	Notice		Section VII—Parallel Generation		
10	Meter	29	Design		
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	Section II—Service Agreements	31	Customer Responsibility		
12	Company's Right to Cancel Service or to Suspend Service		Section VIII—Billing		
13	Successors and Assigns	32	Billing Periods		
	Section III—Supplying and Taking of Service	33	Adjustment for Inaccurate Meter Registration		
14	Continuity of Service	34	Delinquent Bills		
15	Suspension of Service for Repairs and Changes	35	Unlawful Use of Service		
16	Customer's Responsibility	36	Charge for Restoring Service		
17	Right-of-Way	37	Selection of Schedule		
18	Access to Premises	38	Proration of Bills		
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SECTION I—DEFINITIONS

The following expressions when used in these Service Regulations, in Rate Schedules and in Service Agreements, shall, unless otherwise indicated, have the meanings given below

1. **Customer:** A municipality or other wholesale customer having Company's electric service at any specified location.
2. **Company:** Minnesota Power.
3. **Electric Service:** The supplying of electric power and energy, or its availability, irrespective of whether any electric power and energy is actually used. Supplying of service by Company consists of the maintaining by it, at the point of delivery, of approximately the agreed voltage and frequency by means of facilities adequate for carrying Customer's contracted load.
4. **Customer's Installation:** In general, all wiring and apparatus of any kind or nature on Customer's side of the point of delivery (except Company's meter installation), useful in connection with Customer's ability to take electric service.
5. **Point of Attachment:** Point of delivery defined by Contract or the point at which Company's conductors connect to Customer's service conductors or dead end insulators.
6. **Service Conductors:** The wires provided by the Customer extending from Customer's main line switch or center at which circuits originate, to the Point of Attachment.
7. **Month:** An interval of approximately thirty days between successive meter reading dates.
8. **Service Agreement:** The agreement or contract between Company and Customer pursuant to which service is supplied and taken.
9. **Notice:** Unless otherwise specified, a written notification delivered personally or mailed by one party to the other, the period of notice being computed from the date of such personal delivery or mailing.
10. **Meter:** The meter or meters, together with auxiliary devices, if any, constituting the complete installation needed to measure the power and energy supplied to any Customer's point of delivery.
11. **Customer Extension:** Any branch from, or continuation of, an existing line to the point of delivery to Customer, including increases in capacity of any of Company's existing facilities, or the changing of any line to meet the Customer's requirements, and including all transformers, service connection to Point of Attachment and meters.

SECTION II—SERVICE AGREEMENTS

12. **Company's Right to Cancel Service Agreement or to Suspend Service:** Company, in addition to all other legal remedies, may terminate the Service Agreement, or suspend delivery of service, for any default or breach of the Service Agreement by the Customer, but no such termination or suspension will be made by Company without five (5) days written notice to Customer, stating in what particular the Service Agreement has been violated, except in cases of unlawful or unauthorized use of service by Customer, or dangerous leakage or short circuit on Customer's side of the point of delivery, or in case of utilization by Customer of service in such manner as to cause danger to persons or property. Failure of Company at any time to either suspend delivery of service or to terminate the Service Agreement, or to resort to any other legal remedy, or its adoption of either one or the other of such alternatives, shall not affect Company's right to resort to any of such remedies for the same or any future default or breach by Customer.

13. **Successors and Assigns:** Service Agreements inure to the benefit of and are binding upon the respective heirs, legal representatives, successors and assigns of the parties thereto; but no assignment by Customer shall be binding upon Company until accepted in writing by the latter.

SECTION III—SUPPLYING AND TAKING OF SERVICE

14. **Continuity of Service:** Company will endeavor to provide continuous service but does not guarantee a constant supply of electric energy and shall not be liable to Customer for damages occasioned by interruption from any cause other than gross negligence of Company. The Company shall not be liable for any loss of profits or special or consequential damages resulting from the use of service or any interruption or disturbance of service.

In the event of power shortage any curtailment among Customers shall be made as nearly as practical pro rata without liability on the part of Company to any Customer affected.

15. **Suspension of Service for Repairs and Changes:** When necessary to make repairs to or changes in its lines or system, Company may, without incurring any liability therefor, suspend service for such periods as may be necessary, and in such manner as to minimize inconvenience to Customer.

16. **Customer's Responsibility:** Customer assumes all responsibility on Customer's side of the point of delivery for the service supplied or taken, as well as for the electrical installation and apparatus used in connection therewith, and shall save Company harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from such service or the use thereof on Customer's side of the point of delivery.

17. **Right-of-Way:** Customer shall, without compensation, make or procure satisfactory conveyance to Company of right-of-way for Company's lines necessary and incidental to the furnishing of service to Customer and for continuing or extending said lines over, under, across or through the property owned or controlled by Customer in a manner deemed appropriate by the Company.

18. Access to Premises: The duly authorized agents of Company shall have access at all reasonable hours to the premises of Customer for the purpose of inspecting wiring and apparatus, inspecting, maintaining and repairing lines over, under, across or through said premises, removing, replacing, or reconstructing Company's property, reading of meter and all other purposes incident to the supplying of service.

19. Location of Point of Attachment: Customer's Point of Attachment is to be located at a point readily accessible to Company's distribution mains. Customer shall install and maintain a Point of Attachment for Company's conductors. Said Point of Attachment shall be of sufficient mechanical strength to support the wind and ice loaded weight of the conductors and shall be located as determined by the Company.

SECTION IV—CUSTOMER'S INSTALLATION

20. Inspection by Company: Company retains the right, but does not assume the duty, to inspect Customer's installation at any time and will refuse to commence or to continue service whenever it does not consider such installation to be in good operating condition, but Company does not in any event assume any responsibility whatever in connection with such matters.

21. Changes in Installations: As Company's service conductors, transformers, meters, and other facilities used in supplying service to Customer have a definite limited capacity, Customer shall give notice to Company, and obtain Company's consent, before making any material changes or increases in Customer's installation. Company as promptly as possible after receipt of such notice will give its approval to the proposed change or increase, or will advise Customer upon what conditions service can be supplied for such change or increase. Failure to secure Company's approval shall make Customer liable for any damage to Company's facilities.

SECTION V—COMPANY'S INSTALLATION

22. Installation and Maintenance: Except as otherwise provided in these Service Regulations, in Service Agreements or Rate Schedules, Company will install and maintain its lines and equipment on its side of the point of delivery, but shall not be required to install or maintain any lines or equipment, except meters, on Customer's side of the point of delivery. Only Company's agents are authorized to connect Company's service drop to Customer's service entrance conductors and to connect Company's meters.

(a) **Electrical Permit:** The Company is prohibited from connecting its service conductors to Customer's conductors until permitted by the governmental authority having jurisdiction.

(b) **Standard Connection:** The ordinary method of connection between Company's distributing mains and Customer's service conductors will be by overhead wires. If Customer desires to have connection made in any other manner, special arrangements will be made between Customer and Company by which the connection will be made and maintained at Customer's expense.

(c) **Suitable Space:** The Customer shall provide at no cost to Company a suitable room or space for Company's transformers and equipment specifically used in providing service to Customer when such room or space is deemed necessary by Company.

23. Protection by Customer: Customer shall protect Company's wiring and apparatus on Customer's premises and shall permit no one except Company's agents or persons authorized by law to inspect or handle same. In the event of any loss or damage to such property of Company or other person caused by or arising out of carelessness, neglect or misuse by Customer or other unauthorized persons, the cost of making good such loss or repairing such damage shall be paid by Customer.

Company shall not be responsible to Customer or any other party because of any damage resulting from such installations which are not readily subject to inspection from the ground and the exterior of the premises, or from the meter location, unless Customer shall have notified Company of a condition which, in the reasonable opinion of the Customer, requires attention and the Company shall have had a reasonable time within which to inspect and, if necessary, repair the same.

24. Customer Extensions: The Company, at its own expense, makes extensions where the revenue therefrom is sufficient, in Company's opinion, to justify the necessary expenditure.

Where the Company cannot be assured that the term of service will be of sufficient duration, where unusual expenditures are necessary to supply service because of location, size or character of installation, or where area requirements of regulatory bodies may control, Customer shall make arrangements satisfactory to Company dependent upon the particular conditions of each situation.

25. Relocation of Facilities: Company will, at its discretion, alter, relocate or remove Company's facilities as may be requested in writing by Customer. Customer shall pay Company for all costs associated with such alteration, relocation or removal including any new facilities required to provide service after the alteration, relocation or removal.

Customers requesting the alteration, relocation, or removal shall pay the estimated cost for the change, less salvage, of the facilities required to effect such change prior to Company committing funds for the work. Where the actual cost is different from the estimated cost upon which the advance payment was based, as determined upon completion of the requested alteration, relocation or removal, Company will refund any excess payment made by Customer or render a bill for any additional amount due.

SECTION VI—METERING

26. Installation: Company shall furnish and install the necessary meter or meters, and Customer shall provide and maintain a location, free of expense and satisfactory to Company, all in accordance with Company's Metering Standards.

27. Evidence of Consumption: Unless proven to be inaccurate, the registration of Company's meter shall be accepted and received at all times and places as prima facie evidence of the amount of power and energy taken by Customer.

28. Tests: Company tests its meters and maintains their accuracy of registration in accordance with good practice. On request of Customer, Company will make a special test which will be done at the expense of the Company. If the Customer requests another test before the expiration of a twelve-month period, the Customer shall bear the cost of the test if the meter is found to be in error by less than 2%, fast or slow. The average registration

accuracy of a meter is taken as the mean of full load (100% of rated load) accuracy, and light load (5-10% of rated load) accuracy. At Company's discretion, tests may be made under average load conditions.

SECTION VII—PARALLEL GENERATION

29. Design: The Seller's electric generating equipment shall be designed (1) to operate in synchronization with Company's system and (2) to automatically disconnect the facility from Company's system in the event Company's system becomes de-energized. All synchronizing and protective devices to accomplish this mode of operation shall be provided and maintained by Customer.

30. Disconnection: The Seller shall provide and maintain a manual, lockable disconnect switch providing a visible open and capable of isolating the Customer's generator from the Company's electrical system. This disconnect switch shall be readily accessible to Company personnel at all times, shall include a provision for padlocking it in the open position, and shall meet all other reasonable requirements established by Company.

31. Customer Responsibility: The Seller shall pay for the cost of rebuilding and/or modifying Company facilities to provide adequate capacity for the parallel generation system and adequate protection for the Company's electrical system.

SECTION VIII—BILLING

32. Billing Periods: Bills ordinarily are rendered regularly at monthly intervals, but may be rendered more or less frequently at Company's option. Non-receipt of bills by Customer does not release or diminish the obligation of Customer with respect to payment thereof.

33. Adjustment for Inaccurate Meter Registration: In the event that any routine or special test of a Company meter discloses its average accuracy of registration to be in error by more than 2%, fast or slow, Company will refund the overcharge for a fast meter or charge for electricity consumed, but not included in the bills previously rendered for a slow meter. The refund or charge for both fast and slow meters will be based on corrected meter readings for a period equal to one-half the time elapsed since the last previous test but not to exceed six (6) months, unless it can be established that the error was due to some cause, the date of which can be fixed with reasonable certainty, in which case the refund or charge will be computed to that date, but in no event for a period longer than one (1) year.

34. Delinquent Bills: Bills become delinquent if not paid on or before the past due date as shown on bill and service may be discontinued upon five (5) days written notice to Customer after becoming delinquent.

35. Unlawful Use of Service: In any case of tampering with meter installation or interfering with the proper functioning thereof or any other unlawful use or diversion of service by any person, or evidence of any such tampering, interfering, unlawful use or service diversion, Customer is liable to immediate discontinuance of service, without notice, and to prosecution under applicable laws, and Company shall be entitled to collect from Customer at the appropriate rate for all power and energy not recorded on the meter by reason of such tampering, interfering, or other unlawful use or service diversion (the amount of which may be estimated by Company from the best available data), and also for all expenses incurred by the Company on account of such unauthorized act or acts.

36. Charge for Restoring Service: If service to Customer is discontinued by Company for valid cause, then before service is restored, Customer shall pay Company all permitted costs of discontinuing and restoring service. There will be no charge for reconnection when service has been discontinued in the event of a condition determined to be hazardous to Customer, to other Customers of Company, to Company's equipment, or to the public.

If Customer requests that service be discontinued and subsequently requests restoration of same service within twelve (12) months of discontinuance, the charge for restoring service will be the sum of minimum bills during the elapsed period but not less than all costs of discontinuing and restoring service.

37. Selection of Schedule: If, for any cause a Service Agreement is entered into in which is specified a Rate Schedule not applicable to the class of service taken, on discovery of the error all bills rendered during the preceding twelve (12) months will be recalculated in accordance with the properly applicable Rate Schedule and Company will refund to Customer any amount due, or will bill Customer for any amount owed, as the case may be.

38. Proration of Bills: Bills for energy used during a billing period that is longer or shorter than the normal billing period by more than five (5) days shall be prorated on a daily basis, but no billing will be made for three (3) or less days when no energy is used. However, in no event will the total length of service between initial and final service be taken as less than one (1) month.

No bill will be prorated for change in operating level within the billing period.

SECTION IX—MISCELLANEOUS REGULATIONS

39. Conflicts: In case of conflict between any provision of these Service Regulations, Customer's Service Agreement or a Rate Schedule, the provision of the Service Agreement takes precedence, followed by the provision of the Rate Schedule.

40. Regulations and Jurisdiction: Electric service shall be available from Company at the rates and under the terms and conditions set forth in the currently applicable Rate Schedule or other superseding Rate Schedules in effect from time to time. All the rates and regulations referred to herein are subject to amendment and change by Company. Any such amendments or changes are subject to approval by the Federal Energy Regulatory Commission or succeeding authority.

