

**MOUNTAIN IRON CITY COUNCIL MEETING  
COMMUNITY CENTER  
MOUNTAIN IRON ROOM  
MONDAY, DECEMBER 1, 2014 - 6:30 P.M.  
A G E N D A**

- I. Roll Call
- II. Consent Agenda
  - A. November 17, 2014, Regular Meeting (#1-5)
  - B. November 17, 2014, Committee-of-the-Whole (#6)
  - C. Receipts
  - D. Bills and Payroll
  - E. Communications (#73-91)
- III. Public Forum
  - A. Public Hearing on CDBG Application (#7)
- IV. Committee and Staff Reports
  - A. Mayor's Report
    - 1. Donation to Mountain Iron Seniors Christmas Party (#8)
  - B. City Administrator's Report
  - C. Director of Public Work's Report
  - D. Library Director/Special Events Coordinator's Report
  - E. Sheriff's Department Report
  - F. City Engineer's Report
    - 1. Change Order for Unity Drive (#9-11)
    - 2. Final Pay Request for Unity Drive (#12-13)
  - G. Utility Advisory Board
    - 1. Recycling Agreement (#14-24)
    - 2. WECC Contract (#25-35)
    - 3. Sewer Maintenance Policy (#36-39)
  - H. Liaison Reports
- V. Unfinished Business
- VI. New Business
  - A. 2015 Budget (#41-58)
  - B. Resolution Number 23-14 Setting Final Levy (#59)
  - C. Resolution Number 24-14 Setting Final Market Rate Levy (#60)
  - D. Resolution Number 25-14 Setting Final EDA Levy (#61)
  - E. Resolution Number 26-14 CDBG Application (#62-70)
  - F. Request to Serve Alcohol at the Community Center (#71)
- VII. Communications (#73-91)
- VIII. Announcement
- IX. Closed Meeting for Performance Evaluations (#72)
- X. Action on Items Discussed During Closed Meeting
- XI. Adjourn

MINUTES  
MOUNTAIN IRON CITY COUNCIL  
NOVEMBER 17, 2014

Mayor Skalko called the City Council meeting to order at 6:32 p.m. with the following members present: Joe Prebeg, Jr., Susan Tuomela, Alan Stanaway, and Mayor Gary Skalko. Absent member included: Tony Zupancich. Also present were: Craig J. Wainio, City Administrator; Jill M. Clark, Municipal Services Secretary; Rod Flannigan, City Engineer; Bryan Lindsay, City Attorney; and John Backman, Sergeant.

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

1. Approve the minutes of the November 3, 2014, regular meeting as submitted.
2. Approve the minutes of the November 10, 2014, special meeting as submitted.
3. 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.
4. To acknowledge the receipts for the period November 1-15, 2014, totaling \$154,238.38, (a list is attached and made a part of these minutes).
5. To authorize the payments of the bills and payroll for the period November 1-15, 2014, totaling \$538,202.83, (a list is attached and made a part of these minutes).

The motion carried on a roll call vote with Zupancich absent.

No one spoke during the public forum.

The Mayor reported on the following:

- Thank you. The Mayor thanked the voters of Mountain Iron for re-electing him as Mayor for 2015. He said it is an honor and privilege to serve the residents of Mountain Iron.
- Thank you. Councilor Sue Tuomela thanked the 691 voters that voted for her.
- Merritt Days Committee. He said that they are looking for additional committee members to serve on the 2015 Committee that would be planning the City's 125<sup>th</sup> anniversary celebration. He advised interested residents to contact Sally Yuccas at the Mountain Iron Library if they were interested in serving on the Committee.
- Condolences. To the Family of Donald Murray.

It was moved by Prebeg and seconded by Tuomela to approve the quote from KLR Construction for the installation of a chain link fence around the new substation located west of Wal-Mart at a cost of \$15,800. The motion carried on a roll call vote with Zupancich absent.

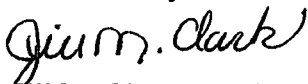
It was moved by Prebeg and seconded by Stanaway to authorize Golder Associates for the Field Oversight and Work Plan Development for the removal of 8-10 unidentified barrels that were discovered during the construction of the new entrance to Minntac at a cost of \$8,000. The motion carried on a roll call vote with Zupancich absent.

It was moved by Stanaway and seconded by Prebeg to set a public hearing for Monday, December 1, 2014 at 6:30 p.m. as part of the grant process through Community Development Block Grant for an application to reconstruct a storm sewer interceptor from Main Street to Agate Street. The motion carried with Zupancich absent.

The Mayor announced that there would be a Committee-of-the-Whole meeting set to follow the regular meeting to discuss the 2015 budgets.

At 6:44 p.m., it was moved by Skalko and seconded by Tuomela that the meeting be adjourned. The motion carried with Zupancich absent.

Submitted by:



Jill M. Clark, MMC  
Municipal Services Secretary

[www.mtniron.com](http://www.mtniron.com)

## Summary By Category And Distribution

Category	Distribution	Amount
UTILITY	UTILITY	149,577.80
MISCELLANEOUS	BLUE CROSS/BLUE SHIELD PAYABLE	309.00
MISCELLANEOUS	REIMBURSEMENTS	451.49
CHARGE FOR SERVICES	REFUSE REMOVAL-CHG FOR SERVICE	28.19
CHARGE FOR SERVICES	SEWER-CHARGE FOR SERVICES	3.71
MISCELLANEOUS	COCA-COLA RECEIPTS-CITY HALL	37.13
LICENSES	LIQUOR	975.00
MISCELLANEOUS	CHECK RETURN FEE	40.00
MISCELLANEOUS	SPECIAL EVENT PROCEEDS	20.00
METER DEPOSITS	ELECTRIC	350.00
BUILDING RENTALS	BUILDING RENTAL DEPOSITS	900.00
BUILDING RENTALS	COMMUNITY CENTER	550.00
FINES	ADMINISTRATIVE OFFENSE	50.00
BUILDING RENTALS	NICHOLS HALL	270.00
MISCELLANEOUS	REFUSE-SALE OF SCRAP METAL	39.00
MISCELLANEOUS	ELECTRIC RECONNECT FEE	70.00
MISCELLANEOUS	ASSESSMENT SEARCHES	10.00
LICENSES	CIGARETTE	200.00
PERMITS	BUILDING	354.06
MISCELLANEOUS	SALE-COPIES, MAPS, LABOR-ADMIN	3.00
Summary Totals:		<u>154,238.38</u>

Check Issue Date(s): 11/06/2014 - 11/21/2014

## Report Criteria:

Check Check No = 146126-146191

Per	Date	Check No	Vendor No	Payee	Check GL Acct	Amount
11/14	11/14/2014	146126	130011	UNITED STATES POSTAL SERVICE	602-20200	398.40
11/14	11/18/2014	146127	10056	A T & T MOBILITY	101-20200	1,381.06
11/14	11/18/2014	146128	10030	AMERICAN PUBLIC POWER ASSN	604-20200	1,096.20
11/14	11/18/2014	146129	10066	AQUA POWER	602-20200	1,104.68
11/14	11/18/2014	146130	1110	ARROWHEAD REG. COMPUTING	101-20200	400.00
11/14	11/18/2014	146131	20022	BENCHMARK ENGINEERING INC	101-20200	7,107.00
11/14	11/18/2014	146132	20061	BENZ CONTRACTING INCORPORATED	101-20200	6,750.00
11/14	11/18/2014	146133	20014	BORDER STATES ELECTRIC SUPPLY	604-20200	3,387.86
11/14	11/18/2014	146134	20040	BRAUN INTERTEC CORPORATION	301-20200	1,820.14
11/14	11/18/2014	146135	1118	CAINE DEUTSCH	604-20200	314.90
11/14	11/18/2014	146136	1111	CANDY SPRAGUE	101-20200	225.00
11/14	11/18/2014	146137	30084	CARDMEMBER SERVICE	603-20200	5,423.04
11/14	11/18/2014	146138	30017	CARQUEST (MOUNTAIN IRON)	101-20200	395.89
11/14	11/18/2014	146139	170001	CENTURY LINK	101-20200	582.13
11/14	11/18/2014	146140	220003	CITY OF VIRGINIA	101-20200	63.82
11/14	11/18/2014	146141	30022	COLOSIMO PATCHIN KEARNEY	101-20200	90.00
11/14	11/18/2014	146142	30072	COMPUTER WORLD	301-20200	2,919.91
11/14	11/18/2014	146143	1121	DAN CHAD	378-20200	2,533.56
11/14	11/18/2014	146144	40058	DISTINGUISHED TROPHY CO	101-20200	30.00
11/14	11/18/2014	146145	50049	ESSENTIA HEALTH	101-20200	75.00
11/14	11/18/2014	146146	60008	FAIRVIEW CLINIC-MOUNTAIN IRON	101-20200	965.00
11/14	11/18/2014	146147	140013	HD WATERWORKS SUPPLY	601-20200	1,251.24
11/14	11/18/2014	146148	80010	HOMETOWN ELECTRIC	101-20200	117.95
11/14	11/18/2014	146149	80037	HOMETOWN MEDIA PARTNERS	604-20200	88.50
11/14	11/18/2014	146150	1115	IDEA DRILLING LLC	604-20200	225.46
11/14	11/18/2014	146151	1116	JENNA MILLER	604-20200	97.18
11/14	11/18/2014	146152	405	JENNY BLAKE	101-20200	100.00
11/14	11/18/2014	146153	1108	JESSICA KRALICH	101-20200	200.00
11/14	11/18/2014	146154	60018	JILL M CLARK	101-20200	17.36
11/14	11/18/2014	146155	1105	JULIE BURIA	101-20200	200.00
11/14	11/18/2014	146156	1217	L & M SUPPLY	101-20200	10,000.00
11/14	11/18/2014	146157	120006	L & M SUPPLY	101-20200	1,235.45
11/14	11/18/2014	146158	1109	LAURA MAKI	101-20200	100.00
11/14	11/18/2014	146159	1112	MARISSA MASON	604-20200	75.64
11/14	11/18/2014	146160	130004	MESABI DAILY NEWS	604-20200	107.50
11/14	11/18/2014	146161	1122	MICHAEL RICHARDS	101-20200	31.95
11/14	11/18/2014	146162	140026	MINNESOTA ENERGY RESOURCES	602-20200	214.23
11/14	11/18/2014	146163	130009	MINNESOTA POWER (ALLETE INC)	101-20200	180,659.87
11/14	11/18/2014	146164	130084	MN DEPARTMENT OF HEALTH	101-20200	772.00
11/14	11/18/2014	146165	130015	MOUNTAIN IRON PUBLIC UTILITIES	101-20200	14,585.21
11/14	11/18/2014	146166	140052	NORTHEAST SERVICE COOPERATIVE	101-20200	53,533.02
11/14	11/18/2014	146167	140004	NORTHERN ENGINE & SUPPLY INC	101-20200	133.24
11/14	11/18/2014	146168	140070	NP SOLAR DEVELOPMENT LLC	101-20200	500.00
11/14	11/18/2014	146169	160066	PACE ANALYTICAL SERVICES	602-20200	260.70
11/14	11/18/2014	146170	160071	PURCHASE POWER	604-20200	1,000.00
11/14	11/18/2014	146171	180017	RELIABLE OFFICE SUPPLIES	101-20200	147.46
11/14	11/18/2014	146172	180077	RODNEY'S RADIATOR SERVICE	602-20200	527.86
11/14	11/18/2014	146173	1119	SARA MALSOM	604-20200	133.78
11/14	11/18/2014	146174	190045	SERVICE SOLUTIONS	101-20200	23.00
11/14	11/18/2014	146175	190004	SKUBIC BROS INC	604-20200	246.11
11/14	11/18/2014	146176	190024	ST LOUIS CO SHERIFF LITMAN	101-20200	42,500.00
11/14	11/18/2014	146177	190002	ST LOUIS COUNTY AUDITOR	603-20200	100.00
11/14	11/18/2014	146178	1152	ST LOUIS COUNTY PHHS	604-20200	415.02
11/14	11/18/2014	146179	1106	STEVE SKOGMAN	101-20200	200.00

M = Manual Check, V = Void Check

Check Issue Date(s): 11/06/2014 - 11/21/2014

Per	Date	Check No	Vendor No	Payee	Check GL Acct	Amount
11/14	11/18/2014	146180	1117	TAYLOR BEAULIEA-LITTLE	604-20200	274.48
11/14	11/18/2014	146181	200020	THE TRENTI LAW FIRM	101-20200	2,938.08
11/14	11/18/2014	146182	1114	THEDAL DRIFT	604-20200	237.59
11/14	11/18/2014	146183	1113	TINA MILLER	604-20200	197.07
11/14	11/18/2014	146184	200006	TRIMARK INDUSTRIAL	601-20200	328.30
11/14	11/18/2014	146185	1107	TYLER RANTA	101-20200	200.00
11/14	11/18/2014	146186	210001	UNITED ELECTRIC COMPANY	604-20200	755.91
11/14	11/18/2014	146187	220004	VIRGINIA DEPARTMENT OF PUBLIC	604-20200	73,313.23
11/14	11/18/2014	146188	220020	VISA OR AMERICAN BANK CC PMT	604-20200	5,656.35
11/14	11/18/2014	146189	230005	WESCO DISTRIBUTION INC	604-20200	19,133.77
11/14	11/18/2014	146190	60038	WRIGHT EXPRESS FINAN SERV CORP	101-20200	7,313.07
11/14	11/18/2014	146191	240001	XEROX CORPORATION	101-20200	568.40
Totals:						<u>457,779.57</u>
Payroll-PP Ending 11/7/2014						65,422.56
Electronic Trans-Sales Tax						<u>15,000.70</u>
TOTAL EXPENDITURES						<u><u>\$538,202.83</u></u>

MINUTES  
MOUNTAIN IRON CITY COUNCIL  
COMMITTEE OF THE WHOLE MEETING  
NOVEMBER 17, 2014

Mayor Skalko called the City Council meeting to order at 7:00 p.m. with the following members present: Joe Prebeg, Jr., Susan Tuomela, Alan Stanaway, and Mayor Gary Skalko. Absent member included: Tony Zupancich. Also present were: Craig J. Wainio, City Administrator; Jill M. Clark, Municipal Services Secretary; Sally Yuccas, Library Director/Special Events Director.

