

**MOUNTAIN IRON CITY COUNCIL MEETING
COMMUNITY CENTER
MOUNTAIN IRON ROOM
MONDAY, NOVEMBER 6, 2006 - 6:30 P.M.
A G E N D A**

- I. Roll Call
 - II. Consent Agenda
 - A. Minutes of the October 16, 2006 Regular Meeting
 - B. Minutes of the October 30, 2006 COW Meeting
 - C. Communications (#42-44)
 - D. Receipts
 - E. Bills and Payroll
 - III. Public Forum
 - IV. Committee and Staff Reports
 - A. Mayor's Report
 - 1. Quad Cities Waste Water Study (#1-5)
 - B. City Administrator's Report
 - 1. Iron Range Network Representative (#6-11)
 - C. Director of Public Works Report
 - 1. Surplus Equipment Report (#12)
 - D. Director of Parks and Recreations Report
 - 1. Winter Staff Hiring (#13)
 - E. Sheriff's Department Report
 - F. City Engineer's Report
 - G. Planning and Zoning Commission
 - 1. Conditional Use Permit – Cook (#14-19)
 - H. Liaison Reports
 - V. Unfinished Business
 - VI. New Business
 - A. Resolution Number 31-06 EDA Levy (#20-21)
 - B. Resolution Number 32-06 HRA Levy (#22-23)
 - C. Resolution Number 33-06 Charitable Gambling (#24-27)
 - D. Request to Waive Fees (#28-30)
 - E. Audit Proposal (#30-36)
 - F. Temporary Liquor License (#37)
 - G. Year Book Ad (#38-40)
 - H. Blight Issue (#41)
 - I. Communications (#42-44)
 - VII. Open Discussion
 - VIII. Announcements
 - A. Elections – November 7, 2006 – Polls open 7 am to 8 pm
 - B. Special Meeting – November 8, 2006 at 6:00PM
 - IX. Adjourn
- # Denotes page number in packet

COUNCIL LETTER 110606-IVA1

MAYOR SKALKO

QUAD CITIES

DATE: November 01, 2006

FROM: Mayor Skalko

Craig J. Wainio
City Administrator

Mayor Skalko requested this item be place on the agenda with the background information enclosed in your packet.



Engineering · Landscape Architecture · Planning · Surveying · Traffic

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Communities

August 30, 2006

Mr. John Tourville
Virginia City Hall
327 1st Street South
Virginia, MN 55792

Re: Quad Cities Water/Wastewater Concept

Dear Mr. Tourville:

As we discussed, I have attached a revised work plan for the development of the Quad Cities regional concept for water and wastewater in the area.

Based on the general scope of what is identified in the work plan and revisions to exclude any site evaluations and to utilize existing reports that may be available, a budgeted amount to complete the report would be \$20,000. After you review this information, please contact me to discuss further. We could complete the report in approximately a two-month period.

If you have any questions, please do not hesitate to contact our office.

Sincerely,

RLK Incorporated

A handwritten signature in black ink, appearing to read "John P. Jamnick".

John P. Jamnick, P.E.

JPJ/cmr

Enclosure

2

Offices: Duluth · Ham Lake · Hibbing · Minnetonka · Oakdale

(218) 262-5528 · 303 East 19th Street · P.O. Box 656 · Hibbing, MN 55746-0656 · FAX (218) 262-5059

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QUAD CITIES AREA WATER AND WASTEWATER CONCEPT DRAFT WORK PLAN

INTRODUCTION

The concept of regionalization of water and wastewater systems has been proven to be a viable idea with many successful projects being implemented. Locally, the Western Lakes Sanitary Sewer District is a regional organization that serves not only the City of Duluth, but also many of the surrounding communities in the area for the treatment of wastewater. This also includes serving the many industrial businesses in the area.

The idea of a regionalization concept for the Quad Cities area, which could include Virginia, Eveleth, Gilbert, Mountain Iron, Fayal Township and surrounding rural areas could be evaluated to determine the overall economical, environmental and operational impact for the future of manageable water and wastewater facilities.

In general, the City of Virginia upgraded their water treatment facility in 2000 at a cost of \$3 million, but is anticipating a major upgrade to the wastewater facility (\$5 million) within the next two years. The City of Eveleth completed a \$ 3.5 million wastewater treatment upgrade in 2005, but has identified \$4.5 million of improvement at their water treatment facility. The City of Gilbert has identified \$1.5 million of upgrades to the wastewater facility and \$0.5 million to their water treatment facility. The City of Mountain Iron has indicated that major improvements would be needed in the near future to both the water and wastewater facility.

Along with the needs of water and sewer treatment facilities, there are continuous needs to replace aging infrastructure throughout the area.

REGIONALIZATION

Regionalization would create a centralized authority that would manage the wastewater treatment and collection systems including the collecting, conveying, pumping, treating and disposing of wastewater in the area and the water systems including water supply, treatment storage and distribution. It may not initially include constructing large facilities in the middle of the area, but rather long-range planning to ensure the future constructions, repairs of existing facilities and replacement budgets can be focused on the ultimate, joint planned goals of the area.

Regionalization could also be a central authority with equitable governing board membership. The organization would not only have managerial authority over the entire area, but would be the single source to finance capital costs, apply for grant funds for joint projects and be responsible for the overall operation, maintenance and replacement of the overall systems.

The participation of the various governing bodies in a regionalization concept would need to include a financial benefit to the long-range infrastructure issues that each community faces. Currently, each city has water and wastewater facilities that vary in size, capacity and age. Each facility has continuous upgrades, but each facility may need costly upgrades within the next twenty years. These costs can be identified to compare the needed financial obligation each community will face to the cost of a centralized facility. Costs for upgrades continue to rise and available grants from various funding agencies are very competitive to obtain.

Economic Development

The need for economic diversification on the Iron Range is very important. Many businesses and industrial facilities rely on adequate and affordable public utilities. This includes water and wastewater treatment. Industries such as those involved in "high technology" have modest process water requirements and will develop on municipal facilities. It is desirable to plan for a light and medium industrial development and have available capacity for wastewater treatment. Typical values of flows from industrial parks are 250-1,000 gallons per acre a day. Land use planning would identify the land available for industrial development.

Available capacities of the water and wastewater facilities would need to be evaluated and planned, reserved capacities for economical development will aide in the recruitment of new businesses to the area.

PLANNING THE PROJECT

To proceed with evaluation of a regionalization concept for the area, a number of technical issues would be studied including:

A. Wastewater

- The inventory of existing facilities
- Existing flow evaluations
- Infiltration/inflow analysis based on existing data
- Identification of future flows
- Identifying existing and potential industrial users
- Identify wastewater treatment options
- Identify main wastewater collection trunk lines
- Identify long-range biosolids management options
- Determine overall project schedule, including the phasing of implementation

WATER

- Inventory of existing facilities including:
 - Water Supply
 - Water Treatment
 - Water Storage
 - Water Distribution
- Existing water uses
- Identify future water needs
- Identify existing and potential industrial users
- Identify future water quality standard
- Identify main water distribution locations
- Determine overall project schedule, including phases and implement

The development of an area wide evaluation in a report with documented findings would be a tool in identifying the long-range strategy for infrastructure needs in the area.