ALLETE, Inc., d/b/a Minnesota Power	
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Market Based Electric Service Agreement

Electric Rate Schedule
Filing Party: ALLETE, Inc.

Other Party: City of Mountain Iron, Minnesota

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**AMENDED AND RESTATED
ELECTRIC SERVICE AGREEMENT
BETWEEN MINNESOTA POWER
AND
THE CITY OF MOUNTAIN IRON**

**RESALE SERVICE - FULL REQUIREMENTS
September 1, 2015**

Minnesota Power ("MP", "Minnesota Power", or "the Company") and the City of Mountain Iron, Minnesota ("Customer") hereby enter into an Electric Service Agreement (the "Agreement"), which provides that MP will supply electric power and associated energy sufficient for Customer to meet its electric system requirements for resale to its retail customers in its service territory effective September 1, 2015.

In consideration of the commitments herein and for other good and valuable considerations, MP and Customer, agree as follows:

1. **DEFINITIONS**

1.1 **Coincident Peak Demand** is Customer's hourly demand at the time of MP's maximum system peak demand (kW or kilowatt) measured during the month.

1.2 **Company's Basic Capacity Costs per kW (kilowatt)** is Company's annual Revenue Requirements associated with Company-owned power production facilities and with Company firm power purchases divided by the aggregate coincident peak kilowatts of all customer loads serviced by such generating capacity and purchased capacity, adjusted for transmission losses and load coincidence factor.

1.3 **Company's Basic Energy Costs per kWh (kilowatt hour)** is Company's annual Revenue Requirements for fuel and associated operation and maintenance expenses at Company owned power production facilities, and for energy associated with firm power purchases and economy purchases divided by the aggregate associated kilowatt-hours, adjusted for transmission losses.

1.4 **Excess Reactive Demand** is the amount by which the maximum 15-minute integrated reactive demand (KVAR or kilovolt-amperes reactive) measured during the current month exceeds 50% of the maximum 15-minute integrated demand (kW or kilowatt) measured during the current month.

1.5 **FERC** is the Federal Energy Regulatory Commission or its successor organization.

1.6 **MISO** is the Midcontinent Independent System Operator or its successor organization.

1.7 **Non-coincident Peak Demand** is Customer's highest fifteen minute demand (kW or kilowatt) measured during the month and used for determining monthly billed demand.

1.8 **Party** is either Customer or MP.

1.9 **Power Supply Formula Rate** is the embedded-cost-based rate designed to recover Minnesota Power's cost of providing full requirements electric service to Customer. (ATTACHMENT B).

1.10 **Renewable Energy** is electricity generated through use of any of the following resources: (1) wind, (2) solar, (3) geothermal, (4) hydro, (5) trees or other vegetation, (6) landfill gas; or (7) predominantly organic components of wastewater effluent sludge, or related by-products from publicly owned treatment works, but not including incineration of wastewater sludge. Or as may be amended from time to time in Minn. Stat. § 216B.2422, subdivision 1, paragraph (c) or other laws amendatory thereof.

1.11 **Service Regulations** is MP's Regulations for Wholesale Electric Service (attached to this Agreement as ATTACHMENT A) that govern MP's electric service to Customer.

1.12 **Service Year** is a twelve-month period beginning on January 1 and ending on December 31 (or, for 2015, the four-month period beginning on September 1) and shall be designated by the year the period begins.

2. TERM OF AGREEMENT

The term of the Agreement begins September 1, 2015 and ends at midnight on December 31, 2024, and will continue thereafter unless either MP or Customer terminates the agreement upon three years written notice to the other party; provided however, such termination notice may not be delivered prior to December 31, 2021.

3. ELECTRIC SERVICE AND RATES

3.1 **Customer Charge.** The Customer Charge shall be \$1,175 per month per Point of Delivery.

3.2 **Generation Capacity Charge.** The Generation Capacity Charge for each Service Year shall be as set forth below:

<u>Service year</u>	<u>Capacity charge</u>
9/1/2015 – 12/31/2015	\$22.60 per kW month
1/1/2016 – 12/31/2016	\$22.60 per kW month
1/1/2017 – 12/31/2018	\$19.18 per kW month
1/1/2019 – 12/31/2024 *	

* The Generation Capacity Charge for each Service Year beginning January 1, 2019 shall be based on the previous year Generation Capacity Charge adjusted as determined by the Power Supply Formula Rate for capacity (ATTACHMENT B), except that the Generation Capacity Charge shall not increase by more than 2% from the previous Service Year Generation Capacity Charge or decrease by more than 1% from the previous Service Year Generation Capacity Charge. The Power Supply Formula Rate calculation for the Generation Capacity Charge shall be based on the latest Minnesota Power FERC Form 1 data available (for example, the 2020 Service Year Generation Capacity Charge will be determined during 2019 based on Minnesota Power's 2018 FERC Form 1 data).

3.3 Base Energy Charge. The Base Energy Charge shall initially be \$0.017/kWh. The Base Energy Charge shall be reset annually on January 1 based on the previous Service Year actual average energy cost pursuant to the Power Supply Formula Rate for energy in ATTACHMENT B.

3.4 Resale Energy Adjustment. The Resale Energy Adjustment shall be calculated pursuant to the Power Supply Formula Rate for energy in ATTACHMENT B.

3.5 Excess Reactive Demand Charge. The Excess Reactive Demand Charge shall be \$0.15 per KVAR (kilovolt-amperes reactive) per month of Excess Reactive Demand.

3.6 Transmission Service and Ancillary Fees. In accordance with applicable filed and approved MISO tariffs, MP will be responsible, on Customer's behalf, for designating resources and securing transmission network service for energy delivery to customer. Customer will be responsible for any and all charges associated with such transmission services. Under MISO Network Service, the initial monthly transmission demand charge rate for the energy provided hereunder will be the appropriate control area's zonal tariff rate (Schedule 7-8-9) for Network Integration Transmission Service plus the MISO Scheduling, System Control and Dispatch Service fee (Schedule 1) plus the MISO Cost Recovery Adder (MISO Administration fee Schedule 10), plus MISO network upgrade charges from Transmission Expansion Planning fee (Schedule 26), Multi-Value Project Recovery Rider (Schedule 26-A), HVDC Administration fee (Schedule 35), and Cost Recovery of NERC Essential Action (Schedule 45) plus any charges not published to date, as such rates and fees may be revised periodically due to changes in MISO, or its successor organization's tariffs and fees (the "Transmission Service Rate"). Customer monthly Coincident Peak Demands with the appropriate control area's peak demand will be used in the application of these rates.

In addition, any applicable ancillary services will be provided in accordance with any applicable tariff ("Ancillary Services Fees"). The Ancillary Service Fees currently include: Reactive Supply and Voltage Control from Generation Sources Service (Schedule 2) and may include any charges not published to date, as such rates and fees may be revised periodically due to changes in MISO, or its successor organization's tariffs and fees. Customer's monthly Coincident Peak Demands with the appropriate control area's peak demand will be used in the application of these rates.

MP will bill Customer the actual monthly cost for the MISO Transmission Service Rate and Ancillary Services Fees no later than one month after MP receives the MISO Transmission Service invoice for each month. Upon termination of this Agreement any remaining unbilled accounts will be settled in full within one month. Customer reserves the right to audit relevant MISO invoices upon which such charges to Customer are based.

3.7 Service Voltage Adjustment. Where all electric service is delivered and metered at (or compensated to) the Service Voltage indicated below, the amount computed at the above rate, before other adjustments, will be adjusted as follows:

Less than 115 kV	Increase the amount computed above in the Generation Capacity Charge by \$1.55 per kW of Generation Capacity Demand. Upon request, if Customer is not currently taking electric service at 115kV, Minnesota Power will work with Customer to identify service points and substation equipment used to serve Customer. In cases where substation equipment is dedicated to serve customer's load, MP will work with Customer to evaluate options for Customer purchase of equipment (high voltage transformers, breakers, switches, etc.) in lieu of paying the service voltage adjustment above. MP will also work with Customer to evaluate options for shared facility leases or construction of any Customer-owned substation.
Less than 13.8 kV	Increase the amount computed above in Customer Charge, Generation Capacity Charge, Base Energy Charge/Resale Energy Adjustment, Reactive Demand Charge and Transmission and Ancillary Fees, including the Service Voltage Adjustment for Less than 115 kV, by 1%.

3.8 Annual Meeting and Customer Audit Rights. Minnesota Power shall annually arrange a meeting with the municipal customers subject to the Power Supply Formula Rates. The purpose of the meeting will be to review the formula calculations and the resulting rates for the current and upcoming Service Years.

At the annual meeting, Minnesota Power will:

- (i) provide sufficient information to enable Customers to verify the calculation of formula results from FERC Form No. 1 or other applicable accounting inputs and to compare that calculation to that of prior years; and
- (ii) identify any respects in which the formula rate's application to the upcoming Service Year materially differed from its application in the current year (e.g., due to changes in accounting procedures, the purchase or sale of major assets,

environmental regulations, or other such significant changes), and describe how such altered application has affected the formula output.

Customer shall have the right to audit the actual Service Year data to verify the formula inputs, calculations, and resulting rates, and to verify that all formula inputs have been adjusted as appropriate so that the formula output reflects the fully allocated average embedded cost. Minnesota Power will provide such information as the Customer may reasonably request in order to understand the actual rate calculations. The Customer shall be entitled to request Minnesota Power adjust the rates in the event that there is an error in the data or application of the formula rate used by Minnesota Power.

Any audit with respect to billings for a Service Year shall be completed by April 30 of the calendar year following the Service Year.

If the Customer does not object to the rate calculations in writing by June 30 of the calendar year following the Service Year, Minnesota Power's costs and rates for the Service Year shall be deemed final, shall not be subject to further dispute or challenge by the Customer, and shall not be subject to refund or collection.

If the Customer and Minnesota Power fail to resolve the Customer's objection within 60 days of such objection, the Customer may file a complaint with FERC pursuant to Federal Power Act Sections 205 or 206. In any such filing, the Customer shall specify the portion(s) of the revenue collection subject to dispute. In any such proceeding, Minnesota Power shall bear the burden of proving that it has reasonably applied the terms of the Formula Rate; that the resultant rate is just, reasonable, and not unduly discriminatory; and that it followed the applicable procedures herein. If the Customer disputes the rates, the Customer shall continue to pay its total bill on a monthly basis. If a refund is determined to be due to the Customer, it shall be paid to the Customer with interest calculated based upon the process set forth in Section 35.19a of the Commission's regulations, 18 CFR 35.19a.

The following example illustrates the timeline contemplated by the preceding provisions:

- Service Year: January 1, 2020 through December 31, 2020.
- Basis for actual rates and billing: Formula applied to actual calendar year 2018 FERC Form 1 data.
- Filing date of FERC Form 1 that will be used as basis for actual billing: April 18, 2019.
- Company's annual meeting with customers: between May and September 2019.
- End of Customer audit period: April 30, 2021.
- Deadline for Customer objections to rate calculations: June 30, 2021.

3.9 Changes to the Formula. If the formula must be changed to conform with changes in the format of FERC Form 1, the format of the Uniform System of Accounts, or other reasons of a similar nature that do not materially impact the results, Minnesota Power shall, absent extraordinary circumstances, provide Customers with 30 days' notice of Minnesota Power's intent to change such references or data sources in the formula and a full explanation of the

changes. If such notice is given and no Customer presents a good faith, written objection in response within 30 days, the Customers will be deemed to have consented to the change and the effective date necessary, including a retroactive effective date, to implement the formula as originally intended.

4. **RENEWABLE AND HIGH EFFICIENCY ENERGY RATE OPTION**

THIS OPTION IS NOT OPEN TO NEW SUBSCRIBERS AND SHALL BE DISCONTINUED DECEMBER 31, 2015.

Customer may voluntarily request to purchase from MP optional Renewable and/or High-Efficiency Energy for the purpose of meeting its requirement under Minn. Stat. § 216B.169 to offer its customers one or more options that allow a customer to determine that a certain amount of the electricity generated or purchased on behalf of the customer is renewable energy or energy generated by high-efficiency, low-emissions, distributed generation, such as fuel cells and microturbines fueled by a renewable fuel, as defined in Minn. Stat. § 216B.169.

Under the Renewable and High-Efficiency Energy Rate Option, MP shall make available to Customer Renewable and/or High Efficiency Energy in increments of 100 kWh blocks monthly on an as-needed basis to supply the actual energy subscriptions sold to Customer's retail customers. MP shall also provide to Customer administrative services associated with the provision of Renewable and/or High-Efficiency Energy. Customer shall notify MP each month of the number of blocks of energy to be purchased for that month.

The standard rates above shall apply. In addition, Customer shall have the option at its sole discretion to purchase a portion of its electric service requirements as Renewable and/or High-Efficiency Energy and pay the following additional charges if Customer elects the Renewable and High-Efficiency Energy Rate Option in accordance with the following:

4.1 **Renewable/High-Efficiency Service Charge (Annual).** Renewable/High Efficiency Service Charge shall be \$500 per year billed in January of each calendar year

4.2 **Renewable/High-Efficiency Energy Charge (Monthly).** Renewable/High Efficiency Energy Charge shall be \$2.50 per 100 kWh block per month for all kWh of Renewable/High-Efficiency Energy

5. **ADDITIONAL CUSTOMER-OWNED RENEWABLE GENERATION**

During the Term (and any extension thereof) Customer may add new renewable generation capacity in an amount up to a total of 10% (non-cumulative) of the total Customer load based on the Customer's previous calendar year average annual billed demand (e.g., if Customer's calendar year average annual demand billed to Customer from Minnesota Power in 2014 was 20 MW, Customer may add up to 2 MW of renewable generation within the city between 2015 and 2024). Customer may add the new renewable generation capacity in this provision in

addition to Customer-owned renewable generation capacity already in service and used to serve Customer load prior to September 1, 2015.