The meeting was called to discuss the 2015 budget.

Several members of the Merritt Days Committee were present and addressed the Council requesting additional budget funding to plan the 2015 Merritt Days Celebration, which will also celebrate the 125<sup>th</sup> Anniversary of the City. Jason Gellerstedt, Jeremy Jesch, Sally Yuccas, and Peggy Anderson spoke and presented the City Council with the financial information for the 2014 Merritt Days Celebration. Mr. Gellerstedt stated that the Committee spent \$67,000 to put the 2014 celebration on. They submitted additional activities for the 2015 Celebration adding a \$15,000 fireworks display, for a total of \$23,500 for additional activities. They anticipate the 2015 celebration would cost approximately \$91,000.

Councilor Prebeg proposed that the City hire additional summer workers to assist at the 2015 celebration.

At 7:14 p.m., Mayor Skalko left the meeting.

The Committee explained that they would need to begin making deposits in March of 2015 for the fireworks display and the bands.

At 7:16 p.m., Mayor Skalko returned to the meeting.

The Merritt Days Committee requested that the City Council allocate a budget of \$70,000 for the celebration.

The Library Director/Special Events Director distributed a request for an increase in her proposed budget of three percent.

At 7:47 p.m., the Library Director/Special Events Director left the meeting.

It was the consensus of the Council to allocate \$60,000 for the Merritt Days Celebration.

The Council reviewed the 2015 Proposed Budget. Several questions were asked, but no further adjustments to the budget were discussed.

At 8:28 p.m., it was moved by Skalko and seconded by Prebeg that the meeting be adjourned. The motion carried.

Submitted by:



Jill M. Clark, MMC  
Municipal Services Secretary

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

**TO WHOM IT MAY CONCERN:**

Notice is hereby given that the City Council of the City of Mountain Iron will meet in the Mountain Iron Room of the Community Center at 6:30P.M. on December 1, 2014, to consider the application for a Community Development Block Grant. The application for assistance is for improvements to the Storm Sewer System. Such persons as desire to be heard with reference to the proposed application will be heard at this meeting.

[www.mtniron.com](http://www.mtniron.com)

By Order of the Mountain Iron City Council

/s/ Craig J. Wainio  
City Administrator



**COUNCIL LETTER 120114-IVA1**

**MAYOR SKALKO**

**SENIOR CITIZENS PARTY**

**DATE:** November 26, 2014

**FROM:** Mayor Skalko

Craig J. Wainio  
City Administrator

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Mayor Skalko requested this item be placed on the Agenda with the following background information:

For the past several years we have made a donation of \$100 for this event. Monies are taken from the charitable gambling fund.



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

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

November 25, 2014

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

Re: City of Mountain Iron, MN  
Unity Drive Improvements  
Project No. MI13-07

Dear Mr. Wainio:

Enclosed please find Change Order No. 2 and Pay Request No. 6-Final for Unity Drive Improvements project for approval at your next scheduled city council meeting.

Change Order No. 2 **increases** the Contract Amount by **\$969.29**. This Change Order sets the Contract amount equal to the amount of work completed on this project. This Change Order is necessary for small quantity adjustments that occurred throughout the project. Please approve Change Order Number 2 first. If approved, please sign all three (3) copies and return two (2) copies to our office. Keep one (1) copy for your records.

Also enclosed, please find Pay Request No. 6-Final in the amount of **\$20,388.94**. Pay Request No. 6-Final compensates the Contractor for all the work completed on this project and releases the retainage. Please refer to the enclosed pay request breakdown for a summary of items completed. Please approve Pay Request No. 6-Final contingent upon receiving IC-134 forms from the Contractor.

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

Re: City of Mountain Iron, MN  
Unity Drive Improvements  
Project No. MI13-07  
Page 2

Sincerely,  
**Benchmark Engineering, Inc.**

Alan J. Johnson, P.E.  
Project Engineer

Enclosures

pc: Mr. Jim Bougalis, Hibbing Excavating, Inc.

**CHANGE ORDER**

Order No. 2

Date: 11/18/14

NAME OF PROJECT/PROJECT NO: Unity Drive Improvements/MI13-07

OWNER: City of Mountain Iron

CONTRACTOR: Hibbing Excavating  
3403 15<sup>th</sup> Avenue East, Hibbing, MN 55746

ENGINEER: Benchmark Engineering, Inc.

**Reason for Change Order:**

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

**The following changes are hereby made to the CONTRACT DOCUMENTS:**

The contract amount is decreased by **\$969.29**.

Change to CONTRACT PRICE:

Original CONTRACT PRICE \$ 586,445.50

Current CONTRACT PRICE adjusted by previous CHANGE ORDERS \$ 599,445.50

The CONTRACT PRICE due to this CHANGE ORDER will be increased by: \$ 969.29

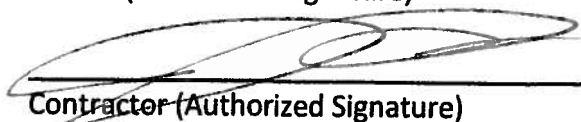
The new CONTRACT PRICE including this CHANGE ORDER will be: \$ 600,414.79

Recommended by:   
Engineer (Authorized Signature)

11/24/14  
Date:

Approved by: \_\_\_\_\_  
Owner (Authorized Signature)

\_\_\_\_\_  
Date:

Accepted by:   
Contractor (Authorized Signature)

11/19/14  
Date:

RECOMMENDATION OF PAYMENT

No. 6-Final

Owner's Project No.: \_\_\_\_\_

Engineer's Project No.: MI13-07

Project: Unity Drive Improvements

CONTRACTOR: Hibbing Excavating, Inc., 3402 15<sup>th</sup> Avenue East, Hibbing, MN 55746

For Period Ending: November 18, 2014

To: City of Mountain Iron  
Owner

Attached hereto is the CONTRACTOR's Application for Payment for Work accomplished under the Contract through the date indicated above. The application meets the requirements of the Contract Documents for the payment or work completed as of the date of this Application.

In accordance with the Contract the undersigned recommends payment to the CONTRACTOR of the amount due as shown below.

BENCHMARK ENGINEERING, INC.

Dated: November 18, 2014

By 

STATEMENT OF WORK

Original Contract Price	\$ <u>586,445.50</u>	Work & Materials to Date	\$ <u>600,414.79</u>
Net Change Orders	\$ <u>13,969.29</u>	Amount Retained	\$ <u>0.00</u>
Current Contract Price	\$ <u>600,414.79</u>	Subtotal	\$ <u>600,414.79</u>
		Previous Payments	\$ <u>580,025.85</u>
		Amount Due this Payment	\$ <u>20,388.94</u>



Pay Request No. 6 - Final  
**IMPROVEMENTS TO UNITY DRIVE CORRIDOR**  
 CITY OF MOUNTAIN IRON, MINNESOTA  
 PROJECT NO: M113-07

DATE: November 18, 2014

SPEC. NO.	ITEM	UNITS	EST. QUANTS	CONTRACTOR: HIBBING EXCAVATING INC.			
				UNIT COST	QUANTITY THIS PERIOD	QUANTITY TO DATE	TOTAL AMOUNT
2101.502	CLEARING AND GRUBBING	LUMP SUM	1	\$48,000.00		1.00	\$48,000.00
2104.501	RE MOVE FF NCE - POST AND WIRT	LIN. FT.	1,083	\$5.00		1,083.00	\$5,415.00
2104.501	RE MOVE SEWER PIPE (CULVERTS)	LIN. FT.	174	\$5.00		174.00	\$620.00
2104.501	RE MOVE CURB & GUTTER	LIN. FT.	15	\$25.00		15.00	\$375.00
2104.505	REMOVE BITUMINOUS PAVEMENT	SQ. YD.	34	\$15.00		492.00	\$7,380.00
2104.513	SAWING BITUMINOUS PAVEMENT	LIN. FT.	60	\$5.00		194.00	\$970.00
2104.521	SALVAGE WOVEN WIRT FENCE	LIN. FT.	194	\$5.00		0.00	\$0.00
2104.602	RELOCATE MISC. STRUCTURES	EACH	2	\$2,500.00		1.00	\$2,500.00
2105.501	COMMON EXCAVATION (PV)	CU. YD.	3,396	\$7.00		3,547.00	\$24,829.00
2105.503	ROCK EXCAVATION	CU. YD.	100	\$55.00		20.00	\$1,100.00
2105.607	SELECT GRANULAR BORROW (CV)	CU. YD.	3,017	\$12.00		3,214.00	\$38,568.00
2105.523	COMMON BORROW (CV)	CU. YD.	268	\$12.00		0.00	\$0.00
2105.525	TOPSOIL BORROW	CU. YD.	350	\$22.00		6.00	\$132.00
2105.603	CONSTRUCT DRAINAGE DITCH	LIN. FT.	2,162	\$7.00		2,350.00	\$16,450.00
2104.604	GEOTEXTILE FABRIC TYPE V	SQ. YD.	13,200	\$1.50		11,691.00	\$70,536.50
2211.503	AGGREGATE BASE (CV) CLASS V	CU. YD.	2,960	\$18.00	130.00	3,261.00	\$58,698.00
2221.503	AGGREGATE SHOULDERING (CV) CL.1	CU. YD.	396	\$18.00		400.00	\$7,200.00
2360.501	TYPE SP 9.5 WEARING COURSE MIXTURE (3,C)	TON	2,070	\$73.00		1,190.18	\$86,883.14
2360.503	TYPE SP 12.5 NON-WEAR COURSE MIXTURE (3,B)	TON	1,651	\$66.00		2,552.90	\$168,491.40
2501.511	12" CS PIPE CULVERT	LIN. FT.	152	\$22.00	5.00	319.00	\$7,018.00
2501.511	12" RC PIPE CULVERT	LIN. FT.	96	\$28.00		96.00	\$2,688.00
2501.511	24" RC PIPE CULVERT	LIN. FT.	144	\$38.00		144.00	\$5,472.00
2501.511	12" CS PIPE APRON	EACH	14	\$100.00		20.00	\$2,000.00
2501.515	12" RC PIPE APRON	EACH	5	\$450.00		5.00	\$2,250.00
2501.515	24" RC PIPE APRON	EACH	6	\$750.00		6.00	\$4,500.00
2503.511	6" PVC PIPE SEWER -	LIN. FT.	223	\$22.00		173.00	\$3,806.00
2503.511	8" PVC PIPE SEWER - SDR 35	LIN. FT.	15	\$50.00		25.00	\$1,250.00
2503.541	12" RC PIPE SEWER 3006 CL III	EACH	60	\$44.00		82.00	\$3,608.00
2503.602	8"x6" PVC WYE	EACH	4	\$275.00		5.00	\$1,375.00
2503.602	TRACER WIRE ACCESS BOX	EACH	7	\$75.00		5.00	\$375.00
2503.602	CONNECT TO EXISTING MANHOLE (SAN)	EACH	3	\$1,500.00		1.00	\$1,500.00
2503.602	CONNECT TO EXISTING SANITARY SEWER	EACH	3	\$250.00		5.00	\$1,250.00
2504.608	DUCTILE IRON FITTINGS	POUNDS	230	\$4.00		115.00	\$460.00
2504.602	ADJUST VALVE BOX - WATER	EACH	5	\$150.00		10.00	\$1,500.00
2504.602	ADJUST CURB BOX	EACH	4	\$250.00		7.00	\$500.00
2504.602	3/4" CORPORATION STOP	EACH	6	\$275.00		5.00	\$1,375.00
2504.602	3/4" CURB STOP & 1.5" BOX	EACH	6	\$375.00		5.00	\$1,875.00
2504.602	CONNECT TO EXISTING WATERMAIN	EACH	2	\$1,800.00		1.00	\$1,800.00
2504.602	6" GATE VALVE AND BOX	EACH	2	\$1,250.00		1.00	\$1,250.00
2504.603	6" WATERMAIN DUCTILE IRON CL. 52	LIN. FT.	66	\$65.00		15.00	\$975.00
2504.603	3/4" TYPE K COPPER	LIN. FT.	164	\$25.00		164.00	\$4,100.00
2504.604	2" INSULATION	SQ. YD.	20	\$20.00		8.00	\$160.00
2506.501	CONSTRUCT DRAINAGE STRUCTURE DESIGN G	LIN. FT.	4.7	\$250.00		9.40	\$2,350.00
2506.516	CASTING ASSEMBLY	EACH	3	\$500.00		1.00	\$500.00
2506.522	ADJUST FRAME AND RING CASTING	EACH	7	\$200.00		8.00	\$1,600.00
2506.603	RECONSTRUCT SANITARY MANHOLES	LIN. FT.	7	\$400.00		7.00	\$2,800.00
2511.501	RANDOM RIPRAP CLASS III	CU. YD.	75	\$55.00		25.00	\$1,375.00
2540.602	RELOCATE MAIL BOX	EACH	10	\$100.00		15.00	\$1,500.00
2575.505	SODDING TYPE LAWN	SQ. YD.	350	\$8.75		60.00	\$525.00
2563.601	TRAFFIC CONTROL	LUMP SUM	1	\$2,500.00		1.00	\$2,500.00
2564.602	FBI SIGN PANEL (STOP SIGN) NOT INCL. POST	EACH	1	\$100.00		0.00	\$0.00
2573.502	SILT FENCE - PREASSEMBLED	LIN. FT.	1,580	\$3.10		1,426.00	\$4,420.60
2573.530	STORM DRAIN INLET PROTECTION	EACH	4	\$100.00		0.00	\$0.00
2573.602	TEMPORARY ROCK CONSTRUCTION ENTRANCE	EACH	2	\$1,500.00		2.00	\$3,000.00
2575.555	TURF ESTABLISHMENT	LUMP SUM	1	\$2,200.00		1.00	\$2,200.00
2575.602	SEDIMENT BASIN	EACH	4	\$2,500.00		4.00	\$10,000.00
Extra	Striping - Double Yellow	Lin.Ft.	3,040	\$0.55		3,040.00	\$1,672.00
Extra	Ditching	Lump Sum	1	\$13,000.00		1.00	\$13,000.00
Extra	Double Yellow Epoxy Striping	Lin.Ft.		\$2.10		3,424.00	\$7,190.40
Extra	White epoxy Striping	Lin.Ft.		\$1.05		6,235.00	\$6,546.75

