

**MOUNTAIN IRON CITY COUNCIL MEETING
COMMUNITY CENTER
MOUNTAIN IRON ROOM
MONDAY, DECEMBER 16, 2013 - 6:30 P.M.
A G E N D A**

- I. Roll Call
- II. Consent Agenda
 - A. November 18, 2013, Committee-of-the-Whole Meeting (#1)
 - B. December 2, 2013, Regular Meeting (#2-27)
 - C. Receipts
 - D. Bills and Payroll
 - E. Communications (#52-55)
- III. Public Forum
- IV. Committee and Staff Reports
 - A. Mayor's Report
 - B. City Administrator's Report
 - 1. Winter Seasonal Employees (#28)
 - C. Public Works Director's Report
 - 1. Authorization to Purchase Vacuum Trailer (#29-31)
 - D. Sheriff's Department Report
 - 1. Authorization to Purchase Squad Car (#32)
 - E. City Attorney's Report
 - F. City Engineer's Report
 - G. Fire Department's Report
 - 1. Authorization to Hire Firefighters (#33)
 - H. Liaison Reports
- V. Unfinished Business
- VI. New Business
 - A. Ordinance Number 03-13 Regulating Synthetic Drugs (#34-42)
 - B. Resolution Number 45-13 Ordering Report (#43-44)
 - C. Power Purchase Agreement with ISD 712 (#45-48)
 - D. Power Purchase Agreement with EDA (#49-51)
- VII. Communications (#52-55)
- VIII. Announcements
- IX. Adjourn

Page Number in Packet

MINUTES
MOUNTAIN IRON CITY COUNCIL
COMMITTEE-OF-THE-WHOLE MEETING
NOVEMBER 18, 2013

Mayor Skalko called the City Council meeting to order at 7:15 p.m. with the following members present: Joe Prebeg, Jr., Susan Tuomela, Tony Zupancich, Alan Stanaway, and Mayor Gary Skalko. Also present were: Craig J. Wainio, City Administrator; Jill M. Clark, Municipal Services Secretary; and Sally Peterangelo, Librarian.

The Council reviewed the 2014 budget proposal by reviewing each department's budget. The following items generated additional discussion.

Administration:

The Council discussed audit services regarding expenses and services.

Planning and Zoning Commission:

A large department increase at 21%. The City Administrator stated that with the increase in construction and building permit revenue had increased, as well as the expenses being increased.

Fire Department:

A large department increase at 12%. The City Administrator stated that the fire department is requesting additional items and salary increases for the officers. The Council requested the City Administrator to seek grant funding for fire equipment.

Library:

Additional expenses were required to be budgeted for the Library Assistant's insurance premium.

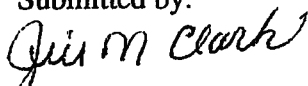
Recreation Department:

The Council discussed the Special Event budget of \$27,000 with \$20,000 being dedicated to the Merritt Days Event. The Council discussed the resurfacing of the Tennis Courts, it was noted that resurfacing was completed approximately eight years ago.

The Council discussed that every department should be accountable for their designated budget.

At 8:15 p.m., it was moved by Skalko and seconded by Zupancich that the meeting be adjourned. The motion carried.

Submitted by:



Jill M. Clark, MMC
Municipal Services Secretary

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MINUTES
MOUNTAIN IRON CITY COUNCIL
DECEMBER 2, 2013

Mayor Skalko called the City Council meeting to order at 6:32 p.m. with the following members present: Joe Prebeg, Jr., Susan Tuomela, Tony Zupancich, Alan Stanaway, and Mayor Gary Skalko. Also present were: Craig J. Wainio, City Administrator; Jill M. Clark, Municipal Services Secretary; Michael Downs, Director of Public Works; Rod Flannigan, City Engineer; and Sally Peterangelo, Librarian.

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

1. Approve the minutes of the November 18, 2013, regular meeting as submitted.
2. That the communications be accepted and placed on file and those requiring further action by the City Council be acted upon during their proper sequence on the agenda.
3. To acknowledge the receipts for the period November 16-30, 2013, totaling \$152,642.93, (a list is attached and made a part of these minutes).
4. To authorize the payments of the bills and payroll for the period November 16-30, 2013, totaling \$139,725.52, (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 Zupancich and seconded by Tuomela to recess the regular meeting and open the truth in taxation meeting. The motion carried.

The City Administrator mentioned the following items during the truth in taxation meeting:

- 1) the Council had adopted a preliminary levy with a zero percent increase,
- 2) there was an increase of local government aid, and
- 3) sales tax would be eliminated in 2014 and should save the City approximately \$36,000.

At 6:35 p.m., it was moved by Zupancich and seconded by Tuomela to recess the public meeting and reconvene the regular meeting. The motion carried.

The Mayor reported on the following:

- **Condolences.** He offered condolences to the family of Joyce Hanson of Parkville.
- **Mesabi Daily News.** He once again wanted to correct information listed in an unsigned "onion" in the newspaper regarding the special assessments on Daffodil Avenue and Bluebell Avenue. He said that the assessments would be assessed over ten years at a rate of 5.25%.



CITY OF MOUNTAIN IRON

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RESOLUTION NUMBER 41-13

DENYING THE VACATION OF A PORTION OF GARDEN DRIVE UPON A PETITION OF A MAJORITY OF ABUTTING LANDOWNERS

WHEREAS, a petition signed by the majority of property owners abutting a portion of Garden Drive in the City of Mountain Iron was received by the City Administrator on the 20th day of September, 2013; and

WHEREAS, the petition requested that the City Council pursuant to Minnesota Statute §412.851 vacate a portion of Garden Drive adjacent to Lots 11, 12 and 13, Block 9 and Lots 5, 6, and 7, Block 10, South Grove Addition, Mountain Iron, Minnesota; and

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

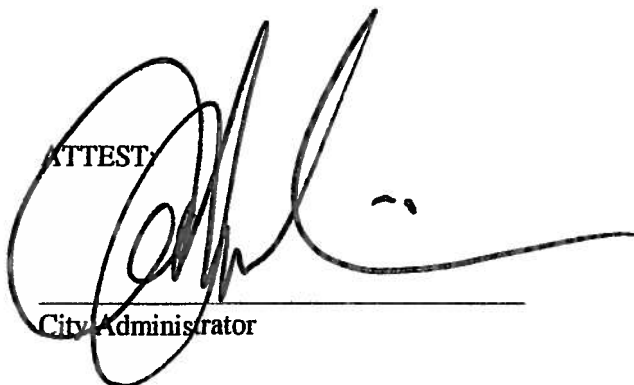
WHEREAS, a public hearing to consider the vacation of such street was held on the 18th day of November, 2013, before the City Council in the City Hall located at 8586 Enterprise Drive South at 6:30 pm after due published and posted notice had been given, as well as personal mailed notice to all affected property owners by the City Administrator on the 22nd day of October, 2013 and all interested and affected persons were given an opportunity to voice their concerns and be heard; and

WHEREAS, the Council in its discretion has determined that the vacation will not benefit the public interest because it will deny access to property located beyond the vacated area making the property of less value and unusable.

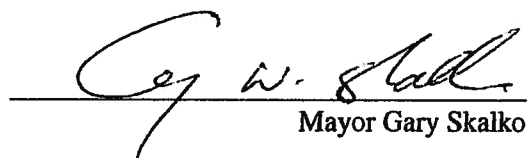
NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MOUNTAIN IRON, COUNTY OF SAINT LOUIS, MINNESOTA, that such petition for vacation is hereby denied and the portion of Garden Drive adjacent to Lots 11, 12 and 13, Block 9 and Lots 5, 6, and 7, Block 10, South Grove Addition, Mountain Iron, Minnesota is not vacated.

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

DULY ADOPTED BY THE CITY COUNCIL THIS 2nd DAY OF DECEMBER, 2013.

ATTEST


City Administrator



Mayor Gary Skalko



CITY OF MOUNTAIN IRON

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RESOLUTION NUMBER 42-13

APPROVING 2013 TAX LEVY, COLLECTABLE 2014

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

TOTAL PROPOSED LEVY	\$1,206,978.00
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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 BY THE CITY COUNCIL THIS 2nd DAY OF DECEMBER, 2013.

ATTEST:



City Administrator



Mayor Gary Skalko



CITY OF MOUNTAIN IRON

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RESOLUTION NUMBER 43-13

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

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

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

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

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

DULY ADOPTED BY THE CITY COUNCIL THIS 2nd DAY OF DECEMBER, 2013.

ATTEST:

City Administrator



Mayor Gary Skalko



CITY OF MOUNTAIN IRON

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RESOLUTION NUMBER 44-13

CONCERNING THE 2014 ECONOMIC DEVELOPMENT AUTHORITY TAX LEVY

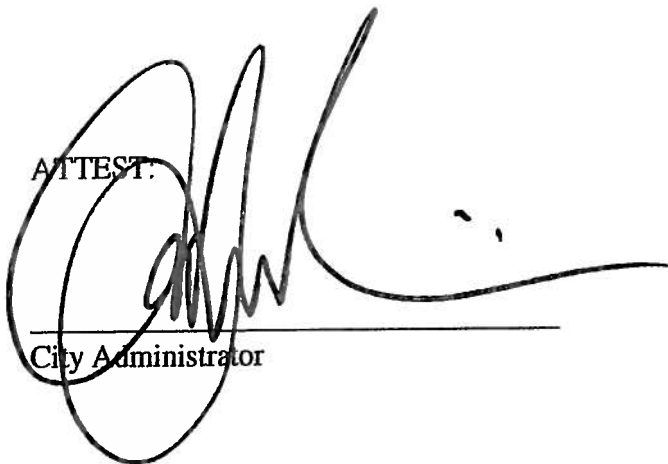
WHEREAS, the Mountain Iron Economic Development Authority was created on the 19th day of April, 2004, pursuant to Minnesota Statutes 469.090-469.108 and;

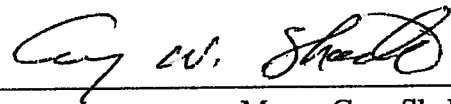
WHEREAS, Minnesota Statutes, Section 469.107, Subdivision 1, specifically authorized the Mountain Iron Economic Development Authority to levy against the taxable property of the City of Mountain Iron, St. Louis County, Minnesota.

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

DULY ADOPTED BY THE CITY COUNCIL THIS 2nd DAY OF DECEMBER, 2013.

ATTEST:



City Administrator

Mayor Gary Skalko

- Hometown Focus. He complimented the newspaper for allowing the City to submit an article once a month updating our residents on what is happening in the City of Mountain Iron.
- Mesabi Daily News. He also addressed an unsigned “onion” regarding a personal attack on him. He said that he did in fact receive a seatbelt violation, but the column was not the place to print this. He said he was guilty and paid his fine. Also, it stated that he had a stop sign citation; he said that the only citation he had received for a stop sign was in 1965.

The City Administrator reported on the following:

- Public Safety and Health Board. He said that the Board would be reviewing the synthetic drug ordinance and making a recommendation to the Council.
- Mountain Iron-Buhl School District. The Council would be presented with a power purchase agreement with the district to purchase their solar power.
- Rink Attendants. Applications are still being accepted until Friday, December 6, 2013.

The Director of Public Works reported on the following:

- Streets. He cautioned residents to watch for the flashing lights on the plow trucks and to be sure and give them room.
- Electric Department. The Electric Department had begun changing out transformers for the voltage upgrade. He said that the apartments would be worked on in the next few weeks and the residents would be notified.

The Library Director/Special Events Coordinator reported on the following:

- Library. She reviewed the statistics for November 2013.
- Mountain Iron-Buhl Drama Club. The Club performed an interactive play in the basement of the Library and it was very well received. She said that they would like to host more events such as this.
- Library Events. Still have Tea on Tuesday and the Wee Ones Wednesday.
- Unity Drive. Said she was the biggest fan of the extended Unity Drive, she drives on the road every day.
- Special Events. There were no special events scheduled for December. She said she would like to try and get music at the rinks in Mountain Iron.

It was moved by Prebeg and seconded by Zupancich and adopt Resolution Number 41-13, denying the vacation of a portion of Garden Drive upon a petition of a majority of abutting landowners, (a copy is attached and made a part of these minutes). The motion carried unanimously.

It was moved by Zupancich and seconded by Tuomela to adopt the 2014 budgets as presented, (a copy is attached and made a part of these minutes). The motion carried.

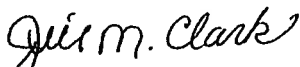
It was moved by Prebeg and seconded by Tuomela to adopt Resolution Number 42-13, approving the 2013 tax levy, collectable 2014, (a copy is attached and made a part of these minutes). The motion carried.

It was moved by Prebeg and seconded by Tuomela to adopt Resolution Number 43-13, approving the 2014 market rate based referendum levy for the general obligation community center bonds and interest, (a copy is attached and made a part of these minutes). The motion carried.

It was moved by Zupancich and seconded by Tuomela to adopt Resolution Number 44-13, concerning the 2014 Economic Development Authority Tax Levy, (a copy is attached and made a part of these minutes). The motion carried.

At 6:59 p.m., it was moved by Skalko and seconded by Zupancich that the meeting be adjourned. The motion carried.

