

**MOUNTAIN IRON CITY COUNCIL MEETING
COMMUNITY CENTER
MOUNTAIN IRON ROOM
MONDAY, DECEMBER 1, 2003 - 6:30 P.M.
A G E N D A**

- I. Roll Call
- II. Consent Agenda
 - A. Minutes of the November 17, 2003, Regular Meeting (#1-11)
 - B. Bills and Payroll
 - C. Receipts
 - D. Communications (#115-116)
- III. Public Forum
- IV. Committee and Staff Reports
 - A. Mayor's Report
 - B. City Administrator's Report
 - 1. Joint Powers Agreement with NESC (#12-28)
 - 2. Health Insurance Proposal (#29-33)
 - 3. Agreement with St. Louis County (#34-36)
 - C. Director of Public Work's Report
 - 1. Ziebart Request (#37-39)
 - 2. Notice of Violation (#40-48)
 - 3. Eagle Avenue Sanitary Sewer (#49-53)
 - 4. Heather Avenue Drainage (#54-58)
 - D. Director of Parks and Recreation's Report
 - 1. Range Cable TV Report (#59)
 - E. City Engineer's Report
 - 1. Pay Request – Joint DNR/Virginia/Mtn Iron Drainage (#60-61)
 - 2. Change Order Number 2-R (#62-64)
 - 3. Change Order Number 3 (#65-68)
 - F. Fire Department
 - 1. Authorization to Bid
- V. Unfinished Business
 - A. USDA Funding (#69-73)
 - B. Professional Services RFP's (#74-93)
 - C. Purchase Banners and Brackets (#94)
 - D. QCEDA (#95-96)
- VI. New Business
 - A. Resolution 39-03 Accepting Work (#97-99)
 - B. 2004 Proposed Budget (#100-111)
 - C. Resolution 40-03 Approving Levy (#112)
 - D. Resolution 41-03 Approving Bonding Levy (#113)
 - E. Twice Monthly Work Schedule Reports (#114)
 - F. Communications (#115-116)
- VII. Open Discussion
- VIII. Announcements
- IX. Adjourn

Denotes page number in packet

MINUTES
MOUNTAIN IRON CITY COUNCIL
NOVEMBER 17, 2003

Mayor Skalko called the City Council meeting to order at 6:30 p.m. with the following members present: Joe Prebeg, Jr., Allen Nelson, Dale Irish, Ed Roskoski, and Mayor Gary Skalko. Also present were: Craig J. Wainio, City Administrator; Jill M. Forseen, Municipal Services Secretary; Don Kleinschmidt, Director of Public Works; Larry Nanti, Director of Parks and Recreation; and Rod Flannigan, City Engineer.

It was moved by Nelson and supported by Prebeg that the consent agenda be approved as follows:

1. Add the following items to the agenda:
 - IV. B. 2. Special Assessment Letter
 - IV. A. 3. State Library ADA Grant
 - a. Bids for a New Library Roof
 - b. Library Attic Insulation
 - VI. C. USDA Grants
2. Approve the minutes of the September 29, 2003, Joint meeting with the Housing and Redevelopment Authority.
3. Approve the minutes of the November 3, 2003, City Council meeting with the following correction:
Page 3, Paragraph 2, "It was moved by Roskoski and supported by Prebeg to accept the recommendation of the ~~Director~~ of Parks and Recreation *Board* to have a skating....."
4. 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.
5. To acknowledge the receipts for the period November 1-15, 2003, totaling \$99,650.85, (a list is attached and made a part of these minutes).
6. To authorize the payments of the bills and payroll for the period November 1-15, 2003, totaling \$152,013.49, (a list is attached and made a part of these minutes).

The motion carried unanimously on a roll call vote.

At 6:33 p.m., it was moved by Nelson and supported by Prebeg to recess the regular meeting and open the public hearing for the Right-of-Way Vacation. The motion carried.

Councilor Roskoski said that there is currently in negotiations with U. S. Steel regarding vacating this right-of-way. Councilor Roskoski said that the City should get something in exchange for vacating the right-of-way. Also, he said some of the streets proposed for vacation could be used for recreation purposes.

Councilor Irish said that he is in the process of working on the ATV trails with the Department of Natural Resources. He said that the City would need to use the road under the bridge to cross under the tracks to get to Costin and eventually to the West II Rivers Reservoir. Councilor Irish also stated that the Mining Avenue road should be blocked off so people do not drive on the bike trail.

At 6:42 p.m., it was moved by Nelson and supported by Prebeg to close the public hearing and reconvene the regular meeting. The motion carried.

During the public forum, Darrin Alto was present and spoke to the Council regarding the purchase of property, the Great Northern Railroad right-of-way access, in Parkville, from the Regional Rail Authority.

It was moved by Nelson and supported by Prebeg moved to indicate that the City of Mountain Iron is not interested in acquiring the property in Parkville from the Regional Rail Authority. The **motion failed** on the following roll call vote: Nelson, yes; Irish, no; Roskoski, no; Prebeg, yes; and Skalko, no.

It was moved by Skalko and supported by Prebeg to direct City Staff to contact Bob Manzoline, Regional Rail Authority, regarding the Great Northern Railroad right-of-way access in Parkville, and have the City acquire the property and set up a procedure to transfer the land to the adjoining property owners with the City retaining 20 feet. And further, that the City only charge the adjoining property owners the costs incurred for the City to acquire and transfer the property. The motion carried on the following roll call vote: Irish, yes; Roskoski, yes; Prebeg, yes; Nelson, no; and Skalko, yes.

During the Mayor's report, the Mayor stated that residents have notified him that they are not happy with Mediacom Cable Company regarding costs and services for cable connections. The Mayor requested that City Staff contact other cable companies to see if they could service the City of Mountain Iron.

The Mayor requested that City Staff invite all City Staff, including the Sheriff Department, the Fire Department, and Union Members to the City Council Budget Meeting on Monday, November 24th. He said that if the budget is going to work it would have to be a team effort.

It was moved by Skalko and supported by Roskoski that if the City does not have all the information necessary, by the deadline, for the application for the State Library ADA Grant, that the grant application be withdrawn. The motion carried.

It was moved by Roskoski and supported by Irish that it is the Mountain Iron City Administrator's responsibility to contact Mr. Bruce Pomerantz, at various times, to make sure that all requested and necessary items/information have been supplied for the State Library ADA Grant application before the final deadline of November 25, 2003. The motion carried with Councilors Prebeg and Nelson voting no.

It was moved by Skalko and supported by Irish to direct City Staff to prepare plans and specifications for roofing the Mountain Iron Library with traditional asphalt or simulated tile. And further, to have the City Administrator include the roofing in the State Library ADA Grant application. The motion carried with Councilor Nelson voting no.

It was moved by Roskoski and supported by Skalko to add to the preparation of the plans and specifications the roof insulation, ceiling insulation, rain gutters, and cornice work. The motion carried with Councilor Nelson voting no.

The Mayor requested that the Quad City Joint Economic Development Authority be discussed at the November 24, 2003 budget meeting.

The Mayor presented a sample banners for the Downtown Mountain Iron area. He said that the estimated costs for the banners and brackets would be approximately \$1,900. The Mayor requested that this item be put on the next regular meeting agenda.

It was moved by Skalko and supported by Prebeg to direct City Staff to obtain a second appraisal for the Mountain Iron-Buhl School land adjacent to Merritt Elementary and request that Larry Sokoloski, School Board Member, attend the next regular City Council meeting. The motion carried unanimously on a roll call vote.

It was moved by Prebeg and supported by Nelson to direct City Staff to post the editorial written by Mr. Techar at the City Garage. The motion carried.

The Mayor commented that it is nice to see the Festival of Trees being held at the Mountain Iron Community Center.

It was moved by Prebeg and supported by Nelson that the liquor and cigarette license applications for the period January 1, 2004 through December 31, 2004, be approved and issued to the following individuals and business establishments pursuant to the approval, where necessary, of the Liquor Control Commission and pursuant to the payment of all outstanding license fees and charges:

Jeff & Greg Properties, Inc.
DBA: B. G.'s Saloon
5494 Highway 7
Mountain Iron, MN 55792

On-Sale Intoxicating Liquor
Sunday On-Sale Intoxicating Liquor
Off-Sale Non-Intoxicating Liquor
Cigarette

Mike Lambert
DBA: Silver Creek Liquor Company
5489 Highway 7
Mountain Iron, MN 55792

Off-Sale Intoxicating Liquor
Cigarette

Commander
American Legion Post #220
5748 Mountain Avenue, PO Box 361
Mountain Iron, MN 55768

Club On-Sale Intoxicating Liquor
Off-Sale Non-Intoxicating Liquor
Cigarette

Mac's Bar, Inc.
DBA: Mac's Bar
8881 Main Street, PO Box 313
Mountain Iron, MN 55768

Off-Sale Intoxicating Liquor
On-Sale Intoxicating Liquor
Sunday On-Sale Intoxicating Liquor
Cigarette

Bruce A. Carlsen
Corner Spur
5499 Highway 7, Box 1207
Mountain Iron, MN 55792

Cigarette

Joseph Giru
Little Joe's
5537 Nichols Avenue, PO Box 356
Mountain Iron, MN 55768

Off-Sale Non-Intoxicating Liquor
Cigarette

Jay Ryan Moehlenbrock
Jay Ryan Enterprise, Inc.
DBA: Sawmill Saloon & Restaurant
5478 Mountain Iron Drive
Mountain Iron, MN 55792

Off-Sale Intoxicating Liquor
On-Sale Intoxicating Liquor
Sunday On-Sale Intoxicating Liquor
Cigarette

Rezavor, Inc.
John Gorsha
5235 Campground Road
Mountain Iron MN 55768

Off-Sale Intoxicating Liquor
On-Sale Intoxicating Liquor
Sunday On-Sale Intoxicating Liquor
Cigarette

Adventures, Va., Inc.
Greg Hartnett
5475 Mountain Iron Drive
Mountain Iron MN 55792

Off-Sale Intoxicating Liquor
On-Sale Intoxicating Liquor
Sunday On-Sale Intoxicating Liquor

The motion carried.

It was moved by Roskoski and supported by Irish that a new assessment letter be drafted to include the following:

- 1) similar format and necessary information as the previous letter;
- 2) any payments to be made will be to the City of Mountain Iron;
- 3) any specific dates are to include the year;
- 4) the total amount of the assessment for the individual should be noted in the letter;
- 5) the deadline for any non interest payments also should be noted in this letter; and
- 6) the deadline for this project is as soon as City Staff can complete the letter and mail it out again.

The motion carried with Prebeg and Nelson voting no.

The Council discussed the USDA Rural Development Grants. It was the consensus of the Council to have the City Administrator put this item on the next regular meeting agenda.

Councilor Irish asked City Staff if they got a response from U. S. Steel and the City Attorney regarding having a public bon fire on the land leased from U. S. Steel. The City Administrator stated that the City Attorney said to seek permission from U. S. Steel. The Director of Public Works said that he had contacted the Mountain Iron-Buhl School Superintendent regarding the public bon fire and he stated that the school district had no desire to have the public bon fire because of the liability issues and not having the activity on school property.

The Council discussed the lowering of the age limit for renters at the Mountain Manor facility. The City Administrator said that he has not receive a response on the request.

Councilor Roskoski asked if Mr. Schlotec had permits for all of the buildings that he has located by the Sawmill Saloon. The City Administrator said that he would refer the matter to the Zoning Administrator for an opinion regarding the issue.

The Recreation Director updated the Council regarding the Downtown area skating rink. He said that a rental building was ordered and would be placed by Tom Cvar's house and the water line was going to be dug on November 18th or 19th.

The Mayor said that he spoke with Val Carpenter regarding her term expiring on December 31, 2003 on the Park and Recreation Board. He said that she did not want to be reappointed. The Mayor said that he would like to appoint someone from the Parkville area.

The Council reviewed the City Engineer's 2003 project summary report.

It was moved by Skalko and supported by Roskoski to continue with assessing services through the St. Louis County Assessor's office for 2004, with the funding coming from the mining effects taxes. The **motion failed** on the following roll call vote: Prebeg, no; Nelson, no; Irish, no; Roskoski, yes; and Skalko, yes.

It was moved by Skalko and supported by Irish to authorize the payment of the dues for 2003-2004 for the Minnesota Association of Small Cities in the amount of \$1,086.30. The motion carried on the following roll call vote: Nelson, no; Irish, yes; Roskoski, yes; Prebeg, no; Skalko, yes.

It was moved by Skalko and supported by Roskoski to direct the City Administrator to prepare a "Request for Proposals" for professional services for City Engineer, City Auditor, and City Attorney for the December 1, 2003, City Council meeting. The motion carried with Councilor Nelson voting no.

At 8:31 p.m., Councilor Prebeg left the meeting.

It was moved by Skalko and supported by Irish to authorize the following change orders for the library renovations:

- 1) R.F.P. No. 1- in the amount of \$2,782.00;
- 2) R.F.P. No. 2 - in the amount of \$470.00;
- 3) R.F.P. No. 3 – in the amount of \$442.00;
- 4) R.F.P. No. 4 – in the amount of \$570.00;
- 5) R.F.P. No. 5 – in the amount of \$0.00; and
- 6) R.F.P. No. 6 – in the amount of \$1,695.00.

The motion carried on the following roll call vote: Irish, yes; Roskoski, yes; Prebeg, absent; Nelson, no; and Skalko, yes.

At 8:33 p.m., Councilor Prebeg returned to the meeting.

It was moved by Irish and supported by Skalko to authorize payment request number one to Lenci Enterprises, Inc. for the Library Renovation in the amount of \$20,330.00. The motion carried on the following roll call vote: Roskoski, yes; Prebeg, yes; Nelson, no; Irish, yes; and Skalko, yes.

It was moved by Roskoski and supported by Skalko that the original motion regarding the Mountain Avenue parking change project, that the completion date of the project be changed to read, the completion date of the project will be 30 working days after the City Architect authorizes the library project parking space sizes and location. The motion carried with Councilor Nelson voting no.

It was moved by Roskoski and supported by Irish that with regard to the suggestion box labels on the utility payment boxes, that the original motion be changed to read the completion date on this project would be December 31, 2003. The motion carried.

It was moved by Roskoski and supported by Irish that, with regard to the brush pile by the City Garage, the City Administrator and the Director of Public Works review a new sight/procedure/plan. And further, when a plan is completed, it will be presented to the City Council with a deadline for this project being April 1, 2004 or sooner. The motion carried.

It was moved by Nelson and supported by Prebeg to adopt Resolution Number 38-03, Charitable Gambling, (a copy is attached and made a part of these minutes). The motion carried.

It was moved by Roskoski and supported by Irish that no snow, from street snow removal activities, be deposited in the Locomotive Park area. But, if extreme weather conditions warrant such that the accumulated snow that may be dumped there, be removed before any Spring thaw, and this policy will remain in place until rescinded by specific Council action. The motion carried.

Councilor Roskoski passed out an article from the November 9, 2003, Mesabi Daily News with guest columnist, Patricia Awada, State Auditor regarding administrative penalties.

At 8:53 p.m., it was moved by Skalko and supported by Nelson that the meeting be adjourned.
The motion carried.

Respectfully submitted:



Jill M. Forseen, CMC/MMCA
Municipal Services Secretary

COMMUNICATIONS

1. James R. Techar, Superintendent of Mountain Iron-Buhl Public Schools, a letter thanking the City for assistance for the State football playoff game.
2. John Sundvor, Senior Media Consultant for Flaherty & Hood, P.A., a memo from Tim Flaherty concerning guest columns written by Rep. William Kuisle, R-District 30B and Austin Mayor Bonnie Rietz, CGMC president. The guest columns are also included.
3. Gary Skalko, Downtown Renovation Committee Chairperson, a letter in support of seeking ADA monies under the Public Library Accessibility Grant.
4. Gary Skalko, Downtown Renovation Committee Chairperson, a letter in support of seeking the TEA-21 Grant.

Summary By Category And Distribution

Category	Distribution	Amount
UTILITY	UTILITY	63,429.01
MISCELLANEOUS	COCA-COLA RECEIPTS-CITY HALL	77.72
PERMITS	BUILDING	305.63
METER DEPOSITS	ELECTRIC	575.00
MISCELLANEOUS	ASSESSMENT SEARCHES	10.00
BUILDING RENTALS	BUILDING RENTAL DEPOSITS	750.00
BUILDING RENTALS	NICHOLS HALL	90.00
BUILDING RENTALS	COMMUNITY CENTER	400.00
SPECIAL ASSESSMENTS	SPECIAL ASSESS.-BOND MONEY	10,056.23
MISCELLANEOUS	REIMBURSEMENTS	8,249.57
CD INTEREST	CD INTEREST 103	1,613.71
MISCELLANEOUS	CHECK RETURN FEE	15.00
CD INTEREST	CD INTEREST 101	2,661.66
CD INTEREST	CD INTEREST 301	2,909.49
CD INTEREST	CD INTEREST 376	192.73
CD INTEREST	CD INTEREST 378	630.69
CD INTEREST	CD INTEREST 602	1,047.44
CD INTEREST	CD INTEREST 603	692.08
SPECIAL ASSESSMENTS	INTEREST-SP.ASSESS.-BONDS ISSU	20.17
LICENSES	CIGARETTE	200.00
MISCELLANEOUS	ELECTRICAL INSPEC FORMS	1.00
MISCELLANEOUS	CABLE TV FRANCHISE FEE	5,718.72
LICENSES	LIQUOR	5.00
Summary Totals:		<u>99,650.85</u>

Check Issue Date(s): 11/06/2003 - 11/21/2003

Per	Date	Check No	Vendor No	Payee	Check GL Acct	Amount
11/03	11/19/2003	29133	130011	MOUNTAIN IRON POSTMASTER	002-20200	283.02
11/03	11/20/2003	29134	10013	A T & T INFORMATION SYSTEMS	002-20200	83.63
11/03	11/20/2003	29135	1127	ACE CLUB	002-20200	100.00
11/03	11/20/2003	29136	10008	AIRGAS NORTH CENTRAL	002-20200	84.17
11/03	11/20/2003	29137	130017	AMERICAN BANK	002-20200	76.70
11/03	11/20/2003	29138	10006	ANDERSON AUTO CENTER	002-20200	167.11
11/03	11/20/2003	29139	1134	ANNETTE WILLIS	002-20200	31.63
11/03	11/20/2003	29140	10001	ARROWHEAD ECONOMIC OPPORTUNI	002-20200	154.00
11/03	11/20/2003	29141	1126	BARB ACKERSON	002-20200	100.00
11/03	11/20/2003	29142	1140	BECKY KOSKELA	002-20200	96.51
11/03	11/20/2003	29143	20022	BENCHMARK ENGINEERING INC	002-20200	5,157.59
11/03	11/20/2003	29144	20014	BORDER STATES ELECTRIC SUPPLY	002-20200	816.86
11/03	11/20/2003	29145	20007	BP	002-20200	2,706.70
11/03	11/20/2003	29146	30061	CELLULARONE	002-20200	451.29
11/03	11/20/2003	29147	1133	CHANTEL KERN	002-20200	41.60
11/03	11/20/2003	29148	30004	CITY OF MOUNTAIN IRON	002-20200	255.83
11/03	11/20/2003	29149	220003	CITY OF VIRGINIA	002-20200	87.31
11/03	11/20/2003	29150	30053	CONSOLIDATED TRADING COMPANY	002-20200	901.51
11/03	11/20/2003	29151	1136	DEANNA HAWKINGS	002-20200	76.36
11/03	11/20/2003	29152	1135	DENETTE HAKALA	002-20200	1.40
11/03	11/20/2003	29153	1124	DONNA LERITZ	002-20200	50.00
11/03	11/20/2003	29154	1129	ESTATE OF CHARLES BOTHWELL	002-20200	374.05
11/03	11/20/2003	29155	60029	FERGUSON ENTERPRISES INC	002-20200	43.72
11/03	11/20/2003	29156	60006	FISHER PRINTING	002-20200	664.56
11/03	11/20/2003	29157	1125	FRANCES JENSEN	002-20200	100.00
11/03	11/20/2003	29158	70028	GREATER MINNESOTA AGENCY INC	002-20200	186.00
11/03	11/20/2003	29159	70029	GUARDIAN PEST CONTROL INC	002-20200	54.10
11/03	11/20/2003	29160	1131	HEATHER HADRAVA	002-20200	22.21
11/03	11/20/2003	29161	1138	HUBERT JOHNSON	002-20200	79.79
11/03	11/20/2003	29162	1130	JENNIE DEBEVEC	002-20200	320.05
11/03	11/20/2003	29163	120006	L & M SUPPLY	002-20200	269.05
11/03	11/20/2003	29164	120039	LEEF SERVICES	002-20200	24.29
11/03	11/20/2003	29165	120035	LENCI ENTERPRISES INC	002-20200	20,330.00
11/03	11/20/2003	29166	130004	MESABI DAILY NEWS	002-20200	1,507.80
11/03	11/20/2003	29167	130006	MESABI HUMANE SOCIETY	002-20200	854.87
11/03	11/20/2003	29168	130093	MESABI RANGE COLLEGE	002-20200	285.00
11/03	11/20/2003	29169	130077	MIB QUARTERBACK CLUB	002-20200	400.00
11/03	11/20/2003	29170	1139	MICHAEL COGOLIN	002-20200	87.55
11/03	11/20/2003	29171	1137	MILLY FRYSCH	002-20200	95.05
11/03	11/20/2003	29172	130009	MINNESOTA POWER	002-20200	939.33
11/03	11/20/2003	29173	130059	MINNESOTA POWER	002-20200	14,199.65
11/03	11/20/2003	29174	130079	MN ASSOCIATION OF SMALL CITIES	002-20200	1,086.30
11/03	11/20/2003	29175	1123	MRS WAINIO	002-20200	100.00
11/03	11/20/2003	29176	140013	NATIONAL WATERWORKS	002-20200	651.30
11/03	11/20/2003	29177	140011	NORTHEAST TECHNICAL SERVICE	002-20200	510.34
11/03	11/20/2003	29178	140004	NORTHERN ENGINE & SUPPLY INC	002-20200	176.36
11/03	11/20/2003	29179	150014	ONE CALL CONCEPTS INC	002-20200	82.15
11/03	11/20/2003	29180	160038	PITNEY BOWES	002-20200	209.00
11/03	11/20/2003	29181	160037	PRAXAIR	002-20200	24.25
11/03	11/20/2003	29182	170001	QWEST	002-20200	387.47
11/03	11/20/2003	29183	180051	RANGE CORNICE & ROOFING COMPAN	002-20200	873.00
11/03	11/20/2003	29184	2001	RIDGEWOOD APPRAISAL &	002-20200	450.00
11/03	11/20/2003	29185	1128	ROBERT KUBIAK	002-20200	124.61
11/03	11/20/2003	29186	1141	ROBERTA CHILCOTE	002-20200	38.88
11/03	11/20/2003	29187	190010	SEPPI BROTHERS	002-20200	6,264.60
11/03	11/20/2003	29188	190004	SKUBIC BROS INC	002-20200	3.17
11/03	11/20/2003	29189	190002	ST LOUIS COUNTY AUDITOR	002-20200	6,441.29

M = Manual Check, V = Void Check

Check Issue Date(s): 11/06/2003 - 11/21/2003

Per	Date	Check No	Vendor No	Payee	Check GL Acct	Amount
11/03	11/20/2003	29190	200020	THE TRENTI LAW FIRM	002-20200	3,698.01
11/03	11/20/2003	29191	1132	TRACEY BERRY	002-20200	71.79
11/03	11/20/2003	29192	210010	ULLAND BROTHERS INC	002-20200	193.83
11/03	11/20/2003	29193	210001	UNITED ELECTRIC COMPANY	002-20200	2,219.50
11/03	11/20/2003	29194	220004	VIRGINIA DEPARTMENT OF PUBLIC	002-20200	23,630.07
11/03	11/20/2003	29195	230004	WENCK ASSOCIATES INC	002-20200	675.00
11/03	11/20/2003	29196	230005	WESCO DISTRIBUTION INC	002-20200	537.23
11/03	11/20/2003	29197	230003	WMFG-FM	002-20200	40.00

Totals:

101,048.44

Payroll-PP Ending 11/7/03

50,965.05

TOTAL EXPENDITURES

\$152,013.49



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 38-03

CHARITABLE GAMBLING

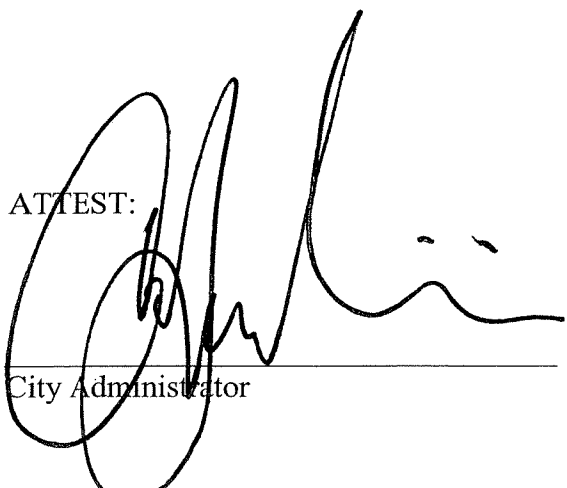
WHEREAS, the American Legion Post 220 has been operating a Class A Charitable Gambling Operation Permit consisting of bingos, raffles, paddlewheels, tip boards and pull-tabs at the American Legion Post 220, and;

WHEREAS, the American Legion Post 220 is requesting that their Class A Charitable Gambling Permit be renewed.