CONTRACT AMOUNT: **\$599,445.50**

COMPLETED TO DATE: **\$600,414.79**

LESS RETAINAGE: **\$0.00**

SUBTOTAL PAY REQUEST #6: **\$600,414.79**

LESS PREVIOUS PAYMENTS: **(\$580,025.85)**

TOTAL PAY REQUEST #6: **\$20,388.94**

BENCHMARK ENGINEERING, INC.

**COUNCIL LETTER 120114-IVG1**

**UTILITY ADVISORY BOARD**

**RECYCLING AGREEMENT**

**DATE:** November 26, 2014

**FROM:** Utility Advisory Board

Mike Downs  
Director of Public Works

Craig J. Wainio  
City Administrator

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The Utility Advisory Board has reviewed the proposed Agreement for Collection of Residential and Commercial Recyclable Materials between the City of Mountain Iron and Saint Louis County and recommends that the agreement be approved by the City Council. The agreement covers the curbside recycling program for the City for the next five years. Basically it states that the City will provide curbside pickup of recyclable materials and the County will accept those materials.

**AGREEMENT FOR COLLECTION OF  
RESIDENTIAL AND COMMERCIAL  
RECYCLABLE MATERIALS**

This Agreement is made and entered into by and between **ST. LOUIS COUNTY**, a body corporate and politic existing under the laws of the State of Minnesota, (the "County") and the **CITY OF MT. IRON**, City Hall, 8586 South Enterprise Drive, Mountain Iron, Minnesota 55768 (the "Provider").

WHEREAS, the County relies on clean curbside or alley ("Curbside") collected recyclable materials as one of the primary methods of recyclables collection to achieve SCORE and County recycling goals; and

WHEREAS, the Provider will continue to provide Curbside recyclable materials collection for its residents and businesses in the years 2015 through 2020; and

WHEREAS, the Provider will continue to provide the County with all Curbside collected recyclable materials collected by or for the Provider in the years 2015 through 2020; and

WHEREAS, the County will pay for the processing and marketing of Curbside collected recyclable materials, weighed and hauled by the Provider to the County recyclables processing facility.

NOW, THEREFORE, the County and the Provider agree as follows:

**SECTION I. TERM**

The term of this Agreement shall be from January 1, 2015 to December 31, 2020, unless earlier terminated by law or as provided herein. The term of this Agreement may be extended for two (2) two (2) year extensions upon mutual agreement of the parties.

**SECTION II. SERVICES**

The Provider shall provide collection services of recyclable materials as set forth in Attachment A, attached hereto and made a part hereof as if fully set forth herein. The Provider shall collect recyclables only within its corporate limits.

**SECTION III. COUNTY-PAID PROCESSING**

Conditions to Qualify for County-Paid Processing:

1. The Provider will provide a minimum of one Curbside recycling collection per resident/business per month.
2. At a minimum of once per month, the Provider will accept:
  - A. Commingled fiber items (newspaper, magazines, catalogs and telephone books, junk mail (including "window" envelopes), office paper, shredded office paper, file folders, brown paper bags, brown craft paper and boxboard.



- B. Commingled core recyclables, delivered source-separated to the County-contracted recyclables processor (aluminum and bi-metal cans, tin-coated steel cans, and high-density polyethylene (HDPE) and polyethylene terephthalate (PET) plastic containers, gabled and aseptic cartons and plastic store bags).
- C. Source separated glass food and beverage containers.
- D. Source separated corrugated cardboard.
- E. The County may add or subtract acceptable materials during the term of this contract upon notification to the Provider.
- F. The Provider shall deliver to the County all program approved recyclable materials collected in the Provider's Curbside collection program.
- G. The Provider shall pay all costs including, but not limited to, the collection and haulage of recyclable materials to the County recyclable materials processing facility.

The County requires all recyclables collection vehicles be weighed at the Regional Landfill. Once weighed, the Provider shall unload glass at a designated glass stockpile located at the Regional Landfill. The load shall be re-weighed and Provider shall deliver the remainder of the curbside collected materials to the County Recycling Processing Facility located at 5332 Regional Landfill Road, Virginia, MN. The corresponding weigh slip must be delivered to the Facility Operator at the time materials are delivered to be counted for reimbursement.

The County will reimburse the Provider on a per-ton rate as set out in ATTACHMENT C.

The County will pay the Provider's processing cost for Curbside collected recyclable materials delivered to the County recyclables processing facility during the term of this agreement.

The County will have the right to charge the Provider a \$40.00 per ton pre-processing fee for loads exceeding 12% contamination of Curbside collected recyclable materials collected in the Provider's Curbside recycling program and delivered to the County-designated recyclables processing facility or recyclables transfer station. The County may also charge the Provider the current Municipal Solid Waste per ton landfill tipping fee for the disposal of any non-recyclable residuals resulting from the contaminated loads.

#### **SECTION IV. LICENSES**

The Provider shall be responsible for securing and maintaining in effect, for the duration of this Agreement, all permits and licenses required for performance of the Agreement.

#### **SECTION V. FINES**

The Provider shall pay all fines due to lack of plates or permits, speeding, overweight or similar charges that may be duly and lawfully imposed or assessed by reason of the Provider's failure to comply with the rules and regulations and orders of any or all regulatory bodies having jurisdiction.

#### **SECTION VI. INDEPENDENT CONTRACTOR**

Nothing in this Agreement is intended or should be construed in any manner as creating or establishing the relationship of agents, partners, joint ventures, or associates between the parties hereto.

At all times and for all purposes hereunder, the Provider is an independent contractor and Provider's employees are not employees of the County for any purpose. This Agreement shall not be construed so as to find the Provider or any employee or agent of the Provider to be an employee of the County, and neither the Provider nor the Provider's employees and agents shall be entitled to any of the rights, privileges, or benefits of employees of the County, including but not limited to, workers' compensation, health/death benefits, and indemnification for third-party personal injury and property damage claims.

The Provider may not present itself, actually or impliedly, as an employee of the County and shall disclose itself as an independent contractor only.

## **SECTION VII. INSURANCE**

The following insurance must be maintained for the duration of this contract. A Certificate of Insurance for each policy must be on file with St. Louis County Purchasing Department within 10 days of execution of this contract and prior to commencement of any work under this contract. Each certificate must include a 10-day notice of cancellation, non-renewal, or material change to all named and additional insureds.

The County reserves the right to rescind any contract not in compliance with these requirements and retains all rights thereafter to pursue any legal remedies against Bidder. All insurance policies shall be open to inspection by the County, and copies of policies shall be submitted to the County upon written request. All subcontractors shall provide evidence of similar coverage.

### **1. General Liability Insurance**

\$500,000 for claims for wrongful death and each claimant for other claims.

\$1,500,000 each occurrence for claims.

No Less Than \$2,000,000 Aggregate coverage.

Policy shall include at least premises, operations, completed operations, independent contractors and subcontractors, and contractual liability and environmental liability.

St. Louis County must be named as additional insured.

### **2. Business Automobile Liability Insurance**

\$500,000 for claims for wrongful death and each claimant for other claims.

\$1,500,000 each occurrence.

Must cover owned, non-owned and hired vehicles.

### **3. Workers' Compensation**

Per statutory requirements. Certificate of Compliance must be executed and filed with St. Louis County.

### **4. Indemnification Clause**

Except as may be caused by the sole negligence of the County or its employees, Contractor shall indemnify and save harmless St. Louis County, its employees, and its agents from all claims, actions, demands, and judgments of any kind arising in whole or in part from any act or omission of Contractor, its subcontractors, and their agents, servants, or employees, incident to the performance of the contract and from all expenses in connection with such claims, actions, demands and judgments, and shall assume, without expense to the County, the defense of any such claims,

actions, demands and judgments, irrespective of whether it is alleged, claimed, or proved in connection with such act or omission that negligence of the County or its representatives caused or contributed thereto.

Contractor agrees, that in order to protect itself and the County under the indemnity provisions set forth above, it will at all times during the term of this Contract keep in force policies of insurances indicated in paragraph entitled "INSURANCE."

This provision is not intended to create any cause of action in favor of any third party against the Contractor of the County or to enlarge in any way the Contractor's liability, but it is intended solely to provide for indemnification of the County from liability for damages or injuries to third persons or property arising from the Contractor's or the Contractor's agents' performance hereunder.

## **SECTION VIII. SUBCONTRACTORS AND ASSIGNMENT**

The Provider shall neither enter into subcontracts for the performance of any of the services contemplated under this Agreement, nor assign any interest in this Agreement without the prior written approval of the County, and subject to such conditions and provisions as the County may deem necessary. The Provider shall be responsible for the performance of all subcontractors.

## **SECTION IX. TERMINATION**

The County may immediately terminate this Agreement under the following conditions:

A. Failure to Collect or Transport Recyclable Materials

The County reserves the right to terminate the Agreement if the Provider fails to collect or transport the recyclable materials in accordance with agreed schedule, County Ordinances and Specifications, MPCA Rules and Regulations, or other local, state, or federal regulations and all amendments thereto.