Submitted by:



Jill M. Clark, MMC
Municipal Services Secretary

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Summary By Category And Distribution

Category	Distribution	Amount
COPIES	COPIES	.50
UTILITY	UTILITY	95,109.42
SPECIAL ASSESSMENTS	SPECIAL ASSESS - BOND MONEY	14,765.82
MISCELLANEOUS	ASSESSMENT SEARCHES	20.00
CAMPGROUND RECEIPTS	COCA COLA	24.80
CD INTEREST	CD INTEREST 378	174.59
CD INTEREST	CD INTEREST601	23.48
CD INTEREST	CD INTEREST 602	80.67
CD INTEREST	CD INTEREST 603	76.80
CD INTEREST	CD INTEREST 604	131.20
CHARGE FOR SERVICES	REFUSE REMOVAL-CHG FOR SERVICE	70.42
LICENSES	CIGARETTE	100.00
PERMITS	BUILDING	3,115.63
BUILDING RENTALS	BUILDING RENTAL DEPOSITS	700.00
CHARGE FOR SERVICES	ELECTRIC-CHG FOR SERVICES	35.00
MISCELLANEOUS	SALE-COPIES, MAPS, LABOR-ADMIN	52.75
CD INTEREST	CD INTEREST 101	193.22
METER DEPOSITS	ELECTRIC	150.00
METER DEPOSITS	WATER	40.00
SPECIAL ASSESSMENTS	SPECIAL ASSESSMENTS-PRIOR YR	2,899.86
LICENSES	LIQUOR	155.00
MISCELLANEOUS	BLUE CROSS/BLUE SHIELD PAYABLE	34,323.97
BUILDING RENTALS	COMMUNITY CENTER	350.00
BUILDING RENTALS	SENIOR CENTER	50.00
Summary Totals:		<u>152,642.93</u>

Check Issue Date(s) 12/03/2013 - 12/03/2013

Per	Date	Check No	Vendor No	Payee	Check GL Acct	Amount
12/13	12/03/2013	144690	5007	ASSURANT EMPLOYEE BENEFITS	101-20200	911.54
12/13	12/03/2013	144691	20004	BURGHIER OFFICE EQUIPMENT	604-20200	573.92
12/13	12/03/2013	144692	30017	CARQUEST (MOUNTAIN IRON)	101-20200	282.77
12/13	12/03/2013	144693	170001	CENTURY LINK	101-20200	116.48
12/13	12/03/2013	144694	30072	COMPUTER WORLD	101-20200	1,138.25
12/13	12/03/2013	144695	40027	DULUTH/SUPERIOR COMMUNICATION	101-20200	880.00
12/13	12/03/2013	144696	60050	EARL F ANDERSEN	101-20200	562.62
12/13	12/03/2013	144697	1277	ELAINA GILBERT	101-20200	100.00
12/13	12/03/2013	144698	1278	ELIZABETH TURK	101-20200	100.00
12/13	12/03/2013	144699	500012	ERA LABORATORIES INC	602-20200	465.15
12/13	12/03/2013	144700	60042	FLUID-TECH	101-20200	290.09
12/13	12/03/2013	144701	70004	GRANDE ACE HARDWARE	101-20200	577.95
12/13	12/03/2013	144702	70028	GREATER MINNESOTA AGENCY INC	101-20200	204.00
12/13	12/03/2013	144703	70029	GUARDIAN PEST CONTROL INC	101-20200	85.93
12/13	12/03/2013	144704	80037	HOMETOWN MEDIA PARTNERS	603-20200	31.50
12/13	12/03/2013	144705	110029	KOKAL, GLEN	101-20200	420.00
12/13	12/03/2013	144706	120005	LEAGUE OF MN CITIES INS TRUST	604-20200	500.00
12/13	12/03/2013	144707	130026	MESABI SIGN COMPANY	101-20200	160.31
12/13	12/03/2013	144708	3019	MIB RANGERS HOOP CLUB	101-20200	125.00
12/13	12/03/2013	144709	130138	MIB YEARBOOK	101-20200	200.00
12/13	12/03/2013	144710	130044	MINNESOTA DEPT OF HEALTH	601-20200	1,493.00
12/13	12/03/2013	144711	140026	MINNESOTA ENERGY RESOURCES	101-20200	1,007.52
12/13	12/03/2013	144712	130009	MINNESOTA POWER (ALLETE INC)	101-20200	1,336.28
12/13	12/03/2013	144713	130123	MORTON SALT	101-20200	1,665.44
12/13	12/03/2013	144714	140065	NYMAN, KEITH	101-20200	200.00
12/13	12/03/2013	144715	150004	OCCUPATIONAL DEVELOPMENT CTR	101-20200	53.27
12/13	12/03/2013	144716	40032	OFFICE OF ENTERPRISE TECHNOLOG	101-20200	433.69
12/13	12/03/2013	144717	160066	PACE ANALYTICAL SERVICES	601-20200	119.80
12/13	12/03/2013	144718	180012	RESCO	604-20200	6,450.33
12/13	12/03/2013	144719	190072	SAINT LOUIS COUNTY AUDITOR	378-20200	158.25
12/13	12/03/2013	144720	190003	SARANEN AUTO	101-20200	104.02
12/13	12/03/2013	144721	190079	SCHINDLER ELEVATOR CORPORATIOI	101-20200	2,403.89
12/13	12/03/2013	144722	190045	SERVICE SOLUTIONS	101-20200	23.00
12/13	12/03/2013	144723	190002	ST LOUIS COUNTY AUDITOR	603-20200	18,203.25
12/13	12/03/2013	144724	190061	SULLIVAN CANDY & SUPPLY	101-20200	200.33
12/13	12/03/2013	144725	200003	TACONITE TIRE SERVICE	101-20200	151.68
12/13	12/03/2013	144726	220025	VERIZON WIRELESS	101-20200	17.40
12/13	12/03/2013	144727	220014	VIKING INDUSTRIAL NORTH	101-20200	40.94
12/13	12/03/2013	144728	7029	VRMC FOUNDATION	101-20200	200.00
12/13	12/03/2013	144729	230028	WISCONSIN ENERGY CONSERVATION	604-20200	165.00
12/13	12/03/2013	144730	240001	XEROX CORPORATION	101-20200	39.00
12/13	12/03/2013	144731	260005	ZEP MANUFACTURING COMPANY	101-20200	173.50

Totals:

42,365.10

Payroll-PP Ending 11/22/13

97,360.42

TOTAL EXPENDITURES

\$139,725.52

**BUDGET SUMMARY
CITY OF MOUNTAIN IRON**

EXPENDITURES	2013 Budget	2014 Budget	Difference	Percent
Administration	\$ 614,000.00	\$ 612,000.00	\$ (2,000.00)	-0.3%
Public Safety	\$ 639,500.00	\$ 661,500.00	\$ 22,000.00	3.4%
Public Works	\$ 921,000.00	\$ 941,000.00	\$ 20,000.00	2.2%
Culture and Rec	\$ 417,500.00	\$ 442,000.00	\$ 24,500.00	5.9%
General Government	\$ 1,017,057.00	\$ 1,114,879.00	\$ 97,822.00	9.6%
TOTAL	\$ 3,609,057.00	\$ 3,771,379.00	\$ 162,322.00	4.5%
REVENUE				
Taxes	\$ 542,086.00	\$ 544,086.00	\$ 2,000.00	0.4%
Intergovernmental Aid	\$ 2,081,268.00	\$ 2,236,590.00	\$ 155,322.00	7.5%
General Revenue	\$ 197,000.00	\$ 202,000.00	\$ 5,000.00	2.5%
TOTAL	\$ 2,820,354.00	\$ 2,982,676.00	\$ 162,322.00	5.8%
GENERAL LEVY	\$ 788,703.00	\$ 788,703.00	\$ -	0.0%

**BUDGET SUMMARY
CITY OF MOUNTAIN IRON
REVENUE**

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

INTERGOVERNMENTAL REVENUE

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

TAXES

Tax Levy	\$ 788,703.00	\$ 788,703.00	\$ -	0.0%
Special Levies	\$ 418,275.00	\$ 418,275.00	\$ -	0.0%
Market Rate Levy	\$ 83,811.00	\$ 83,811.00	\$ -	0.0%
Misc. Taxes	\$ 20,000.00	\$ 20,000.00	\$ -	0.0%
Franchise	\$ 20,000.00	\$ 22,000.00	\$ 2,000.00	10.0%
Subtotal	\$ 1,330,789.00	\$ 1,332,789.00	\$ 2,000.00	0.2%
Total	\$ 3,609,057.00	\$ 3,771,379.00	\$ 162,322.00	4.5%

**BUDGET
CITY OF MOUNTAIN IRON
REVENUE**

TAXES	2011	2012	2013	2013	2014	%
	ACTUAL	ACTUAL	BUDGET	YTD	BUDGET	
Tax Levy	\$ 1,130,759.00	\$ 1,090,067.00	\$ 788,703.00	\$ 547,054.00	\$ 788,703.00	0.0%
Special Levies	\$ -	\$ -	\$ 418,275.00	\$ -	\$ 418,275.00	0.0%
Bond Levy	\$ 83,811.00	\$ 219,892.00	\$ 83,811.00	\$ 192,944.00	\$ 83,811.00	0.0%
Misc Taxes	\$ 18,857.00	\$ 32,181.00	\$ 20,000.00	\$ 24,132.00	\$ 20,000.00	0.0%
Franchise	\$ 24,851.00	\$ 24,443.00	\$ 20,000.00	\$ 24,256.00	\$ 22,000.00	10.0%
TOTAL	\$ 1,258,278.00	\$ 1,366,583.00	\$ 1,330,789.00	\$ 788,386.00	\$ 1,332,789.00	0.2%

INTERGOVERNMENTAL REVENUE

LGA	\$ 1,156,268.00	\$ 1,156,268.00	\$ 1,156,268.00	\$ 578,134.00	\$ 1,281,590.00	10.8%
Tac. Prod Aid	\$ 467,173.00	\$ 524,618.00	\$ 500,000.00	\$ 2,289,440.00	\$ 515,000.00	3.0%
Tac. Aid	\$ 314,618.00	\$ 316,329.00	\$ 300,000.00	\$ 381,755.00	\$ 310,000.00	3.3%
Mining Effects	\$ 91,753.00	\$ 90,268.00	\$ 100,000.00	\$ 106,885.00	\$ 100,000.00	0.0%
Misc. Aid	\$ 46,051.00	\$ 67,740.00	\$ 25,000.00	\$ 54,694.00	\$ 30,000.00	20.0%
TOTAL	\$ 2,075,863.00	\$ 2,155,223.00	\$ 2,081,268.00	\$ 3,410,908.00	\$ 2,236,590.00	7.5%

GENERAL REVENUE

Lic. & Permits	\$ 24,826.00	\$ 35,281.00	\$ 25,000.00	\$ 84,066.00	\$ 30,000.00	20.0%
Charges for Service	\$ 59,358.00	\$ 60,120.00	\$ 55,000.00	\$ 72,282.00	\$ 55,000.00	0.0%
Fines	\$ 17,296.00	\$ 12,492.00	\$ 12,000.00	\$ 13,356.00	\$ 12,000.00	0.0%
Interest	\$ 9,438.00	\$ 4,986.00	\$ 10,000.00	\$ (7,372.00)	\$ 5,000.00	-50.0%
Refunds	\$ 101,967.00	\$ 165,155.00	\$ 90,000.00	\$ 289,802.00	\$ 95,000.00	5.6%
General	\$ 4,303.00	\$ 2,818.00	\$ 5,000.00	\$ 2,654.00	\$ 5,000.00	0.0%
TOTAL	\$ 217,188.00	\$ 280,852.00	\$ 197,000.00	\$ 454,788.00	\$ 202,000.00	2.5%
TOTAL	\$ 3,551,329.00	\$ 3,802,658.00	\$ 3,609,057.00	\$ 4,654,082.00	\$ 3,771,379.00	4.5%

**BUDGET SUMMARY
CITY OF MOUNTAIN IRON
EXPENDITURES**

DEPARTMENT	2013 Budget	2014 Budget	Difference	Percent
City Council	\$ 26,000.00	\$ 26,000.00	\$ -	0.0%
Administration	\$ 527,000.00	\$ 527,000.00	\$ -	0.0%
Election	\$ -	\$ 5,000.00	\$ 5,000.00	100.0%
Assessing	\$ 33,000.00	\$ 20,000.00	\$ (13,000.00)	-39.4%
Planning & Zoning	\$ 28,000.00	\$ 34,000.00	\$ 6,000.00	21.4%
Sheriffs	\$ 510,000.00	\$ 520,000.00	\$ 10,000.00	2.0%
Fire Protection	\$ 100,000.00	\$ 112,000.00	\$ 12,000.00	12.0%
Emergency Management	\$ 6,000.00	\$ 6,000.00	\$ -	0.0%
Animal Control	\$ 23,500.00	\$ 23,500.00	\$ -	0.0%
Streets	\$ 725,000.00	\$ 735,000.00	\$ 10,000.00	1.4%
Buildings	\$ 196,000.00	\$ 206,000.00	\$ 10,000.00	5.1%
Campground	\$ 54,500.00	\$ 55,000.00	\$ 500.00	0.9%
Recreation	\$ 218,000.00	\$ 221,000.00	\$ 3,000.00	1.4%
Government	\$ 252,300.00	\$ 267,800.00	\$ 15,500.00	6.1%
Library	\$ 145,000.00	\$ 166,000.00	\$ 21,000.00	14.5%
Transfers	\$ 764,757.00	\$ 847,079.00	\$ 82,322.00	10.8%
Total	\$ 3,609,057.00	\$ 3,771,379.00	\$ 162,322.00	4.5%

BUDGET
CITY OF MOUNTAIN IRON
GOVERNMENT OPERATIONS

CITY COUNCIL	2011		2012		2013		2014		%
	ACTUAL	BUDGET	ACTUAL	BUDGET	YTD	BUDGET	BUDGET		
Council Salaries	\$ 20,400.00	\$ 20,400.00	\$ 20,400.00	\$ 20,400.00	\$ 17,000.00	\$ 20,400.00	\$ 20,400.00	\$ 20,400.00	0%
Other	\$ 2,380.00	\$ 5,181.00	\$ 5,181.00	\$ 5,600.00	\$ 2,530.00	\$ 5,600.00	\$ 5,600.00	\$ 5,600.00	0%
TOTAL	\$ 22,780.00	\$ 25,581.00	\$ 25,581.00	\$ 26,000.00	\$ 19,530.00	\$ 26,000.00	\$ 26,000.00	\$ 26,000.00	0%

ADMINISTRATION

Salaries	\$ 203,569.00	\$ 210,156.00	\$ 215,000.00	\$ 215,000.00	\$ 172,759.00	\$ 220,000.00	\$ 220,000.00	\$ 220,000.00	2%
Payroll Taxes	\$ 33,371.00	\$ 31,147.00	\$ 35,000.00	\$ 35,000.00	\$ 27,186.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	0%
Insurance-Group	\$ 64,046.00	\$ 61,033.00	\$ 70,000.00	\$ 70,000.00	\$ 50,980.00	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00	0%
Insurance-General	\$ 35,632.00	\$ 37,511.00	\$ 60,000.00	\$ 60,000.00	\$ 26,130.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	-17%
Independent Audit	\$ 19,900.00	\$ 26,300.00	\$ 20,000.00	\$ 20,000.00	\$ 22,166.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	25%
Engineering Fees	\$ 10,838.00	\$ 6,080.00	\$ 45,000.00	\$ 45,000.00	\$ 5,330.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	-33%
Legal Fees	\$ 48,903.00	\$ 54,989.00	\$ 42,000.00	\$ 42,000.00	\$ 34,199.00	\$ 45,000.00	\$ 45,000.00	\$ 45,000.00	7%
Communications	\$ 26,746.00	\$ 22,326.00	\$ 15,000.00	\$ 15,000.00	\$ 21,712.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	33%
Supplies	\$ 4,999.00	\$ 4,645.00	\$ 5,000.00	\$ 5,000.00	\$ 4,418.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	0%
Operations	\$ 25,847.00	\$ 29,744.00	\$ 20,000.00	\$ 20,000.00	\$ 25,507.00	\$ 27,000.00	\$ 27,000.00	\$ 27,000.00	35%
TOTAL	\$ 473,851.00	\$ 483,931.00	\$ 527,000.00	\$ 527,000.00	\$ 390,387.00	\$ 527,000.00	\$ 527,000.00	\$ 527,000.00	0%