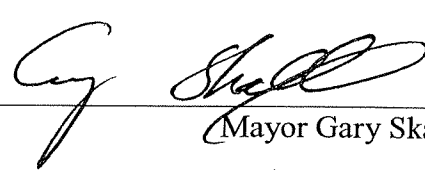
NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MOUNTAIN IRON, MINNESOTA, that it hereby renews said premise permit.

DULY ADOPTED BY THE CITY COUNCIL THIS 17th DAY OF NOVEMBER, 2003.

ATTEST:



City Administrator



Mayor Gary Skalko

**JOINT POWERS AGREEMENT
FOR GROUP EMPLOYEE BENEFITS AND OTHER FINANCIAL AND RISK
MANAGEMENT SERVICES**

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- 4.4 Operating Agreements
- 4.5 SC Service Fees
- 4.6 Service Providers
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**JOINT POWERS AGREEMENT
FOR GROUP EMPLOYEE BENEFITS AND OTHER FINANCIAL AND RISK
MANAGEMENT SERVICES**

This Joint Powers Agreement, hereinafter referred to as "Agreement," is made between Participant Member City of Mt. Iron and other Participant Members as are now or may hereafter become parties to this Agreement, and the Northeast Service Cooperative hereinafter called the "SC."

RECITALS

Whereas, Minn. Stat. 471.59, Subds. 1 and 10 authorizes two or more governmental units to exercise jointly or cooperatively powers which they possess in common, and

Whereas, Minn. Stat. 123A.21, establishes service cooperatives, the purpose of which among other things, is to assist participating governmental units in meeting certain specific needs which can most advantageously be met on a regional basis, and

Whereas, the Participant Members wish to authorize the SC Board of Directors to act as a joint board for the purpose of exercising certain powers as set forth in this Agreement, and

Whereas, the Participant Members acknowledge that the Board of Directors of the SC is representative of the parties to this Agreement;

NOW THEREFORE, the parties hereto agree as follows:

SECTION 1

PURPOSE, INTENT AND OBJECTIVE

1.1 **Purpose.** Under the provisions of Minnesota law, governmental units may enter into contracts for the purposes of providing Group Employee Benefits for their employees and to obtain Other Financial and Risk Management Services deemed necessary or beneficial for their operation. Under the provisions of Minn. Stat. 471.59, two or more governmental units (including, but not limited to, school districts, counties, towns, other governmental agencies and service cooperatives) may agree to exercise jointly or cooperatively powers which they possess in common. The purpose of this Agreement is to authorize the Board to exercise the common powers of the participating governmental units in connection with certain matters pertaining to the administration and funding of Group Employee Benefits and the provision of Other Financial and Risk Management Services, all as described herein. It is not the purpose of this Agreement to transfer to the Board the authority to execute contracts on behalf of Participants, or to in any manner become involved in any collective bargaining process.

1.2 **Compliance with Applicable Laws.** It is the parties' intent to comply with the applicable statutory requirements pertaining to requests for proposals for group insurance, self-insurance, COBRA and its Minnesota extensions, service cooperatives, and all other applicable federal and state statutes. Pursuant to the laws governing service cooperatives, it is also intended that nonprofit non-governmental units be allowed to participate as Associate Members in the Group Employee Benefits and Other Financial and Risk Management Services made available pursuant to this Agreement, although it is not intended that such nonprofit, non-governmental units exercise any of the powers or authorities exclusively delegated to governmental units described in Minn Stat. 471.59 Subd. 1.

SECTION 2

DEFINITIONS

2.1 **Advisory Committee(s)** means committees appointed by the Board in accordance with Section 4.8 of this Agreement which are representative of the Participants as deemed appropriate by the Board for the purpose of recommending policies, procedures and actions to the Board.

2.2 **Agreement** means this Joint Powers Agreement as the same may be amended from time to time. This document, and all other documents in the same form executed (or deemed executed as provided in Section 9 of this Agreement) by SC and other Participant Members, all as amended from time to time, shall together constitute a single Agreement.

2.3 **Associate Member** means any nonprofit or non-governmental entity which participates in any of the Group Employee Benefits or Other Financial and Risk Management Services made available to Associate Members by the Board, and agrees in writing to be bound by the terms of this Agreement other than those terms explicitly applicable only to Participant Members (or is deemed to have so agreed as provided in Section 9 of this Agreement).

2.4 **Board or Joint Powers Governing Board** means the SC Board of Directors acting as the joint board authorized to exercise certain powers of the Participant Members, as permitted by Minn. Stat. 471.59, Subd. 2 and as set forth in this Agreement.

2.5 **CBA** means collective bargaining agreement.

2.6 **CBA Employee Benefits** means employee welfare and retirement benefits made available by the Board from time to time for adoption by a Participant pursuant to the terms of a CBA, and may include, but shall not be limited to health benefits coverage, wellness and employee assistance programs, life insurance, disability income protection, dental insurance, flexible spending programs, retirement programs and long term care insurance. In no event shall any Discretionary Employee Benefits be considered CBA Employee Benefits unless and until they become part of a collective bargaining agreement between a union and a Participant.

2.7 **Discretionary Employee Benefits** means employee welfare and retirement benefits made available by the Board from time to time for adoption by a Participant, exclusive of any CBA Employee Benefits, and may include, but shall not be limited to health benefits coverage, wellness and employee assistance programs, life insurance, disability income protection, dental insurance, flexible spending programs, retirement programs and long term care insurance. Discretionary Employee Benefits may be terminated or reduced by the Board at any time. In the event any Discretionary Employee Benefit is terminated by the Board but continued by one or more Participants, the provision of such Discretionary Employee Benefit shall become the sole responsibility of such Participants.

2.8 **Group Contract** shall mean an agreement for the rendering of services by and between a Participant and a Provider of such services. In connection with the self-insurance of employee health benefits, such an agreement may also mean a Participant's agreement to participate in a program of self-insurance.

2.9 **Group Employee Benefits** shall mean CBA Employee Benefits and Discretionary Employee Benefits.

2.10 **Other Financial and Risk Management Services** may include, but shall not be limited to, technical advice regarding borrowing programs, contracted legal services, property/casualty safety group protection, personal property and casualty protection, student accident, coverage, and other services as made available by Group Contract for Participants from time to time by the Board.

2.11 **Operating Agreement** means an agreement by and between the Board and a Provider which establishes terms for the benefits, administration or funding of Group Employee Benefits or Other Financial and Risk Management Services.

2.12 **Participant** means both Participant Members and Associate Members. It does not refer to individual employees obtaining insurance or other benefit coverage pursuant to a plan offered by a Participant which is funded or administered in whole or in part pursuant to this Agreement.

2.13 **Participant Member** means any governmental unit as defined in Minn. Stat. 471.59 which is accepted for participation in this Agreement by the Board, certifies that its employee benefit plans qualify as "governmental plans" that are exempt from application of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and agrees in writing to be bound by the terms of this Agreement (or is deemed to have so agreed as provided in Section 9 of this Agreement).

2.14 **Pool** means the collective group of Participants in a given program of Group Employee Benefits or Other Financial and Risk Management Services, as the context shall require. Absent an agreement expressly to the contrary, a separate Pool shall exist for each such program and a separate Group Contract shall exist between the Provider and each Participant for the rendering of services or benefits for which such Pool is formed.

2.15 **Program Funds** means any monies, reserves, excesses or other amounts, whether acquired through contributions, payments, discounts, dividends, refunds, credits, reserves, savings, interest or otherwise, that are held and administered in accordance with Section 6 of this Agreement.

2.16 **Provider** means the person, insurance carrier, third party administrator, or other entity which is selected by the Board, in its discretion, to provide Participants with Group Employee Benefits or Other Financial and Risk Management Services or, as in the case of self-insured health benefits, to provide administrative or other services in connection with such Benefits or Services.

2.17 **SC** means the _____ Service Cooperative, a governmental agency and public corporation, whose existence is authorized by Minn. Stat. 123A.21.

SECTION 3

JOINT POWERS GOVERNING BOARD

3.1 **Board Membership.** The SC Board of Directors, when exercising the joint powers authorized by this Agreement, will also serve as the Board referred to in this Agreement. The Board will be elected pursuant to the Bylaws of the SC. As appropriate, the Board may designate one or more representatives to act on its behalf.

3.2 **Upon Dissolution of SC.** In the event that the SC is dissolved, the Board shall continue to exist and its members shall be elected solely from the governing bodies of the Participant Members to this Agreement in a manner consistent with the provisions of the Joint Powers Act, Minn. Stat. 471.59, Subd.2. Any administrative services provided by the SC prior to its dissolution shall be provided thereafter as determined by the Board in its discretion.

3.3 **Acknowledgment by Associate Members.** Associate Members acknowledge that Minn. Stat. 471.59 does not authorize their participation in a Joint Powers Agreement, even though Minn. Stat. 123A.21, Subd.3 authorizes nonprofit, non-governmental organizations to participate in Group Employee Benefits, Other Financial and Risk Management Services, and other programs made available from time to time by service cooperatives. By participating in any such program made available by the SC, such non-governmental Associate Members agree to be bound by the terms of this Agreement (other than those terms explicitly applicable only to Participant Members) and that the Board is representative of their interests.

SECTION 4

RIGHTS AND RESPONSIBILITIES OF THE BOARD

4.1 **Authorized Powers.** Pursuant to Minn. Stat. 471.59, Subd. 2, in addition to any other powers specifically delegated to the Board by this Agreement, the Board is hereby authorized to:

(a) establish, procure and administer Group Employee Benefits and Other Financial and Risk Management Services;

(b) define and clarify requests for proposals, rights and responsibilities, length of contract, premium or contribution rates and other costs, termination guidelines, the relative liability of the parties, and the method(s) by which parties to this Agreement shall exercise their common powers; and

(c) receive, collect, hold, invest, expend and disburse Program Funds in connection with the exercise of its powers under this Agreement.

4.2 Group Employee Benefits.

4.2.1 CBA Employee Benefits. The Board may from time to time make employee welfare and retirement benefits available for adoption by Participants pursuant to a CBA. The Board may arrange alternative financing arrangements respecting such benefits, and may administer or arrange for the administration of such benefits. Any employee or collective bargaining representative notification of alternative financing arrangements shall be the responsibility of the Participant. The Group Contract for the provision of such benefits shall be between the Participant and the Provider. Pursuant to Minn. Stat. 471.6161, Subd.5, the Board has no authority nor authorization to change a policy or benefit respecting a Participant's CBA Employee Benefits in a manner that would reduce the aggregate value of such benefits.

4.2.2 Discretionary Employee Benefits. The Board may from time to time make available for adoption by Participants Discretionary Employee Benefits. The Board may arrange alternative financing arrangements respecting such benefits, and may administer or arrange for the administration of such benefits. The Group Contract for the provision of such benefits shall be between the Participant and the Provider. Notwithstanding that a Group Contract for Discretionary Employee Benefits be between a Participant and a Provider, the Board, upon reasonable notice to Participants, may prospectively amend, reduce or terminate any such Discretionary Employee Benefits in its sole and absolute discretion.

4.2.3 Reserves. The Board shall from time to time determine the minimum amount of funds needed for purposes of risk management and rate stabilization. Any such funds shall be held and used in accordance with, and subject to the limitations set forth in, Section 6.

4.2.4 Self-Insurance of Health Benefits. In accordance with Minn. Stat. 471.617, Group Employee Benefits that are employee health benefits may be self-insured. A self-insurance Pool made available by the Board shall be a pool established and operated by the Board, or by the Board and one or more other joint powers governing boards governed by Minn. Stat. 471.59 or service cooperatives governed by Minn. Stat. 123A.21.

4.3 **Other Financial and Risk Management Services.** The Board may make available Other Financial and Risk Management Services for electing Participants and may administer, or arrange for the administration of such services. The Board will determine the most cost-effective and appropriate manner in which to deliver Other Financial and Risk Management Services and the service fees and other costs pertaining to the same.

4.4 **Operating Agreements.** The Board, alone or in collaboration with other governmental units, whether acting alone or jointly, including other service cooperatives, may negotiate Operating Agreements for the benefit of the SC and each of the Participants with respect to any Group Employee Benefit or Other Financial and Risk Management Service. Such Operating Agreements may establish, among other things:

- (a) the terms and conditions for any program,
- (b) premium or contribution rates and other costs,
- (c) funding arrangements,
- (d) administrative arrangements, including the extent to which the SC shall provide administrative services,
- (e) the applicable responsibilities of the Board, and
- (f) the amount of service fees payable to the SC.

The Operating Agreement is a proprietary document between the Service Cooperative and the provider. However, at the request of any Participant, the Board may provide that Participant with any information regarding the applicable Operating Agreement that is reasonably necessary for the Participant to understand its rights and obligations thereunder.

4.5 **SC Service Fees.** The SC may be paid a service fee in consideration for services rendered pursuant to this Agreement and any Operating Agreements. The amount and source of such service fee shall be established from time to time by the Provider and the SC and shall be approved by the Board. Such service fee may include, but shall not be limited to, a percentage of premiums collected from Participants for the payment of Group Employee Benefits, a fixed fee, or such other arrangements approved from time to time by the Board. At the time a Participant elects to participate in any of the Group Employee Benefits made available by the Board, the Participant shall, by execution of this Agreement (or by the deemed execution of this Agreement as provided in Section 9), be deemed to have acknowledged and agreed to the amount of such service fee as set forth in Addendum A attached hereto (as in effect from time to time), and the source of its payment, including any part thereof derived from discounts, refunds, dividends, or similar revenues. Services fees payable with respect to Other Financial and Risk Management Services shall be established and

disclosed from time to time as determined by the Board. Participants shall be given advance notice of any change in Addendum A.

4.6 Service Providers.

4.6.1 Selection. The Participants hereby delegate to the Board the right to select the Providers for Group Employee Benefits and Other Financial and Risk Management Services.

4.6.2 Governmental Unit Bidding and Contracting Laws. As applicable, the Board shall comply with all state and federal laws relating to requests for proposals, review of proposals, length of Group Contract rules, and other laws and regulations relating to contracting for Group Employee Benefits and Other Financial and Risk Management Services.

4.6.3 Service Provider Rate Increases. The Board will annually review renewal information as presented by Providers, make recommendations and determine if requests for proposals are necessary. Rate renewals for group insurance will be determined on the basis of the aggregate change of premiums.

4.7 Premiums and/or Contract Charges. To the extent not established by the applicable Operating Agreement or in any other manner prescribed by this Agreement, premiums and/or contract charges shall be determined by the Board in its discretion; provided, however, that in accordance with Section 6.5, no retroactive assessment may be made without the consent of the affected Participants.

4.8 Advisory Committee(s). The Board may, but is not required to, appoint one or more advisory committees. The purpose of any such committee may include, without limitation, the receipt and processing of information relating to group employee benefits, and the future direction of such benefits as well as other programs and services. The Board shall consider, but is not required to adopt, advisory committee recommendations and proposals. Labor representation, when appropriate, on any advisory committee formed by the Board shall be, in so far as is reasonably possible, representative of the bargaining representatives of individuals covered in the relevant Pool. Notwithstanding anything to the contrary in this Section 4.8, the SC shall create a labor-management committee to advise it on certain matters as required by Minn. Stat. 123A.25.

4.9 Authority of Board. The Board, with due consideration given to recommendations submitted by any advisory committee which may be established, shall, unless otherwise expressly agreed, retain final authority in all matters relative to this Agreement and to the Group Employee Benefits and Other Financial and Risk Management Services subject to this Agreement; provided, however, that nothing in this Agreement shall permit the Board to enter into a Group Contract on behalf of a Participant, and that, subject to any applicable notice rules, nothing in this Agreement shall prevent a Participant from withdrawing from this Agreement, any Group Employee Benefit, or any Other Financial and Risk Management Service.

4.10 **Liability Limited.** The Board, its authorized representatives, employees and designees shall have no duty or liability to any of the Participants or Providers with respect to the fees, premiums and/or contract charges, offers, acceptances or binders of coverage, cancellation notices, or other matters relating to a Participant's subscribers, all of which shall be the responsibility of the Participant. The Board, its authorized representatives, employees and designees, and each Participant shall have no duty or liability due to negligence of other Participants and Providers. When it is not exercising the joint powers authorized by this Agreement (and therefore not acting as the Board), the SC Board of Directors shall have no duty or obligation whatsoever to act for the benefit of Participants (as Participants).

4.11 **Withdrawal by Board.** The undertakings for the provision of Group Employee Benefits in this Agreement may be terminated by the Board or the SC (as applicable) at any time.

SECTION 5

RIGHTS AND RESPONSIBILITIES OF PARTICIPANTS

5.1 **Enrollment and Renewal.** Participants may elect whether to participate in any Group Employee Benefit and any Other Financial and Risk Management Service made available by the Board. If a Participant elects to participate in a Group Employee Benefit or Other Financial or Risk Management Service, the Participant must execute any applicable Group Contract, Group Contract amendment, enrollment and renewal documents directly with the Provider.

5.2 **Participants to Furnish Data.** Each Participant agrees to furnish all reasonably necessary employee data directly to the SC or its designee.

5.3 **Remittance of Premiums and Contract Charges.** The Participant shall remit premiums and/or contract charges in the time and manner as from time to time determined by the Board.

5.4 **CBA Employee Benefits.** Each Participant that participates in CBA Employee Benefits shall be solely responsible for the collective bargaining of such benefits, and for providing any notices regarding CBA Employee Benefits, including, without limitation, the obligation to notify certain representatives regarding the adoption of a self-insured health benefit plan set forth in Minn. Stat. 471.617, Subd. 4.

5.5 **Participant Withdrawal.**

5.5.1 **Voluntary Withdrawal.** At any time during a year, (but at least three (3) months prior to renewal), a Participant may terminate its participation in this Agreement or in a Pool upon ninety (90) days written notice to the Board and to all Providers of programs in which it participates.

5.5.2 **Withdrawal Relating to Participant Rate Solicitation.** If a Participant solicits proposals independently of this Agreement when there has not been a fifty percent (50%) increase

in the aggregate rates for that Participant group in a given year, the Board retains the right to deem that the Participant has withdrawn from the appropriate Pool. "Soliciting proposals" shall be defined as requesting and/or accepting written or verbal proposals of any kind, regardless of how formal or informal. Notwithstanding the foregoing, a Participant receiving a 50% or greater increase in the aggregate rate for that Participant group in a given year shall be allowed to solicit proposals without jeopardizing their participation in the Pool. If the Participant elects to reject all proposals and remain a Participant in the Pool, the Participant will receive a rate to be established by the Board.

5.5.3 Withdrawal Relating to Dual Offering. If a Participant offers Group Employee Benefits through an additional or different plan which, in the discretion of the Board, are considered to be substantially similar to those provided by a Pool in which the Participant participates, then the Board retains the right to deem that such Participant has withdrawn from the Pool.

5.5.4 Withdrawal at Annual Renewal. If a material change in any term or condition of a Group Employee Benefit or Other Financial or Risk Management Service in which a Participant participates is proposed to commence as of the Participant's annual renewal date, the Participant may withdraw from the applicable Pool as of the renewal date, provided the Participant gives advance written notice of its intent to withdraw promptly (within 30 days) after receiving notice of the material change, even if such notice is given less than 120 days in advance of the renewal date.

5.6 Effect of Participant Withdrawal. Upon a Participant's withdrawal or deemed withdrawal from this Agreement or from a Pool, the following rules shall apply:

5.6.1 Withdrawal from this Agreement. Upon its withdrawal from this Agreement, a Participant shall be deemed to have withdrawn from all Pools maintained under this Agreement in which the Participant is participating at the time of such withdrawal. If a Participant no longer participates in any Pool, the Participant shall be deemed to have withdrawn from this Agreement, as well as from the applicable Pool(s).

5.6.2 Withdrawal from a Pool. Withdrawal by a Participant from any Pool shall not affect the Participant's participation in any other Pool.

5.6.3 Program Funds. No Program Funds or any other amounts that may, in any way, be attributable to a Participant's participation in a Pool shall be returned to the Participant in the event such Participant's participation in the Pool ends prior to the Pool's termination.

5.6.4 Future Participation Limited. If a Participant withdraws or is deemed by the Board to have withdrawn from a Pool, such Participant's participation in such Pool shall be prohibited for a period of twenty-four (24) months from the date of such withdrawal or deemed withdrawal. If a Participant withdraws or is deemed by the Board to have withdrawn from this Agreement, such Participant's participation in this Agreement (and any Pool offered hereunder) shall be prohibited for a period of twenty-four (24) months from the date of such withdrawal or deemed withdrawal.

SECTION 6

PROGRAM FUNDS ADMINISTRATION

6.1 **Program Funds.** It is understood and agreed that, in connection with the Group Employee Benefits and Other Financial and Risk Management Services made available pursuant to this Agreement, the Board may acquire Program Funds. The Board may, in its discretion, establish and maintain separate accounts for specified portions of the Program Funds, and may designate specific purposes, such as the payment and financing of Group Employee Benefits or the stabilization of the cost of such benefits, for which the amounts credited to such account shall be used, but it shall not be required to do so.