B. Bankruptcy

This Agreement shall terminate in the case of bankruptcy, voluntary or involuntary, or insolvency of the Provider. In the case of bankruptcy, such termination shall take effect on the day and at the time the bankruptcy is filed.

C. Default

The County may terminate immediately in the event of the Provider's default of this Agreement.

D. Other

The County reserves the right to terminate this Agreement immediately as a result of non-discretionary acts of others beyond its control, to include, but not limited to, action(s) of regulatory agencies, acts of nature, etc.

Notwithstanding the above provisions, the County or the Provider may terminate this Agreement at any time with or without cause upon one hundred twenty (120) days written notice delivered by mail or in person to the other party.

## **SECTION X. DISCRIMINATION IN EMPLOYMENT - Minnesota Statutes Section 181.59**

The Provider agrees to comply with all federal, state, and local laws, ordinances, rules, regulations, and executive orders pertaining to unlawful discrimination on account of race, color, creed, religion, national origin, sex, sexual orientation, marital status, status with regard to public assistance, disability or age.

## **SECTION XI. COMPLIANCE WITH REGULATIONS**

The Provider agrees to comply with all federal, state, and local laws, and ordinances and amendments thereto and all applicable rules, regulations, and standards established by any agency or such governmental units that are now or hereinafter promulgated insofar as they relate to the Provider's performance of the provisions of this Agreement.

## **SECTION XII. TIME OF ESSENCE**

Time is of the essence with respect to all provisions of this Agreement.

## **SECTION XIII. NOTICES**

All notices and communications arising pursuant to this Agreement shall be directed to the County through the St. Louis County Environmental Services Department Director, St. Louis County Environmental Services Department, 115 Northland Office Center, 307 First Street South, Virginia, Minnesota 55792 (218) 749-9703 and to Provider through the Mt. Iron City Administrator, City Hall, 8586 South Enterprise Drive, Mountain Iron, Minnesota. 55768.

## **SECTION XIV. WAIVER**

Any waiver by any party of any provision of this Agreement shall not imply subsequent waiver of that or any other provision.

## **SECTION XV. SERVICES NOT INCLUDED**

No claim for services provided by the Provider but not specifically included in this Agreement will be honored by the County.

## **SECTION XVI. ACCOUNTING PROCEDURES**

Provider's bonds, records, documents, papers, accounting procedures and practices, and other evidences relevant to this Contract are subject to the examination, duplication, transcription and audit by the County and either the legislative or State Auditor, pursuant to Minn. Stat. § 16C.05, Subd. 5. Such evidences are also subject to review by the Comptroller General of the United States, or a duly authorized representative, if federal funds are used for any work under this Contract. Provider agrees to maintain such evidences for a period of six (6) years from the date services or payment were last provided or made or longer if any audit in progress required a longer retention period.

## **SECTION XVII. AMENDMENTS**

Any amendments to the provisions of this Agreement, and/or Attachment A, shall only be valid when they have been reduced to writing, and signed by the authorized representatives of both parties.

**SECTION XVIII. ENTIRE AGREEMENT**

This Agreement, including any attachments, constitutes the entire Agreement between the Provider and the County and supersedes all prior written or oral agreements. Any term, condition, prior course of dealing, course of performance, usage of trade, understanding, purchase order, or agreement purporting to modify, vary, supplement, or explain any provision of this Agreement, is null and void and of no effect unless in writing and signed by representatives of the parties authorized to amend this Agreement.

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

CITY OF MT. IRON

ST. LOUIS COUNTY

BY: \_\_\_\_\_  
GARY SKALKO  
MAYOR

BY: \_\_\_\_\_  
MIKE FORSMAN, CHAIRPERSON  
COUNTY BOARD OF COMMISSIONERS

BY: \_\_\_\_\_  
CRAIG J. WAINIO  
CITY ADMINISTRATOR

BY: \_\_\_\_\_  
DONALD DICKLICH  
COUNTY AUDITOR

BY: \_\_\_\_\_  
MARK ST.LAWRENCE, DIRECTOR  
ENVIRONMENTAL SERVICES DEPARTMENT

APPROVED AS TO FORM AND  
EXECUTION:

BY: \_\_\_\_\_  
JAMES NEPHEW  
ASSISTANT COUNTY ATTORNEY

2014-

**ATTACHMENT A**

1. Residential Collection of Recyclables  
The Provider shall collect recyclable materials from the curbside or alley from each residence currently receiving municipal garbage collection in the City of Mt. Iron. It is understood that each Provider shall

collect recyclables only within its corporate limits. At a minimum, collection shall be monthly for glass food and beverage containers, co-mingled CORE, co-mingled fibers and cardboard.

Provider shall allow homeowners to commingle these materials in their own containers (bins, bags, or boxes), as follows:

**CORE**

- 1) Cartons – aseptic and gable
- 2) Plastic containers
- 3) Aluminum cans
- 4) Metal cans
- 5) Plastic store bags

**Co-mingled Fiber**

- 1) Newspaper
- 2) Magazines
- 3) Catalogs and telephone books
- 4) Junk mail
- 5) Office paper
- 6) Brown paper bags
- 7) Box board
- 8) Shredded office paper

**Cardboard (flattened or cut to 2'x2')**

**Glass food and beverage containers**

The Provider shall pick up the recyclable materials and place them source-separated into the collection vehicles. Provider shall ensure that the contents of the collection vehicles do not spill out.

2. **Commercial Collection of Recyclables**

The Provider shall collect recyclable materials from the curbside or alley from each commercial establishment currently receiving municipal garbage collection in the City of Mt. Iron. The collection schedule will be set up for a minimum of once a month collection at each establishment or as otherwise necessary (see Section 5 below).

The commercial collection shall include the same source separated materials as Residential Collection (Item 1 above.)

3. **Materials Preparation**

Through public education, the Provider shall inform households and commercial establishments to prepare the recyclable materials for collection in a manner consistent with the County recycling program (See Attachment B.)

The Provider may refuse to collect materials that are improperly prepared. If refused, the Provider will provide notification of the reason to the generator. If Provider picks up improperly prepared materials, the Provider is responsible for properly preparing the materials before unloading at the County-designated site. The County will receive from the Provider \$40.00 per ton for Curbside collected materials delivered to the

County recyclable materials processing facility that, at the discretion of the County, exceed 12% contamination with non-recyclable materials. The Provider shall notify any generator of improperly prepared materials.

4. Materials Delivery and Ownership

Upon collection of the Curbside recyclable materials by the Provider, the recyclable materials become the property and responsibility of the County.

The Provider shall transfer all collected recyclable materials to the County Recycling Processing Facility, 5332 Regional Landfill Road, Virginia, MN at the Provider's expense.

5. Schedule

Each Provider will have a regular collection schedule. The Provider will be available to provide collection service five days per week, Monday through Friday. The Provider will not be required to provide service on Saturdays,; New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas. If any Sundays, or the holidays that the County scale and Recycling Facility are not open, including the following holidays of the above holidays fall on Sunday, Monday will be celebrated as the holiday, or if on Saturday, Friday will be celebrated as the holiday. The Provider shall notify the County of any revisions in the collection schedule.

## ATTACHMENT B - Public Information

In order to assure effective recycling in St. Louis County please follow these simple directions.

### **Recycling Containers (CORE):**

**Recycle all #1 and #2 plastic bottles, jars and tubs.** Remove and throw away the caps and lids. Rinse, drain, flatten and store in a paper grocery bag or a bin.

**Recycle cartons.** Gabled (*milk, cream, egg substitute, etc.*) and Aseptic (*juice boxes, soups, gravies, sauces*) cartons. Rinse, drain and flatten and store with the plastics or separately in a paper grocery bag or bin.

**Recycle aluminum, tin and bi-metal food and beverage cans.** Rinse, drain and flatten and store with the plastics or separately in a paper grocery bag or bin.

**Recycle all glass food and beverage bottles and jars.** Remove and throw away the lids. Rinse, drain and store separately in a paper grocery bag or bin.

**Recycle plastic store bags.** Fill one bag with other empty store bags. Tie shut and place at the curb with plastic containers.

### **Recycling Mixed Paper:**

**Recycle all newspaper, magazines, “junk” mail shredded paper and boxboard.** Divide catalogs and phone books into 1/2 inch thick parts. Place mixed papers into a paper grocery bag or loosely into a bin making sure it won't blow away before pick up.

### **Recycling cardboard:**

Cardboard should be cut or flattened into 2'x2' sections.

### **Examples of items not allowed in curbside recycling programs in St. Louis County include:**

Improperly sorted materials

- Tissue or gift wrapping paper
- Egg cartons
- Food or grease contaminated materials
- Frozen or refrigerated food packaging
- Pizza boxes
- Misc. metals such as hangers, pipe, pots and pans, aluminum plates
- Window glass, light bulbs, ceramic materials, dishes or drinking glasses
- Miscellaneous plastics such as toys, dishes, hangers, lawn ornaments, hoses, medical implements, etc.



**ATTACHMENT C**

The County, through its Solid Waste Management Plan, has set a goal to recycle 53% of the waste stream within its Solid Waste Management Area. In order to encourage municipalities with curbside collection to increase the volume of acceptable recycled materials diverted from the landfill the County will provide the Provider with the following compensation:

Based on the average percentage of waste materials collected through the curbside recycling program in the City of Mt. Iron for the years 2009 through 2013 of 10.7%<sup>1</sup>, the goal for the Provider is to increase the percent recycled by 1% per year through the term of this contract. (See Table B below.)

Past Years				
Year	Curbside Recycling	MSW	Total	Rec%
2009	168.43	1489.78	1658.21	10.2
2010	178.41	1532.13	1710.54	10.4
2011	189.74	1562.19	1751.93	10.8
2012	181.71	1536.67	1718.38	10.6
2013	200.8	1517.05	1717.85	11.7
AVG	183.818	1527.564	1711.382	10.7

Mt. Iron, MN Curbside Recycling		
Contract Year	New %	Tons
Year 1	11.7%	200
Year 2	12.7%	217
Year 3	13.7%	234
Year 4	14.7%	252
Year 5	15.7%	269

The County will set a base annual program reimbursement rate of \$6.50 per ton of clean source separated recyclable materials delivered as per the terms of the current Agreement.

If the goal for increased annual tonnage of curbside collected recyclables is met for any year of the contract, the County will add an additional \$1.00 per ton reimbursement to the total annual tons of curbside recyclable materials delivered as per the terms of this Agreement.

The County will provide a grant to the Provider of \$1,110.00<sup>2</sup> for the first and third year of this agreement (2015 and 2017) solely for the purpose of providing recycling public education to City of Mt. Iron residents and businesses. This payment will be processed upon receipt of confirmation of recycling public education expenses incurred. Public education materials must, at a minimum, include accepted materials and sorting requirements, where to place materials for collection, and collection dates.

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1. Base percentage is based on the average percent rate recycled for the years 2009 through 2013. (9.3%=(199 tons curbside recycling ÷ (199 tons curbside recycling + 1950.6 tons MSW) x 100%)

2. Based on \$1.00 per property assessed a Solid Waste Service Fee as reported to the County Environmental Services Department

**COUNCIL LETTER 120114-IVGB**

**UTILITY ADVISORY BOARD**

**WECC CONTRACT**

**DATE:** November 26, 2014

**FROM:** Utility Advisory Board

Mike Downs  
Director of Public Works

Craig J. Wainio  
City Administrator

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The Utility Advisory Board has reviewed the proposed Agreement for Program Administration Services between the City of Mountain Iron and Wisconsin energy Conservation Corporation and recommends that the agreement be approved by the City Council. The agreement provides for the administration of the City's residential conservation improvement program within the City's electrical department. Goals for improving conservation are mandated by the State of Minnesota and WECC helps the City achieve these goals through incentives in residential conservation.

## AGREEMENT FOR PROGRAM ADMINISTRATION SERVICES

**THIS AGREEMENT** (hereinafter, "Agreement") with an effective date of July 2, 2014 ("Effective Date") is made by and between **Wisconsin Energy Conservation Corporation**, whose principal business address is 431 Charmany Dr., Madison, WI 53719 (hereinafter, "WECC"), and **Mountain Iron Public Utility** whose principal business address is 8586 South Enterprise Drive, Mountain Iron, MN 55768 (hereinafter "Mountain Iron" or "Company"), hereafter collectively referred to as the "Parties" and individually as a "Party".

