# MOUNTAIN IRON CITY COUNCIL MEETING COMMUNITY CENTER MOUNTAIN IRON ROOM MONDAY, NOVEMBER 15, 2010 - 6:30 P.M. A G E N D A

| I. | Roll | Call       |
|----|------|------------|
| ** | TOTI | $\sim$ uII |

| II. | Consent   | Ασε  | enda  |
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- A. Minutes of the November 1, 2010, Regular Meeting (#1-14)
- B. Minutes of the November 3, 2010, Special Meeting
- C. Receipts
- D. Bills and Payroll
- E. Communications (#44-49)

### III. Public Forum

A. Public Hearing – CDBG Application

# IV. Committee and Staff Reports

- A. Mayor's Report
  - 1. Labor Management Meeting
  - 2. Set a Committee-of-the-Whole Meeting on 2011 Budget
- B. City Administrator's Report
  - 1. OSHA Inspection Report and Expedited Informal Settlement
- C. Director of Public Work's Report
- D. Sheriff's Department Report
- E. City Attorney's Report
- F. City Engineer's Report
  - 1. Pay Request Number 5 for Locomotive Park
  - 2. Pay Request Number 2 for Energy Park
- G. Liaison Reports

### V. Unfinished Business

### VI. New Business

- A. Resolution Number 13-10 Approving CDBG Application
- B. Award Bids for WWTP Improvements
- C. Award Quotes for Unity Drive Drainage
- D. Gas Line Extension Contact for Energy Park
- E. Communications (#44-49)

### VII. Announcements

# VIII. Adjourn

# Denotes page number in packet

# MINUTES MOUNTAIN IRON CITY COUNCIL NOVEMBER 1, 2010

Mayor Skalko called the City Council meeting to order at 6:31 p.m. with the following members present: Joe Prebeg, Jr., Tony Zupancich, Alan Stanaway, Ed Roskoski, and Mayor Gary Skalko. Also present were: Craig J. Wainio, City Administrator; Jill M. Anderson, Municipal Services Secretary; Don Kleinschmidt, Director of Public Works; Rod Flannigan, City Engineer; and John Bachman, Sergeant.

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

- 1. Approve the minutes of the October 18, 2010, regular meeting as submitted.
- 2. That the communications be accepted, placed on file, and those requiring further action by the City Council be acted upon during their proper sequence on the agenda.
- 3. To acknowledge the receipts for the period October 16-31, 2010, totaling \$242,759.38, (a list is attached and made a part of these minutes).
- 4. To authorize the payments of the bills and payroll for the period October 16-31, 2010, totaling \$290,645.66, (a list is attached and made a part of these minutes).

The motion carried unanimously on a roll call vote.

During the public forum, Mark McCarty, Welcome Back Anywhere, showed the Council his web site that is dedicated to celebrating communities. He gave a presentation and asked the Council to sponsor a page on his web site for an annual cost of \$500. The Council asked that Mr. McCarty meet with the City Administrator and discuss the matter further. The Council would wait for a recommendation on the purchase from the City Administrator.

The Mayor updated the Council on the following:

- ➤ Halloween Carnival. The Mayor read a report prepared by the Special Events Coordinator. She thanked the Organizations and Volunteers for their participation in the event and said that it was a successful event.
- Mountain Iron's oldest residents. The Mayor wished to recognized Hugo Johnson, 98, and Irene Levasseur, 101.
- ➤ Old Highway 169. The Mayor recognized William Buria for cleaning up Old Highway 169 and he said that he was still cleaning it up in memory of his wife, Gertrude Buria. The Mayor asked if there was someone that would be willing to adopt the cleanup of the Old Highway 169 area.
- Mountain Iron Walgreen Store. The Mountain Iron store was listed as the top store for customer service for this region, which includes 34 stores.
- Recognition. Councilor Roskoski wanted to recognize Tom Cvar, Mountain Iron's previous Fire Chief, for being awarded the Minnesota State Fire Chief's Association Leadership Award.

Minutes – City Council November 1, 2010 Page 2

The City Administrator updated the Council on the following:

- Economic Development Authority (EDA). He updated the Council on an improvement project that the EDA would be completing. He said that the project would involve filling in the ditch adjacent to the YMCA on the east side for safety and aesthetic reasons.
- > Budget Meeting. He reminded the Council that a special budget meeting would need to be called by the end of November.
- > Surplus Equipment. Councilor Roskoski asked why only two vehicles were listed in the advertisement for sale. The Administrator said that the Fire Department is currently considering retaining the expedition for use in the department.

During the Sheriff's Department report, he advised the Council that November 1<sup>st</sup> was the first day of calendar parking.

It was moved by Zupancich and seconded by Roskoski to authorize change order number one for the Energy Park Utility Extension Project, MI09-08, to Utility Systems of America Incorporated by decreasing the contract amount by \$1,266.00 for a total contract price of \$302,357.50. The motion carried.

It was moved by Stanaway and seconded by Zupancich to authorize the final payment request, number five, to Utility Systems of America Incorporated for the Energy Park Utility Extension Project in the amount of \$3,000.00. The motion carried unanimously on a roll call vote.

It was moved by Zupancich and seconded by Stanaway to authorize payment request number one to Hibbing Excavating Incorporated for the Energy Park Development-Phase III Project in the amount of \$128,797.48. The motion carried unanimously on a roll call vote.

It was moved by Prebeg and seconded by Roskoski to authorize change order number one for the 2010 Street Improvements Project, MI10-01, to Mesabi Bituminous Incorporated by decreasing the contract amount by \$13,668.30 for a total contract price of \$106,388.50. The motion carried.

It was moved by Prebeg and seconded by Stanaway to authorize the final payment request, number three, to Mesabi Bituminous Incorporated for the 2010 Street Improvements Project, MI10-01, in the amount of \$5,319.43. The motion carried on the following roll call vote: Roskoski, no; Prebeg, yes; Zupancich, yes; Stanaway, yes; and Skalko, yes.

It was moved by Zupancich and seconded by Stanaway to authorize the final change order, number four, for the Wastewater Treatment Facility Improvements to Magney Construction by decreasing the contract amount by \$177,071.10 for a total contract price of \$408,713.32. The motion carried.

Minutes – City Council November 1, 2010 Page 3

It was moved by Zupancich and seconded by Prebeg to authorize the final payment request, number seven, to Magney Construction Incorporated for the Wastewater Treatment Facility Improvements in the amount of \$15,296.06. The motion carried unanimously on a roll call vote.

During the liaison reports, Councilor Stanaway presented the October 2010 Library report.

It was moved by Zupancich and seconded by Stanaway to authorize a letter of support to be written to the Iron Range Earth Fest to assist them in securing grant funding to assist with the 2011 Iron Range Earth Fest. The motion carried.

It was moved by Zupancich and seconded by Roskoski to waive the building rental fees for the following events:

- Summer Work Outreach Project, for their annual fundraiser dinner on April 7, 2011.
- > Tammy Hejda, for a fundraiser for Jed Hejda on November 27, 2010.
- North St. Louis County Habitat for Humanity, for their fifth annual Building the Future with Habitat fundraiser on February 3, 2011.

The motion carried.

It was moved by Zupancich and seconded by Stanaway to set a public hearing for November 15, 2010, at 6:30 p.m., for the Community Development Block Grant application. The motion carried.

It was moved by Zupancich and seconded by Prebeg to set a special City Council meeting for Wednesday, November 3, 2010, at 4:30 p.m., to canvass the general election results. The motion carried.

The Council reviewed the list of communications.

During the announcements, Councilor Stanaway reminded the Citizens of Mountain Iron of the seasonal flu vaccine clinic being held on November 4<sup>th</sup> and 5<sup>th</sup> at the Mountain Iron Community Center. He thanked the Mountain Iron Public Health and Safety Committee for sponsoring the clinic. He also thanked Holly Holmes for setting up the clinic.

Councilor Roskoski requested to have a 2011 budget from the Range Recreation Civic Center Board. The Mayor said he would get that information for the Council.

Councilor Roskoski asked about the League of Minnesota Cities two incentive programs regarding land use and sanitary sewer. The City Administrator said that he would set up the training for those that were interested.

The Mayor announced that the General Election would be held on November 2<sup>nd</sup> and encouraged everyone to vote.

Minutes – City Council November 1, 2010 Page 4

At 7:36 p.m., it was moved by Skalko and seconded by Roskoski that the meeting be adjourned. The motion carried.

Submitted by:

Jill M. Anderson, CMC Municipal Services Secretary

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www.mtniron.com

### **COMMUNICATIONS**

- 1. MediaCom, a notice of an increase in charges for services.
- 2. Range Recreation Civic Center, a request for payment of their annual contribution for 2011 in the amount of \$7,308.00.
- 3. The "United for Change" executed proclamation recognizing the Northern St. Louis County Domestic Violence Awareness month.
- 4. League of Minnesota Cities, forwarding Property/Casualty Program Incentives.

Receipt Register By Date Receipt Date(s): 10/16/2010 - 10/31/2010

Page: 17 Nov 01, 2010 01:46pm

Summary By Category And Distribution

| Category                 | Distribution                   | Amount     |
|--------------------------|--------------------------------|------------|
| UTILITY                  | UTILITY                        | 141,839.09 |
| BUILDING RENTALS         | BUILDING RENTAL DEPOSITS       | 1,000.00   |
| BUILDING RENTALS         | COMMUNITY CENTER               | 300.00     |
| PERMITS                  | BUILDING                       | 20,997.97  |
| CHARGE FOR SERVICES      | SEWER-CHARGE FOR SERVICES      | 2,170.79   |
| BUILDING RENTALS         | NICHOLS HALL                   | 50,00      |
| CD INTEREST              | CD INTEREST 101                | 56,81      |
| CD INTEREST              | CD INTEREST 378                | 170.43     |
| CD INTEREST              | CD INTEREST 603                | 56,81      |
| MISCELLANEOUS            | CABLE TV FRANCHISE FEE         | 5,867.20   |
| MISCELLANEOUS            | ASSESSMENT SEARCHES            | 60.00      |
| MISCELLANEOUS            | BLUE CROSS/BLUE SHIELD PAYABLE | 32,525.50  |
| CHARGE FOR SERVICES      | REFUSE REMOVAL-CHG FOR SERVICE | 2,711.93   |
| METER DEPOSITS           | ELECTRIC                       | 150.00     |
| BUILDING RENTALS         | SENIOR CENTER                  | 10.00      |
| FINES                    | CRIMINAL                       | 1,157.61   |
| MISCELLANEOUS            | REIMBURSEMENTS                 | 379.00     |
| NTERGOVERNMENTAL REVENUE | MISCELLANEOUS STATE AID        | 33,224.93  |
| MISCELLANEOUS            | COCA-COLA RECEIPTS-CITY HALL   | 31.31      |
| Summary Totals:          |                                | 242,759.38 |

| Per   | Date       | Check No | Vendor No | Payee                          | Check GL Acct | Amount     |   |
|-------|------------|----------|-----------|--------------------------------|---------------|------------|---|
| 11/10 | 11/04/2010 | 140218   | 10041     | ARROWHEAD EMS ASSOCIATION      | 101-20200     | 75.00      |   |
| 11/10 | 11/04/2010 | 140219   | 5007      |                                | 601-20200     | 753.03     |   |
| 11/10 | 11/04/2010 | 140220   | 20022     | BENCHMARK ENGINEERING INC      | 602-20200     | 27,026.91  |   |
| 11/10 | 11/04/2010 | 140221   |           | BORDER STATES ELECTRIC SUPPLY  | 604-20200     | 2,785.65   |   |
| 11/10 | 11/04/2010 | 140222   |           | CARQUEST (MOUNTAIN IRON)       | 101-20200     | 374.62     |   |
| 11/10 | 11/04/2010 | 140223   |           | COURT ADMINCONCILIATION        | 604-20200     | 75.00      |   |
| 11/10 | 11/04/2010 | 140224   |           | CREDIT BUREAU INC              | 604-20200     | 74.76      |   |
| 11/10 | 11/04/2010 | 140225   | 30072     | CW TECHNOLOGY                  | 602-20200     | 1,671.42   |   |
| 11/10 | 11/04/2010 | 140226   | 40046     | DIVERSE MEDIA INCORPORATED     | 101-20200     | 24.67      |   |
| 11/10 | 11/04/2010 | 140227   | 1181      | DONNA HELGESON                 | 101-20200     | 200.00     |   |
| 11/10 | 11/04/2010 | 140228   | 40015     | DULUTH NEWS TRIBUNE            | 101-20200     | 265.20     |   |
| 11/10 | 11/04/2010 | 140229   | 1182      | ERIN POWELL                    | 101-20200     | 75.00      |   |
| 11/10 | 11/04/2010 | 140230   | 60026     | FASTENAL COMPANY               | 101-20200     | 414.80     |   |
| 11/10 | 11/04/2010 | 140231   | 60002     | FENA ADVERTISING               | 604-20200     | 103.00     |   |
| 11/10 | 11/04/2010 | 140232   | 70035     | G & K SERVICES                 | 101-20200     | 15.94      |   |
| 11/10 | 11/04/2010 | 140233   | 70029     | GUARDIAN PEST CONTROL INC      | 101-20200     | 74.22      |   |
| 11/10 | 11/04/2010 | 140234   | 80017     | HENRY'S WATERWORKS INC         | 601-20200     | 636,56     |   |
| 11/10 | 11/04/2010 | 140235   | 80008     | HIBBING EXCAVATION INC         | 301-20200     | 128,797.48 |   |
| 11/10 | 11/04/2010 | 140236   | 1183      | JUSTIN BACHMAN                 | 101-20200     | 100.00     |   |
| 11/10 | 11/04/2010 | 140237   | 110023    | KEEPRS INCORPORATED            | 101-20200     | 37.59      |   |
| 11/10 | 11/04/2010 | 140238   | 120032    | LAKE COUNTRY POWER             | 101-20200     | 211.34     |   |
| 11/10 | 11/04/2010 | 140239   | 120014    | LUNDGREN MOTORS                | 101-20200     | 166.11     |   |
| 11/10 | 11/04/2010 | 140240   | 130144    | MAGNEY CONSTRUCTION INC        | 602-20200     | 15,296.06  |   |
| 11/10 | 11/04/2010 | 140241   | 130041    | MESABI BITUMINOUS              | 301-20200     | 5,319.43   |   |
| 11/10 | 11/04/2010 | 140242   | 130093    | MESABI RANGE COLLEGE           | 101-20200     | 1,625.00   |   |
| 11/10 | 11/04/2010 | 140243   | 130026    | MESABI SIGN COMPANY            | 101-20200     | 320.63     |   |
| 11/10 | 11/04/2010 | 140244   | 130109    | METRO FIRE                     | 101-20200     | 2,578.84   |   |
| 11/10 | 11/04/2010 | 140245   | 130138    | MIB YEARBOOK                   | 101-20200     | 100.00     |   |
| 11/10 | 11/04/2010 | 140246   | 130009    | MINNESOTA POWER (ALLETE INC)   | 101-20200     | 1,101.34   |   |
| 11/10 | 11/04/2010 | 140247   | 130031    | MOUNTAIN IRON ECONOMIC DEV     | 101-20200     | 7,705.42   |   |
| 11/10 | 11/04/2010 | 140248   |           | NARDINI FIRE EQUIPMENT CO INC  | 101-20200     | 320.63     |   |
| 11/10 | 11/04/2010 | 140249   | 140052    | NORTHEAST SERVICE COOPERATIVE  | 101-20200     | 200.00     |   |
| 11/10 | 11/04/2010 | 140250   | 140008    | NORTRAX EQUIPMENT/POWERPLAN    | 101-20200     | 70.53      |   |
| 11/10 | 11/04/2010 | 140251   |           | Information Only Check         | 101-20200     | .00 V      |   |
| 11/10 | 11/04/2010 | 140252   |           | OFFICE OF ENTERPRISE TECHNOLOG | 101-20200     | 1,443.09   |   |
| 11/10 | 11/04/2010 | 140253   |           | POMP'S TIRE SERVICE INC        | 101-20200     | 1,537.56   |   |
| 11/10 | 11/04/2010 | 140254   |           | POPULAR SUBSCRIPTION SERVICE   | 101-20200     | 1,912.13   |   |
| 11/10 | 11/04/2010 | 140255   |           | PRECISION MACHINE              | 101-20200     | 30.00      |   |
| 11/10 | 11/04/2010 | 140256   |           | QWEST                          | 602-20200     | 107.61     |   |
| 11/10 | 11/04/2010 | 140257   |           | R & B SUPPLY CO INC            | 101-20200     | 121.95     |   |
| 11/10 | 11/04/2010 | 140258   |           | RADKO IRON & SUPPLY INC        | 604-20200     | 53,43      |   |
| 11/10 | 11/04/2010 | 140259   |           | RANGE PAPER                    | 101-20200     | 94.73      |   |
| 11/10 | 11/04/2010 | 140260   |           | ROAD MACHINERY AND SUPPLY      | 101-20200     | 12.90      |   |
| 11/10 | 11/04/2010 | 140261   |           | SKUBIC BROS INC                | 101-20200     | 472.58     |   |
| 11/10 | 11/04/2010 | 140262   |           | SMITH BARNEY CITIGROUP         | 101-20200     | 28,255.35  |   |
| 11/10 | 11/04/2010 | 140263   |           | STAR TRIBUNE                   | 101-20200     | 390.00     |   |
| 11/10 | 11/04/2010 | 140264   |           | TACONITE TIRE SERVICE          | 101-20200     | 38.85      |   |
| 11/10 | 11/04/2010 | 140265   |           | UNITED TRUCK BODY COMPANY INC  | 101-20200     | 373.92     |   |
| 11/10 | 11/04/2010 | 140266   |           | UTILITY SYSTEMS OF AMERICA INC | 301-20200     | 3,000,00   |   |
| 11/10 | 11/04/2010 | 140267   |           | VERIZON WIRELESS               | 101-20200     | 22.76      |   |
|       | 11/04/2010 | 140268   |           | VOITURE 634 408                | 101-20200     | 200.00     |   |
| 11/10 | 11/04/2010 | 140269   | 230005    | WESCO DISTRIBUTION INC         | 604-20200     | 1,135.47   |   |
| То    | tals:      |          |           |                                |               | 237,798.51 |   |
|       |            |          |           | Payroll-PP Ending 10/29/1      | 10 5          | 2,847.15   | ; |
|       |            |          |           | TOTAL EXPENDITURES             |               | 0,645.66   |   |
|       |            |          |           | - III AND ELVIED               | <u> </u>      | 0,040.00   |   |

# MINUTES MOUNTAIN IRON CITY COUNCIL SPECIAL MEETING NOVEMBER 3, 2010

The meeting was called to order at 4:35 p.m. with the following members present: Ed Roskoski, Tony Zupancich, Alan Stanaway, and Mayor Gary Skalko. Absent member included: Joe Prebeg. Also present was: Craig J. Wainio, City Administrator.

It was moved by Zupancich and seconded by Roskoski to adopt Resolution Number 12-10, General Election, (a copy is attached and made a part of these minutes). The motion carried with Prebeg absent.

At 4:36 p.m., it was moved by Zupancich and seconded by Skalko that the meeting be adjourned. The motion carried.