Craig J. Wainio

From: Brian Redshaw [bredshaw@ci.hibbing.mn.us]
Sent: Wednesday, October 18, 2006 1:20 PM
To: administrator@cityofbiwabik.com; bredshaw@ci.hibbing.mn.us; cnovak@frontiernet.net; Craig J. Wainio; danna.asche@co.cook.mn.us; Dennis Egan; nashwaukcityhall@mchsi.com; clerk@gilbertmn.org; halegl@haleandassoc.com; jackie@evelethmn.com; tourvillej@virginiamn.us; lkleinharbors@frontiernet.net; pospeck@rangenet.com; mjolley@dynamiccity.com; colerainecity@colerainecable.com; rnordvold1@aol.com; info@hoytlakes.com; cityoftower@citlink.net
Subject: Designation of Official Representatives of Twelve Participating Communities

Good Morning:

I am pleased to announce that the participation level in the Iron Range Network has been officially established. We are now ready to move to Phase II. In order to do that, I need each of the twelve communities to designate an official representative to the organization. I also need all of the contact information for that representative so that I can begin communicating with that person as the process moves forward.

We are planning our first meeting to be held on November 8th at 10:00 a.m. at Hibbing City Hall in the City Council Chambers.

Brian J. Redshaw
City Administrator
City of Hibbing
401 E. 21st Street
Hibbing MN 55746
(218)262-3486 x123
(218)262-2547 (FAX)

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NOTICE OF MEETING IRON RANGE NETWORK

(A Joint Powers Agreement among the following cities: Biwabik, Chisholm, Coleraine, Ely, Gilbert, Hibbing, Hoyt Lakes, Keewatin, Mt. Iron, Nashwauk, Tower and Two Harbors)

There will be a meeting of the Iron Range Network in the Council Chamber at the Hibbing City Hall, 401 East 21st Street, Hibbing, Minnesota at 10:00 a.m. on November 8, 2006, to consider the following matters:

Organizational

- Appoint Executive Committee

- Define Executive Committee Duties

- Designate Place, Dates and Times of future meetings

- Designate an official Newspaper(s)

Discuss status, progress and feasibility of telecommunication system.

Craig J. Wainio

From: Lisa Cassioppi [Lisa.Cassioppi@conservationcorps.org]
Sent: Tuesday, October 17, 2006 9:15 AM
To: Craig J. Wainio
Cc: Larry D. Nanti
Subject: Re: Mountain Iron Projects

Attachments: projectrequest.doc



projectrequest.
doc (37 KB)

Craig,

Nice to hear from you. I'm glad to hear the article caught your attention! MCC's Northeast District currently has crews located in Duluth, Eveleth and Grand Rapids.

MCC completes a broad range of projects including forest inventory, timber stand improvement, trail construction and improvement, bridge and boardwalk construction, GPS mapping, prescribed burning, wildfire suppression, stream and lake shore stabilization, fish and wildlife surveys, construction and carpentry, and environmental education.

Crews are available for hire on a fee-for-service basis. We have limited matching funds available for use on water recreation, snowmobile and OHV/ATV related projects. At the present time, our rate for a 4 person crew would run around \$2,480 per week. Our crews come equipped with a 4wd pick up and field equipment such as snowmobiles, ATVs, chainsaws, GPS units and a wide variety of hand and power tools. Crews generally work 4, 10 hour days.

I've included our standard project work request form. Simply fill out and e-mail back when you have time. There is no need for a hard copy with signature at this time. I use the information you provide to see if I have a crew available during the time frame you request, if we have the skills and equipment available and to determine how the project will be funded. It's easier for me to explain over the phone what types of projects might qualify for our matching funds and how you go about using them. Feel free to call with any questions regarding our crews and project work. I work the same schedule as my crews do, M-Th from 7-5:30. Thanks for thinking of us for your project needs. Lisa

>> "Craig J. Wainio" <cwainio@ci.mountain-iron.mn.us> 10/05/06 9:19 AM

>> >>>

Lisa:

The City of Mountain Iron learned of your availability to undertake projects from a recent League of Minnesota Cities article. We are curious how we would go about utilizing your services. We have a few projects in mind, they are:

Trail and picnic area development at the City's mine view which overlooks the Minntac taconite facility.

Walking trail between the Unity Addition neighborhood and the South Grove Neighborhood.

Various improvements to the City owned campground located on the west two rivers reservoir.

Thanks

Craig J. Wainio
City Administrator

Lisa Cassioppi
MCC North East District Manager
1201 East Hwy 2
Grand Rapids, MN 55744
Office: 218-327-4139
Cell: 218-259-5854
FAX: 218-327-4391
www.conservationcorps.org

MINNESOTA CONSERVATION CORPS

www.conservationcorps.org

PROJECT REQUEST

MCC Office Location: _____

Program & District Young Adult Program NE District	Project Host	Date
Project Contact Person	Contact Address	Telephone No
Name of Project	Project Address (Area, Park, County, etc.)	
Project Location (Area, Site, etc. - include map when possible)		
Purpose or Reason for Project:		
Detailed Explanation of Project:		
Will supervision or technical assistance/training be provided by the requesting agency? <input type="checkbox"/> Yes <input type="checkbox"/> No (If Yes, answer 1 - 3)		
1) Name of Person	2) Position or Title	3) Time commitment
Estimated # of Corps Members required for project (supervisor included): <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6 More _____		
Estimated length of time for project completion:	Season best suited for Project:	Dates Preferred:
Can Project be accomplished intermittently? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Requesting Agency's/Division's Priority for this Project: (Explanation)		
What is the source of funding to support this project?		

Alternate work plan in event of adverse weather:
List types of Safety Equipment Required for Project:
List All Types of Hand Tools Required for Project:
List All Types of Power Equipment Required for Project:
Indicate equipment above that requesting agency could provide in event of unavailability through MCC:
Can requesting agency provide ATVs, boats, or snowmobiles (w/trailers) if required for Project? <input type="checkbox"/> Yes <input type="checkbox"/> No
DEADLINE FOR MCC RESPONSE (date & time): -As needed-

Certification: As project host, I certify that the assignment of MCC members will not result in the displacement of currently employed workers or workers on seasonal layoff or layoff from a substantially equivalent position, including partial displacement such as reduction in hours of non-overtime work, wages, or other employment benefits. Further, MCC members will not perform services or duties that have been performed by or were assigned to any employee who is on strike or is being locked out.

Submitted by:

Authorized Requestor's Signature (from Project Host)	Date
Authorized Requestor's Printed Name	Title

MCC Use Only	
Crew # _____	
Proposed Work Dates _____	
MCC Authorized Signature	Date
MCC Authorized Printed Name	Title

COUNCIL LETTER 110606-IVC1

PUBLIC WORKS

SURPLUS EQUIPMENT SOLD

DATE: November 01, 2006
FROM: Don Kleinschmidt
Director of Public Works

Craig J. Wainio
City Administrator

The following is the list of equipment that was sold and the prices received for each item from the St. Louis County Auction.