**WHEREAS**, Company desires to obtain and WECC desires to provide certain services for Company described in paragraph 1 below;

**NOW, THEREFORE**, in consideration of the mutual covenants and promises contained herein, the Parties agree as follows:

### 1. Scope of Project Services

Company desires to have WECC perform, and WECC agrees to perform, the Services associated with the **Mountain Iron Conservation Improvement Program (CIP) for 2014**. WECC shall furnish all supervision and labor and provide all goods and materials necessary to perform the Services. The Services shall be performed in accordance with (i) the best practices within the industry prevailing at the time the work is performed; (ii) all applicable codes and laws and (iii) the terms of any schedules to this Agreement. WECC shall diligently prosecute the Services and provide a sufficient number of employees to complete the Services. For purposes of this Agreement, Services means the functions, duties and activities set forth in the Scope of Project Services, attached as Exhibit A which is incorporated herein by reference.

### 2. Term of Agreement

The initial Term of this Agreement shall begin on the Effective Date and end on the earlier of (i) the date that the Project Services is fully performed and Company has received all deliverables required pursuant to Exhibit A; or (ii) **July 1, 2015**, unless this Agreement is otherwise amended or terminated earlier in accordance with the provisions of this Agreement.

**2.1 Commencement.** This Agreement and the terms herein shall become binding when executed by the authorized signatories of the Company and WECC. This Agreement supersedes all other contracts, discussions, agreements negotiations, oral statements or representations between the Parties.

**2.2 Early Termination.** Either Party may terminate this Agreement for its convenience, upon thirty (30) days written notice to the other Party, provided however, such termination shall not diminish the obligations or rights with respect to the terms and conditions for goods provided or performance of any services which have been commenced prior to the effective date of termination.

**2.4 Provisions Not Affected by Termination.** Any termination shall not affect the provisions of this Agreement relating to indemnity, warranties made herein by the Parties, warranties implied by law, or remedies for breach of the Agreement, either by contract or by common law.

**3. Payment, Fees and Expenses** Compensation for the completion of Services shall be in accord with Exhibit B attached and incorporated as an addendum to this Agreement.

### 4. Representations/Warranty

WECC represents and warrants to Company that the Services provided under this Agreement shall be performed with the degree of skill and care that is required by current, sound

professional and industry procedures and practices, and in conformance with generally accepted professional and industry standards prevailing at the time the work is performed. Company reserves the right to review WECC's work so as to ensure that the Services are performed in a manner consistent with program guidelines and appropriate for the purposes of this Agreement.

#### **5. Independent Contractor**

At all times during the term of this Agreement, WECC shall be and remain an independent contractor. WECC shall perform the Services under this Agreement according to its own means and methods, and the performance shall remain in the exclusive charge and control of WECC. It is expressly understood that Company does not directly hire any of WECC's personnel or assume any liability therefore. Nothing herein shall be construed as creating a relationship of employer and employee between Company and WECC, or between Company and WECC's employees or agents. WECC's employees shall be and remain employees of WECC, and WECC shall be responsible for payment of benefits and the entire compensation of each of WECC's employees (or its beneficiaries), including employment taxes, unemployment compensation, and any similar taxes associated with employment. WECC agrees and represents that, as employer of such persons, it shall comply with all applicable laws and regulations. This Agreement is not exclusive. Except as set forth in the Agreement or a schedule, WECC has no power or authority to act for, represent, or bind Company in any manner.

#### **6. Insurance**

During the term of this Agreement, WECC shall maintain insurance in the minimum amounts as outlined below:

**General Liability** – not less than \$1,000,000 per occurrence and in the aggregate for bodily injury, property damage; including personal injury/advertising injury and products/completed operations.

**Employer's Liability** – not less than \$1,000,000 each accident for bodily injury by accident, and \$1,000,000 each employee and policy limit for bodily injury by disease.

**Automobile Liability** - (owned, non-owned or hired) in a combined single limit not less than \$1,000,000 per accident for bodily injury and property damage liability.

**Worker's Compensation** – in accordance with the statutory requirements of each state in which the Services are to be performed and any other state in which WECC operates.

#### **7. Indemnification**

WECC hereby indemnifies and holds Company, its directors, employees and agents harmless from and against all claims, liabilities, damages, losses, costs or expenses (including but not limited to reasonable attorneys fees) arising out of the negligent acts or willful misconduct of WECC, its employees, subcontractors and other agents of WECC or its subcontractors. This indemnification includes, but is not limited to, the following:

- Personal injury suffered by a third party, or any employee of Company, WECC and any subcontractor of WECC.
- Property damage incurred by any third party or by Company, WECC and any subcontractor of WECC.
- Any negligent, intentional or wrongful acts or omission of WECC, and any subcontractor of WECC.

- A breach of this Agreement by WECC.
- A failure of WECC to comply with any applicable laws, including but not limited to environment protection laws.
- Any failure of WECC to pay federal, state and local taxes, including but not limited to employee withholding, or any failure to provide workers' compensation coverage to WECC's employees.

Company hereby indemnifies and holds WECC, its directors, employees and agents harmless from and against all claims, liabilities, damages, losses, costs or expenses (including but not limited to reasonable attorneys' fees) arising out of the negligent acts or omissions of Company, its employees, subcontractors and other agents of Company or its subcontractors. This indemnification includes, but is not limited to, the following:

- Personal injury suffered by a third party, or any employee of WECC, Company or subcontractor of Company.
- Property damage incurred by any third party or by WECC, Company, and any subcontractor of Company.
- Any negligent, intentional or wrongful acts or omission of Company, and any subcontractor of Company.
- A breach of this Agreement by Company
- A failure of Company to comply with any applicable laws, including but not limited to environmental protection laws.
- Any failure of Company to pay federal, state and local taxes, including but not limited to employee withholding, or any failure to provide workers' compensation coverage to Company's employees.

#### **8. Subcontractor**

WECC may subcontract any portion of its Services, provided that WECC shall remain fully responsible for all Services performed by subcontractor. WECC shall maintain accurate accounts and records pertaining to all fees, costs and expenses, and shall directly reimburse subcontractor for services rendered, in accordance to such agreement between WECC and subcontractor.

#### **9. Force Majeure**

Either party's performance of any part of the Agreement shall be excused to the extent that it is hindered, delayed or otherwise made impractical by reason of flood, riot, fire, explosion, war, acts or omissions of the other party or any other cause, whether similar or dissimilar to those listed, beyond the party's reasonable control. If any such event occurs, the non-performing party shall make reasonable efforts to notify the other party of the nature of such condition and the extent of the delay and shall make reasonable, good faith efforts to resume performance as soon as possible.

#### **10. Ownership of Material Produced**

All reports, studies, plans, specifications, data and other information developed, written, prepared, or contributed by WECC pursuant to this Agreement, shall be delivered to and become the property of Company. Upon receipt of written approval from Company, WECC may retain one copy of such items solely for its use as historical and legal reference.

#### **11. Compliance with Laws**

By executing this Agreement, WECC certifies that it is in full compliance with all Equal Employment, Non-discrimination and Affirmative Action laws, regulations and ordinances, and

that WECC will, at all times during the period this Agreement is in effect, remain in full compliance with all Equal Employment, Non-discrimination and affirmative Action laws, regulations and ordinances.

**12. Confidentiality**

Neither party shall disclose Confidential Information communicated to it with respect to services to be performed under this Agreement to a third party (other than the Party's employees, lenders, counsel, accountants or advisors who have a need to know such information) except in order to comply with any applicable law, regulation, in connection with any court or regulatory proceeding, or after obtaining written permission from the other Party to disclose such information; provided, however, each Party shall, to the extent practicable, use reasonable efforts to prevent or limit the disclosure. The Parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with, this confidentiality obligation. For purposes of this Agreement, Confidential Information shall mean all information designated by a Party as confidential, proprietary, and competitively sensitive and or trade secret information.

**13. Governing Law and Venue**

This Agreement and the rights and duties of the Parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the state of Wisconsin without regard to principles of conflicts of law. Each Party waives its respective right to any jury trial with respect to any litigation arising under or in connection with this agreement. The sole and exclusive venue for any disputes, claims or causes of action, legal or equitable, shall be the state courts of Wisconsin. This section 13 and its requirement shall survive the term or any extension terms of this agreement.

**14. Limitation of Liability**

Except for the Parties indemnification obligations under Section 7, neither Party shall be liable to the other Party for any incidental, indirect, special, punitive or consequential damages (including without limitation any damages relating to lost profits) arising in connection with this Agreement.

**15. Communications and Notices**

Any notice given pursuant to this Agreement must be in writing and shall be effective when delivered personally or by a reputable delivery service to the address set forth below or such other address as a Party may designate for itself in accordance with this Section:

<b>If to Company:</b> Mountain Iron Public Utility Attn: Judy Seurer 8586 South Enterprise Drive Mountain Iron, MN 55768	<b>If to WECC:</b> Wisconsin Energy Conservation Corporation Attn: Brian Driscoll 431 Charmany Drive Madison, WI 53719
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**16. Headings**

The headings in this Agreement are included only as reference and shall not limit or alter the meaning of any of the terms and conditions herein.

**17. Severability**

The provisions of this Agreement are severable, and the invalidity or unenforceability of any one or more provision(s) shall not affect or limit the validity of the remaining provisions. Should any particular provision be held to be unreasonable or unenforceable for any reason, then such provision shall be given effect and enforced to whatever extent would be reasonable and enforceable under the applicable law.

**18. Entire Agreement**

This Agreement is the entire agreement between the Parties pertaining to the services to be provided hereunder, and there are no other understandings, agreements, or representations between them pertaining to services to be provided hereunder.

**19. Public and Community Relations**

WECC shall use its best efforts to maintain a good public image for Company and shall be responsive to concerns raised by community members. All information regarding this Agreement, or of Services performed pursuant to this Agreement, requested by news, reporting, and other agencies will be handled directly by Company. WECC shall not disclose information of a sensitive nature to any third parties without Company's prior written consent. With the sole exception of publication of such information within WECC's corporate entity and subject to the Confidentiality provisions of this Agreement, WECC shall not refer to Company or any company affiliated with Company in any advertising or other publication in connection with goods or services rendered by WECC, without the prior written approval of Company.

**20. Waiver**

Failure or delay on the part of either party to exercise any right, power, privilege or remedy hereunder shall not constitute a waiver thereof. A waiver of any default shall not operate as a waiver of any other default or of the same type of default on a future occasion.

**21. No Third-Party Beneficiaries**

No provision of the Agreement or schedules is intended or shall be construed to be for the benefit of any third party, except to the extent the Mountain Iron service territory utilities identified in Exhibit C benefit from the Services provided.

**22. Assignment**

This Agreement shall inure to the benefit of and be binding upon the Parties' respective successors and assigns, and neither Party shall assign this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld.

**IN WITNESS THEREOF**, the Parties hereto have caused this Agreement to be signed by their duly authorized representatives.

**Mountain Iron Public Utility**

**Wisconsin Energy Conservation Corporation**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: Mary Woolsey Schlaefer

Title: \_\_\_\_\_

Title: President and CEO

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

## EXHIBIT A Scope of Project Services

This document outlines the Scope of Project Services between Wisconsin Energy Conservation Corporation (WECC or Contractor) and **Mountain Iron Public Utility** (Mountain Iron or Company) pursuant to the Agreement effective July 2, 2014 between WECC and Company pertaining to the **Mountain Iron Conservation Improvement Program (CIP) for 2014**. The Mountain Iron's service territory includes retailers identified in Exhibit C, attached.

### Introduction and Market Description

The Mountain Iron CIP for 2014 targets lighting products and appliances that are certified by the U.S. Environmental Protection Agency (EPA) and U.S. Department of Energy (DOE) as meeting both energy reduction thresholds and technical specifications (ENERGY STAR qualified). These products are manufactured by major United States and international corporations and distributed through retail outlets nationwide.

### 1. Program Goals and Objectives

#### 1.1 Contractor Goals:

1.1.1 Initiate the sale of 30 Compact Fluorescent Lamps (CFLs) throughout the Mountain Iron's service territory in 2014 and provide a wattage breakdown of those sales to Mountain Iron.

1.1.2 Initiate the sale of:

1.1.2.1 Five fixtures; Ten clothes washers; Five refrigerators/freezers; Two CACs; Three ECM Furnaces

1.1.3 Reinforce the ENERGY STAR logo as the mark of a high quality, and that the energy efficient lighting products and appliances will save customers money.

#### 1.2 Contractor Objectives:

1.2.1 Develop manufacturer and retailer partnerships to increase the availability of ENERGY STAR qualified lighting products.