ELECTION

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

**BUDGET
CITY OF MOUNTAIN IRON
GOVERNMENT OPERATIONS**

ASSESSING	2011		2012		2013		2014		%
	ACTUAL		ACTUAL	BUDGET	YTD	BUDGET	BUDGET		
Contract Services	\$ 31,898.00	S	\$ 31,934.00	S 32,000.00	S 31,812.00	S 19,000.00			-41%
Operations	\$ -	S	\$ 305.00	S 1,000.00	-	S 1,000.00			0%
TOTAL	\$ 31,898.00	S	\$ 32,239.00	S 33,000.00	\$ 31,812.00	S 20,000.00			-39%

PLANNING & ZONING

Salaries	\$ 15,475.00	S	\$ 23,537.00	S 20,000.00	S 40,048.00	S 25,000.00			25%
Payroll Taxes	\$ 1,184.00	S	\$ 1,800.00	S 2,500.00	S 3,064.00	S 3,000.00			20%
Operations	\$ 5,170.00	S	\$ 6,946.00	S 5,500.00	\$ 4,612.00	S 6,000.00			9%
TOTAL	\$ 21,829.00	S	\$ 32,283.00	S 28,000.00	\$ 47,724.00	S 34,000.00			21%

ADMINISTRATION

TOTAL	\$ 550,628.00	\$	\$ 578,041.00	\$ 614,000.00	\$ 489,453.00	\$ 612,000.00			0%
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**BUDGET
CITY OF MOUNTAIN IRON
PUBLIC SAFETY**

POLICE PROTECTION	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2013 YTD	2014 BUDGET	%
Contract Services	\$ 504,592.00	\$ 490,000.00	\$ 500,000.00	\$ 416,666.00	\$ 510,000.00	2%
Other Expenditures	\$ 6,815.00	\$ 13,220.00	\$ 10,000.00	\$ 13,184.00	\$ 10,000.00	0%
TOTAL	\$ 511,407.00	\$ 503,220.00	\$ 510,000.00	\$ 429,850.00	\$ 520,000.00	2%

FIRE PROTECTION

Salaries	\$ 21,297.00	\$ 30,172.00	\$ 23,000.00	\$ 26,246.00	\$ 25,000.00	9%
Payroll Taxes	\$ 2,365.00	\$ 3,953.00	\$ 3,000.00	\$ 2,913.00	\$ 4,000.00	33%
Training	\$ 7,850.00	\$ 7,411.00	\$ 20,000.00	\$ 10,999.00	\$ 20,000.00	0%
Maintenance	\$ 4,603.00	\$ 14,070.00	\$ 11,000.00	\$ 28,611.00	\$ 15,000.00	36%
Operations	\$ 22,141.00	\$ 47,028.00	\$ 20,000.00	\$ 31,663.00	\$ 25,000.00	25%
Firemen's Relief	\$ 22,031.00	\$ 20,293.00	\$ 23,000.00	\$ 24,732.00	\$ 23,000.00	0%
TOTAL	\$ 80,287.00	\$ 122,927.00	\$ 100,000.00	\$ 125,164.00	\$ 112,000.00	12%

EMERGENCY MANAGEMENT

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

ANIMAL CONTROL

Contract Services	\$ 18,960.00	\$ 18,960.00	\$ 23,000.00	\$ 15,000.00	\$ 23,000.00	0%
Operations	\$ 111.00	\$ 108.00	\$ 500.00	\$ -	\$ 500.00	0%
TOTAL	\$ 19,071.00	\$ 19,068.00	\$ 23,500.00	\$ 15,000.00	\$ 23,500.00	0%

PUBLIC SAFETY

TOTAL	\$ 610,790.00	\$ 645,240.00	\$ 639,500.00	\$ 570,014.00	\$ 661,500.00	3%
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**BUDGET
CITY OF MOUNTAIN IRON
PUBLIC WORKS**

STREETS	2011	2012	2013	2013	2014	%
	ACTUAL	ACTUAL	BUDGET	YTD	BUDGET	
Salaries	\$ 352,996.00	\$ 320,858.00	\$ 360,000.00	\$ 261,151.00	\$ 360,000.00	0%
Payroll Taxes	\$ 57,600.00	\$ 53,409.00	\$ 50,000.00	\$ 41,953.00	\$ 55,000.00	10%
Insurance-Group	\$ 108,762.00	\$ 95,257.00	\$ 125,000.00	\$ 77,934.00	\$ 120,000.00	-4%
Utilities	\$ 57,711.00	\$ 55,548.00	\$ 55,000.00	\$ 44,987.00	\$ 55,000.00	0%
Maintenance	\$ 96,379.00	\$ 97,902.00	\$ 70,000.00	\$ 96,102.00	\$ 75,000.00	7%
Supplies	\$ 42,149.00	\$ 34,047.00	\$ 40,000.00	\$ 33,606.00	\$ 40,000.00	0%
Operations	\$ 54,438.00	\$ 58,647.00	\$ 25,000.00	\$ 47,954.00	\$ 30,000.00	20%
TOTAL	\$ 770,035.00	\$ 715,668.00	\$ 725,000.00	\$ 603,687.00	\$ 735,000.00	1%

BUILDINGS

Salaries	\$ 60,604.00	\$ 66,841.00	\$ 65,000.00	\$ 60,745.00	\$ 65,000.00	0%
Payroll Taxes	\$ 10,356.00	\$ 11,145.00	\$ 11,000.00	\$ 9,383.00	\$ 11,000.00	0%
Insurance-Group	\$ 22,347.00	\$ 23,586.00	\$ 23,000.00	\$ 19,119.00	\$ 23,000.00	0%
Utilities	\$ 46,651.00	\$ 39,233.00	\$ 45,000.00	\$ 31,673.00	\$ 45,000.00	0%
Communications	\$ 2,169.00	\$ 3,184.00	\$ 2,000.00	\$ 2,970.00	\$ 2,000.00	0%
Supplies	\$ 27,143.00	\$ 39,545.00	\$ 25,000.00	\$ 33,587.00	\$ 30,000.00	20%
Operations	\$ 35,887.00	\$ 28,988.00	\$ 25,000.00	\$ 40,487.00	\$ 30,000.00	20%
TOTAL	\$ 205,157.00	\$ 212,522.00	\$ 196,000.00	\$ 197,964.00	\$ 206,000.00	5%

PUBLIC WORKS

TOTAL	\$ 975,192.00	\$ 928,190.00	\$ 921,000.00	\$ 801,651.00	\$ 941,000.00	2%
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**BUDGET
CITY OF MOUNTAIN IRON
CULTURE AND RECREATION**

CAMPGROUND	2011	2012	2013	2013	2014	%
	ACTUAL	ACTUAL	BUDGET	YTD	BUDGET	
Salaries	\$ 11,570.00	\$ 15,977.00	\$ 21,000.00	\$ 17,508.00	\$ 21,000.00	0%
Payroll Taxes	\$ 4,250.00	\$ 5,047.00	\$ 2,000.00	\$ 5,313.00	\$ 2,000.00	0%
Insurance-Group	\$ -	\$ 2,196.00	\$ 3,000.00	\$ 2,062.00	\$ 3,000.00	0%
Utilities	\$ 8,194.00	\$ 8,168.00	\$ 7,500.00	\$ 8,326.00	\$ 8,000.00	7%
Operations	\$ 13,138.00	\$ 16,714.00	\$ 20,000.00	\$ 21,093.00	\$ 20,000.00	0%
Advertising	\$ 300.00	\$ 147.00	\$ 1,000.00	\$ 100.00	\$ 1,000.00	0%
TOTAL	\$ 37,452.00	\$ 48,249.00	\$ 54,500.00	\$ 54,402.00	\$ 55,000.00	1%

RECREATION DEPARTMENT

Salaries	\$ 68,742.00	\$ 83,108.00	\$ 107,000.00	\$ 69,801.00	\$ 107,000.00	0%
Payroll Taxes	\$ 8,977.00	\$ 11,102.00	\$ 13,000.00	\$ 9,211.00	\$ 13,000.00	0%
Insurance-Group	\$ 19,936.00	\$ 23,496.00	\$ 25,000.00	\$ 19,734.00	\$ 25,000.00	0%
Utilities	\$ 10,525.00	\$ 8,306.00	\$ 11,000.00	\$ 12,097.00	\$ 11,000.00	0%
Maintenance	\$ 14,376.00	\$ 19,186.00	\$ 9,000.00	\$ 5,664.00	\$ 10,000.00	11%
Operations	\$ 24,996.00	\$ 20,990.00	\$ 22,000.00	\$ 19,934.00	\$ 22,000.00	0%
Baseball/Softball	\$ 3,521.00	\$ 6,383.00	\$ 6,000.00	\$ 1,011.00	\$ 6,000.00	0%
Special Events	\$ 18,640.00	\$ 20,892.00	\$ 25,000.00	\$ 24,803.00	\$ 27,000.00	8%
TOTAL	\$ 169,713.00	\$ 193,463.00	\$ 218,000.00	\$ 162,255.00	\$ 221,000.00	1%

LIBRARY

Salaries	\$ 62,547.00	\$ 74,321.00	\$ 80,000.00	\$ 66,901.00	\$ 85,000.00	6%
Payroll Taxes	\$ 9,921.00	\$ 11,667.00	\$ 12,000.00	\$ 10,334.00	\$ 12,000.00	0%
Insurance-Group	\$ 16,440.00	\$ 16,637.00	\$ 15,000.00	\$ 23,227.00	\$ 30,000.00	100%
Utilities	\$ 6,516.00	\$ 5,493.00	\$ 9,000.00	\$ 4,844.00	\$ 8,000.00	-11%
Books	\$ 24,126.00	\$ 24,064.00	\$ 17,000.00	\$ 20,111.00	\$ 19,000.00	12%
Communications	\$ 2,089.00	\$ 2,864.00	\$ 5,000.00	\$ 2,674.00	\$ 3,000.00	-40%
Operations	\$ 29,299.00	\$ 11,394.00	\$ 7,000.00	\$ 9,759.00	\$ 9,000.00	29%
TOTAL	\$ 150,938.00	\$ 146,440.00	\$ 145,000.00	\$ 137,850.00	\$ 166,000.00	14%

CULTURE AND RECREATION

TOTAL	\$ 358,103.00	\$ 388,152.00	\$ 417,500.00	\$ 354,507.00	\$ 442,000.00	6%
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BUDGET
CITY OF MOUNTAIN IRON
GENERAL GOVERNMENT

GENERAL GOVERNMENT	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2013 YTD	2014 BUDGET	%
Cash Short and Over	\$ 6.00	\$ (63.00)	\$ 10.00	\$ 1.00	\$ 10.00	0%
Cemeteries	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	0%
Retire/Pension Contrib.	\$ 86,329.00	\$ 161,145.00	\$ 130,000.00	\$ 146,389.00	\$ 140,000.00	8%
Public Expense	\$ 8,093.00	\$ 1,589.00	\$ 7,990.00	\$ 13,320.00	\$ 7,990.00	0%
Promotion and Tourism	\$ 4,291.00	\$ 3,055.00	\$ 3,000.00	\$ 3,396.00	\$ 3,000.00	0%
EMT Equipment	\$ 8,731.00	\$ 10,223.00	\$ 12,000.00	\$ 10,219.00	\$ 15,000.00	25%
Intergovernmental Coop	\$ -	\$ -	\$ -	\$ 2,502.00	\$ -	0%
Contribution - QCJRA	\$ 7,308.00	\$ 6,577.00	\$ 7,300.00	\$ 6,577.00	\$ 7,300.00	0%
Planning	\$ -	\$ 3,833.00	\$ 5,000.00	\$ 3,833.00	\$ 5,000.00	0%
Televise Meetings	\$ 17,450.00	\$ 15,350.00	\$ 12,000.00	\$ 17,500.00	\$ 12,000.00	0%
Hydrants	\$ 320.00	\$ 517.00	\$ 1,500.00	\$ -	\$ 1,500.00	0%
TCBDA	\$ 48,950.00	\$ 51,407.00	\$ 52,000.00	\$ 44,066.00	\$ 52,000.00	0%
Mineview in the Sky	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	0%
Tax Abatement	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	0%
Heart of Continent	\$ -	\$ -	\$ -	\$ -	\$ 2,500.00	0%
TOTAL	\$ 202,978.00	\$ 275,133.00	\$ 252,300.00	\$ 269,303.00	\$ 267,800.00	6%

TRANSFERS

Capital Improvement	\$ 530,411.00	\$ 368,757.00	\$ 349,757.00	\$ 1,938,809.00	\$ 447,079.00	28%
Mining Effects	\$ 45,877.00	\$ 45,134.00	\$ 50,000.00	\$ 53,443.00	\$ 50,000.00	0%
OPEB	\$ 60,000.00	\$ -	\$ -	\$ -	\$ -	0%
Debt Service	\$ 345,000.00	\$ 365,000.00	\$ 365,000.00	\$ 304,166.00	\$ 350,000.00	-4%
TOTAL	\$ 981,288.00	\$ 778,891.00	\$ 764,757.00	\$ 2,296,418.00	\$ 847,079.00	11%

GENERAL GOVERNMENT

TOTAL	\$ 1,184,266.00	\$ 1,054,024.00	\$ 1,017,057.00	\$ 2,565,721.00	\$ 1,114,879.00	10%
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TOTAL EXPENDITURES

TOTAL EXPENDITURES	\$ 3,678,979.00	\$ 3,593,647.00	\$ 3,609,057.00	\$ 4,781,346.00	\$ 3,771,379.00	
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2014 Capital Improvement Budget

REVENUE	2014
Grants	\$ 1,800,000.00
Utilities	\$ 200,000.00
General Fund	\$ 497,079.00