6.2 **General Rules Regarding Management and Disposition of Program Funds.** Program Funds shall be used solely for the purposes of providing Group Employee Benefits and Other Financial and Risk Management Services, providing related services, defraying the reasonable expenses of administering such benefits and services, and, if the Board determines that such use would either directly or indirectly benefit Participants (e.g., by spreading risk, achieving economies of scale, generating revenues or enhancing the Board's ability to negotiate with Providers as a result of the Board's visibility, presence in the marketplace or enhanced expertise), establishing, providing and administering similar benefits and services offered by the joint action of other governmental units. Program Funds shall not inure to the benefit of the Board; this prohibition shall not, however, prohibit the payment of service fees to an SC as provided below. Subject to the foregoing, the Board, in its sole discretion, shall determine the management and disposition of the Program Funds. The Board may consider Advisory Committee recommendations regarding the use of Program Funds before any determinations are made. The following are examples of purposes for which the Board may use and apply Program Funds.

(a) to negotiate the purchase of, administer, provide and maintain (either directly or through the purchase of insurance, or both) Group Employee Benefits (including, but not limited to programs related to the purpose for which the Fund was created, such as, for example, in the case of a Health Pool, an Employee Assistance Program (EAP) and Wellness Program) and Other Financial and Risk Management Services;

(b) to pay or provide for the payment of reasonable and necessary expenses of administering Group Employee Benefits and Other Financial and Risk Management Services including, without limitation, all expenses which may be incurred in connection with the establishment and administration of Pools, the employment of administrative, legal, accounting, other expert and clerical assistance, the leasing of such premises and the purchase of lease materials, supplies, equipment, and liability and property insurance;

(c) to establish and accumulate funds deemed adequate by the Board to carry out the purposes of the Pools, for example, for purposes of rate stability and risk reserve;

(d) to pay any federal, state or local income, employment, death or other tax which may be properly imposed on or levied against Group Employee Benefit, Other Financial and Risk Management Service, a Pool, or on benefits paid therefrom;

(e) to pay for any bond and to pay the premiums on any insurance purchased by a Pool, including, but not limited to liability insurance, "stop loss" insurance and other insurance intended to pay directly or indirectly the benefits established with respect to a Pool; and

(f) to pay the SC any service fee payable to it pursuant to, or authorized pursuant to, this Agreement.

6.3 Investment of Program Funds. Program Funds shall be held and invested in a manner that is consistent with any applicable legal requirements regarding the holding and investment of funds by the Participant Members who are governmental units within the meaning of Minn. Stat. 471.59.

6.4 Withdrawal of Participant. In the event of the withdrawal of a Participant prior to the termination of this Agreement or of a Pool, Program Funds attributable to contributions of such Participant shall not be returned to such Participant.

6.5 Termination of Pool. In the event of termination of a Pool, any portion of the Program Funds that has been designated for use solely in connection with the terminating Pool, and any other portion allocated to the terminating Pool by the Board in its sole discretion, shall be distributed to the Pool Participants in a manner to be determined by the Board, which may include the following:

- (a) payment of benefits to or on behalf of enrolled employees with respect to claims arising prior to such termination;
- (b) provision of similar benefits for such employees;
- (c) payment of reasonable and necessary expenses incurred in such termination;
- (d) payment of taxes; and
- (e) cash payments to Participant Members according to a formula established by the Board.

Upon such termination, the Board shall continue to serve for such period of time and to the extent necessary to carry out the directions of the preceding sentence. The Participants who receive such distributions shall be solely responsible for determining whether, and to what extent, any amounts they receive will be distributed to individuals who were covered by benefit programs provided by the terminating Pool.

6.6 **Funding of Risk.** Premiums may be adjusted, but no retroactive assessment shall be made without consent and agreement by the affected Participants. Subject to their obligation to provide accurate information regarding the individuals who will receive benefits from a Pool, no Participant or its employees shall bear any financial risk other than the agreed upon premium.

SECTION 7

LENGTH OF AGREEMENT AND TERMINATION

Pursuant to Minn. Stat. 471.59, Subd. 4, but subject to the provisions herein relating to Participant withdrawal, this Agreement shall be ongoing.

SECTION 8

LIABILITY OF PARTIES

Any Participant to this Agreement holds the Board and its employees and its designees, and the SC and its board, employees and designees, harmless from any and all causes of action arising at law or in equity unless such action shall arise from its or their gross negligence and is permitted, after application of all doctrines and statutes respecting immunity, by applicable law. The parties agree to waive any rights to litigation from any dispute arising out of this Agreement unless such action is the result of intentional wrongdoing. All benefits hereunder are the sole responsibility of the Provider(s) and the Participants, and shall not be the responsibility of the Board or the SC.

SECTION 9

AGREEMENT BY PARTICIPATION

Any governmental unit, and any nonprofit or non-governmental entity, which participates in any of the Group Employee Benefits or Other Financial and Risk Management Services and remits premium and/or contract charges in accordance with this Agreement, shall be deemed to have approved this Agreement and, in the case of an eligible governmental unit, to have executed this Agreement by its duly authorized officers, and shall be bound by the terms and conditions of this Agreement to the same extent as if such formal approval had been obtained and such execution had occurred.

Pursuant to all applicable state and federal laws, this Agreement has been approved by the governing boards of the parties and is signed by the duly authorized officers of the parties.

PARTICIPANT MEMBER

Name of Organization _____

By _____

Title _____

Date _____

SERVICE COOPERATIVE

Name of Organization Northeast Service Cooperative

By Renee DeLuna

Title Executive Director

Date 11/20/03

ADDENDUM A

SC Service Fees

The SC shall be paid a monthly administration fee as provided in Section 5.3 of the Operating Agreement between the SC and Blue Cross and Blue Shield of Minnesota equal to \$9.85 per month per contract adjusted by the consumer price index annually beginning September 1, 2003.



The Greater Minnesota Agency, Inc.

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

November 17, 2003

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

RE: NECSU quote # 2

Dear Craig:

We obtained yet another quote from the Northeast Cooperative Service Unit from BCBSM.

This quote would change the City's insurance rate date from October, 2003 to January, 2004 with the rate guarantee changed from October, 2004 to January, 2005. Your present rates would thus change effective January 1, 2004 to the lower rates, which are compared as follows:

Current Monthly BCBSM Rate: \$31,649.00
(based on 8/01/03 census-includes retirees)

BCBSM/NECSU Quote: \$29,948.00
(includes retirees)

This would mean a savings to the City minimally of \$1,701 per month or 5.6%.

Please review the enclosed NECSU proposal and contact me should you decide to pursue this option.

Sincerely,

Mick Giblin
Authorized Agent

Enclosure

★ Insurance: Health, Dental, Life, Std., Ltd.

★ Insurance Services: Medical & Dental Customer Service

★ Consulting Services: Dental & Medical Expense for Employers and Insurers

1 / 26 / 2003

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CITY COUNCIL

North East Region of the City, County, and Other Governmental
Agency Service Cooperative

Small Employer Offer of Coverage for

City of Mt. Iron

BCBSM/Service Cooperative Minimum Premium

Health Plan #1: coverage-i.e. Double Gold Plan

Single: \$439.00 8 Contracts

Family: \$1,101.50 24 Contracts

Monthly Premium: \$29,948.00

Servicing Year: 1/1/04 to 12/31/04

Rates quoted above are valid for only 10 working days from the effective date of 1/1/04.

The employer accepts this offer of coverage by signing and dating this form.

Authorized Representative of the Employer

Date

This is only an outline of benefits. All benefits are detailed in the contract or certificate. Any changes in the group's census will affect the above rates. Any questions regarding these or any statements in this offer should be directed to your agent or BCBSM Sales Representative.

A Proposal
for
City of Mt. Iron
from the
Blue Cross and Blue Shield of Minnesota *
Family of Companies
October 31, 2003

This proposal and all attachments are confidential.

* An independent licensee of the Blue Cross and Blue Shield Association

North East Region of the City, County, and Other Governmental Agency Service Cooperative

Minimum Premium Funding

We charge you a flat monthly rate for each employee. Other features of minimum premium funding include:

Features

1. Claims in excess of \$75,000 per member for a contract year are not charged to your account's historic claims costs. This feature, called specific stop loss, helps stabilize future rate increases. Transplant claims are included under the specific stop loss.
2. Rates quoted are valid for only ten (10) working days from the effective date of January 1, 2004 and are contingent on this group joining the North East Region of the City, County, and Other Governmental Agency Service Cooperative.

Services included in the rates quoted

- No claims to file when using participating providers
- Enrollment on site by our representatives
- Claims processing and payment
- Customer service
- Membership/eligibility records
- ID cards
- Summary Plan Description
- Administrative manual for account's group coordinator
- Cost containment programs
- Reporting
- Provider networks and the value of our provider savings net of the provider savings fee

North East Region of the City, County, and Other Governmental Agency Service Cooperative

Contingencies – Minimum Premium

1. This quote is based on the current rates and enrollment. If you request different benefits or if actual enrollment varies from expected by more than 10%, the rates will change.
2. Rates quoted are valid for only ten (10) working days from the effective date of January 1, 2004. Rates are contingent on this group joining the North East Region of the City, County, and Other Governmental Agency Service Cooperative
3. Rates include \$19.00 per contract consulting/service fee.
4. If this group accepts the Service Cooperative bid/proposal it is with the understanding that the Service Cooperative has accepted, on the behalf of all their member groups, the following:
 - Implement behavioral health care benefit parity. Benefits for behavioral health care will include both inpatient and outpatient treatment and will be provided at the same level of coverage as medical services. Essentially making things equal.
 - Binding decisions by the Administrative Review Committee (ARC). The ARC is a three-member committee established to review and make a determination whether to affirm or reserve a denial of coverage of benefits.



Saint Louis County

Solid Waste Department • 307 First Street South, Suite 115 • Virginia, MN 55792

Phone: (218) 749-9703 or 1-800-450-9278 • Fax: (218) 749-0650

Email: troolint@co.st-louis.mn.us

Ted Troolin

Director

November 14, 2003

City Administrator
City of Mt. Iron
8586 Enterprise Dr So
Mt. Iron, MN 55768

Re : Agreement with St. Louis County

Enclosed are four copies of the Agreement between St. Louis County and the City of Mt. Iron. Please sign all four copies and return them to our office at the above address. When all signatures have been affixed, a fully executed original copy will be sent to you for your files.

A copy of the St. Louis County Purchase Order my accompany these contracts. Please retain for your records. Reference the Purchase Order number when invoicing St. Louis County. If the Purchase Order is not enclosed you will receive one shortly.

Sincerely,

Cheryl Sharp
Information Specialist II
Solid Waste Department

St. Louis County Solid Waste Department

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

THIS AGREEMENT, made as of this _____ day of _____, 2003, by and between ST. LOUIS COUNTY, a body corporate and politic existing under the laws of the State of Minnesota, hereinafter referred to as "County", and the CITY OF MT. IRON, hereinafter referred to as "Provider."

WITNESSETH:

WHEREAS, the County and Provider entered into an Agreement, hereinafter referred to as the "original Agreement" on January 1, 2000, which allows the County to pay for the processing and marketing of Curbside collected recyclable materials, up to a predetermined maximum tonnage, weighed and hauled by the Provider to the County-owned recyclables processing facility or recyclables transfer station; and

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

WHEREAS, Section I of the original Agreement provides for four one-year extensions of the Agreement; and

WHEREAS, the County and Provider have negotiated the fourth one year extension of the original Agreement.

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

1. To extend the Term of the Agreement to December 31, 2004, upon the mutual agreement of both parties as allowed under Article 1 of the original Agreement.
2. That all other provisions of the original Agreement, except as amended herein, shall remain in full force and effect through its duration.

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

CITY OF MOUNTAIN IRON

ST. LOUIS COUNTY

BY: _____
GARY SKALKO
Mayor

BY: _____
DENNIS FINK
County Board of Commissioners

BY: _____
CRAIG WAINIO
City Administrator

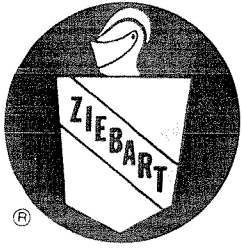
BY: _____
GORDON MCFAUL
County Auditor

BY: _____
TED TROOLIN
Director, Solid Waste Department

APPROVED AS TO FORM &
EXECUTION

BY: _____
AMY H. KURONEN
Assistant County Attorney

2003-1563



Ziebart
Auto·Truck Rustproofing

24 ENTERPRISE DR. N.
VIRGINIA, MN 55792

Phone 218-741-7438 • Fax 218-741-2034

Mr. Craig Wainio
Mt. Iron City Administrator

In October 2001 my front yard was completely excavated to hook up utilities for Randy Cernohlavek. Restoration was to be the following spring it was a battle to finally get some restoration by the fall of 2002. It was done very poorly due to lack of black dirt and not being real level for Mr. Heglund to hydro seed. This spring I hauled in yards of black dirt and hired Mr. Heglund to landscape and seed it and it is now decent.

This is what I now need:

1. money for the dirt
2. money for a load of rock for the driveway
3. sign is ok for now but it was pushed out of the way with a cat
4. money for reseeding
5. fix lite on lite pole as per Don K.
6. please let me know if the property next door is ever for sale

I do not care about my poor neighbor anymore I was given insurances I would'nt have to fight with him. I am not a hard person to get along with , and no one else in town would of waited 1½ to 2 years to get this done. It should not have cost me money to do this. Just send me a check for my expenses and fix my lite.

Sincerely,

Larry Nelson

357311

ORDER INFO	customer's order no.	phone	date <u>June 3, 03</u>	
	name <u>Giebart</u>			
	address <u>8425 Enterprise Drive N.</u>			
	city, state, zip <u>Virginia mn. 55792</u>			
	sold by		cash <input checked="" type="checkbox"/> charge <input type="checkbox"/> c.o.d. <input type="checkbox"/> on acct. <input type="checkbox"/>	shipping information

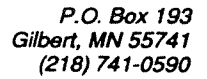
quantity	description	price	amount
1	40 yd mixed dirt		704.00
2	sales tax		45.76
3			749.76
4	Pd ck no. 16,283		
5			
6	Thank you		
7			
8	Walt & Dauter		
9	5088 Maple Dr.		
10	Gilbert, mn 55744		
11			
12			
13			
14			

received by _____

adams

keep this slip for reference

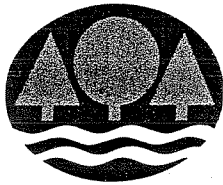
DC5808UV



Name Zickert
Address 24 Enterprise Dr N
City Virginia State mn ZIP 55792

Date	Description	Amount
7-22-02	Previous Balance	200 00
	Payment 7-20-02	100 00
	Balance	100 00
	I paid for 1 load	
	+ as per copy	
	Plumbing & Heating	
	Direct paid for	
	1 load	
	TOTAL	100 00

"For all your gravel and aggregates needs"



Minnesota Pollution Control Agency

November 4, 2003

CERTIFIED MAIL NO. 7003 1010 0004 1788 6754
RETURN RECEIPT REQUESTED

Mr. Gary Skalko, Mayor
City of Mountain Iron
8586 Enterprise Drive South
Mountain Iron, Minnesota 55768

RE: Mountain Iron Wastewater Treatment Facility, NPDES/SDS Permit No. MN0040835
Notice of Violation

Dear Mayor Skalko:

On April 24, 2003 John Thomas of the Minnesota Pollution Control Agency (MPCA) inspected the above referenced wastewater treatment facility. As a result of that inspection, and subsequent file review a 10-Day Letter from the MPCA was sent to the City of Mountain Iron (City) on June 6, 2003. The City responded to the 10-Day Letter. After consideration of the City's response, the following violations of state rules, statutes and NPDES/SDS permit conditions are noted:

1. State statute and rules prohibit discharge of sewage or partially treated sewage into waters of the state, and require reporting of such discharge if it does occur; and
2. effluent Total Residual Chlorine (TRC) concentrations were frequently in violation of the effluent limit contained in the NPDES/SDS permit.

The first item above pertains to the City's past practice of bypassing untreated wastewater to the City's former stabilization ponds during periods of high flow in the collection system. The current NPDES/SDS permit describes this bypass point as discharging to holding ponds that do not discharge to surface waters. MPCA staff had been informed by City staff members that the stabilization ponds did not have a discharge to surface waters and the NPDES/SDS permit reflects that information. It has recently been determined that the ponds do discharge to surface waters and as a result the City has stopped bypassing to the ponds.

The NPDES/SDS permit does not authorize bypassing of untreated wastewater that is a result of system inadequacy during typical rain events. To address these issues, the enclosed Notice of Violation (NOV) is being issued to the City. The City will need to develop and implement a long-term solution to problems caused by excessive wet-weather flows in the collection system and at the treatment facility. In the meantime, the City will be required to evaluate the best operations approach during periods of high flows that will result in the least environmental impact.

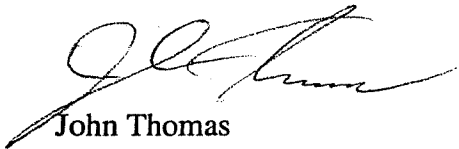
Mr. Gary Skalko, Mayor

Page 2

November 4, 2003

You are required to submit a written response to the violations cited above within 30 days of receipt of this NOV. The deadlines and information you should include with your response are also detailed in the NOV. The MPCA views the violations listed in the NOV as serious. If you have any questions regarding this matter, please feel free to contact me at (218) 723-4928.

Sincerely,



John Thomas
Regular Facilities Unit
Duluth Regional Office

JT:kt

cc: Don Kleinschmidt, Public Works Director
Rick Cool, Assistant Attorney General
Loren Voigt, MPCA

Enclosure

**STATE OF MINNESOTA
Minnesota Pollution Control Agency
Regional Environmental Management Division**

NOTICE OF VIOLATION

In the Matter of: City of Mountain Iron Waste Water Treatment Facility
 NPDES/SDS Permit No. MN 0040835

To: Mr. Gary Skalko, Mayor
 City of Mountain Iron
 8586 Enterprise Drive South
 Mountain Iron, Minnesota 55768

PLEASE BE ADVISED, that the Minnesota Pollution Control Agency (MPCA) has sufficient information to indicate that Mountain Iron (City) has violated the following state statute, rules and National Pollutant Discharge Elimination System (NPDES)/State Disposal System (SDS) permit conditions at its Waste Water Treatment Facility:

1. Minn. Stat. § 115.061 Duty to notify and avoid water pollution.

(a) Except as provided in paragraph (b), it is the duty of every person to notify the agency immediately of the discharge, accidental or otherwise, of any substance or material under its control which, if not recovered, may cause pollution of waters of the state, and the responsible person shall recover as rapidly and as thoroughly as possible such substance or material and take immediately such other action as may be reasonably possible to minimize or abate pollution of waters of the state caused thereby.

Alleged Violation: During a Compliance Monitoring Survey inspection conducted by MPCA staff on April 24, 2003 it was noted that effluent from the holding ponds was discharging to the unnamed stream that is tributary to Mashkenode Lake. Although the holding ponds are an authorized bypass point in the permit, they were authorized with the understanding that the ponds did not have a surface water discharge. During previous inspections, the operator had informed MPCA staff that the ponds do not discharge to surface waters. Previous inspection reports indicated that because the ponds did not have surface water discharges, reporting the bypasses to the State Duty Officer was not required. The City did not report the discharge from these ponds to the State Duty Officer and had not taken actions necessary to prevent further discharge.

2. Minn. R. 7050.0210, Subp. 1. Untreated sewage.

No untreated sewage shall be discharged into any waters of the state. Effective disinfection of any discharges, including combined flows of sewage and storm water, will be required where necessary to protect the specified uses of the waters of the state.

Alleged Violation: Given the flow-through and uncontrolled operation of the holding ponds, the sewage effluent from the ponds does not receive adequate disinfection.

3. Minn. Stat. 115.07, Subdivision 1. states in part:

It shall be unlawful for any person to construct, install or operate a disposal system, or any part thereof, until plans therefore shall have been submitted to the agency unless the agency shall have waived the submission thereof to it and a written permit therefore shall have been granted by the agency.

Minn. R. 7001.1030, Subpart 1. Permit required.

Except as provided in subpart 2, no person may discharge a pollutant from a point source into the waters of the state without obtaining a National Pollutant Discharge Elimination System permit from the agency.

Alleged Violation: Surface discharge station SD001 in NPDES/SDS permit MN0040835 does not authorize discharge of untreated effluent to surface waters. The discharge from the holding ponds to surface waters is not authorized by the permit.

4. Minn. Stat. 115.075 Information and monitoring. Paragraph (1)

A person may not: (1) make a false material statement, representation, or certification in; omit material information from; or alter, conceal, or fail to file or maintain a notice, application, record, report, plan, manifest, or other document required under section 103F.701 or this chapter or chapter 114C, 115A, or 116;

Alleged Violation: The NPDES/SDS permit application received on July 10, 2001 did not indicate that the holding ponds discharged to surface waters. This is considered an omission of material information.

5. NPDES/SDS Permit MN0040835 Chapter 6, Part 11.2 states:

The Permittee is responsible for insuring system reliability and shall install adequate backup or auxiliary facilities to achieve compliance with the conditions of the permit and prevent the discharge of untreated or inadequately treated water.

NPDES/SDS Permit MN0040835 Chapter 6, Part 11.1 states:

The Permittee shall properly operate and maintain the systems used to achieve permit compliance. Proper operation and maintenance includes effective performance, adequate funding, adequate staffing and training, and adequate process and laboratory controls, including appropriate quality assurance procedures.

Alleged Violation: During the MPCA inspection of April 24, 2003 it was noted the flow proportioning chlorine dosing system no longer functions, which likely contributed to the Total Residual Chlorine (TRC) violations indicated in (6) below.

In addition, a review of bypassing to the holding ponds during 2001-2002 indicates the dates and volumes in million gallons (mg) that bypasses occurred:

June 13, 2002	0.360 mg
June 22, 2002	1.080 mg
July 8, 2002	0.270 mg
August 1, 2002	0.405 mg
October 4, 2002	0.540 mg
April 4, 2001	0.630 mg
April 7, 2001	1.620 mg
April 22, 2001	0.900 mg
May, 2001	1.236 mg (two bypasses – 5/21 and 5/25)
August 1, 2001	0.180 mg

These bypasses to the holding ponds were discharges of inadequately treated wastewater to surface waters.

6. **NPDES/SDS Permit No. MN0040835, Page 7** indicates the following limit for total residual chlorine: 0.038 mg/l as a daily maximum sampled once per day.

The MPCA policy on Total Residual Chlorine (TRC) monitoring indicates that operators must use methods with detection limits of at least 0.1 mg/l. The facility operator calculated his method detection limit at 0.05 mg/l. Given this detection limit, in order to comply with the permit limit, the concentrations at the facility for TRC must average < 0.05 mg/l (below the method detection limit). The following TRC daily maximum concentrations exceeded the detection method for the facility and are in violation of the permit limit:

0.12 mg/l	April, 2000
0.15 mg/l	May, 2001
0.060 mg/l	July, 2001
0.042 mg/l*	August, 2001

0.108 mg/l	April, 2002
0.280 mg/l	May, 2002
0.062 mg/l	August, 2002

*The operator reported this as the detection level so it is assumed the method detection limit for that month was < 0.042 mg/l.

Alleged Violation: The Compliance Monitoring Survey inspection report of February 4, 2002 cited several of the above TRC violations that occurred in 2000 and 2001. The Permittees response to the corrective action requirements in that report was that a different analytical method would be used for TRC determination and that chlorine would be dosed on a flow proportional basis. During the April 24, 2003 inspection, the operator indicated that the chlorine dosing flow proportioning equipment no longer functioned properly.