6. RENEWABLE RESOURCE REQUIREMENTS

Except for the limited provision of Paragraph 5 above, any requirements applicable to Customer to generate, satisfy, or procure renewable energy objectives under law (e.g., Minn. Stat § 216B.1691, as may be amended) shall be satisfied by Company. Provided, however, that under Minn. Stat. § 216B.1691, any eligible energy technology requirements applicable to Customer shall first be satisfied by any Customer-owned eligible energy technology and thereafter by Company through the Term of this Agreement.

7. LOAD GROWTH

If Customer total native electrical load served by MP increases by more than 10,000 kW in any year, MP reserves the right to adjust its Electric Service and Rate (from those set forth above) to incorporate the additional incremental cost of obtaining power supply to serve such an increase. For additional power requirements in excess of 10,000 kW in any twelve month period MP must be notified. The additional power requirements in excess of 10,000 kW in any twelve month period will be subject to a surcharge for a period of five years from the date a binding commitment agreement to take the power is signed by the Customer. The surcharge will be assessed to cover the additional cost of obtaining such power supply in excess of Company's Basic Capacity and Energy Costs. The surcharge will not be less than zero. MP will advise the customer of approximate Company's Basic Capacity and Energy Cost 30 days prior to the beginning of each year.

8. ADJUSTMENTS

There shall be added to the monthly bill the applicable proportionate part of any taxes and assessments imposed by any governmental authority in excess of those in effect September 1, 2015, which are assessed on the basis of meters or customers, or the price of or revenues from electric energy or service sold, or the volume of energy generated, transmitted or purchased for sale or sold.

9. SERVICE CONDITIONS

9.1 **Type of Service.** Customer will take service from MP at three phase, 60 hertz, at one standard transmission voltage of 23,000 volts. Except as provided in Paragraphs 5 and 6 above, Customer will take all of its electric service requirements from MP for redistribution and resale. Delivery is where Company's wires connect to Customer's wires on Customer's dead end structure near Customer's substation located at 5528 Mineral Avenue, Mountain Iron, St. Louis County Minnesota, and where the Company's wires connect to Customer's wires near the

Customer's substation located at 8600 County Road 102, Mountain Iron, St. Louis County, Minnesota.

9.2 Point(s) of Delivery and Metering. By mutual agreement of MP and Customer, service may be taken at additional points of delivery; however, a separate Customer Charge shall be billed for each point of delivery. The measurements obtained at each point of delivery will be combined for billing purposes so as to produce the same quantities as measurements obtained by a single-metering installation. Combining the metering in this manner will provide Customer the benefit of any diversity which exists between the points of delivery and produce the equivalent maximum 15-minute demands (kW and KVAR) as would have been produced through metering the entire load at one metering point.

9.3 Equipment Ownership. Customer shall own, operate and maintain all facilities necessary to reach MP's available distribution or transmission line of adequate capacity to handle Customer's electric service requirements. Such facilities include any transformers, regulators, protective devices and other equipment needed to deliver electricity at Customer's utilization or distribution voltage. MP will own and maintain the metering equipment and any high-voltage disconnect switches which MP deems necessary.

9.4 Demand Waiver after System Outage. For billing purposes, MP will waive Customer Generation Capacity Demands and Coincident Peak Demands for one hour after any complete Customer system outage. If such hour is coincident with the MP system peak, Customer's load during the first hour thereafter will be considered the Coincident Peak Demand for billing purposes.

10. REGULATION AND JURISDICTION

Electric service shall be available from MP at the rates and under the terms and conditions set forth in this Agreement. Customer agrees to cooperate without waiver of substantive rights all regulatory filings made by MP with the FERC to implement this Agreement.

The Agreement and all the rates and charges herein are subject to approval, amendment and change by any regulatory body having jurisdiction thereof. Both MP and Customer reserve the right to seek amendments, changes, increases or decreases in the rates and charges set forth herein, in accordance with law, from any regulatory body having jurisdiction thereof.

Nothing contained herein shall be construed as affecting in any way the right of the party furnishing service under this Agreement to unilaterally make application to the FERC for a change in rates, charges, classification, or service, or any rule, regulation or contract relating thereto under Section 205 of the Federal Power Act and pursuant to the Commission's Rules and Regulations promulgated thereunder, or any other regulation or authority granted MP allowing the Company to change rates.

11. **NOTICES**

All notices required hereunder shall be given in writing and addressed or delivered to the following individuals. Notices shall be deemed received (i) upon delivery, when personally delivered; (ii) 48 hours after mailing, when sent via certified mail, return receipt requested; (iii) the next business day, when sent via overnight courier; and (iv) upon transmittal, when sent via facsimile or electronic mail.

Notices to Customer:

City Administrator
City of Mountain Iron
8586 Enterprise Drive South
Mountain Iron, MN 55768

Notices to MP:

Vice President, Marketing
Minnesota Power
30 W. Superior Street
Duluth MN 55802

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed by the duly authorized signatories the _____ day of _____, 2015.

CITY OF MOUNTIAN IRON

By: _____

Title: _____

MINNESOTA POWER

By: _____

Title: Vice President - Marketing

**ATTACHMENT A
MINNESOTA POWER
REGULATIONS FOR WHOLESALE ELECTRIC SERVICE**

Attached to and made part of agreement with _____

Dated _____

PURPOSE AND CONTENTS

These Service Regulations govern the supplying and taking of electric service. The regulations are designed to provide each Customer the greatest practicable latitude in the use of service consistent with reliable, economical and safe service to all Customers.

These Service Regulations and Rate Schedule are on file in the Company's various offices, and copies are obtainable by any Customer upon request made in person, by telephone or by mail, at any office of the Company.

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SECTION I—DEFINITIONS

The following expressions when used in these Service Regulations, in Rate Schedules and in Service Agreements, shall, unless otherwise indicated, have the meanings given below:

1. **Customer:** A municipality or other wholesale customer having Company's electric service at any specified location.
2. **Company:** Minnesota Power.
3. **Electric Service:** The supplying of electric power and energy, or its availability, irrespective of whether any electric power and energy is actually used. Supplying of service by Company consists of the maintaining by it, at the point of delivery, of approximately the agreed voltage and frequency by means of facilities adequate for carrying Customer's contracted load.
4. **Customer's Installation:** In general, all wiring and apparatus of any kind or nature on Customer's side of the point of delivery (except Company's meter installation), useful in connection with Customer's ability to take electric service.
5. **Point of Attachment:** Point of delivery defined by Contract or the point at which Company's conductors connect to Customer's service conductors or dead end insulators.
6. **Service Conductors:** The wires provided by the Customer extending from Customer's main line switch or center at which circuits originate, to the Point of Attachment.
7. **Month:** An interval of approximately thirty days between successive meter reading dates.
8. **Service Agreement:** The agreement or contract between Company and Customer pursuant to which service is supplied and taken.
9. **Notice:** Unless otherwise specified, a written notification delivered personally or mailed by one party to the other, the period of notice being computed from the date of such personal delivery or mailing.
10. **Meter:** The meter or meters, together with auxiliary devices, if any, constituting the complete installation needed to measure the power and energy supplied to any Customer's point of delivery.
11. **Customer Extension:** Any branch from, or continuation of, an existing line to the point of delivery to Customer, including increases in capacity of any of Company's existing facilities, or the changing of any line to meet the Customer's requirements, and including all transformers, service connection to Point of Attachment and meters.

SECTION II—SERVICE AGREEMENTS

12. **Company's Right to Cancel Service Agreement or to Suspend Service:** Company, in addition to all other legal remedies, may terminate the Service Agreement, or suspend delivery of service, for any default or breach of the Service Agreement by the Customer, but no such termination or suspension will be made by Company without five (5) days written notice to Customer, stating in what particular the Service Agreement has been violated, except in cases of unlawful or unauthorized use of service by Customer, or dangerous leakage or short circuit on Customer's side of the point of delivery, or in case of utilization by Customer of service in such manner as to cause danger to persons or property. Failure of Company at any time to either suspend delivery of service or to terminate the Service Agreement, or to resort to any other legal remedy, or its adoption of either one or the other of such alternatives, shall not affect Company's right to resort to any of such remedies for the same or any future default or breach by Customer.
13. **Successors and Assigns:** Service Agreements inure to the benefit of and are binding upon the respective heirs, legal representatives, successors and assigns of the parties thereto; but no assignment by Customer shall be binding upon Company until accepted in writing by the latter.

SECTION III—SUPPLYING AND TAKING OF SERVICE

14. **Continuity of Service:** Company will endeavor to provide continuous service but does not guarantee a constant supply of electric energy and shall not be liable to Customer for damages occasioned by interruption from any cause other than gross negligence of Company. The Company shall not be liable for any loss of profits or special or consequential damages resulting from the use of service or any interruption or disturbance of service.
In the event of power shortage any curtailment among Customers shall be made as nearly as practical pro rata without liability on the part of Company to any Customer affected.

15. **Suspension of Service for Repairs and Changes:** When necessary to make repairs to or changes in its lines or system, Company may, without incurring any liability therefor, suspend service for such periods as may be necessary, and in such manner as to minimize inconvenience to Customer.

16. **Customer's Responsibility:** Customer assumes all responsibility on Customer's side of the point of delivery for the service supplied or taken, as well as for the electrical installation and apparatus used in connection therewith, and shall save Company harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from such service or the use thereof on Customer's side of the point of delivery.

17. **Right-of-Way:** Customer shall, without compensation, make or procure satisfactory conveyance to Company of right-of-way for Company's lines necessary and incidental to the furnishing of service to Customer and for continuing or extending said lines over, under, across or through the property owned or controlled by Customer in a manner deemed appropriate by the Company.

18. Access to Premises: The duly authorized agents of Company shall have access at all reasonable hours to the premises of Customer for the purpose of inspecting wiring and apparatus, inspecting, maintaining and repairing lines over, under, across or through said premises, removing, replacing, or reconstructing Company's property, reading of meter and all other purposes incident to the supplying of service.

19. Location of Point of Attachment: Customer's Point of Attachment is to be located at a point readily accessible to Company's distribution mains. Customer shall install and maintain a Point of Attachment for Company's conductors. Said Point of Attachment shall be of sufficient mechanical strength to support the wind and ice loaded weight of the conductors and shall be located as determined by the Company.

SECTION IV—CUSTOMER'S INSTALLATION

20. Inspection by Company: Company retains the right, but does not assume the duty, to inspect Customer's installation at any time and will refuse to commence or to continue service whenever it does not consider such installation to be in good operating condition, but Company does not in any event assume any responsibility whatever in connection with such matters.

21. Changes in Installations: As Company's service conductors, transformers, meters, and other facilities used in supplying service to Customer have a definite limited capacity, Customer shall give notice to Company, and obtain Company's consent, before making any material changes or increases in Customer's installation. Company as promptly as possible after receipt of such notice will give its approval to the proposed change or increase, or will advise Customer upon what conditions service can be supplied for such change or increase. Failure to secure Company's approval shall make Customer liable for any damage to Company's facilities.

SECTION V—COMPANY'S INSTALLATION

22. Installation and Maintenance: Except as otherwise provided in these Service Regulations, in Service Agreements or Rate Schedules, Company will install and maintain its lines and equipment on its side of the point of delivery, but shall not be required to install or maintain any lines or equipment, except meters, on Customer's side of the point of delivery. Only Company's agents are authorized to connect Company's service drop to Customer's service entrance conductors and to connect Company's meters.

(a) **Electrical Permit:** The Company is prohibited from connecting its service conductors to Customer's conductors until permitted by the governmental authority having jurisdiction.

(b) **Standard Connection:** The ordinary method of connection between Company's distributing mains and Customer's service conductors will be by overhead wires. If Customer desires to have connection made in any other manner, special arrangements will be made between Customer and Company by which the connection will be made and maintained at Customer's expense.

(c) **Suitable Space:** The Customer shall provide at no cost to Company a suitable room or space for Company's transformers and equipment specifically used in providing service to Customer when such room or space is deemed necessary by Company.

23. Protection by Customer: Customer shall protect Company's wiring and apparatus on Customer's premises and shall permit no one except Company's agents or persons authorized by law to inspect or handle same. In the event of any loss or damage to such property of Company or other person caused by or arising out of carelessness, neglect or misuse by Customer or other unauthorized persons, the cost of making good such loss or repairing such damage shall be paid by Customer.

Company shall not be responsible to Customer or any other party because of any damage resulting from such installations which are not readily subject to inspection from the ground and the exterior of the premises, or from the meter location, unless Customer shall have notified Company of a condition which, in the reasonable opinion of the Customer, requires attention and the Company shall have had a reasonable time within which to inspect and, if necessary, repair the same.

24. Customer Extensions: The Company, at its own expense, makes extensions where the revenue therefrom is sufficient, in Company's opinion, to justify the necessary expenditure.

Where the Company cannot be assured that the term of service will be of sufficient duration, where unusual expenditures are necessary to supply service because of location, size or character of installation, or where area requirements of regulatory bodies may control, Customer shall make arrangements satisfactory to Company dependent upon the particular conditions of each situation.

25. Relocation of Facilities: Company will, at its discretion, alter, relocate or remove Company's facilities as may be requested in writing by Customer. Customer shall pay Company for all costs associated with such alteration, relocation or removal including any new facilities required to provide service after the alteration, relocation or removal.