TOTAL \$ 2,497,079.00

EXPENDITURE	Department	Projects	Grants	Utilities	TOTAL
2 Pickup Trucks	Streets	\$ 40,000.00			\$ 40,000.00
2013 Fire Truck	Fire	\$ 76,000.00			\$ 76,000.00
County Road 102 Improvements	Streets		\$ 800,000.00		\$ 800,000.00
West II Rivers Improvements	Camp	\$ 20,000.00			\$ 20,000.00
Mountain Iron Drive	Streets	\$ 50,000.00	\$ 150,000.00		\$ 200,000.00
Equipment Replacement	Fire	\$ 50,000.00			\$ 50,000.00
Substation	Electrical		\$ 500,000.00		\$ 500,000.00
Vacuum Excavator	Streets	\$ 60,000.00			\$ 60,000.00
Fire Hall Study	Fire	\$ 10,000.00			\$ 10,000.00
Fairview Lane	Streets	\$ 100,000.00			\$ 100,000.00
WTP Filter Reconditioning	WTP			\$ 50,000.00	\$ 50,000.00
Garbage Truck	R&R			\$ 150,000.00	\$ 150,000.00
Technology Upgrades	Admin	\$ 26,079.00			\$ 26,079.00
Tennis Court Resurfacing	Parks	\$ 25,000.00			\$ 25,000.00
Park Ridge Drive	Streets		\$ 200,000.00		\$ 200,000.00
Energy Park Road Paving	Streets		\$ 150,000.00		\$ 150,000.00
Sidewalks	Streets	\$ 40,000.00			\$ 40,000.00

OVERALL 2014 TOTAL \$ 497,079.00 \$ 1,800,000.00 \$ 200,000.00 \$ 2,497,079.00

CITY OF MOUNTAIN IRON
DEBT SERVICE FUND

REVENUE	2011	2012	2013	2013	2014
	ACTUAL	ACTUAL	BUDGET	YTD	BUDGET
Interest Earnings	\$ 24,393.00	\$ 17,771.00	\$ 15,000.00	\$ (6,391.00)	\$ 15,000.00
Special Assessments	\$ 52,387.00	\$ 43,089.00	\$ 50,000.00	\$ 27,468.00	\$ 50,000.00
Electric Fund	\$ 20,074.00	\$ 15,000.00	\$ 20,000.00	\$ 14,763.00	\$ 26,000.00
Water Fund	\$ 33,338.00	\$ 26,400.00	\$ 33,000.00	\$ 20,363.00	\$ 33,000.00
Refuse and Recycling Fund	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 8,334.00	\$ 10,000.00
WWTP Fund	\$ 30,836.00	\$ 12,364.00	\$ 37,802.00	-	\$ 37,802.00
Bond Proceeds	\$ -	\$ -	\$ -	\$ 3,968.00	\$ -
General Fund	\$ 345,000.00	\$ 365,000.00	\$ 365,000.00	\$ 304,166.00	\$ 350,000.00
TOTAL REVENUE	\$ 516,028.00	\$ 489,624.00	\$ 530,802.00	\$ 372,671.00	\$ 521,802.00
EXPENSES					
Principle - 2009 Water Revenue	\$ 50,000.00	\$ -	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
Interest - 2009 Water Revenue	\$ 20,350.00	\$ 19,600.00	\$ 18,850.00	\$ 18,850.00	\$ 17,800.00
Principle - USDA Loan	\$ 6,000.00	\$ 6,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00
Interest - USDA Loan	\$ 11,509.00	\$ 112,361.00	\$ 11,014.00	\$ 11,014.00	\$ 10,725.00
Principle - 2005 Xover	\$ 155,000.00	\$ 160,000.00	\$ 170,000.00	\$ 170,000.00	\$ -
Interest - 2005 Xover	\$ 45,896.00	\$ 40,658.00	\$ 34,920.00	\$ 18,969.00	\$ -
Principle - 2007	\$ 95,000.00	\$ 95,000.00	\$ 105,000.00	\$ 105,000.00	\$ 105,000.00
Interest - 2007	\$ 52,510.00	\$ 48,710.00	\$ 44,710.00	\$ 44,710.00	\$ 40,510.00
Principal - 2012 Refunding	\$ -	\$ -	\$ -	\$ -	\$ 175,000.00
Interest - 2012 Refunding	\$ -	\$ -	\$ -	\$ -	\$ 28,109.00
Principal - Garage Addition	\$ -	\$ 30,000.00	\$ 30,000.00	\$ -	\$ 30,000.00
Interest - Garage Addition	\$ -	\$ 10,000.00	\$ 10,000.00	\$ -	\$ 10,000.00
WWTP Loan Principal	\$ 25,000.00	\$ -	\$ 26,000.00	\$ 26,000.00	\$ 26,000.00
WWTP Loan Interest	\$ 12,926.00	\$ 12,364.00	\$ 11,802.00	\$ 11,802.00	\$ 11,218.00
Agent Fees	\$ 1,266.00	\$ 850.00	\$ 1,000.00	\$ 495.00	\$ 1,000.00
TOTAL EXPENSES	\$ 475,457.00	\$ 535,543.00	\$ 520,296.00	\$ 463,840.00	\$ 512,362.00

**CITY OF MOUNTAIN IRON
CHARITABLE GAMBLING**

REVENUE	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2013 YTD	2014 BUDGET
Interest Earnings	\$ 28.00	\$ 11.00	\$ 50.00	\$ 1.00	\$ 10.00
Gambling Proceeds	\$ 3,527.00	\$ 3,113.00	\$ 2,500.00	\$ 3,845.00	\$ 3,000.00
TOTAL REVENUE	\$ 3,555.00	\$ 3,124.00	\$ 2,550.00	\$ 3,846.00	\$ 3,010.00
EXPENSES					
Allowable Expenditures	\$ 2,650.00	\$ 4,435.00	\$ 2,550.00	\$ 3,200.00	\$ 3,010.00
Administration	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 2,650.00	\$ 4,435.00	\$ 2,550.00	\$ 3,200.00	\$ 3,010.00

**CITY OF MOUNTAIN IRON
WATER DEPARTMENT**

REVENUES	2011	2012	2013	2013	2014
	ACTUAL	ACTUAL	BUDGET	YTD	BUDGET
Interest Earnings	\$ 9,875.00	\$ 7,628.00	\$ 8,000.00	\$ (651.00)	\$ 8,000.00
Other	\$ 158,050.00	\$ 68,838.00	\$ 80,000.00	-	\$ 80,000.00
Charges for Services	\$ 263,651.00	\$ 311,950.00	\$ 335,000.00	\$ 250,754.00	\$ 335,000.00
TOTAL REVENUES	\$ 431,576.00	\$ 388,416.00	\$ 423,000.00	\$ 250,103.00	\$ 423,000.00
EXPENDITURES					
Salaries	\$ 80,814.00	\$ 65,919.00	\$ 85,000.00	\$ 56,275.00	\$ 85,000.00
Employee Benefits	\$ 33,650.00	\$ 32,520.00	\$ 35,000.00	\$ 17,587.00	\$ 35,000.00
Insurance	\$ 6,010.00	\$ 7,437.00	\$ 10,000.00	\$ 7,217.00	\$ 8,000.00
Miscellaneous	\$ 42,355.00	\$ 32,383.00	\$ 20,000.00	\$ 7,801.00	\$ 20,000.00
OPEB	\$ 32,677.00	-	\$ -	-	\$ -
Repairs and Maintenance	\$ 43,376.00	\$ 33,538.00	\$ 25,000.00	\$ 12,856.00	\$ 25,000.00
Supplies	\$ 7,285.00	\$ 10,236.00	\$ 10,000.00	\$ 7,905.00	\$ 10,000.00
Telephone	\$ 614.00	\$ 206.00	\$ 1,000.00	\$ 42.00	\$ 1,000.00
Utilities	\$ 38,906.00	\$ 35,397.00	\$ 30,000.00	\$ 33,000.00	\$ 30,000.00
Depreciation	\$ 74,680.00	\$ 75,000.00	\$ 75,000.00	\$ 62,500.00	\$ 75,000.00
Interest Expense	\$ 53,625.00	\$ 46,000.00	\$ 96,000.00	\$ 91,475.00	\$ 96,000.00
Capital Outlay	\$ -	\$ 156,586.00	\$ 50,000.00	-	\$ 50,000.00
TOTAL EXPENDITURES	\$ 413,992.00	\$ 495,222.00	\$ 437,000.00	\$ 296,658.00	\$ 435,000.00

**CITY OF MOUNTAIN IRON
WASTE WATER DEPARTMENT**

REVENUES	2011	2012	2013	2013	2014
	ACTUAL	ACTUAL	BUDGET	YTD	BUDGET
Interest Earnings	\$ 3,317.00	\$ 2,837.00	\$ 11,000.00	\$ (3,827.00)	\$ 11,000.00
Other	\$ -	\$ 1,576.00	\$ -	\$ 1,342.00	\$ -
Charges for Services	\$ 410,588.00	\$ 372,461.00	\$ 410,000.00	\$ 298,032.00	\$ 410,000.00
TOTAL REVENUES	\$ 413,905.00	\$ 376,874.00	\$ 421,000.00	\$ 295,547.00	\$ 421,000.00
EXPENDITURES					
Salaries	\$ 76,702.00	\$ 97,751.00	\$ 80,000.00	\$ 77,169.00	\$ 80,000.00
Employee Benefits	\$ 30,717.00	\$ 38,434.00	\$ 35,000.00	\$ 32,638.00	\$ 35,000.00
Contract Services	\$ 29,944.00	\$ 30,650.00	\$ 30,000.00	\$ 21,123.00	\$ 30,000.00
Insurance	\$ 4,295.00	\$ 4,701.00	\$ 6,000.00	\$ 10,464.00	\$ 6,000.00
Miscellaneous	\$ 15,554.00	\$ 13,151.00	\$ 20,000.00	\$ 19,628.00	\$ 20,000.00
OPEB	\$ 38,071.00	\$ -	\$ -	\$ -	\$ -
Maintenance and Repairs	\$ 26,048.00	\$ 22,258.00	\$ 15,000.00	\$ 34,933.00	\$ 15,000.00
Supplies	\$ 14,176.00	\$ 15,440.00	\$ 9,000.00	\$ 19,495.00	\$ 9,000.00
Telephone	\$ 1,923.00	\$ 1,506.00	\$ 2,000.00	\$ 1,559.00	\$ 2,000.00
Utilities	\$ 71,984.00	\$ 55,182.00	\$ 60,000.00	\$ 46,379.00	\$ 60,000.00
Depreciation	\$ 126,569.00	\$ 65,000.00	\$ 100,000.00	\$ 76,468.00	\$ 100,000.00
Debt Service	\$ 12,329.00	\$ 12,364.00	\$ 35,000.00	\$ 37,802.00	\$ 35,000.00
Capital Outlay	\$ -	\$ 77,366.00	\$ 70,000.00	\$ 25,355.00	\$ -
TOTAL EXPENDITURES	\$ 448,312.00	\$ 433,803.00	\$ 462,000.00	\$ 403,013.00	\$ 392,000.00

**CITY OF MOUNTAIN IRON
ELECTRIC DEPARTMENT**

	2011	2012	2013	2013	2014
REVENUES	ACTUAL	ACTUAL	BUDGET	YTD	BUDGET
Interest Earnings	\$ 2,579.00	\$ 4,880.00	\$ 1,000.00	\$ (6,859.00)	\$ 1,000.00
Other	\$ 2,282.00	\$ 12,495.00	\$	\$ 2,415.00	
Charges for Services	\$ 2,301,717.00	\$ 2,020,684.00	\$ 2,300,000.00	\$ 1,690,023.00	\$ 2,300,000.00
TOTAL REVENUES	\$ 2,306,578.00	\$ 2,038,059.00	\$ 2,301,000.00	\$ 1,685,579.00	\$ 2,301,000.00
EXPENDITURES					
Cost of Sales	\$ 1,472,063.00	\$ 1,304,117.00	\$ 1,455,000.00	\$ 1,147,037.00	\$ 1,455,000.00
Salaries	\$ 279,406.00	\$ 302,348.00	\$ 276,000.00	\$ 240,081.00	\$ 276,000.00
Employee Benefits	\$ 123,360.00	\$ 129,086.00	\$ 125,000.00	\$ 108,468.00	\$ 125,000.00
Insurance	\$ 16,511.00	\$ 12,389.00	\$ 20,000.00	\$ 11,857.00	\$ 20,000.00
Miscellaneous	\$ 29,413.00	\$ 29,536.00	\$ 31,000.00	\$ 25,119.00	\$ 31,000.00
OPEB	\$ 40,135.00	\$	\$ 40,000.00	\$	\$ 40,000.00
Repairs and Maintenance	\$ 59,309.00	\$ 50,490.00	\$ 65,000.00	\$ 74,341.00	\$ 65,000.00
Supplies	\$ 32,974.00	\$ 24,483.00	\$ 25,000.00	\$ 16,107.00	\$ 25,000.00
Telephone	\$ 5,047.00	\$ 2,741.00	\$ 4,000.00	\$ 2,655.00	\$ 4,000.00
Depreciation Expense	\$ 44,017.00	\$ 40,000.00	\$ 40,000.00	\$ 33,333.00	\$ 40,000.00
Debt Service	\$ 20,074.00	\$ 15,000.00	\$ 15,000.00	\$ 12,500.00	\$ 15,000.00
CIP	\$ 32,431.00	\$ 17,352.00	\$ 35,000.00	\$ 11,779.00	\$ 35,000.00
Capital Outlay	\$ 5,326.00	\$ 118,823.00	\$ 100,000.00	\$ 145,131.00	\$ 100,000.00
TOTAL EXPENDITURES	\$ 2,160,066.00	\$ 2,046,365.00	\$ 2,231,000.00	\$ 1,828,408.00	\$ 2,231,000.00

**CITY OF MOUNTAIN IRON
REFUSE AND RECYCLING DEPARTMENT**

REVENUES	2011	2012	2013	2013	2014
	ACTUAL	ACTUAL	BUDGET	YTD	BUDGET
Interest Earnings	\$ 10,129.00	\$ 4,241.00	\$ 12,000.00	\$ (3,594.00)	\$ 12,000.00
Transfers In	\$ -	\$ 1,346.00	\$ -	\$ 169.00	\$ -
Charges for Services	\$ 388,884.00	\$ 367,790.00	\$ 384,000.00	\$ 299,125.00	\$ 384,000.00
TOTAL REVENUES	\$ 399,013.00	\$ 373,377.00	\$ 396,000.00	\$ 295,700.00	\$ 396,000.00