Submitted by

Craig Wyynio City Administrator

www.mtniron.com



# 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 12-10**

# **GENERAL ELECTION**

WHEREAS, at the Municipal General Election of the City of Mountain Iron, County of St. Louis, State of Minnesota, held in the City of Mountain Iron, Minnesota on November 2, 2010, and being the place where it was directed to be held by the City Council after giving due notice thereof as provided by law, and;

WHEREAS, eight qualified voters of said City to act as judges of said Municipal Election, each of whom has within the time limit subscribed by law, been designated and appointed by the City Council to act as judges of the election. And, each of whom being present at the designated hour and each of whom duly took and subscribed an oath to faithfully discharge the duties required of them at such election. The judges being duly qualified, forthwith opened the polls by proclamation at 7:00 a.m. and the election proceeded by ballot without adjournment or intermission until closed at 8:00 p.m., and;

WHEREAS, the subjects voted at such election, as stated in notice thereof, were to vote for one (1) Mayor, to a two year term, and two (2) Councilors, to four year terms, and;

WHEREAS, at 8:00 p.m., in the evening of said day, the polls were closed, proclamation thereof, having been made by one of the judges in each of the two precincts, and;

WHEREAS, upon the closing of the polls, the judges then proceeded to publicly tabulate the count and canvass the votes and a true statement thereof was duly proclaimed to the voters as follows:

| MAYOR                 | NUMBER OF VOTES RECEIVED |
|-----------------------|--------------------------|
| Gary Skalko           | 824                      |
| Keith Altobelli       | 640                      |
| Write-Ins             | 9                        |
| COUNCILOR             | NUMBER OF VOTES RECEIVED |
| Susan Tuomela         | 943                      |
| Tony (T.J.) Zupancich | 780                      |
| Alan Stanaway         | 698                      |
| Write-ins             | 32                       |

Resolution Number 12-10 General Election Page 2

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF MOUNTAIN IRON, SAINT LOUIS COUNTY, STATE OF MINNESOTA, does hereby accept the foregoing as a true statement of the results of tabulating and canvassing of votes by ballot, at said Municipal General Election held on Tuesday, November 2, 2010 and does hereby elect the following, each of whom will assume office commencing January 3, 2011:

Gary Skalko

To the Office of Mayor for a two (2) year term;

Susan Tuomela

To the Office of City Councilor for a four (4) year term; and,

Mayor Gary Skalko

Tony (T.J.) Zupancich To the Office of City Councilor for a four (4) year term.

DULY ADOPTED BY THE CITY COUNCIL THIS 3rd DAY OF NOVEMBER, 2010.

City Administra

TTEST:

# COUNCIL LETTER 111510-IIIA ADMINISTRATION PUBLIC HEARING

DATE:

November 10, 2010

FROM:

Craig J. Wainio

City Administrator

In connection with the City's Community Development Block Grant application for Locomotive Park improvements, the City must hold a public hearing to receive public comment on the proposed application.

# NOTICE OF PUBLIC HEARING ON COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATIONS FOR THE CITY OF MOUNTAIN IRON

# TO WHOM IT MAY CONCERN:

Notice is hereby given that the City Council of the City of Mountain Iron will meet in the Mountain Iron Room of the Community Center at 6:30P.M. on November 15, 2010, to consider the application for a Community Development Block Grant. The application for assistance is for improvements to Locomotive Park. Such persons as desire to be heard with reference to the proposed application will be heard at this meeting.

www.mtniron.com

By Order of the Mountain Iron City Council

/s/ Craig J. Wainio City Administrator

# COUNCIL LETTER 111510-IVA1 MAYOR SKALKO

# LABOR/MANAGEMENT MEETING

DATE:

November 10, 2010

FROM:

Mayor Gary Skalko

Craig J. Wainio City Administrator

Background information provided by Mayor Skalko:

Set a date for the final Labor/Management Meeting for 2010.

# COUNCIL LETTER 111510-IVV2 MAYOR SKALKO

# COMMITTEE OF THE WHOLE MEETING

DATE:

November 10, 2010

FROM:

Mayor Gary Skalko

Craig J. Wainio City Administrator

Background information provided by Mayor Skalko:

Finalize our 2011 Budget.

# **COUNCIL LETTER 111510-IVB1**

# **ADMINISTRATION**

### OSHA INSPECTION

DATE:

November 10, 2010

FROM:

Craig J. Wainio
City Administrator

On October 18, 2010 the City of Mountain Iron received a surprise inspection from MN OSHA. The entire report is presented for your review. Overall the City fair well in regard to compliance with OSHA regulations and were cited for limited and minor infractions. All infractions raised by OSHA are currently being addressed. Based upon the inspections the fines to the City of Mountain Iron would total \$3000. If the City enters into the Expedited Informal Settlement Agreement the total fine would be reduced to \$2100.

Staff is recommending that the City Council approve the Expedited Informal Settlement Agreements for each citation and notification, authorize the City Staff to address the issues raised and have the Director of Public Works submit the mandatory progress reports to MNOSHA.

Minnesota OSHA 525 Lake Ave S, Suite 330 Duluth, MN 55802-2368 www.dli.mn.gov



(218) 733-7830 FAX: (218) 725-7722 TTY: (651) 297-4198

November 4, 2010

Craig Wainio, City Administrator City of Mountain Iron 8586 Enterprise Dr S Mountain Iron, MN 55768

RE: OSHA Inspection: 315015180 OSHI ID: V5693 07210

Inspection Site: Administration, 8586 Enterprise Dr S, Mountain Iron, MN 55768

# Dear Craig Wainio:

This letter confirms that MNOSHA conducted an inspection of your facility on October 18, 2010 and that the inspection resulted in no proposed citations. We thank you for your interest in safety and health and wish you continued success in your safety and health efforts. If you have any specific questions about the inspection, please contact the investigator, Steven Pecharich, at 218-733-7833.

For additional safety or health advice or information, please contact our office at any time or visit our website at <a href="www.dli.mn.gov">www.dli.mn.gov</a>. Please remember to take our surveys and tell us what you think of our Web site or the inspection. Workplace Services Consultation is also available to assist you at no charge by calling 651-284-5060. Minnesota Rules pertaining to MNOSHA or other state agencies are available at the Web site for the state Revisor of Statutes at <a href="http://www.revisor.leg.state.mn.us">http://www.revisor.leg.state.mn.us</a>.

Sincerely,

Jeff Isakson Supervisor

Occupational Safety and Health Division

# Dear Minnesota Employer:

To help you handle all the documents in this mailing, we have prepared this brief summary. Please refer to the actual document for complete details.

- 1. Citation and Notification of Penalties This document describes the alleged safety or health violation(s), including the deadline for correction and any penalty. You must post this entire document until the item(s) is corrected or 20 calendar days, whichever is longer.
- 2. Invoice You do not have to post this sheet. Penalty payments are due within 20 calendar days of receipt (unless appealed). You may make penalty payments on-line at www.dli.mn.gov.
- 3. Notice of Contest If you wish to appeal the Citation, you must complete this form and return it within 20 calendar days of receipt. You must post this form. You may photocopy this form or obtain additional copies on our web site at www.dli.mn.gov.
- 4. Mandatory Progress Report form With this form you tell us how you corrected the alleged violation. This is a required form. You must submit and post this form according to the directions on the form. Additional copies are available on our web site at www.dli.mn.gov. This form is not required if all items on the citation are indicated as "Corrected During Inspection".
- 5. Petition for Modification of Abatement Date form—If you wish to request an extension of time to abate one or several items, you must complete this form and return it no later than the next working day following the date on which the abatement was originally required. You must post this form for 10 days. Additional copies are available on our web site at www.dli.mn.gov.

# (Optional)

6. 7525 Program. If you qualify for this program, a letter of explanation will be included with your citation package. You may discuss this incentive program during the informal conference. You must first contest the Citation(s).

## (Optional)

7. Expedited Informal Settlement Agreement - If you qualify for this agreement, a letter of explanation will be included with your citation package. If you wish to accept the terms of this agreement, you must sign this form and return the original signed page along with your penalty payment within 20 calendar days of receipt. You must post this agreement until the item(s) is corrected. Accepting this does not preclude you from requesting additional time to correct a violation provided your request is received no later than the next day after the original deadline. You may not accept this agreement and also file a Notice of Contest.

### (Not a form)

8. **Documentation of Abatement**- If the citation indicates documentation of abatement is required, you must submit pictures, receipts, etc. that demonstrate the abatement is completed. Documentation of abatement must be submitted by mail to the St. Paul OSHA office or by email to Citation.Progress@state.mn.us

If you have any questions, please call the Duluth office at 218/733-7830 for further assistance. Thank you.

| E.  | Did you remember to  |
|-----|--|
|     | Post a copy of the Citation and Notification of Penalty                                |
| I A | Submit payment within 20 days of receipt, OR   |
|     | Complete and return Notice of Contest Form   |
|     | Post the Notice of Contest Form if you are filing an appeal                            |
| le: | Sign and return with payment the Expedited Informal Settlement Agreement (EISA)        |
|     | Post the EISA  |
|     | Complete and return the Progress Report Form, Documentation of                         |
|     | Abatement (if necessary) and/or Petition for Modification of Abatement Date (PMA) form |
|     | Post the Progress Report or PMA form   |

# Minnesota Department of Labor and Industry

Occupational Safety and Health Division 443 Lafayette Road St. Paul, MN 55155-4307

Phone: 651-284-5050 FAX: 651-284-5741

# Citation and Notification of Penalty

To:

City of Mountain Iron- Fire Department 8586 Enterprise Dr S Mountain Iron, MN 55768

Inspection Site: 8866 Slate St Mountain Iron, MN 55768 Inspection Number: 315015115 OSHI ID: V5693 Optional Report No.: 07110

Inspection Date(s): 10/18/2010 - 10/20/2010

**Issuance Date:** 11/04/2010

The violation(s) described in this Citation and Notification of Penalty is (are) alleged to have occurred on or about the day(s) the inspection was made unless otherwise indicated within the description given below.

This Citation and Notification of Penalty (this Citation) describes violations of the Minnesota Occupational Safety and Health Act of 1973 (the Act). The penalty amounts listed herein are based on these violations. You must abate the violations referred to in this Citation by the dates listed and pay the penalties, unless within 20 calendar days from your receipt of this Citation you file a Notice of Contest with the Commissioner of the Department of Labor and Industry. Your contestation rights and other employer and employee rights and responsibilities are set out in the first three pages of this Citation. The description of alleged violations begins on page 5 of this Citation.

# EMPLOYER AND EMPLOYEE RIGHTS AND RESPONSIBILITIES

**Posting** - The Act requires that a copy of this Citation shall be promptly posted at or near each place that an alleged violation referred to in the citation occurred or, if not practicable, in a prominent place where it will be readily visible by all affected employees. If uncontested, this Citation must remain posted until all alleged violations cited therein are corrected, or for 20 days, whichever is longer. If contested, this Citation must remain posted until the contestation is resolved.

Penalty Payment - Payment of all penalties is to be made by check or money order payable to "Minnesota Department of Labor and Industry, MNOSHA", and remitted to the Occupational Safety and

Health Division at P.O. Box 64025, St. Paul, MN, 55164-0025, within 20 calendar days following receipt of this Citation. After 60 days, unpaid penalties shall increase 25 percent and shall accrue an additional interest of 10 percent per month compounded monthly until the fine is paid in full.

Effective August 1, 2003, the minimum \$25,000 penalty issued to employers with fewer than 50 employees for serious citations connected to the death of an employee may be made in five payments of \$5,000. The first \$5,000 payment is due within 20 calendar days following receipt of this Citation. The 2nd-5th payments of \$5,000 are due on the next four anniversary dates of this Citation becoming a Final Order. The Commissioner may elect to waive the 2nd-5th \$5,000 payment if in the preceding year the employer receives no citations. MNOSHA will provide written notice of the 2nd-5th payments dates or of any penalty waiver.

Notification of Corrective Action - Progress reports on correction of alleged violations not immediately abated as observed by the occupational safety and health investigator shall be submitted on the Progress Report form provided with this Citation. Written progress reports must be mailed to the address shown on the top of page 1 of this Citation by the latest abatement date on the citation, or within 30 days after receipt of the citation, whichever is earlier. Reports must state the specific corrective action taken on each cited item, the date of such action and the anticipated abatement date of uncompleted items. Additional written progress reports shall be submitted every thirty days until the items are fully abated. Facsimile (FAX) transmittal is acceptable.

All alleged violations not contested must be corrected by the abatement date specified in this Citation. A followup inspection may be made for the purpose of ascertaining that the employer has corrected the alleged violations and posted this Citation as required by the Act. Failure to correct an alleged violation by the abatement date on this Citation may result in further penalties for each day the alleged violation has not been corrected.

Petition for Modification of Abatement Date (PMA) - If, due to factors beyond reasonable control, compliance cannot be achieved by the abatement day on the citation, the employer may file a Petition for Modification of Abatement Date (PMA) to obtain an extension of the abatement time period. The PMA must be in writing and received at the address shown on the top of page 1 of this Citation prior to the expiration of the abatement date on the citation. Facsimile (FAX) transmittal of a PMA is acceptable. A copy of the PMA must be posted for ten days in the location where this Citation is posted. A copy of the PMA must also be served upon authorized employee representatives.

The employer's written petition must describe:

- 1) The action that has been taken so far to achieve compliance;
- 2) The amount of additional time needed for compliance;
- 3) The reasons why additional time is needed;
- 4) A description of the interim steps that will be taken to safeguard employees against the cited hazard;
- 5) A statement that employees have been notified of the PMA filing.

Employees have the right to file a written objection to the Commissioner regarding the employer's PMA request. A copy of the objection must be served on the employer within 10 days of the employer's posting of the PMA. The employee objection must be received by the Commissioner within 15 days of

the employer's PMA request. Facsimile (FAX) transmittal is acceptable.

**Employer Right to Contest** - The employer has the right to a hearing to contest any or all parts of this Citation. If the employer wishes to contest, the employer must fully complete and notarize the attached NOTICE OF CONTEST AND SERVICE TO AFFECTED EMPLOYEES (Notice of Contest form) and file it with the Commissioner at the address shown on the top of page 1 of this Citation within 20 calendar days of receiving the citation.

Important: To be considered filed, all parts of the Notice of Contest form must be completed and the completed form must be deposited in the United States mail and postmarked, or otherwise timely received by the Commissioner at the above address within 20 calendar days after the date this Citation is received by the employer. Facsimile (FAX) transmittal is acceptable, followed by the mailed original within 5 days. If the employer fails to file the Notice of Contest form on time, this Citation and Notification of Penalty becomes a final order of the Commissioner which is not subject to review by any court or agency and the Occupational Safety and Health Division may file and enforce the penalty as a district court judgment without further notice or additional proceedings pursuant to Minnesota Statute § 16D.17.

Employee Right to Contest - An employee or authorized representative of employees has the right to a hearing to contest this Citation by filing a letter with the Commissioner of the Department of Labor and Industry at the address shown on page 1 within 20 calendar days of the employer's receipt of this Citation.

Important: To be considered filed, an employee letter of contest must be deposited in the United States mail and postmarked, or otherwise timely received by the Commissioner at the above address within 20 calendar days after the date this Citation is received by the employer. Facsimile (FAX) transmittal is acceptable, followed by the mailed original within 5 days. If the employee fails to file a letter of contest on time, this Citation and Notification of Penalty becomes a final order of the Commissioner which is not subject to review by any court or agency and the Occupational Safety and Health Division may file and enforce the penalty as a district court judgment without further notice or additional proceedings pursuant to Minnesota Statute § 16D.17.

Employee Right to Party Status - Affected employees or their authorized employee representatives may elect to participate as parties in the formal contested case hearing before the start of the hearing by filing written notice with the Commissioner at the address shown above. The notice must contain the employees' names, addresses, authorized employee representatives, if any, and a statement that they are affected employees of the cited employer.

Employer Discrimination Unlawful - Employees who believe that they have been discharged or otherwise discriminated against by any person because the employees have exercised any right authorized under the provisions of Minnesota Statute § 182.674, may, within 30 days after such alleged discrimination occurs, file a complaint with the Commissioner of the Department of Labor and Industry at the address shown above, alleging the discriminatory act.

# PENALTY INFORMATION

<u>Types of Violations</u> - There are 5 types of violations that may be cited by MNOSHA. They are: Nonserious, Serious, Willful, Repeat and Failure to Abate.

Penalties - In cases not involving the death of an employee, the law allows the following maximum penalties: Nonserious, \$7,000; Serious, \$7,000; Willful, \$70,000; Repeat, \$70,000; and Failure to Abate, \$7,000 per day the violation remains unabated. If a Willful or Repeat violation caused or contributed to the death of an employee, however, MNOSHA is compelled by law to assess the employer a total non-negotiable penalty of at least \$50,000 for all citations connected to the employee's death. If there are no Willful or Repeat violations among the violations that caused or contributed to the employee's death, MNOSHA must assess the employer a non-negotiable penalty of at least \$25,000 for each citation connected to the employee's death. The following violations are not subject to these minimums and will be processed according to MNOSHA's ordinary penalty system: (a) any serious violations issued to an employer with fewer than 50 employees when the victim of a workplace fatality owned a controlling interest in the business unless the Commissioner determines that a fine shall be assessed, and (b) any violations found during a fatality investigation but determined not to be connected to the death of an employee.

<u>Credits</u> - A penalty for a violation may be credited by as much as 95 percent, depending on the employer's good faith (up to 30%), size of business (up to 55%), and previous violation history (up to 10%). The penalties which appear on the Citation and Notification of Penalty have been reduced by the credits described.

Minnesota

**Department of Labor and Industry** 

Occupational Safety and Health Division

**Inspection Number:** 

315015115

Inspection Date(s):

10/18/2010 - 10/20/2010

Issuance Date: **OSHI ID:** 

11/04/2010

Optional Report No.: 07110

V5693

# Citation and Notification of Penalty

Company Name: City of Mountain Iron-Fire Department 8866 Slate St, Mountain Iron, MN 55768 Inspection Site:

Citation 01 Item 001 Type of Violation: Serious

29 CFR 1910.23(d)(1)(i): Flight(s) of stairs with 4 or more risers, less than 44 inches wide and having both sides enclosed, were not equipped with at least one standard handrail:

The stairway from the main floor to the mezzanine training room was not equipped with at least one handrail.

Date By Which Violation Must Be Abated:

11/28/2010 \$400.00

Penalty:

Steve Sviggum, Commissioner MN Department of Labor and Industry

# Minnesota Department of Labor and Industry

Occupational Safety and Health Division 443 Lafavette Road

St. Paul, MN 55155-4307

Phone: (651) 284-5050 FAX: (651) 284-5741

# **INVOICE** 8315015115I

Company Name:

City of Mountain Iron-Fire Department

**Inspection Site:** 

8866 Slate St, Mountain Iron, MN 55768

Mailing Address:

8586 Enterprise Dr S, Mountain Iron, MN 55768

**Issuance Date:** 

11/04/2010

**OSHI ID#:** 

V5693

Optional Report No.:

07110

Customer No.:

0000099617 (69267)

**Summary of Penalties for Inspection Number: 315015115** 

Citation 1, Serious

= \$400.00

TOTAL PENALTIES

= \$400.00

**Penalty Payment** - Payment of all penalties is to be made by check or money order payable to the order of "Minnesota Department of Labor and Industry" and remitted with a copy of this invoice to the Occupational Safety and Health Division, P.O. Box 64025, St. Paul, MN, 55164-0025, within 20 calendar days following receipt of this Citation. After 60 days, unpaid penalties shall increase 25 percent and shall accrue an additional interest of 10 percent per month compounded monthly until the fine is paid in full.

If any portion of this Citation and Notification of Penalty is contested, that portion of the penalty is not due and payable until the resolution of the contestation. However, you are still obligated to pay the penalty on the uncontested portion of the citation within 20 calendar days following receipt of this Citation.

If the employer fails to file the Notice of Contest form on time, this Citation and Notification of Penalty becomes a final order of the Commissioner which is not subject to review by any court or agency and the Occupational Safety and Health Division may file and enforce the penalty as a district court judgment without further notice or additional proceedings pursuant to Minnesota Statutes § 16D.17.

NOTE: The penalties shown above have already been adjusted for Good Faith, Size and History credits.

You have the option to pay your penalty on-line at www.dli.mn.gov/paycenter. If you choose to do so, please use the invoice number above.

# Minnesota Department of Labor and Industry

Occupational Safety and Health Division 443 Lafayette Road North St. Paul, MN 55155-4307

Phone: 1-800-DIAL-DLI (1-800-342-5354)

(651) 284-5050 (651) 284-5741 www.dli.mn.gov

Inspection Number **OSHIID** Optional Report No.: 315015115 V5693 07110

Employer's Name and Mailing Address:

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

Jobsite: Fire Department, 8866 Slate St, Mountain Iron

# NOTICE OF CONTEST AND SERVICE TO AFFECTED EMPLOYEES

### **PURPOSE OF THIS FORM**

FAX:

This Notice of Contest and Service to Affected Employees form (Notice of Contest form) should ONLY be completed by an employer who has received a Citation and Notification of Penalty from the Minnesota Occupational Safety and Health Division (MNOSHA), who wishes to contest that a violation occurred, the type of violation, the proposed penalty and/or the date by which the violation must be abated.