CORRECTIVE ACTION

In order to address the alleged violations cited in this Notice of Violation (NOV), the City is to respond accordingly:

- 1) report all bypasses, per Chapter 6, Part 9.1 of NPDES/SDS Permit No. MN0040835, at SD001 to the Duty Officer (800-422-0798) as soon as possible after the initiation of bypassing.
- 2) within 30-days of receipt of this NOV complete measures to prevent surface discharge from the ponds at SD001 (e.g. plugging of the discharge structure at the secondary pond).
- 3) within 30-days of receipt of this NOV, provide a protocol for bypassing – indicating what events will trigger the need to bypass and where bypasses will occur.
- 4) within 60-days of receipt of this NOV, provide a plan and schedule for conducting a detailed evaluation of the integrity of the collection system and an evaluation of clear water inputs. Plan implementation should be completed by fall, 2005. If portions of the collection system will not be televised, the plan must justify why televising is not

necessary in those areas. The plan should indicate when a final report will be completed that will summarize the findings and prioritize sewers that need maintenance or replacement.

- 5) within 30-days of receipt of this NOV, provide a plan for education and enforcement of City Ordinance Number 01-03. The plan should include information on education and outreach efforts the City will make before that date. The plan must indicate how the City shall determine compliance with the ordinance.
- 6) provide a quarterly update of sump pump/footing drain/downspout inspections completed by the City as well as a compliance rate with Ordinance Number 01-03 for all inspected properties up to and including that quarter. Quarterly reports are due within 30-days of the end of the quarter; the first quarterly report is due January 30, 2004 for the quarter ending December 31, 2003. The final quarterly report will be due by January 30, 2005 for the quarter ending December 31, 2004. A compliance determination shall be made on all residential properties by the time the final quarterly report is due.
- 7) within 30-days of receipt of this NOV, provide a written response indicating what actions the City will take to prevent TRC violations in the future if it is found that even after following the Corrective Action Report procedure there is a TRC violation. The City indicated in its response to the April 24, 2003 MPCA inspection report that the procedure outlined in the MPCA Total Chlorine Residual – Corrective Action Report would be implemented whenever a TRC violation is initially observed.

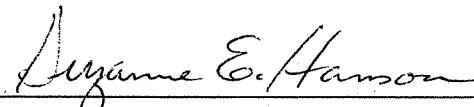
THEREFORE, you are hereby given notice that the above violations have been

recorded and documented by MPCA. The MPCA reserves the right to seek any and all remedies available under Minn. Stat §§ 115.071, 116.072 and 609.671, and all applicable rules for any violation cited in the NOV.

This NOV and your response does not preclude the MPCA from taking further action with respect to the noncompliance alleged above. Repeated failure to comply with applicable federal and state requirements may result in initiation of further enforcement action, including action in court. If you believe the allegations in this NOV are incorrect, please respond in writing within 30 days after receiving this NOV and explain any inaccuracies.

DATE: November 4, 2003

MINNESOTA POLLUTION CONTROL AGENCY
DULUTH REGIONAL OFFICE

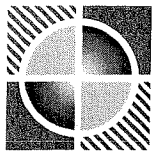


Suzanne Hanson, Regional Manager

CERTIFIED MAIL NO. 7003 1010 0004 1788 6754
RETURN RECEIPT REQUESTED

Contact for further correspondence and address submittals requested above to:

John Thomas
Minnesota Pollution Control Agency
525 S. Lake Avenue
Suite 400
Duluth, Minnesota 55802
(218) 723-4928



BENCHMARK ENGINEERING, INC.

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

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

November 11, 2003

City of Mountain Iron
Attn: Don Kleinschmidt, Public Works Director
8586 South Enterprise Drive
Mountain Iron, MN 55768

RE: Eagle Avenue Sanitary Sewer Recommendations
File No.: MI03-22

Don:

As requested we have completed our review and analysis of the sewer line failure along Eagle Avenue and offer the following recommendations. Enclosed with this letter is a map indicating the segments of sanitary sewer reviewed.

Based upon discussions with City Staff, the segment of sanitary sewer from manhole P5 to P6 is in need of repair. In addition, based upon field observation, it would also be advisable to repair the segment of sanitary sewer from manhole P5-1 to P5. Segment P5 to P6 has had several tree roots grow into the line, which have created a nearly impassable line. Segment P5-1 to P5 has a 0.1% slope, which is well below the minimum slope of 0.25% for a 10" sanitary sewer main.

Enclosed with this letter are two preliminary cost estimates for reconstruction repairs to these segments of sanitary sewer. The first estimate, Option A, entails the complete reconstruction of manhole P5 and the reconstruction of 359 feet of 10" sanitary sewer main west of manhole P5. The second estimate, Option B, entails the complete reconstruction of manhole P5 and reconstruction of 685 feet of 10" sanitary sewer main both west and north of manhole P5.

Based upon the observed problems with both segments of the sanitary sewer main, it is our recommendation to proceed with Option B. It is noted that the current observed flow problems by City Staff are primarily located within the segment of sanitary sewer main covered by Option A.

A third and less costly option would be to have both of these segments of sanitary sewer main cleaned, televised and smoke tested as a quick fix to the current flow problems. This would, in our opinion, be a temporary solution and would allow a complete evaluation of the videotapes and the ability to further plan for a reconstruction project in the near future. An estimated cost for this work would be approximately \$1500-\$2000.

Please feel free to contact me at (218) 735-8914 with any questions or comments regarding this letter and the proposed recommendations.

Sincerely,

BENCHMARK ENGINEERING, INC.

A handwritten signature in dark ink, appearing to read "Eric E. Fallstrom", with a long horizontal flourish extending to the right.

Eric E. Fallstrom, P.E.

Encl.



November 11, 2003

CITY OF MOUNTAIN IRON

Engineer's Opinion of Probable Construction Cost
Eagle Avenue Sanitary Sewer
Mountain Iron, MN
Project No. : MI03-22

OPTION A:

INCLUDES REPAIR OF MAIN FROM THE SOUTH END
OF EAGLE AVE. WESTERLY TO MANHOLE P6.

SPEC. NO	ITEM	UNITS	PROJECT QUANTITIES	ITEM COST	TOTAL AMOUNT
2101.511	CLEARING & GRUBBING	LUMP SUM	1.0	\$1,500.00	\$1,500.00
2503.511	10" PVC PIPE SEWER, SDR 35	LIN. FT.	359.0	\$30.00	\$10,770.00
2503.602	CONNECT TO EXISTING MANHOLE	EACH	1.0	\$500.00	\$500.00
2506.501	CONST. DRAINAGE STRUCTURE DES. 4007	LIN. FT.	12.8	\$200.00	\$2,560.00
2506.516	CASTING ASSEMBLY	EACH	1.0	\$300.00	\$300.00
2575.501	SEEDING	LUMP SUM	1.0	\$1,000.00	\$1,000.00

ESTIMATED CONSTRUCTION COST: \$ 16,630.00
CONTINGENCY: \$ 1,663.00
DESIGN ENGINEERING: \$ 1,496.70
CONSTRUCTION ENGINEERING: \$ 1,663.00

ESTIMATED TOTAL: \$ 21,452.70

BENCHMARK ENGINEERING, INC.

Eric E. Fallstrom, P.E.
Project Engineer



November 11, 2003

CITY OF MOUNTAIN IRON

Engineer's Opinion of Probable Construction Cost

Eagle Avenue Sanitary Sewer

Mountain Iron, MN

Project No. : MI03-22

OPTION B:

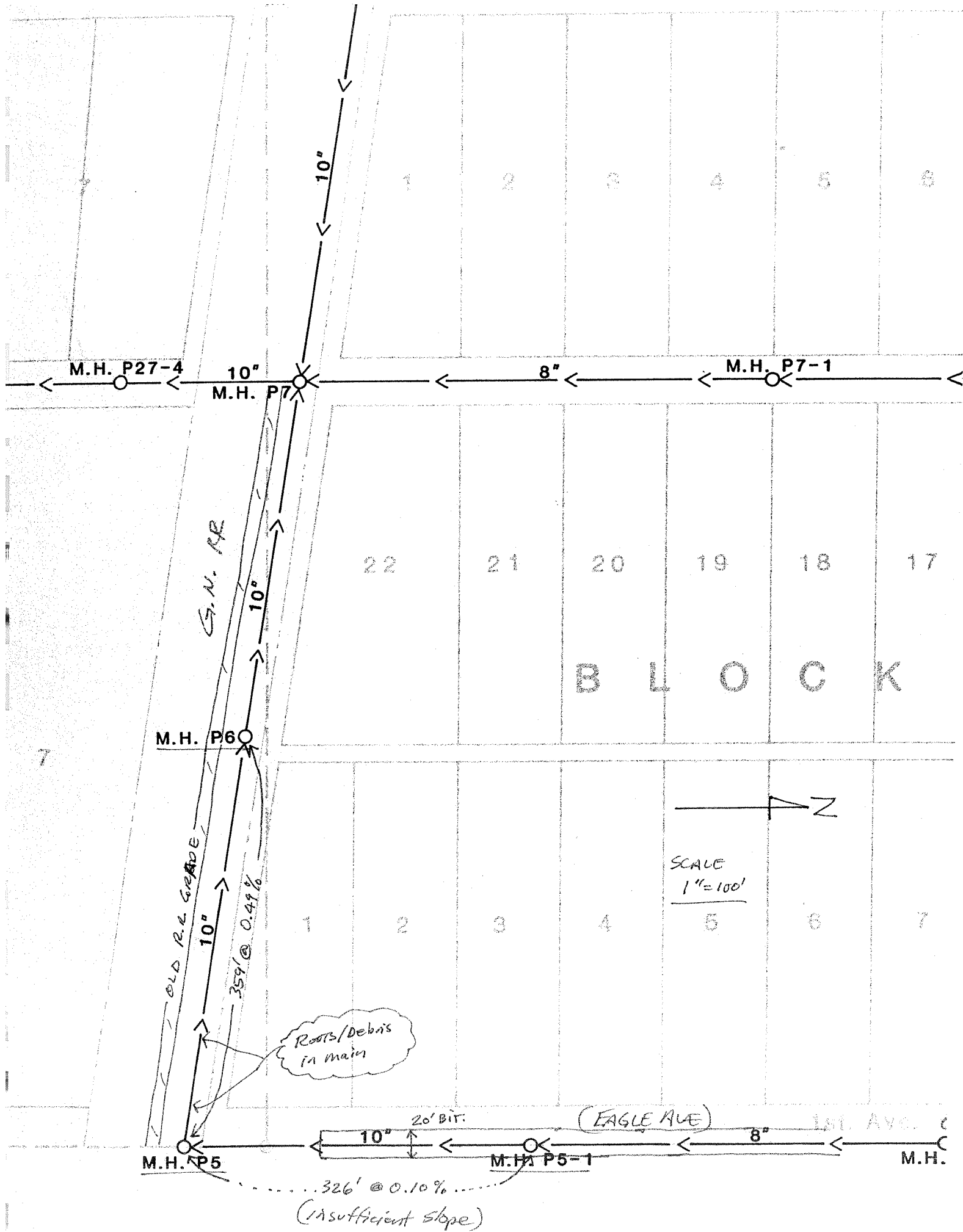
INCLUDES OPTION A WORK, AS WELL AS APPROX.
326' OF SAN. SEWER NORTHWARD ALONG EAGLE
AVENUE TO MANHOLE P5-1.

SPEC. NO	ITEM	UNITS	PROJECT QUANTITIES	ITEM COST	TOTAL AMOUNT
2101.511	CLEARING & GRUBBING	LUMP SUM	1.0	\$1,500.00	\$1,500.00
2104.503	REMOVE PAVEMENT	SQ. YD.	435.0	\$2.00	\$870.00
2211.503	AGGREGATE BASE (CV), CLASS 5	CU. YD.	100.0	\$16.00	\$1,600.00
2350.501	TYPE LV4 WEARING COURSE MIXTURE (B)	TON	86.0	\$45.00	\$3,870.00
2503.511	10" PVC PIPE SEWER, SDR 35	LIN. FT.	685.0	\$28.00	\$19,180.00
2503.602	10" X 6" PVC WYE, DR 26	EACH	2.0	\$150.00	\$300.00
2503.602	CONNECT TO EXISTING MANHOLE	EACH	2.0	\$500.00	\$1,000.00
2506.501	CONST. DRAINAGE STRUCTURE DES. 4007	LIN. FT.	12.8	\$200.00	\$2,560.00
2506.516	CASTING ASSEMBLY	EACH	1.0	\$300.00	\$300.00
2575.501	SEEDING	LUMP SUM	1.0	\$1,000.00	\$1,000.00

ESTIMATED CONSTRUCTION COST: \$ 32,180.00
CONTINGENCY: \$ 3,218.00
DESIGN ENGINEERING: \$ 2,896.20
CONSTRUCTION ENGINEERING: \$ 3,218.00
ESTIMATED TOTAL: \$ 41,512.20

BENCHMARK ENGINEERING, INC.

Eric E. Fallstrom, P.E.
Project Engineer





CIVIL AND ENVIRONMENTAL ENGINEERING • PLANNING
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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 17, 2003

City of Mountain Iron
Attn: Don Kleinschmidt, Public Works Director
8586 South Enterprise Drive
Mountain Iron, MN 55768

RE: Heather Avenue Drainage Recommendations
File No.: MI03-24

Don:

As requested we have completed our review and analysis of drainage at the north end of Heather Avenue and offer the following recommendations. Enclosed with this letter is a map indicating the proposed storm sewer improvements required to improve drainage conditions along the northerly portion of Heather Avenue.

There were three options considered. The first option is to convey drainage flows easterly along Unity Drive to Silver Creek. Appropriate grades to convey drainage flows are available, thus this option is feasible. The second option is to convey drainage flows southerly along Heather Avenue and ultimately connect to Silver Creek. This option appears feasible, but further field analysis is required to determine exact grades. The third option is to convey drainage flows westerly along Unity Drive to the existing 18" pipe installed in 2002 just east of Mud Lake Road. This option is not feasible due to the existing grades of the pipe, thus not having the appropriate slope to convey drainage.

Option 1 would entail minor ditching and grading along the northerly portion of Heather Avenue. A 24" storm sewer pipe would then convey the drainage along the north side of Unity Drive easterly to Silver Creek. Both the north and south sides of Unity Drive have extensive utility conflicts, which would need further evaluation to determine the best location for the storm sewer, but at this time it appears the north side would be the most effective option. Enclosed please find the preliminary construction cost estimate for Option 1.


Option 2 would also entail minor ditching and grading along the northerly portion of Heather Avenue. A 24" storm sewer pipe would convey the drainage southerly along Heather Avenue, and then to the east across private property to Silver Creek. This option involves an increased amount of storm sewer pipe, however, the construction thru this area will most likely be simplified due to fewer underground utility conflicts. Easement acquisition would also be required, as private property would be crossed with the proposed pipe. Enclosed please find the preliminary construction cost estimate for Option 2.

At this time, it would be our recommendation to authorize further fieldwork to pursue Option 2 to alleviate drainage concerns along Heather Avenue. This would allow us to completely evaluate this area for grades. Proceeding with Option 2 also eliminates the potential utility conflicts along Unity Drive associated with Option 1.

Please feel free to contact me at (218) 735-8914 with any questions or comments regarding this letter and the proposed recommendations.

Sincerely,

BENCHMARK ENGINEERING, INC.



Eric E. Fallstrom, P.E.

Encl.



November 17, 2003

ENGINEER'S PRELIMINARY OPINION OF COST

OPTION 1 - UNITY DRIVE CONNECTION

City of Mountain Iron
Heather Avenue - Drainage Plan
Project No. MI03-24

SPEC. NO.	ITEM	UNITS	UNIT COST	ESTIMATED QUANTITY	TOTAL AMOUNT
2101.511	CLEARING & GRUBBING	LUMP SUM	\$ 3,000.00	1.0	\$3,000.00
2104.501	REMOVE CURB & GUTTER	LIN. FT.	\$ 4.00	80.0	\$320.00
2104.503	REMOVE PAVEMENT	SQ. YD.	\$ 4.00	403.0	\$1,612.00
2104.511	SAW PAVEMENT - FULL DEPTH	LIN. FT.	\$ 4.00	388.0	\$1,552.00
2105.501	COMMON EXCAVATION	CU. YD.	\$ 6.00	135.0	\$810.00
2105.511	COMMON CHANNEL EXCAVATION	CU. YD.	\$ 15.00	150.0	\$2,250.00
2105.535	SALVAGED TOPSOIL (CV)	CU. YD.	\$ 6.00	150.0	\$900.00
2211.503	AGGREGATE BASE (CV), CLASS 5	CU. YD.	\$ 15.00	155.0	\$2,325.00
2350.501	TYPE LV4 WEARING COURSE MIXTURE	TON	\$ 48.00	40.0	\$1,920.00
2350.502	TYPE LV3 NON-WEARING COURSE MIXTURE	TON	\$ 48.00	89.0	\$4,272.00
2357.502	BIT MATERIAL FOR TACK COAT	GAL.	\$ 2.00	20.0	\$40.00
2501.515	18" RC PIPE APRON	EACH	\$ 500.00	2.0	\$1,000.00
2501.515	24" RC PIPE APRON	EACH	\$ 600.00	2.0	\$1,200.00
2503.541	18" RC PIPE SEWER DES. 3006	LIN. FT.	\$ 32.00	70.0	\$2,240.00
2503.541	24" RC PIPE SEWER DES. 3006	LIN. FT.	\$ 35.00	1,070.0	\$37,450.00
2506.501	CONST. DRAINAGE STRUCTURE DES. 60-4020	LIN. FT.	\$ 280.00	27.5	\$7,700.00
2506.516	CASTING ASSEMBLY	EACH	\$ 300.00	4.0	\$1,200.00
2511.501	RANDOM RIP RAP CLASS III	CU. YD.	\$ 30.00	23.0	\$690.00
2531.501	CONCRETE CURB & GUTTER - DESIGN B618	LIN. FT.	\$ 15.00	80.0	\$1,200.00
2563.601	TRAFFIC CONTROL	LUMP SUM	\$ 1,500.00	1.0	\$1,500.00
2575.501	SEEDING	ACRE	\$ 2,000.00	0.5	\$1,000.00
2575.505	SODDING	SQ. YD.	\$ 3.00	300.0	\$900.00

ESTIMATED SUBTOTAL: \$75,081.00
CONTINGENCY: \$7,508.10
DESIGN ENGINEERING: \$6,757.29
CONSTRUCTION ENGINEERING: \$7,500.00

ESTIMATED TOTAL: \$96,846.39

NOTES:

1. PROJECT SCOPE IS PROVIDING STORM SEWER FROM THE NORTH END OF HEATHER AVE. TO SILVER CREEK.
2. APPROXIMATE LOCATION OF PROPOSED 24" STORM SEWER IS ALONG NORTHERLY DITCH OF UNITY DRIVE.


BENCHMARK ENGINEERING, INC.



November 17, 2003

ENGINEER'S PRELIMINARY OPINION OF COST

OPTION 2 - HEATHER AVENUE CONNECTION

City of Mountain Iron

Heather Avenue - Drainage Plan

Project No. MI03-24

SPEC. NO.	ITEM	UNITS	UNIT COST	ESTIMATED QUANTITY	TOTAL AMOUNT
2101.511	CLEARING & GRUBBING	LUMP SUM	\$ 4,000.00	1.0	\$4,000.00
2105.511	COMMON CHANNEL EXCAVATION	CU. YD.	\$ 15.00	150.0	\$2,250.00
2105.535	SALVAGED TOPSOIL (CV)	CU.YD.	\$ 6.00	100.0	\$600.00
2211.503	AGGREGATE BASE (CV), CLASS 5	CU. YD.	\$ 15.00	50.0	\$750.00
2501.515	18" RC PIPE APRON	EACH	\$ 500.00	2.0	\$1,000.00
2501.515	24" RC PIPE APRON	EACH	\$ 600.00	2.0	\$1,200.00
2503.541	18" RC PIPE SEWER DES. 3006	LIN. FT.	\$ 32.00	50.0	\$1,600.00
2503.541	24" RC PIPE SEWER DES. 3006	LIN. FT.	\$ 35.00	1,650.0	\$57,750.00
2506.501	CONST. DRAINAGE STRUCTURE DES. 60-4020	LIN.FT.	\$ 280.00	39.4	\$11,032.00
2506.516	CASTING ASSEMBLY	EACH	\$ 300.00	5.0	\$1,500.00
2511.501	RANDOM RIP RAP CLASS III	CU.YD.	\$ 30.00	23.0	\$690.00
2563.601	TRAFFIC CONTROL	LUMP SUM	\$ 1,000.00	1.0	\$1,000.00
2575.501	SEEDING	ACRE	\$ 2,000.00	0.5	\$1,000.00