EXPENDITURES					
Salaries	\$ 99,833.00	\$ 118,284.00	\$ 101,000.00	\$ 98,231.00	\$ 101,000.00
Employee Benefits	\$ 46,388.00	\$ 55,874.00	\$ 51,000.00	\$ 46,693.00	\$ 51,000.00
Insurance	\$ 8,261.00	\$ 7,184.00	\$ 10,000.00	\$ 6,945.00	\$ 10,000.00
Miscellaneous	\$ 11,822.00	\$ 9,794.00	\$ 13,000.00	\$ 10,609.00	\$ 13,000.00
OPEB	\$ 3,294.00	\$ -	\$ 23,000.00	\$ -	\$ 23,000.00
Repairs and Maintenance	\$ 9,939.00	\$ 17,372.00	\$ 12,000.00	\$ 19,665.00	\$ 12,000.00
County Fees	\$ 127,165.00	\$ 129,386.00	\$ 130,000.00	\$ 99,529.00	\$ 130,000.00
Supplies	\$ 24,943.00	\$ 25,204.00	\$ 20,000.00	\$ 20,124.00	\$ 20,000.00
Depreciation	\$ 46,304.00	\$ 25,000.00	\$ 25,000.00	\$ 20,833.00	\$ 25,000.00
Telephone	\$ 758.00	\$ 702.00	\$ 1,000.00	\$ 670.00	\$ 1,000.00
Capital Outlay	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 8,334.00	\$ 150,000.00
TOTAL EXPENDITURES	\$ 388,707.00	\$ 398,800.00	\$ 396,000.00	\$ 331,633.00	\$ 536,000.00

COUNCIL LETTER 121613-IVB1

PARKS AND RECREATION

SEASONAL WORKERS

DATE: December 12, 2013

FROM: Craig J. Wainio
City Administrator

Staff is recommending that the following be hired as winter seasonal workers, rinks attendants for 2013/2014:

Jodi Hammer
Riley Wilson
Stephen Erickson
Joseph Holmes
Alison Peterangelo
Daniel Niska

COUNCIL LETTER 121613-IVC1

PUBLIC WORKS

VACUUM TRAILER

DATE: December 12, 2013

FROM: Mike Downs
Director of Public Works

Craig J. Wainio
City Administrator

Staff is requesting authorization to purchase Ring-O-Matic vacuum trailer from trenchers plus. The vacuum trailer would be purchased through State Bid. Prices are set to increase at the 1st if the years so staff is requesting that this item be purchased prior to then to realize the savings. The trailer is budgeted for in the 2014 Capital Improvement Budget.

PURCHASE AGREEMENT

PURCHASER'S FULL NAME City of Mountain Iron		DATE Dec 05, 13	TERRITORY MANAGER Pat Haines
D/B/A		CITY MT. Iron	STATE/PROV MN
PURCHASER'S STREET ADDRESS 8586 South Enterprise Dr.		ZIP/POSTAL CODE 55768	
RESIDENCE PHONE		BUSINESS PHONE	PURCHASE ORDER
DELIVERY TO BE MADE ON OR BEFORE _____ OR AS SOON THEREAFTER AS POSSIBLE. DELIVERY TO BE MADE TO THE FOLLOWING ADDRESS, IF DIFFERENT FROM PURCHASER'S ADDRESS			
STREET		CITY	STATE

QUANTITY			MAKE, MODEL, DESCRIPTION	SERIAL NUMBER ATTACHMENT	CASH PRICE EACH ITEM
NEW	USED	DEMO			
1			Ringomatic 550 Hi CFM	5/4	\$ 41,915
			Base Trailer unit		\$
1			Reverse flow		\$ 1700.00
			8ft Valve Box cleaner Tool		\$ 660.00
			4" Hydr. Boom w/ Remote		\$ 9280.00
			Strobe Light, work lights		\$ 650.00
TRADE-IN TO BE SHIPPED TO			J BURNSVILLE	J MOORHEAD	
BY			J CUSTOMER	J TRENCHERS PLUS INC	440,000 BTU Heater
TRADE-IN EQUIPMENT					TRANSPORTATION EXPENSE
4" upgrade kit					\$ 648.00
FIRST YEAR USED	MAKE	DESCRIPTION MODEL	SERIAL NO	TRADE ALLOWANCE	CASH PRICE
	None			\$	\$ 60,843.00

THIS IS A CASH TRANSACTION IF THE PURCHASER SO REQUESTS PRIOR TO ACCEPTANCE THE CASH DUE ON DELIVERY MAY BE FINANCED AS A TIME SALE TRANSACTION SUBJECT TO CREDIT APPROVAL. IF THIS TRANSACTION BECOMES A TIME SALE, PURCHASER AGREES (1) TO MAKE PAYMENTS PURSUANT TO THE ACCOUNTS RECEIVABLE SYSTEM AGREEMENT WHICH IS INCORPORATED INTO THIS PURCHASE ORDER BY REFERENCE AND (2) THAT SELLER RETAINS A SECURITY INTEREST IN THE GOODS DESCRIBED HEREIN UNTIL ALL OBLIGATIONS OF PURCHASER ARE PAID IN FULL AND DISCHARGED.

PURCHASER HEREBY BARGAINS, SELLS AND CONVEYS UNTO SELLER THE ABOVE DESCRIBED TRADE-IN EQUIPMENT AND WARRANTS AND CERTIFIES IT TO BE FREE AND CLEAR OF LIENS, ENCUMBRANCE AND SECURITY INTERESTS EXCEPT TO THE EXTENT SHOWN BELOW	1 CASH PRICE	\$ 60,843
I TRADE ALLOWANCE	2 TRADE DOWN PAYMENT	\$
II LESS AMOUNT OWED TO	3 NET PRICE (1-2)	\$
III NET TRADE ALLOWANCE (1-11)	4 ENTER % SALES TAX	\$ 4182.96
MN State Bid Purchase AS Quoted Sept. 6, 2013	5 OTHER FEES OR CHARGES	\$
	6 TOTAL TAXES & FEES (4-5)	\$
	7 TOTAL PRICE (3+6)	\$ 65,025.96
	8 CASH WITH ORDER	\$
	9 BALANCE ON DELIVERY (7-8)	\$

TERMS OF PAYMENT

A. Balance of Payments: The balance of **\$65,025.96**, plus time price differential and all other charges as set forth above, shall be payable as follows: **Due on delivery**

B. Finance Charge (Time Price Differential): Annual Percentage Rate _____ %

C. Late Payments: All payments made after due date shall bear interest at the rate of 1.5% per month or the maximum rate permitted by law, if less.

WARRANTY ON EQUIPMENT

Warranty coverage on the equipment covered by this order, if any, has been explained to PURCHASER. The warranty coverage is outlined below and indicated by the box checked

NEW ASTEC PRODUCT WARRANTY or qualified new Astec warranty. If qualified, the period is _____ months.

NEW ASTEC PURCHASED EXTENDED WARRANTY. SPECIFY: _____

WARRANTIES PROVIDED BY THE SELLER ON NEW ASTEC PRODUCTS SHALL BE GIVEN TO PURCHASER UNDER SEPARATE AGREEMENT, THE RECEIPT WHEREOF IS HEREBY ACKNOWLEDGED BY THE PURCHASER.

NEW - Other manufacturer's warranty. **Ringomatic Factory Warranty**

USED - When the equipment covered by this order is used equipment, THE PURCHASER STATES THAT HE HAS EXAMINED THE EQUIPMENT and is buying the equipment AS IS and with NO REPRESENTATIONS OR WARRANTIES, unless otherwise stated in writing below.

THE ADDITIONAL TERMS AND CONDITIONS SET FORTH ON THE REVERSE SIDE HEREOF ARE A PART OF THIS CONTRACT AND ARE INCORPORATED HEREIN BY REFERENCE.

NOTICE TO PURCHASER

- Caution. Do not sign this contract before you thoroughly read both sides of it or if it contains blank spaces, even if otherwise advised.
- You are entitled to an exact and completely filled in copy of this Contract when you sign it. Keep it to protect your legal rights.

TERRITORY MANAGER _____

SUBJECT TO ACCEPTANCE AT BURNSVILLE, MINNESOTA

ACCEPTED: TRENCHERS PLUS, INC.

BY **John Huberty** DATE **12-5-13**

PURCHASER **City of MT Iron** (COMPANY)

BY **[Signature]** (SIGNATURE)

TITLE **X**

DATE **X**

ADDITIONAL TERMS AND CONDITIONS - EQUIPMENT PURCHASES
(Referred to on the Reverse Side Hereof)

1. **Agreement.** The Purchase Order on the reverse side hereof and the Additional Terms and Conditions set forth below collectively constitute a binding agreement between Seller and Purchaser (the "Agreement") for the purchase of the equipment described on the reverse side hereof (the "Equipment"). This Agreement shall be effective upon the earlier of Purchaser's signature on this Agreement and Purchaser's acceptance of delivery of the Equipment.

2. **Trade-In Equipment.** When trade-in equipment is not delivered to Seller until the date of delivery of the Equipment, the trade-in equipment may be reappraised at that time and such reappraisal value shall determine the allowance made for the trade-in equipment. If the reappraisal value is less than the original trade-in allowance shown on this form, Purchaser may terminate this Agreement or proceed with the purchase and accept the lower trade-in value, however, Purchaser must terminate prior to delivery of the Equipment and Purchaser's surrender of the trade-in equipment.

3. **Changes in Dealer Price.** The final equipment purchase price shall be based upon Seller's dealer price in effect on the date of delivery of the Equipment. In the event Seller's dealer price is changed prior to delivery, the purchase price shall be adjusted accordingly. If such price change results in an increase, Purchaser has the option of canceling this Agreement in writing immediately upon being notified thereof.

4. **Limitation of Warranties.** THE MANUFACTURER'S WARRANTY OR OTHER WARRANTY, IF ANY (REFERRED TO ON THE OTHER SIDE OF THIS AGREEMENT), IS IN LIEU OF ALL OTHER WARRANTIES EXPRESS AND IMPLIED AND PURCHASER WAIVES ALL OTHER CLAIMS AGAINST SELLER, INCLUDING WITHOUT LIMITATION, ALL CLAIMS FOR SPECIAL, CONSEQUENTIAL, INCIDENTAL OR INDIRECT DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE PURCHASE, MAINTENANCE, USE, OPERATION, STORAGE, FRECTION, DISMANTLING OR TRANSPORTATION OF THE EQUIPMENT. SELLER HEREBY DISCLAIMS ALL OTHER WARRANTIES, INCLUDING MERCHANTABILITY OR FITNESS OF THE EQUIPMENT FOR A PARTICULAR PURPOSE. SELLER SHALL NOT BE RESPONSIBLE FOR CONTRIBUTION CLAIMS BY PURCHASER OR BY THIRD PARTIES FOR ANY REASON WHATSOEVER. This limitation of warranty is made in consideration for a commensurate reduction in the purchase price under this Agreement.

5. **Condition of Equipment.** PURCHASER REPRESENTS THAT IT HAS FULLY INSPECTED THE EQUIPMENT, BY TAKING DELIVERY OF THE EQUIPMENT WITHOUT GIVING WRITTEN NOTICE OF EQUIPMENT DEFECTS TO SELLER. PURCHASER ACKNOWLEDGES THAT THE EQUIPMENT IS IN GOOD CONDITION AND REPAIR.

6. **Late Payment Fee; Default Interest.** Purchaser shall pay default interest upon all amounts not paid when due at the rate of 1.5% per month (or at the maximum rate permitted by law, if less), from the date the payment is due until paid in full. Purchaser agrees to pay Seller a returned check processing fee established by Seller for each check of Purchaser's that is returned to Seller for insufficient funds or for any other reason.

7. **Force Majeure.** Seller shall be excused if delivery is delayed or rendered impossible by late delivery from the Equipment manufacturer or carrier, differences with workmen, strikes, work stoppages, delays in transportation, inability to obtain labor or materials and also by any cause beyond the reasonable control of Seller, including but not restricted to acts of God, floods, fire, storms, acts of civil and military authorities, war or insurrections.

8. **Use of Equipment; Compliance with Law.** Purchaser represents that the Equipment is to be used in a prudent manner only for the purposes for which the equipment is intended and only by qualified and experienced operators. Purchaser further agrees: (a) to use the Equipment in compliance with all applicable laws and that Purchaser shall be solely responsible for all violations of law arising out of Purchaser's use, possession or operation of the Equipment; (b) the Equipment shall be used only in accordance with the manufacturer's instructions and within its rated capacity, and (c) until Seller has been paid in full, Purchaser shall cause to be performed at Purchaser's sole expense all normal periodic and other basic service, maintenance and adjustments to the Equipment.

9. **Taxes; No Liens.** Purchaser shall pay all sales and use taxes, personal property taxes and other taxes due upon the Equipment. Until Seller is paid in full for the Equipment, Purchaser shall not, without the prior written consent of Seller, (a) permit any liens and encumbrances, except the security interest of Seller, upon the Equipment; (b) damage, abuse, misuse, abandon or lose the Equipment or otherwise permit its value to become impaired; (c) part with possession of the Equipment, whether voluntarily or involuntarily; (d) repair or alter (or permit anyone else to repair or alter) the Equipment; (e) permit the Equipment to become an accession to other goods or a fixture; or (f) sell, transfer, or assign any interest in the Agreement or the Equipment. Seller shall have the right to inspect the Equipment at all reasonable times, to confirm Purchaser's compliance with the terms of this Agreement.

10. **Insurance; Notice of Loss.** Purchaser shall be responsible for any loss or damage to the Equipment and until Seller is paid in full for the Equipment, all of the following shall apply: (a) Purchaser shall keep the Equipment insured in not less than the full replacement value, with an insurer acceptable to Seller with a policy showing Seller as sole loss payee and providing that such insurance cannot be canceled or terminated without at least 30 days prior written notice to Seller; and (b) Purchaser shall maintain general liability insurance on an occurrence basis insuring against loss, liability or claims made by third parties for property damage, personal injury or death in a sum not less than \$500,000 for any one occurrence naming Seller as an additional party insured. Purchaser shall provide Seller certificates of insurance for such insurance at the time of delivery of the Equipment. Purchaser acknowledges that the Equipment is held by Purchaser at Purchaser's risk and expense with no abatement in Purchaser's obligation to Seller under this Agreement on account of loss or damage, from whatever cause. In the event of an accident, loss of or theft of, or damage to the Equipment, Purchaser agrees to notify Seller as soon as possible and to immediately report to Seller and to the public authorities (where required by law) all necessary information relating to the loss, theft, damage or accident. Purchaser hereby assigns (and directs any insurer to pay) to Seller the proceeds of all such insurance and any premium refund and Seller may, at its option, apply such proceeds and refunds to any unpaid balance of the obligations.