Customers requesting the alteration, relocation, or removal shall pay the estimated cost for the change, less salvage, of the facilities required to effect such change prior to Company committing funds for the work. Where the actual cost is different from the estimated cost upon which the advance payment was based, as determined upon completion of the requested alteration, relocation or removal, Company will refund any excess payment made by Customer or render a bill for any additional amount due.

SECTION VI—METERING

26. Installation: Company shall furnish and install the necessary meter or meters, and Customer shall provide and maintain a location, free of expense and satisfactory to Company, all in accordance with Company's Metering Standards.

27. Evidence of Consumption: Unless proven to be inaccurate, the registration of Company's meter shall be accepted and received at all times and places as prima facie evidence of the amount of power and energy taken by Customer.

28. Tests: Company tests its meters and maintains their accuracy of registration in accordance with good practice. On request of Customer, Company will make a special test which will be done at the expense of the Company. If the Customer requests another test before the expiration of a twelve-month period, the Customer shall bear the cost of the test if the meter is found to be in error by less than 2%, fast or slow. The average registration

accuracy of a meter is taken as the mean of full load (100% of rated load) accuracy, and light load (5-10% of rated load) accuracy. At Company's discretion, tests may be made under average load conditions.

SECTION VII—PARALLEL GENERATION

29. Design: The Seller's electric generating equipment shall be designed (1) to operate in synchronization with Company's system and (2) to automatically disconnect the facility from Company's system in the event Company's system becomes de-energized. All synchronizing and protective devices to accomplish this mode of operation shall be provided and maintained by Customer.

30. Disconnection: The Seller shall provide and maintain a manual, lockable disconnect switch providing a visible open and capable of isolating the Customer's generator from the Company's electrical system. This disconnect switch shall be readily accessible to Company personnel at all times, shall include a provision for padlocking it in the open position, and shall meet all other reasonable requirements established by Company.

31. Customer Responsibility: The Seller shall pay for the cost of rebuilding and/or modifying Company facilities to provide adequate capacity for the parallel generation system and adequate protection for the Company's electrical system.

SECTION VIII—BILLING

32. Billing Periods: Bills ordinarily are rendered regularly at monthly intervals, but may be rendered more or less frequently at Company's option. Non-receipt of bills by Customer does not release or diminish the obligation of Customer with respect to payment thereof.

33. Adjustment for Inaccurate Meter Registration: In the event that any routine or special test of a Company meter discloses its average accuracy of registration to be in error by more than 2%, fast or slow, Company will refund the overcharge for a fast meter or charge for electricity consumed, but not included in the bills previously rendered for a slow meter. The refund or charge for both fast and slow meters will be based on corrected meter readings for a period equal to one-half the time elapsed since the last previous test but not to exceed six (6) months, unless it can be established that the error was due to some cause, the date of which can be fixed with reasonable certainty, in which case the refund or charge will be computed to that date, but in no event for a period longer than one (1) year.

34. Delinquent Bills: Bills become delinquent if not paid on or before the past due date as shown on bill and service may be discontinued upon five (5) days written notice to Customer after becoming delinquent.

35. Unlawful Use of Service: In any case of tampering with meter installation or interfering with the proper functioning thereof or any other unlawful use or diversion of service by any person, or evidence of any such tampering, interfering, unlawful use or service diversion, Customer is liable to immediate discontinuance of service, without notice, and to prosecution under applicable laws, and Company shall be entitled to collect from Customer at the appropriate rate for all power and energy not recorded on the meter by reason of such tampering, interfering, or other unlawful use or service diversion (the amount of which may be estimated by Company from the best available data), and also for all expenses incurred by the Company on account of such unauthorized act or acts.

36. Charge for Restoring Service: If service to Customer is discontinued by Company for valid cause, then before service is restored, Customer shall pay Company all permitted costs of discontinuing and restoring service. There will be no charge for reconnection when service has been discontinued in the event of a condition determined to be hazardous to Customer, to other Customers of Company, to Company's equipment, or to the public.

If Customer requests that service be discontinued and subsequently requests restoration of same service within twelve (12) months of discontinuance, the charge for restoring service will be the sum of minimum bills during the elapsed period but not less than all costs of discontinuing and restoring service.

37. Selection of Schedule: If, for any cause a Service Agreement is entered into in which is specified a Rate Schedule not applicable to the class of service taken, on discovery of the error all bills rendered during the preceding twelve (12) months will be recalculated in accordance with the properly applicable Rate Schedule and Company will refund to Customer any amount due, or will bill Customer for any amount owed, as the case may be.

38. Proration of Bills: Bills for energy used during a billing period that is longer or shorter than the normal billing period by more than five (5) days shall be prorated on a daily basis, but no billing will be made for three (3) or less days when no energy is used. However, in no event will the total length of service between initial and final service be taken as less than one (1) month.

No bill will be prorated for change in operating level within the billing period.

SECTION IX—MISCELLANEOUS REGULATIONS

39. Conflicts: In case of conflict between any provision of these Service Regulations, Customer's Service Agreement or a Rate Schedule, the provision of the Service Agreement takes precedence, followed by the provision of the Rate Schedule.

40. Regulations and Jurisdiction: Electric service shall be available from Company at the rates and under the terms and conditions set forth in the currently applicable Rate Schedule or other superseding Rate Schedules in effect from time to time. All the rates and regulations referred to herein are subject to amendment and change by Company. Any such amendments or changes are subject to approval by the Federal Energy Regulatory Commission or succeeding authority.

ALLETE, Inc., d/b/a Minnesota Power	
Cost-based Formula Rate Calculation Table of Contents:	
TOC	
A-1	Determination of Demand-Related Costs and Generation Capacity Charges
A-2	Determination of Energy-Related Costs and Energy Charges
A-3, A-3.1	CP Demand with Losses and NCP Demand @ Meter
A-4	Energy Credits -Inter-system sales & fuel recovery
A-5, A-5.1	Return on Production Related Investment
A-6	Production Related Electric Plant in Service
A-7	Production Related General Plant Allocation
A-8	Production Related Cash Requirement
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A-17	Production Related Income Tax
A-18	Computation of Effective Income Tax Rate

Exhibit B

Cost-based Formulas - ALLETE, Inc. d/b/a Minnesota Power

A-1

Determination of Demand-Related Costs and Generation Capacity Charges
Twelve Months Ended December 31, 20XX-Actual

	Reference	Demand Related			
1. Return on Capital Investment	pg. A-5, L. 18, Col 2	\$			
2. Operation & Maintenance Expense	pg. A-14, L. 7, Col 2	\$			
3. Depreciation Expense	pg. A-15, L. 6, Col 2	\$			
4. Taxes Other than Income Taxes	pg. A-16, L. 9, Col 3	\$			
5. Income tax	pg. A-17, L. 7, Col 2	\$			
6. Subtotal	Sum L.1 thru L.5	\$			
7. Less: Off-System Sales/Revenue Credits	pg. A-4, L. 1, Col 2	\$			
8. Less: Ancillary Service Revenues	Note 1	\$			
9. Annual Production Fixed Cost	L.6 - L.7 - L.8	\$			
10. Total 12 Months System Peaks	FERC 1, p. 401b, Col d		XX,XXX MW	Municipals	SWLP
11. Demand Cost at Generation	L.9 / L.10 / 1,000	\$	/kW	\$ / kW	\$ / kW
12. CP Demand with Losses (60 minutes)	A-3 col. (g) L.18 a., L.19			XXX.XXX	XXX.XXX
13. Annual Demand Revenue Requirements	L.11 X L.12	\$	\$	\$	\$
14. NCP Demand @ Meter Note 2	A-3.1 col. (u) L.18, L.19			XXX.XXX	XXX.XXX
15. Generation Capacity Cost	L.13/L.14	\$	\$	\$	\$
16. Plus: Customer related Costs not in Cust. Charge	Docket ER08-397 Stmt BL			\$0.15/kw	\$0.10/kw
17. Generation Capacity Charge		\$	\$	/kW	/kW

Note 1: Line 8 Ancillary Service Revenue for Municipal customers &, SWL&P from MP's OATT or equivalent MISO rate.

Note 2: Line 14 - NCP Demand at Meter is based actual 15 min NCP.

Cost-based Formulas - ALLETE, Inc. d/b/a Minnesota Power
A-2
Determination of Energy-Related Costs and Energy Charges
Twelve Months Ended December 31, 20XX-Actual

	Reference	Energy Related
Fuel & Purchased Power Base		
1. Total fuel	pg. A-14, L 10, Col 4	\$
2. Purchased power (555)	pg. A-14, L 1, Col 4	\$
3. Subtotal fuel & purchased power	L1 + L2	\$
4. Less: Energy Credits - inter-system sales and fuel recovered	pg. A-4, L 1, Col 2	\$
5. Total Fuel & Purchased Power Base	L3 - L4	\$
Non-Fuel Energy Charge		
6. Non-fuel energy production expense	pg. A-14, L 4, Col 3	\$
7. Administrative and general expense	pg. A-10, L 19, Col 5	\$
8. Return on capital investment	pg. A-5, L 18, Col 3	\$
9. Depreciation Expense	pg. A-15, L 6, Col 3	\$
10. Income tax	pg. A-17, L 7, Col 3	\$
10. A Production Tax Credits (PTC) generated	pg. A-17, L 11, Col 3	\$
11. Total Non-Fuel Energy Charge	Sum (L6:L10)	\$
12. Net MWh generated and purchased, less MWh intersystem sale	FERC I, p. 401 a & b	XX,XXX,XXX Mwh
13. Non-Fuel Energy Charge	L11 / L12 / 1,000	\$.XXXXXX/kWh
14. Base Energy Rate	L5/L12/1000	\$.XXXXXX/kWh
15. Resale Energy Adjustment: calculated monthly		
16. Current Month's Actual Total Fuel & Purchase Energy Rate		\$.XXXXXX/kWh
17. plus Non-Fuel Energy Charge		\$.XXXXXX/kWh
18. Subtotal		\$.XXXXXX/kWh
19. Less Base Energy Rate		\$.XXXXXX/kWh
20. Fuel and Purchased Energy Rate		\$.XXXXXX/kWh

ALLETE, Inc., d/b/a Minnesota Power
Cost-Based Formulas A-3
Demand Responsibility for Power Supply Costs Based on 12-Month Average CP Demands (MW)
20XX Actuals

Line (No)	Lowest Level of Allocation (kV)	Demand at Meter (a)	Lowest Level of Allocation		Power Supply Transmission		Power Supply Production		
			Losses to Meter Point (b)	Demand at LLA (c)	Losses on Dist Bulk Del (d)	Demand at Trans (e)	Losses on Trans Sys (f)	Demand at Prod (g)	
Group A - Full Requirement Customers									
1		###	####	####	####	####	####	####	####
2		###	####	####	####	####	####	####	####
3		###	####	####	####	####	####	####	####
4		###	####	####	####	####	####	####	####
5		###	####	####	####	####	####	####	####
6		###	####	####	####	####	####	####	####
7		###	####	####	####	####	####	####	####
8		###	####	####	####	####	####	####	####
9		###	####	####	####	####	####	####	####
10	PST	###	####	####	####	####	####	####	####
11	PST	###	####	####	####	####	####	####	####
12	PST	###	####	####	####	####	####	####	####
13	PST	###	####	####	####	####	####	####	####
14	PST	###	####	####	####	####	####	####	####
15	PST	###	####	####	####	####	####	####	####
16	PST	###	####	####	####	####	####	####	####
18		###.###	####	####	####	####	####	####	####
Group B - Private Utilities									
19	PST	###.###	####	####	####	####	####	####	####
20		###.###	####	####	####	####	####	####	####

Notes:

- Demand at LLA (c) = (a) + (b).
- Demand at Trans (e) = (c) + (d).
- Demand at Prod (g) = (e) + (f).

Demand loss factors:

- Secondary (%) @ 0.68
- Line Transf (%) @ 1.69
- Primary (%) @ 3.93
- Distribution Subs (%) @ 0.33
- Dist Bulk Delivery (%) @ 1.48
- Transmission (%) @ 4.89

Transmission losses supplied through MISO and not allocated here

ALLETE, Inc., d/b/a Minnesota Power
 Cost-Based Formulas A-3.1
 20XX Actual 12-Month Average NCP Demands (MW)

Line (No)	Lowest Level of Allocation (kV)	NCP Demand at Meter (a)	Lowest Level of Allocation Losses to Meter Point (b)	Demand at LLA (c)	Power Supply Losses on Dist Bulk Del (d)	Transmission Demand at Trans (e)	Power Supply Losses on Trans Sys (f)	Production Demand at Prod (g)
Group A - Full Requirement Customers								
1	Buhl	##	###	###	###	###	###	###
2	Gilbert	##	###	###	###	###	###	###
3	Keewatin	##	###	###	###	###	###	###
4	Mountain Iron	##	###	###	###	###	###	###
5	Nashwauk	##	###	###	###	###	###	###
6	Pierz	##	###	###	###	###	###	###
7	Randall	##	###	###	###	###	###	###
8	Biwabik	##	###	###	###	###	###	###
9	Ely	##	###	###	###	###	###	###
10	Ailkin	PST	###	###	###	###	###	###
11	Brainerd	PST	###	###	###	###	###	###
12	Grand Rapids	PST	###	###	###	###	###	###
13	Hibbing	PST	###	###	###	###	###	###
14	Proctor	PST	###	###	###	###	###	###
15	Two Harbors	PST	###	###	###	###	###	###
16	Virginia	PST	###	###	###	###	###	###
18	Group A - Total		###	###	###	###	###	###
Group B - Private Utilities								
19	Superior Water, Light & Power Company	PST	###	###	###	###	###	###
20	Group B - Total		###	###	###	###	###	###

Notes:
 Demand at LLA (c) = (a) + (b).
 Demand at Trans (e) = (c) + (d).
 Demand at Prod (g) = (e) + (f).
 Demand loss factors:
 Secondary (%) @ 0.68
 Line Transf (%) @ 1.69
 Primary (%) @ 3.93
 Distribution Subs (%) @ 0.33
 Dist Bulk Delivery (%) @ 1.48
 Transmission (%) @ 4.89
 Transmission losses supplied through MISO and not allocated here.