If the employer only wishes to obtain an extension of time to abate the violation, the employer may file a Petition for Modification of Abatement Date according to the instructions on the Citation and Notification of Penalty.

By filing this Notice of Contest form, the employer is initiating a formal contested case proceeding before an administrative law judge of the parts of the Citation and Notification of Penalty it is contesting. This form must be filed in good faith and not solely for delay or avoidance of penalties.

Upon receipt of a timely filed Notice of Contest form, MNOSHA will contact the employer and schedule a date, time and location for an informal conference. The purpose of the informal conference is to allow the employer to discuss with a MNOSHA representative the Citation and Notification of Penalty and the basis for the employer's contest. The goal of the informal conference is to reach an early informal resolution of the contest. If the employer and MNOSHA are unable to reach a resolution at the informal conference then the contest will proceed to a formal contested case hearing.

### **FILING THIS FORM**

This Notice of Contest form must be filed with the Commissioner of the Department of Labor and Industry at the above address within 20 days after the date the Citation and Notification of Penalty is received by the employer. To be considered filed, all parts of the Notice of Contest form must be completed and the completed form must be deposited in the United . States mail and postmarked, or otherwise timely received by the Commissioner at the above address within 20 days after the date the Citation and Notification of Penalty is received by the employer. Facsimile (FAX) transmittal of this form is acceptable, if received no later than 4:30 p.m. on the 20<sup>th</sup> day, followed by receipt of the mailed original within 5 days. If the employer fails to file the Notice of Contest form on time, the Citation becomes a final order of the Commissioner which is not subject to review by any court or agency.

### **COMPLETING THIS FORM**

# 1. HOW TO IDENTIFY THE INSPECTION BEING CONTESTED.

The employer must complete the box at the top of page 1 of this form using the Inspection Number, OSHIID, Optional Report Number and Employer's Mailing Address from the Citation and Notification of Penalty being contested.

### 2. HOW TO POST AND SERVE THIS FORM.

The employer must post a fully completed copy of both pages of this form and any additional explanatory pages, documents or letters where the contested Citation and Notification of Penalty is posted no later than the last day this form may be filed. The form must remain posted until the date of the formal contested case hearing or earlier final resolution of the contest.

If there are any affected employees who are represented by an authorized employee representative, the employer shall, on or before the date this form is required to be filed with the Commissioner, serve a fully completed copy of the form upon the representative. Service may be accomplished by either postage prepaid first class mail or personal delivery.

| <ol><li>DATE OF POSTING. The employer m form.</li></ol>  | ust certify in E   | Box A <b>or</b> B be  | elow the dat   | es on which it posted an  | d served this   |
|--|--|---|--|---|---|
| A. Union: Employers who have affected  | Employees R  | epresented b  | y Authorize  | d Employee Representa   | tives (union)   |
| I hereby certify that I posted fully complete where the Citation and Notification of Pena  | ed copies of th<br>alty is posted;   | is form on _<br>and I served  | fully comple   | (date) at the k   | ocations  |
| B. Non-Union: Employers who have affe  | cted Employe   | es Not Repr   | esented by   | Authorized Employee Re  | epresentatives  |
| I hereby certify that I posted fully complete<br>where the Citation and Notification of Pena<br>represented by authorized employee repre   | alty is posted a   | _   | not have an  |   | the locations<br>ho are   |
| The employer must indicate in the boxes betthe employer must identify the citations it is collected. Then the employer must indicate by reasons for contesting in the space provider.  Check the box CITATION, if the employer. Check the box TYPE OF VIOLATION, if the serious, willful or repeat.  Check the box ABATEMENT DATE, if the Check the box PENALTY, if the employer.  FAILURE TO CHECK ANY PART WILL RESCOMMISSIONER WHICH IS NOT REVIEW. | contesting by it which parts of displays the bound of the | ndicating the each item is oxes. ontest that the ishes to contented the ame | citation and being content of the character of the character of the part of th | item numbers. (For example sted. Finally, the employ courred. acterization of the violation by which you must abattoenalty. | mple, "Citation 1 yer must state the on as non-serious e the violation. |
| CITATION NUMBER AND ITEM NUMBER  |  | COURTO  | K AGENCY   |   |   |
|  | Citation   | ☐Type of  | Violation  | Abatement Date  | Penalty   |
|  | ☐Citation  | ☐Type of  | Violation  | ☐Abatement Date   | Penalty   |
|  | ☐Citation  | ☐Type of  | Violation  | ☐Abatement Date   | Penalty   |
|  | Citation   | ☐Type of  | Violation  | Abatement Date  | Penalty   |
|  | ☐Citation  | ☐Type of  | Violation  | ☐Abatement Date   | Penalty   |
|  | ☐Citation  | ☐Type of  | Violation  | Abatement Date  | Penalty   |
|  | ☐Citation  | ☐Type of  |  | ☐Abatement Date   | Penalty   |
| REASONS FOR CONTEST: (Additional sheets)  5. OATH. The employer completing this for a second street in the second streets of the second streets of the second streets of the second streets. The second streets of the second streets of the second streets of the second streets of the second streets. Title second streets of the second streets of the second streets of the second streets.   | rm must sign<br>/IDED ON TH<br>EDGE.   | and have no   | arized the f   | ollowing statement.   | ACCURATE AND  |
| Signature  | Phone  |   | Notary Pu  |   |   |
| •  | Date   |   | My Comm  | ission expires  |   |

# **MANDATORY PROGRESS REPORT**

# Minnesota Department of Labor and Industry

Occupational Safety and Health Division 443 Lafayette Road North St. Paul, MN 55155-4307

Phone: 1-800-DIAL-DLI (1-800-342-5354)

(651) 284-5050

FAX: (651) 284-5741

Email: Citation.Progress@state.mn.us

Inspection Number OSHI ID Optional Report No.: V5693 07110

Employer's Name and Mailing Address:

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

Jobsite: Fire Department, 8866 Slate St, Mountain Iron

In accordance with MN Rule 5210.0532, this report <u>MUST</u> be returned to the above address. The completed Progress Report Form should be received by the abatement due date indicated on the citation. This form is required by the latest abatement date of all citations or within 30 days after receipt of the citation, whichever is earlier. Multiple reports are necessary to verify abatement of citations with abatement periods longer than 30 days. Failure to submit all required progress reports will result in an additional citation, penalty, and/or follow-up inspection.

| (Attach an additional sheet, if necessary) |              |                                  | FILL IN ONE                |                                   |
|--|--------------|----------------------------------|----------------------------|-----------------------------------|
| Citation<br>and<br>Item No.                | Action Taken | Abatement<br>Date on<br>Citation | Date Abated<br>(Corrected) | Anticipated<br>Completion<br>Date |
|  |              |                                  |                            | (See Note)                        |
|  |              |                                  |                            | (See Note)                        |
|  |              | -                                |                            | (See Note)                        |
|  |              |                                  |                            | (See Note)                        |
| ···  |              |                                  |                            | (See Note)                        |
|  |              |                                  |                            | (See Note)                        |
|  |              |                                  |                            | (See Note)                        |
|  |              |                                  |                            | (See Note)                        |

**NOTE**: If the anticipated completion date is beyond the abatement date on the citation, you must submit a separate written Petition for Modification of Abatement Date (PMA) to request an extension of time allowed for completion. See the instructions for a PMA on page 2 of the Citation and Notification of Penalty.

A copy of this Progress Report must be posted for 15 days where the citation and notification of penalty is posted and all affected employees and their representatives must be informed of their right to examine and copy all abatement documents submitted to the Commissioner.

I hereby certify that this information is accurate.

| Completed by | Title |
|--------------|-------|
| Phone        | Date  |

Additional copies of this form are available on-line at www.dli.mn.gov

# **Minnesota**

# **Department of Labor and Industry**

Occupational Safety and Health Division 443 Lafayette Road North St. Paul, MN 55155-4307

Phone: 1-800-DIAL-DLI (1-800-342-5354)

(651) 284-5050

FAX: (651) 284-5741

Email: Citation.Progress@state.mn.us

| Inspection Number | OSHI ID | Optional Report No.: |
|-------------------|---------|----------------------|
| 315015115         | V5693   | 07110                |

Employer's Name and Mailing Address:

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

Jobsite: Fire Department, 8866 Slate St, Mountain Iron

# PETITION FOR MODIFICATION OF ABATEMENT DATE

## **PURPOSE OF THIS FORM**

This Petition for Modification of Abatement Date form (PMA form) should **ONLY** be completed by an employer who has received a Citation and Notification of Penalty from the Minnesota Occupational Safety and Health Division (MNOSHA), who wishes to request an extension of time to abate one or several items.

If the employer wishes to obtain an extension of time to pay a penalty, or contests any portion of a citation, the employer may file a Notice of Contest form according to the instructions on the Citation and Notification of Penalty. A petition for modification of abatement date is not necessary if a Notice of Contest form has been timely filed AND the Citation or the Abatement Date has been contested for those item(s) the employer wishes to receive an extension.

By filing this PMA form, the employer is initiating a formal request for additional time to complete a planned abatement. This form must be filed in good faith and not solely for delay.

Upon receipt of a timely filed PMA form, MNOSHA will review the information submitted and allow affected employees up to ten days to notify MNOSHA of any objections they may have.

### FILING THIS FORM

This PMA form must be filed with the Commissioner of the Department of Labor and Industry at the above address no later than the next working day following the date on which abatement was originally required (or modified). To be considered filed, all parts of the PMA form must be completed and the completed form must be deposited in the United States mail and postmarked, or otherwise timely received by the Commissioner at the above address within the next working day after the original date the item was to be abated. Facsimile (FAX) transmittal of this form is acceptable, if received no later than 4:30 p.m. on the following day. If the employer fails to file the PMA form on time, the abatement date on the Citation becomes a final order of the Commissioner which is not subject to review by any court or agency.

### **COMPLETING THIS FORM**

# HOW TO IDENTIFY THE INSPECTION.

The employer must complete the box at the top of page 1 of this form using the Inspection Number, OSHIID, Optional Report Number and Employer's Mailing Address from the Citation and Notification of Penalty.

### 2. HOW TO POST AND SERVE THIS FORM.

The employer must post a fully completed copy of both pages of this form and any additional explanatory pages, documents or letters where the Citation and Notification of Penalty is posted no later than the last day this form may be filed. The form must remain posted for ten days.

If there are any affected employees who are represented by an authorized employee representative, the employer shall, on or before the date this form is required to be filed with the Commissioner, serve a fully completed copy of the form upon the representative. Service may be accomplished by either postage prepaid first class mail or personal delivery.

| 3.<br>form.                              | DATE OF PO                       | <b>OSTING</b> . The                                    | employer must certify in Bo  | ox A <b>or</b> B below the dates on | which it posted and served this  |
|--|----------------------------------|--|--|-------------------------------------|--|
|  | A. Union: Er                     | nployers who h   | ave affected Employees Repr  | esented by Authorized Employe       | e Representatives  |
| I hereby                                 | certify that I po                | osted fully comp                                       | pleted copies of this form on  |                                     | date) at the locations   |
| where th                                 | e Citation and                   | Notification of I                                      | Penalty is posted; and I served  | fully completed copies of this fo   |  |
| <u> </u>                                 |                                  | (date) upon  | the authorized employee repre  | esentatives of affected employee    | es.  |
|  |                                  |  |  |                                     |  |
| B. Non-                                  | Union: Emplo                     | yers who have  | affected Employees Not Repr  | esented by Authorized Employe       | e Representatives  |
| I hereby                                 | certify that I po                | sted fully comp  | eleted copies of this form on  |                                     | (date) at the locations  |
| ſ  |                                  |  |  | not have any affected employee      | es who are   |
| represen                                 | ted by authoriz                  | ed employee re   | epresentatives.  |                                     |  |
| 4. F                                     | IOW TO REQI                      | JEST A MODIF   | FICATION OF ABATEMENT D  | PATE(S).                            |  |
| actions tal<br>additional<br>that a copy | ken, their date                  | s, to achieve c<br>y, the reasons fo<br>as been posted | em number(s). (For example, '<br>Ompliance during the original<br>or the additional time, all avails | abatement period. The employ        | alty it wishes to extend. First the Then the employer must indicate a fer must also include: the specification afeguard employees, a certification and service was the posting and service was the pos |
| Citation<br>& Item<br>No.                | Abatement<br>Date on<br>Citation | Anticipated<br>Completion<br>Date                      | Reason for additional abatement period   | Interim steps taken to safe dates   | guard employees, including   |
|  |                                  |  |  |                                     |  |
|  |                                  |  |  |                                     |  |
|  |                                  |  |  |                                     |  |
|  |                                  |  |  |                                     |  |
|  |                                  |  |  |                                     |  |
|  |                                  |  |  |                                     |  |
|  |                                  |  |  |                                     |  |
|  |                                  |  |  |                                     |  |
| 5. Th                                    | e employer co                    | empleting this fo                                      | orm must sign the form.  |                                     |  |
| Name of Er                               | nplover Renre                    | sentative, Title                                       |  | Dhana                               |  |
|  |                                  |  |  | Phone                               |  |
| Signature                                |                                  |  |  | Date                                |  |
| Additional                               | copies of this                   | s form are avai  | ilable on-line at www.dli.mn   | .gov                                |  |



# Minnesota Department of Labor and Industry Occupational Safety and Health Division

Subject:

CITATION AND NOTIFICATION OF PENALTY for Alleged Occupational Safety and Health Violations and Eligibility for Expedited Informal Settlement Agreement (EISA)

A recent inspection of a place of employment under your operation, ownership, or control has resulted in the enclosed Citation and Notification of Penalty which describes alleged violations of the Minnesota Occupational Safety and Health Act of 1973. Please read carefully and follow instructions listed under EMPLOYER AND EMPLOYEE RIGHTS AND RESPONSIBILITIES on the citation and the following discussion of your eligibility for an EISA.

This inspection revealed no instances of Repeated, Willful, or Failure-to Abate violations, nor were there more than two high gravity Serious violations. Additionally, the Occupational Safety and Health Investigator has reported that you have a good understanding of the actions necessary to correct the violations that were cited, and that you are willing to make those corrections by the dates specified in the Citation and Notification of Penalty.

These factors, along with the good faith you have exhibited, make your company eligible for an Expedited Informal Settlement Agreement (**EISA**). Under this program, an employer can obtain a 30 percent penalty reduction by entering into an informal settlement agreement with MNOSHA, without going through the formal contestation procedure.

However, if you decide to enter into an Expedited Informal Settlement Agreement, you should be aware that you waive your right to contest any part of the Citation and Notification of Penalty. You cannot both contest a portion of the Citation and Notification of Penalty and obtain an EISA on the remaining portion.

The EISA can be used <u>only</u> where the sole issue of dispute is the dollar amount of the MNOSHA penalty. If you wish to discuss, change, or object to any other aspect of the inspection or citations, then the EISA cannot be used. Under those circumstances, you may file a notice of contest according to the instructions contained on the Citation and Notification of Penalty and the attached Notice of Contest form.

You should carefully read the enclosed EISA to determine whether the terms of the agreement are acceptable to you. Key elements of the agreement include:

- MNOSHA agrees to a 30% reduction in the total penalty amount;
- The employer agrees to post the EISA with the citation;
- The employer agrees to abate the violations by the date shown in the citations (an employer acting in good faith may request an extension of the original abatement date);
- The employer agrees to provide evidence of corrective action and submit a written progress report to MNOSHA within 30 days of citation issuance and every 30 days thereafter until all items are abated;
- The employer agrees to pay the full amount of the reduced penalty at the time that the original EISA is returned to MNOSHA.

The original signed EISA and payment of reduced penalty (70% of the total original penalty amount) must be received by MNOSHA within 20 calendar days following your receipt of the Citation and Notification of Penalty. Written progress reports must be submitted to MNOSHA to show that you have completed all corrections as of the date by which the violation must be abated as shown on the citation.

You should be aware that Federal OSHA publishes information on its inspection and citation activity on the Internet under the provisions of the Electronic Freedom of Information Act. The information related to your inspection will be available 30 calendar days after the Citation Issuance Date. You are encouraged to review the information concerning your establishment at WWW.OSHA.GOV. If you have any dispute with the accuracy of the information displayed, please contact this office. Also, please remember to take our online surveys at <a href="https://www.dli.mn.gov/OSHA/SurveyFeedback.asp">www.dli.mn.gov/OSHA/SurveyFeedback.asp</a> and provide us with valuable feedback.

If you have any questions regarding the citation or this Expedited Informal Settlement Agreement offer, please contact the Duluth Area Office at (218) 733-7830.

Sincerely,

Jeff Isakson Supervisor

1 R behow

Minnesota Department of Labor and Industry Occupational Safety and Health Division

In the matter of:

City of Mountain Iron- Fire Department

INSPECTION NO.: 315015115 OSHI ID/OPTIONAL REPORT NO.: V5693 07110

# **EXPEDITED INFORMAL SETTLEMENT AGREEMENT**

City of Mountain Iron- Fire Department (EMPLOYER), by its undersigned representative and Minnesota Occupational Safety and Health Division (MNOSHA) by its undersigned representative, in settlement of the above referenced Citation and Notification of Penalty (CITATION), hereby agree to the disposition of this matter on the following terms:

- 1. The EMPLOYER agrees to abate the violations as cited, on or before the abatement dates set out in the CITATION.
- 2. The EMPLOYER agrees to provide evidence of the actions taken to abate the violations by submitting written progress reports to MNOSHA by the latest abatement date on the CITATION or within 30 days of CITATION issuance, whichever is earlier. If all violations were abated at the time of inspection, a progress report does not need to be returned to MNOSHA.
- Upon correction of all violations, the EMPLOYER agrees to post for a period of fifteen days a copy
  of the final progress report certifying that all violations have been abated in the place where the
  CITATION is posted.
- 4. MNOSHA agrees that the total penalty amount is amended to \$280.00. The EMPLOYER agrees to submit full payment of the amended amount along with this original signed Settlement Agreement within 20 calendar days following the EMPLOYER'S receipt of the CITATION. Please submit the agreement and payment to Occupational Safety and Health Division at P.O. Box 64025, St. Paul, MN, 55164-0025.
- 5. In consideration of the foregoing amendment, the EMPLOYER hereby waives its right to contest the CITATION pursuant to MN Statutes § 182.661. It is understood and agreed by MNOSHA and the EMPLOYER that the CITATION as amended by this agreement shall be deemed a final order of the Commissioner not subject to review by any court or agency.
- 6. The EMPLOYER agrees to immediately post a copy of this Settlement Agreement in the same manner and place as the CITATION is required to be posted. The signature of the EMPLOYER representative on this Settlement Agreement is understood to be certification of this posting.
- 7. In addition to action MNOSHA may take against the EMPLOYER pursuant to Minn. Stat. ch. 182 and other remedies provided by law, the EMPLOYER agrees that its failure to comply with any term of this agreement shall cause the original penalty amount of \$400.00 to become due and owing to MNOSHA.

Expedited Informal Settlement Agreement Page 2

City of Mountain Iron- Fire Department Inspection No.: 315015115

OSHI ID/Opt Report No.: V5693 07110

8. Each party hereby agrees to bear its own fees and other expenses incurred with this proceeding and the EMPLOYER further agrees to waive all claims it may have, now and in the future, under MN Statutes §15.472 for fees and expenses arising out of this case.

| Jeff Isakson            |                           |
|-------------------------|---------------------------|
| EMPLOYER Representative | MNOSHA Representative     |
| Title                   | Supervisor<br><br>Title   |
| Date Signed             | 11/04/2010<br>Date Signed |

# NOTICE TO EMPLOYER

Please return this ORIGINAL DOCUMENT along with:

- The reduced penalty amount specified in item 4 on the first page of this document, and
- A **completed Mandatory Progress Report** (to the area office listed at the top of progress report form) if abatement dates (as specified in your citation material) indicate that one is now due.