11. **Liability for Damage to Persons and Property; Seller Indemnified.** Purchaser assumes the risk of any and all injuries of any kind or nature to persons or property as a result of the use or misuse of the Equipment. PURCHASER AGREES TO DEFEND, INDEMNIFY AND HOLD SELLER, ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL LOSS, LIABILITY, CLAIM, ACTION OR EXPENSE, INCLUDING REASONABLE ATTORNEYS FEES, BY REASON OF BODILY INJURY, INCLUDING DEATH, AND PROPERTY DAMAGE SUSTAINED BY ANY PERSON OR PERSONS (INCLUDING, BUT NOT LIMITED TO EMPLOYEES OF PURCHASER, AS A RESULT OF THE MAINTENANCE, USE, POSSESSION, OPERATION, ERECTION, DISMANTLING, SERVICE OR TRANSPORTATION OF THE EQUIPMENT, OR PURCHASER'S FAILURE TO PAY ALL AMOUNTS DUE OR COMPLY WITH ALL THE TERMS OF THIS AGREEMENT, EVEN IF SUCH LOSS, LIABILITY, CLAIM, ACTION OR EXPENSE RESULTS IN ANY PART FROM THE NEGLIGENCE OF SELLER, ITS AGENTS OR EMPLOY

12. **Time of Essence; Default.** Time is of the essence for payment of all amounts and performance of all obligations due under this Agreement. Purchaser shall be in default if any of the following occur: (Default) (a) Purchaser fails to pay in full any payment when due; (b) Purchaser breaches any of the other terms of this Agreement; (c) if Purchaser becomes insolvent or ceases to do business as a going concern; (d) if a petition in bankruptcy is filed by or against Purchaser; (e) if Purchaser is in default under any other agreement between Purchaser and Seller; or (f) any representation of Purchaser to Seller under this Agreement was false when made.

13. **Remedies.** In the event of Purchaser's Default, all payments heretofore made by Purchaser shall be retained by Seller and Seller may, in Seller's sole discretion, without notice or demand to Purchaser, exercise one or more of the following remedies: (a) peacefully enter the premises where the Equipment is located and take possession of the Equipment, together with any additions to, replacements of, or any proceeds from said Equipment; (b) render the Equipment unusable; (c) require Purchaser to assemble the Equipment and make it available at a place designated by Seller; (d) declare all Purchaser's present and future payments under this Agreement to be due and payable (discounted to present value) and recover from Purchaser any accrued and unpaid amounts, plus default interest, plus the present value of all future payments and all costs of collection incurred by Seller, including reasonable attorneys' fees; (e) resell the retained property at public or private sale in accordance with the Uniform Commercial Code or applicable state law; and (f) exercise any other rights and remedies provided by applicable law. Purchaser agrees to permit such entry and action by Seller and hereby waives any right to any hearing or to receive any notice of legal process as a precondition for Seller to recover the Equipment. After deducting reasonable expenses, the remaining proceeds of sale shall be credited upon the amount of indebtedness remaining unpaid hereunder, and Purchaser agrees to pay any deficiency upon demand by Seller, any surplus, however, shall be paid to Purchaser. Said retaining or repossession shall not be deemed a rescission of this Agreement. The remedies provided for herein are not exclusive, but shall be cumulative and in addition to all other remedies provided elsewhere in this Agreement or existing at law or in equity, one or more of which may be exercised simultaneously or successively.

14. **No Other Terms; Modifications & Waivers.** Purchaser and Seller agree that this Agreement expresses the sole terms and conditions of Purchaser's purchase of the Equipment and supercedes any prior discussions or representations by either party concerning the Equipment. This Agreement may only be modified or waived by a written amendment, signed by Seller and Purchaser. Waiver of any breach or default hereunder shall not constitute a waiver of any other or subsequent breach or default. Until Seller is paid in full for the Equipment, all payments received by Seller shall be applied, at Seller's discretion, first to delinquent and accrued interest and then to principal.

15. **Security Interest.** Unless Seller is paid in full for the Equipment in cash at the time of delivery, this Agreement constitute a security agreement and grants to Seller a security interest in the Equipment, and all additions and accessions to, all spare and repair parts, and all proceeds and products of the foregoing (including, but not limited to, all insurance proceeds), as security for the payment and performance of Purchaser's obligations under this Agreement. Purchaser agrees to execute and deliver to Seller a Uniform Commercial Code Financing statement and other protective filings upon Seller's request and to pay any expenses for such filings.

16. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Wisconsin without regard to its choice of law principles.

17. **Dispute Resolution.** Purchaser and Seller agree that all disputes (except for disputes relating solely to Purchaser's failure to make payment to Seller) shall be arbitrated in Madison, Wisconsin, before the American Arbitration Association, pursuant to its Commercial Arbitration Rules. Seller and Purchaser agree that disputes relating solely to Purchaser's failure to make payment to Seller shall be heard in the state or federal courts located in the State in which Seller's sales office is located. Purchaser hereby consents and submits to the personal jurisdiction of such courts for such payment disputes.

18. **Severability.** Any provision of this contract prohibited by the laws of this state or the United States shall be ineffective only to the extent necessary to avoid violating such prohibition without invalidating the remaining portions of the contract.

19. **Waiver of Defenses to Payment; Successors and Assigns.** Each person comprising Purchaser severally waives presentment, demand, protest, and notice of nonpayment and all defenses of want of diligence in collection and bringing suit. This contract shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors, and assigns.

20. **Equipment Identification; Assignment by Seller.** Until Seller is paid in full, Purchaser agrees to identify the Equipment as Seller's property. Purchaser further authorizes Seller to insert the Serial and/or model numbers of the goods set forth on the reverse side hereof for the purposes of identifying said goods. The Seller may correct patent errors herein. Seller may assign, mortgage or transfer any or all of its rights in this Agreement or the Equipment at any time.

21. **Representations and Warranties.** Purchaser represents and warrants that: (a) the person(s) signing this Agreement as Purchaser's representatives or agents are authorized to do so; and (b) the Equipment is being acquired and will be used solely for business or commercial purposes and not for personal, family or household purposes.

22. **Notices.** All notices required under this Agreement shall be in writing and addressed as shown on the other side of this Agreement. Such notices shall be effective upon personal delivery, or three days after placed in the U.S. certified mail (return receipt requested), postage prepaid and addressed as provided in this Agreement.

23. **Payments.** Purchaser agrees to make all payments due under this Agreement in full, without any set-off, deduction, counterclaim whatsoever, provided, however, that such payment shall not prevent Purchaser from resolving any dispute it may have with Lessor, in accordance with the dispute resolution provisions of this Agreement.

PURCHASER ACKNOWLEDGES THAT IT HAS READ AND AGREES TO ALL OF THE FOREGOING TERMS OF THIS AGREEMENT



Saint Louis County

8586 Enterprise Dr. S., Mountain Iron, MN 55768
(218) 748-7574

Sheriff Ross Litman

December 11, 2013

To: Honorable Mayor and Council
From: Sgt. John Backman


Subject: Squad Car Purchase

I am requesting the purchase for a new squad car as budgeted for in 2013. This will replace the 2011 Crown Victoria purchased in May of 2011. This purchase was recommended by the Public Safety and Health board's last meeting. The price of the vehicle as listed below does not include striping, lights, radio, computer, partition, or prisoner seat which is a separate budget line.

2014 Dodge Charger Police Package
Tan Color
Left side LED spotlight
High Performance tires
Street Appearance Package (aluminum rims, heated mirrors, carpet)
Hemi engine
High Speed engine controller
Additional key fobs

Total price is \$24,855.00 purchased from the fleet manager at the Ranger Chevrolet car dealership group in Hibbing. I believe the vehicle will be received in Ely at Mike's Motors. This is considerably less than state bid pricing and does not involve a cross state pickup point.

Sincerely,


Sgt. John M. Backman

COUNCIL LETTER 121613-IVG1

FIRE DEPARTMENT

HIRE FIREFIGHTERS

DATE: December 12, 2013

FROM: Jeremy Waldron
Fire Chief

Craig J. Wainio
City Administrator

Staff is requesting that the following be hired as firefighters for the Mountain Iron Fire Department:

Joseph Pogleasa
Todd Hanson

COUNCIL LETTER 121613-VIA

ADMINISTRATION

ORDINANCE 03-13

DATE: December 12, 2013
FROM: Public Health and Safety Board
Craig J. Wainio
City Administrator

The Public Health and Safety Board is recommending that the City Council adopt Ordinance Number 03-13 banning Synthetic Drugs as presented.



CITY OF MOUNTAIN IRON

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ORDINANCE NUMBER 03-13

BANNING THE SALE, POSSESSION, TRANSFER, OR MANUFACTURE OF SYNTHETIC OR ALTERNATIVE DRUGS

THE CITY COUNCIL OF MOUNTAIN IRON ORDAINS:

SECTION 1: STATEMENT OF INTENT AND PURPOSE

New substances are being created which are being used for recreational purposes and as an alternative to otherwise regulated controlled substances banned at the State and Federal levels.

Many of these substances can be designed to produce a desired pharmacological effect and have the potential for abuse similar to or greater than that of controlled substances.

City authorities have encountered these substances in products being sold and used in the City limits; and the uncontrolled importation, manufacture, distribution, possession, and use of these substances have a substantial and detrimental impact on the health and safety of the residents and visitors of the City of Mountain Iron.

These substances can be created more rapidly than they can be identified and controlled by action of the Federal and State Legislature; and, these substances are sold in many different forms including loose, leafy, granular, powder, crystalline, tablet, and/or liquid forms.,

Such products are known under many names in order to avoid detection and identification, and are labeled as incense, herbal incense, herbal potpourri, psychoactive herbal incense, herbal blends, bath salts, psychoactive bath salts, bath additives, synthetic marijuana, synthetic drug, synthetic hallucinogens, and other names and purchased by consumers for the purpose of ingestion notwithstanding any markings on the packaging to the contrary.

Such products may be as or more dangerous to humans than controlled substances according to the Drug Enforcement Administration (DEA) due to the unapproved, unknown, and ever-changing nature of the chemical compounds they contain.

It is therefore the will of the Mountain Iron City Council to provide for a prohibition on the sale, possession, transfer, manufacture, and use of these substances as defined by these ordinances and to provide for the enforcement thereof and in the best interest of the public's health, safety, and general welfare.

SECTION 2: PROHIBITIONS

- A. A person is guilty of a violation of this ordinance if they sell, possess, transfer, or manufacture any substance or product containing any quantity of synthetic or alternative drug as defined under this ordinance.
- B. All substances made unlawful by this ordinance shall constitute contraband, subject to immediate seizure by law enforcement and shall be destroyed upon a conviction for a violation of this ordinance.
- C. The substances defined in this ordinance shall not include medications or substances for which the possessing party holds a valid prescription or beer, wine, or intoxicating liquors as defined by local, State, and Federal laws.
- D. Products commercially available and sold which have common, proven, and lawful uses under local, State, and Federal law shall not be deemed unlawful by this ordinance. Such examples are prescription and over the counter medications, health supplements where the ingredients are listed on the packaging, food and drink products, etc.
- E. In addition to the definitions provided in this ordinance, the following additional factors shall be considered in making the determination if a substance is unlawful under this ordinance:
 - 1. Scope of legitimate uses of the product.
 - 2. Physical and testimonial evidence provided by officers and prosecutors regarding known uses of the product.
 - 3. Statements made by persons selling, possessing, and using the product.
 - 4. Availability of the product to include types and number of area businesses selling it.
 - 5. The ratio of the price of the product compared to the quantity sold.
 - 6. The proximity of the product in relation to devices used to ingest or consume controlled substances.

SECTION 3: DEFINITIONS

- A. Sale/Transfer: to offer for sale, to advertise for sale, to sell, to distribute, to furnish, to transfer, to barter, or to exchange to any person or entity with or without an exchange of compensation or service.
- B. Possession: to possess on one's own person or possession by a person exercising dominion or control over the immediate area where contraband is found whether in a vehicle, vessel, container, dwelling, building, or other structure, whether upon public or private property.
- C. Manufacture: to complete, blend, formulate, package, repackage, or develop by any means any substance made unlawful by this ordinance.
- D. Synthetic / Alternative Drug means: Any of the following:
 - 1. Any substance containing a synthetic cannabinoid, stimulant, psychedelic, depressant, or hallucinogenic; or
 - 2. Salvia Divinorum or any substance known by this name or any version of this name; or

3. Substances described as herbal blends, botanical blends, botanical sachet, herbal sachet, herbal potpourri, herbal incense, spice, salts, or any blend or combination of these, regardless of it the substance is marketed as “not for human consumption” which if ingested causes intoxication, euphoria, giddiness, paralysis, irrational behavior, or in any manner changes, distorts, or disturbs the auditory, visual, or mental process; or
4. Any substance defined in subsequent portions of this ordinance; or
5. Any substance which has a stimulant, depressant, psychedelic, psychotropic, or hallucinogenic effect on the body that is substantially similar to or greater than that of any controlled substance or unlawful drug; or
6. Any substance marked or packaged under any name listed in Appendix A of this ordinance.

E. Synthetic Stimulant means:

1. A product that contains a synthetic chemical compound that elicits psychoactive or psychotropic stimulant effects, especially where those products are in a powder, crystal, or granular form, including but not limited to the following:
 - a. 3,4-Methylenedioxymethcathinone (Methylone)
 - b. 3,4-Methylenedioxypyrovalerone (MDPV)
 - c. 4-Methylmethcathinone (Mephedrone)
 - d. 4-Methoxymethcathinone (Methedrone)
 - e. 4-Fluoromethcathinone (Flephedrone)
 - f. 3-Fluoromethcathinone (3-FMC)
 - g. Naphthylpyrovalerone
 - h. 2-amino-1-phenyl-1-propanone (Cathinone)
2. Synthetic Stimulants, despite their labeling, are commonly identified by being sold in small packets, tubs, and vials, packaged under various retail names, often identified as bath salts, plant food, fertilizer, insect repellent, etc, and are usually powder or granular in form, sold without a listing of ingredients, and sold with disclaimers warning against ingestion and stating they are free of controlled substances. By virtue of this ordinance, such products are unlawful.
3. Synthetic Stimulants, often referred to as “Bath Salts” are commonly marketed under various commercial trade names, which change often, and contain a common disclaimer that the products are “not safe for human consumption”, “novelty item”, or similar disclaimer. Refer to Appendix A for a listing of commercial names commonly used to advertise and portray these substances.
4. Synthetic Stimulants, as defined in this ordinance, shall exclude normal, typical bath salts and bath additives which do not contain synthetic chemical compounds listed herein that elicit psychoactive or psychotropic stimulant effects. Standard bath salts primarily contain magnesium sulfate (Epsom salts), sodium chloride (table salt), sodium bicarbonate (baking soda), sodium hexametaphosphate (Calgon), amorphous/glassy sodium metaphosphate, sodium sesquicarbonate, and borax.