Cost-based Formulas

A-4

Energy Credits -Inter-system sales & fuel recovery

Twelve Months Ended December 31, 20XX-Actual

		Col (1)	
		Demand	
		(Col 2)	
		Energy	MWh
1.	Demand Related Off-System Sales Revenues Credits a/	\$	
2.	Revenues for Inter-System Sales not related to retail load	\$	
3.	Fuel Costs recovered thru Large Power Excess Energy Sales	\$	
4.	Fuel Costs recovered thru Large Power load replacement sales	\$	
5.	Fuel Costs Recovered thru Incr. Prod. Service	\$	
6.	Total Energy Credits- lines 2-5 & MWh's	\$	

a/ See FERC Form 1 p 311.1 subtotal line non-RQ, column h.

b/ Energy Pricing and Billing resale energy adjustment calculation annual total.

Cost-based Formulas - ALLETE, Inc. d/b/a Minnesota Power
 A-5
 Return on Production Related Investment
 Twelve Months Ended December 31, 20XX-Actual

Ref.	Production		
	Total	Demand	Energy
1. <u>Electric plant</u>			
2. Gross plant in service	pg. A-6, L. 6, Col 2	\$	\$
3. Accumulated depreciation	pg. A-6, L. 12, Col 2	\$	\$
4. Accumulated Deferred Taxes	pg. A-6, L. 13, Col 2	\$	\$
5. Net plant in service	1.2 + 1.3 + 1.4	\$	\$
6. ARO (net 2300 & 1832)	c/	\$	\$
7. Construction work in progress a/	A-5.1	\$	\$
8. Subtotal - Electric Plant	1.5 + 1.6 + 1.7	\$	\$
9. <u>Working capital</u>			
10. Materials & supplies			
11. Fuel	pg. A-9, L. 2	\$	- \$
12. Non-fuel	pg. A-9, L. 4	\$	\$
13. Total M&S	1.11 + 1.12	\$	\$
14. Prepayments b/	b/	\$	\$
15. Cash requirements	pg. A-8, L. 11	\$	\$
16. Total investment	1.8 + 1.13 thru 1.15	\$	\$
17. Composite cost of capital	pg. A-11, L. 4, Col 4	%	%
18. Return on investment	1.16 X 1.17	\$	\$

a/ Production amount only - Major 100% pollution control projects at page A-5.1.

b/ Classified and functionalized using General Plant:	Prepayments	20XX AVG Ending Bal	Demand Related
FERC Form 1, p 111, L. 57	\$		
A-7 line 16		%	
Total Prepayments	\$	%	\$

c/ ARO Average Balance L6	<u>12/31/20XX</u>	<u>12/31/20XX</u>	<u>Average ARO Balance</u>
FERC Form 1- p 112 line 34	\$	\$	\$
FERC Form 1- p 232 line 3	\$	\$	\$
Total above line 6	\$	\$	\$

Cost-based Formulas

A-5.1

Construction Work in Progress

For Thirteen Months Ending December 31, 20XX

Line No.	Month	Pollution Control Proj. # 's	Less AFUDC	Net Pollution Control
1	December 20XX	\$	\$	\$
3	January 20XX	\$	\$	\$
5	February	\$	\$	\$
7	March	\$	\$	\$
9	April	\$	\$	\$
11	May	\$	\$	\$
13	June	\$	\$	\$
15	July	\$	\$	\$
17	August	\$	\$	\$
19	September	\$	\$	\$
21	October	\$	\$	\$
23	November	\$	\$	\$
25	December 20XX	\$	\$	\$
	Average	\$	\$	\$
	100% Pollution Control		\$	

Cost-based Formulas - ALLIANT, Inc. d/b/a Minnesota Power
 A-6
 Production Related Electric Plant in Service
 Twelve Months Ended December 31, 20XX-Actual

		Production			
		System (1)	Total (2)	Demand (3)	Energy (4)
1. Gross plant in service					
2. Plant in service, excl G&I & Non-regulate	n/	\$	\$	\$	-
3. Plant in service		\$	\$	\$	-
4. GSUs included in accts 353 & 362 above	f/	\$	\$	\$	
5. General & intangible	pg A-7, L 18	\$	\$	\$	\$
6. Total Adj. Gross Plant	L3 thru L 5	\$	\$	\$	\$
7. Gross Plant allocator	L6-L6	\$	\$	\$	\$
8. Accumulated Depreciation & Amortization					
9. Plant in service, excl G&I & Non-regulate	c and w/	\$	\$	\$	-
10. GSUs included in accts 353 & 362 above	r/	\$	\$	\$	
11. General & intangible	b/	\$	\$	\$	\$
12. Total Adj. Accum. Deprec. & Amort.	L9+L10+L11	\$	\$	\$	\$
13. Accumulated Deferred Taxes	e/		\$	\$	-

n/ Gross plant in service is the average of beginning and ending balances (FERC-1, p 206 & 207). See footnote g below.

w/ from PA-7, L 16

c Accumulated depreciation is the average of beginning and ending balances (FERC-1, p 219)

e/FERC accounts 281,282, 283 and 190 adjusted to exclude retail related deferred taxes and FAS 109 and FAS 133 deferred taxes.

Directly assigned demand related based on statements AF & AG and general plant allocated on gross plant.

Direct assignment Production only #281 tax credits	\$
#282 prop tax	\$
#283-other cr	\$

ADIT pension related liability removed due no prepaid pe
 Includes deferred taxes related to PTC's, PTC credits are t

Total Deferred Income Tax Credits - production	\$
Direct assignment Production only #190	\$
Net accumulated deferred taxes 100% Production	\$
General Plant 281,282,283 total net of #190	\$
Allocation gross plant factor	\$
Net accumulated deferred taxes 100% Production	\$
Total Deferred Income Tax 100% demand	\$

f/ See FERC Form 1 p 206 Transmission Plant acct #353 transmission station equipment and acct #362 distribution station equipment.

These accounts contain generation step-up transformers (GSU's) located at MP's generating stations are sub functionalized to production demand and energy.

AVG acct #353	\$
AVG acct #362	\$
Total AVG GSU's Assets	\$
Accum.depr.GSU's	\$

	System 20XX Actual Column 1 above	Production Only Column 2 above
g/ Total system Plant in service		
Average plant in service, excluding G&I	\$	\$
less average non-regulated plant	\$	\$
Plant in service, excl G&I & Non-regulate	\$	\$
h/Accumulated Depreciation adjusted for non-regulated plant:		
Plant in Service, excl. G & I	\$	\$
less average accum deprec. non-regulated plant	\$	\$
Total Adj. Accum. Deprec. & Amort.	\$	\$

Cost-based Formulas - ALLETE, Inc. d/b/a Minnesota Power

A-7

Production Related General Plant Allocation

Twelve Months Ended December 31, 20XX-Actual

	General plant accounts 101 and 106				
	Total system	Allocator	Production	Demand	Energy
1. General plant FERC Form 1 p 206 Lines 86-96					
2. 389 Land and land rights	\$				
3. 390 Structures and improvements	\$				
4. 391 Office furniture and equipment	\$				
5. 392 Transportation equipment	\$				
6. 393 Stores equipment	\$				
7. 394 Tools, shop and garage equipment	\$				
8. 395 Laboratory equipment	\$				
9. 396 Power operated equipment	\$				
10. 397 Communication equipment	\$				
11. 398 Miscellaneous equipment	\$				
12. Subtotal a/	\$	%	\$	\$	\$
13. Percent of subtotal		%			%
14. 399 Other tangible property L-97	\$				
15. Total general plant	\$		\$	\$	\$
16. Percent of total		%		%	%
17. Intangible plant	\$		FERC-1 p 204 L 5 \$	\$	\$
18. General and intangible plant	\$		\$	\$	\$

a/ FERC-1, p. 354: Production payroll/Total payroll excl. A&G

b/ Allocation between demand and energy on production payroll:

Total production payroll	\$
Total production payroll-demand related	\$
	% *

* "Total production payroll-demand related " is classified by FERC O&M acct numbers between demand and energy based on established FERC methodology used in rate cases. See separate file "20XX labor only O&M.xls" for individual FERC account classification between demand and energy.

Cost-based Formulas - ALLETE, Inc. d/b/a Minnesota Power
A-8
Production Related Cash Requirement
Twelve Months Ended December 31, 20XX-Actual

	Ref	Amount	Production	
			Demand	Energy
1. Fuel expense	pg. A14, L10	\$	\$	\$
2.				
3. Purchased power	pg. A14, L1	\$	\$	\$
4.				
5. Total O&M excluding fuel	pg. A14, L5	\$	\$	\$
6. Other O&M expenses (excl. fuel/purch power)	L5 - L3	\$	\$	\$
7. Other O&M expenses cash requirements	L 6 * 1/8	\$	\$	\$
8. Other cash requirements	L7	\$	\$	\$
9. Administrative & general expense-	pg. A10, L 19	\$	\$	\$
10. A&G Cash requirements	L 9 * 1/8	\$	\$	\$
11. Total Cash requirements	L8 + L10	\$	\$	\$

Cost-based Formulas - ALLIETIE, Inc. d/b/a Minnesota Power
 A-9
 Production Related Materials & Supplies
 Twelve Months Ended December 31, 20XX-Actual

	Reference	System	Allocator	Production	Demand	Energy
1. Materials & supplies						
2. Fuel - average balance a/	FERC-1 p.1101.45	\$	100%	\$		- \$
3. Plant materials (154) average balance b/		\$	FERC-1 p.227	\$	\$	\$
4. Total non-fuel plant materials	line 3	\$		\$	\$	\$
5. Total materials & supplies	L2 + L3	\$		\$	\$	\$

a/ FERC account 151 excluding non-regulated. Average balance calculated by taking 12-31-XX balance (beginning balance) and 12-31-XX (ending balance) and dividing by 2.

b/ FERC account 154, excluding non-regulated materials. Average balance is calculated by taking 12-31-XX (beginning balance) and 12-31-XX (ending balance) and dividing by 2. See below.

	12/31/XX	12/31/XX	Avg Balance
Fuel Stock Inventory FERC Form 1 p 110 L.45	\$	\$	\$
Total Prod. Plant Materials FERC p 227 L	\$	\$	\$
deduct non-regulated sch p 227, footnote 450.1	\$	\$	\$
Net Regulated Plant Materials	\$	\$	\$
		Check	\$

Cost-based Formulas - ALLETE, Inc. d/b/a Minnesota Power
 A-10
 Production Related Administrative & General Expense Allocation
 Twelve Months Ended December 31, 20XX-Actual

	Reference	System (1)	Allocator (2)	Production (3)	Demand (4)	Energy (5)
1. Administrative & general expense-						
2. Operations:						
3. 920 Administrative and general salaries	FERC-1 p.323 L.181	\$				
4. 921 Office supplies and expenses.	FERC-1 p.323 L.182	\$				
5. 922 Administrative expenses transferred— Credit.	FERC-1 p.323 L.183	\$				
6. 923 Outside services employed.	FERC-1 p.323 L.184	\$				
7. 925 Injuries and damages.	FERC-1 p.323 L.186	\$				
8. 926 Employee pensions and benefits.	FERC-1 p.323 L.187	\$				
9. 927 Franchise requirements.	FERC-1 p.323 L.188	\$				
10. 929 Duplicate charges—Credit.	FERC-1 p.323 L.190	\$				
11. 930.1 General advertising expenses.	FERC-1 p.323 L.191	\$				
12. 930.2 Misc. general expense	FERC-1 p.323 L.192	\$				
13. 931 Rents.	FERC-1 p.323 L.193	\$				
14. Subtotal a/	subtotal L3 to L13	\$				
15. 924 Property insurance.	FERC-1 p.323 L.185	\$	%	\$	\$	\$
16. 928 Regulatory commission expenses.	FERC-1 p.323 L.189	\$	assigned	\$	\$	\$
17. Reg comm exp FERC annual assessment	FERC-1, p.351	\$		\$	\$	\$
18. 935 Maintenance of general plant.	FERC-1 p.323 L.196	\$	%	\$	\$	\$
19. Total	total L.14 to L.18	\$		\$	\$	\$

a/ General plant allocator based on production payroll at page A-7 line 12.

\$
 \$
 \$

Cost-based Formulas - ALLETE, Inc. d/b/a Minnesota Power
A-11

Composite Cost of Capital
Twelve Months Ended December 31, 20XX-Actual

		Total company		
		Fixed	Cost	Wtd cost
Reference		(2)	(3)	(4)
1. Long term debt	pg. A-12	41%		%
2. Preferred stock		0%		0.00%
3. Common equity	Note 1 below	59%	10.38%	6.12%
4. Total		<u>100%</u>		%

Cost of Capital

The Cost of Capital used to determine the rate of return on investment will be calculated using a return on equity (ROE) that matches the retail rate until December 31, 2024.

The capital structure will be fixed at 41% debt and 59% equity until December 31, 2024.