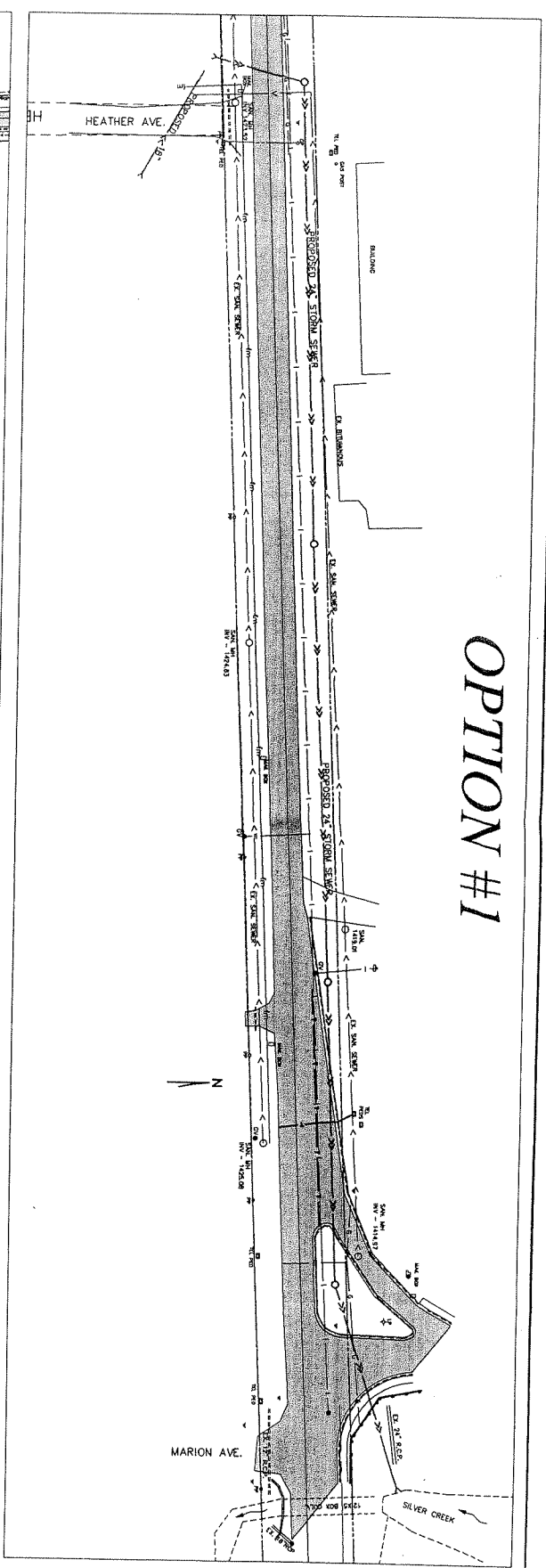
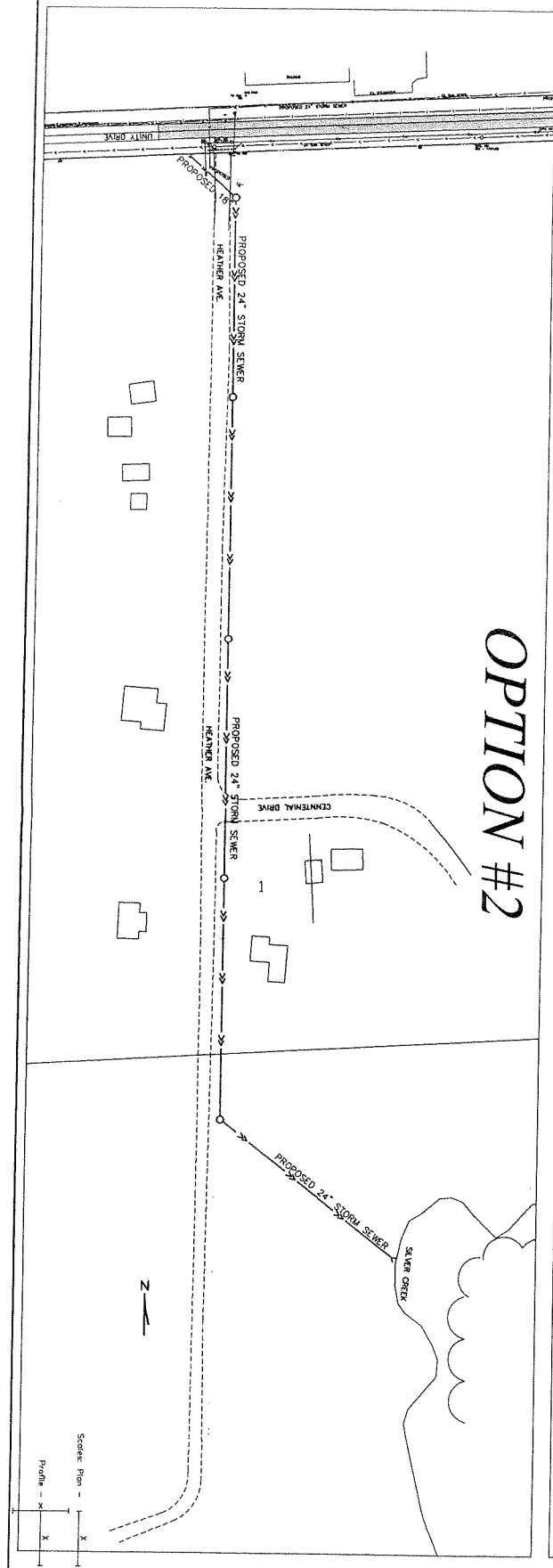
ESTIMATED SUBTOTAL:	\$84,372.00
CONTINGENCY:	\$8,437.20
DESIGN ENGINEERING:	\$7,593.48
CONSTRUCTION ENGINEERING:	\$8,000.00

ESTIMATED TOTAL:	\$108,402.68
------------------	---------------------

NOTES:

1. PROJECT SCOPE IS PROVIDING STORM SEWER FROM THE NORTH END OF HEATHER AVE. SOUTH TO SILVER CREEK.
2. APPROXIMATE LOCATION OF PROPOSED 24" STORM SEWER IS ALONG EASTERLY EDGE HEATHER AVENUE.
3. ESTIMATED TOTAL DOES NOT INCLUDE WORK AND COST FOR EASEMENT ACQUISITION.


BENCHMARK ENGINEERING, INC.



1 OF 1

SHEET NO.

HEATHER AVENUE DRAINAGE PLAN
CITY OF MOUNTAIN IRON, MINNESOTA

OPTIONS #1 & #2

DATE	REVISIONS	DESCRIPTION

CITY OF MOUNTAIN IRON

Benchmark
ENGINEERING, INC.

5875 Main Street Post Office Box 281
Mountain Iron, Minnesota 55121
Phone: 612/335-5914
Fax: 612/335-5914
http://www.benchmark-inc.com

11/26/2003

58

COUNCIL LETTER 120103-IVD1

CABLE TV BOARD

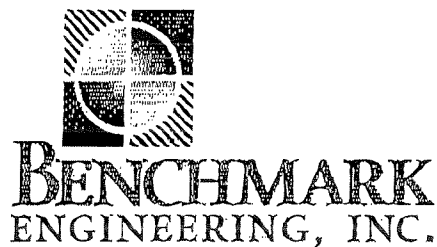
RANGE CABLE TV

DATE: November 25, 2003

FROM: Larry Nanti
Parks & Recreation Director

Craig J. Wainio
City Administrator

Staff has contacted Mr. Bob Muhich, General Manager of Range Cable TV. He explained that Range Cable has no plans to expand into the Mountain Iron area in the future and for him to attend a City Council meeting at this time is not necessary. Mr. Muhich did say that Range Cable has many requests to expand to the East Range.



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

To: CRAIG WAINIO
-CITY OF MOUNTAIN IRON

Date: 11/4/03

Time: 9:00 AM

From: ERIC FRUSTUM

Number of Pages (including transmittal sheet): 2

Comments: CRAIG:

I LOOKED THIS OVER & SPOKE WITH BILL HENNIS RE:
THIS INVOICE. THE ~~EST~~ PROTECT COSTS FOR THE
CONTRACT (BULL HOLE CHANNEL) & CONSTRUCTION ENGINEERING
ARE IN LINE WITH THE NUMBERS THE CITY OF VIRGINIA
HAS INVOICED YOU.

IN MY OPINION THIS IS O.K. TO PAY.

CALL WITH ANY QUESTIONS.

Eric Frustum



City of Virginia
327 1st Street South
Virginia, MN 55792

Telephone: (218) 748-7500

SECOND NOTICE

City of Mountain Iron
8586 Enterprise Drive
Mt. Iron, MN 55768

Invoice #: 00001338

Date: 7/17/2003

Page: 1

Statement of Account

Date	Description	Amount
7/17/2003	City of Mt. Iron's share for the Ballfield Channel Project (DNR Grant) Project costs through 6/30/03 - \$254,575.81 Mt. Iron's share $\$254,575.81 \times 16.7\% = \$42,514.17$ less previous payment of \$29,268.28	\$13,245.89
	City of Mt. Iron's share (33%) of 50% for the Mt. Iron Drive (16th Ave W) Drainage Project - DNR Grant Project cost through 01/01/03 - 6/30/03 - $\$110.00 \times 50\% = \55.00 Mt. Iron's Share - $\$55.00 \times 33\%$	\$18.15
	Subtotal:	\$13,264.04

Please return this portion with payment. Thank you!

Please send payment to: City of Virginia, City Clerk's Office, 327 1st Street South, Virginia, MN 55792

City of Mountain Iron
8586 Enterprise Drive
Mt. Iron, MN 55768

Total Amount: \$13,264.04

Amount Applied: \$0.00

Balance Due: \$13,264.04

Payment Due Date: 8/6/2003

Invoice #: 00001338

CHANGE ORDER

Order No. 2-R

Date: 11/14/03

NAME OF PROJECT/PROJECT NO: Water Tank Rehabilitation-Maintenance / MI02-4

OWNER: City of Mountain Iron

CONTRACTOR: LeadCon, Inc, P.O. Box 907, Hudson, WI 54016

ENGINEER: Benchmark Engineering, Inc.

Reason for Change Order: Additional work on the 1 million gallon reservoir:

1. 40 hours of welding and grinding were included in the bid price, at \$100.00 per hour. The actual number of welding and grinding hours was documented at 84.
2. Change Order #2 is for the 44 hours of additional welding and grinding, at \$100.00 per hour, or \$4,400.00 total.

The following changes are hereby made to the CONTRACT DOCUMENTS:

The contract amount is increased by **\$4,400.00**.

Change to CONTRACT PRICE:

Original CONTRACT PRICE \$ 245,000.00

Current CONTRACT PRICE adjusted by previous CHANGE ORDERS \$ 254,707.37

The CONTRACT PRICE due to this CHANGE ORDER will be increased by: \$ 4,400.00

The new CONTRACT PRICE including this CHANGE ORDER will be: \$ 259,107.37

No Change to the Contract Time or Completion Date.

Recommended by: Martin J. Halverson
Engineer (Authorized Signature)

11/14/03
Date:

Approved by: _____
Owner (Authorized Signature)

Date:

Accepted by: _____
Contractor (Authorized Signature)

Date:



KLM ENGINEERING, INC.

P.O. Box 897 • 3394 Lake Elmo Ave. N. • Lake Elmo, MN 55042
(651) 773-5111 • Fax (651) 773-5222

September 4, 2003

Mr. Don Kleinschmidt
City of Mountain Iron
8586 Enterprise Dr
Mountain Iron, MN 55768

RE: Change Order No. 2 for the Reconditioning Project for the 1,000,000 Gallon Ground Storage Reservoir in Mountain Iron, Minnesota. KLM Project No. MN1154.

Dear Mr. Kleinschmidt;

KLM recommends approval of the attached Change Order No. 2 from LeadCon, Inc. (letter attached). The additional grinding and welding repairs on the floor and manway where verified by KLM inspector, Marc Millero. We are requesting written approval from the city in regards to this change order before we can process any pay requests from the Contractor.

If you need any further information please call me at 651-773-5111.

Sincerely,

KLM Engineering Inc.

Kelly C. Mulhern
Project Supervisor

KCM/ls

Encl LeadCon letter dated August 1, 2003

CC: Marty Halverson, Benchmark Engineering
Sara Sommerfeld, LeadCon Inc.
Jack Kollmer, KLM Engineering Inc.
Office File MN1154 \ Change Orders

C:\s\2003 Projects\MN1154\Change Order No 2 9-4-03.doc

LEADCON, Inc.**INDUSTRIAL**

Protective Coatings

Concrete Restoration

Lead Abatement

FACSIMILE TRANSMISSION

1 August 2003

KLM Engineering, Inc.
P.O. Box 897
3394 Lake Elmo Avenue
Lake Elmo, MN 55042
ATTN: Kelly Mulhern

**RE: 1,000,000 GALLON GROUND STORAGE RESERVOIR
MOUNTAIN IRON, MN
KLM PROJECT NO. 1154
CHANGE ORDER #2 - FINAL QUANTITIES**

Dear Mr. Mulhern,

The final quantity that was agreed upon for Surface Repairs is as follows:

<u>BID #</u>	<u>QUANTITY</u>	<u>DESCRIPTION</u>	<u>UNIT PRICE</u>	<u>ACTUAL</u>	<u>CHANGE</u>
2	40 man hr	Surface Repairs	\$100.00	84 man hr	\$4,400.00

This amount includes the 40 man hours that were used on the majority of the tank, plus the 38 hours for the floor pitting and 6 hours for the shell manways.

If you have any questions on this information, please do not hesitate to call me at (715) 549-5631.

Sincerely,


Sara S. Sommerfeld
LeadCon, Inc.

CHANGE ORDER

Order No. 3

Date: 11/14/03

NAME OF PROJECT/PROJECT NO: Water Tank Rehabilitation-Maintenance / MI02-4

OWNER: City of Mountain Iron

CONTRACTOR: LeadCon, Inc, P.O. Box 907, Hudson, WI 54016

ENGINEER: Benchmark Engineering, Inc.

Reason for Change Order: Work on 400,000 gallon elevated water tank.

1. 75 hours of welding and grinding were included in the bid price, at \$100.00 per hour. The actual number of welding and grinding hours was documented at 90. Change Order #3 is for the 15 hours of additional welding and grinding, at \$100.00 per hour, or \$1,500.00 total.
2. \$580.00 deduction for work not completed on the proposed fire hydrant installation. Attempts to install the fire hydrant were unsuccessful, due to the limited size of the work area.

The following changes are hereby made to the CONTRACT DOCUMENTS:

The contract amount is increased by **\$920.00**.

Change to CONTRACT PRICE:

Original CONTRACT PRICE \$ 300,000.00

Current CONTRACT PRICE adjusted by previous CHANGE ORDERS \$ 306,136.10

The CONTRACT PRICE due to this CHANGE ORDER will be increased by: \$ 920.00

The new CONTRACT PRICE including this CHANGE ORDER will be: \$ 307,056.10

No Change to the Contract Time or Completion Date.

Recommended by:

Martin J. Helverson
Engineer (Authorized Signature)

11/14/03
Date:

Approved by:

Owner (Authorized Signature)

Date:

Accepted by:

1/26/2008 Contractor (Authorized Signature) 65

CITY COUNCIL Date: _____



KLM ENGINEERING, INC.

P.O. Box 897 • 3394 Lake Elmo Ave. N. • Lake Elmo, MN 55042
(651) 773-5111 • Fax (651) 773-5222

October 21, 2003

Mr. Marty Halverson
Benchmark Engineering
PO Box 261
Mountain Iron, MN 55768

By Fax & U.S. Mail

**RE: Change Order No. 3 - Deduction for the Hydrant Installation on the 400,000
Elevated Water Storage Reservoir in Mountain Iron, Minnesota, KLM Project No.
MN1153.**

Dear Mr. Halverson;

Please find attached a copy of LeadCon's letter dated October 8, 2003 for the deduction for the work not completed on the Hydrant Installation KLM approves this deduct in the amount of (\$580.00).

If you need further information please call me at 651-773-5111.

Sincerely,

KLM Engineering Inc.

Kelly C. Mulhern
Project Manager

KCM/ls

Encl: LeadCon's letter dated 10/8/03

CC: Don Kleinschmidt, City of Mountain Iron
Sara Sommerfeld, LeadCon Inc.
Jack Kollmer, KLM Engineering Inc.
Office File MN1153\Change Orders

C:\s\misc\MN1153 change order No.4 Deduct.doc

LEADCON, Inc.

INDUSTRIAL

Protective Coatings Concrete Restoration Lead Abatement

FACSIMILE TRANSMISSION

8 October 2003

KLM Engineering, Inc.
P.O. Box 897
3394 Lake Elmo Avenue
Lake Elmo, MN 55042
ATTN: Kelly Mulhern

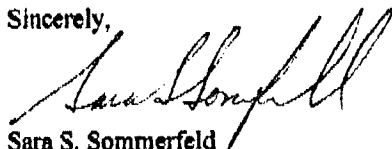
**RE: 400,000 ELEVATED WATER STORAGE RESERVOIR
 MOUNTAIN IRON, MN
 KLM PROJECT NO. 1153
 CHANGE ORDER #4 - HYDRANT INSTALLATION**

Dear Mr. Mulhern,

Per your request, LeadCon, Inc. is submitting a price for the deletion of the fire hydrant on the above-referenced tower. The credit for eliminating this hydrant is \$580.00.

If you have any questions on this information, please do not hesitate to call me at (715) 549-5631.

Sincerely,



Sara S. Sommerfeld
LeadCon, Inc.



KLM ENGINEERING, INC.

P.O. Box 897 • 3394 Lake Elmo Ave. N. • Lake Elmo, MN 55042
(651) 773-5111 • Fax (651) 773-5222

August 27, 2003

Ms. Sara Sommerfeld, President
LeadCon, Inc.
PO Box 907
Hudson, WI 54016-0907

RE: 450,000-Gallon Hydropillar, Mountain Iron, Minnesota. KLM Project No. MN 1153.

Dear Sara

KLM has reviewed our documentation regarding the grinding hours for the above-mentioned project. KLM agrees with your letter dated August 1, 2003, stating that the grinding hours are over by 15 hours. According to the Technical Spec Section under 1.0 Description of Bid Items, Item No. 1.2 Surface Repairs. Increase / decrease in the amount of...(see attached part of the spec), we want you to add the amount of \$1,500.00 and the additional 15 hours to the Surface Repairs (Bid Item No. 2) on your final Pay Request.

If you have any questions please contact me at 651-773-5111.

Sincerely,

KLM Engineering Inc.

Kelly C. Mulhern
Project Supervisor

KCM/lis

CC: Marty Halverson, Benchmark Engineering, Inc.
Don Kleinschmidt, City of Mountain Iron
Jack Kollmer, KLM Engineering Inc.
Office File MN1153/ Prog Payments
Field File MN 1153

C:\2003 Projects\MN1153 Mt Iron\Add to Surface Repairs LeadCon 8-27-03.doc



United States
Department of
Agriculture

Rural
Development

4850 Miller Trunk Hwy
Suite 1B, P.O. Box 15068
Duluth, MN 55815-5068
Phone 218-720-5330
Fax 218-720-3129

November 6, 2003

Mountain Iron
P.O. Box 505
Mountain Iron MN 55768

RE: Funding Source for Community Projects

USDA, Rural Development has several programs that may be of interest to your community. Funding is available for water and sewer infrastructure, essential public buildings and services like city halls, senior citizen centers, daycare, fire protection, public safety etc.

Funding is also available for health care facilities like hospitals, clinics, assisted living, ambulance services, and nursing homes. Other eligible purposes for funding includes but are not limited to public facilities for education, libraries, schools, public nutrition programs, etc.

Eligible applicants are public entities, communities, special service districts, nonprofits and tribal governments located in rural areas. Based on our information regarding the 2000 census, it appears your community may be eligible for loan and possibly grant assistance for essential community facilities and services.

If you are interested please contact me for more information. We would be more than happy to provide information and we would welcome the opportunity to visit your community to discuss Rural Development funding opportunities.

If you would like additional information or if you have any questions please contact this office at (218) 720-5330 extension 4.

Sincerely,

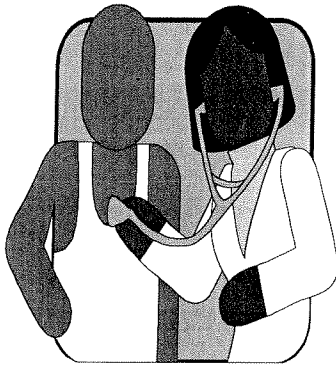
A handwritten signature in black ink, appearing to read "Patrick C. Croatt", written over a horizontal line.

Patrick C. Croatt
Senior Rural Development Specialist

Enclosure

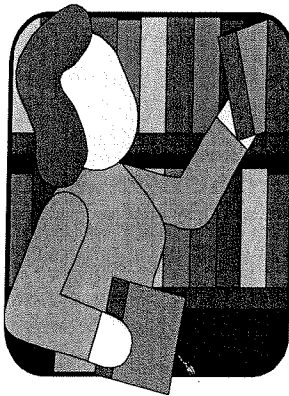
EXAMPLES OF ESSENTIAL COMMUNITY FACILITIES

Community Health Care



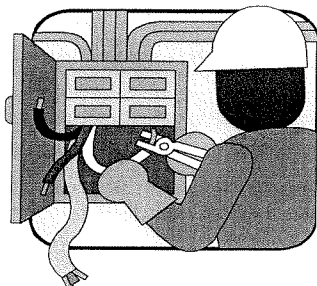
Dental Clinic
Nursing Home
Assisted Living Facility
Physicians Clinic
Boarding Home for the Elderly
Hospital (General & Surgical)
Medical Rehabilitation Center
Vocational Rehabilitation Center
Psychiatric Hospital
Outpatient Clinic

Cultural & Educational



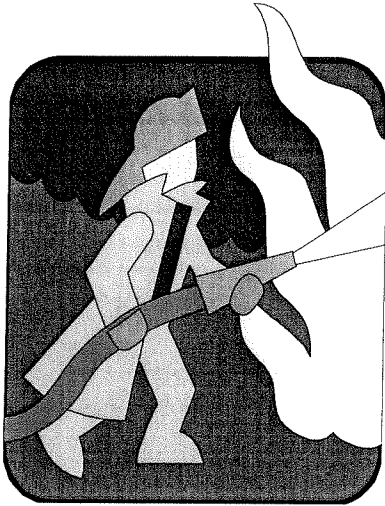
All Purpose Buildings
College Campus
Educational Camp for Physically
and Mentally Handicapped
Library
Museum
Outdoor Theatre
Public School
School Maintenance & Equipment
Service Center
Vocational School

Energy Transmission & Distribution



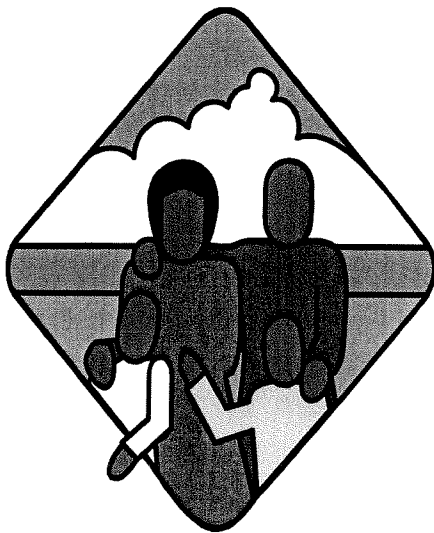
Electrical Equipment Maintenance
Building
Low Head Hydro-Electric Facility
Natural Gas Distribution

Fire, Rescue & Public Safety



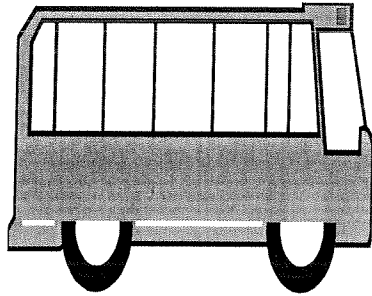
Civil Defense Building
Communication Center
Fire Department Building
Fire Trucks
Jail
Mobile Communication Center
Multi-Service Fire/Rescue Bldg.
Police Station
Rescue & Ambulance Service
Building
Equipment Building
Jaws of Life

Public Buildings & Improvements



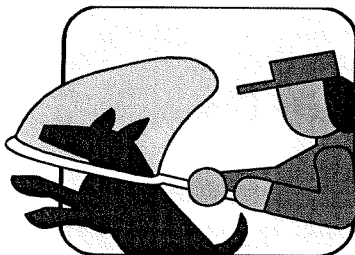
Adult Day Care Center
Child Day Care Center
City Hall
Community Health Department
County Office Building
Community Center
County Courthouse
Courthouse Annex
Data Processing Center
Food Preparation Center
Food Storage and Distribution
Center
Heating Plant for Public Buildings
Home for Delinquents
Public Maintenance Building
Business Incubator

Transportation



Airport Hangar
City Airport
Bridge
Municipal & County Garage
Offstreet Parking
Sidewalks
Street Improvements
Infrastructure for Industrial Parks
Railroad
Town Bus Service/Equipment
Marina
Municipal Dock
Special Transportation Equipment

Other



Agricultural Fairgrounds
Animal Shelters
Dike
Oceanfront Protection
Special Services Building
Sprinkler System

Utility



Telemedicine/Distance Learning
Natural Gas

Craig J. Wainio

From: Pat Croatt [patrick.croatt@mn.usda.gov]
Sent: Monday, November 24, 2003 11:46 AM
To: 'Craig J. Wainio'
Cc: gwsalko@hotmail.com
Subject: RE: Mountain Iron

Mr Wainio:

I spoke to Mr. Skalko briefly this morning on the same subject this morning. Since that time I looked up the 2000 MHI for Mountain Iron. The median household income is \$35,163 or 93% of the state non-metropolitan median household (SNMHI) income. (\$38,004). The Community Facility Program regulations indicate a maximum of 15% of project cost grant if the MHI is less than 90% of SNMHI. Therefore it does not appear that Mountain Iron would qualify for Community Facility (CF) Grant funds even though they are technically eligible. Grant funds for the CF program are very limited anyway. Last year MN RD had approximately \$150,000 for the whole state. Rural Development could consider a 5% loan for the life of the security (up to 40 years). The question would be whether other funds would be available from typical funding sources for a municipality (bonding) at rates and terms that the City could reasonably be expected to meet. If you have any questions let me know. Thanks for your interest. Pat Croatt

-----Original Message-----

From: Craig J. Wainio [mailto:cityadmn@mtniron.com]
Sent: Monday, November 24, 2003 9:02 AM
To: Patrick.Croatt@mnduluth.fsc.usda.gov
Subject: Mountain Iron

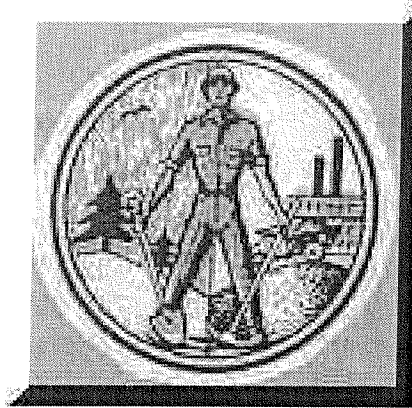
Mr. Croatt:

The Mountain Iron City Council was looking at possibly applying for a grant under the information distributed in your November 6th mailing. Could you let me know the income guild lines for the City.