F. Synthetic Marijuana / Synthetic Cannabinoids / Herbal Smoking Product means:

1. A natural or man-made substance that elicits psychoactive or psychotropic euphoric effects, or, a natural or man-made compound that functions similar to the active ingredient in Marijuana (tetrahydrocannabinol “THC”) including, but not limited to any quantity of a synthetic material, compound, mixture, preparation, substance, and their analogs (including isomers, esters, ethers, salts, and salts of isomers) containing a cannabinoid receptor agonist, regardless of whether the substance is marketed for the purpose of being consumed, including any of the following:
 - a. 2-(3-hydroxycyclohexyl)phenol with substitution at the 5-position of the phenolic ring by alkyl or alkenyl, whether or not substituted on the cyclohexyl ring to any extent.
 - b. 3-(1-naphthoyl)indole or 3-(1-naphthylmethane)indole by substitution at the nitrogen atom of the indole ring, whether or not further substituted on the indole ring to any extent, whether or not substituted on the naphthoyl or naphthyl ring to any extent.
 - c. 3-(1-naphthoyl)pyrrole by substitution at the nitrogen atom of the pyrrole ring, whether or not further substituted in the pyrrole ring to any extent, whether or not substituted on the naphthoyl ring to any extent.
 - d. 1-(1-naphthylmethylene)indene by substitution of the 3-position of the indene ring, whether or not further substituted in the indene ring to any extent, whether or not substituted on the naphthyl ring to any extent.
 - e. 3-phenylacetylindole or 3-benzoylindole by substitution at the nitrogen atom of the indole ring, whether or not further substituted in the indole ring to any extent, whether or not substituted on the phenyl ring to any extent.
 - f. 5-(1,1-dimethylheptyl)-2-[(1R,3S)-3-hydroxycyclohexyl]-phenol (CP-47,497)
 - g. 5-(1,1-dimethyloctyl)-2-[(1R,3S)-3-hydroxycyclohexyl]-phenol (cannabicyclohexanol or CP-47,497 C8-homolog)
 - h. 1-pentyl-3-(1-naphthoyl)indole (JWH-018 and AM678)
 - i. 1-butyl-3-(1-naphthoyl)indole (JWH-073)
 - j. 1-hexyl-3-(1-naphthoyl)indole (JWH-019)
 - k. 1-[2-(4-morpholinyl)ethyl]-3-(1-naphthoyl)indole (JWH-200)
 - l. 1-pentyl-3-(2-methoxyphenylacetyl)indole (JWH-250)
 - m. 1-pentyl-3-[1-(4-methoxynaphthoyl)]indole (JWH-081)
 - n. 1-pentyl-3-(4-methyl-1-naphthoyl)indole (JWH-122)
 - o. 1-pentyl-3-(4-chloro-1-naphthoyl)indole (JWH-398)
 - p. 1-(5-fluoropentyl)-3-(1-naphthoyl)indole (AM2201)
 - q. 1-(5-fluoropentyl)-3-(2-iodobenzoyl)indole (AM694)
 - r. 1-pentyl-3-[(4-methoxy)-benzoyl]indole (SR-19 and RCS-4)
 - s. 1-cyclohexylethyl-3-(2-methoxyphenylacetyl)indole (SR-18 and RCS-8)
 - t. 1-pentyl-3-(2-chlorophenylacetyl)indole (JWH-203)

2. Herbal Smoking Products, despite their labeling, are commonly identified by being sold in small packets containing natural or man-made substances, packaged under various retail names, identified as herbal potpourri, herbal sachet, herbal aromatherapy, etc., sold without a listing of ingredients, and sold with disclaimers warning against ingestion and stating they are free of controlled substances. By virtue of this ordinance, such products are unlawful.
3. Synthetic Marijuana / Synthetic Cannabanoids / Herbal Smoking Product are commonly marketed under various commercial trade names, which change often, and contain a common disclaimer that the products are “not safe for human consumption”, “novelty item”, or similar disclaimer. Refer to Appendix A for a listing of commercial names commonly used to advertise and portray these substances.
4. Synthetic Marijuana / Synthetic Cannabanoids / Herbal Smoking Product shall exclude typical, standard incense and potpourri that is sold as incense sticks, oils, or cones that is commonly used for their aromatic qualities and do not contain any synthetic chemical compounds, do not provide a prohibition against ingestion, and do not elicit psychoactive or psychotropic euphoric effects.

G. Synthetic Psychedelics / Hallucinogens means:

1. A substance that mimics the effects of any Federally or State controlled substance, including but not limited to, any natural or man-made substance, compound, mixture, preparation, or is laced with a synthetic chemical compound that elicits a psychedelic/hallucinogenic effect including but not limited to the following:
 - a. 2-(2,5-Dimethoxy-4-ethylphenyl)ethanamine (2C-E)
 - b. 2-(2,5-Dimethoxy-4-methylphenyl)ethanamine (2C-D)
 - c. 2-(4-Chloro-2,5-dimethoxyphenyl)ethanamine (2C-C)
 - d. 2-(4-Iodo-2,5-dimethoxyphenyl)ethanamine (2C-I)
 - e. 2-[4-(Ethylthio)-2,5-dimethoxyphenyl]ethanamine (2C-T-2)
 - f. 2-[4-(Isopropylthio)-2,5-dimethoxyphenyl]ethanamine (2C-T-4)
 - g. 2-(2,5-Dimethoxyphenyl)ethanamine (2C-H)
 - h. 2-(2,5-Dimethoxy-4-nitro-phenyl)ethanamine (2C-N)
 - i. 2-(2,5-Dimethoxy-4-(n)-propylphenyl)ethanamine (2C-P)
2. Synthetic Psychedelics / Hallucinogens, despite their labeling, are commonly identified by being sold in small packets, tubs, or vials and are often in tablet, capsule, and liquid form and packaged under various retail names, sold without a listing of ingredients, and often sold with disclaimers warning against ingestion and stating they are free of controlled substances. By virtue of this ordinance, such products are unlawful.
3. Synthetic Psychedelics / Hallucinogens are commonly marketed under various commercial trade names, which change often, and contain a common disclaimer that the products are “not safe for human consumption”, “novelty item”, or similar disclaimer. They may also be marked in a consumable pill form under various

names. Refer to Appendix A for a listing of commercial names commonly used to advertise and portray these substances.

- H. Salvia Divinorum / Salvinorum means: all parts of the plant presently classified botanically as salvia divinorum whether growing or not, the seeds thereof, any extract from any part of the plant, and every compound, manufacture, salts, derivative, mixture, or preparation of such plant, its seeds, or extracts.

SECTION 4: ENFORCEMENT AND PENALTY. The City of Mountain Iron deems synthetic and alternative drugs dangerous and detrimental to the citizens, guests and fabric of the community of Mountain Iron. It bans the sale, possession, transfer and or manufacturing of synthetic drugs or alternative drugs. Penalties shall be accordance with Section 10.99 of the Mountain Iron City Code.

SECTION 5: SEVERABILITY. If any clause, sentence, paragraph, subdivision, section, or part of this law or the application thereof to any person, individual, corporation, firm, partnership, entity or circumstance shall be adjudged by any court of competent jurisdiction to be invalid or unconstitutional, such order or judgment shall not affect, impair, or invalidate the remainder thereof but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part of this law, or in its application to the person, individual, corporation, firm, partnership, entity, or circumstance directly involved in the controversy in which such order or judgment shall be rendered.

SECTION 6: INCONSISTENT ORDINANCES. All Ordinances or portions thereof inconsistent with this Ordinance shall be repealed and replaced with the provisions of this Ordinance.

SECTION 7: CITY CODE. This Ordinance shall be incorporated into the Mountain Iron City Code as Chapter 131.

SECTION 8: EFFECTIVE DATE. This Ordinance shall be effective in accordance with State Statute.

DULY ADOPTED BY THE CITY COUNCIL THIS 16th DAY OF DECEMBER, 2013.

Mayor Gary Skalko

ATTEST:

City Administrator

Appendix A

Substances described in this ordinance and distributed under the commercial/retail names contained in this Appendix shall be deemed to be unlawful and a synthetic drug, especially if they are packaged in a manner that indicates the product is “not for human consumption” or if it fails to disclose the products ingredients. Products commercially sold under similar or like names which have common, proven and lawful uses and which list their ingredients and directions for use shall not be deemed unlawful under this ordinance.

Numbers: 8-Ball, 251, 2C-1

- A:** Afgan Black, Am-Hi-Co (All Types), Aphrodisia, Atomic Bomb, Aztec Gold, Aztec Midnight Wind Tezcatlipoca
- B:** Back Draft, Bad 2 The Bone, Banana Cream Nuke, Bath Salt, Bayou Blaster, Bigdaddy, Black Diamond, Black Magic Salvia, Black Mamba, Bliss (All Types), Blizzard, Blue Silk, Blueberry Hayze, Blueberry Haze, Bombay Blue, Bonzai, Bromo-Dragonfly, Buzz
- C:** C3, C4, C4 Herbal Incense, Caneff, Charge Plus, Cherry Bomb, Chill X, Chronic Spice, Cill Out, Citrus, Cloud 9, Colorado Chronic
- D:** Da Block, Dark Night Ii, Demon, Devil Eye, Dex, Diamond Spirit, Doves, Dragon Spice, D-Rail, Dream, Dynatmite N-R-G
- E:** Earthquake, Eruption Spice, Euphoria, Exotic Ultra, Exses, Ex-Ses Platinum (All Types), Ex-Ses Gold Plus, Extreme Spice
- F:** Fake Weed, Fertilizer, Fire Bird Ultimate Strength Cinnamon, Forest Humus, Freedom, Fully Loaded, Funky Monkey XXXX
- G:** G Four, G Greenies Caramel Crunch, Genie (All Types), Glass Cleaner, Genie, Gold Spirit Spice, Green Monkey Chronic Salvia, Greenies Strawberry, Grow
- H:** Head Rush Ultra, Heaven Improved, Heavenscent Suave, Herbal Ecstasy, Hioctane, Humboldt Gold, Hurricane, Hush, Hyper X Ultra
- I:** Ice Bud, Ivory (All Types)
- J:** Jamaican Gold, Joker
- K:** K Royal, K1 (All Types), K2 (All Types), K3 (All Types), K4 (All Types), Kind Spice, Kw Orisha Max, Kush
- L:** Legal Eagle (All Types), Legal Phunk, Love Potion 69, Legal (All Types), Legan Ecstasy, Legal Meth, Love Strawberry, Lunar Diamond, Lunar Wave

- M:** Magic Dragon Platinum, Magic Gold, Magic Silver, Magic Spice, Maya Blue, Mega Bomb, Melloman, Mellow Madness 1a, Methoxetamine, Mid-Atlantic Exemplar (All Types), Midnight Chill, Mind Bliss, Mngb Almond/Vanilla, Mngb (All Types), Moe Joe Fire, Mojo (All Types), Mr. Smiley's, Mtn-787, Mystery
- N:** Natural Ecstasy, Natural Lsd, Naughty Nights, Neutronium, New Improved K3 (All Types), New K3 (All Types), New-Kron Bomb, Nitro, Number One Choice (All Types)
- O:** Ocean Blue, Ocean Burst (All Types)
- P:** P.E.P. Potpourri (All Types), Paradise, Pink Lotus, Pink Tiger, Pixie Dust, Plant Food, Posh, Potpourri (All Types), Pow, Pulse, Pump It Powder, Pure Ivory, Purple Wave
- Q:** Quick Silver
- R:** Radioactive, Rasta Citrus Spice, Rebel Spice, Recharge (All Types), Red, Red Bird, Red Dove, Red Doves
- S:** S1. Swerve, Samurai Spirit, Sativah, Scarface, Scope (All Types), Sence, Serenity (All Types), Sex Intense, Sextacy (All Types), Shamantrance, Shanti Spice (All Types), Silent Black, Skink, Smoke, Smoke Plus, Snow Leopard, Solar Star Gold, Space (All Types), Spacetrips, Speed Freak, Spice (All Types), Spicery (All Types), Spicey Xxx (All Types), Spicylicious, Spice 99 (All Types), Spike 99 (All Types), Spike (All Types), Stardust, Starry Night, Stinger, Summer Skyy, Super Kush, Super Summit, Swagger Grape, Syn (All Types)
- T:** Texas Gold, Time Warp, Tnt, Tribal Warrior (All Types), Tranquility
- U:** Ultra Cloud 10, Unknown Cigarette, Utopia (All Types)
- V:** V8, Vanilla Sky, Voo Doo (All Types)
- W:** White (All Types), Who Dat (All Types), Wicked X, Wild Opium, Winder Boost, Window Cleaner, Wood Stock
- X:** Xtc, X-Tracy Ultra
- Y:** Yucantan Fire, Yucatan Fire
- Z:** Zombie World, Zoom

COUNCIL LETTER 121613-VIB

STREET AND ALLEY

RESOLUTION NUMBER 45-13

DATE: December 12, 2013

FROM: Street and Alley Committee

Craig J. Wainio
City Administrator

The Street and Alley Committee is recommending that the City Council approve Resolution Number 45-13 authorizing Benchmark Engineering to prepare a feasibility report for Mountain Iron Drive, Rock Ridge Drive, Fairview Lane and South Court. The feasibility report is the first step in the 2014 street improvement program.



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RESOLUTION NUMBER 45-13

ORDERING PREPARATION OF REPORT ON IMPROVEMENT

WHEREAS, it is proposed to improve Mountain Iron Drive between Unity Drive and Highway 52 by reconstruction, Rock Ridge Drive between Park Ridge Drive and Highway 169 by reconstruction, Fairview Lane between Mineral Avenue and Greenwood Lane by reconstruction and the entire length of South Court by reconstruction and to assess the benefited property for all or a portion of the cost of the improvement, pursuant to Minnesota Statutes, Chapter 429.

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

That the proposed improvement be referred to Benchmark Engineering for study and that that person is instructed to report to the City Council with all convenient speed advising the City Council in a preliminary way as to whether the proposed improvement is necessary, cost-effective, and feasible; whether it should best be made as proposed or in connection with some other improvement; the estimated cost of the improvement as recommended; and a description of the methodology used to calculate individual assessments for affected parcels.

DULY ADOPTED BY THE CITY COUNCIL THIS 16th DAY OF DECEMBER, 2013.