Cost-based Formulas - ALLETE, Inc. d/b/a Minnesota Power
 A-12
 Long Term Debt
 Twelve Months Ended December 31, 20XX-Actual

	FERC Form 1 Ref.	Debt Balances
		Average Balance
1. Total Long-term Debt	p 112, line 24	\$
2. Interest on Long-term Debt	p 117, line 62	\$
3. Amort. Of Debt Disc. And Expense	p 117, line 63	\$
4. Amortization of Loss on Reacquired Debt	p 117, line 64	\$
5. Amort. Of Premium on Debt-Credit	p 117, line 65	\$
6. Total Interest	sum (lines 2-5)	\$
7. Cost of Long-term debt	line 6 divided by line 1	%

Cost-based Formulas - ALLETE, Inc. d/b/a Minnesota Power
A-14
Production O&M Expenses
Twelve Months Ended December 31, 20XX-Actual

			Total company	Fixed	Variable	
					Non-fuel	Fuel
			(1)	(2)	(3)	(4)
1	555 Purchased power b/	FERC-1, p 327	\$	\$		\$
2	556 System control and load dispatching.	FERC-1, p 321.1.77	\$	\$		
3	557 Other expenses.	FERC-1, p 321.1.78	\$	\$		
4	Other production expenses	pg. A-14(n)	\$	\$	\$	
5	Total production excluding fuel used in generation	1.1 + 1.2 + 1.3 + 1.4	\$	\$	\$	\$
6	A&G expenses	pg. A-10.1.19 col (3)	\$	\$	\$	
7	Total O&M, excluding fuel	1.5 + 1.6	\$	\$	\$	\$
8	501 Fuel a/	FERC-1 p.320.1.5	\$			\$
9	Less Gains on Disposition of Allowance	FERC-1 p 114.1.22	\$			\$
10	Total Fuel	1.8 + 1.9	\$	#REF!	#REF!	\$
11	Total Production O&M	1.7 + 1.10	\$	\$	\$	\$

a/ FERC account 501, excluding non-regulated:

FERC Form I, p. 320, line 5 Fuel	\$
deducted non regulated fuel expense	\$
Total regulated fuel expense at line 8 above	\$

b/Purchased power at page 327 is total demand (col j), energy (col k), and other (col l) charges if applicable .

Cost-based Formulas - ALLETE, Inc. d/b/a Minnesota Power
A-14(a)
Classification of Fixed and Variable Production Expenses
Twelve Months Ended December 31, 20XX-Actual

			Demand	Energy	
1	FERC-1 p.3201.4	500 Operation supervision and engineering.	\$		
2	FERC-1 p.3201.5	501 Fuel		XX	
3	FERC-1 p.3201.5	501 Fuel-handling			
4	FERC-1 p.3201.5	501 Fuel-sale of fly ash			
5	FERC-1 p.3201.6	502 Steam expenses	\$		
6	FERC-1 p.3201.7	503 Steam from other sources.		\$	
7	FERC-1 p.3201.8	504 Steam transferred—Credit.			
8	FERC-1 p.3201.9	505 Electric expenses	\$		
9	FERC-1 p.3201.10	506 Miscellaneous steam power expenses	\$		
10	FERC-1 p.3201.11	507 Rents		-	
11	FERC-1 p.3201.12	509 Allowances.			
12	FERC-1 p.1141.22	Less: 411.8 Gains from Disposition of allowances			XX
13	FERC-1 p.1141.23	Plus: 411.9 Losses from Disposition of allowances			XX
14	FERC-1 p.3201.15	510 Maintenance supervision and engineering		\$	
15	FERC-1 p.3201.16	511 Maintenance of structures	\$		
16	FERC-1 p.3201.17	512 Maintenance of boiler plant		\$	
17	FERC-1 p.3201.18	513 Maintenance of electric plant		\$	
18	FERC-1 p.3201.19	514 Maintenance of miscellaneous steam plant	\$		
19		Total steam power generation			
20	FERC-1 p.3201.24	517 Operation supervision and engineering			
21	FERC-1 p.3201.26	519 Coolants and water			
22	FERC-1 p.3201.27	520 Steam expenses			
23	FERC-1 p.3201.28	521 Steam from other sources			
24	FERC-1 p.3201.29	522 Steam transferred—Credit.			
25	FERC-1 p.3201.30	523 Electric expenses			
26	FERC-1 p.3201.31	524 Miscellaneous nuclear power expenses			
27	FERC-1 p.3201.32	525 Rents			
28		Total nuclear operating			
29	FERC-1 p.3201.35	528 Maintenance supervision and engineering	\$		
30	FERC-1 p.3201.36	529 Maintenance of structures			
31	FERC-1 p.3201.37	530 Maintenance of reactor plant equipment			
32	FERC-1 p.3201.38	531 Maintenance of electric plant			
33	FERC-1 p.3201.39	532 Maintenance of miscellaneous nuclear plant			
34		Total nuclear maintenance			
35	FERC-1 p.3201.44	535 Operation supervision and engineering.	\$		
36	FERC-1 p.3201.45	536 Water for power.		-	
37	FERC-1 p.3201.46	537 Hydraulic expenses	\$		
38	FERC-1 p.3201.47	538 Electric expenses		-	
39	FERC-1 p.3201.48	539 Miscellaneous hydraulic power generation expenses	\$		
40	FERC-1 p.3201.49	540 Rents.			
41	FERC-1 p.3201.53	541 Maintenance supervision and engineering	\$		
42	FERC-1 p.3201.54	542 Maintenance of structures	\$		
43	FERC-1 p.3201.56	543 Maintenance of reservoirs, dams and waterways	\$		
44	FERC-1 p.3201.58	544 Maintenance of electric plant		\$	
45	FERC-1 p.3201.57	545 Maintenance of miscellaneous hydraulic plant	\$		
46		Total hydraulic			
47	FERC-1 p.3211.62	546 Operation supervision and engineering.	\$		
48	FERC-1 p.3211.63	547 Fuel.			
49	FERC-1 p.3211.64	548 Generation expenses	\$		
50	FERC-1 p.3211.65	549 Miscellaneous other power generation expenses	\$		
51	FERC-1 p.3211.66	550 Rents.	\$		
52	FERC-1 p.3211.69	551 Maintenance supervision and engineering	\$		
53	FERC-1 p.3211.70	552 Maintenance of structures	\$		
54	FERC-1 p.3211.71	553 Maintenance of generating and electric plant	\$		
55	FERC-1 p.3211.72	554 Maintenance of miscellaneous other power generation plant	\$		
56	FERC-1 p.3211.74	Total other power generation			
57	FERC-1 p.3201.76	555 Purchased power.	XX	XX	
58	FERC-1 p.3201.77	556 System control and load dispatching	XX		
59	FERC-1 p.3201.78	557 Other expenses.	XX		
60	L1 to L59	Total Demand and Total Energy	\$	\$	\$

Cost-based Formulas - ALLETE, Inc. d/b/a Minnesota Power
 A-15
 Production Related Depreciation Expense
 Twelve Months Ended December 31, 20XX-Actual

	Reference	Regulated Production related	Reviewed by: Demand	Energy
1 Steam production (net of non-regulated utility)	FERC-1 p.336 L.2 (f)	\$	\$	
2 Other production (Hydro & Wind)	FERC-1 p.336 L.4 + 6 (f)	\$	\$	
3 Subtotal	1.1 + 1.2	\$	\$	#REF!
4 Production related G&I plant	a/	\$	\$	\$
5 GSU-related depreciation expense	Actual @ b/	\$	\$	\$
6 Total production depreciation expense	1.3 + 1.4 + 1.5	\$	\$	\$
a/ General & Intangible Plant Depreciation Expense	FERC-1 p.336 (f) L.1 + 10	\$		includes \$X,XXX,XXX amortization intangible
Allocator from General Plant A-7	A-7 line 12		%	
Production Related General & Intangible Deprec Exp.		\$		
b/ GSU's 2014 Actual Depreciation Expense		\$		
		\$		
	Total	\$		

Cost-based Formulas - ALLETE, Inc. d/b/a Minnesota Power
 A-16
 Production Related Taxes Other than Income Taxes (TOTI)
 Twelve Months Ended December 31, 20XX-Actual

Line	Description	Reference	System (1)	Allocator (2)	Production (3)
1	Unemployment	FERC -1, p 263 line 3+8 col (i)			
2	FICA	FERC -1, p 263 line 2 col (i)			
3	Total taxes related to wages & salaries	L1+ L2	\$	%	\$
4	Real and personal property tax	Direct assignment Prod.	\$	assigned	\$
5	MN Wind Assessment on production	Direct assignment Prod.	\$	100%	\$
6	MN Air Quality Emission Fee	Direct assignment Prod.	\$	100%	\$
7	Total taxes related to property & Other	L4 +L5 +L6	\$		\$
8	Total taxes other than income taxes	L3 + L7	\$		
9	Total TOTI	sum above	\$		\$
10	Difference	L9-L11	\$		
11	Total TOTI	FERC-1 p.114 L 14	\$		

(1) System - FERC-1, p. 262-263

(2) Allocator:

Total taxes related to wages & salaries - Wages & salaries - A-7

Line 4 Real and personal property taxes are related to production only

Steam	\$
Hydro	\$
Wind	\$
Total Production	\$

Cost-based Formulas - ALLETE, Inc. d/b/a Minnesota Power
 A-17
 Production Related Income Tax
 Twelve Months Ended December 31, 20XX-Actual

Line	Description	Reference	Total (1)	Demand (2)	Energy (3)
1	Total Rate Base Investment	pg. A-5, L16	\$	\$	\$
2	Weighted return on L T Debt + Equity	pg. A-18	0.00%	0.00%	0.00%
3	Return	L1 X L2	\$	\$	\$
4	Combined income tax factor	pg. A-18	\$	\$	\$
5	Subtotal	L3 X L4	\$	\$	\$
6	ITC Adjustment	line 11 below	\$	\$	\$
7	Total Income Tax		\$	\$	\$
8	Amortized Investment Tax Credit				PTC
9	1/(1 - T) from line 1 @ A-18		1.7056		1.7056
10	Amortized Investment Tax Credit	Ref @ Note 1	\$		\$
11	ITC Adjustment	L9 * L10	\$		\$

Note 1: This calculation method is consistent with FERC approved MISO Attachment O.

Note 1: FERC Form 1 p 266, column (f) line 8 less transmission and distribution related ITC.

Total Company ITC	\$
Less Transmission and Distribution	\$
Net Production related ITC	\$

Cost-based Formulas - ALLETE, Inc. d/b/a Minnesota Power

A-18

Computation of Effective Income Tax Rate

Twelve Months Ended December 31, 20XX-Actual

Tax Calculation from Transmission Formula:

1	$T = 1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$	41.37%
2	$CIT = (T / (1 - T)) * (1 - (WCLTD / R)) =$	%
	where WCLTD = (A-11, line 1 col 4) and where	
	R = (A-11, line 4 col 4)	
	and where FIT, SIT & p are as given below.	
	$1 / (1 - T) =$ (from first line of tax calc)	

where FIT rate =	0.3500
where SIT rate =	0.0980
where p = (percentage of federal income tax deductible for state purpo	0.0000
where WCLTD = (A-11, line 1. Weighted Cost Long Term Debt)	0.0000
where R = (A-11 line 4. Total weighted cost long term debt + equity)	0.0000

Note: The above method is consistent with the MISO Schedule O calculation of Effective Income Tax Rate and the Combined Income Tax Factor.

COUNCIL LETTER 092115-VA

STREETS

RESOLUTION NUMBER 11-15

DATE: September 17, 2015

FROM: Craig J. Wainio
City Administrator

Resolution Number 11-15 closes out the Fairview Lane, Rock Ridge Drive and Silicon Way projects which were completed in 2014. At an upcoming meeting a Resolution Declaring the Costs and Ordering the Preparation of an Assessment Role will be presented. This is a part of the Special Assessment process. It is recommended that the Resolution be adopted as presented.



CITY OF MOUNTAIN IRON

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RESOLUTION NUMBER 11-15

ACCEPTING WORK

WHEREAS, pursuant to a written contract signed with the City on June 6, 2014, Mesabi Bituminous of Gilbert, Minnesota has satisfactorily completed Improvement Number 14-02, the proposed improvement of Silicon Drive between the centerline of the proposed County Road 102 to the end of Silicon Drive by paving, the improvement of Rock Ridge Drive between Park Ridge Drive and Highway 169 by reconstruction and the improvement of Fairview Lane between Mineral Avenue and Greenwood Lane by overlay 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 21st DAY OF SEPTEMBER, 2015.

Mayor Gary Skalko

ATTEST:

City Administrator

COUNCIL LETTER 092115-VIA
PLANNING AND ZONING
ORDINANCE NUMBER 07-15

DATE: September 17, 2015

FROM: Planning and Zoning Commission

Jerry Kujala
Zoning Administrator

Craig J. Wainio
City Administrator

On September 14th the Planning and Zoning Commission held a public hearing on consider Ordinance Number 07-15 amending the land use code. This ordinance only pertains to areas zoned industrial. The changes being made are to repeal the height restrictions and increase lot coverage. After the public hearing, the Planning and Zoning Commission voted to recommend to the City Council that Ordinance Number 07-15 be adopted a as presented.



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ORDINANCE NUMBER 07-15

AMENDING SECTION 154.028 OF THE MOUNTAIN IRON CITY CODE

THE CITY OF MOUNTAIN IRON HEREBY ORDAINS:

Section 1. Amending Section 154.028. Section 154.028 (D) (4) of the Mountain Iron City Code is hereby amended to read as follows:

(4) Maximum lot coverage allowed: 80%.

Section 2. Amending Section 154.028. Section 154.028 (D) (5) of the Mountain Iron City Code is hereby repealed.

Section 3. Inconsistent Ordinances. All Ordinances or portions thereof inconsistent with this Ordinance shall be repealed and replaced with the provisions of this Ordinance.

Section 4. Effective Date. This Ordinance shall be effective in accordance with State Statute.