# NOTICE TO EMPLOYEES

Any employee or authorized employee representative who has an objection to the above referenced Citation and Notification of Penalty may contest the citation within 20 calendar days of the employer's receipt of it, in accordance with the instructions on page 3 of the Citation and Notification of Penalty.

In addition, any employee or authorized employee representative who has an objection to the Citation and Notification of Penalty as amended by this agreement may contest the amended citation within 20 calendar days of the posting of this Settlement Agreement.

# Minnesota Department of Labor and Industry

Occupational Safety and Health Division 443 Lafayette Road St. Paul, MN 55155-4307

Phone: 651-284-5050 FAX: 651-284-5741

# Citation and Notification of Penalty

To:

City of Mountain Iron- Public Works 8586 Enterprise Dr S Mountain Iron, MN 55768

Inspection Site: 8866 Slate St Mountain Iron, MN 55768 Inspection Number: 315015081 OSHI ID: V5693 Optional Report No.: 07010

**Inspection Date(s):** 10/18/2010 - 10/20/2010

**Issuance Date:** 11/04/2010

The violation(s) described in this Citation and Notification of Penalty is (are) alleged to have occurred on or about the day(s) the inspection was made unless otherwise indicated within the description given below.

This Citation and Notification of Penalty (this Citation) describes violations of the Minnesota Occupational Safety and Health Act of 1973 (the Act). The penalty amounts listed herein are based on these violations. You must abate the violations referred to in this Citation by the dates listed and pay the penalties, unless within 20 calendar days from your receipt of this Citation you file a Notice of Contest with the Commissioner of the Department of Labor and Industry. Your contestation rights and other employer and employee rights and responsibilities are set out in the first three pages of this Citation. The description of alleged violations begins on page 5 of this Citation.

# EMPLOYER AND EMPLOYEE RIGHTS AND RESPONSIBILITIES

**Posting** - The Act requires that a copy of this Citation shall be promptly posted at or near each place that an alleged violation referred to in the citation occurred or, if not practicable, in a prominent place where it will be readily visible by all affected employees. If uncontested, this Citation must remain posted until all alleged violations cited therein are corrected, or for 20 days, whichever is longer. If contested, this Citation must remain posted until the contestation is resolved.

Penalty Payment - Payment of all penalties is to be made by check or money order payable to "Minnesota Department of Labor and Industry, MNOSHA", and remitted to the Occupational Safety and

Health Division at P.O. Box 64025, St. Paul, MN, 55164-0025, within 20 calendar days following receipt of this Citation. After 60 days, unpaid penalties shall increase 25 percent and shall accrue an additional interest of 10 percent per month compounded monthly until the fine is paid in full.

Effective August 1, 2003, the minimum \$25,000 penalty issued to employers with fewer than 50 employees for serious citations connected to the death of an employee may be made in five payments of \$5,000. The first \$5,000 payment is due within 20 calendar days following receipt of this Citation. The 2nd-5th payments of \$5,000 are due on the next four anniversary dates of this Citation becoming a Final Order. The Commissioner may elect to waive the 2nd-5th \$5,000 payment if in the preceding year the employer receives no citations. MNOSHA will provide written notice of the 2nd-5th payments dates or of any penalty waiver.

Notification of Corrective Action - Progress reports on correction of alleged violations not immediately abated as observed by the occupational safety and health investigator shall be submitted on the Progress Report form provided with this Citation. Written progress reports must be mailed to the address shown on the top of page 1 of this Citation by the latest abatement date on the citation, or within 30 days after receipt of the citation, whichever is earlier. Reports must state the specific corrective action taken on each cited item, the date of such action and the anticipated abatement date of uncompleted items. Additional written progress reports shall be submitted every thirty days until the items are fully abated. Facsimile (FAX) transmittal is acceptable.

All alleged violations not contested must be corrected by the abatement date specified in this Citation. A followup inspection may be made for the purpose of ascertaining that the employer has corrected the alleged violations and posted this Citation as required by the Act. Failure to correct an alleged violation by the abatement date on this Citation may result in further penalties for each day the alleged violation has not been corrected.

Petition for Modification of Abatement Date (PMA) - If, due to factors beyond reasonable control, compliance cannot be achieved by the abatement day on the citation, the employer may file a Petition for Modification of Abatement Date (PMA) to obtain an extension of the abatement time period. The PMA must be in writing and received at the address shown on the top of page 1 of this Citation prior to the expiration of the abatement date on the citation. Facsimile (FAX) transmittal of a PMA is acceptable. A copy of the PMA must be posted for ten days in the location where this Citation is posted. A copy of the PMA must also be served upon authorized employee representatives.

The employer's written petition must describe:

- 1) The action that has been taken so far to achieve compliance;
- 2) The amount of additional time needed for compliance;
- 3) The reasons why additional time is needed;
- 4) A description of the interim steps that will be taken to safeguard employees against the cited hazard;
- 5) A statement that employees have been notified of the PMA filing.

Employees have the right to file a written objection to the Commissioner regarding the employer's PMA request. A copy of the objection must be served on the employer within 10 days of the employer's posting of the PMA. The employee objection must be received by the Commissioner within 15 days of

the employer's PMA request. Facsimile (FAX) transmittal is acceptable.

**Employer Right to Contest** - The employer has the right to a hearing to contest any or all parts of this Citation. If the employer wishes to contest, the employer must fully complete and notarize the attached NOTICE OF CONTEST AND SERVICE TO AFFECTED EMPLOYEES (Notice of Contest form) and file it with the Commissioner at the address shown on the top of page 1 of this Citation within 20 calendar days of receiving the citation.

Important: To be considered filed, all parts of the Notice of Contest form must be completed and the completed form must be deposited in the United States mail and postmarked, or otherwise timely received by the Commissioner at the above address within 20 calendar days after the date this Citation is received by the employer. Facsimile (FAX) transmittal is acceptable, followed by the mailed original within 5 days. If the employer fails to file the Notice of Contest form on time, this Citation and Notification of Penalty becomes a final order of the Commissioner which is not subject to review by any court or agency and the Occupational Safety and Health Division may file and enforce the penalty as a district court judgment without further notice or additional proceedings pursuant to Minnesota Statute § 16D.17.

Employee Right to Contest - An employee or authorized representative of employees has the right to a hearing to contest this Citation by filing a letter with the Commissioner of the Department of Labor and Industry at the address shown on page 1 within 20 calendar days of the employer's receipt of this Citation.

Important: To be considered filed, an employee letter of contest must be deposited in the United States mail and postmarked, or otherwise timely received by the Commissioner at the above address within 20 calendar days after the date this Citation is received by the employer. Facsimile (FAX) transmittal is acceptable, followed by the mailed original within 5 days. If the employee fails to file a letter of contest on time, this Citation and Notification of Penalty becomes a final order of the Commissioner which is not subject to review by any court or agency and the Occupational Safety and Health Division may file and enforce the penalty as a district court judgment without further notice or additional proceedings pursuant to Minnesota Statute § 16D.17.

Employee Right to Party Status - Affected employees or their authorized employee representatives may elect to participate as parties in the formal contested case hearing before the start of the hearing by filing written notice with the Commissioner at the address shown above. The notice must contain the employees' names, addresses, authorized employee representatives, if any, and a statement that they are affected employees of the cited employer.

Employer Discrimination Unlawful - Employees who believe that they have been discharged or otherwise discriminated against by any person because the employees have exercised any right authorized under the provisions of Minnesota Statute § 182.674, may, within 30 days after such alleged discrimination occurs, file a complaint with the Commissioner of the Department of Labor and Industry at the address shown above, alleging the discriminatory act.

# PENALTY INFORMATION

<u>Types of Violations</u> - There are 5 types of violations that may be cited by MNOSHA. They are: Nonserious, Serious, Willful, Repeat and Failure to Abate.

Penalties - In cases not involving the death of an employee, the law allows the following maximum penalties: Nonserious, \$7,000; Serious, \$7,000; Willful, \$70,000; Repeat, \$70,000; and Failure to Abate, \$7,000 per day the violation remains unabated. If a Willful or Repeat violation caused or contributed to the death of an employee, however, MNOSHA is compelled by law to assess the employer a total non-negotiable penalty of at least \$50,000 for all citations connected to the employee's death. If there are no Willful or Repeat violations among the violations that caused or contributed to the employee's death, MNOSHA must assess the employer a non-negotiable penalty of at least \$25,000 for each citation connected to the employee's death. The following violations are not subject to these minimums and will be processed according to MNOSHA's ordinary penalty system: (a) any serious violations issued to an employer with fewer than 50 employees when the victim of a workplace fatality owned a controlling interest in the business unless the Commissioner determines that a fine shall be assessed, and (b) any violations found during a fatality investigation but determined not to be connected to the death of an employee.

<u>Credits</u> - A penalty for a violation may be credited by as much as 95 percent, depending on the employer's good faith (up to 30%), size of business (up to 55%), and previous violation history (up to 10%). The penalties which appear on the Citation and Notification of Penalty have been reduced by the credits described.

Department of Labor and Industry

Occupational Safety and Health Division

**Inspection Number:** 

315015081

Inspection Date(s):

10/18/2010 - 10/20/2010

**Issuance Date:** 

11/04/2010

OSHI ID: Optional Report No.: 07010

V5693

## Citation and Notification of Penalty

Company Name: City of Mountain Iron-Public Works

**Inspection Site:** 

8866 Slate St, Mountain Iron, MN 55768

Citation 01 Item 001 Type of Violation: Serious

29 CFR 1910.23(c)(3): Standard railing(s) and toeboard(s) were not provided on opensided floor(s), walkway(s), platform(s), or runway(s), adjacent to or above dangerous equipment:

Standard railings and toeboards were not provided along all portions of the open sided floor and walkways above the aeration tanks, specifically;

a) In eight locations where valves are adjusted, the mid-rail of the standard railing was omitted;

b) A toeboard was not provided along any portion of the open sided floor or walkway.

Date By Which Violation Must Be Abated:

11/28/2010

Penalty:

\$600.00

Department of Labor and Industry

Occupational Safety and Health Division

Inspection Number:

315015081

**Inspection Date(s):** 

10/18/2010 - 10/20/2010

Issuance Date: OSHI ID:

11/04/2010 V5693

Optional Report No.: 07010

## Citation and Notification of Penalty

Company Name: City of Mountain Iron-Public Works
Inspection Site: 8866 Slate St, Mountain Iron, MN 55768

The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for injury or illness.

## Citation 01 Item 002a

Type of Violation:

**Serious** 

29 CFR 1910.132(d)(1) and (2): A hazard assessment was not made of the workplace, with a written certification, to determine if hazards are present, or are likely to be present, which necessitate the use of personal protective equipment:

A hazard assessment to determine appropriate personal protective equipment was not conducted for employees who, without the use of safety goggles or an adequate face shield, transfer hydroflourosilicic acid with a 5-gallon bucket at the water treatment plant.

## Abatement Guidelines:

If such hazards are present, or are likely to be present, the employer shall:

- a) Select, and have each affected employee use, the types of personal protective equipment (PPE) that will protect the affected employee from the hazards identified in the hazard assessment;
- b) Communicate selection decisions to each affected employee; and
- c) Select PPE that properly fits each affected employee.

The employer shall verify that the required workplace hazard assessment has been performed through a written certification document that identifies:

- a) the workplace that was evaluated;
- b) the person certifying that the evaluation has been performed;
- c) the dates of hazard assessment; and
- d) that this document is a certification of hazard assessment.

Date By Which Violation Must Be Abated: Penalty:

11/14/2010 \$500.00

**Department of Labor and Industry** 

Occupational Safety and Health Division

**Inspection Number:** 

315015081

Inspection Date(s):

10/18/2010 - 10/20/2010

Issuance Date: OSHI ID:

11/04/2010

Optional Report No.: 07010

V5693

## **Citation and Notification of Penalty**

Company Name: City of Mountain Iron-Public Works

**Inspection Site:** 

8866 Slate St, Mountain Iron, MN 55768

Citation 01 Item 002b

Type of Violation:

Serious

29 CFR 1910.133(a)(1): Protective eye and face equipment was not required where there was a reasonable probability of injury that could be prevented by such equipment.

Date By Which Violation Must Be Abated:

Penalty:

11/14/2010

\$0.00

Department of Labor and Industry

Occupational Safety and Health Division

Inspection Number:

315015081

Inspection Date(s):

10/18/2010 - 10/20/2010

Issuance Date: OSHI ID:

11/04/2010

Optional Report No.: 07010

V5693

## Citation and Notification of Penalty

Company Name: City of Mountain Iron-Public Works

8866 Slate St, Mountain Iron, MN 55768 **Inspection Site:** 

Citation 01 Item 003 Type of Violation: Serious

29 CFR 1910.151(c): Where employees were exposed to injurious corrosive materials, suitable facilities for quick drenching or flushing of the eyes and body were not provided within the work area for immediate emergency use:

Employees at the water treatment plant, who transfer hydroflourosilicic acid by dipping a 5-gallon bucket into a 55-gallon drum, were not provided with an emergency eyewash and shower in the immediate work area.

Date By Which Violation Must Be Abated:

11/28/2010

Penalty:

\$500.00

Department of Labor and Industry

Occupational Safety and Health Division

**Inspection Number:** 

315015081

Inspection Date(s):

10/18/2010 - 10/20/2010

**Issuance Date:** OSHI ID:

11/04/2010

Optional Report No.: 07010

V5693

## Citation and Notification of Penalty

Company Name: City of Mountain Iron- Public Works **Inspection Site:** 

8866 Slate St, Mountain Iron, MN 55768

## Citation 01 Item 004 Type of Violation: Serious

29 CFR 1910.303(g)(2)(i): Live parts of electric equipment operating at 50 volts or more were not guarded against accidental contact by approved cabinets or other forms of approved enclosures, or other means listed under this section:

Exposed live wires were not guarded by approved enclosures:

a) In an enclosure without a door on the north end of the aerator walkway;

b) In an enclosure without a door on the south end of the aerator walkway.

Date By Which Violation Must Be Abated: Penalty:

11/14/2010 \$500.00

Department of Labor and Industry

Occupational Safety and Health Division

**Inspection Number:** 

315015081

Inspection Date(s):

10/18/2010 - 10/20/2010

Issuance Date:

11/04/2010

OSHI ID:

V5693

Optional Report No.: 07010

## **Citation and Notification of Penalty**

Company Name: City of Mountain Iron-Public Works

Inspection Site: 8866 Sla

8866 Slate St, Mountain Iron, MN 55768

The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for injury or illness.

Citation 01 Item 005a

Type of Violation:

Serious

Minn. Rules 5205.0050 subp 1: The angle of rise of ships ladders was not between 50 and 60 degrees measured from the horizontal:

Ships ladders in the water treatment plant were not properly designed:

- a) The ships ladder between the main level and the upstairs filter cells rose at an angle of 75 degrees from the horizontal;
- b) The ships ladder between the main level and the valve basement rose at an angle of 75 degrees from the horizontal and did not have a handrail on both sides.

Date By Which Violation Must Be Abated:

11/28/2010

Penalty:

\$500.00

Department of Labor and Industry

Occupational Safety and Health Division

**Inspection Number:** 

315015081

Inspection Date(s):

10/18/2010 - 10/20/2010

Issuance Date:

11/04/2010

OSHI ID:

V5693

Optional Report No.: 07010

## **Citation and Notification of Penalty**

Company Name: City of Mountain Iron- Public Works

**Inspection Site:** 

8866 Slate St, Mountain Iron, MN 55768

Citation 01 Item 005b

Type of Violation:

**Serious** 

Minn. Rules 5205.0050 subp. 4: Handrails on ships ladders did not meet the requirements of 5205.0050 subp. 4.

Date By Which Violation Must Be Abated:

Penalty:

11/28/2010

\$0.00

Steve Sviggum, Commissioner MN Department of Labor and Industry

## Minnesota Department of Labor and Industry

Occupational Safety and Health Division 443 Lafavette Road

St. Paul, MN 55155-4307

Phone: (651) 284-5050 FAX: (651) 284-5741

## **INVOICE** 8315015081I

Company Name:

City of Mountain Iron-Public Works

**Inspection Site:** 

8866 Slate St, Mountain Iron, MN 55768

Mailing Address:

8586 Enterprise Dr S, Mountain Iron, MN 55768

Issuance Date:

11/04/2010

OSHI ID#:

V5693

Optional Report No.:

07010

Customer No.:

0000099617 (69264)

**Summary of Penalties for Inspection Number: 315015081** 

Citation 1, Serious

= \$2,600.00

TOTAL PENALTIES

= \$2,600.00

**Penalty Payment** - Payment of all penalties is to be made by check or money order payable to the order of "Minnesota Department of Labor and Industry" and remitted with a copy of this invoice to the Occupational Safety and Health Division, P.O. Box 64025, St. Paul, MN, 55164-0025, within 20 calendar days following receipt of this Citation. After 60 days, unpaid penalties shall increase 25 percent and shall accrue an additional interest of 10 percent per month compounded monthly until the fine is paid in full.

If any portion of this Citation and Notification of Penalty is contested, that portion of the penalty is not due and payable until the resolution of the contestation. However, you are still obligated to pay the penalty on the uncontested portion of the citation within 20 calendar days following receipt of this Citation.

If the employer fails to file the Notice of Contest form on time, this Citation and Notification of Penalty becomes a final order of the Commissioner which is not subject to review by any court or agency and the Occupational Safety and Health Division may file and enforce the penalty as a district court judgment without further notice or additional proceedings pursuant to Minnesota Statutes § 16D.17.

NOTE: The penalties shown above have already been adjusted for Good Faith, Size and History credits.

You have the option to pay your penalty on-line at www.dli.mn.gov/paycenter. If you choose to do so, please use the invoice number above.

## **Department of Labor and Industry**

Occupational Safety and Health Division 443 Lafayette Road North St. Paul, MN 55155-4307

Phone: 1-800-DIAL-DLI (1-800-342-5354)

(651) 284-5050 FAX: (651) 284-5741 www.dli.mn.gov Employer's Name and Mailing Address:

City of Mountain Iron 8586 Enterprise Drive South

Inspection Number

315015081

Mountain Iron, MN 55768

Jobsite: Public Works, 8866 Slate St, Mountain Iron

OSHI ID

V5693

Optional Report No.:

07010

## NOTICE OF CONTEST AND SERVICE TO AFFECTED EMPLOYEES

## **PURPOSE OF THIS FORM**

This Notice of Contest and Service to Affected Employees form (Notice of Contest form) should **ONLY** be completed by an employer who has received a Citation and Notification of Penalty from the Minnesota Occupational Safety and Health Division (MNOSHA), who wishes to contest that a violation occurred, the type of violation, the proposed penalty and/or the date by which the violation must be abated.

If the employer only wishes to obtain an extension of time to abate the violation, the employer may file a Petition for Modification of Abatement Date according to the instructions on the Citation and Notification of Penalty.

By filing this Notice of Contest form, the employer is initiating a formal contested case proceeding before an administrative law judge of the parts of the Citation and Notification of Penalty it is contesting. This form must be filed in good faith and not solely for delay or avoidance of penalties.

Upon receipt of a timely filed Notice of Contest form, MNOSHA will contact the employer and schedule a date, time and location for an informal conference. The purpose of the informal conference is to allow the employer to discuss with a MNOSHA representative the Citation and Notification of Penalty and the basis for the employer's contest. The goal of the informal conference is to reach an early informal resolution of the contest. If the employer and MNOSHA are unable to reach a resolution at the informal conference then the contest will proceed to a formal contested case hearing.

## **FILING THIS FORM**

This Notice of Contest form must be filed with the Commissioner of the Department of Labor and Industry at the above address within 20 days after the date the Citation and Notification of Penalty is received by the employer. To be considered filed, all parts of the Notice of Contest form must be completed and the completed form must be deposited in the United States mail and postmarked, or otherwise timely received by the Commissioner at the above address within 20 days after the date the Citation and Notification of Penalty is received by the employer. Facsimile (FAX) transmittal of this form is acceptable, if received no later than 4:30 p.m. on the 20<sup>th</sup> day, followed by receipt of the mailed original within 5 days. If the employer fails to file the Notice of Contest form on time, the Citation becomes a final order of the Commissioner which is not subject to review by any court or agency.