1.2.2 Recruit retailer and manufacturer participation in the Mountain Iron CIP for 2014.

1.2.3 Meet program savings goals and increase market share for ENERGY STAR lighting products.

### 2. Program Delivery

2.1 The Mountain Iron CIP for 2014 will be delivered from July 2, 2014 to July 1, 2015.

2.2 The WECC team will implement program strategies, working closely with market players, such as manufacturers and retailers, to promote ENERGY STAR lighting products to consumers in the Mountain Iron's service territory.

2.3 Program goals include:



- 2.3.1 Increase consumers' demand for ENERGY STAR lighting products by educating and marketing to consumers the benefits of ENERGY STAR lighting products.
- 2.3.2 Enhance partnerships with retailers and/or manufacturers, coordinate ENERGY STAR marketing plans, and program promotions. These enhanced partnerships will increase the availability and demand of ENERGY STAR qualified lighting products.
- 2.3.3 If and when available, leverage incentives and marketing dollars from participating retailers and/or manufacturers.

2.4 The Contractor will work to implement the following delivery strategies:

- 2.4.1 Recruit retail partners.
- 2.4.2 Provide a field representative to coordinate store promotions.
- 2.4.3 Provide field representative to visit and educate retailers and/or manufacturers in the Mountain Iron's service territory.

### 3. Target Markets

- 3.1 The Contractor will work to target key geographic markets in the Mountain Iron's service territory, as specified by Mountain Iron.

### 4. Work Requirements

- 4.1 The Contractor is responsible for all implementation and reporting for the Mountain Iron CIP for 2014 and will work closely with Mountain Iron on the planning and development of the promotion.
- 4.2 The Contractor shall implement program strategies that work closely with market players to promote ENERGY STAR qualified compact fluorescent lamps to consumers in the Mountain Iron's service territory.
- 4.3 The Contractor shall recruit retailer and/or manufacturer participation in the Mountain Iron CIP for 2014, specifically targeting retailers in the Mountain Iron's service territory.
- 4.4 The Contractor will work with participating retailers and/or manufacturers on point-of-purchase (POP) materials and rebate coupons. POP will identify Mountain Iron as a sponsor of the Mountain Iron CIP for 2014 and identify Mountain Iron, if and when possible.
- 4.5 Contractor shall work with Mountain Iron to make available a local contact number for retailers, manufacturers, and consumers to call in with any questions on the promotion.
- 4.6 The Contractor will provide Mountain Iron with a complete list of participating retailers and their addresses to be posted to the Mountain Iron's website by the respective webmaster at their discretion.
- 4.7 The Contractor shall provide the following to participating retailers:
  - 4.7.1 Education regarding the Mountain Iron CIP for 2014.

4.7.2 Program information and point-of-purchase (POP) materials.

5. Marketing

5.1 The Contractor shall work with Mountain Iron to promote the Mountain Iron CIP for 2014 in coordination with national and regional ENERGY STAR activities (eg. October – Energy Awareness Month).

5.1.1 Contractor will develop marketing materials for the Mountain Iron CIP for 2014

5.1.2 If necessary, press releases could be developed, in conjunction with Mountain Iron.

6. Processing

6.1 WECC will fulfill and will work to ensure Mountain Iron's dollars stay within the Mountain Iron's service territory.

6.2 WECC will reimburse the participating retail stores and/or manufacturers for each of the qualified bulbs sold and appliances sold and verified by WECC. Retailers and/or manufacturers will not be reimbursed for more than their allocation, unless special arrangements are agreed upon in writing between the Company and WECC.

7. Deliverables

The Contractor shall provide the following as deliverables to Mountain Iron by agreed upon dates with Mountain Iron:

7.1 Monthly invoices will be sent to Mountain Iron, and scorecards will be sent during months of program, activity (1 electronic copy)

7.2 A final report (1 electronic copy) consisting of:

7.2.1 Summary of program

7.2.2 Marketing efforts

7.2.3 POP Materials

7.2.4 Results in the form of a final scorecard

**EXHIBIT B**  
**Compensation for Project Services**

This document between Wisconsin Energy Conservation Corporation (WECC) and **Mountain Iron Public Utility**. (Mountain Iron or Company) hereafter collectively referred to as the "Parties" outlines the compensation for completion of Project Services pursuant to the Agreement effective July 1, 2013 between WECC and Company, pertaining to the **Mountain Iron Public Utility CIP for 2013**.

Estimated Program Expenses

<b>2014 Mountain Iron Budget</b>	
Incentives: Lighting, Appliances, Refrigerators and Freezers, and HVAC	\$ 1,399.00
Administration	\$1,530.00
<b>Total</b>	<b>\$ 2,929.00</b>

**1. Incentives: Lighting, Appliances, Refrigerators and Freezers, and HVAC \$1,399.00**  
Company agrees to compensate WECC \$1,399.00 for the completion of the Scope of Project Services for Incentives.

**2. Administration \$1,530.00**  
Company agrees to compensate WECC for the completion of the Scope of Project Services at an actual cost basis for all WECC administration estimated at \$1,530.00.

Administration include, but are not necessarily limited to: general program oversight, promotion planning, utility coordination; retailer and manufacturer negotiations; development of point of sale materials, print ads and press releases; monthly reporting and invoicing; retailer recruitment/management; delivery of POP and staff education; administration support; rebate fulfillment; and database setup.

**3. Invoicing**  
WECC shall submit monthly invoices to Company by the twenty fifth day of each month following the execution of this Agreement. The invoices shall provide administrative costs. Company shall provide WECC payment within thirty days (30) of receipt of invoice.

**4. Projected Total Compensation \$2,929.00**  
Based upon the estimated CFL sales of 30 bulbs; five fixtures; ten clothes washers; five refrigerators/freezers; two CACs; three ECM Furnaces during the term of this Agreement, the **estimated total compensation shall be \$2,929.00.**

**EXHIBIT C**  
**Mountain Iron Service Territory**

**Lighting/Appliance Retailers**

Store	Address	City	Appliances/Measures
Keenan's	310 Grant Avenue	Eveleth	Clothes Washer, Refrigerator
L&M Fleet Supply	3923 1st Avenue	Hibbing	Lighting
Lowe's	12025 HWY 169	Hibbing	Clothes Washer, Refrigerator
Sears	990 W 41st Street	Hibbing	Clothes Washer, Refrigerator
Ace Hardware	214 Chestnut Street	Virginia	Lighting
Jenia's	102 Chestnut Street	Virginia	Clothes Washer, Refrigerator
Perpich	8421 Enterprise Drive North	Virginia	Clothes Washer, Refrigerator
Sears	5465 17th Ave W #200	Virginia	Clothes Washer, Refrigerator
L&M Fleet Supply	8497 Enterprise Drive North	Virginia	Lighting

**HVAC Contractors**

No contractors participating at this time.

**COUNCIL LETTER 120114-IVG3**  
**UTILITY ADVISORY BOARD**  
**SEWER MAINTENANCE POLICY**

**DATE:** November 26, 2014

**FROM:** Utility Advisory Board

Mike Downs  
Director of Public Works

Craig J. Wainio  
City Administrator

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The Utility Advisory Board has reviewed the proposed Sewer Maintenance Policy and Recommends that the City Council adopt said policy. This proposed policy outlines the City's maintenance of its sewer system and is part of an overall program from the League of Minnesota Cities to reduce sewer backup claims. Mountain Iron is working towards the goal of complying with the LMC program for sewers and by achieving compliance we have the ability to lower the City's insurance deductible for sewer backup claims from \$2500 to \$500.

# SEWER MAINTENANCE POLICY

**Policy Number**

**Adopted**

## **1. PURPOSE**

It is the policy of the City of Mountain Iron to comply with all applicable state and federal regulatory requirements.

Procedures identified in this policy are intended to maintain the sanitary sewer system to prevent sewer backups into homes, businesses, and the natural environment. These procedures, when implemented, may also extend the service life of various components of the sanitary sewer system.

The City of Mountain Iron has over 30 miles of public sanitary sewer mains, approximately 255 manholes, and 12 lift stations within its sanitary sewer system. The city has developed and implemented this policy that takes into consideration public safety, the City's budget, personnel, and environmental concerns. The City will use its employees, equipment, and or private contractors to provide this service.

While the City intends to meet the guidelines established in this policy, there may be times when this is not feasible. Issues including, but not limited to, budget constraints, critical equipment failure, weather, and other emergencies may prevent the city from meeting the guidelines established. Deviations from the goals established in this policy will be documented.

The City will use this policy to guide any sanitary sewer maintenance activities to be provided by a contractor or a party other than the city.

## **2. ROUTINE MAINTENANCE AND INSPECTION GOALS**

### **A. Sanitary Sewer Mains**

**Scope of City's responsibility-** The City will maintain the components of the public sanitary sewer system. This includes sanitary sewer mains, lift stations, wastewater treatment plant, and other components. Private property owners are responsible for the maintenance of sanitary sewer components from their property to the sanitary sewer main, including the connection to the public system.

**Schedule-** The goal for cleaning of sewer lines and manhole inspections will be as follows:

The city will be split into quadrants. Each year a quadrant will be jetted and manholes inspected, any problem areas will be addressed and a televising

contractor may be brought in to inspect such areas to determine a proper course of action to remedy the problem, (example- tree roots blockage or collapsed pipe).

**Equipment-** The equipment used to perform maintenance will depend upon the equipment available and its effectiveness as determined by City of Mountain Iron staff.

**Television Equipment-** Any sewer mains located within a street rehab project area will be cleaned and televised before the project starts and after such project if that sewer has been worked on. Sanitary sewer mains in a new development must be televised before said mains are turned over to the City. The City may require any sewer main near a construction site to be televised before and after construction (i.e., near blasting, digging, pile driving, etc.) Recordings of sewer main televising will be required of any venter performing this service for the City of Mountain Iron. A written report summarizing and interpreting the findings of the televising will also be required. These records will be kept by the City.

## **B. Problem Areas**

The sanitary sewer mains and facilities will receive routine maintenance as noted on the schedule, any main or area known to have problems will be on a more frequent schedule depending on the severity of the problem (Example- grease accumulation, shallow slope, roots, blockage or backups).

## **C. Sanitary Sewer Lift Stations**

The City of Mountain Iron maintains its lift stations using specific maintenance that is reasonable and recommended. All records pertaining to our twelve-lift stations can be found at the Wastewater Plant.

### **Maintenance and inspection as Follows:**

**Daily** inspection includes a check of the lift station alarm/monitoring system, hour meters, and pump performance. Record any unusual occurrences or conditions (i.e., odors, trespassers, etc.), equipment malfunctions, special operation conditions, and emergency situations.

**Monthly** inspection includes float cleaning, pump operation, follow up on any work done outside the scope of normal duties, progress of construction or repairs of equipment or new installation, and any changes made in operating procedures

**Six-month** inspection includes the operation of discharge valves.

**Yearly** inspection will include pump inspection, by trained/ certified staff, removal of grit from at least three lift stations, and pump flow calibrations.

### **3. INFLOW AND INFILTRATION (I&I)**

Inflow and infiltration occur when clear water gets into the sanitary sewer system. This may occur through cracks or leaks in the sewer pipes and manholes or through sump pumps and or roof drains incorrectly connected to the sanitary sewer system. I & I can lead to backups, overflows and unnecessary and expensive treatment of clear water. It may come to a point where additional ordinances may be required to further eliminate these sources from being connected to the sanitary sewer system.

### **4. PERSONNEL RESPONSIBILITIES AND REQUIREMENTS**

#### **A. Exercise of Professional Judgment**

It is expected that City of Mountain Iron employees, in accordance with their job duties and responsibilities, will exercise their professional judgment in the implementation of this policy. It is expected in emergency situations city employees will be required to exercise their discretion when it comes to economic considerations, public and employee safety and the potential for damage to private property and the city sanitary sewer system.

#### **B. Training**

The City of Mountain Iron will provide training to employees responsible for maintenance of and emergency response to issues with the sanitary sewer system. Training of employees will include education necessary to safely operate equipment needed to resolve an emergency situation.

### **5. DOCUMENTATION**

The City of Mountain Iron will document all of its inspection, maintenance activities, and emergency responses for its sanitary sewer system. The city will also document circumstances that limit its ability to comply with its policy. An annual Jetting Report will be prepared for the purpose of evaluating maintenance activities and for determining goals for the future. These records will be kept at the Wastewater Treatment Plant and are open to public review.