DULY ADOPTED BY THE CITY COUNCIL THIS 21st DAY OF SEPTEMBER, 2015.

Mayor Gary Skalko

ATTEST:

City Administrator



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NOTICE OF PUBLIC HEARING

The Planning and Zoning Commission of the City of Mountain Iron will hold a public hearing on Monday, September 14, 2015 at 6:10 p.m. in the Mountain Iron Room of the Mountain Iron Community Center.

The purpose of the public hearing is to consider amendments to Chapter 154 of the City Code, the Zoning Ordinance for the City of Mountain Iron as follows:

Section 154.028 (D) (4) of the Mountain Iron City Code is hereby amended to read as follows:

(4) Maximum lot coverage allowed: 80%.

Section 154.028 (D) (5) of the Mountain Iron City Code is hereby repealed.

The public can present its opinions at the public hearing or by letter addressed to the Zoning Administrator, City Hall, 8586 Enterprise Drive South, Mountain Iron, Minnesota 55768-8260.

By Order of the Planning and Zoning Commission
Jerry D. Kujala
Zoning Administrator

www.mtniron.com

COUNCIL LETTER 092115-VIB
PLANNING AND ZONING
ORDINANCE NUMBER 08-15

DATE: September 17, 2015
FROM: Planning and Zoning Commission

Jerry Kujala
Zoning Administrator

Craig J. Wainio
City Administrator

On September 14th the Planning and Zoning Commission held a public hearing on consider Ordinance Number 08-15 amending the zoning map. This ordinance changes the zoning classification on certain lands south of Slate Street from Mineral Mining and Multi-Family 2 to Industrial. Enclosed is a map out lining the subject parcels. After the public hearing, the Planning and Zoning Commission voted to recommend to the City Council that Ordinance Number 08-15 be adopted a as presented.



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ORDINANCE NUMBER 08-15

AMENDING THE OFFICIAL ZONING MAP IN AND FOR THE CITY OF MOUNTAIN IRON

THE CITY COUNCIL OF MOUNTAIN IRON ORDAINS:

Section 1. Amending the Official Zoning Map. The Official Zoning Map for City of Mountain Iron is hereby amended as follows:

(A) The Zoning District of the following parcel is hereby changed from Multi-Family 2 (MF-2) to Industrial (I):

- (1) The SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ in Section 10, T58N, R18W, except the northerly 500 feet

(B) The Zoning District of the following parcels is hereby changed from Mineral Mining (MM) to Industrial (I):

- (1) The SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ East of the RR in Section 9, T58N, R18W
- (2) The NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ East of the RR in Section 9, T58N, R18W

Section 2. Repeal of Inconsistent Ordinance. All Ordinances inconsistent herewith are hereby repealed and replaced with the provisions of this Ordinance.

Section 3. Effective Date. This Ordinance shall be effective according to State Statute.

DULY ADOPTED BY THE CITY COUNCIL THIS 21st DAY OF SEPTEMBER, 2015.

Mayor Gary Skalko

Attested:

City Administrator

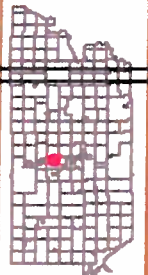
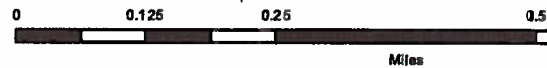


County Land Explorer

St. Louis County, Minnesota



County Land Explorer Map - St. Louis County MN



County Land Explorer
St. Louis County www.stlouiscountymn.gov/CountyLandExplorer Minnesota

Disclaimer

This is a compilation of records as they appear in the Saint Louis County Offices affecting the area shown. This drawing is to be used only for reference purposes and the County is not responsible for any inaccuracies herein

Map created using County Land Explorer
gis.stlouiscountymn.gov/CountyLandExplorer

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NOTICE OF PUBLIC HEARING

The Planning and Zoning Commission of the City of Mountain Iron will hold a public hearing on Monday, September 14, 2015 at 6:15 p.m. in the Mountain Iron Room of the Mountain Iron Community Center.

The purpose of the public hearing is to consider amendments to Chapter 154 of the City Code, the Zoning Ordinance for the City of Mountain Iron, Minnesota, with regard to revising the official zoning map.

The Official Zoning Map for City of Mountain Iron is hereby amended as follows:

- (A) The Zoning District of the following parcel is hereby changed from Multi-Family 2 (MF-2) to Industrial (I):
 - (1) The SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ in Section 10, T58N, R18W, except the northerly 500 feet
- (B) The Zoning District of the following parcels is hereby changed from Mineral Mining (MM) to Industrial (I):
 - (1) The SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ East of the RR in Section 9, T58N, R18W
 - (2) The NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ East of the RR in Section 9, T58N, R18W

The public can present its opinions at the public hearing or by letter addressed to the Zoning Administrator, City Hall, 8586 Enterprise Drive South, Mountain Iron, Minnesota 55768-8260.

By Order of the Planning and Zoning Commission
Jerry D. Kujala
Zoning Administrator

www.mtniron.com

COUNCIL LETTER 092115-VIC

UTILITY ADVISORY BOARD

PACE AGREEMENT

DATE: September 17, 2015

FROM Utility Advisory Board

Mike Downs
Director of Public Works

Craig J. Wainio
City Administrator

At their meeting on September 15th the Utility Advisory Board reviewed the proposed joint powers agreement with the St Paul Port Authority concerning the Property Assessed Clean Energy program. This program allows business and non-profits to make energy improvements to their facilities with a loan from the St. Paul Port Authority. Savings from the improvements are then used to repay the loan through a property tax assessment. There is no cost or risk to the City outside of minimal staff time. PACE offers the community another option to lower their energy usage and costs and promotes the Green Cities status of the City. The Utility Advisory Board voted to recommend that the City Council approve Resolution Number 23-15 allowing the City to enter into the Joint Powers Agreement as presented.



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RESOLUTION NUMBER 23-15

DESIGNATING THE PORT AUTHORITY TO IMPLEMENT AND ADMINISTER A PROJECT ASSESSED CLEAN ENERGY IMPROVEMENT FINANCING ON BEHALF OF THE CITY, AND PROVIDING FOR THE IMPOSITION OF SPECIAL ASSESSMENTS AS NEEDED IN CONNECTION WITH THAT PROGRAM

BE IT RESOLVED by the City Council of the City of Mountain Iron (the "City"), as follows:

1. The Port Authority of the City of Saint Paul (the "Port Authority") has established the Property Assessed Clean Energy Program ("PACE OF MN") to finance the acquisition and construction or installation of energy efficiency and conservation improvements (the "Improvements"), on properties located throughout the State of Minnesota through the use of special assessments pursuant to Minnesota Statutes Sections 216C.435 and 216C.436 and Chapter 429 and 471.59 (the "Act").
2. The City has received and approved one or more applications and petitions for Special Assessments from owners of property located in the City desiring to participate in and receive financing pursuant to the Act.
3. In order to finance the Improvements, the City hereby determines that it is beneficial to participate in PACE OF MN, and to designate the Port Authority as the implementor and administrator of that program on behalf of the City for purposes of financing Improvements located within the City.
4. The City understands that the Port Authority may obtain funding from designated lending institutions or may issue its PACE OF MN special assessment revenue bond(s) to finance the Improvements, and that the sole security for the loan(s) or bond(s) will be special assessments imposed by the other cities participating in PACE OF MN.
5. To facilitate and encourage the financing of Improvements located within the City, the City covenants to levy assessments for said Improvements on the property so benefitted, in accordance with the Application and Petition for Special Assessments received from the owner(s) of the Property and approved by the Port Authority. The interest rate on the Special Assessments shall be the interest rate on the Loan(s) or Bond(s), and may include additional interest.

6. After imposition of the special assessments, the City shall collect such assessments and remit them to the Port Authority for use in the repayment of the Loan(s) or Bond(s). The City will take all actions permitted by law to recover the assessments, including without limitation, reinstating the outstanding balance of assessments when the land returns to private ownership, in accordance with Minn. Stat. Section 429.071, Subd. 4.
7. The Mayor and City Administrator are authorized to execute on behalf of the City, any documents, certificates or agreements necessary to implement the program authorized by this resolution.

DULY ADOPTED BY THE CITY COUNCIL THIS 21st DAY OF SEPTEMBER, 2015.

ATTEST:

Mayor Gary Skalko

City Administrator

JOINT POWERS AGREEMENT

This Agreement, made and entered into as of the ____ day of September, 2015, by and between the Port Authority of the City of Saint Paul (the "Port Authority"), a body corporate and politic, and the City of Mountain Iron, Minnesota, a municipal corporation (the "City"), provides as follows:

WHEREAS, the Port Authority has been engaged in governmental programs for providing financing in the City of Saint Paul and in other areas of the State of Minnesota (the "State") by making loans evidenced by various financing leases and loan agreements, and in the process of operating these programs the Port Authority has developed a high degree of financial expertise and strength; and

WHEREAS, Minnesota Statutes, Sections 216C.435 and 216C.436 and Chapter 429 and 471.59 (collectively the "Act") authorize the City to provide for the financing of the acquisition and construction or installation of energy efficiency and conservation improvements (the "Cost Effective Energy Improvements" as defined in the Act or "Improvements") on Qualifying Real Properties" as defined in the Act (the "Properties" or "Property") located within the boundaries of the City through the use of special assessments; and

WHEREAS, the Act authorizes the City to designate a local government unit other than the City to implement the program under the Act on behalf of the City; and **WHEREAS**, the City has one or more projects within the boundaries of the City that have Improvements in need of financing, and has adopted its Resolution Number 23-15 (a copy of which is attached hereto as Exhibit A) to designate the Port Authority to implement and administer a program on behalf of the City to finance such Improvements; and

WHEREAS, the Port Authority has created a program under the Act known as the Property Assessed Clean Energy Program ("PACE OF MN") for purposes of implementing and administering the activities described in the Act, and the Port Authority is willing to implement and administer that program on behalf of the City as requested herein; and

WHEREAS, the City has expressed a desire to make energy improvement financing programs of the kind managed by the Port Authority available for improvements of eligible properties within its boundaries, including but not limited to the Energy Savings Partnership, Trillion BTU and PACE OF MN, and a joint powers agreement is required between the City and the Port Authority for PACE OF MN; and

WHEREAS, the Improvements will serve citizens of the City of Saint Paul and the City of Mountain Iron, as well as Ramsey and St. Louis County Counties and the State of Minnesota.

NOW THEREFORE, in consideration of the mutual covenants herein made, the parties to this Agreement hereby agree as follows:

1. The Port Authority will exercise the powers of the Act on behalf of the City to provide financing for Improvements located within the boundaries of the City. Except as

otherwise provided in this Joint Powers Agreement, the Port Authority shall be solely responsible for the implementation and administration of PACE OF MN and the financing of the Improvements.

2. In connection with its implementation and administration of PACE OF MN, and its financing of the Improvements located within the boundaries of the City, it is anticipated that the Port Authority will enter into various agreements with persons wishing to obtain financing for Improvements located within the boundaries of the City as well as with sources of financing for such Improvements (collectively the "Program Documents").
3. The Port Authority may and is permitted to charge fees for its implementation and administration of PACE OF MN, which fee will be described in, and payable under, the Program Documents.
4. The Port Authority will have the sole duty and responsibility to comply with or enforce covenants and agreements contained in the Program Documents. This power specifically includes the responsibility for monitoring and enforcing compliance with the provisions of the Program Documents.
5. Either the Port Authority or a lending institution (the "Lender") will use its own financial resources to finance the Improvements (the "Loan"), or a taxable special assessment revenue bond(s) (the "Bond(s)") issued by the Port Authority in favor of the Lender will be used to finance the improvements. Regardless of the financing mechanism, the Lender will advance funds under the Program Documents to be paid from levied special assessments.
6. The Loan(s) or Bond(s) must be a special/limited obligation of the Port Authority, payable solely from special assessments levied by the City as provided herein. The Loan(s) or Bond(s) and interest thereon must neither constitute nor give rise to a general indebtedness or pecuniary liability, or a general or moral obligation, or a pledge or loan of credit of the Port Authority, the City, the City of Saint Paul or the State of Minnesota, within the meaning of any constitutional or statutory provision. To that end, the Port Authority hereby agrees to indemnify and hold harmless the City from and against any claims or losses arising out of the failure of the Port Authority to provide for the payment of principal of, and the interest or any premium on the Loan(s) or Bond(s), from special assessment payments actually paid to the Port Authority by the City. This indemnity must not, however, be construed to relate to any claims or losses which might arise by virtue of the exercise, by the City, of its governmental powers in connection with the Project, or by virtue of the failure of the City to levy and collect special assessments with respect to the Improvements or promptly remit such special assessment payments to the Port Authority as provided in the Program Documents.
7. As and for its contribution to the financing of the Improvements, and as provided in the Act, the City must impose and collect special assessments necessary to pay debt service on that portion of the Loan(s) or Bond(s) attributable to the Improvements located within the boundaries of the City. Evidence that the City has imposed such special assessments

is a precondition to the Port Authority's obligation to provide financing to any Improvements located within the boundaries of the City in accordance with the following process:

- A. The Port shall provide to City an application from an Applicant under the Program which includes the following documentation:
 - 1) A copy of the Application containing the legal name of the Applicant, its legal status, its legal address, a description of the Project, the cost of the Improvements, the total amount to be assessed against the Property and the address, legal description and tax identification code for the Property upon which the Improvements are to be constructed or installed.
 - 2) A statement from the Port that the proposed Project as described in the Application qualifies under the requirements of the Act and the Port Authority.
 - 3) A fully-executed copy of the Applicant's Petition and Assessment Agreement suitable for evidencing, and recording if necessary, Applicant's agreement to be assessed for the amount of the Improvements.
 - B. Upon receipt of the documentation described in Subparagraph A above, City agrees that it will levy an assessment against the Property for the amount to be assessed as set forth in Section 7.A. above.
 - C. Evidence that the City has imposed such special assessments is a precondition to the Port Authority's obligation to provide financing to any Improvements located within the boundaries of the City.
 - D. In the event that, after the City levies an assessment against the Property for the costs of the Improvements and related costs as provided for in Subparagraph B above, the Port does not fund the cost of the Improvements as contemplated by this Agreement, the Port shall promptly notify City that it has not and will not fund the costs of the Improvements under the Program and City shall thereafter inform the County Auditor to remove the subject assessment from the Property.
8. Once the City has imposed special assessments to finance Improvements located within the boundaries of the City, the City must collect and transfer all collections of the assessments received by it upon receipt to the Port Authority for application to the payment of the applicable Loan(s) or Bond(s). The City will take all actions permitted by law for the recovery of the assessments, including without limitation, reinstating the outstanding balance of assessments when the land returns to private ownership, in accordance with Minn. Stat. Section 429.071, Subd. 4. The City acknowledges that the Lender is a third-party beneficiary of the City's covenants herein with respect to the imposition and transfer of special assessments described herein.