The list is as follows:

1994 Redi Haul Trailer – VIN # 47SS142T3R1009001	\$1,050.00
1984 Chevy Dump Truck with plow/sander – VIN #1GBM7D1F8EVB1750	\$1,900.00
1996 Ford Crown Victoria – VIN # 1FALP71W9TX145988	\$ 800.00
1999 Ford Crown Victoria – VIN # 2FAFP71WOXX197402	\$1,700.00
Graco Greaser	\$ 5.00
Homelite Cut Off Saw	\$ 375.00
Homelite Generator – 5500 watts	\$ 110.00
Hydro Quick Pressure Washer	\$ 240.00
1985 Bolens Lawn Tractor	\$ 950.00
Bench Grinder	<u>\$ 50.00</u>
Total	\$7180.00
St. Louis County auction fee 4%	<u>- 287.20</u>
TOTAL paid by check	\$6892.80

COUNCIL LETTER 110606-IVD1
PARKS & RECREATION BOARD
WINTER STAFF HIRING

DATE: November 01, 2006

FROM: Parks & Recreation Board

Larry Nanti
Director of Parks & Recreation

Craig J. Wainio
City Administrator

The Mountain Iron Parks & Recreation Board is asking for City Council approval to advertise and approve the hiring of winter staff.

Day worker : Cleans and floods the rinks working 4 to 8 hours per day
Rate of pay - \$6.15 per hour. Must be 18 years of age.

Rink attendants: Supervises skaters and the building. Hours of work will vary with the usual average of 16 to 20 hours per week.
Rate of pay - \$6.15 per hour. Must be 16 years of age.

**CITY OF MOUNTAIN IRON
CONDITIONAL USE PERMIT APPLICATION ***

Name of Applicant Bruce E. Cook Signature of Applicant Bruce E. Cook Date of Applications 10/2/06
9350 Old Highway 169, Mountain Iron

Legal Description:
 Sec/Lot 18 Twp/Block 58 Rge/Subd B Parcel Code # 175-0071-02374

~~STORAGE & GARAGE~~

Description of Proposed Use

STORAGE & GARAGE
 Statement as to why proposed use will not cause injury to value of adjoining property. BECAUSE IT WILL BE BUILT BY A PROFESSIONAL & COULD NOT HURT THE ADJOINING LAND AS IT HAS BEEN OUT BUILDING ON IT FOR AT LEAST 3 YEARS.

Statement as to how proposed use is to be designed, arranged and operated in order to permit development and use of neighboring property. IT WILL BE ON MY LAND WITH THE SET BACKS & SUCH ADHERED TO. THERE WILL BE ~~STORAGE~~ STORAGE ONLY IN IT. SEE ATTACHED DRAWING, ETC

* Applicant is required to submit documentation required in Section 22.24, Subd 4 of the Zoning Ordinance along with this application for a Conditional Use Permit. Applicant is also required to submit a Vicinity Map, drawn to scale, showing applicant's and adjoining property including existing and proposed buildings or uses. Use reverse side of this form.

28.150.00 10/2/06 rec. 1.024242 OFFICE USE ONLY

ITEM	ACTION	DATE	INITIAL
Zoning Administrator Review	Gave to JAK	10/6/06	JAK
Public Hearing Set	Hearing set for 10/11/06	10/6/06	JAK
Hearing Notice Published	Missouri Daily News		JAK
Planning & Zoning Recommendation			
Council Action			
Filed with County Recorder			

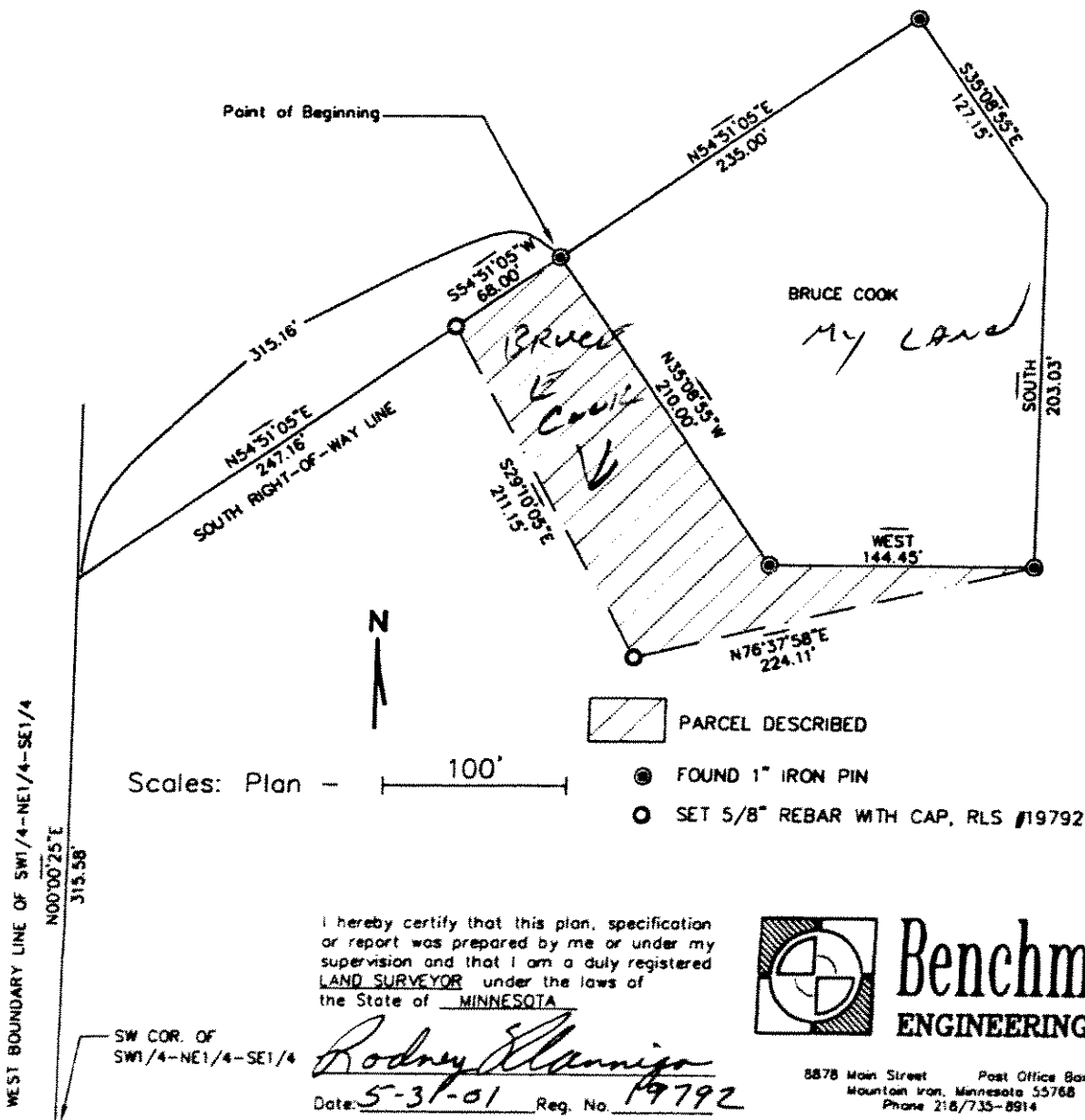
Conditions Attached _____

Copy

Certificate of Survey

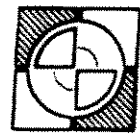
A parcel of land lying in the Southwest Quarter of the Northeast Quarter of the Southeast Quarter (SW1/4 of NE1/4 of SE1/4) of Section 18, Township 58 North, Range 18 West of the Fourth Principal Meridian lying in the County of St. Louis, State of Minnesota, described as follows:

Assuming the West boundary line of the above described tract to run N00°00'25"E and commencing at the Southwest corner of said tract thence run N00°00'25"E for a distance of 315.58 feet to a point on the Southerly right-of-way Old State Highway 169; thence run N54°51'05"E along said right-of-way for a distance of 315.16 feet to the point of beginning of the parcel to be described; thence S54°51'05"W for a distance of 68.00 feet; thence S29°10'05"E for a distance of 211.15 feet; thence N76°37'58"E for a distance of 224.11 feet; thence West for a distance of 144.45 feet; thence N35°08'55"W for a distance of 210.00 feet to the point of beginning.



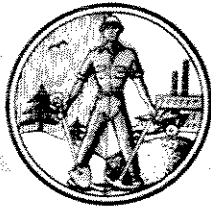
I hereby certify that this plan, specification or report was prepared by me or under my supervision and that I am a duly registered LAND SURVEYOR under the laws of the State of MINNESOTA.

Rodney Blanniga
Date: 5-31-01 Reg. No. 19792



Benchmark ENGINEERING, INC.

5878 Main Street Post Office Box 261
Mountain Iron, Minnesota 55768
Phone 218/735-8914



CITY OF MOUNTAIN IRON

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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, October 23, 2006 at 7:05 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 Bruce E. Cook for a Conditional Use Permit as required by the Zoning Ordinance to construct an accessory building that would be in excess of 900 square feet. The property is legally described as follows:

A parcel of land lying in the Southwest Quarter of the Northeast Quarter of the Southeast Quarter of Section 18, Township 58 North, Range 18 West of the Fourth Principal Meridian lying in the County of St. Louis, State of Minnesota, described as follows:

Assuming the West boundary line of the above described tract to run N00 degrees 00'25"E and commencing at the Southwest corner of said tract thence run N00 degrees 00'25"E for a distance of 315.58 feet to a point of the Southerly right-of-way Old State Highway 169; thence run N54 degrees 51'05"E along said right-of-way for a distance of 315.16 feet to the point of beginning of the parcel to be described; then S 54 degrees 51'05"W for a distance of 68.00 feet; thence S29 degrees 10'05" E for a distance of 211.15 feet; thence N76 degrees 37'58"E for a distance of 224.11 feet; thence West for a distance of 144.45 feet; thence N 35 degrees 08'55"W for a distance of 210.00 feet to the point of beginning.

Parcel Code 175-0071-02374

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

PLANNING AND ZONING COMMISSION MINUTES
MOUNTAIN IRON, MINNESOTA
OCTOBER 23, 2006

CALL TO ORDER

The regular meeting of the Mountain Iron Planning and Zoning Commission was called to order at 7:03 p.m. by Chairman Steve Giorgi. Present were: Jim Giorgi, Steve Giorgi, Vicky Juntunen, Barb Fivecoate, Margaret Soyryng and Zoning Administrator Jerry Kujala. Absent were: Ray Saari, Steve Skogman and Council Representative Allen Nelson.

MINUTES OF THE LAST MEETING

The minutes of the October 9th meeting were reviewed and a correction was made to the minutes. Under New Business it was J. Giorgi that made the motion, not S. Giorgi with support from Skogman to replace the dilapidated trailer. Then a motion was made by Soyryng with support from J. Giorgi to accept the minutes with correction and passed unanimously.

PUBLIC HEARING

At 7:05 p.m., a motion was made by Fivecoate with support from V. Juntunen to close the regular meeting and open the Public Hearing for a Conditional Use Permit for Bruce Cook to build an accessory building in excess of 900 square feet. No one was present to speak for/against the permit and no correspondence was received stating for/against the project. Discussion was held and setbacks were questioned on the permit form and the one setback was hard to read as a picture covered it. At 7:09 p.m., a motion was made by J. Giorgi with support from Fivecoate to close the Public Hearing and reconvene the regular meeting and passed unanimously.

NEW BUSINESS

J. Giorgi made a motion with support from Soyryng to have Kujala check the setbacks and if they are correct to recommend that the Conditional Use Permit be granted for the Bruce Cook building and passed unanimously.

OLD BUSINESS

A) Ed Roskoski stated that the noise ordinance that he thought would come back to Planning and Zoning Commission was decided at the City Council meeting on October 16th, so it would not be part of any decision by us.

B) Ed, also, stated that maybe a change in the ordinance for manufactured homes could say to permit the present owner to be able to replace the dilapidated home with another but only for life estate. At selling or moving by the original party, the home would have to be removed. Bob Brown spoke and said there are HUD requirements and our present ordinance covered it.

C) Ed also inquired about the fabric structures and if the ordinance referred to the grade of fabric or siding used on any of the tubular structures? Kujala said the ordinance states what is acceptable.

D) FABRIC STRUCTURES

Chairman S. Giorgi reported that he checked with the neighboring town to see what their ordinance stated for fabric structures and none of the surrounding towns have an ordinance code pertaining to them. Mountain Iron is ahead of the other towns for an ordinance for the structures. Discussion was held on the matter and how to proceed. Should we leave the ordinance the way it is, change it or get more direction from the City Council as to what they specifically want corrected? Should it be handled with a

Conditional Use Permit? Kujala stated it is easier to legislate with an ordinance rather than a Conditional Use Permit. A motion was made by Fivecoate with support from Soyering to table the matter until the next regular meeting (with additional business) and have Zoning Administrator Kujala further check the information and bring a report back to the Commission and passed unanimously.

ZONING ADMINISTRATORS REPORT

A) Kujala reported that the letter that was sent to Connie Pearson, that he had received a response from her and the temporary fence on her property will be coming down soon. Discussion was held on barnyard animals Ordinance 93.34 & 93.39. One is contrary to the other, what should be done with it? Discussion was held on it and Kujala would check further and give a recommendation.

B) Ed Roskoski questioned Kujala about the signs around town and what is legal and what isn't? Jerry said temporary signs are not the problem or the canvas ones put up for a sale someplace on a temporary basis. It is the permanent signs that businesses are erecting (dug into the ground) that need a permit. One business has one permit for a permanent sign, but three permanent signs erected, which is out of compliance.

OTHER

Fivecoate gave an update on the Economic Development Authority and projects that are being considered and worked on. All of the projects take a lot of time and planning to get to a Development Agreement and will be announced as this process is completed. Mountain Iron does have some exciting projects (in the works) and is progressing in a positive direction.