## COMPLETING THIS FORM

## 1. HOW TO IDENTIFY THE INSPECTION BEING CONTESTED.

The employer must complete the box at the top of page 1 of this form using the Inspection Number, OSHI ID, Optional Report Number and Employer's Mailing Address from the Citation and Notification of Penalty being contested.

## 2. HOW TO POST AND SERVE THIS FORM.

The employer must post a fully completed copy of both pages of this form and any additional explanatory pages, documents or letters where the contested Citation and Notification of Penalty is posted no later than the last day this form may be filed. The form must remain posted until the date of the formal contested case hearing or earlier final resolution of the contest.

If there are any affected employees who are represented by an authorized employee representative, the employer shall, on or before the date this form is required to be filed with the Commissioner, serve a fully completed copy of the form upon the representative. Service may be accomplished by either postage prepaid first class mail or personal delivery.

| <ol><li>DATE OF POSTING. The employer m form.</li></ol>  | ust certify in E   | Box A <b>or</b> B b   | elow the dat   | es on which it posted an   | d served this   |
|--|--|---|--|--|---|
| A. Union: Employers who have affected  | Employees R  | epresented (  | y Authorize  | d Employee Representa  | atives (union)  |
| I hereby certify that I posted fully complete where the Citation and Notification of Pena  | ed copies of the   | is form on _  | I fully comple   | (date) at the lo   | ocations  |
| B. Non-Union: Employers who have affe  | cted Employe   | es <b>Not</b> Repr  | esented by   | Authorized Employee Re   | epresentatives  |
| I hereby certify that I posted fully complete<br>where the Citation and Notification of Pena<br>represented by authorized employee repre   | d copies of th   | is form on  |  | (date) at  | the locations   |
| The employer must indicate in the boxes beithe employer must identify the citations it is collected 2"). Then the employer must indicate variations for contesting in the space provided.  Check the box CITATION, if the employee. Check the box TYPE OF VIOLATION, if the serious, willful or repeat.  Check the box ABATEMENT DATE, if the Check the box PENALTY, if the employer.  FAILURE TO CHECK ANY PART WILL RESCOMMISSIONER WHICH IS NOT REVIEW. | which parts of a below the board below the board the boa | each item is oxes.  ontest that the ishes to content the am | citation and being conte e violation of the character the date ount of the part of the par | item numbers. (For example sted. Finally, the employed courred. acterization of the violation by which you must abathenalty. | mple, "Citation 1 yer must state the on as non-serious e the violation. |
| CITATION NUMBER AND ITEM NUMBER  |  |   |  |  |   |
|  | Citation   | ☐Type of  | Violation  | ☐Abatement Date  | □Penalty  |
|  | ☐Citation  | ☐Type of  | Violation  | ☐Abatement Date  | □Penalty  |
|  | Citation   | ☐Type of  | Violation  | ☐Abatement Date  | Penalty   |
|  | Citation   | ☐Type of  | Violation  | ☐Abatement Date  | Penalty   |
|  | ☐Citation  | ☐Type of  | Violation  | ☐Abatement Date  | ☐Penalty  |
|  | Citation   | ☐Type of  | Violation  | ☐Abatement Date  | Penalty   |
|  | Citation   | ☐Type of  |  | ☐Abatement Date  | —————————————————————————————————————                                   |
| REASONS FOR CONTEST: (Additional she  5. <b>OATH.</b> The employer completing this for  SWEAR THAT THE INFORMATION PROV  TRUTHFUL TO THE BEST OF MY KNOWL  | m must sign :  | and have no   | tarized the f  | ollowing statement.  | ACCURATE AND  |
| Name of Employer Representative, Title   | Phone  |   |  | day of   |   |
| Signature  | Date   |   | -  | ission expires   |   |

## MANDATORY PROGRESS REPORT

## Minnesota Department of Labor and Industry

Occupational Safety and Health Division 443 Lafayette Road North St. Paul, MN 55155-4307

Phone: 1-800-DIAL-DLI (1-800-342-5354)

(651) 284-5050 (651) 284-5741

FAX:

Email: Citation.Progress@state.mn.us

Inspection Number OSHI ID Optional Report No.: 315015081 V5693 07010

Employer's Name and Mailing Address:

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

Jobsite: Public Works, 8866 Slate St, Mountain Iron

In accordance with MN Rule 5210.0532, this report <u>MUST</u> be returned to the above address. The completed Progress Report Form should be received by the abatement due date indicated on the citation. This form is required by the latest abatement date of all citations or within 30 days after receipt of the citation, whichever is earlier. Multiple reports are necessary to verify abatement of citations with abatement periods longer than 30 days. Failure to submit all required progress reports will result in an additional citation, penalty, and/or follow-up inspection.

|                             | (Attach an additional sheet, if necessary) |                                  | FILL                       | N ONE                             |
|-----------------------------|--|----------------------------------|----------------------------|-----------------------------------|
| Citation<br>and<br>Item No. | Action Taken                               | Abatement<br>Date on<br>Citation | Date Abated<br>(Corrected) | Anticipated<br>Completion<br>Date |
|                             |  |                                  |                            | (See Note)                        |

**NOTE**: If the anticipated completion date is beyond the abatement date on the citation, you must submit a separate written Petition for Modification of Abatement Date (PMA) to request an extension of time allowed for completion. See the instructions for a PMA on page 2 of the Citation and Notification of Penalty.

A copy of this Progress Report must be posted for 15 days where the citation and notification of penalty is posted and all affected employees and their representatives must be informed of their right to examine and copy all abatement documents submitted to the Commissioner.

I hereby certify that this information is accurate.

| Completed by | Title |
|--------------|-------|
| Phone        | Date  |

Additional copies of this form are available on-line at www.dli.mn.gov

FAX:

## Department of Labor and Industry

Occupational Safety and Health Division 443 Lafayette Road North St. Paul, MN 55155-4307

Phone: 1-800-DIAL-DLI (1-800-342-5354)

(651) 284-5050 (651) 284-5741

Email: Citation.Progress@state.mn.us

| Inspection Number | OSHI ID | Optional Report No.: |
|-------------------|---------|----------------------|
| 315015081         | V5693   | 07010                |

Employer's Name and Mailing Address:

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

Jobsite: Public Works, 8866 Slate St, Mountain Iron

## PETITION FOR MODIFICATION OF ABATEMENT DATE

## **PURPOSE OF THIS FORM**

This Petition for Modification of Abatement Date form (PMA form) should **ONLY** be completed by an employer who has received a Citation and Notification of Penalty from the Minnesota Occupational Safety and Health Division (MNOSHA), who wishes to request an extension of time to abate one or several items.

If the employer wishes to obtain an extension of time to pay a penalty, or contests any portion of a citation, the employer may file a Notice of Contest form according to the instructions on the Citation and Notification of Penalty. A petition for modification of abatement date is not necessary if a Notice of Contest form has been timely filed AND the Citation or the Abatement Date has been contested for those item(s) the employer wishes to receive an extension.

By filing this PMA form, the employer is initiating a formal request for additional time to complete a planned abatement. This form must be filed in good faith and not solely for delay.

Upon receipt of a timely filed PMA form, MNOSHA will review the information submitted and allow affected employees up to ten days to notify MNOSHA of any objections they may have.

## **FILING THIS FORM**

This PMA form must be filed with the Commissioner of the Department of Labor and Industry at the above address no later than the next working day following the date on which abatement was originally required (or modified). To be considered filed, all parts of the PMA form must be completed and the completed form must be deposited in the United States mail and postmarked, or otherwise timely received by the Commissioner at the above address within the next working day after the original date the item was to be abated. Facsimile (FAX) transmittal of this form is acceptable, if received no later than 4:30 p.m. on the following day. If the employer fails to file the PMA form on time, the abatement date on the Citation becomes a final order of the Commissioner which is not subject to review by any court or agency.

## **COMPLETING THIS FORM**

## HOW TO IDENTIFY THE INSPECTION.

The employer must complete the box at the top of page 1 of this form using the Inspection Number, OSHI ID, Optional Report Number and Employer's Mailing Address from the Citation and Notification of Penalty.

## 2. HOW TO POST AND SERVE THIS FORM.

The employer must post a fully completed copy of both pages of this form and any additional explanatory pages, documents or letters where the Citation and Notification of Penalty is posted no later than the last day this form may be filed. The form must remain posted for ten days.

If there are any affected employees who are represented by an authorized employee representative, the employer shall, on or before the date this form is required to be filed with the Commissioner, serve a fully completed copy of the form upon the representative. Service may be accomplished by either postage prepaid first class mail or personal delivery.

| 3.<br>form.                           | DATE OF PO  | STING. The   | employer must certify in Box   | A <b>or</b> B below the dates on which it posted and serve   | d this                |
|---------------------------------------|---|--|--|--|-----------------------|
|                                       | A. Union: En  | nployers who h   | ave affected Employees Repre   | sented by Authorized Employee Representatives  |                       |
| i hereby                              | certify that I po                                   | sted fully comp  | pleted copies of this form on  | (date) at the locations  |                       |
| where th                              | ne Citation and                                     | Notification of F  | Penalty is posted; and I served  | fully completed copies of this form on   |                       |
|                                       |   | _ (date) upon  | the authorized employee repres   | sentatives of affected employees.  |                       |
|                                       |   |  |  |  |                       |
| B. Non-                               | -Union: Emplo                                       | yers who have  | affected Employees Not Repre   | sented by Authorized Employee Representatives  |                       |
| I hereby                              | certify that I po                                   | sted fully comp  | leted copies of this form on   | (date) at the locations  |                       |
| where th                              | e Citation and I                                    | Notification of F  | enalty is posted and that I do n   | not have any affected employees who are  |                       |
| represer                              | nted by authoriz                                    | ed employee re   | epresentatives.  |  |                       |
| 4.                                    | HOW TO REQU   | JEST A MODIF   | FICATION OF ABATEMENT DA   | ATE(S).  |                       |
| actions ta<br>additiona<br>that a cop | must identily thaken, their date<br>I time necessan | ie citation and it<br>s, to achieve c<br>y, the reasons fi<br>as been posted | em number(s). (For example, "(<br>ompliance during the original a<br>or the additional time, all availab | Citation and Notification of Penalty it wishes to extend. In Citation 1, Item 2", or "1-2"). Then the employer must include the abatement period. The employer must also include: the abatement steps being taken to safeguard employees, a cent of employee representative and the date the posting and sentence. | dicate al<br>specific |
| Citation<br>& Item<br>No.             | Abatement<br>Date on<br>Citation                    | Anticipated<br>Completion<br>Date  | Reason for additional abatement period   | Interim steps taken to safeguard employees, includir dates   | ng                    |
|                                       |   |  |  |  |                       |
|                                       |   |  |  |  |                       |
| -                                     |   |  |  |  |                       |
|                                       |   |  |  |  |                       |
|                                       |   |  |  |  |                       |
|                                       |   |  |  |  |                       |
|                                       |   |  |  |  |                       |
|                                       |   |  |  |  |                       |
|                                       |   |  |  |  |                       |
| 5. T                                  | he employer co                                      | ompleting this fo  | orm must sign the form.  |  |                       |
| Name of E                             | Employer Repre                                      | sentative, Title   |  | Phone  |                       |
| Signature                             |   | 0.447  |  | Date   |                       |
| Additiona                             | I copies of this                                    | s form are ava   | ilable on-line at www.dli.mn.,   | gov  |                       |



## Minnesota Department of Labor and Industry Occupational Safety and Health Division

Subject:

CITATION AND NOTIFICATION OF PENALTY for Alleged Occupational Safety and Health Violations and Eligibility for Expedited Informal Settlement Agreement (EISA)

A recent inspection of a place of employment under your operation, ownership, or control has resulted in the enclosed Citation and Notification of Penalty which describes alleged violations of the Minnesota Occupational Safety and Health Act of 1973. Please read carefully and follow instructions listed under EMPLOYER AND EMPLOYEE RIGHTS AND RESPONSIBILITIES on the citation and the following discussion of your eligibility for an EISA.

This inspection revealed no instances of Repeated, Willful, or Failure-to Abate violations, nor were there more than two high gravity Serious violations. Additionally, the Occupational Safety and Health Investigator has reported that you have a good understanding of the actions necessary to correct the violations that were cited, and that you are willing to make those corrections by the dates specified in the Citation and Notification of Penalty.

These factors, along with the good faith you have exhibited, make your company eligible for an Expedited Informal Settlement Agreement (**EISA**). Under this program, an employer can obtain a 30 percent penalty reduction by entering into an informal settlement agreement with MNOSHA, without going through the formal contestation procedure.

However, if you decide to enter into an Expedited Informal Settlement Agreement, you should be aware that you waive your right to contest any part of the Citation and Notification of Penalty. You cannot both contest a portion of the Citation and Notification of Penalty and obtain an EISA on the remaining portion.

The EISA can be used <u>only</u> where the sole issue of dispute is the dollar amount of the MNOSHA penalty. If you wish to discuss, change, or object to any other aspect of the inspection or citations, then the EISA cannot be used. Under those circumstances, you may file a notice of contest according to the instructions contained on the Citation and Notification of Penalty and the attached Notice of Contest form.

You should carefully read the enclosed EISA to determine whether the terms of the agreement are acceptable to you. Key elements of the agreement include:

- MNOSHA agrees to a 30% reduction in the total penalty amount;
- The employer agrees to post the EISA with the citation;
- The employer agrees to abate the violations by the date shown in the citations (an employer acting in good faith may request an extension of the original abatement date);
- The employer agrees to provide evidence of corrective action and submit a written progress report to MNOSHA within 30 days of citation issuance and every 30 days thereafter until all items are abated;
- The employer agrees to pay the full amount of the reduced penalty at the time that the original EISA is returned to MNOSHA.

The original signed EISA and payment of reduced penalty (70% of the total original penalty amount) must be received by MNOSHA within 20 calendar days following your receipt of the Citation and Notification of Penalty. Written progress reports must be submitted to MNOSHA to show that you have completed all corrections as of the date by which the violation must be abated as shown on the citation.

You should be aware that Federal OSHA publishes information on its inspection and citation activity on the Internet under the provisions of the Electronic Freedom of Information Act. The information related to your inspection will be available 30 calendar days after the Citation Issuance Date. You are encouraged to review the information concerning your establishment at WWW.OSHA.GOV. If you have any dispute with the accuracy of the information displayed, please contact this office. Also, please remember to take our online surveys at <a href="https://www.dli.mn.gov/OSHA/SurveyFeedback.asp">www.dli.mn.gov/OSHA/SurveyFeedback.asp</a> and provide us with valuable feedback.

If you have any questions regarding the citation or this Expedited Informal Settlement Agreement offer, please contact the Duluth Area Office at (218) 733-7830.

Sincerely,

Jeff Isakson Supervisor Minnesota Department of Labor and Industry Occupational Safety and Health Division

In the matter of:

City of Mountain Iron- Public Works

INSPECTION NO.: 315015081 OSHI ID/OPTIONAL REPORT NO.: V5693 07010

## EXPEDITED INFORMAL SETTLEMENT AGREEMENT

City of Mountain Iron- Public Works (EMPLOYER), by its undersigned representative and Minnesota Occupational Safety and Health Division (MNOSHA) by its undersigned representative, in settlement of the above referenced Citation and Notification of Penalty (CITATION), hereby agree to the disposition of this matter on the following terms:

- The EMPLOYER agrees to abate the violations as cited, on or before the abatement dates set out in the CITATION.
- 2. The EMPLOYER agrees to provide evidence of the actions taken to abate the violations by submitting written progress reports to MNOSHA by the latest abatement date on the CITATION or within 30 days of CITATION issuance, whichever is earlier. If all violations were abated at the time of inspection, a progress report does not need to be returned to MNOSHA.
- Upon correction of all violations, the EMPLOYER agrees to post for a period of fifteen days a copy
  of the final progress report certifying that all violations have been abated in the place where the
  CITATION is posted.
- 4. MNOSHA agrees that the total penalty amount is amended to \$1,820.00. The EMPLOYER agrees to submit full payment of the amended amount along with this original signed Settlement Agreement within 20 calendar days following the EMPLOYER'S receipt of the CITATION. Please submit the agreement and payment to Occupational Safety and Health Division at P.O. Box 64025, St. Paul, MN, 55164-0025.
- 5. In consideration of the foregoing amendment, the EMPLOYER hereby waives its right to contest the CITATION pursuant to MN Statutes § 182.661. It is understood and agreed by MNOSHA and the EMPLOYER that the CITATION as amended by this agreement shall be deemed a final order of the Commissioner not subject to review by any court or agency.
- 6. The EMPLOYER agrees to immediately post a copy of this Settlement Agreement in the same manner and place as the CITATION is required to be posted. The signature of the EMPLOYER representative on this Settlement Agreement is understood to be certification of this posting.
- 7. In addition to action MNOSHA may take against the EMPLOYER pursuant to Minn. Stat. ch. 182 and other remedies provided by law, the EMPLOYER agrees that its failure to comply with any term of this agreement shall cause the original penalty amount of \$2,600.00 to become due and owing to MNOSHA.

Expedited Informal Settlement Agreement Page 2

City of Mountain Iron- Public Works Inspection No.: 315015081

OSHI ID/Opt Report No.: V5693 07010

8. Each party hereby agrees to bear its own fees and other expenses incurred with this proceeding and the EMPLOYER further agrees to waive all claims it may have, now and in the future, under MN Statutes §15.472 for fees and expenses arising out of this case.

| Jeff Isakson            |                       |
|-------------------------|-----------------------|
| EMPLOYER Representative | MNOSHA Representative |
| 5                       | Supervisor            |
| Title                   | Title                 |
|                         | 11/04/2010            |
| Date Signed             | Date Signed           |

## NOTICE TO EMPLOYER

Please return this ORIGINAL DOCUMENT along with:

- The reduced penalty amount specified in item 4 on the first page of this document, and
- A **completed Mandatory Progress Report** (to the area office listed at the top of progress report form) if abatement dates (as specified in your citation material) indicate that one is now due.

## NOTICE TO EMPLOYEES

Any employee or authorized employee representative who has an objection to the above referenced Citation and Notification of Penalty may contest the citation within 20 calendar days of the employer's receipt of it, in accordance with the instructions on page 3 of the Citation and Notification of Penalty.

In addition, any employee or authorized employee representative who has an objection to the Citation and Notification of Penalty as amended by this agreement may contest the amended citation within 20 calendar days of the posting of this Settlement Agreement.

## 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

November 10, 2010

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

Re:

City of Mountain Iron, MN Locomotive Park Landscape Project No. MI10-05

Dear Mr. Wainio;

Enclosed please find Pay Request No. 5 for the Locomotive Park Landscape Improvements project in the amount of **\$6,297.00**, for approval at your next scheduled City Council meeting. This amount includes withholding retainage on work completed to date.

Please refer to the enclosed payment application 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.

Eric E. Fallstrom, P.E.

Enclosure

Pc: Mr. Cory Winger, C&C Winger, Inc.