9. Unless otherwise provided by concurrent action of the Port Authority and the City, this Agreement will terminate upon a 30-day's advanced written termination notice to the other Joint Powers Agreement partner or upon the retirement or defeasance of all Loan(s) or Bond(s), whichever is later; and notwithstanding any other provisions, this Agreement may not be terminated in advance of such retirement or defeasance.
10. This Agreement may be amended by the Port Authority and the City, at any time, by an instrument executed by both of them. The Port Authority or the City may not amend this Agreement, however, if the effect of the amendment would impair the rights of the holder of the Loan(s) or Bond(s), unless the holder has consented to the amendment.
11. This Agreement may be executed in any number of counterparts, each of which when taken together will constitute a single agreement.

IN WITNESS WHEREOF, the Port Authority and the City have caused this Agreement to be executed on their behalf, by their duly authorized officers, as of the day and year first above written.

**PORT AUTHORITY OF THE
CITY OF SAINT PAUL**

By: _____
Its: President

By: _____
Its: Chief Financial Officer

CITY OF MOUNTAIN IRON, MINNESOTA

By: _____
Its: Mayor

By: _____
Its: City Administrator

What is Property Assessed Clean Energy (PACE)?

PACE is a new way to finance energy efficiency and renewable energy upgrades to the buildings of commercial property owners.

Energy-saving measures pursued by the owners receive project financing and are repaid as a separate item on their property tax assessment for a set period. PACE eliminates the burden of upfront costs by providing low-cost, long-term financing.



Why PACE, and how does it work?

PACE financing helps overcome several barriers to making energy improvements:

- Eliminates high up-front costs
- Reduces dependence on credit
- Allows for comprehensive retrofits
- Allows programs to recoup their costs

Property Assessed Clean Energy (PACE) financing allows property owners to finance energy-related improvements to their buildings with affordable, long-term capital.

PACE PROJECT PROCESS



HOW THE MONEY FLOWS



Learn more on reverse

Can I use PACE to finance building improvements?

Minnesota state law allows local units of government to enter into joint powers agreements to create PACE programs. Under this innovative arrangement, commercial, industrial, nonprofit and multi-housing property owners can take on voluntary special assessments to finance energy efficiency, renewable energy, or electric vehicle infrastructure improvements to their properties.

PACE allows companies the opportunity to maintain a positive cash flow while investing in energy upgrades at no cost to taxpayers. PACE financing can also make it easier for building owners to transfer financed improvement repayment to the next owner upon sale, as the repayment resides with the property tax assessment.

Basic qualifications for PACE financing:

- Property owners must be current on mortgage and property taxes
- No federal or state liens against the property
- Must not be in bankruptcy proceeding
- Lender acknowledgement or "consent" from current mortgage lender
- Term of financing may not exceed weighted average useful life of improvements
- Improvements may not exceed 20% of assessed property value

What programs exist in Minnesota?

There are currently two commercial PACE programs available to Minnesota cities and counties that want to help finance building energy improvements in their jurisdictions.

Rural Minnesota Energy Board
Available to businesses in the Rural Minnesota Energy Board's counties. The program is administered by the Southwest Regional Development Commission. Learn more at <http://mncerts.org/pace#rmeb>.



Saint Paul Port Authority
Available to businesses in any city or county in Minnesota. Interested local governments can work with the Saint Paul Port Authority to set up a program. Learn more at <http://mncerts.org/pace#sppa>.



Ready To Get Started?

Dig a little deeper: Visit the CERTs website resource page on PACE, which includes program details, a map of all participating cities and counties, and interviews with business owners who have completed projects at <http://mncerts.org/pace>.

Go further: Contact Pete Lindstrom with the Clean Energy Resource Teams at plindstr@umn.edu or 612-625-9634.



Property Assessed Clean Energy



MINNESOTA

For More Information

Contact Pete Klein
Vice President of Finance
Saint Paul Port Authority
380 St. Peter St., Suite 850
Saint Paul, MN 55102
P - 651-204-6211
TOLL FREE - 800-328-8417
pmk@sppa.com



Economic Development Driver

PACE drives spending in local communities through the installation of energy efficient equipment and implementation of renewable energy measures.

PACE Performs

PACE uses the same kind of land-secured districts that American cities and towns have used for over 100 years to pay for improvements in the public interest.

PACE Minnesota

PACE Innovation

Property Assessed Clean Energy (PACE) is an innovative way to finance energy efficiency and renewable energy upgrades to buildings.

Interested property owners evaluate measures that achieve energy savings and receive 100% financing, repaid as a property tax assessment for up to 20 years.

PACE overcomes challenges that have hindered adoption of energy efficiency and related projects in our nation's buildings. It does this by eliminating up-front costs, providing low-cost, long-term financing, and making it easy for building owners to transfer repayment obligations to a new owner upon sale.

HERE'S HOW PACE WORKS

Local government establishes PACE assessment or charge

Building owner evaluates projects that reduce energy costs

Local government provides financing and adds assessment to tax rolls

Property owner pays assessment (for up to 20 years)

PACE BENEFITS

Saves consumers MONEY on utility bills

Tax neutral and no exposure to general fund

Promotes local jobs

To whom it may concern,

Bg's Bar & Grill requests permission to provide alcoholic beverages at Mt. Iron

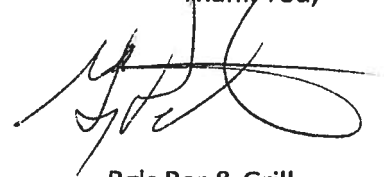
Community Center for

Pakkinen - Hammer Wedding

On Oct 3rd

All applicable rules and laws will be strictly adhered to at all times.

Thank You,



Bg's Bar & Grill



Minnesota Department of Public Safety
ALCOHOL AND GAMBLING ENFORCEMENT DIVISION
 444 Cedar Street Suite 222, St. Paul MN 55101
 (651) 201-7507 Fax (651) 297-5259 TTY (651) 282-6555
 WWW.DPS.STATE.MN.US



APPLICATION AND PERMIT
FOR A 1 TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE

TYPE OR PRINT INFORMATION

501(c)3

NAME OF ORGANIZATION <i>Sceptimist of Virginia</i>		DATE ORGANIZED <i>1-26-1956</i>	TAX EXEMPT NUMBER <i>41-6040928</i>	
STREET ADDRESS <i>P.O. Box 389</i>		CITY STATE <i>Virginia MN</i>	ZIP <i>55792</i>	CODE
NAME OF PERSON MAKING APPLICATION <i>Shirley Lenzi - Committee chair</i>		BUSINESS PHONE ()	HOME PHONE <i>218) 741-2409</i>	
DATES LIQUOR WILL BE SOLD <i>Oct. 28, 2015</i>		TYPE OF ORGANIZATION CLUB CHARITABLE RELIGIOUS <u>OTHER NONPROFIT</u>		
ORGANIZATION OFFICER'S NAME <i>Shari Fisher - President</i>		ADDRESS <i>10899 Salo Rd Chisholm, MN 55719</i>		
ORGANIZATION OFFICER'S NAME <i>Shirley Koski - Pres. elect</i>		ADDRESS <i>7137 Wildwood Drive Britt, MN 55710</i>		
ORGANIZATION OFFICER'S NAME <i>Sue Beck - Secretary</i>		ADDRESS <i>1009 2nd St. So. Virginia MN 55792</i>		

Location license will be used. If an outdoor area, describe

Movie Night - Fundraiser at Cinema 6 - 8426 Enterprise Dr. S. Mt. Iron, MN 55768

Will the applicant contract for intoxicating liquor service? If so, give the name and address of the liquor licensee providing the service.

NO

Will the applicant carry liquor liability insurance? If so, please provide the carrier's name and amount of coverage.

*yes - AHA T Leesburg VA - \$2,000,000 general aggregate
 umbrella Lia - \$1,000,000*

APPROVAL

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL & GAMBLING ENFORCEMENT

CITY/COUNTY _____

DATE APPROVED _____

CITY FEE AMOUNT _____

LICENSE DATES _____

DATE FEE PAID _____

SIGNATURE CITY CLERK OR COUNTY OFFICIAL

APPROVED DIRECTOR ALCOHOL AND GAMBLING ENFORCEMENT

NOTE: Submit this form to the city or county 30 days prior to event. Forward application signed by city and/or county to the address above. If the application is approved the Alcohol and Gambling Enforcement Division will return this application to be used as the License for the event



Minnesota Department of Public Safety
 Alcohol and Gambling Enforcement Division
 444 Cedar St. – Suite 133
 St. Paul, MN 55101-5133



(651) 215-6209 TTY (651) 282-6555

APPLICATION AND PERMIT FOR A TEMPORARY ON-SALE LIQUOR LICENSE

TYPE OR PRINT INFORMATION

NAME OF ORGANIZATION <i>Friends of the Library</i>	DATE ORGANIZED <i>2008</i>	TAX EXEMPT NUMBER <i>90-0432376</i>	
STREET ADDRESS <i>P.O. Box 477</i>	CITY <i>Mt. Iron</i>	STATE <i>MN</i>	ZIP CODE <i>55768</i>
NAME OF PERSON MAKING APPLICATION <i>Steve Morissette</i>	BUSINESS PHONE <i>(218) 290-8879</i>	HOME PHONE <i>(218) 749-5962</i>	
DATES LIQUOR WILL BE SOLD SERVED <i>Thursday, Oct 1st</i>	TYPE OF ORGANIZATION <input type="checkbox"/> CLUB <input checked="" type="checkbox"/> CHARITABLE <input type="checkbox"/> RELIGIOUS <input checked="" type="checkbox"/> OTHER NONPROFIT		
ORGANIZATION OFFICER'S NAME <i>Steve Morissette, Treas</i>	ADDRESS <i>8366 Gardenia Dr, Virginia, MN</i>		
ORGANIZATION OFFICER'S NAME <i>Kathy Witzman, Pres</i>	ADDRESS <i>5464 Carnation Ave, Virginia MN</i>		
ORGANIZATION OFFICER'S NAME <i>Linda Foucault, Secretary</i>	ADDRESS <i>Spirit Lake Rd, Mt. Iron MN</i>		

Location where license will be used. If an outdoor area, describe:

Mt. Iron Community Center, Mt. Iron MN (Inside Event)

Will the applicant contract for intoxicating liquor services? If so, give the name and address of the liquor licensee providing the service.

Will the applicant carry liquor liability insurance? If so, the carrier's name and amount of coverage.
 (NOTE: Insurance is not mandatory.)

APPROVAL

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL & GAMBLING ENFORCEMENT

CITY/COUNTY _____
 CITY FEE AMOUNT _____
 DATE FEE PAID _____

DATE APPROVED _____
 LICENSE DATES _____

 SIGNATURE CITY CLERK OR COUNTY OFFICIAL

 APPROVED Alcohol & Gambling Enforcement Director

Note: Do not separate these two parts, send both parts to the address above and the original signed by this division will be returned as the license. Submit to the City or County at least 30 days before the event.

COUNCIL LETTER 092115-VIG
ADMINISTRATION
EVALUATIONS

DATE: September 17, 2015
FROM Craig J. Wainio
City Administrator

Evaluations for management personnel were previously mailed to Council members. After completion of the evaluations it will be necessary to set up a closed meeting to review these evaluations with the employees.

COMMUNICATIONS
SEPTEMBER 21, 2015

1. Greater Minnesota Partnership, a thank you for the support.
2. Minnesota Make-a-Wish Volunteers, a thank you for the contribution.



Craig

Thank you for your continued support of the Greater Minnesota Partnership. Together we are making a positive difference for Greater Minnesota.

Dan Dova

September 14, 2015

Mountain Iron City Council

8586 Enterprise Dr S,

Mountain Iron, MN 55768

To the members of the Mountain Iron City Council:

We at the Minnesota Make A Wish foundation, want to thank you for your generous donation, and for allowing us to rent the Nichols Town Hall for our rummage sale.

The Nichols Town Hall was the perfect place to have our sale. There was plenty of room and it is centrally located to reach all areas of the Iron Range communities.

Thanks to your generosity, our rummage sale was a Success.

We were able to raise enough funds to help replenish our Toy Closet for our Wish Kids. 100% of the proceeds from this sale was used to purchase toys.

Please find an enclosed photo of the Make A Wish volunteers and friends, showing the items we purchased with the funds from this sale.

Again thank you for your generosity.

*Debi Alto
Erin Kolari*

Debi Alto

Erin Kolari

Minnesota Make A Wish