Thanks

Craig J. Wainio
City Administrator

THE CITY OF MOUNTAIN IRON, MINNESOTA



REQUEST FOR PROPOSALS FOR AUDIT SERVICES

**PROPOSALS ARE DUE TO THE CITY
BY 10:00AM ON DECEMBER 31,
2003**

**Document is available online at:
www.mtniron.com**

INTRODUCTION

The City Council of the City of Mountain Iron invites proposals from qualified Certified Public Accounting firms, licensed in the State of Minnesota, to provide Audit Services. As Auditor, the selected firm or individual will be expected to provide a wide range of auditing services. The Auditor will be selected by the City Council and will work closely with the City Administrator and other City staff.

BACKGROUND

Mountain Iron is a statutory City located 60 miles north of Duluth. Located in Northeastern Minnesota as part of the Quad Cities, (Mountain Iron, Virginia, Eveleth and Gilbert), it affords residents and businesses easy access to the region's population and employment centers. The City encompasses approximately 70 square miles and has a population of 3,000.

Mountain Iron provides an extensive array of services including public works, fire protection, parks and recreation, planning, economic development, redevelopment, finance, and internal management support functions. The City has a current annual general fund budget of \$2.8 million and 24 full-time employees. The St. Louis County Sheriff's Department provides law enforcement services. The City also operates an electric, water, wastewater and refuse and recycling services. The City belongs to an insurance pool comprised of numerous cities and is operated by the League of Minnesota Cities Insurance Trust. The City's Housing and Redevelopment Authority is governed by a Board selected by the City Council.

BASIC SERVICES REQUESTED

The City desires the auditor to express an opinion on the fair presentation of its general-purpose financial statements in conformity with generally accepted accounting principles and GASB-34 requirements.

Services required include, but are not limited to:

- ⊕ Scope of Audit - An examination of, and an auditor's report on, the City's financial statements in accordance with generally accepted government auditing standards, requirements of the State of Minnesota and other applicable laws, rules and guidelines, including GASB-34. Any adverse remarks from the Office of the State Auditor must be corrected by auditor.
- ⊕ Financial Structure of the City.
 - The General Fund is the principal fund of the City and is used to account for all activities not included in other funds. The General Fund provides for the normal recurring activities of the City such as General Government, Police, Fire, Streets, and Parks and Recreation.
 - The Capital Projects Fund is used to account for resources segregated for

acquisition or construction of major capital facilities and equipment with a life expectancy of at least one year and costing \$5,000 or more.

- The Debt Service Fund is used to pay the principal and interest on four outstanding bond issues.
- The Gambling Fund is the fund that tracks revenue and expenditures the City incurs and part if the tax levied on charitable gambling.
- The Tax Increment fund is used, in conjunction with the HRA to track Tax Increments from the City's 11 TIF Districts.
- General Fixed Assets Account Group
- The Housing and Redevelopment Authority (HRA). The Authority is appointed by the City's governing body and is responsible for the operation of Mountain Manor as well as the development of the City.
- Water Department Fund is used for the operation of the water treatment and distribution system in the City.
- Wastewater Department is used for the operation of the wastewater treatment facility and collection system in the City.
- Electric Department is used for the operation of the electrical distribution system in the City.
- Refuse and Recycling Department is use for the collection and disposal of refuse and the collection of recycling within the City.
- Basis of Accounting - The City currently uses the modified accrual basis of accounting. Revenues are recorded when measurable and available to finance operations. Expenses are recorded as the liability is incurred. Appropriations and encumbrances are reflected in the general ledger.
- Banking - The City utilizes a single consolidated checking account.
- ⊕ Management Letter - The audit shall include a review of internal controls and make recommendations for improving financial management.
- ⊕ Copies of Report - The auditor shall furnish 20 copies of the audit report on 8 1/2 x 11 paper appropriately bound.
- ⊕ Working Papers - All working papers will be retained for a least three years and be available for examination by the City and any appropriate federal or state agencies.

- ⊕ To meet the requirements of this RFP, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards, the provisions of the Single Audit Act Amendments of 1996, the provisions of U.S. Office of Management and Budget (OMB) Circular A-i 33, Audits of States, Local Governments, and Non-Profit Organizations, as well as all GASB-34 Requirements.

REQUIRED PROPOSAL ELEMENTS

The proposal must provide specific and succinct answers to all questions and requests for information. Direct, precise, and complete responses will serve as an advantage to the applicant.

BACKGROUND

Qualifications:

- ⊕ The proposing firm must be properly licensed for public practice as a certified public accountant and possess all skills, training, and qualifications required to meet generally accepted governmental auditing standards and GASB-34 Requirements.
- ⊕ The proposing firms should indicate the personnel who would be assigned to this engagement, their role in Mountain Iron's audit, and the qualifications of each member of the audit team. In addition, state the size of the firm and the location of the office from which the work for the audit is to be performed.
- ⊕ The firm must represent that neither the firm nor any employee to be involved in the engagement have a record of substandard audit work.
- ⊕ The firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.
- ⊕ Consultants or other firm specialists mentioned in response to this RFP can only be changed with the express prior written consent of the City of Mountain Iron, which retains the right to approve or reject replacements.
- ⊕ Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.
- ⊕ The proposer must be authorized to transact business in the State of Minnesota. All applicable laws and regulations of the State of Minnesota and ordinances and regulations of the City of Mountain Iron will apply to any resulting agreement.

CITY/AUDITOR RELATIONSHIP

- ⊕ Describe how you would structure the working relationship between the Auditor and the

City Council, City Administrator, Department Heads and other staff members.

- ⊕ Define the standard time frames for response by the Auditor to direction and/or inquiry from the City Council or City Administrator.
- ⊕ Describe the systems or mechanisms that would be established for monthly reporting of the status of projects, requests, and litigation.
- ⊕ Describe the computer resources currently utilized in your office. The City will require compatibility with Microsoft Word for Windows, as well as the maintenance of Internet service, such that email and files can be transmitted between City staff and the Auditor.

CLIENTS/CONFLICT OF INTEREST

- ⊕ List all current or former clients (within the past three years) residing in, having an interest in a business, or owning an interest in property in the City of Mountain Iron.
- ⊕ List all public clients for which you or your firm currently provides services under a fee for services basis or on a retainer basis. Identify any foreseeable or potential conflicts of interest that could result from such representation and the manner in which you would propose to resolve such conflicts.
- ⊕ For the person to be designated as Auditor, list all public clients that person presently represents as auditor, along with the meeting dates and times for each governing body.

COMPENSATION

- ⊕ The present Auditor provides basic services at a contracted rate. It is anticipated that the City Council may expect the firm/individual selected as Auditor to also provide services under a similar system. The City is prepared, however, to consider alternative payment arrangements.
- ⊕ Please describe how the firm intends to provide audit services, either on an hourly rate, or on a different basis. Define what type(s) of work you would consider to be extra or specialized work that would be billed in addition to basic services. State the hourly rates for the designated Auditor and associates for such specialized services.
- ⊕ Define the type and unit rates for reimbursement for expenses such as mileage, reproduction of documents, faxed documents, and word processing charges.

PROFESSIONAL REFERENCES

Provide three professional references for the individual designated as Auditor, including addresses and work telephone numbers. References should be currently employed public agency officials or agents.

EVALUATION AND SELECTION PROCESS

Proposals will be screened and the top candidates selected by the City Council or a subcommittee appointed by the City Council. The qualifications for the top candidates will be verified and references will be checked. In reviewing proposals, the City will carefully weigh:

- ⊕ Depth and breadth of experience and expertise, specifically in those areas most often encountered in municipal government operations;
- ⊕ Capability to perform Audit services promptly and in a manner that permits the City Council and staff to meet established deadlines and to operate in an effective and efficient manner;
- ⊕ Degree of availability for quick response to inquiries that arise out of day-to-day operating questions or problems;
- ⊕ Degree to which firm and individual accountants stay current through continued professional development and active communication with practitioners in the municipal accounting field;
- ⊕ Communication skills;
- ⊕ Cost of services; and
- ⊕ Other qualifications/criteria, as deemed appropriate by the City Council.

The contract will require that the individual or firm selected as Auditor maintain general liability, automobile, workers' compensation, and errors and omissions insurance. The contract will also contain provisions requiring the selected individual or firm to indemnify the City and provide that the Auditor is an independent contractor serving at the will of the City Council. Other required provisions will include the City Council's right to terminate the agreement, at its sole discretion, upon the provision of notice.

SELECTION SCHEDULE

The City of Mountain Iron intends to proceed with the following tentative schedule for the selection.

Request for Proposals Distributed	December 3, 2003
Proposal Due Date	December 31, 2003 (10:00 a.m.)
Review of Proposals	January 1, 2004
Interviews & Selection	January 1 - 15, 2004
City Council Awards Contract	January 15, 2004

SUBMITTAL REQUIREMENTS

Firms or individuals interested in submitting proposals for Auditor shall submit ten complete copies of the proposal, along with a proposed contractual agreement, in a sealed envelope bearing the caption "Mountain Iron City Auditor Proposal". The envelope shall be delivered to:

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

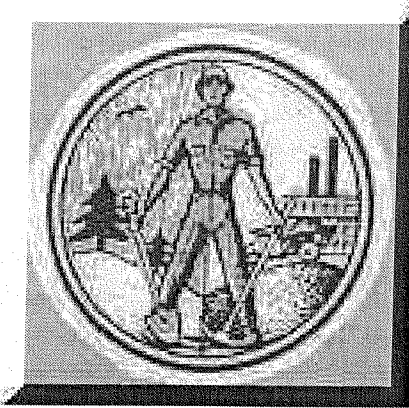
Proposals must be received at the above address by 10:00 a.m. on Wednesday, December 31, 2003. Late proposals will not be considered. All proposals will be deemed confidential and will be retained by the City of Mountain Iron.

The City Council reserves the right to reject all proposals, to request additional information concerning any proposal for purposes of clarification, to accept or negotiate any modification to any proposal following the deadline for receipt of all proposals, and to waive any irregularities if such would serve the best interests of the City as determined by the City Council.

CONTACT INFORMATION

Direct all inquiries regarding the Request for Proposals to Craig J. Wainio, City Administrator at 218-748-7570, fax 218-748-7573 or email cityadm@mtniron.com.

THE CITY OF MOUNTAIN IRON, MINNESOTA



REQUEST FOR PROPOSALS FOR LEGAL SERVICES

**PROPOSALS ARE DUE TO THE CITY
BY 10:00AM ON DECEMBER 31,
2003**

**Document is available online at:
www.mtniron.com**

INTRODUCTION

The City Council of the City of Mountain Iron invites interested law firms and individuals with a minimum of five years of municipal law experience to submit written proposals to provide City Attorney services to the City. As City Attorney, the selected law firm or individual will be expected to provide a wide range of legal services. The City Attorney will be selected by the City Council and will work closely with the City Administrator and other City staff.

BACKGROUND

Mountain Iron is a statutory City located 60 miles north of Duluth. Located in Northeastern Minnesota as part of the Quad Cities, (Mountain Iron, Virginia, Eveleth and Gilbert), it affords residents and businesses easy access to the region's population and employment centers. The City encompasses approximately 70 square miles and has a population of 3,000.

Mountain Iron provides an extensive array of services including public works, fire protection, parks and recreation, planning, economic development, redevelopment, finance, and internal management support functions. The City has a current annual general fund budget of \$2.8 million and 24 full-time employees. The St. Louis County Sheriff's Department provides law enforcement services. The City also operates an electric, water, wastewater and refuse and recycling services. The City belongs to an insurance pool comprised of numerous cities and is operated by the League of Minnesota Cities Insurance Trust. The City's Housing and Redevelopment Authority is governed by a Board selected by the City Council.

BASIC SERVICES REQUESTED

Basic services, for the purpose of this proposal, shall include those legal services generally understood within the field of municipal law to fall within the category of "general counsel" work, and shall include, but not necessarily limited to, the following:

- ⊕ Routine legal advice, telephone and personal consultations with the City Council, City Administrator, and department heads or authorized representatives.
- ⊕ Assistance in the preparation and review of ordinances, resolutions, agreements, contracts, forms, notices, certificates, deeds and other documents required by the City.
- ⊕ Attendance at one City Council regular meeting per month. As well as other regular meetings and special meetings as requested. Regular meetings are held on the first and third Mondays of each month, beginning at 6:30 p.m.
- ⊕ Attendance at other board, commission, and committee meetings, upon request.
- ⊕ Attendance at staff meetings, and meetings with City staff, upon request.
- ⊕ Legal advice and opinions concerning legal matters that affect the City.

- ⊕ Legal work pertaining to criminal matters of the City such as prosecution and initial proceedings.
- ⊕ Guidance on City personnel matters, including employee disciplinary and grievance matters.
- ⊕ Legal work pertaining to property acquisitions, property disposals, public improvements, easement dedications, and right-of-way vacations.
- ⊕ Legal work pertaining to the electric, water, wastewater, and refuse and recycling departments.
- ⊕ Legal work pertaining to the Housing and Redevelopment Authority.
- ⊕ Enforcement of City codes, zoning regulations, and building standards through administrative and judicial actions.
- ⊕ Monitoring of pending and current state and federal legislation and court decisions, as appropriate.
- ⊕ Coordination of outside legal counsel, as needed and as directed by the City Council and City Administrator.

REQUIRED PROPOSAL ELEMENTS

The proposal must provide specific and succinct answers to all questions and requests for information. Direct, precise, and complete responses will serve as an advantage to the applicant.

BACKGROUND

- ⊕ Describe the nature of your practice or your law firm's practice and your qualifications for providing City Attorney services. Include a professional chronology for the individual who will be designated to serve as City Attorney, as well as for others whom you anticipate being involved with providing legal services to the City.
- ⊕ Provide the overall capabilities, qualifications, training, and areas of expertise for each of the principals, partners, and associates of the law firm, including the length of employment for each person and his/her area of specialization.
- ⊕ Provide the following for the person whom you propose to designate as City Attorney and for each person you propose to designate as a deputy or back up.
 - Legal training and number of years of practice, including date of admission to the Minnesota Bar Association, number of years of municipal or other local public sector law practice as a full-time local government attorney and/or in a private law office specializing in local government.

- Professional affiliations.
- Knowledge of, and experience with, Minnesota Municipal Law or other public sector experience, and redevelopment law.
- Litigation experience and demonstration of a good court track record. Cite examples.
- Knowledge and practice of law relating to land use and planning, environmental law, risk management, redevelopment, general plans, real estate and other related law.
- Experience in the area of contracts and franchises.
- Experience in the area of personnel, disability law rights and obligations, workers' compensation, employee relations and negotiations and employee discrimination claims.
- Experience in the preparation and review of ordinances and resolutions.
- Types of clientele represented and years representing each.
- Office location and accessibility to the City.
- ⊕ If the firm/individual, or any of the attorneys employed by the firm, have ever been sued by cities or other clients for malpractice, been the subject of complaints filed with the State Bar, or had discipline imposed by the State Bar, please provide information about the nature of the incident, the dates of when the matter began and was concluded, and the results of the situation.
- ⊕ Describe your office staffing, including all permanent and temporary employees, their general duties, and work schedules. Include any staffing changes you would propose should you be awarded the City Attorney contract.

CITY/CITY ATTORNEY RELATIONSHIP

- ⊕ Describe how you would structure the working relationship between the City Attorney and the City Council, City Administrator, Department Heads and other staff members.
- ⊕ Define the standard time frames for response by the City Attorney to direction and/or inquiry from the City Council or City Administrator.
- ⊕ Describe the systems or mechanisms that would be established for monthly reporting of the status of projects, requests, and litigation.

- ⊕ Describe the computer resources currently utilized in your office. The City will require compatibility with Microsoft Word for Windows, as well as the maintenance of Internet service, such that email and files can be transmitted between City staff and the City Attorney.

CLIENTS/CONFLICT OF INTEREST

- ⊕ List all current or former clients (within the past three years) residing in, having an interest in a business, or owning an interest in property in the City of Mountain Iron.
- ⊕ List all public clients for which you or your firm currently provides services under a fee for services basis or on a retainer basis. Identify any foreseeable or potential conflicts of interest that could result from such representation and the manner in which you would propose to resolve such conflicts.
- ⊕ For the person to be designated as City Attorney, list all public clients that person presently represents as city attorney or general counsel, along with the meeting dates and times for each governing body.

COMPENSATION

- ⊕ The present City Attorney provides basic services at an hourly rate. It is anticipated that the City Council may expect the firm/individual selected as City Attorney to also provide services under a similar system. The City is prepared, however, to consider alternative payment arrangements.
 - Please describe how the firm intends to provide legal services, either on an hourly rate, or on a different basis. Define what type(s) of work you would consider to be extra or specialized work that would be billed in addition to basic services. State the hourly rates for the designated City Attorney and associates for such specialized services.
 - If the hourly rate billing is preferred, state the hourly rates for the designated City Attorney and associates for general work and for special services such as litigation.
 - Define the type and unit rates for reimbursement for expenses such as mileage, reproduction of documents, faxed documents, and word processing charges.

PROFESSIONAL REFERENCES

Provide three professional references for the individual designated as City Attorney, including addresses and work telephone numbers. References should be currently employed public agency officials or agents.

EVALUATION AND SELECTION PROCESS

Proposals will be screened and the top candidates selected by the City Council or a subcommittee appointed by the City Council. The qualifications for the top candidates will be verified and references will be checked. In reviewing proposals, the City will carefully weigh:

- ⊕ Depth and breadth of experience and expertise in the practice of law, specifically in those areas most often encountered in municipal government operations;
- ⊕ Capability to perform legal services promptly and in a manner that permits the City Council and staff to meet established deadlines and to operate in an effective and efficient manner;
- ⊕ Degree of availability for quick response to inquiries that arise out of day-to-day operating questions or problems;
- ⊕ Degree to which firm and individual attorneys stay current through continued professional development and active communication with practitioners in the municipal law field;
- ⊕ Communication skills;
- ⊕ Cost of services; and
- ⊕ Other qualifications/criteria, as deemed appropriate by the City Council.

The contract will require that the individual or law firm selected as City Attorney maintain general liability, automobile, workers' compensation, and errors and omissions insurance. The contract will also contain provisions requiring the selected individual or law firm to indemnify the City and provide that the City Attorney is an independent contractor serving at the will of the City Council. Other required provisions will include the City Council's right to terminate the agreement, at its sole discretion, upon the provision of notice.

SELECTION SCHEDULE

The City of Mountain Iron intends to proceed with the following tentative schedule for the selection.

Request for Proposals Distributed	December 3, 2003
Proposal Due Date	December 31, 2003 (10:00 a.m.)
Review of Proposals	January 1, 2004
Interviews & Selection	January 1 - 15, 2004
City Council Awards Contract	January 15, 2004

SUBMITTAL REQUIREMENTS

Law firms or individuals interested in submitting proposals for City Attorney shall submit ten complete copies of the proposal, along with a proposed contractual agreement, in a sealed envelope bearing the caption "Mountain Iron City Attorney Proposal". The envelope shall be delivered to:

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

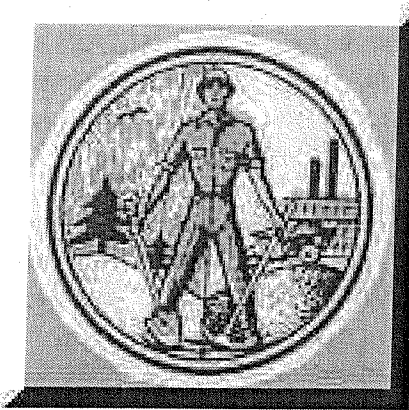
Proposals must be received at the above address by 10:00 a.m. on Wednesday, December 31, 2003. Late proposals will not be considered. All proposals will be deemed confidential and will be retained by the City of Mountain Iron.

The City Council reserves the right to reject all proposals, to request additional information concerning any proposal for purposes of clarification, to accept or negotiate any modification to any proposal following the deadline for receipt of all proposals, and to waive any irregularities if such would serve the best interests of the City as determined by the City Council.

CONTACT INFORMATION

Direct all inquiries regarding the Request for Proposals to Craig J. Wainio, City Administrator at 218-748-7570, fax 218-748-7573 or email cityadmn@mtniron.com.

THE CITY OF MOUNTAIN IRON, MINNESOTA



REQUEST FOR PROPOSALS FOR ENGINEERING SERVICES

**PROPOSALS ARE DUE TO THE CITY
BY 10:00AM ON DECEMBER 31,
2003**

**Document is available online at:
www.mtniron.com**

INTRODUCTION

The City of Mountain Iron is requesting proposals from interested engineers/engineering firms who are qualified to provide general planning/engineering services for the City of Mountain Iron, St. Louis County, Minnesota. The selected contractor will be designated as the General City Engineer. As the City Engineer the contractor will be expected to play a proactive role in helping the City Council and City Staff make appropriate decisions regarding City infrastructure. They will also occasionally act as a project manager for infrastructure related projects.

BACKGROUND

Mountain Iron is a statutory City located 60 miles north of Duluth. Located in Northeastern Minnesota as part of the Quad Cities, (Mountain Iron, Virginia, Eveleth and Gilbert), it affords residents and businesses easy access to the region's population and employment centers. The City encompasses approximately 70 square miles and has a population of 3,000.

Mountain Iron provides an extensive array of services including public works, fire protection, parks and recreation, planning, economic development, redevelopment, finance, and internal management support functions. The City has a current annual general fund budget of \$2.8 million and 24 full-time employees. The St. Louis County Sheriff's Department provides law enforcement services. The City also operates an electric, water, wastewater and refuse and recycling services. The City belongs to an insurance pool comprised of numerous cities and is operated by the League of Minnesota Cities Insurance Trust. The City's Housing and Redevelopment Authority is governed by a Board selected by the City Council.