ADJOURN

At 8:10 p.m., a motion was made by Soyering with support from J. Giorgi to adjourn the meeting and passed unanimously.

Respectfully submitted:

Barb Fivecoate
Secretary

www.mtniron.com

COUNCIL LETTER 110606-VIA

EDA

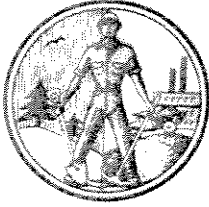
RESOLUTION NUMBER 31-06

DATE: November 01, 2006

FROM: EDA

Craig J. Wainio
City Administrator

Resolution Number 31-06 concerning the 2007 Economic Development Authority Tax Levy. The EDA is requesting to levy to the maximum allowed, as had been the practice for a number of years for the HRA. This amount was usually around \$15,000.



CITY OF MOUNTAIN IRON

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RESOLUTION NUMBER 31-06

CONCERNING THE 2007 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 6th DAY OF NOVEMBER, 2006.

ATTEST:

Mayor Gary Skalko

City Administrator

COUNCIL LETTER 110606-VIB

HRA

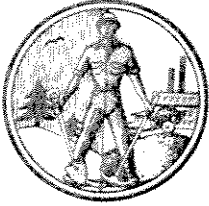
RESOLUTION NUMBER 32-06

DATE: November 01, 2006

FROM: HRA

Craig J. Wainio
City Administrator

Resolution Number 32-06 concerning the 2007 Housing and Redevelopment Authority tax levy. The HRA levy is to be set at \$0.



CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

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RESOLUTION NUMBER 32-06

CONCERNING THE 2007 HOUSING AND REDEVELOPMENT AUTHORITY TAX LEVY

WHEREAS, the Mountain Iron Housing and Redevelopment Authority was created on the 4th day of December, 1968, pursuant to Minnesota Statutes 469.001-469.047 and;

WHEREAS, Minnesota Statutes, Section 469.033, Subd. 6, specifically authorized the Mountain Iron Housing and Redevelopment 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, requests that for the purpose of further development and to provide for any activities that are within the jurisdiction of the Mountain Iron Housing and Redevelopment as defined according to Minnesota Statutes, the Mountain Iron City Council submits to the County Auditor of St. Louis County, Minnesota, a tax levy of zero dollars for the Mountain Iron Housing and Redevelopment Authority.

DULY ADOPTED BY THE CITY COUNCIL THIS 6th DAY OF NOVEMBER, 2006.

ATTEST:

Mayor Gary Skalko

City Administrator

COUNCIL LETTER 110606-VIC&D

ADMINISTRATION

RESOLUTION 33-06

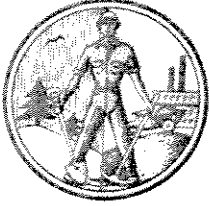
DATE: November 01, 2006

FROM: Craig J. Wainio
City Administrator

Resolution Number 33-06 is approving a Premise Permit for American Legion to conduct Bingo at the Mountain Iron Senior Citizens Center. The City Council is required to approve all permits which are then sent to the State of Minnesota for final approval.

It is recommended that the City Council approve Resolution Number 33-06 Charitable Gambling.

Secondly, the American Legion is requesting that the City Council waive the fees for the usage of the Mountain Iron Community Center on December 9th.



CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

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

RESOLUTION NUMBER 33-06

CHARITABLE GAMBLING

WHEREAS, American Legion Post 220, has applied for a Charitable Gambling Operation Permit to conduct Charitable Gaming at the Mountain Iron Senior Citizens Center, and;

WHEREAS, American Legion Post 220, is requesting that a Charitable Gambling Permit be issued.

NOW, THEREFORE, BE IT RESOLVED BY THE MOUNTAIN IRON CITY COUNCIL, that the Mountain Iron City Council hereby approves said premise permit.

DULY ADOPTED BY THE CITY COUNCIL THIS 6th DAY OF NOVEMBER, 2006.

ATTEST:

Mayor Gary Skalko

City Administrator

LG215 Lease for Lawful Gambling Activity

Check applicable item

- 1. Lease for new application. Submit with new premises permit application.
- 2. Renewed lease. Submit with premises permit renewal.
- 3. New owner. Submit new or amended lease within 10 days after new lessor assumes ownership. Date effective ____/____/____
- 4. Amended lease
 - Check the change(s) in the lease: Rent ____ Premises name ____ Booth/bar ____ Activity change ____ Other ____
 - Date that changes will be effective ____/____/____
 - Both parties must initial and date all changes.
 - Submit changes at least 10 days prior to the change.

Organization name: **AMERICAN Legion Post 220** License number: **A-00751** Daytime phone: **218 735 8514**

Name of leased premises: **MT Iron Senior Center** Street address: **8876 Main St** City: **MT Iron** State: **MI** Zip: **49768** Daytime phone: **218 748 7520**

Name of legal owner of premises: **City of MT Iron** Business/street address: **8586 Enterprise Dr** City: **MT Iron** State: **MI** Zip: **49768** Daytime phone: **218-748-7570**

Name of lessor (if same as legal owner, write in "SAME")
SAM Y

Check all activities that will be conducted:
 Pull tabs Pull tabs with dispensing device Tipboards Paddlewheel Paddlewheel with table Bingo Bar bingo

Pull-tab, Tipboard, and Paddlewheel Rent (No lease required for raffles.)

Booth operation - sales of gambling equipment by an employee (or volunteer) of a licensed organization within a separate enclosure that is distinct from areas where food and beverages are sold.
Bar operation - sales of gambling equipment within a leased premises by an employee of the lessor from a common area where food and beverages are also sold.

Does your organization OR any other organization conduct gambling from a booth operation at this location? Yes No

If you answered **YES** to the question above, rent limits are based on the following combinations of operation:

- Booth operation
- Booth operation and pull-tab dispensing device
- Booth operation and bar operation
- Booth operation, bar operation, and pull-tab dispensing device

The maximum rent allowed may not exceed \$1,750 in total per month for all organizations at this premises.

If you answered **NO** to the question above, rent limits are based on the following combinations of operation:

- Bar operation
- Bar operation with pull-tab dispensing device
- Pull-tab dispensing device only

The maximum rent allowed may not exceed \$2,500 in total per month for all organizations at this premises.

Complete one option:
Option A: 0 to 10% of the gross profits per month. Percentage to be paid _____%
Option B: When gross profits are \$4,000 or less per month, \$0 to \$400 per month may be paid. Amount to be paid \$_____
Option C: \$0 to \$400 per month may be paid on the first \$4,000 of gross profit. Amount to be paid \$_____. Plus 0% to 10% of the gross profits may be paid per month on gross profits over \$4,000. Percentage to be paid _____%

Complete one option:
Option A: 0 to 20% of the gross profits per month. Percentage to be paid _____%
Option B: When gross profits are \$1,000 or less per month, \$0 to \$200 per month may be paid. Amount to be paid \$_____
Option C: \$0 to \$200 per month may be paid on the first \$1,000 of gross profits. Amount to be paid \$_____. Plus 0% to 20% of the gross profits may be paid per month on gross profits over \$1,000. Percentage to be paid _____%

Bingo Rent

Option D: 0 to 10% of the gross profits per month from all lawful gambling activities held during bingo occasions, excluding bar bingo. Percentage to be paid _____%
Option E: A rate based on a cost per square foot not to exceed 110% of a comparable cost per square foot for leased space, as approved by the director of the Gambling Control Board. No rent may be paid for bar bingo. Rate to be paid \$_____ per square foot.
 The lessor must attach documentation, verified by the organization, to confirm the comparable rate and all applicable costs to be paid by the organization to the lessor.