## PAYMENT APPLICATION

FOR PERIOD ENDING: Nov 3, 2010 APPLICATION NO. 5

> 8586 ENTERPRISE DRIVE SOUTH MOUNTAIN IRON, MN 55768 TO: CITY OF MOUNTAIN IRON

EMBARRASS, MN 55732 FROM: C & C WINGER, INC 6872 HWY 135 N

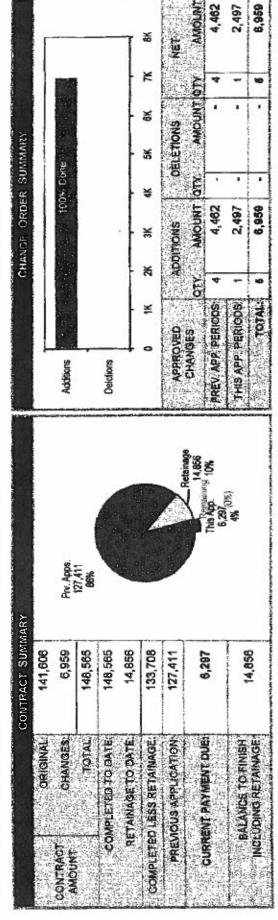
PROJECT: LOCOMOTIVE PARK LANDSCAPE

OWNERS PROJECT NO:

ATTN: DONALD KLEINSCHMIDT

PREPARED BY: JENNIE JOHNSON PHONE: 218 984-2078

WORK CATEGORY: CATEGORY NO:



| CONTRACTOR'S CERTIFICATION  | legal family account liquid confined and field   |
|---|--|
| I hareby certify that the work for which this application-is being submitted has been performed or is scheduled to be performed on or before the period ending Date. I further certify that this work is in | ing Date. I further certify that this work is in   |
| accordance with confined documents.   |  |
|   |  |
|   |  |
| JENNIE JOHNSON Z  | A COMMISSION OF THE PROPERTY O |

ARCHITECT'S CERTIFICATION

hereby confirm that to the bost of my knowledge, this payment application accurately reflects the progression of work and that this work mosts contract requirements sufficient enough to justify payment in the amount of (check one): 0/0 /0 (Explain in Notes) This App: 8,297 orn SS1-Custom

Bendlmort Brymann, 1546.

Control wing Paymen 20 for Excel. Postbad for for Ar war, payment to

MOTES

S.q

218-9842033

ibm userC&C WINGER

BOT: OF OF VON

# PAYMENT APPLICATION DETAIL

APPLICATION NO. 5 FOR PENIOD BNDING: Nov 3, 2010

PROJECT: LOCOMOTIVE PARK LANDSCAR

| WORK        |  |                    |  |  |        |         |      | 20   |                  |  |
|-------------|--|--------------------|--|--|--------|---------|------|--|------------------|--|
| No. The No. | WORK CATEGORY<br>Nem Description<br>No.  | Scheduled<br>Value | Prev. App.<br>Value  | COMPLETED WORL This App. Value   | ED WOR | Total   |      | BALANCE TO<br>FINISH   | Value<br>(10.0%) | COMMENTS   |
| 1           | BASE CONTRACT SECTION 1 REMOVALS         | 096'8              | 8,960  | The state of the s | %      | 8,980   | 100% |  | 968              |  |
| 2           | CONCRETE, HANDRAILS, FLAGPOLE, FOOTINGS  | 17,700             | 15,400   | 2,300  | 13%    | 17,700  | 100% | ٠  | 1,770            |  |
| ര           | LANDSCAPING, SOD, TOPSOIL                | 9,300              | 9,300  | ٠  | 8      | 9,300   | 100% | •  | 930              |  |
| 4           | BLOCK WALLS & BRICK PAVERS               | 37,492             | 37,492   |  | %0     | 37,492  | 100% |  | 3,748            |  |
| 40          | LIGHTING & ELECTRIC                      | 24,200             | 22,000   | 2,200  | 966    | 24,200  | 100% | •  | 2,420            |  |
| 9           | SHELTERS                                 | 13,000             | 13,000   | ٠  | %      | 13,000  | 100% | •  | 1,300            |  |
| ¥ -         | EXTRA WORK SECTION 1  1 CONCRETE REMOVAL | 2,940              | 2,940  | •  | %0     | 2,840   | 100% | •  | 294              |  |
| -           | CONCRETE REMOVAL                         | Z'840              | 2,340  | •  | 2 3    | 2,940   | 200  |  | \$ 8             |  |
| -           | SHOVEL PAD                               | 688                | 889  | •  | 200    | 999     | 8    | •  | 8                |  |
| -           | CLASS 5                                  | 640                | 640  | •  | %0     | 640     | 100% | ٠  | \$               |  |
| 4           | EXTRA ADHENSIVE PER DESIGN CHANGE        | 194                | 194  |  | %      | 194     | 100% | •  | 18               |  |
| ro.         | ADHESIVE, FABRIC, PAVERS, MULCH          | 2,497              |  | 2,497  | 100%   | 2,497   | 100% | -  | 250              | de de Phis - Line Languages editore  |
| MA          | MATERIAL ON HAND                         |                    | - Account of the state of the s | photograph and the state of the |        |         |      | And the same of th |                  |  |
| 4           | BLOCK AND PAVERS                         | 30,954             | 30,954   | -  | 85     | 30,954  | 100% | And an area of the second  | 2,090            | and in the second second second second second second second second   |
|             | Total Base Contract Work:                | 141,606            | 137,106  | 4,500  | 3%     | 141,606 | 100% | and on the second second   | 14,161           | A SALISIA DE LA CONTRA CONTRA DE LA CONTRA DEL CONTRA DE LA CONTRA DEL CONTRA DE LA CONTRA DEL CONTRA DE LA CONTRA DEL CONTRA DE LA CONTRA DEL CONTRA DE LA CONTR |
| 1           | Total Extra Work                         | 6,959              | 4,462  | 2,497  | 36%    | 6,959   | 100% | •  | 969              |  |
|             | CONTRACTOR                               | AAR KAR            | 444 888  | 4 007  | ,00°   | 1AR KAK | 100% |  | 14 858           |  |



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

November 10, 2010

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

Re:

City of Mountain Iron, MN

Energy Park Phase 2 - Utility Extension & Mass Grading

Project No. MI09-22

Dear Mr. Wainio;

Enclosed please find Pay Request No. 4 for the Energy Park Phase 2 project in the amount of **\$79,480.80**, for approval at your next scheduled City Council meeting. This amount includes withholding retainage on work completed to date.

Please refer to the enclosed pay request breakdown for a summary of items completed.

The project was substantially completed on October 15<sup>th</sup>, which is in accordance with the completion date identified within the contract documents. The site will be reviewed and any final punch list items will be addressed later this fall or in the spring of 2011.

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

Sincerely,

Benchmark Engineering, Inc.

Eric E. Fallstrom, P.E.

**Enclosure** 

Pc: Mr. Andy Wagner, Ulland Brothers, Inc.

| Owner's Project No.:  | Engineer's Project No.: MI09-22 |  |  |  |
|---|---------------------------------|--|--|--|
| Project: Energy Park Phase 2 – Utility Extensions & Mass Grading          |                                 |  |  |  |
| CONTRACTOR: <u>Ulland Brothers, Inc., 505 West 37<sup>th</sup> Street</u> | , Hibbing, MN 55746             |  |  |  |
| For Period Ending: November 9, 2010                                       |                                 |  |  |  |
|   |                                 |  |  |  |
|   |                                 |  |  |  |

## 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 November 10, 2010

STATEMENT OF WORK

|                         |                      | Amount Due this Payment  | \$79,480.80    |
|-------------------------|----------------------|--------------------------|----------------|
|                         |                      | Previous Payments        | \$ 430,444.08  |
| Current Contract Price  | \$ <u>546,793.03</u> | Subtotal                 | \$ _509,924.88 |
| Net Change Orders       | \$                   | Amount Retained          | \$ 26,838.15   |
| Original Contract Price | \$ <u>546,793.03</u> | Work & Materials to Date | \$ 536,763.03  |
|                         |                      |                          |                |



PAY REQUEST NO. 4
ENERGY PARK PHASE 2 - UTILITY EXTENSIONS & MASS GRADING
CITY OF MOUNTAIN IRON, MINNESOTA
PROJECT NO: MI09-22

CONTRACTOR: ULLAND BROTHERS, INC.

| QUANTITY   COST   TO DATE  | \$11,700.00<br>\$32,400.00<br>\$32,400.00<br>\$800.00<br>\$1,250.00<br>\$6,000.00 |
|--|---|
| 2101.506   GRUBBING   ACRE   18.0   \$1,800.00   18.0  | \$32,400.00<br>\$800.00<br>\$157,300.00<br>\$1,250.00<br>\$6,000.00               |
| 2101.506   GRUBBING   ACRE   18.0   \$1,800.00   18.0  | \$32,400.00<br>\$800.00<br>\$157,300.00<br>\$1,250.00<br>\$6,000.00               |
| 2104.507 REMOVE CONCRETE STRUCTURE CU. YD. 20.0 \$40.00 20.0 2105.501 COMMON EXCAVATION (PV) CU. YD. 143,000.0 \$1.10 143,000.0 2105.503 ROCK EXCAVATION CU. YD. 200.0 \$10.00 125.0   | \$800.00<br>\$157,300.00<br>\$1,250.00<br>\$6,000.00                              |
| 2105.501 COMMON EXCAVATION (PV) CU. YD. 143,000.0 \$1.10 143,000.0 2105.503 ROCK EXCAVATION CU. YD. 200.0 \$10.00 125.0  | \$157,300.00<br>\$1,250.00<br>\$6,000.00  |
| 2105.503 ROCK EXCAVATION CU. YD. 200.0 \$10.00 125.0   | \$1,250.00<br>\$6,000.00  |
| 2105.503 ROCK EXCAVATION CU. YD. 200.0 \$10.00 125.0   | \$1,250.00<br>\$6,000.00  |
| 2105 525 6444 655 70000 (0.4)  | \$6,000.00  |
| 2105.535 SALVAGED TOPSOIL (PV) CU. YD. 2,000.0 \$3.00 2,000.0  |   |
|  | \$0.00  |
| 2211.503 AGGREGATE BASE (CV) CLASS V CU. YD. 910.0 \$14.00 0.0   |   |
| 2476.601 WASTE COLLECTION & DISPOSAL LUMP SUM 1.0 \$2,000.00 1.0   | \$2,000.00  |
| 2503.511 8" PVC PIPE SEWER UN FT 1987 0 \$25.00 1.007.0  |   |
| 2502 CO2 CO201507 TO CO20150 C | \$49,675.00   |
| 2503.602 CONNECT TO EXISTING SANITARY SEWER EACH 2.0 \$500.00 2.0  | \$1,000.00  |
| 2504.602 CONNECT TO EXISTING WATERMAIN EACH 1.0 \$1,500.00 1.0   | \$1,500.00  |
| 2504.602 HYDRANT EACH 2.0 \$3,800.00 2.0   | \$7,600.00  |
| 2504.602 12" GATE VALVE & BOX EACH 2.0 \$2,300.00 2.0  | \$4,600.00  |
| 2504.603   12" WATERMAIN DI CL. 52   LIN. FT.   2,000.0   \$54.00   2,000.0  | \$108,000.00  |
| 2504.608 DUCTILE IRON FITTINGS POUND 667.0 \$6.00 667.0  | \$4,002.00  |
| 200 104  |   |
| 2506.501 CONST DRAINAGE STRUCTURE DES 4007 LIN. FT. 70.5 \$230.00 70.5   | \$16,215.00   |
| 2506.516 CASTING ASSEMBLY EACH 7.0 \$500.00 7.0  | \$3,500.00  |
| 2573.502 SILT FENCE, TYPE PREASSEMBLED LIN. FT. 4,600.0 \$1.30 4,600.0   | \$5,980.00  |
| 2573.602 STABILIZED CONSTRUCTION ENTRANCE EACH 1.0 \$561.03 1.0  | \$561.03  |
| 200  | 7301.03   |
| 2575.523 EROSION CONTROL BLANKET, CATEGORY 4 SQ. YD. 12,500.0 \$1.20 8,900.0   | \$10,680.00   |
| 2575.555 TURF ESTABLISHMENT - BASE BID LUMP SUM 1.0 \$13,200.00 1.0  | \$13,200.00   |
|  |   |
| ACRE 5.0 CEPO CO   |   |
| 2101 FOC COVERNO   | \$3,900.00  |
| 2101.506 GRUBBING ACRE 6.0 \$1,800.00 6.0  | \$10,800.00   |
| 2104.507 REMOVE CONCRETE STRUCTURE CU. YD. 100.0 \$40.00 150.0   | \$6,000.00  |
|  |   |
| 2105.501 COMMON EXCAVATION (PV) CU. YD. 40,200.0 \$1.30 40,200.0   | \$52,260.00   |
| 2105.503 ROCK EXCAVATION CU. YD. 100.0 \$10.00 75.0  | \$750.00  |
| 2105.535 SALVAGED TOPSOIL (PV) CU. YD. 800.0 \$3.00 800.0  | \$2,400.00  |
| 2573.502 SILT FENCE, TYPE PREASSEMBLED UN. FT. 1,400.0 \$1.30 1,400.0  | \$1,820.00  |
| 2575.523 EROSION CONTROL BLANKET, CATEGORY 4 SQ. YD. 8.700.0 \$1.20 6.850.0  |   |
| 31.20 0,850.0  | \$8,220.00  |
| 2575.555 TURF ESTABLISHMENT - ADD ALTERNATE LUMP SUM 1.0 \$4,400.00 1.0  | \$4,400.00  |
| 2105.501 POND GRADING CU. YD. 5,000.0 \$1.65 5,000.0   | \$8,250.00  |
|  |   |

COMPLETED TO DATE:

\$536,763.03

LESS RETAINAGE (5%): SUBTOTAL PAY REQUEST #4: (\$26,838.15)

LESS PREVIOUS PAYMENTS:

\$509,924.88 (\$430,444.08)

TOTAL PAY REQUEST #4:

\$79,480.80

Lie Cau-BENCHMARK INGINEERING, INC.

## COUNCIL LETTER 111510-VIA ADMINISTRATION RESOLUTION NUMBER 13-10

DATE:

November 10, 2010

FROM:

Craig J. Wainio City Administrator

Resolution Number 13-10 authorizes the application for grant funding from the Community Development Block Grant program through St. Louis County. The grant application will be for improvements to Locomotive Park.

It is recommended that the City Council adopt Resolution Number 13-10 Authorizing Submission of CDBG Application.



## CITY OF MOUNTAIN IRON

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## **RESOLUTION NUMBER 13-10**

## APPROVING COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION

WHEREAS, St. Louis County is preparing a Consolidated Plan/Action Plan to meet application requirements for the Community Development Block Grant (CDBG) program, and other Community Planning and Development (CPD) programs, and

WHEREAS, St. Louis County has requested CDBG-eligible projects from participating communities for inclusion in the Action Plan, and

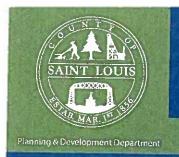
WHEREAS, the City of Mountain Iron has conducted a public hearing on November 15, 2010 in regard to the Locomotive Park Project and the City of Mountain Iron's CDBG application for the project, and

WHEREAS, it is found that the project meets the benefiting low and moderate income persons federal objective of the CDBG program and is prioritized by the community as a high priority need.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MOUNTAIN IRON, MINNESOTA, that the Mountain Iron CDBG application related to the Locomotive Park Project is hereby authorized to be submitted to St. Louis County for inclusion in St. Louis County's Consolidated Plan/Action Plan to the U.S. Department of Housing and Urban Development, and that the City Administrator is hereby authorized to execute all documents, agreements, or contracts which result from this application to St. Louis County.

DULY ADOPTED BY THE CITY COUNCIL THIS 15th DAY OF NOVEMBER, 2010.

| ATTEST:            | Mayor Gary Skalko |
|--------------------|-------------------|
|                    |                   |
| City Administrator |                   |



## St. Louis County

## COMMUNITY DEVELOPMENT BLOCK GRANT

FINAL APPLICATION

|                         | Please complete the following application. An application group completing the application, submission details, and contact | uide is available with directions on information for additional questions. | in all a |
|-------------------------|---|--|----------|
| Project                 | Project Title Locomotive Park Reconstruction  |  |          |
| Background              | Project Address 8881 Locomotive Street  |  |          |
|                         | City Mountain Iron  |  | 1        |
|                         | Project Type (check one) Economic Development Housing   | ✓ Physical Improvement   |          |
| Applicant<br>Background | Applicant Organization City of Mountain Iron  |  |          |
|                         | Type of Organization  | Federal ID # 41-6005398  | ]        |
|                         | Contact Person Craig J. Wainio  | DUNS# 110411092  |          |
|                         | Address 8586 Enterprise Drive South   | 110111006  | 2        |
|                         |   | <b>Lip</b> 55768   |          |
|                         | Phone 218-748-7570 Email cwainio@ci.mountain-iro  |  |          |
| Funding                 | Amount (\$) of CDBG Request   | \$ 50,000  |          |
| Request                 | Amount (\$) of Community or Agency's Resources  | \$ 50,000  |          |
|                         | Amount (\$) from Other Sources  | \$0  | 3        |
|                         | Total Project Costs   | \$ 100,000   |          |
|                         | (This section is completed automatically if using Adobe Acrobat or Ado  | be Reader to complete the application.)                                    | 1        |
| Signature               | Authorized Applicant Signature  |  |          |
|                         |   |  | 4        |
|                         | City Administrator  | November 16, 2010  |          |
|                         | Title   | Date   |          |



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## HISTORY

## What is the problem or need?

The City of Mountain Iron is requesting funding to complete the reconstruction of Locomotive Park and is unable to fully fund the completion this project. Locomotive Park is an area of "Old Town Mountain Iron" that residents can enjoy, can assess the Mesabi Trail all while learning the history of the area. The redesign of Locomotive Park is needed to better interpret and represent the importance of the Mountain Iron Mine National Historic Landmark. This National Historic Landmark identifies the location of where iron ore was first discovered on the Mesabi Range.

## PROJECT DESCRIPTION

What are you proposing to do to address the problem or need?

This project would compete the reconstruction of the Locomotive Park through landscaping, installation of sidewalks, interpretive signs and pavilion along with enhancement of the City's entrance to the Mesabi Trail. Currently, the is in the process of reconstructing the eastern half of the park with assistance from the State of Minnesota Legacy Grant program. With the reconstruction of Locomotive Park, residents will be able to view and learn about the discovery of iron ore and about the National Historic Landmark that is the Mountain Iron Mine.

## **PROJECT TIME FRAME**

What is the time frame for the project or program?

The project is currently in the planning stages and anticipated bid opening in the Spring of 2011 and completed construction in the Fall of 2011.

ţ

## **PLANNING ACTIVITIES**

## How was the need identified? Describe community involvement efforts.

Public bodies applying for a physical improvement grant must include in their answer the following information:

- 1. Current residential and commercial water and sewer rates
- 2. Date of most recent increases in water and sewer rates
- 3. Level and composition of bonded debt

The need was identified through public hearings held by the Parks and Recreation Board, recommendations from the Parks and Recreation Board and a commitment to move forward by the City Council. Items 1,2 and 3 are included.

## **GOALS & OUTCOMES**

What are the goals and measurable outcomes for the project or program? (example in italics)

| Goals   | Measurable Outcomes   |
|---|---|
| Improve the efficiency and effectiveness of the sewer system in the project area. | 17 homes and 3 businesses will experience improved sewer service. |
| To improve Locomotive Park.   | The completion of construction.                                   |
|   |   |
|   |   |
|   |   |
|   |   |

## Guide # **ORGANIZATIONAL STRUCTURE** List members of the project team and describe their roles. 10 Craig J. Wainio, City Administrator, will oversee the project including financing. Don Kleinschmidt, Director of Public Works, will oversee the construction What is the status of the organization's open CDBG awards? (not applicable to first time applicants) 11

The City of Mountain Iron does not currently have any open CDBG awards.

## **BUDGET NARRATIVE**

## How will CDBG funds be used? What is the status and timing of other project funding?

CDBG funds will be used for landscaping, interpretive sign installation, walking trails and an enhancement to the Mesabi Trail entrance. Mountain Iron has already received funding through the State of Minnesota's Legacy Grant program and used these funds to reconstruct a portion of Locomotive Park in 2010.