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

**TO WHOM IT MAY CONCERN:**

Notice is hereby given that the City Council of the City of Mountain Iron will meet in the Mountain Iron Room of the Community Center at 6:30P.M. on December 1, 2014, to consider the application for a Community Development Block Grant. The application for assistance is for improvements to the Storm Sewer System. Such persons as desire to be heard with reference to the proposed application will be heard at this meeting.

[www.mtniron.com](http://www.mtniron.com)

By Order of the Mountain Iron City Council

/s/ Craig J. Wainio  
City Administrator

## **COUNCIL LETTER 120114-VIA-D**

### **ADMINISTRATION**

### **2015 BUDGET**

**DATE:** November 26, 2014

**FROM:** Craig J. Wainio  
City Administrator

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At this meeting, the City Council is required to adopt the 2015 budget and set the final levy for 2015.

First, the City Council needs to adopt the 2015 Budget. Enclosed is a copy of the proposed budget for 2015.

Second, the City Council is to consider the adoption of Resolution setting the general levy for 2015. Enclosed is Resolution Number 23-14 approving the general levy. This Resolution reflects no change in the levy.

Third, the City Council is to consider the adoption of Resolution Number 24-14 setting the market rate levy for 2015. The market rate levy is used to cover the payments for the community center bonds. Resolution Number 24-14 reflects the amount needed to cover the bond payment for 2015 and is exactly the same as last year.

Lastly, Resolution Number 25-14 sets the EDA levy for 2015. This Resolution reflects a levy of the same amount as last year which generates approximately \$12,000 for the EDA. It is recommended that the City Council adopt Resolution Number 25-14 as presented.

**BUDGET SUMMARY  
CITY OF MOUNTAIN IRON**

EXPENDITURES	2014 Budget	2015 Budget	Difference	Percent
Administration	\$ 612,000.00	\$ 587,000.00	\$ (25,000.00)	-4.1%
Public Safety	\$ 661,500.00	\$ 651,500.00	\$ (10,000.00)	-1.5%
Public Works	\$ 941,000.00	\$ 954,000.00	\$ 13,000.00	1.4%
Culture and Rec	\$ 442,000.00	\$ 507,000.00	\$ 65,000.00	14.7%
General Government	\$ 1,114,879.00	\$ 1,078,255.00	\$ (36,624.00)	-3.3%
<b>TOTAL</b>	<b>\$ 3,771,379.00</b>	<b>\$ 3,777,755.00</b>	<b>\$ 6,376.00</b>	<b>0.2%</b>
<b>REVENUE</b>				
Taxes	\$ 544,086.00	\$ 544,086.00	\$ -	0.0%
Intergovernmental Aid	\$ 2,236,590.00	\$ 2,242,966.00	\$ 6,376.00	0.3%
General Revenue	\$ 202,000.00	\$ 202,000.00	\$ -	0.0%
<b>TOTAL</b>	<b>\$ 2,982,676.00</b>	<b>\$ 2,989,052.00</b>	<b>\$ 6,376.00</b>	<b>0.2%</b>
<b>GENERAL LEVY</b>	<b>\$ 788,703.00</b>	<b>\$ 788,703.00</b>	<b>\$ -</b>	<b>0.0%</b>

**BUDGET SUMMARY**  
**CITY OF MOUNTAIN IRON**  
**REVENUE**

GENERAL REVENUE	2014 Budget	2015 Budget	Difference	Percent
Lic. & Permits	\$ 30,000.00	\$ 30,000.00	\$ -	0.0%
Charges for Service	\$ 55,000.00	\$ 55,000.00	\$ -	0.0%
Fines	\$ 12,000.00	\$ 12,000.00	\$ -	0.0%
Interest	\$ 5,000.00	\$ 5,000.00	\$ -	0.0%
Refunds	\$ 95,000.00	\$ 95,000.00	\$ -	0.0%
General	\$ 5,000.00	\$ 5,000.00	\$ -	0.0%
Subtotal	\$ 202,000.00	\$ 202,000.00	\$ -	0.0%

**INTERGOVERNMENTAL REVENUE**

Local Government Aid	\$ 1,281,590.00	\$ 1,292,966.00	\$ 11,376.00	0.9%
Taconite Production Tax	\$ 515,000.00	\$ 520,000.00	\$ 5,000.00	1.0%
Taconite Municipal Aid	\$ 310,000.00	\$ 315,000.00	\$ 5,000.00	1.6%
Mining Effects Tax	\$ 100,000.00	\$ 100,000.00	\$ -	0.0%
Other	\$ 30,000.00	\$ 15,000.00	\$ (15,000.00)	-50.0%
Subtotal	\$ 2,236,590.00	\$ 2,242,966.00	\$ 6,376.00	0.3%

**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	\$ 22,000.00	\$ 22,000.00	\$ -	0.0%
Subtotal	\$ 1,332,789.00	\$ 1,332,789.00	\$ -	0.0%

<b>Total</b>	<b>\$ 3,771,379.00</b>	<b>\$ 3,777,755.00</b>	<b>\$ 6,376.00</b>	<b>0.2%</b>
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**BUDGET  
CITY OF MOUNTAIN IRON  
REVENUE**

TAXES	2012 ACTUAL	2013 ACTUAL	2014 BUDGET	2014 YTD	2015 BUDGET	%
Tax Levy	\$ 1,090,067.00	\$ 956,858.00	\$ 788,703.00	\$ 673,742.00	\$ 788,703.00	0.0%
Special Levies	\$ -	\$ -	\$ 418,275.00	\$ -	\$ 418,275.00	0.0%
Bond Levy	\$ 219,892.00	\$ 331,408.00	\$ 83,811.00	\$ 192,354.00	\$ 83,811.00	0.0%
Misc Taxes	\$ 32,181.00	\$ 42,909.00	\$ 20,000.00	\$ 14,131.00	\$ 20,000.00	0.0%
Franchise	\$ 24,443.00	\$ 24,256.00	\$ 22,000.00	\$ 17,859.00	\$ 22,000.00	0.0%
<b>TOTAL</b>	\$ 1,366,583.00	\$ 1,355,431.00	\$ 1,332,789.00	\$ 898,086.00	\$ 1,332,789.00	0.0%

**INTERGOVERNMENTAL REVENUE**

LGA	\$ 1,156,268.00	\$ 1,156,268.00	\$ 1,281,590.00	\$ 640,795.00	\$ 1,292,966.00	0.9%
Tac. Prod Aid	\$ 524,618.00	\$ 2,289,440.00	\$ 515,000.00	\$ 561,626.00	\$ 520,000.00	1.0%
Tac. Aid	\$ 316,329.00	\$ 381,755.00	\$ 310,000.00	\$ 382,159.00	\$ 315,000.00	1.6%
Mining Effects	\$ 90,268.00	\$ 106,885.00	\$ 100,000.00	\$ 110,667.00	\$ 100,000.00	0.0%
Misc. Aid	\$ 67,740.00	\$ 22,192.00	\$ 30,000.00	\$ 2,265.00	\$ 15,000.00	-50.0%
<b>TOTAL</b>	\$ 2,155,223.00	\$ 3,956,540.00	\$ 2,236,590.00	\$ 1,697,512.00	\$ 2,242,966.00	0.3%

**GENERAL REVENUE**

Lic. & Permits	\$ 35,281.00	\$ 91,372.00	\$ 30,000.00	\$ 18,766.00	\$ 30,000.00	0.0%
Charges for Service	\$ 60,120.00	\$ 74,365.00	\$ 55,000.00	\$ 59,089.00	\$ 55,000.00	0.0%
Fines	\$ 12,492.00	\$ 17,394.00	\$ 12,000.00	\$ 9,751.00	\$ 12,000.00	0.0%
Interest	\$ 4,986.00	\$ (8,527.00)	\$ 5,000.00	\$ 12,060.00	\$ 5,000.00	0.0%
Refunds	\$ 165,155.00	\$ 340,798.00	\$ 95,000.00	\$ 37,217.00	\$ 95,000.00	0.0%
General	\$ 2,818.00	\$ 2,800.00	\$ 5,000.00	\$ 1,040.00	\$ 5,000.00	0.0%
<b>TOTAL</b>	\$ 280,852.00	\$ 518,202.00	\$ 202,000.00	\$ 137,923.00	\$ 202,000.00	0.0%

<b>TOTAL</b>	\$ 3,802,658.00	\$ 5,830,173.00	\$ 3,771,379.00	\$ 2,733,521.00	\$ 3,777,755.00	0.2%
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**BUDGET SUMMARY**  
**CITY OF MOUNTAIN IRON**  
**EXPENDITURES**

DEPARTMENT	2014 Budget	2015 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	\$ 20,000.00	-	(20,000.00)	-100.0%
Planning & Zoning	\$ 34,000.00	\$ 34,000.00	\$ -	0.0%
Sheriffs	\$ 520,000.00	\$ 520,000.00	\$ -	0.0%
Fire Protection	\$ 112,000.00	\$ 107,000.00	(5,000.00)	-4.5%
Emergency Management	\$ 6,000.00	\$ 1,000.00	(5,000.00)	-83.3%
Animal Control	\$ 23,500.00	\$ 23,500.00	\$ -	0.0%
Streets	\$ 735,000.00	\$ 745,000.00	10,000.00	1.4%
Buildings	\$ 206,000.00	\$ 209,000.00	3,000.00	1.5%
Campground	\$ 55,000.00	\$ 55,000.00	\$ -	0.0%
Recreation	\$ 221,000.00	\$ 281,000.00	60,000.00	27.1%
Government	\$ 267,800.00	\$ 276,100.00	8,300.00	3.1%
Library	\$ 166,000.00	\$ 171,000.00	5,000.00	3.0%
Transfers	\$ 847,079.00	\$ 802,155.00	(44,924.00)	-5.3%
<b>Total</b>	<b>\$ 3,771,379.00</b>	<b>\$ 3,777,755.00</b>	<b>\$ 6,376.00</b>	<b>0.2%</b>

**BUDGET**  
**CITY OF MOUNTAIN IRON**  
**GOVERNMENT OPERATIONS**

CITY COUNCIL	2013		2014		2015		%
	ACTUAL	ACTUAL	BUDGET	BUDGET	YTD	BUDGET	
Council Salaries	\$ 20,400.00	\$ 20,400.00	\$ 20,400.00	\$ 20,400.00	\$ 15,300.00	\$ 20,400.00	0%
Other	\$ 5,181.00	\$ 2,883.00	\$ 5,600.00	\$ 5,600.00	\$ 1,481.00	\$ 5,600.00	0%
<b>TOTAL</b>	\$ 25,581.00	\$ 23,283.00	\$ 26,000.00	\$ 26,000.00	\$ 16,781.00	\$ 26,000.00	0%

**ADMINISTRATION**

Salaries	\$ 210,156.00	\$ 204,810.00	\$ 220,000.00	\$ 220,000.00	\$ 157,012.00	\$ 220,000.00	0%
Payroll Taxes	\$ 31,147.00	\$ 32,950.00	\$ 35,000.00	\$ 35,000.00	\$ 28,235.00	\$ 35,000.00	0%
Insurance-Group	\$ 61,033.00	\$ 61,076.00	\$ 70,000.00	\$ 70,000.00	\$ 40,486.00	\$ 70,000.00	0%
Insurance-General	\$ 37,511.00	\$ 26,157.00	\$ 50,000.00	\$ 50,000.00	\$ 5,836.00	\$ 50,000.00	0%
Independent Audit	\$ 26,300.00	\$ 22,166.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	0%
Engineering Fees	\$ 6,080.00	\$ 6,849.00	\$ 30,000.00	\$ 30,000.00	\$ 20,340.00	\$ 30,000.00	0%
Legal Fees	\$ 54,989.00	\$ 43,722.00	\$ 45,000.00	\$ 45,000.00	\$ 46,892.00	\$ 45,000.00	0%
Communications	\$ 22,326.00	\$ 24,767.00	\$ 20,000.00	\$ 20,000.00	\$ 18,468.00	\$ 20,000.00	0%
Supplies	\$ 4,645.00	\$ 5,021.00	\$ 5,000.00	\$ 5,000.00	\$ 4,039.00	\$ 5,000.00	0%
Operations	\$ 29,744.00	\$ 28,205.00	\$ 27,000.00	\$ 27,000.00	\$ 20,185.00	\$ 27,000.00	0%
<b>TOTAL</b>	\$ 483,931.00	\$ 455,723.00	\$ 527,000.00	\$ 527,000.00	\$ 366,493.00	\$ 527,000.00	0%