Bar Bingo Rent

Option F: No rent may be paid for bingo conducted in a bar.

New Bingo Activity

For any new bingo activity not previously included in a Premises Permit Application, attach a separate sheet of paper listing the days and hours that bingo will be conducted.

Nonprofit Information

- Type of nonprofit organization (check one):
 Fraternal Veterans Religious Other nonprofit
- Attach a copy of your organization's official bylaws.
- Number of years your organization has been in existence as a nonprofit organization _____
- Proof of nonprofit status required.** Your organization must provide documentation that shows your organization has been in existence for the most recent three (3) years as a nonprofit organization.

Attach one of the following:

A copy of a Certificate of Good Standing as a nonprofit organization from the Minnesota Secretary of State's Office

OR

A letter from the IRS declaring income tax exemption

What the proof must show:

- The Certificate of Good Standing must show that your organization was incorporated at least three years ago.
- The certificate issue date cannot be more than 12 months prior to the date your organization's license application is received by the Board.

Where to obtain:

This certificate can be obtained from the Minnesota Secretary of State:

Minnesota Secretary of State
 Business Services Division
 180 State Office Building
 St. Paul, MN 55155

Phone: 651-296-2803

- Your organization may or may not need to submit additional filings with the Minnesota Secretary of State to update your records before receiving a certificate.
- A fee is required by the Secretary of State for this certificate.

What the proof must show:

Under a parent organization. If your organization falls under a parent organization, attach both of the following:

- a copy of the IRS letter showing that your parent organization has been a registered nonprofit 501(c) organization for a minimum of three years and carries a group ruling, and
- a copy of the charter, or letter from your parent organization, recognizing your organization as a subordinate for at least the most recent three years.

Not under a parent organization. If your organization does not fall under a parent organization, attach a copy of the IRS income tax exemption [501(c)] letter in the name of your organization, showing a minimum of three (3) years of income tax exempt status.

Where to obtain:

To obtain a copy of your federal income tax exempt letter, send your federal ID number and the date your organization initially applied for tax exempt status to:

IRS
 P.O. Box 2508
 Room 4010
 Cincinnati, OH 45201

Dual nonprofit status - If your organization has dual status as a nonprofit organization with both the Minnesota Secretary of State's Office and with the IRS, attach proof of both.

Sales tax exempt status or federal ID employer numbers are not proof of income tax exempt status.

Lawful Purpose Expenditures

List the lawful purpose expenditures for which your organization will expend gambling funds (refer to Minnesota Statutes 349.12, subdivision 25). Give specific examples.

- Scholarships (6000)
- Kids Reading Programs
- Summer Activities
- Color Guard Attendance

Charitable Contributions

List the annual goal for charitable contributions that your organization will make from its gross profits 20 %
 Charitable contributions are defined as one or more of the lawful purpose expenditures as defined in Minnesota Statute 349.12, Subd. 25 for codes A1-7, 10-11, 13-15, and 19.

Barry D. Roscoe
PO Box 315
MT Iron MN
35768

We are asking that the fees
and deposit be recinded because the
fund raiser IS for sending care
packages overseas to people that
are in the service from our
area.

So if you know of any let us
know. We know of at least three
so far.

Barry D. Roscoe

APPLICATION

Organizations desiring to use the Mountain Iron Community Center, Senior Center or Nichols Town Hall facilities must complete an application and submit it to the City Administrator's Office. The application need be completed only once annually for organizations using the facilities periodically during the year. **This application shall be submitted at least one month prior to the date for which reservation is requested with the exception of unforeseen circumstances.** Those seeking the use of intoxicating beverages are encouraged to contact the City Administrator's Office at least four (4) weeks prior to the event. The request will be reviewed in light of these guidelines and the availability of the facilities. The Administrator's Office staff will advise the requesting organization of the status of their request as soon as possible. Usage requests are not approved until the Administrator's Office staff has so advised the requesting organization.

Name of Applicant or Organization:	AMERICAN Legion Post 220		
Mailing Address:	Street: Mountain PO Box 361 City, State, Zip: Mountain Iron Mn 55768		
Contact Person Responsible for Bldg.:	Barry Rosier	Phone:	748-7576 or Wk #:
Facility Desired: Circle One:	Senior Center	Community Center	Nichols Town Hall
Community Center Room(s): Circle One:	Wacoota Room	Iroquois Room	Wacoota & Iroquois Rooms Messaba Room
Kitchen Use:	Yes	No	
Date(s) of Use:	Dec 9		
Hours of Use: (Be specific)	8 am - 7 pm		
Purpose of Meeting/Event:	Fund Raiser		
Number in attendance: Number of tables/chairs:	400-600 (we hope)		Attach Diagram
Deposit Amount & Fee(s):	Deposit:	Fee(s):	
Will Intoxicating Beverages Be Used?	NO		
Proof of Liability Insurance:	Attach Copy of Policy		
Proof of Liquor License Or Permit(if applicable):	Attach Copy		

COUNCIL LETTER 110606-VIE

AUDITOR

AUDIT PROPOSAL

DATE: November 01, 2006

FROM: Craig J. Wainio
City Administrator

Enclosed, please find the Audit proposal from Walker, Giroux and Hahne to perform the 2006 Audit. The proposal price is \$16,500 for the Governmental Funds and \$7,700 for the Enterprise Funds. For the 2005 Audit proposal the Governmental Funds were \$15,700 and the Enterprise funds were \$7,300.



CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

P.O. Box 960 • 225 1st Street North, Suite 2400 • Virginia, Minnesota 55792
218-749-4880 • FAX 218-749-8528

October 25, 2006

City of Mountain Iron
8586 Enterprise Dr. So.
Mountain Iron, Minnesota 55768-8260

We are pleased to confirm our understanding of the services we are to provide City of Mountain Iron, Minnesota, for the year ended December 31, 2006. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information, which collectively comprise the entity's basic financial statements, of City of Mountain Iron, Minnesota, as of and for the year ended December 31, 2006. The following supplementary information accompanying the basic financial statements is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's discussion and analysis.
2. Schedule of revenues, expenditures and changes in fund balance – budget to actual.

Also, the following additional information accompanying the basic financial statements will be subjected to the auditing procedures applied in our audit of the financial statements upon which we will provide an opinion in relation to the basic financial statements:

1. Combining and individual fund financial statements.
2. Schedule of sources and uses of public funds for tax increment financing districts.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the basic financial statements taken as a whole. Our audit will be conducted in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and will include tests of the accounting records of City of Mountain Iron, Minnesota, and other procedures we consider necessary to enable us to express such opinions. If our opinions on the financial statements are other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of applicable laws, regulations, contracts, agreements and grants, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The reports on internal control and compliance will each include a statement that the report is intended solely for the information and use of management and specific legislative or regulatory bodies and is not intended to be and should not be used by anyone other than these specified parties.