## Required attachments

1:

7.1.7

1

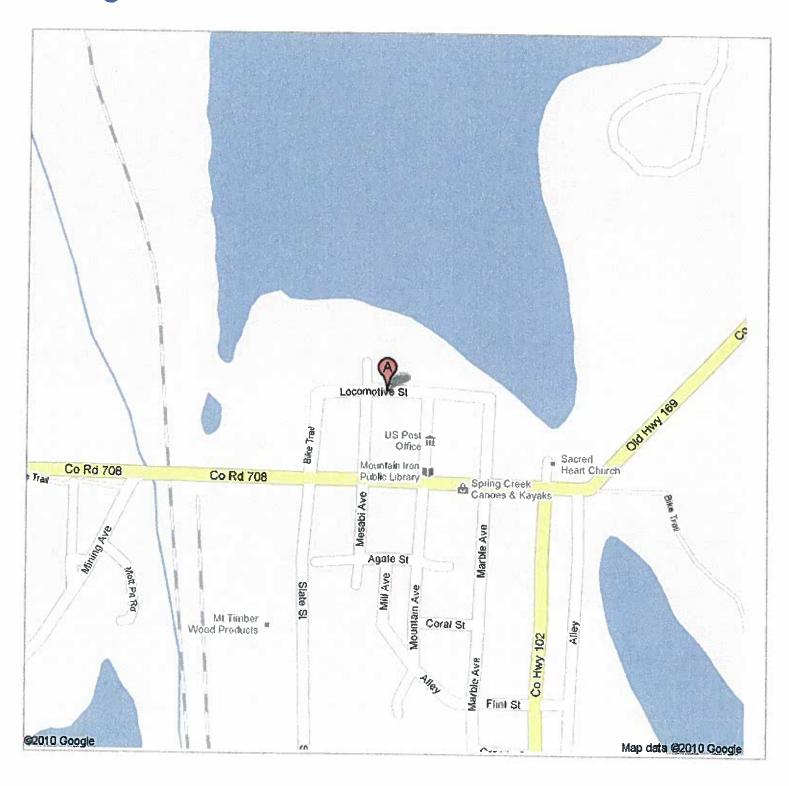
- 1. A map of the project area
- 2. A resolution by the governing board authorizing the applicant to apply for and receive funds
- 3. One copy of your most recent financial statement (first time applicants only)
- 4. Other relevant information (optional)

## **BUDGET WORKSHEET**

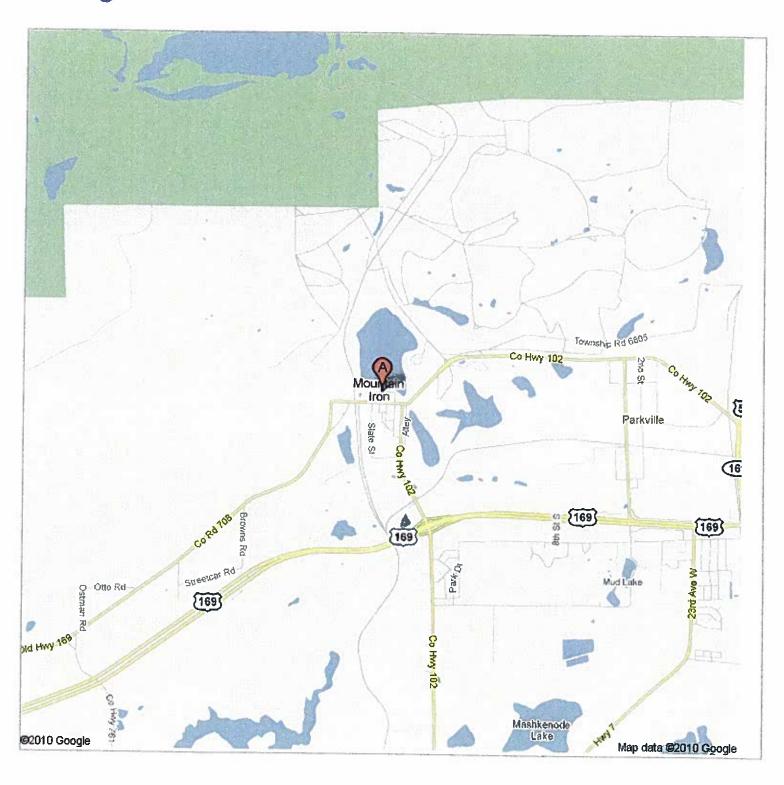
Estimated source and use of funds

|     | Estimated source and use of rangs |                         |                    |               |                                      |             | -         |
|-----|-----------------------------------|-------------------------|--------------------|---------------|--------------------------------------|-------------|-----------|
|     | Use of Funds                      |                         | Š                  | ource of Fund | Source of Funds (Please be specific) | cific)      |           |
|     | Line Item Activities              | Requested<br>CDBG Funds | Applicant<br>Funds | Other Funds   | Other Funds                          | Other Funds | Total     |
| 1   | Landscaping                       | \$15,000                | \$15,000           |               |                                      |             | \$30,000  |
| 2   | Interpretive Signs                | \$5,000                 | \$5,000            |               |                                      |             | \$10,000  |
| e . | Pavilion                          | \$20,000                | \$20,000           |               |                                      |             | \$40,000  |
| 4   | Sidewalk Installation             | \$10,000                | \$10,000           |               |                                      |             | \$20,000  |
| ς.  |                                   |                         |                    |               |                                      |             | 0\$       |
| 9   |                                   |                         |                    |               |                                      |             | 0\$       |
| ^   |                                   |                         |                    |               |                                      |             | 0\$       |
| ∞   |                                   |                         |                    |               |                                      |             | \$        |
| 6   |                                   |                         |                    |               |                                      |             | \$0       |
| 10  |                                   |                         |                    |               |                                      |             | 0\$       |
| =   |                                   |                         |                    |               |                                      |             | 0\$       |
| 12  |                                   |                         |                    |               |                                      |             | 0\$       |
|     | Total                             | \$50,000                | \$50,000           | 0\$           | 0\$                                  | \$0         | \$100,000 |

Notes



Notes





## CITY OF MOUNTAIN IRON

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#### SEWER RATES 1/1/10

Residential:

\$15.00 per month service charge

\$3.50 per 1,000 gallons water used

Commercial: \$25.00 per month service charge.

\$3.50 per 1,000 gallons water used

June, July & August water use based on the average use during January, February and March

No charges for any residential property that has been vacant for more than one month

Flat rates for unmetered customers will be based on the flat rate charged for water.



## CITY OF MOUNTAIN

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## **CURRENT WATER RATES AS OF MARCH 15, 2004**

#### Metered Water Rate

Residential:

\$7.50 per month service charge

\$1.85 per 1000 gallons

Commercial: \$22.00 per month service charge

\$1.85 per 1000 gallons

#### Flat Rates for Unmetered Useage

Each Residential Dwelling Unit

\$30.00

**Municipal Facilities** 

\$50.00

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

#### NOTE 3 - CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions/programs of the primary government as follows:

| Governmental activities      |                   |
|------------------------------|-------------------|
| General government           | \$ 77,697         |
| Public safety                | 72,938            |
| Streets                      | 262,903           |
| Culture and recreation       | 48,493            |
| Total depreciation expense-  |                   |
| governmental activities      | \$ <u>462,031</u> |
| Business-type activities     |                   |
| Electric                     | \$ 39,369         |
| Water treatment              | 88,409            |
| Wastewater treatment         | 112,760           |
| Refuse removal and recycling | 34,065            |
| Mountain Manor Apartments    | 45,710            |
| Total depreciation expense - |                   |
| business-type activities     | \$ <u>320.313</u> |

#### Discretely presented component unit:

Mountain Iron EDA capital asset activity for the year ended December 31, 2009, is as follows:

| Governmental activities                        | Balance<br>01/01/09 | Additions        | Deletions          | Balance<br>12/31/09 |
|--|---------------------|------------------|--------------------|---------------------|
| Capital assets, not being depreciated:<br>Land | \$ <u>2,430,339</u> | \$ <u>45,000</u> | \$ <u>(45,000)</u> | \$_2.430.339        |

#### **NOTE 4 - LONG-TERM LIABILITIES**

The City issued general obligation bonds and general obligation revenue bonds to finance the construction of major capital facilities and improvements. Bonded indebtedness has also been entered into to advance refund general obligation bonds. The bonds have been issued for both governmental and business-type activities and are being repaid from the applicable resources. The City is also liable for a lease purchase agreement that was entered into for the purchase of equipment. The lease purchase agreement is considered an obligation of the general government and is being repaid with general governmental revenue sources. The City also entered into an installment sale agreement for the purchase of equipment. The installment sale agreement is considered an obligation of the general government and is being repaid with general governmental revenue sources. In 2009, the City issued General Obligation Water Revenue Refunding Bonds to refund the 2002 General Obligation Water Revenue Bonds. This refunding will reduce the City's total debt service payments by approximately \$28,850 and result

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

#### NOTE 4 - LONG-TERM LIABILITIES (CONTINUED)

in a present value savings of approximately \$20,472. The City also entered into a \$599,250 General Obligation Revenue Note with Minnesota Public Facilities Authority dated October 30, 2009 for rehabilitation of various components of the wastewater treatment plant project. The project was completed in 2009 and the note proceeds will be received in 2010. The Mountain Iron Housing and Redevelopment Authority entered into a mortgage note with Rural Development (a division of the U.S. Department of Agriculture) for the Mountain Iron Housing for the Elderly project. This note is guaranteed by the City of Mountain Iron, Minnesota. For governmental activities, claims and judgments and severance payable are generally liquidated by the general fund.

#### Components of long-term liabilities are as follows:

|  | Issue<br>Date   | Interest<br>Rates | Original<br>Issue                       | Final Maturity | Principal<br>Outstanding                |
|--|-----------------|-------------------|---|----------------|---|
| Governmental activities                    |                 |                   |   |                | · · · · · · · · · · · · · · · · · · ·   |
| General Obligation Bonds                   |                 |                   |   |                |   |
| 2005 Refunding                             | 03/08/2005      | 2.70-4.30%        | \$1,645,000                             | 02/01/2020     | \$1,450,000                             |
| 2005 Library Upgrade                       | 08/01/2005      | 4.125%            | \$ 300,000                              | 08/01/2035     | 285,000                                 |
| 2007 Improvements                          | 09/11/2008      | 4.0-4.65%         | \$1,455,000                             | 02/01/2028     | 1,390,000                               |
| Total General Obligation Bonds             |                 |                   |   |                | 3,125,000                               |
| 2008 Lease Purchase                        | 03/12/2008      | 3.75%             | \$ 148,970                              | 03/12/2010     | 49,634                                  |
| 2008 Installment Sale                      | 10/01/2008      | 5.95%             | \$ 144,107                              | 10/01/2010     | 47,982                                  |
| Severance Payable                          |                 |                   |   |                | 54,977                                  |
| Other postemployment benefit oblig         |                 |                   |   |                | 289,562                                 |
| Governmental activities long-t             | erm liabilities |                   |   |                | 3.567.155                               |
| Business-type activities                   |                 |                   |   |                |   |
| Revenue Bonds                              |                 |                   |   |                |   |
| 2009 Water Revenue                         |                 |                   |   |                |   |
| Refunding Bonds                            | 09/01/2009      | 1.5-4.0%          | \$ 650,000                              | 12/01/2022     | 650,000                                 |
| 2002 Water Revenue Bonds                   | 08/01/2002      | 2.50-5,15%        | \$ 855,000                              | 12/01/2022     | 650,000                                 |
| Total Revenue Bonds                        |                 |                   | , ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, |                | 1,300,000                               |
| Notes Payable                              |                 |                   |   |                | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, |
| 1980 Rural Development                     | 09/04/1980      | 3.61%             | \$ 819,370                              | 090/1/2030     | 458,337                                 |
| 1981 Rural Development Total Notes Payable | 01/16/1981      | 3.61%             | \$ 320,630                              | 010/1/2031     | <u>179,362</u><br>637,699               |
| Severance Payable                          |                 |                   |   |                | •                                       |
| Other postemployment benefit oblig         | ation           |                   |   |                | 22,413<br><u>220,208</u>                |
| Business-type activities long-to           |                 |                   |   |                | 2,180,320                               |
|  | ALLI HADINUS    |                   |   |                | <u>4,100.320</u>                        |
| Total Long-Term Liabilities                |                 |                   |   |                | \$ <u>5.747.475</u>                     |

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

#### NOTE 4 - LONG-TERM LIABILITIES (CONTINUED)

Long-term liability activity for the year ended December 31, 2009 was as follows:

| •   | -                    |                   | •                    |                     |                             |
|---|----------------------|-------------------|----------------------|---------------------|-----------------------------|
| Governmental activities                     | Beginning<br>Balance | Additions         | Reductions           | Ending<br>Balance   | Amounts Due Within One Year |
| Bonds Payable                               |                      |                   |                      |                     |                             |
| 2005 GO Refunding                           | \$ 1,595,000         | <b>s</b> -        | \$ (145,000)         | \$ 1,450,000        | \$ 150,000                  |
| 2005 GO Library Upgrade                     | 290,000              | •                 | (5,000)              |                     | 6,000                       |
| 2007 GO Improvement                         | 1,455,000            | _                 | (65,000)             | 1,390,000           | 95.000                      |
| Total Bonds Payable                         | 3,340,000            |                   | (215,000)            |                     | 251,000                     |
| 2008 Lease Purchase                         | 97,474               | _                 | (47,840)             | 49,634              | 49,634                      |
| 2008 Installment Sale                       | 93,270               | _                 | (45,288)             |                     | 47,982                      |
| Severance Payable                           | 56,857               | _                 | (1,880)              | 54,977              | 71,802                      |
| Other postemployment                        | 00,001               | _                 | (1,000)              | 34,011              | _                           |
| benefit obligation                          | •                    | 385,441           | (95,879)             | 289,562             | _                           |
| Governmental activities -                   |                      |                   | (00,070)             | 200,002             |                             |
| long-term liabilities                       | \$ <u>3,587,601</u>  | \$385,441         | \$ <u>(405,887</u> ) | \$ <u>3.567.155</u> | \$ <u>348,616</u>           |
| Business tune setteities                    |                      |                   |                      |                     |                             |
| Business-type activities 2009 Water Revenue |                      |                   |                      |                     |                             |
| Refunding Bonds                             | \$ -                 | \$ 650,000        | Φ.                   |                     |                             |
| 2002 Water Revenue Bonds                    | •                    | \$ 650,000        | \$ -                 | \$ 650,000          |                             |
| 1980 Rural Development Notes                | 685,000              | -                 | (35,000)             | 650,000             | 650,000                     |
| 1981 Rural Development Notes                | 464,001              | -                 | (5,664)              | 458,337             | 6,007                       |
| Severance Payable                           | 181,491              | 0.404             | (2,129)              | 179,362             | 2,351                       |
| Other postemployment                        | 25,790               | 2,421             | (5,798)              | 22,413              | -                           |
| benefit obligation                          |                      | 267 040           | (47.044)             | 000 000             |                             |
| Business-type activities -                  |                      | <u>267,849</u>    | <u>(47.641</u> )     | 220,208             |                             |
| long-term liabilities                       | £ 4 256 200          | e 000.070         | # (00 000)           | A A 455 AAA         |                             |
| ion <b>a-</b> ratui u <b>smiines</b>        | \$ <u>1,356,282</u>  | \$ <u>920.270</u> | \$ <u>(96,232</u> )  | \$ <u>2.180.320</u> | \$ <u>658.358</u>           |

Minimum annual principal and interest payments required to retire long-term liabilities, excluding severance payable are as follows:

| Year Ending | Government       | al Activities   | Business-Ty  | pe Activities | Governm      | ent-wide     |
|-------------|------------------|-----------------|--------------|---------------|--------------|--------------|
| December 31 | <u>Principal</u> | <u>Interest</u> | Principal    | Interest      | Principal    | Interest     |
| 2010        | \$ 348,616       | \$ 123,505      | \$ 658,358   | \$ 80,799     | \$ 1,006,974 | \$ 204,304   |
| 2011        | 256,000          | 109,915         | 58,630       | 43,370        | 314,630      | 153,285      |
| 2012        | 261,000          | 100,629         | 58,911       | 42.411        | 319,911      | 143,040      |
| 2013        | 282,000          | 90,644          | 59,201       | 41,444        | 341,201      | 132.088      |
| 2014        | 287,000          | 79,944          | 59,501       | 40,170        | 346,501      | 120,114      |
| 2015-2019   | 1,104,000        | 245,592         | 300,349      | 175,706       | 1,404,349    | 421,298      |
| 2020-2024   | 327,000          | 110,297         | 232,339      | 116,191       | 559,339      | 226,488      |
| 2025-2029   | 264,000          | 46,028          | 45,711       | 92,820        | 309,711      | 138,848      |
| 2030-2034   | 76,000           | 13,695          | 464,699      | 13,099        | 540,699      | 26,794       |
| 2035        | 17,000           | 701             |              | -             | 17,000       | 701          |
| Total       | \$ 3.222.616     | \$ 920.950      | \$ 1.937.699 | \$ 646,010    | \$ 5,160,315 | \$ 1.566.960 |

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

#### NOTE 4 - LONG-TERM LIABILITIES (CONTINUED)

#### **Conduit Debt**

In 1999 the City of Two Harbors, Minnesota (Issuer) issued limited obligation notes (City of Two Harbors, Minnesota \$1,786,433 Health Care Facilities Revenue Note, Series 1999A and \$136,734 Health Care Facilities Revenue Note, Series 1999B, Duluth Regional Care Center Project) for purposes of financing the cost of acquisition of a new facility, refinancing debt, and financing real property improvements for the Duluth Regional Care Center, Inc. The City of Mountain Iron and the cities of Duluth, Aurora, Two Harbors, and Virginia, Minnesota (Parties) entered into a joint powers agreement to cooperatively finance the project since portions of the project are located within the jurisdictional limits of each of the Parties. These notes and interest are limited obligations of the Issuer and shall not be payable from nor charged against any funds of the City other than revenue pledged for the payment thereof and does not constitute a debt of the City and is not reported as a liability in the financial statements of the City. The outstanding balance of these notes at December 31, 2009 is \$0 and \$1,462, respectively. Duluth Regional Care Center, Inc. is not a component unit of the City.

In 1999 the Mountain Iron Housing and Redevelopment Authority in and for the City of Mountain Iron issued \$1,450,000 lease revenue bonds to finance construction of a building by Northeast Service Cooperative and approved the financing plan for the project. The project is located on HRA property. The bonds are special limited obligations of the Authority, payable solely from the amounts payable under the lease. The bonds do not constitute a debt of the Authority or the City within the meaning of any constitutional or statutory limitation. The outstanding balance on these bonds at December 31, 2009 is \$930,000.

In 2002 the Mountain Iron Housing and Redevelopment Authority in and for the City of Mountain Iron issued \$2,075,000 lease revenue bonds to finance construction of a building by Arrowhead Library System and approved the financing plan for the project. The project is located on EDA property. The bonds are special limited obligations of the Authority payable solely from the amounts payable under the lease. The bonds do not constitute a debt of the Authority or the City within the meaning of any constitutional or statutory limitation. The outstanding balance of these bonds at December 31, 2009 is \$1,530,000.

In 2004 the City of Mountain Iron, Minnesota (Issuer) issued limited obligation notes (\$648,800 Health Care Facilities Revenue Notes Series 2003A, \$244,900 Health Care Facilities Revenue Notes Series 2003B and \$635,700 Health Care Facilities Revenue Notes Series 2003C) to finance the cost of acquisition of a new facility, refinance debt, and finance real property improvements for the Duluth Regional Care Center, Inc. The City of Mountain Iron and the City of Hermantown, Minnesota, and the Duluth Economic Development Authority (Host Municipalities) entered into a joint powers agreement to cooperatively finance the project since portions of the project are located within the jurisdictional limits of each of the Host Municipalities. These notes and interest are limited obligations of the Issuer and shall not be payable from nor charged against any funds of the City other than revenue pledged for the payment thereof and does not constitute a debt of the City and is not reported as a liability in the financial statements of the City. The outstanding balance of these notes at December 31, 2009 is \$73,912; \$114,314; and \$366,312, respectively.

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

November 10, 2010

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

Re:

Wastewater Treatment Facility Aeration System Improvements

City of Mountain Iron Project No. MI10-06

Dear Mr. Wainio,

Bids were received on November 10, 2010 for the above referenced project. A total of three (3) bids were received and upon tabulation the low bidder for the project is Magney Construction. A copy of the bid tabulation and recommendations from Bonestroo are enclosed.