Mayor Gary Skalko

ATTEST:

City Administrator

COUNCIL LETTER 121613-VIC&D
UTILITY ADVISORY BOARD
INTERCONNECT AGREEMENTS

DATE: December 12, 2013
FROM: Street and Alley Committee
Craig J. Wainio
City Administrator

The Utility Advisory Board recommends approval of the Uniform Statewide Contract for Cogeneration Agreements between the City and ISD 712 and the City and the EDA. These agreements basically allow the entities to install solar panels and connect those panels to City's electrical distribution system. And that we will be purchasing any excess electricity from these entities at a net metering rate.

UNIFORM STATEWIDE CONTRACT FOR COGENERATION AND SMALL POWER PRODUCTION FACILITIES

THIS CONTRACT IS entered into this day ____ of December, 2013, by City of Mountain Iron, a Minnesota municipal utility (hereafter called "Utility") and Mt. Iron-Buhl Independent School District 712, a Minnesota body politic (hereafter called "QF").

RECITALS

The QF has installed electric generating facilities, consisting of a 12.48 kW solar photovoltaic (PV) energy system rated at less than 40 kilowatts on property located 5529 Emerald Ave., Mountain Iron, MN 55768.

The QF is prepared to generate electricity in parallel with the Utility.

The QF's electric generating facilities meet the requirements of the Minnesota Public Utilities Commission (hereafter called "Commission") rules on Cogeneration and Small Power Production and any technical standards for interconnection the Utility has established that are authorized by those rules.

The Utility is obligated under federal and Minnesota law to interconnect with the QF and to purchase electricity offered for sale by the QF.

A contract between the QF and the Utility is required by the Commission's rules.

AGREEMENTS

The QF and the Utility agree:

1. The Utility will sell electricity to the QF under the rate schedule in force for the class of customer to which the QF belongs.
2. The Utility will buy electricity from the QF under the current rate schedule filed with the Commission. The QF has elected the rate schedule category net energy billing rate under part 7835.3300. A copy of the presently filed rate schedule is attached to this contract.
3. The rates for sales and purchases of electricity may change over the time this contract is in force, due to actions of the Utility or of the Commission, and the QF and the Utility agree that sales and purchases will be made under the rates in effect each month during the time this contract is in force.
4. The Utility will compute the charges and payments for purchases and sales for each billing period. Any net credit to the QF will be made as a credit to the QF's account with the Utility.

5. The QF must operate its electric generating facilities within any rules, regulations, and policies adopted by the Utility not prohibited by the Commission's rules on Cogeneration and Small Power Production which provide reasonable technical connection and operating specifications for the QF. This agreement does not waive the QF's right to bring a dispute before the Commission as authorized by Minnesota Rules, parts 7835.4800, 7835.5800, and 7835.4500, and any other provision of the Commission's rules on Cogeneration and Small Power Production authorizing Commission resolution of a dispute.
6. The Utility's rules, regulations, and policies must conform to the Commission's rules on Cogeneration and Small Power Production.
7. The QF will operate its electric generating facilities so that they conform to the national, state, and local electric and safety codes, and will be responsible for the costs of conformance.
8. The QF is responsible for the actual, reasonable costs of interconnection which are estimated to be \$ The QF will pay the Utility in this way:
9. The QF will give the Utility reasonable access to its property and electric generating facilities if the configuration of those facilities does not permit disconnection or testing from the Utility's side of the interconnection. If the Utility enters the QF's property, the Utility will remain responsible for its personnel.
10. The Utility may stop providing electricity to the QF during a system emergency. The Utility will not discriminate against the QF when it stops providing electricity or when it resumes providing electricity.
11. The Utility may stop purchasing electricity from the QF when necessary for the Utility to construct, install, maintain, repair, replace, remove, investigate, or inspect any equipment or facilities within its electric system. The Utility will notify the QF before it stops purchasing electricity by notice to the Superintendent.
12. The QF will keep in force liability insurance against personal or property damage due to the installation, interconnection, and operation of its electric generating facilities. The amount of insurance coverage will be \$300 000 per occurrence.
13. This contract becomes effective as soon as it is signed by the QF and the Utility. This contract will remain in force until either the QF or the Utility gives written notice to the other that the contract is canceled. This contract will be canceled 30 days after notice is given.
14. This contract contains all the agreements made between the QF and the Utility except that this contract shall at all times be subject to all rules and orders issued by the Public Utilities Commission or other government agency having jurisdiction over the subject

matter of this contract. The QF and the Utility are not responsible for any agreements other than those stated in this contract.

THE QF AND THE UTILITY HAVE READ THIS CONTRACT AND AGREE TO BE BOUND BY ITS TERMS. AS EVIDENCE OF THEIR AGREEMENT, THEY HAVE EACH SIGNED THIS CONTRACT BELOW ON THE DATE WRITTEN AT THE BEGINNING OF THIS CONTRACT.

QF:

UTILITY:

By: _____

Mayor

Superintendant

City Administrator

UNIFORM STATEWIDE CONTRACT FOR COGENERATION AND SMALL POWER PRODUCTION FACILITIES

THIS CONTRACT IS entered into this day _____ of December, 2013, by City of Mountain Iron, a Minnesota municipal utility (hereafter called "Utility") and the Mountain Iron Economic Development Authority, a Minnesota body politic (hereafter called "QF").

RECITALS

The QF has installed electric generating facilities, consisting of a 12.8 kW solar photovoltaic (PV) energy system rated at less than 40 kilowatts on property located 8787 Silicon Way, Mountain Iron, MN 55768.

The QF is prepared to generate electricity in parallel with the Utility.

The QF's electric generating facilities meet the requirements of the Minnesota Public Utilities Commission (hereafter called "Commission") rules on Cogeneration and Small Power Production and any technical standards for interconnection the Utility has established that are authorized by those rules.

The Utility is obligated under federal and Minnesota law to interconnect with the QF and to purchase electricity offered for sale by the QF.

A contract between the QF and the Utility is required by the Commission's rules.

AGREEMENTS

The QF and the Utility agree:

1. The Utility will sell electricity to the QF under the rate schedule in force for the class of customer to which the QF belongs.
2. The Utility will buy electricity from the QF under the current rate schedule filed with the Commission. The QF has elected the rate schedule category net energy billing rate under part 7835.3300. A copy of the presently filed rate schedule is attached to this contract.
3. The rates for sales and purchases of electricity may change over the time this contract is in force, due to actions of the Utility or of the Commission, and the QF and the Utility agree that sales and purchases will be made under the rates in effect each month during the time this contract is in force.
4. The Utility will compute the charges and payments for purchases and sales for each billing period. Any net credit to the QF will be made as a credit to the QF's account with the Utility.

5. The QF must operate its electric generating facilities within any rules, regulations, and policies adopted by the Utility not prohibited by the Commission's rules on Cogeneration and Small Power Production which provide reasonable technical connection and operating specifications for the QF. This agreement does not waive the QF's right to bring a dispute before the Commission as authorized by Minnesota Rules, parts 7835.4800, 7835.5800, and 7835.4500, and any other provision of the Commission's rules on Cogeneration and Small Power Production authorizing Commission resolution of a dispute.
6. The Utility's rules, regulations, and policies must conform to the Commission's rules on Cogeneration and Small Power Production.
7. The QF will operate its electric generating facilities so that they conform to the national, state, and local electric and safety codes, and will be responsible for the costs of conformance.
8. The QF is responsible for the actual, reasonable costs of interconnection which are estimated to be \$ The QF will pay the Utility in this way:
9. The QF will give the Utility reasonable access to its property and electric generating facilities if the configuration of those facilities does not permit disconnection or testing from the Utility's side of the interconnection. If the Utility enters the QF's property, the Utility will remain responsible for its personnel.
10. The Utility may stop providing electricity to the QF during a system emergency. The Utility will not discriminate against the QF when it stops providing electricity or when it resumes providing electricity.
11. The Utility may stop purchasing electricity from the QF when necessary for the Utility to construct, install, maintain, repair, replace, remove, investigate, or inspect any equipment or facilities within its electric system. The Utility will notify the QF before it stops purchasing electricity by notice to the Superintendent.
12. The QF will keep in force liability insurance against personal or property damage due to the installation, interconnection, and operation of its electric generating facilities. The amount of insurance coverage will be \$300 000 per occurrence.
13. This contract becomes effective as soon as it is signed by the QF and the Utility. This contract will remain in force until either the QF or the Utility gives written notice to the other that the contract is canceled. This contract will be canceled 30 days after notice is given.
14. This contract contains all the agreements made between the QF and the Utility except that this contract shall at all times be subject to all rules and orders issued by the Public Utilities Commission or other government agency having jurisdiction over the subject

matter of this contract. The QF and the Utility are not responsible for any agreements other than those stated in this contract.

THE QF AND THE UTILITY HAVE READ THIS CONTRACT AND AGREE TO BE BOUND BY ITS TERMS. AS EVIDENCE OF THEIR AGREEMENT, THEY HAVE EACH SIGNED THIS CONTRACT BELOW ON THE DATE WRITTEN AT THE BEGINNING OF THIS CONTRACT.

QF:

UTILITY:

President

Mayor

Executive Director

City Administrator

COMMUNICATIONS

1. Mediacom, a letter on rate adjustments as of January 1, 2014.
2. Quad Cities Tennis For All, a letter asking for increased funding.



Theresa Sunde
Government Relations Manager

Sent November 26, 2013 Via Certified Mail

Dear Mt Iron Community Official:

This letter is to inform you that, on or about January 1, 2014, Mediacom will be implementing the following rate adjustments:¹

Product:	Old Rate:	New Rate:	Net Change:
Local Broadcast Station Surcharge	\$1.61	\$2.12	\$0.51
Digital Plus ²	\$14.00	\$16.00	\$2.00
HBO	\$16.95	\$17.95	\$1.00
Showtime	\$12.95	\$14.95	\$2.00
Starz	\$9.00	\$11.00	\$2.00

The decision to make price adjustments is always a difficult one. We are very reluctant to raise video prices because, *when we do, we lose customers*. However, cable and satellite companies are constantly being pressured by the programmers we buy from to pay more for the channels we carry.

The fees we pay to retransmit local broadcast stations like ABC, CBS, FOX and NBC are by far our fastest growing programming cost component. Outdated federal laws give the local broadcast stations monopoly power over network and syndicated programming within their respective market areas. Over the past few years, many broadcasters have used real or threatened blackouts to extract huge rate increases during contract negotiations. American consumers, through their cable and satellite bills, are now paying billions of dollars each year to broadcast station owners for "free" over-the-air television.

In May 2013, Mediacom instituted a Local Broadcast Station Surcharge equal to the fee increases the local broadcast stations in your market have demanded we pay to them since the start of 2012. By bringing more transparency to the unjustified fee increases being taken by local broadcast stations, we hope to draw the attention of consumers and their elected representatives to this rapidly escalating problem.

Unfortunately, local broadcasters aren't the only programmers causing cable and satellite prices to rise. Other channel owners are also insisting on rate increases. From time to time, it is necessary for Mediacom to adjust the cost of certain products we offer.

Despite the business challenges we face, Mediacom appreciates the opportunity to continue to serve your community's telecommunications needs. If you have any questions, please contact me directly at tsunde@mediacomcc.com.

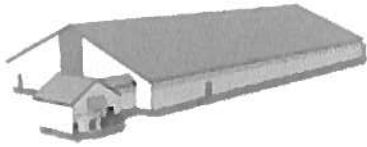
Sincerely,

Theresa Sunde

¹ Depending on the terms of their contract, certain customers on promotional rates may or may not receive this rate change at this time.

² The Digital Plus level of service is no longer available for purchase by new customers.

Mediacom Communications Corporation
1504 2nd Street SE, Waseca, Minnesota 56093



Quad Cities Tennis For All

"Serving Eveleth, Gilbert, Mt.Iron, and Virginia"

To Mayor Gary Skalko and the Mountain Iron City Council,

In December 2004, when we formed a committee to raise funds for the four indoor tennis courts in Virginia's South Side park, we chose the name "Quad City Tennis" because we assumed the project would be supported by your councils, just as the curling facility in Eveleth is subsidized to a considerable extent every year by the Virginia City Council. Although we serve players throughout the Quad City Area, our assumption that all four Quad Cities communities would help financially support the facility proved to be wrong.

The tennis facility balance sheet, though improving, has shown a deficit each year and we are faced with some capital expenditures, as shown on the attached exhibit, which shows the deficits for the next three years. We are asking you to consider helping the shortfall according to each cities population. It is our hope that with increased membership and court usage that we will continue to decrease the shortfall and become self-sufficient.

Prior to building the facility in Virginia we checked all the vacant buildings in the Quad City Area but found nothing suitable that could house a tennis facility.

Please make this request an agenda item for your next meeting and feel free to call me if you need additional information or if you would like a board member to attend your meeting.

Sincerely,

Robert E. Prittinen
Chairman, Quad City Tennis

PROPOSED COST SHARING (3 YEAR ESTIMATE)

ESTIMATED COSTS	
**DEFICIT	\$17,400/YR
COURT RESURFACING	\$36,000
*** LIGHTS & CONTROL PANEL	\$32,750
**MAINTENANCE	\$3,000/YR

		* ESTIMATED COSTS PER CITY				
CITY	YEAR	DEFICIT	SURFACING	LIGHT PANEL MAINT. COST	TOTAL	
VIRGINIA	1ST YEAR	\$8,874	\$6,120	\$16,703	\$1,530	\$33,227
	2ND YEAR	\$8,874	\$6,120		\$1,530	\$16,524
	3RD YEAR	\$8,874	\$6,120		\$1,530	\$16,524
EVELETH	1ST YEAR	\$3,828	\$2,640	\$7,205	\$660	\$14,333
	2ND YEAR	\$3,828	\$2,640		\$660	\$7,128
	3RD YEAR	\$3,828	\$2,640		\$660	\$7,128
MT. IRON	1ST YEAR	\$2,958	\$2,040	\$5,562	\$510	\$11,070
	2ND YEAR	\$2,958	\$2,040		\$510	\$5,508
	3RD YEAR	\$2,958	\$2,040		\$510	\$5,508
GILBERT	1ST YEAR	\$1,740	\$1,200	\$3,200	\$300	\$6,440
	2ND YEAR	\$1,740	\$1,200		\$300	\$3,240
	3RD YEAR	\$1,740	\$1,200		\$300	\$3,240

* BASED ON 2010 CENSUS
 ** NOW BEING PAID BY THE CITY OF VIRGINIA
 *** THIS COULD BE REDUCED BY THE SOLAR PANELS AND FINAL BIDS