Management Responsibilities

Management is responsible for establishing and maintaining effective internal control and for compliance with the provisions of applicable laws, regulations, contracts, agreements and grants. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of the controls. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorizations and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Management is responsible for making all financial records and related information available to us. We understand that you will provide us with such information required for our audit and that you are responsible for the accuracy and completeness of that information. Management's responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Mt. Iron, Minnesota and the respective changes in financial position and cash flows, where applicable, in conformity with U.S. generally accepted accounting principles.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud, or illegal acts affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations and for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that we may report.

With regard to using the auditor's report, you understand that you must obtain our prior written consent to reproduce or use our report in bond offering official statements or other documents. With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

We will prepare a general ledger trial balance for use during the audit. Our preparation of the trial balance will be limited to formatting information in the City of Mountain Iron, Minnesota's general ledger into a working trial balance. As part of the audit we will prepare a draft of your financial statements and related notes. In accordance with *Government Auditing Standards*, you will be required to review and approve those financial statements prior to their issuance and have a responsibility to be in a position in fact and appearance to make an informed judgment on those financial statements. Further, you are required to designate a qualified management-level individual to be responsible and accountable for overseeing our services.

Audit Procedures – General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because an audit is designed to provide reasonable, but not absolute assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

Audit Procedures – Internal Controls

In planning and performing our audit, we will consider the internal control sufficient to plan the audit in order to determine the nature, timing, and extent of our auditing procedures for the purpose of expressing our opinion on City of Mountain Iron, Minnesota's financial statements.

We will obtain an understanding of the design of the relevant controls and whether they have been placed in operation, and we will assess control risk. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Tests of controls are required only if control risk is assessed below the maximum level. Our tests, if performed, will be less in scope than would be necessary to render an opinion on the internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify reportable conditions. However, we will inform the governing body of any matters involving internal control and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. We will also inform you of any nonreportable conditions or other matters involving internal control, if any, as required by *Government Auditing Standards*.

Audit Procedures - Compliance

Identifying and ensuring that City of Mountain Iron, Minnesota complies with the provisions of laws, regulations, contracts, agreements and grants is the responsibility of management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of City of Mountain Iron, Minnesota's compliance with applicable laws and regulations and the provisions of contracts, agreements and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Audit Administration, Fees, and Other

We understand that your employees will prepare all confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Walker, Giroux and Hahne, Ltd. and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to a governmental agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the

supervision of Walker, Giroux and Hahne, Ltd. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the governmental agency. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party contesting the audit finding for guidance prior to destroying the audit documentation.

Our fees for these services will be at our standard hourly rates, plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) not to exceed \$16,500.00 for Governmental Funds and \$7,700.00 for the Enterprise Funds. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. The above fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2003 peer review report accompanies this letter.

We appreciate the opportunity to be of service to City of Mountain Iron, Minnesota and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the original of this letter and return it to us. A copy is enclosed for your records.

Very truly yours,

WALKER, GIROUX & HAHNE, LTD.



Gary E. Giroux
Certified Public Accountant

RESPONSE:

This letter correctly sets forth the understanding of City of Mountain Iron, Minnesota.

Signature: _____

Title: _____

Date: _____



Jelinek Metz McDonald, Ltd.

A CERTIFIED PUBLIC ACCOUNTING & FINANCIAL SERVICES FIRM

JOHN G. JEJINEK, CPA, PFS

WILLIAM METZ, CPA

DOUGLAS M. McDONALD, CPA

DARIAN J. KLEIN, CPA

BRADLEE BERLIN, CPA
DENISE STONER, CPA
JENNIFER TROAST, CPA
KEVIN SJOSTROM, CPA
BRYAN SWARTZ, CPA
SHARI BOROWICZ, CPA

October 28, 2003

To the Shareholders
Walker, Giroux Hahne, Ltd.
Virginia, MN

We have reviewed the system of quality control for the accounting and auditing practice of Walker, Giroux Hahne, Ltd. (the Firm) in effect for the year ended June 30, 2003. A system of quality control encompasses the firm's organizational structure and the policies adopted and procedures established to provide it with reasonable assurance of conforming with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of Certified Public Accountants (AICPA). The design of the system and compliance with it are the responsibility of the firm. Our responsibility is to express an opinion on the design of the system, and the firm's compliance with the system based on our review.

Our review was conducted in accordance with standards established by the Peer Review Board of the AICPA. In performing our review, we obtained an understanding of the system of quality control for the firm's accounting and auditing practice. In addition, we tested compliance with the firm's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of the firm's policies and procedures on selected engagements. Because our review was based on selective tests, it would not necessarily disclose all weaknesses in the system of quality control or all instances of lack of compliance with it.

Because there are inherent limitations in the effectiveness of any system of quality control, departures from the system may occur and not be detected. Also, projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or because the degree of compliance with the policies and procedures may deteriorate.

In our opinion, the system of quality control for the accounting and auditing practice of Walker, Giroux Hahne, Ltd. in effect for the year ended June 30, 2003, has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA and was complied with during the year then ended to provide the firm with reasonable assurance of conforming with professional standards.

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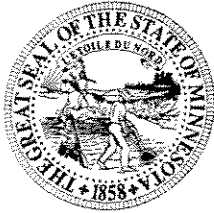
Jelinek Metz McDonald, Ltd.



The CPA. Never Underestimate The Value.

33 10TH AVENUE SOUTH SUITE 200 ± PO Box 507 ± HOPKINS, MINNESOTA 55343-0507

952-935-6868 ± WEBSITE jmm-cpa.com ± FAX 952-935-7940



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>Virginia Regional Medical Center</i>		DATE ORGANIZED <i>1936</i>	TAX EXEMPT NUMBER <i>41-6005596</i>	
STREET ADDRESS <i>901 No 9th St.</i>		CITY <i>Virginia</i>	STATE <i>MN</i>	ZIP CODE <i>55792</i>
NAME OF PERSON MAKING APPLICATION <i>Kathleen Murray</i>		BUSINESS PHONE <i>(218) 749-9481</i>		HOME PHONE <i>(218) 741-3911</i>
DATES LIQUOR WILL BE SOLD <i>11/15; 11/16, 11/17/2006</i>		TYPE OF ORGANIZATION <input type="checkbox"/> CLUB <input type="checkbox"/> CHARITABLE <input type="checkbox"/> RELIGIOUS <input checked="" type="checkbox"/> OTHER NONPROFIT		
ORGANIZATION OFFICER'S NAME <i>Shelly Lindberg</i>		ADDRESS <i>720 - 6th St So. Virginia MN 55792</i>		
ORGANIZATION OFFICER'S NAME <i>Pat Grohok</i>		ADDRESS <i>2102 501st Ave, Virginia MN 55792</i>		
ORGANIZATION OFFICER'S NAME <i>Dave Brinkman</i>		ADDRESS <i>605 5th Ave (13), Virginia MN 55792</i>		

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

Mt Iron Community Center
8586 Enterprise Dr.
Mt Iron MN 55768

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

B6's Bar & Grill
5494 Hwy. 7
Mt. Iron MN 55792

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 _____	DATE APPROVED _____
CITY FEE AMOUNT _____	LICENSE DATES _____
DATE FEE PAID _____	

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.