If the City of Mountain Iron intends to award at its November 15, 2010 City Council meeting, it is recommended that you award the base bid to Magney Construction, Inc. in the amount of \$278,400.00. Magney Construction is also the low bidder with any combination of alternatives, if the City intends to award one of the alternates along with the base bid, please refer to the bid tabulation and the letter enclosed from Bonestroo.

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

Sincerely,

Benchmark Engineering, Inc.

Alar J. Johnson, P.E.

Enclosures

Tel 651-636-4600 Fax 651-636-1311

www.bonestroo.com



November 10, 2010

Alan Johnson Benchmark Engineering, Inc. 8878 Main Street P.O Box 261 Mountain Iron, MN 55768-026

Re:

WWTF Aeration System Improvements Project

City of Mountain Iron, MN

2540-10001-0

#### Dear Alan:

Bids were opened on Wednesday, November 10, 2010 at 10:00AM. A total of three bids were received. The following summarizes the results according to the bid tabulation you sent us.

|     |                        | <u>Base Bid</u> | Alternate No. 1       | Alternate No. 2 |
|-----|------------------------|-----------------|-----------------------|-----------------|
|     | <u>Contractor</u>      | <u>Amount</u>   | <b>Blower and VFD</b> | DO Probe        |
| Low | Magney Construction    | \$278,400.00    | \$51,000.00           | \$12,000.00     |
| #2  | Gridor Construction    | \$342,930.00    | \$37,489.00           | \$10,580.00     |
| #3  | Rice Lake Construction | \$363,900.00    | \$40,500.00           | \$11,900.00     |

The low bidder on the project was <u>Magney Construction</u> with a Base Bid of \$278,400.00. This compares favorably to the Engineer's estimate of \$260,000.00.

The bid included two alternate items. Alternate no. 1 was for a third blower and appurtenances including a VFD. Alternate no. 2 was for a dissolved oxygen probe.

If the City Council wishes to award the project to the low bidder, then we recommend awarding the project to **Magney Construction** for the following amounts:

- \$278,400 if the award is for the base bid only.
- \$329,400 if the award if for the base bid plus alternate no. 1.
- \$290,400 if the award is for base bid plus alternate no. 2.
- \$341,400 if the award is for the base bid plus alternates no. 1 and no. 2.

Should you have any questions, please feel free to contact me at (651) 604-4771.

Sincerely,

**BONESTROO** 

Ron LaFond, P.E. Project Manager (651) 604-4771

Attachments:

Copy: Tom Dye, Bonestroo

Bould a. Jostons



WWTF Aeration System Improvements PROJECT NO.: MI10-06 **BID TABULATION** 

\$4,500.00 \$345,350.00 \$2,125.00 \$2,125.00 \$1,425.00 \$6,000.00 \$2,375.00 \$363,900.00 \$40,500.00 \$11,900.00 \$416,300.00 RICE LAKE CONSTRUCTION COST \$345,350.00 \$200.00 \$6.00 \$85.00 \$85.00 \$95.00 \$95.00 \$40,500.00 \$11,900.00 UNIT \$316,390.00 \$2,670.00 \$7,170.00 \$6,000.00 \$3,475.00 \$3,475.00 \$342,930.00 \$3,750.00 \$10,580.00 No Bid \$37,489.00 \$390,999.00 No Bid No Bid GRIDOR CONSTRUCTION COST \$316,390.00 \$239.00 \$8.00 \$139.00 \$139.00 \$178.00 \$150.00 \$37,489.00 \$10,580.00 UNIT \$3,000.00 \$262,500.00 \$8,250.00 \$900.00 \$1,125.00 \$1,125.00 \$1,500.00 \$278,400.00 \$51,000.00 \$12,000.00 \$341,400.00 No Bid No Bid No Bid MAGNEY CONSTRUCTION COST \$275.00 \$4.00 \$45.00 \$262,500.00 \$45.00 \$60.00 \$60.00 \$51,000.00 \$12,000.00 COST 1.0 30.0 750.0 25.0 25.0 25.0 15.0 0.1 1.0 QUANTITY 1.0 UNIT S Շ 8 比 ĸ 'n 5 S 2 Wastewater Treatment Facility Aeration System Improvements Restoration of Overhead Horizontal Concrete Surfaces PART 1 & PART 2 - TOTAL BASE BID PLUS ALTERNATES Alternate No. 1 - Positive Displacement Blower ITEM DESCRIPTION Addition Fittings for Flanged Ductile Iron Pipe Restoration of Horizontal Concrete Surfaces Grit, Sand, and Debris removal from Tanks Restoration of Vertical Concrete Surfaces Alternate No. 2 - dissolved Oxygen Probe PROJECT COSTS 44 10 11 | Positive Displacement Blowers PART 1 - TOTAL BASE BID DEDUCT FROM BASE BID Coarse Bubble Diffusers Concrete Crack Repair 44 45 17 Fine Bubble Diffusers PART 4 - SUBSTITUTE ITEMS: PART 2 - ALTERNATES: PART 1 - BASE BID: SPEC. NO. 44 45 18 φ 00 6

Cha 9. Johnson Project Engineer

# COUNCIL LETTER 111510-VIC ADMINISTRATION UNITY DRIVE DRAINAGE

DATE:

November 10, 2010

FROM:

Craig J. Wainio

City Administrator

On November 10, 2010, quotes were received and opened for the Unity Drive Drainage project. Jola and Sopp Excavating was the low quote on the project we is to be funded entirely through grant funding.

It is recommended that the City Council award the Unity Drive drainage project at their quoted price.

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

November 10, 2010

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

Re:

Unity Plaza Storm Sewer City of Mountain Iron

Project No. MI10-12

Dear Mr. Wainio,

Bids were received on November 10, 2010 for the above referenced project. A total of six (6) bids were received and upon tabulation the low bidder for the project is Jola & Sopp Excavating, Inc. A copy of the bid tabulation is enclosed.

If the City of Mountain Iron intends to award at its November 15, 2010 City Council meeting, it is recommended that you award the base bid to Jola & Sopp Excavating, Inc. in the amount of \$29,505.00.

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

Sincerely,

Benchmark Engineering, Inc.

Enclosures

Alah J. Johnson, P.E.



|           |   |          |          | ENGINEERS ESTIMATE | ESTIMATE    | JOLA &      | JOLA & SOPP | これの        | C & C WINGER | HIBBING E  | HIBBING EXCAVATING | ULLAND     | ULLAND BROTHERS | BOUGALIS CO | BOUGALIS CONSTRUCTION | MESABI BITUMINDUS | JMINDUS     |
|-----------|---|----------|----------|--------------------|-------------|-------------|-------------|------------|--------------|------------|--------------------|------------|-----------------|-------------|-----------------------|-------------------|-------------|
| SPEC. NO. | ITEM DESCRIPTION                                  | UNIT     | GUANTITY | UNIT               | TOTAL       | UNIT        | TOTAL       | UNIT       | TOTAL        | UNIT       | TOTAL              | UNIT       | TOTAL           | UNIT        | TOTAL                 | UNIT              | TOTAL       |
| 101.501   | 2101.501 CLEARING & GRUBBING                      | LUMP SUM | 1.0      | \$1,000.00         | \$1,000.00  | \$500.00    | \$500.00    | \$2,000.00 | \$2,000.00   | \$1,133.00 | \$1,133.00         | \$800.00   | \$800.00        | \$3,800.00  | \$3,800.00            | \$4,700.00        | \$4,700.00  |
| 104.501   | 2104.501 REMOVE PIPE CULVERTS                     | UN. FT.  | 57.0     | \$5.00             | \$285.00    | \$5.00      | \$285.00    | \$10.00    | \$570.00     | \$10.85    | C619 45            | 90 00      | CE43 00         | 9           | 6613 00               | 2000              | 00 0535     |
| 104.607   | 2104.607 SALVAGE RANDOM RIP RAP                   | CU. YD.  | 5.0      | \$10.00            | \$50.00     | \$15.00     | \$75.00     | \$25.00    | \$125.00     | \$54.00    | \$270.00           | \$40.00    | \$200.00        | \$20.00     | \$100.00              | \$20.00           | \$100.00    |
| 105.501   | 2105.501 COMMON EXCAVATION (CV)                   | CU. YO.  | 100.0    | \$10.00            | \$1,000.00  | \$6.00      | \$600.00    | 28.00      | 2800.00      | \$11.96    | \$1 196 m          | 00.52      | 00,000          | 615.00      | C1 500 00             | 630.00            | 61,000,00   |
| 105.522   | 2105.522 SELECT GRANULAR BORROW (CV)              | CU. YD.  | 0.007    | \$12.00            | \$8,400.00  | \$9.00      | \$6,300,00  | \$9.00     | \$6,300.00   | \$13.74    | \$9,618.00         | \$15.00    | \$10,500.00     | \$14.00     | 59.800.00             | \$18.00           | \$12,600,00 |
| 105.525   | 2105.525 TOPSOIL BORROW (LV)                      | CU. YD.  | 130.0    | \$20.00            | \$2,600.00  | \$11.00     | \$1,430.00  | \$20.00    | \$2,600.00   | \$20.65    | \$2,684.50         | \$9.00     | \$1,170.00      | \$18.00     | \$2,340,00            | \$18.00           | \$2 340.0   |
| 105.541   | 2105.541 STABILIZING AGGREGATE                    | CU. YD.  | 50.0     | \$15.00            | \$750.00    | \$20.00     | \$1,000.00  | \$20.00    | \$1,000.00   | \$20.92    | \$1,046.00         | \$12.00    | \$600.00        | \$25.00     | \$1,250.00            | \$20.00           | \$1,000.00  |
| 01.515    | 2501.515 24" CS APRON                             | EACH     | 1.0      | \$500.00           | \$500.00    | \$350.00    | \$350.00    | \$300.00   | \$300.00     | \$345.00   | \$345.00           | \$300.00   | \$300.00        | \$440.00    | \$440.00              | \$400.00          | \$400.00    |
| 03.511    | 2503.511   24" CP PIPE SEWER                      | LIN. FI  | 340.0    | 030.00             | \$10,000.00 | 530.00      | C10 200 00  | 636.00     | 611 000 00   | 636.66     | 04 407 00          | 0,36,0     | 000000          | 20          |                       |                   |             |
| 03.602    | 2503.602 CONNECT TO EXISTING STORM SEWER          | EACH     | 0.1      | \$1,000.00         | \$1,000.00  | \$300.00    | \$300.00    | \$300.00   | \$300.00     | \$332.00   | \$332.00           | \$1,000.00 | \$11,900.00     | \$1,200.00  | \$1,200.00            | \$750.00          | \$750.00    |
| 06 501    | 2505 COL CONET DEALNAGE STRUCTURE DECICIO ES ACOD | t a      |          | 00000              | Ag day an   |             |             |            |              |            |                    |            |                 |             |                       |                   |             |
| 06.516    | 2506.516 CASTING ASSEMBLY                         | EACH     | 3.0      | \$550.00           | \$1,650.00  | \$500.00    | \$3,215.00  | \$365.00   | \$5,438.50   | \$319.00   | \$4,753.10         | \$480.00   | \$7,152.00      | \$280.00    | \$4,172.00            | \$450.00          | \$6,705.00  |
| 11.501    | 2511.501 RANDOM RIPRAP, CLASS III                 | CU. YD.  | 5.0      | \$50.00            | \$250.00    | \$35.00     | \$175.00    | \$25.00    | \$125.00     | \$107.00   | \$535.00           | \$75.00    | \$375.00        | \$50.00     | 000565                | \$50.00           | 000505      |
| 73.502    | 2573.502 SILT FENCE, TYPE PREASSEMBLED            | UN. FT.  | 25.0     | 28.00              | \$200.00    | \$5.00      | \$125.00    | 00 55      | \$125.00     | \$20 64    | C) 046 00          | 64.00      | 6100.00         | Ш           | 000000                | 8 73              | 1000        |
| 73.530    | 2573,530 INLET PROTECTION                         | EACH     | 3.0      | \$100.00           | \$300.00    | \$150.00    | \$450.00    | \$100.00   | \$300.00     | \$60.00    | \$180.00           | \$150.00   | \$450.00        | SS          | \$900.00              | \$200.00          | \$600.00    |
| 75.555    | 2575,555 TURF ESTABLISHMENT                       | LUMP SUM | 1.0      | \$1,000.00         | \$1,000.00  | \$1,000.00  | \$1,000.00  | \$750.00   | \$750.00     | \$880.00   | \$880.00           | \$800.00   | \$800.00        | \$1,800,00  | \$1.800.00            | 53.500.00         | \$3.500.00  |
|           |   |          |          |                    |             | $\parallel$ |             |            |              |            |                    |            |                 |             |                       |                   |             |
|           |   |          |          |                    |             | •           |             |            |              |            |                    |            |                 |             |                       |                   |             |
|           |   |          |          | BID TOTAL:         | \$34,847.00 | _           | \$29,505.00 |            | \$33,833.50  |            | \$36,269.45        |            | \$38,360.00     |             | \$49,305.00           |                   | \$51,415.00 |

NOTES: 1 FILL THE EXISTING DITCH AND PLACE A 24" CP PIPE WITH CATCH BASINS IN ITS PLACE.

#### **COUNCIL LETTER 111510-VID**

#### **ADMINISTRATION**

#### **GAS LINE EXTENSION**

DATE:

November 10, 2010

FROM:

Craig J. Wainio City Administrator

Due to the distance needed to provide utilities to the Energy Park, Minnesota Energy Resources is required to charge the requesting entity for cost of constructing the gas main. In this case the cost is \$19,400 for a 2" main to serve out Energy Park. The cost of providing this service will be paid entirely through grant funding.

It is recommended that the City Council authorize the execution of the Gas Line Extension Project and the required payment.



Minnesota Energy Resources Corporation

2665 145th Street West P.O. Box 455 Rosemount, MN 55068-0455 www.minnesotaenergyresources.com

#### **Gas Line Extension Contract**

THIS AGREEMENT made and entered into by and between Minnesota Energy Resources Corporation.

(MERC), hereinafter called "Company", and Silicon Energy Project

|           | ountain Iron Minnesota  |
|-----------|---|
|           | own) (State) (Zip Code)   |
| hei       | reinafter called "Applicant".   |
| W         | ITNESSETH:  |
| Th<br>agr | ose in consideration of the provision for payment and other terms and conditions set out below, the parties ree as follows:   |
| 1.        | That Company will extend its gas distribution system facilities to the Applicant's premises described as: Silicon Energy Project  |
|           | The said new facilities are hereinafter referred to as "Extension".   |
| 2.        | Applicant, at the time Applicant signs this Contract, will contribute to Company the total contribution cost of said Extension, which is \$19,400.00.   |
| 3.        | Applicant understands and agrees that Applicant will receive gas service under a separate application or contract with Company and that such service will be rendered subject to Company's available gas supply and its applicable tariff terms and conditions as such available supply may vary and as such terms and conditions may be revised from time to time. |
| 4.        | This agreement is subject to the valid and applicable rules, regulations, decisions and orders of state and federal agencies with jurisdiction and to modifications of the Company's tariff terms and conditions or promulgated pursuant thereto.   |
| 5.        | This contract is valid for <u>30 days</u> . If MERC does not receive the contribution due within 30 days, this feasibility and project will be placed on hold and a new feasibility may be required should the project resume during the 2010 construction season only.   |
| Dat       | ed at Minnesota Energy Resources Corporation this November 4, 2010  |
| Арр       | plicant Signature: Please return signed contract and check, in the enclosed envelope. Thank you.  |
| Mir       | nnesota Energy Resources Corporation by:  |
|           | Cash Report Date  |
|           | Cash Report Number  |
|           |   |



Minnesota Energy Resources Corporation

2665 145th Street West P.O. Box 455 Rosemount, MN 55068-0455

www.minnesotaenergyresources.com

Date: November 4, 2010

TO: Craig Wainio
City Administrator

Via: cwainio@ci.mountain-iron.mn.us

RE: Property -natural gas line extension

Thank you for requesting installation of natural gas service for the Silicon Energy Project. As a standard practice in agreement with Minnesota Public Utilities Commission guidelines, we conducted a Feasibility Study for this project and I'm glad to tell you we are in position to move forward with the project when you are ready.

First, in compliance with the Feasibility Study, we must require a non-refundable contribution of \$19,400.00 for approximately 3500' of 2" PE main to supplement construction of this project. The study is done to assure that the price of construction and service will not place undue burden on all of our customers per order of the Public Utilities Commission (PUC).

Enclosed, please find our standard construction contract. Please process a check for the contribution payable to Minnesota Energy Resources. This feasibility will expire in 30 days unless we receive payment. Upon receipt of your check and the signed contract, we will contact you regarding the construction schedule. Please remember to retain a copy of the contract for your records.

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

Please send check and signed contract to Nancy Lilienthal, MN Energy Resources, 2665 145<sup>th</sup> Street West, Rosemount, MN 55068.

Sincerely,

Ann Carlon, APR

Sr. External Relations Manager

651-322-8916

Ann Carlen

abcarlon@minnesotaenergyresources.com

## COMMUNICATIONS NOVEMBER 15, 2010

- 1. Range Women's Advocates, a thank you to Mayor Skalko for participating in their event on behalf of the City.
- 2. Summer Work Outreach Project, an invitation to participate in their program.



## Thank You

Dear Mayor Skalks —

Thank you for your packetpaths
in our Domestic Violence

Awareness Month event.

(N'er talking with you's

Your wife)

We appreciate your efforts
in the City of Mt. Iron

and on Behalf of all the

Violins's survivors, We

Sincerely Thank you!

Inshafnduson



#### Summer Work Outreach Project PO Box 237 Mt. Iron MN 55768



#### A Minnesota 501(C)3 Non-Profit Corporation

November 9, 2010

Dear SWOP Supporter,

Just this week we sent all four of our local newspapers a long list of the businesses, cities, organizations, and individuals who invested in SWOP, helping twenty-eight 11 to 14 year olds serve their community and learn important life skills. We thank you. We want the community to know who you are. And we want SWOP to be a vibrant summer program for years to come.

This year we are making several important changes in the board to open it up for broader participation. First, instead of limiting board membership to our partner organizations and churches, we are opening up to anyone in the community who supports SWOP's mission. Second, we are creating community councils for each community that SWOP serves. These councils will meet the same night as the board to promote SWOP in your community, carry out the annual community fund-raiser event, and conduct the youth participant selection process.

The SWOP annual meeting will take place at the Buhl-Kinney Senior Center on Thursday, December 2, and we want to invite you to attend. The meeting will begin with holiday finger food at 5:00p.m. The business portion of the meeting will begin at 5:30p.m.

We also want to invite you to consider one or more of the following:

- 1. Suggest someone who you think would be good for serving on the board or one of the community councils (Buhl-Kinney, Chisholm, or Mt. Iron)
- 2. Consider serving on the Board or one of the community councils yourself.

If you or someone you know might be interested, please contact one of us or return the form included in this mailing no later than Monday, November 22. We will recognize new and returning board membership for the year at the December 2 annual meeting.

Again, we thank you for your support of SWOP. We hope to see you at the annual meeting on Thursday, December 2 to be able to thank you in person!

Kristin Foster (741-7057)

**SWOP Board Co-Chairpersons** 

Dave Stevens (263-5527 or 966-2217)

## **SWOP RSVP form**

| Yes, I pla<br>on Thursday, |   | ual meeting of the Board   |
|----------------------------|---|----------------------------|
| I would l                  |   | d for membership on the    |
| L would 1                  | ike to consider nor   | ticinating on a SWOP       |
|                            |   | ticipating on a SWOP       |
| community co               | ouncil in the year al   | nead.                      |
| possible mem               | t the following personal bership on the SWO phone phone phone phone |                            |
| I suggest                  | t the following pers  | son(s) be contacted to     |
|                            | a SWOP communit   | - ·                        |
|                            | phone   | •                          |
|                            | phone   |                            |
| name                       | phone   |                            |
| Name                       | Phone (s)   | F-mail                     |
| Please e-mail this in      | Phone (s)formation by November 22                                   | 2 to Pr. Kristin Foster    |
|                            |   | lch@yahoo.com . OR mail to |
|                            | Mt. Iron, MN 55768  |                            |