BASIC SERVICES REQUESTED

The selected contractor will perform the following (but not limited to) as City Engineer, the contractor will serve the City as City Engineer on an as needed basis.

- ⊕ Manage infrastructure issues for the City of Mountain Iron through proactive planning, monitoring, and operations and maintenance management.
- ⊕ Preliminary planning, design, cost estimating, and construction management of specific City improvement' infrastructure projects.
- ⊕ Five year capital improvement plan.
- ⊕ Review utility and street plans.
- ⊕ Attendance of Mountain Iron City Council meetings and other meetings as needed and as directed by the City.
- ⊕ Work cooperatively with the City Council and City Staff on infrastructure projects.

- ⊕ Work with other engineering firms as desired by the City on specific projects.
- ⊕ Communicate effectively with the City Council and/or staff.
- ⊕ Update City maps and utility records.
- ⊕ Estimate time lines for implementation of solutions.
- ⊕ Assist with funding solutions for infrastructure projects such as grant and loan programs.
- ⊕ Obtain proper approval and documentation from local, State, and Federal authorities prior to implementing projects.
- ⊕ The selected contractor is expected to give the City/community adequate information to select the best course of action and provide alternative solutions when possible.
- ⊕ A responder may propose additional tasks or activities if they will substantially improve the results of the project. These shall be outlined in an attachment to the proposal that covers the scope of work listed above.

REQUIRED PROPOSAL ELEMENTS

The proposal must provide specific answers to all questions and requests for information. Direct, precise, and complete responses will serve as an advantage to the applicant.

BACKGROUND

- ⊕ Describe the nature of your engineering firm and your qualifications for providing City Engineer services. Include a professional chronology for the individual who will be designated to serve as City Engineer, as well as for others whom you anticipate being involved with providing engineer services to the City.
- ⊕ Provide the overall capabilities, qualifications, training, and areas of expertise for each of the principals, partners, and associates of the engineering firm, including the length of employment for each person and his/her area of specialization.
- ⊕ Provide the following for the person whom you propose to designate as City Engineer and for each person you propose to designate as a deputy or alternate.
- ⊕ Training and number of years of practice, including date of licensing with the State of Minnesota, number of years of municipal or other local public sector engineering as a full-time local government engineer and/or in a private engineering firm specializing in local government.
- ⊕ Professional affiliations.

- ⊕ Types of clientele represented and years representing each.
- ⊕ Office location and accessibility to the City.
- ⊕ Describe your office staffing, including all permanent and temporary employees, their general duties, and work schedules. Include any staffing changes you would propose should you be awarded the City Engineer contract.

CITY/CITY ENGINEER RELATIONSHIP

- ⊕ Describe how you would structure the working relationship between the City Engineer and the City Council, City Administrator, Department Heads and other staff members.
- ⊕ Define the standard time frames for response by the City Engineer to direction and/or inquiry from the City Council or City Administrator.
- ⊕ Describe the systems or mechanisms that would be established for monthly reporting of the status of projects and requests.
- ⊕ Describe the computer resources currently utilized in your office. The City will require compatibility with Microsoft Word for Windows, as well as the maintenance of Internet service, such that email and files can be transmitted between City staff and the City Engineer.

CLIENTS/CONFLICT OF INTEREST

- ⊕ List all current or former clients (within the past three years) residing in, having an interest in a business, or owning an interest in property in the City of Mountain Iron.
- ⊕ List all public clients for which you or your firm currently provides. Identify any foreseeable or potential conflicts of interest that could result from such representation and the manner in which you would propose to resolve such conflicts.
- ⊕ For the person to be designated as City Engineer, list all public clients that person presently represents as city engineer, along with the meeting dates and times for each governing body.

COMPENSATION

- ⊕ The present City Engineer provides basic services at an hourly rate. It is anticipated that the City Council may expect the firm/individual selected as City Engineer to also provide services under a similar system. The City is prepared, however, to consider alternative payment arrangements.
- ⊕ Please describe how the firm intends to provide engineering services, either on an hourly

rate, or on a different basis. Define what type(s) of work you would consider to be extra or specialized work that would be billed in addition to basic services. State the hourly rates for the designated City Engineer and associates for such specialized services.

- ⊕ If the hourly rate billing is preferred, state the hourly rates for the designated City Engineer and associates for general work and for special services.
- ⊕ Define the type and unit rates for reimbursement for expenses such as mileage, reproduction of documents, faxed documents, and word processing charges.

PROFESSIONAL REFERENCES

Provide three professional references for the individual designated as City Engineer, including addresses and work telephone numbers.

EVALUATION AND SELECTION PROCESS

Proposals will be screened and the top candidates selected by the City Council or a subcommittee appointed by the City Council. The qualifications for the top candidates will be verified and references will be checked. In reviewing proposals, the City will carefully weigh:

- ⊕ Depth and breadth of experience and expertise in civil engineering, specifically in those areas most often encountered in municipal government operations;
- ⊕ Capability to perform engineering services promptly and in a manner that permits the City Council and staff to meet established deadlines and to operate in an effective and efficient manner;
- ⊕ Degree of availability for quick response to inquiries that arise out of day-to-day operating questions or problems;
- ⊕ Degree to which firm and individual engineers stay current through continued professional development and active communication with practitioners in the civil engineering field;
- ⊕ Communication skills;
- ⊕ Cost of services; and

The contract will require that the individual or firm selected as City Engineer maintain general liability, automobile, workers' compensation, and errors and omissions insurance. The contract will also contain provisions requiring the selected individual or firm to indemnify the City and provide that the City Engineer is an independent contractor serving at the will of the City Council. Other required provisions will include the City Council's right to terminate the agreement, at its sole discretion, upon the provision of notice.

SELECTION SCHEDULE

The City of Mountain Iron intends to proceed with the following tentative schedule for the selection.

Request for Proposals Distributed:	December 3, 2003
Proposal Due Date:	December 31, 2003 (10:00 a.m.)
Review of Proposals:	January 1, 2004
Interviews & Selection:	January 1 - 15, 2004
City Council Awards Contract:	January 15, 2004

SUBMITTAL REQUIREMENTS

Engineering firms or individuals interested in submitting proposals for City Engineer shall submit eight complete copies of the proposal, along with a proposed contractual agreement, in a sealed envelope bearing the caption "Mountain Iron City Engineer Proposal". The envelope shall be delivered to:

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

Proposals must be received at the above address by 10:00 a.m. on Wednesday, December 31, 2003. Late proposals will not be considered. All proposals will be deemed confidential and will be retained by the City of Mountain Iron.

This request for proposal does not obligate the City of Mountain Iron to complete any projects, and the City of Mountain Iron reserves the right to cancel the solicitation if it is considered to be in its best interest.

The City Council reserves the right to reject all proposals, to request additional information concerning any proposal for purposes of clarification, to accept or negotiate any modification to any proposal following the deadline for receipt of all proposals, and to waive any irregularities if such would serve the best interests of the City as determined by the City Council.

CONTACT INFORMATION

Direct all inquiries regarding the Request for Proposals to Craig J. Wainio, City Administrator at 218-748-7570, fax 218-748-7573 or email cityadmn@mtniron.com.

COUNCIL LETTER 120103-VC

MAYOR SKALKO

PURCHASE BANNERS

DATE: November 25, 2003

FROM: Gary Skalko
Mayor

Craig J. Wainio
City Administrator

Purchase 24 banners and brackets for downtown area as discussed at the last meeting.

COUNCIL LETTER 120103-VD

MAYOR SKALKO

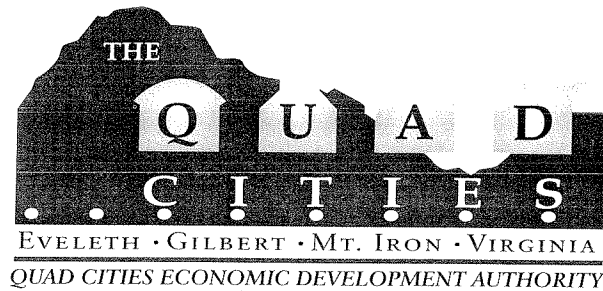
QCEDA

DATE: November 25, 2003

FROM: Gary Skalko
Mayor

Craig J. Wainio
City Administrator

Drop out of the QCEDA. As recommended by the QCEDA Board through their recently passed resolution, drop out of the QCEDA effective December 31, 2003.



TO: City Councils of Eveleth, Gilbert, Mountain Iron and Virginia

FROM: Quad Cities Economic Development Authority

DATE: November 21, 2003

RE: Dissolution of the Quad Cities Economic Development Authority

At the Quad Cities Economic Development Authority meeting held on November 20, 2003, the QCEDA Board passed a motion to recommend to their respective City Councils that the QCEDA be dissolved pending approval and dissolution procedures under ARTICLE X DISSOLUTION; AMENDMENT, Section 1 of the JOINT POWERS AGREEMENT FOR ESTABLISHING A QUAD CITIES JOINT ECONOMIC DEVELOPMENT AUTHORITY. I have enclosed a copy of the Joint Powers Agreement for your reference.

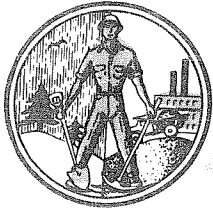
The QCEDA Board also passed a motion not to seek any financial contributions in 2003 from the Quad Cities members.

With Eveleth dropping out, and Gilbert supporting Eveleth, the QCEDA Board felt that they had to be fiscally responsible to their Cities. Many of the Cities are currently running deficits and with no future funding in place for the Quad Cities Economic Development Authority, it would not be fiscally responsible to continue operating the QCEDA beyond December 31, 2003. Continuation of operations would result in running down the QCEDA reserve and result in additional closing costs. After closing costs are deducted, some of the Cities may be able to use their portion of the QCEDA reserve fund to alleviate some of their budget shortfalls.

If you have any questions, please contact me at (218)748-7579.

Sincerely,

Jeff Lackner
Director/QCEDA



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 39-03

ACCEPTING WORK

WHEREAS, pursuant to a written contract signed with the City on August 20, 2001, Utility Systems of America of Eveleth, Minnesota, has satisfactorily completed the Mountain Iron Drive drainage improvements in accordance with such contract,

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

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

DULY ADOPTED BY THE CITY COUNCIL THIS 1st DAY OF DECEMBER, 2003.

Mayor Gary Skalko

ATTEST:

City Administrator

RECOMMENDATION OF PAYMENTNo. 4 - FINALOwner's project No. C.P. 13-01Engineer's Project No. VA00-17Project: Mountain Iron Drive Drainage ImprovementsCONTRACTOR: Utility Systems of America, Inc., 1280 Industrial Park Dr., Eveleth, MN 55734For Period Ending November 4, 2003To City of Virginia
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 4, 2003By **STATEMENT OF WORK**

Original Contract Price	\$ <u>136,197.50</u>	Work & Materials to Date	\$ <u>133,386.50</u>
Net Change Orders	\$ <u>0.00</u>	Amount Retained	\$ <u>0.00</u>
Current Contract Price	\$ <u>136,197.50</u>	Subtotal	\$ <u>133,386.50</u>
		Previous Payments	\$ <u>132,886.50</u>
		Amount Due this Payment	\$ <u>500.00</u>

NOVEMBER 4, 2003


BENCHMARK
ENGINEERING, INC.

PAY REQUEST NUMBER 4 - FINAL
MOUNTAIN IRON DRIVE DRAINAGE IMPROVEMENTS
CITY OF MOUNTAIN IRON, MINNESOTA
CITY OF VIRGINIA, MINNESOTA

**UTILITY SYSTEMS OF AMERICA
EVELETH, MINNESOTA**

SPEC. NO.	ITEM	UNITS	PROJECT QUANTITIES	QUANTITIES TO DATE	UNIT COST	COST TO DATE
2101.511	CLEARING AND GRUBBING	LUMP SUM	1.0	1.0	\$5,000.00	\$5,000.00
2401.501	REMOVE CULVERT PIPE	LIN. FT.	31.0	46.0	\$3.00	\$138.00
2104.513	SAW PAVEMENT - FULL DEPTH	LIN. FT.	560.0	560.0	\$1.50	\$840.00
2105.501	COMMON EXCAVATION	CU. YD.	210.0	260.0	\$6.00	\$1,560.00
2105.522	SELECT GRANULAR BORROW (CV)	CU. YD.	1,500.0	1,385.0	\$8.00	\$11,080.00
2105.525	TOPSOIL BORROW (CV)	CU. YD.	590.0	155.0	\$8.00	\$1,240.00
2211.503	AGGREGATE BASE (CV) CLASS 5	CU. YD.	400.0	400.0	\$12.00	\$4,800.00
2501.515	18" RC PIPE APRON W/ TRASH GUARD	EACH	3.0	3.0	\$800.00	\$2,400.00
2503.541	18" RC PIPE SEWER, CL. III	LIN. FT.	227.0	219.0	\$33.00	\$7,227.00
2503.541	21" RC PIPE SEWER, CL. III	LIN. FT.	616.0	616.0	\$36.00	\$22,176.00
2503.541	24" RC PIPE SEWER, CL. III	LIN. FT.	321.0	321.0	\$39.00	\$12,519.00
2503.541	33" RC PIPE SEWER, CL. III	LIN. FT.	383.0	383.0	\$60.00	\$22,980.00
2503.541	36" RC PIPE SEWER, CL. III	LIN. FT.	6.0	6.0	\$75.00	\$450.00
2503.541	8" PVC PIPE SEWER, SDR 35	LIN. FT.	6.0	6.0	\$15.00	\$90.00
2506.501	CONSTRUCT DRAINAGE STRUCTURE 48"	LIN. FT.	18.8	18.8	\$200.00	\$3,760.00
2506.501	CONSTRUCT DRAINAGE STRUCTURE 60"	LIN. FT.	9.4	9.4	\$350.00	\$3,290.00
2506.501	CONSTRUCT DRAINAGE STRUCTURE 72"	LIN. FT.	10.7	10.7	\$450.00	\$4,815.00
2506.501	CONSTRUCT DRAINAGE STRUCTURE 84"	LIN. FT.	4.7	4.7	\$650.00	\$3,055.00
2506.516	CASTING ASSEMBLY	EACH	9.0	9.0	\$250.00	\$2,250.00
2531.501	CONCRETE CURB & GUTTER-DES. D418 (M)	LIN. FT.	563.0	563.0	\$12.00	\$6,756.00
2531.507	6" CONCRETE DRIVEWAY PAVEMENT	SQ. YD.	275.0	312.0	\$34.00	\$10,608.00
2563.601	TRAFFIC CONTROL	LUMP SUM	1.0	1.0	\$1,500.00	\$1,500.00
2575.501	SEEDING	ACRE	1.6	1.6	\$1,400.00	\$2,240.00
2575.505	SODDING TYPE LAWN	SQ. YD.	630.0	630.0	\$3.75	\$2,362.50
	15" PVC PIPE CULVERT	LIN. FT.	0.0	20.0	\$12.50	\$250.00

FINAL CONSTRUCTION COST : \$133,386.50
BENCHMARK ENGINEERING, INC.

2004 (PROPOSED) BUDGET SUMMARY CITY OF MOUNTAIN IRON

EXPENDITURES	2003 Budget	2004 Budget	Difference	Percent
Administration	\$ 406,000.00	\$ 441,500.00	\$ 35,500.00	8.7%
Public Safety	\$ 468,300.00	\$ 483,300.00	\$ 15,000.00	3.2%
Public Works	\$ 625,000.00	\$ 638,500.00	\$ 13,500.00	2.2%
Culture and Rec	\$ 328,930.00	\$ 328,930.00	-	0.0%
General Government	\$ 943,002.00	\$ 666,490.00	\$ (276,512.00)	-29.3%
TOTAL	\$ 2,771,232.00	\$ 2,558,720.00	\$ (212,512.00)	-7.7%

REVENUE	2003 Budget	2004 Budget	Difference	Percent
Taxes	\$ 116,978.00	\$ 115,324.00	\$ (1,654.00)	-1.4%
Intergovernmental Aid	\$ 1,504,698.00	\$ 1,293,084.00	\$ (211,614.00)	-14.1%
General Revenue	\$ 297,500.00	\$ 278,500.00	\$ (19,000.00)	-6.4%
TOTAL	\$ 1,919,176.00	\$ 1,686,908.00	\$ (232,268.00)	-12.1%

GENERAL LEVY	\$ 852,056.00	\$ 871,812.00	\$ 19,756.00	2.3%
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2004 (PROPOSED) BUDGET SUMMARY
CITY OF MOUNTAIN IRON
REVENUE

GENERAL REVENUE	2003 Budget	2004 Budget	Difference	Percent
Lic. & Permits	\$ 21,500.00	\$ 21,500.00	\$ -	0.0%
Charges for Service	\$ 27,000.00	\$ 28,000.00	\$ 1,000.00	3.7%
Fines	\$ 9,000.00	\$ 9,000.00	\$ -	0.0%
Interest	\$ 40,000.00	\$ 40,000.00	\$ -	0.0%
Refunds	\$ 175,000.00	\$ 150,000.00	\$ (25,000.00)	-14.3%
General	\$ 25,000.00	\$ 30,000.00	\$ 5,000.00	20.0%
Subtotal	\$ 297,500.00	\$ 278,500.00	\$ (19,000.00)	-6.4%

INTERGOVERNMENTAL REVENUE

Local Government Aid	\$ 542,198.00	\$ 430,584.00	\$ (111,614.00)	-20.6%
Taconite Production Tax	\$ 500,000.00	\$ 450,000.00	\$ (50,000.00)	-10.0%
Taconite Municipal Aid	\$ 350,000.00	\$ 300,000.00	\$ (50,000.00)	-14.3%
Mining Effects Tax	\$ 100,000.00	\$ 100,000.00	\$ -	0.0%
Other	\$ 12,500.00	\$ 12,500.00	\$ -	0.0%
Subtotal	\$ 1,504,698.00	\$ 1,293,084.00	\$ (211,614.00)	-14.1%

TAXES

Market Rate Levy	\$ 86,478.00	\$ 84,824.00	\$ (1,654.00)	-1.9%
Misc. Taxes	\$ 20,000.00	\$ 20,000.00	\$ -	0.0%
Franchise	\$ 10,500.00	\$ 10,500.00	\$ -	0.0%
Subtotal	\$ 116,978.00	\$ 115,324.00	\$ (1,654.00)	-1.4%
Total	\$ 1,919,176.00	\$ 1,686,908.00	\$ (232,268.00)	-12.1%

**2004 (PROPOSED) BUDGET
CITY OF MOUNTAIN IRON
REVENUE**

TAXES	2001 ACTUAL	2002 ACTUAL	2003 BUDGET	2003 YTD	2004 BUDGET	%
Tax Levy	\$ 609,718.00	\$ 708,314.00	\$ 852,056.00	\$ 449,572.00	\$ 871,812.00	2.3%
Bond Levy	\$ 87,045.00	\$ 87,206.00	\$ 86,478.00	\$ 54,737.00	\$ 84,824.00	-1.9%
Franchise	\$ 20,130.00	\$ 22,165.00	\$ 20,000.00	\$ 17,567.00	\$ 20,000.00	0.0%
Other Taxes	\$ 16,515.00	\$ 5,050.00	\$ 10,500.00	\$ 17,349.00	\$ 10,500.00	0.0%
TOTAL	\$ 733,408.00	\$ 822,735.00	\$ 969,034.00	\$ 539,225.00	\$ 987,136.00	1.9%

INTERGOVERNMENTAL REVENUE

LGA	\$ 328,413.00	\$ 528,046.00	\$ 542,198.00	\$ 264,307.00	\$ 430,584.00	-20.6%
Tac. Prod Aid	\$ 560,125.00	\$ 539,555.00	\$ 500,000.00	\$ 671,766.00	\$ 450,000.00	-10.0%
Tac. Aid	\$ 356,300.00	\$ 330,404.00	\$ 350,000.00	\$ 311,221.00	\$ 300,000.00	-14.3%
Mining Effects	\$ 120,836.00	\$ 104,935.00	\$ 100,000.00	\$ -	\$ 100,000.00	0.0%
HACA	\$ 185,781.00	\$ -	\$ -	\$ -	\$ -	0.0%
Misc. Aid	\$ 54,754.00	\$ 62,696.00	\$ 12,500.00	\$ 43,548.00	\$ 12,500.00	0.0%
TOTAL	\$ 1,606,209.00	\$ 1,565,636.00	\$ 1,504,698.00	\$ 1,290,842.00	\$ 1,293,084.00	-14.1%

GENERAL REVENUE

Lic. & Permits	\$ 20,850.00	\$ 25,567.00	\$ 21,500.00	\$ 9,130.00	\$ 21,500.00	0.0%
Charges for Service	\$ 28,502.00	\$ 30,296.00	\$ 27,000.00	\$ 34,776.00	\$ 28,000.00	3.7%
Fines	\$ 10,679.00	\$ 6,747.00	\$ 9,000.00	\$ 9,610.00	\$ 9,000.00	0.0%
Interest	\$ 76,361.00	\$ 52,218.00	\$ 40,000.00	\$ 28,704.00	\$ 40,000.00	0.0%
Refunds	\$ 171,678.00	\$ 154,738.00	\$ 175,000.00	\$ 76,096.00	\$ 150,000.00	-14.3%
General	\$ 134,129.00	\$ 94,929.00	\$ 25,000.00	\$ -	\$ 30,000.00	20.0%
TOTAL	\$ 442,199.00	\$ 364,495.00	\$ 297,500.00	\$ 158,316.00	\$ 278,500.00	-6.4%
TOTAL	\$ 2,781,816.00	\$ 2,752,866.00	\$ 2,771,232.00	\$ 1,988,383.00	\$ 2,558,720.00	-7.7%

2004 (PROPOSED) BUDGET SUMMARY
CITY OF MOUNTAIN IRON
EXPENDITURES

DEPARTMENT	2003 Budget	2004 Budget	Difference	Percent
City Council	\$ 12,500.00	\$ 12,500.00	\$ -	0.0%
Administration	\$ 355,000.00	\$ 375,000.00	\$ 20,000.00	5.6%
Election	\$ -	\$ 9,000.00	\$ 9,000.00	100.0%
Assessing	\$ 18,500.00	\$ 24,000.00	\$ 5,500.00	29.7%
Planning & Zoning	\$ 20,000.00	\$ 21,000.00	\$ 1,000.00	5.0%
Sheriffs	\$ 390,000.00	\$ 405,000.00	\$ 15,000.00	3.8%
Fire Protection	\$ 66,300.00	\$ 66,300.00	\$ -	0.0%
Emergency Management	\$ 1,000.00	\$ 1,000.00	\$ -	0.0%
Animal Control	\$ 11,000.00	\$ 11,000.00	\$ -	0.0%
Streets	\$ 476,500.00	\$ 490,000.00	\$ 13,500.00	2.8%
Buildings	\$ 148,500.00	\$ 148,500.00	\$ -	0.0%
Campground	\$ 42,330.00	\$ 42,330.00	\$ -	0.0%
Recreation	\$ 177,000.00	\$ 177,000.00	\$ -	0.0%
Government	\$ 396,050.00	\$ 249,570.00	\$ (146,480.00)	-37.0%
Subtotal	\$ 2,114,680.00	\$ 2,032,200.00	\$ (82,480.00)	-3.9%
Library	\$ 109,600.00	\$ 109,600.00	\$ -	0.0%
Transfers	\$ 546,952.00	\$ 416,920.00	\$ (130,032.00)	-23.8%
Total	\$ 2,771,232.00	\$ 2,558,720.00	\$ (212,512.00)	-7.7%