October 5, 2006

Mountain Iron-Buhl High School
Laurentian Yearbook
5529 Emerald Avenue
Mountain Iron, MN 55768
(218) 735-8217, ext. 1040
(218) 735-8217: Fax
comalley@mib.k12.mn.us

Dear City of Mountain Iron,

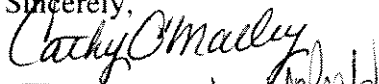

A new school year has started and we are in the planning stages of our 2006-2007 yearbook. The yearbook is a wonderful reminder of our high school memories each year, which are enjoyed by students, faculty, friends and family.

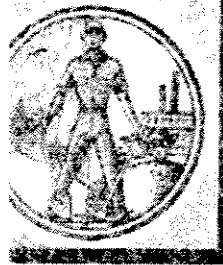
We are asking for your support in helping us provide memories for years to come. It is a great opportunity to get your name recognized by a large number of area residents as well as helping us maintain a worthy product. In last year's yearbook the city of Mountain Iron purchased a full-page ad. We appreciate any kind of assistance you and your business can give us. Thank you for your time and generosity.

Last year the ad that you purchased was \$200. The attached item is the ad that was in the book last year.

Payment options are cash, check made out to the MIB Yearbook, or you can choose to be billed later. If you wish to not be recognized in our yearbook and rather give a small donation to our school yearbook, we thank you for your kindness.

Sincerely,



Cathy O'Malley, Yearbook Advisor
DJ Winfield, Yearbook Member



ENJOY THE WEST II RIVERS RECREATION AREA
AND CAMPGROUND

4988 CAMPGROUND ROAD
MOUNTAIN IRON MN 55768

PHONE: 218-735-8831 (in season)
OR 218-748-7570 (City Hall)

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MOUNTAIN IRON MN 55768***

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aconite Capital of the World™**

**Congratulations
Mountain Iron-Buhl Class of 2006 .**

September 11, 2006

Mountain Iron-Buhl High School
Laurentian Yearbook
5529 Emerald Avenue
Mountain Iron, MN 55768
(218) 735-8271, ext, 1040
(218) 735-8217: Fax
comalley@mib.k12.mn.us

Dear Perspective Patron,

A new school year has started and we are in the planning stages of our 2006-2007 yearbook. The yearbook is a wonderful reminder of our high school memories each year, which are enjoyed by students, faculty, friends and family.

We are asking your support in helping us provide memories for years to come. It is a great opportunity to get your name recognized by a large number of area residents as well as helping us maintain a worthy product. We appreciate any kind of assistance you and your business can give us. Thank you for your time and generosity.

The ad rates are as follows.

<u>Ad Size</u>	<u>Price</u>
Patron (3-4 lines)	\$45.00
1/8 page (business card size)	\$65.00
1/4 page	\$80.00
1/2 page	\$120.00
Full page	\$200.00

prices & sizes

Payment options are ~~cash, check made out to MIB Yearbook~~, or you can choose to be billed. If you wish to not be recognized in our yearbook and rather give a small donation to our school yearbook, we thank you for your kindness.

Sincerely,

Cathy O'Malley
Heather Hill
Amy Pohn
Cathy O'Malley, Teacher
Heather Hill, Student Editor
Amy Pohn, Student Editor

COUNCIL LETTER 110606-VIH

COUNCILOR ROSKOSKI

**BLIGHT ISSUE
OFFENSIVE/HAZARDOUS SMOKE**

DATE: November 01, 2006

FROM: Councilor Roskoski

Craig J. Wainio
City Administrator

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

There seems to be a problem in South Grove. Our attorney should review the complaint with our blight officer and law enforcement and come up with a remedy for this and future situations.

COMMUNICATIONS
NOVEMBER 6, 2006

1. City of Augusta, a thank you for the donation of the radio equipment for their newly created fire department.
2. Iron Range Veterans Memorial, a thank you for the assistance in obtaining a sign along Highway 7.

City of St. Augusta

1914 250th St.

St. Augusta, MN 56301-7706

Phone: (320) 654-0387

Fax: (320) 654-1686

E-mail: staugusta@cloudnet.com

October 17, 2006

Mountain Iron
8586 Enterprise Drive South
Mountain Iron, MN 55768-8260

Dear Mayor, Council and Fire Chief:

The City of St. Augusta and the St. Augusta Fire Department would like to take this opportunity to thank you for your contribution of radios to our newly created department. These items fill a need and will be put to use as soon as our department begins to operate.

We appreciate your support and would like you to know our department would not be possible without it.

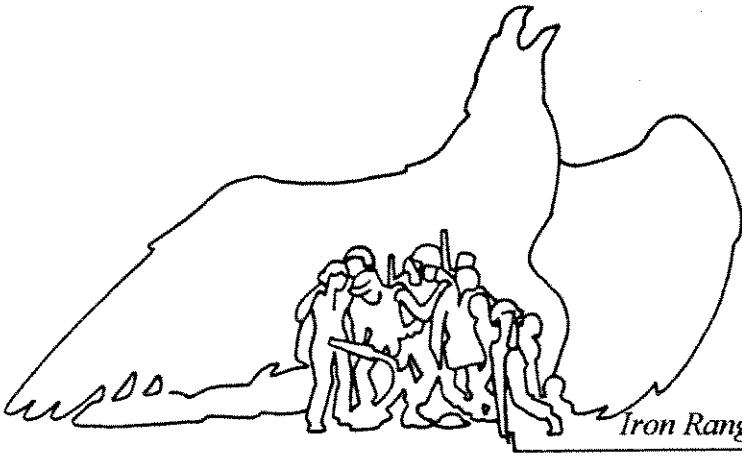
Thank you,


Bob Kroll
Mayor

MAYOR
Bob Kroll

CITY COUNCIL MEMBER
John Kaiser - Robert Laudenbach
Mike Zenzen - Jim Diehl

CLERK/ADMINISTRATOR
Bill McCabe



Iron Range Veterans Memorial P.O.Box 35 Virginia,Mn 55792

Oct. 19, 2006

Mt. Iron City Hall Administration
Mayor Gary Skalko and Don Kleinschmidt
8586 Enterprise Drive South
Mt. Iron, MN 55768

Dear Messers Skalko and Kleinschmidt:

On behalf of the Iron Range Veterans Memorial Committee,
we would like to take this opportunity to thank you for the speedy
assistance you gave us in obtaining a sign along Highway 7.

We appreciate the time involved, and we look forward to the signs'
installations. We are grateful for your help.

With sincere thanks,

Louise J. Grams, secretary
IR Veterans Memorial Committee