**2004 (PROPOSED) BUDGET
CITY OF MOUNTAIN IRON
GOVERNMENT OPERATIONS**

CITY COUNCIL	2001 ACTUAL	2002 ACUTAL	2003 BUDGET	2003 YTD	2004 BUDGET	%
Council Salaries	\$ 11,818.00	\$ 11,816.00	\$ 12,500.00	\$ 16,768.00	\$ 12,500.00	0%
TOTAL	\$ 11,818.00	\$ 11,816.00	\$ 12,500.00	\$ 16,768.00	\$ 12,500.00	0%

ADMINISTRATION

Salaries	\$ 153,976.00	\$ 161,533.00	\$ 148,000.00	\$ 134,286.00	\$ 165,000.00	11%
Payroll Taxes	\$ 20,649.00	\$ 22,183.00	\$ 20,000.00	\$ 18,920.00	\$ 25,000.00	25%
Insurance-Group	\$ 29,810.00	\$ 39,374.00	\$ 33,000.00	\$ 36,514.00	\$ 40,000.00	21%
Insurance-General	\$ 20,452.00	\$ 51,475.00	\$ 45,000.00	\$ 40,035.00	\$ 50,000.00	11%
Independent Audit	\$ 9,300.00	\$ 9,860.00	\$ 10,000.00	\$ 9,900.00	\$ 10,000.00	0%
Engineering Fees	\$ 48,883.00	\$ 46,036.00	\$ 37,000.00	\$ 52,757.00	\$ 31,000.00	-16%
Legal Fees	\$ 30,036.00	\$ 33,468.00	\$ 29,000.00	\$ 24,911.00	\$ 25,000.00	-14%
Communications	\$ 8,189.00	\$ 9,700.00	\$ 9,000.00	\$ 8,621.00	\$ 9,000.00	0%
Supplies	\$ 6,390.00	\$ 3,628.00	\$ 5,000.00	\$ 4,388.00	\$ 5,000.00	0%
Operations	\$ 24,033.00	\$ 43,791.00	\$ 19,000.00	\$ 41,933.00	\$ 15,000.00	-21%
TOTAL	\$ 351,718.00	\$ 421,048.00	\$ 355,000.00	\$ 372,265.00	\$ 375,000.00	6%

ELECTION

Salaries	\$ 1,116.00	\$ 2,868.00	\$ -	\$ -	\$ 4,000.00	100%
Operations	\$ 280.00	\$ 3,820.00	\$ -	\$ 72.00	\$ 5,000.00	100%
TOTAL	\$ 1,396.00	\$ 6,688.00	\$ -	\$ 72.00	\$ 9,000.00	100%

ASSESSING

Contract Services	\$ 15,715.00	\$ 19,306.00	\$ 17,500.00	\$ 19,531.00	\$ 23,000.00	31%
Operations	\$ 288.00	\$ -	\$ 1,000.00	\$ 258.00	\$ 1,000.00	0%
TOTAL	\$ 16,003.00	\$ 19,306.00	\$ 18,500.00	\$ 19,789.00	\$ 24,000.00	30%

**2004 (PROPOSED) BUDGET
CITY OF MOUNTAIN IRON
GOVERNMENT OPERATIONS**

	2001 ACTUAL	2002 ACTUAL	2003 BUDGET	2003 YTD	2004 BUDGET	%
PLANNING & ZONING						
Salaries	\$ 27,343.00	\$ 12,807.00	\$ 15,000.00	\$ 7,568.00	\$ 16,000.00	7%
Payroll Taxes	\$ 3,508.00	\$ 1,688.00	\$ 2,000.00	\$ 944.00	\$ 2,000.00	0%
Operations	\$ 2,729.00	\$ 3,011.00	\$ 3,000.00	\$ 1,619.00	\$ 2,000.00	-33%
TOTAL	\$ 33,580.00	\$ 17,506.00	\$ 20,000.00	\$ 10,131.00	\$ 21,000.00	5%
ADMINISTRATION						
TOTAL	\$ 414,515.00	\$ 476,364.00	\$ 406,000.00	\$ 419,025.00	\$ 441,500.00	9%

**2004 (PROPOSED) BUDGET
CITY OF MOUNTAIN IRON
PUBLIC SAFETY**

POLICE PROTECTION	2001 ACTUAL	2002 ACTUAL	2003 BUDGET	2003 YTD	2004 BUDGET	%
Contract Services	\$ 393,725.00	\$ 401,625.00	\$ 385,000.00	\$ 288,747.00	\$ 400,000.00	4%
Other Expenditures	\$ 5,652.00	\$ 7,356.00	\$ 5,000.00	\$ 4,980.00	\$ 5,000.00	0%
TOTAL	\$ 399,377.00	\$ 408,981.00	\$ 390,000.00	\$ 293,727.00	\$ 405,000.00	4%

FIRE PROTECTION

Salaries	\$ 16,701.00	\$ 17,480.00	\$ 18,000.00	\$ 11,023.00	\$ 18,000.00	0%
Payroll Taxes	\$ 559.00	\$ 2,705.00	\$ 500.00	\$ 2,000.00	\$ 500.00	0%
Training	\$ 15,960.00	\$ 10,726.00	\$ 11,000.00	\$ 5,290.00	\$ 11,000.00	0%
Maintenance	\$ 4,848.00	\$ 6,800.00	\$ 6,000.00	\$ 2,019.00	\$ 6,000.00	0%
Operations	\$ 18,468.00	\$ 13,910.00	\$ 11,000.00	\$ 10,210.00	\$ 11,000.00	0%
Firemen's Relief	\$ 23,012.00	\$ 20,244.00	\$ 19,800.00	\$ 19,390.00	\$ 19,800.00	0%
TOTAL	\$ 79,548.00	\$ 71,865.00	\$ 66,300.00	\$ 49,932.00	\$ 66,300.00	0%

EMERGENCY MANAGEMENT

Operations	\$ 15.00	\$ 25.00	\$ 1,000.00	\$ 25.00	\$ 1,000.00	0%
TOTAL	\$ 15.00	\$ 25.00	\$ 1,000.00	\$ 25.00	\$ 1,000.00	0%

ANIMAL CONTROL

Contact Services	\$ 10,234.00	\$ 10,258.00	\$ 10,000.00	\$ 7,694.00	\$ 10,000.00	0%
Operations	\$ 127.00	\$ 741.00	\$ 1,000.00	\$ 201.00	\$ 1,000.00	0%
TOTAL	\$ 10,361.00	\$ 10,999.00	\$ 11,000.00	\$ 7,895.00	\$ 11,000.00	0%

PUBLIC SAFETY

TOTAL	\$ 489,301.00	\$ 491,870.00	\$ 468,300.00	\$ 351,579.00	\$ 483,300.00	3%
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**2004 (PROPOSED) BUDGET
CITY OF MOUNTAIN IRON
PUBLIC WORKS**

STREETS	2001		2002		2003		2003		2004	
	ACTUAL		ACTUAL		BUDGET		YTD		BUDGET	%
Salaries	\$ 284,300.00	\$	\$ 287,949.00	\$	\$ 249,800.00	\$	\$ 214,544.00	\$	\$ 255,000.00	2%
Payroll Taxes	\$ 37,046.00	\$	\$ 38,409.00	\$	\$ 33,300.00	\$	\$ 30,524.00	\$	\$ 40,000.00	20%
Insurance-Group	\$ 63,217.00	\$	\$ 79,344.00	\$	\$ 59,300.00	\$	\$ 76,657.00	\$	\$ 75,000.00	26%
Utilities	\$ 47,386.00	\$	\$ 52,347.00	\$	\$ 46,800.00	\$	\$ 42,778.00	\$	\$ 45,000.00	-4%
Maintenance	\$ 34,989.00	\$	\$ 45,826.00	\$	\$ 44,500.00	\$	\$ 36,930.00	\$	\$ 40,000.00	-10%
Supplies	\$ 29,596.00	\$	\$ 14,605.00	\$	\$ 26,000.00	\$	\$ 15,156.00	\$	\$ 20,000.00	-23%
Operations	\$ 28,930.00	\$	\$ 27,973.00	\$	\$ 16,800.00	\$	\$ 7,551.00	\$	\$ 15,000.00	-11%
TOTAL	\$ 525,464.00	\$	\$ 546,453.00	\$	\$ 476,500.00	\$	\$ 424,140.00	\$	\$ 490,000.00	3%
BUILDINGS										
Salaries	\$ 49,402.00	\$	\$ 52,072.00	\$	\$ 55,450.00	\$	\$ 40,538.00	\$	\$ 56,000.00	1%
Payroll Taxes	\$ 6,215.00	\$	\$ 6,780.00	\$	\$ 7,200.00	\$	\$ 5,419.00	\$	\$ 8,000.00	11%
Insurance-Group	\$ 12,915.00	\$	\$ 17,485.00	\$	\$ 12,400.00	\$	\$ 15,808.00	\$	\$ 15,000.00	21%
Utilities	\$ 43,449.00	\$	\$ 27,948.00	\$	\$ 46,400.00	\$	\$ 32,188.00	\$	\$ 45,000.00	-3%
Communications	\$ 2,062.00	\$	\$ 1,256.00	\$	\$ 2,050.00	\$	\$ 1,150.00	\$	\$ 2,000.00	-2%
Supplies	\$ 52,447.00	\$	\$ 17,970.00	\$	\$ 15,500.00	\$	\$ 3,155.00	\$	\$ 9,500.00	-39%
Operations	\$ 18,698.00	\$	\$ 16,048.00	\$	\$ 9,500.00	\$	\$ 14,908.00	\$	\$ 13,000.00	37%
TOTAL	\$ 185,188.00	\$	\$ 139,559.00	\$	\$ 148,500.00	\$	\$ 113,166.00	\$	\$ 148,500.00	0%
PUBLIC WORKS										
TOTAL	\$ 710,652.00	\$	\$ 686,012.00	\$	\$ 625,000.00	\$	\$ 537,306.00	\$	\$ 638,500.00	2%

**2004 (PROPOSED) BUDGET
CITY OF MOUNTAIN IRON
CULTURE AND RECREATION**

CAMPGROUND	2001 ACTUAL	2002 ACTUAL	2003 BUDGET	2003 YTD	2004 BUDGET	%
Salaries	\$ 15,006.00	\$ 17,365.00	\$ 14,600.00	\$ 15,907.00	\$ 14,600.00	0%
Payroll Taxes	\$ 1,966.00	\$ 1,827.00	\$ 1,530.00	\$ 1,541.00	\$ 1,530.00	0%
Insurance-Group	\$ 3,922.00	\$ 1,908.00	\$ 2,550.00	\$ 1,936.00	\$ 2,550.00	0%
Utilities	\$ 6,887.00	\$ 4,618.00	\$ 7,350.00	\$ 3,732.00	\$ 7,350.00	0%
Operations	\$ 18,427.00	\$ 15,248.00	\$ 14,300.00	\$ 14,330.00	\$ 14,300.00	0%
Advertising	\$ 130.00	\$ -	\$ 2,000.00	\$ 120.00	\$ 2,000.00	0%
TOTAL	\$ 46,338.00	\$ 40,966.00	\$ 42,330.00	\$ 37,566.00	\$ 42,330.00	0%

RECREATION DEPARTMENT

Salaries	\$ 87,709.00	\$ 90,362.00	\$ 101,350.00	\$ 78,074.00	\$ 101,350.00	0%
Payroll Taxes	\$ 10,191.00	\$ 11,281.00	\$ 11,300.00	\$ 9,869.00	\$ 11,300.00	0%
Insurance-Group	\$ 15,521.00	\$ 20,738.00	\$ 13,400.00	\$ 18,505.00	\$ 13,400.00	0%
Utilities	\$ 8,807.00	\$ 9,305.00	\$ 10,300.00	\$ 9,092.00	\$ 10,300.00	0%
Maintenance	\$ 3,948.00	\$ 5,355.00	\$ 5,650.00	\$ 2,053.00	\$ 5,650.00	0%
Operations	\$ 21,618.00	\$ 25,490.00	\$ 20,200.00	\$ 12,621.00	\$ 20,200.00	0%
Mesabi Trail	\$ -	\$ -	\$ 6,500.00	\$ -	\$ 6,500.00	0%
Special Events	\$ 15,866.00	\$ 14,077.00	\$ 8,300.00	\$ 9,218.00	\$ 8,300.00	0%
TOTAL	\$ 163,660.00	\$ 176,608.00	\$ 177,000.00	\$ 139,432.00	\$ 177,000.00	0%

LIBRARY

Salaries	\$ 65,305.00	\$ 69,065.00	\$ 67,350.00	\$ 57,496.00	\$ 67,350.00	0%
Payroll Taxes	\$ 8,404.00	\$ 9,022.00	\$ 8,750.00	\$ 7,559.00	\$ 8,750.00	0%
Insurance-Group	\$ 5,004.00	\$ 7,348.00	\$ 4,900.00	\$ 6,621.00	\$ 4,900.00	0%
Utilities	\$ 7,334.00	\$ 4,869.00	\$ 8,400.00	\$ 5,904.00	\$ 8,400.00	0%
Books	\$ 16,430.00	\$ 15,346.00	\$ 12,500.00	\$ 8,518.00	\$ 12,500.00	0%
Communications	\$ 3,310.00	\$ 2,985.00	\$ 4,900.00	\$ 3,124.00	\$ 4,900.00	0%
Operations	\$ 19,675.00	\$ 3,960.00	\$ 2,800.00	\$ 3,775.00	\$ 2,800.00	0%
TOTAL	\$ 125,462.00	\$ 112,595.00	\$ 109,600.00	\$ 92,997.00	\$ 109,600.00	0%

CULTURE AND RECREATION

TOTAL	\$ 335,460.00	\$ 330,169.00	\$ 328,930.00	\$ 269,995.00	\$ 328,930.00	0%
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2004 (PROPOSED) BUDGET **CITY OF MOUNTAIN IRON** **GENERAL GOVERNMENT**

GENERAL GOVERNMENT	2001 ACTUAL	2002 ACTUAL	2003 BUDGET	2003 YTD	2004 BUDGET	%
Cash Short and Over	\$ (55.00)	\$ 1.00	\$ 10.00	\$ (1.00)	\$ 10.00	0%
Cemeteries	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	0%
Retire/Pension Contrib.	\$ 62,226.00	\$ 64,671.00	\$ 63,994.00	\$ 64,195.00	\$ 70,000.00	9%
Public Expense	\$ 10,066.00	\$ 17,167.00	\$ 6,500.00	\$ 15,756.00	\$ 6,500.00	0%
Promotion and Tourism	\$ 10,200.00	\$ 311.00	\$ 2,500.00	\$ 1,505.00	\$ 2,500.00	0%
EMT Equipment	\$ 1,790.00	\$ 2,850.00	\$ 3,000.00	\$ 1,124.00	\$ 3,000.00	0%
Intergovernmental Coop	\$ 54,248.00	\$ 1,473.00	\$ -	\$ 21,567.00	\$ -	0%
Contribution - QCJRA	\$ -	\$ 34,232.00	\$ 21,504.00	\$ -	\$ 7,560.00	-65%
Contribution - QCEDA	\$ -	\$ 30,102.00	\$ 25,102.00	\$ -	\$ -	-100%
Contribution - V/MI/GCC	\$ -	\$ 10,000.00	\$ 5,000.00	\$ 5,000.00	\$ -	-100%
Hydrants	\$ 3,845.00	\$ 2,139.00	\$ 5,000.00	\$ 7,301.00	\$ 5,000.00	0%
TCBDA	\$ 42,288.00	\$ 41,930.00	\$ 50,000.00	\$ 36,274.00	\$ 50,000.00	0%
QCEDA	\$ 40,861.00	\$ 64,753.00	\$ 100,000.00	\$ 54,879.00	\$ 100,000.00	0%
LGA Offset	\$ -	\$ -	\$ 108,440.00	\$ -	\$ -	-100%
VRMC Contribution	\$ -	\$ -	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	0%
Wastewater Charges	\$ 5,000.00	\$ -	\$ -	\$ -	\$ -	0%
Water Charges	\$ 5,000.00	\$ -	\$ -	\$ -	\$ -	0%
TOTAL	\$ 237,969.00	\$ 272,129.00	\$ 396,050.00	\$ 212,600.00	\$ 249,570.00	-37%
TRANSFERS						
Capital Improvement	\$ 460,353.00	\$ 322,804.00	\$ 268,782.00	\$ 138,985.00	\$ 136,920.00	-49%
Mining Effects	\$ -	\$ 30,200.00	\$ 50,000.00	\$ -	\$ 50,000.00	0%
Debt Service	\$ 200,000.00	\$ 203,000.00	\$ 228,170.00	\$ 190,141.00	\$ 230,000.00	1%
TOTAL	\$ 660,353.00	\$ 556,004.00	\$ 546,952.00	\$ 329,126.00	\$ 416,920.00	-24%
GENERAL GOVERNMENT						
TOTAL	\$ 898,322.00	\$ 828,133.00	\$ 943,002.00	\$ 541,726.00	\$ 666,490.00	-29%

2004 BUDGET
CITY OF MOUNTAIN IRON
DEBT SERVICE FUND

REVENUE	2001 ACTUAL	2002 ACTUAL	2003 BUDGET	2003 YTD	2004 BUDGET
Interest Earnings	\$ 5,614.00	\$ 16,502.00	\$ 2,000.00	\$ 6,613.33	\$ 2,000.00
Special Assessments	\$ 126,271.00	\$ 34,216.00	\$ 17,274.00	\$ 6,372.09	\$ 17,500.00
Electric Fund	\$ -	\$ -	\$ 8,103.00	\$ 6,752.50	\$ 8,024.00
Water Fund	\$ -	\$ -	\$ 17,868.00	\$ 14,890.00	\$ 17,695.00
Capital Projects Fund	\$ -	\$ 36,259.00	\$ -	\$ -	\$ -
General Fund	\$ 200,000.00	\$ 203,000.00	\$ 228,170.00	\$ 190,141.20	\$ 230,000.00

TOTAL REVENUE \$ 331,885.00 \$ 289,977.00 \$ 273,415.00 \$ 224,769.12 \$ 275,219.00

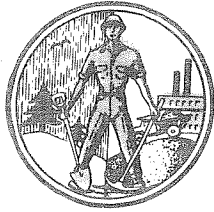
EXPENSES

Principle - Community Center	\$ 30,000.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00
Interest - Community Center	\$ 50,398.00	\$ 48,935.00	\$ 47,360.00	\$ 47,360.00	\$ 45,785.00
Principle - Street Improvement	\$ -	\$ 45,000.00	\$ 60,000.00	\$ 60,000.00	\$ 65,000.00
Interest - Street Improvement	\$ 63,440.00	\$ 68,139.00	\$ 65,615.00	\$ 65,615.00	\$ 62,535.00
Principle - Water Revenue	\$ -	\$ -	\$ 25,000.00	\$ -	\$ 25,000.00
Interest - Water Revenue	\$ -	\$ 13,147.00	\$ 39,440.00	\$ 19,720.00	\$ 38,815.00
Agent Fees	\$ 187.00	\$ 23,174.00	\$ 1,652.00	\$ 125.00	\$ 2,000.00

TOTAL EXPENSES \$ 144,025.00 \$ 233,395.00 \$ 274,067.00 \$ 227,820.00 \$ 274,135.00

2004 BUDGET
CITY OF MOUNTAIN IRON
CHARITABLE GAMBLING

REVENUE	2001 ACTUAL	2002 ACTUAL	2003 BUDGET	2003 YTD	2004 BUDGET
Interest Earnings	\$ 305.00	\$ 935.00	\$ 200.00	\$ 69.00	\$ 200.00
Gambling Proceeds	\$ 2,008.00	\$ 2,138.00	\$ 2,500.00	\$ 3,189.00	\$ 2,500.00
Transfer In	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUE	\$ 2,313.00	\$ 3,073.00	\$ 2,700.00	\$ 3,258.00	\$ 2,700.00
EXPENSES					
Allowable Expenditures	\$ 1,433.00	\$ 4,066.00	\$ 2,700.00	\$ 3,458.00	\$ 2,700.00
Administration	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 1,433.00	\$ 4,066.00	\$ 2,700.00	\$ 3,458.00	\$ 2,700.00



CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

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RESOLUTION NUMBER 40-03

APPROVING 2003 TAX LEVY, COLLECTABLE 2004

BE IT RESOLVED, by the City Council of the City of Mountain Iron, County of Saint Louis, Minnesota, that the following sums of money be levied for the current year, collectable in 2004, upon the taxable property in the City of Mountain Iron for the following purposes:

TOTAL LEVY	\$ 871,812.00
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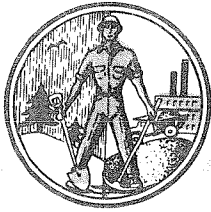
The City Administrator is hereby instructed to transmit a certified copy of this Resolution to the County Auditor of Saint Louis County, Minnesota.

DULY ADOPTED THIS 1st DAY OF DECEMBER, 2003.

Mayor Gary Skalko

ATTEST:

City Administrator



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RESOLUTION NUMBER 41-03

APPROVING PROPOSED 2004 MARKET RATE BASED REFERENDUM LEVY FOR THE GENERAL OBLIGATION COMMUNITY CENTER BONDS AND INTEREST

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

NOW, THEREFOR BE IT RESOLVED, by the City Council of the City of Mountain Iron, County of Saint Louis, Minnesota, that the following market rate based levy shall be made in 2003 payable in 2004 for all property in the City of Mountain Iron:

General Obligation Community Center Bond levy shall be \$84,824.00

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

DULY ADOPTED THIS 1st DAY OF NOVEMBER 2003.

Mayor Gary Skalko

ATTEST:

City Administrator

COUNCIL LETTER 120103-VIE

COUNCILOR ROSKOSKI

WORK SCHEDULE REPORTS

DATE: November 25, 2003

FROM: Councilor Roskoski

Craig J. Wainio
City Administrator

Twice monthly work schedule reports. We (Council – Employees) receive criticism about wasted work time. This would/could remedy much of the basis for such.

COMMUNICATIONS
DECEMBER 1, 2003

1. Jerry Kujala, an e-mail regarding the display houses next to the Sawmill Saloon.

Craig J. Wainio

From: Jerry Kujala [jerry2@cpinternet.com]
Sent: Tuesday, November 18, 2003 3:22 PM
To: Craig J. Wainio
Subject: Re: Schlotec

There is no way these buildings meet the code if it is applied as if these were residences. First of all residential use is not permitted in this zoning. Second, multiple single family residences aren't permitted on a single lot. Third, I expect there are violations of setbacks if they were applied to the structures other than the one they are doing business out of. But this is not a residential development-it is a business selling homes. Dodo probably has the same issues with the houses he stores.

What would the council like done? My view is any application of the ordinance to apply residential requirements to this endeavor would require it to cease operation. Let me know.

Please forward this to the Council. If they want me at the next meeting, I can be there. Thanks
 Jerry

----- Original Message -----

From: Craig J. Wainio
To: Jerry Kujala
Sent: Tuesday, November 18, 2003 2:22 PM
Subject: Schlotec

Jerry:

At the City Council meeting last night, a question arose concerning the display houses next to the sawmill. The Council was concerned that all the regulations were being followed as houses are moved in and out of that location. What are the requirements and are they following them?

Craig J. Wainio
 City Administrator