**ELECTION**

Salaries	\$ 2,628.00	\$ -	\$ 3,000.00	\$ 3,000.00	\$ 1,131.00	\$ -	100%
Operations	\$ 1,379.00	\$ -	\$ 2,000.00	\$ 2,000.00	\$ 863.00	\$ -	100%
<b>TOTAL</b>	\$ 4,007.00	\$ -	\$ 5,000.00	\$ 5,000.00	\$ 1,994.00	\$ -	0%

**BUDGET**  
**CITY OF MOUNTAIN IRON**  
**GOVERNMENT OPERATIONS**

ASSESSING	2012		2013		2014		2015		%
	ACTUAL		ACTUAL		BUDGET		BUDGET		
Contract Services	\$ 31,934.00	\$	31,812.00	\$	19,000.00	\$	15,876.00	\$	-100%
Operations	\$ 305.00	\$	-	\$	1,000.00	\$	114.00	\$	-100%
<b>TOTAL</b>	\$ 32,239.00	\$	31,812.00	\$	20,000.00	\$	15,990.00	\$	-100%

**PLANNING & ZONING**

Salaries	\$ 23,537.00	\$	42,455.00	\$	25,000.00	\$	14,804.00	\$	25,000.00	0%
Payroll Taxes	\$ 1,800.00	\$	3,247.00	\$	3,000.00	\$	1,332.00	\$	3,000.00	0%
Operations	\$ 6,946.00	\$	5,342.00	\$	6,000.00	\$	1,621.00	\$	6,000.00	0%
<b>TOTAL</b>	\$ 32,283.00	\$	51,044.00	\$	34,000.00	\$	17,757.00	\$	34,000.00	0%

**ADMINISTRATION**

<b>TOTAL</b>	\$ 578,041.00	\$	561,862.00	\$	612,000.00	\$	419,015.00	\$	587,000.00	-4%
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**BUDGET  
CITY OF MOUNTAIN IRON  
PUBLIC SAFETY**

POLICE PROTECTION	2012		2013		2014		2015		%
	ACTUAL	BUDGET	ACTUAL	BUDGET	YTD	BUDGET	BUDGET	BUDGET	
Contract Services	\$ 490,000.00	\$ 500,000.00	\$ 500,000.00	\$ 510,000.00	\$ 382,500.00	\$ 510,000.00	\$ 510,000.00	\$ 510,000.00	0%
Other Expenditures	\$ 13,220.00	\$ 13,706.00	\$ 13,706.00	\$ 10,000.00	\$ 4,681.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	0%
<b>TOTAL</b>	\$ 503,220.00	\$ 513,706.00	\$ 513,706.00	\$ 520,000.00	\$ 387,181.00	\$ 520,000.00	\$ 520,000.00	\$ 520,000.00	0%

<b>FIRE PROTECTION</b>									
Salaries	\$ 30,172.00	\$ 28,146.00	\$ 28,146.00	\$ 25,000.00	\$ 28,746.00	\$ 25,000.00	\$ 26,000.00	\$ 26,000.00	4%
Payroll Taxes	\$ 3,953.00	\$ 3,058.00	\$ 3,058.00	\$ 4,000.00	\$ 3,034.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	0%
Training	\$ 7,411.00	\$ 10,999.00	\$ 10,999.00	\$ 20,000.00	\$ 10,908.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	0%
Maintenance	\$ 14,070.00	\$ 30,896.00	\$ 30,896.00	\$ 15,000.00	\$ 21,392.00	\$ 15,000.00	\$ 16,000.00	\$ 16,000.00	7%
Operations	\$ 47,028.00	\$ 34,686.00	\$ 34,686.00	\$ 25,000.00	\$ 15,452.00	\$ 25,000.00	\$ 30,000.00	\$ 30,000.00	20%
Firemen's Relief	\$ 20,293.00	\$ 24,732.00	\$ 24,732.00	\$ 23,000.00	\$ 8,779.00	\$ 23,000.00	\$ 11,000.00	\$ 11,000.00	-52%
<b>TOTAL</b>	\$ 122,927.00	\$ 132,517.00	\$ 132,517.00	\$ 112,000.00	\$ 88,311.00	\$ 112,000.00	\$ 107,000.00	\$ 107,000.00	-4%

<b>EMERGENCY MANAGEMENT</b>									
Plan Update	\$ -	\$ -	\$ -	\$ 5,000.00	\$ -	\$ -	\$ -	\$ -	-100%
Operations	\$ 25.00	\$ 25.00	\$ 25.00	\$ 1,000.00	\$ 5,246.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	0%
<b>TOTAL</b>	\$ 25.00	\$ 25.00	\$ 25.00	\$ 6,000.00	\$ 5,246.00	\$ 6,000.00	\$ 1,000.00	\$ 1,000.00	-83%

<b>ANIMAL CONTROL</b>									
Contact Services	\$ 18,960.00	\$ 18,000.00	\$ 18,000.00	\$ 23,000.00	\$ 9,000.00	\$ 23,000.00	\$ 23,000.00	\$ 23,000.00	0%
Operations	\$ 108.00	\$ -	\$ -	\$ 500.00	\$ 78.00	\$ 500.00	\$ 500.00	\$ 500.00	0%
<b>TOTAL</b>	\$ 19,068.00	\$ 18,000.00	\$ 18,000.00	\$ 23,500.00	\$ 9,078.00	\$ 23,500.00	\$ 23,500.00	\$ 23,500.00	0%

<b>PUBLIC SAFETY</b>									
<b>TOTAL</b>	\$ 645,240.00	\$ 664,248.00	\$ 664,248.00	\$ 661,500.00	\$ 489,816.00	\$ 661,500.00	\$ 651,500.00	\$ 651,500.00	-2%

**BUDGET  
CITY OF MOUNTAIN IRON  
PUBLIC WORKS**

<b>STREETS</b>	<b>2012 ACTUAL</b>	<b>2013 ACTUAL</b>	<b>2014 BUDGET</b>	<b>2014 YTD</b>	<b>2015 BUDGET</b>	<b>%</b>
Salaries	\$ 320,858.00	\$ 306,144.00	\$ 360,000.00	\$ 211,523.00	\$ 360,000.00	0%
Payroll Taxes	\$ 53,409.00	\$ 48,925.00	\$ 55,000.00	\$ 31,958.00	\$ 55,000.00	0%
Insurance-Group	\$ 95,257.00	\$ 91,762.00	\$ 120,000.00	\$ 57,610.00	\$ 120,000.00	0%
Utilities	\$ 55,548.00	\$ 55,749.00	\$ 55,000.00	\$ 38,594.00	\$ 55,000.00	0%
Maintenance	\$ 97,902.00	\$ 122,279.00	\$ 75,000.00	\$ 73,348.00	\$ 85,000.00	13%
Supplies	\$ 34,047.00	\$ 40,996.00	\$ 40,000.00	\$ 30,794.00	\$ 40,000.00	0%
Operations	\$ 58,647.00	\$ 50,753.00	\$ 30,000.00	\$ 33,851.00	\$ 30,000.00	0%
<b>TOTAL</b>	\$ 715,668.00	\$ 716,608.00	\$ 735,000.00	\$ 477,678.00	\$ 745,000.00	1%

<b>BUILDINGS</b>	<b>2012 ACTUAL</b>	<b>2013 ACTUAL</b>	<b>2014 BUDGET</b>	<b>2014 YTD</b>	<b>2015 BUDGET</b>	<b>%</b>
Salaries	\$ 66,841.00	\$ 70,616.00	\$ 65,000.00	\$ 51,659.00	\$ 67,000.00	3%
Payroll Taxes	\$ 11,145.00	\$ 10,912.00	\$ 11,000.00	\$ 8,493.00	\$ 11,000.00	0%
Insurance-Group	\$ 23,586.00	\$ 22,913.00	\$ 23,000.00	\$ 16,241.00	\$ 23,000.00	0%
Utilities	\$ 39,233.00	\$ 39,101.00	\$ 45,000.00	\$ 29,765.00	\$ 45,000.00	0%
Communications	\$ 3,184.00	\$ 3,417.00	\$ 2,000.00	\$ 2,013.00	\$ 2,000.00	0%
Supplies	\$ 39,545.00	\$ 37,502.00	\$ 30,000.00	\$ 13,100.00	\$ 30,000.00	0%
Operations	\$ 28,988.00	\$ 43,988.00	\$ 30,000.00	\$ 22,503.00	\$ 31,000.00	3%
<b>TOTAL</b>	\$ 212,522.00	\$ 228,449.00	\$ 206,000.00	\$ 143,774.00	\$ 209,000.00	1%

<b>PUBLIC WORKS</b>						
<b>TOTAL</b>	\$ 928,190.00	\$ 945,057.00	\$ 941,000.00	\$ 621,452.00	\$ 954,000.00	1%

**BUDGET**  
**CITY OF MOUNTAIN IRON**  
**CULTURE AND RECREATION**

CAMPGROUND	2012		2013		2014		2015		%
	ACTUAL	ACTUAL	ACTUAL	BUDGET	YTD	BUDGET	BUDGET		
Salaries	\$ 15,977.00	\$ 18,184.00	\$ 21,000.00	\$ 21,000.00	\$ 19,496.00	\$ 21,000.00	\$ 21,000.00	0%	
Payroll Taxes	\$ 5,047.00	\$ 5,428.00	\$ 2,000.00	\$ 2,000.00	\$ 6,074.00	\$ 2,000.00	\$ 2,000.00	0%	
Insurance-Group	\$ 2,196.00	\$ 2,347.00	\$ 3,000.00	\$ 3,000.00	\$ 2,022.00	\$ 3,000.00	\$ 3,000.00	0%	
Utilities	\$ 8,168.00	\$ 9,598.00	\$ 8,000.00	\$ 8,000.00	\$ 7,443.00	\$ 8,000.00	\$ 8,000.00	0%	
Operations	\$ 16,714.00	\$ 22,708.00	\$ 20,000.00	\$ 20,000.00	\$ 9,434.00	\$ 20,000.00	\$ 20,000.00	0%	
Advertising	\$ 147.00	\$ 100.00	\$ 1,000.00	\$ 1,000.00	\$ 1,022.00	\$ 1,000.00	\$ 1,000.00	0%	
<b>TOTAL</b>	\$ 48,249.00	\$ 58,365.00	\$ 55,000.00	\$ 55,000.00	\$ 45,491.00	\$ 55,000.00	\$ 55,000.00	0%	

**RECREATION DEPARTMENT**

Salaries	\$ 83,108.00	\$ 77,577.00	\$ 107,000.00	\$ 107,000.00	\$ 68,993.00	\$ 107,000.00	\$ 107,000.00	0%
Payroll Taxes	\$ 11,102.00	\$ 10,426.00	\$ 13,000.00	\$ 13,000.00	\$ 9,438.00	\$ 13,000.00	\$ 13,000.00	0%
Insurance-Group	\$ 23,496.00	\$ 23,220.00	\$ 25,000.00	\$ 25,000.00	\$ 16,705.00	\$ 25,000.00	\$ 25,000.00	0%
Utilities	\$ 8,306.00	\$ 14,518.00	\$ 11,000.00	\$ 11,000.00	\$ 7,519.00	\$ 11,000.00	\$ 11,000.00	0%
Maintenance	\$ 19,186.00	\$ 5,974.00	\$ 10,000.00	\$ 10,000.00	\$ 7,534.00	\$ 10,000.00	\$ 10,000.00	0%
Operations	\$ 20,990.00	\$ 20,743.00	\$ 22,000.00	\$ 22,000.00	\$ 16,970.00	\$ 22,000.00	\$ 22,000.00	0%
Baseball/Softball	\$ 6,383.00	\$ 1,041.00	\$ 6,000.00	\$ 6,000.00	\$ 3,592.00	\$ 6,000.00	\$ 6,000.00	0%
Special Events	\$ 20,892.00	\$ 26,936.00	\$ 27,000.00	\$ 27,000.00	\$ 22,519.00	\$ 27,000.00	\$ 27,000.00	222%
<b>TOTAL</b>	\$ 193,463.00	\$ 180,435.00	\$ 221,000.00	\$ 221,000.00	\$ 153,270.00	\$ 221,000.00	\$ 281,000.00	27%

**LIBRARY**

Salaries	\$ 74,321.00	\$ 79,191.00	\$ 85,000.00	\$ 85,000.00	\$ 68,836.00	\$ 88,000.00	\$ 88,000.00	4%
Payroll Taxes	\$ 11,667.00	\$ 12,205.00	\$ 12,000.00	\$ 12,000.00	\$ 10,733.00	\$ 12,000.00	\$ 12,000.00	0%
Insurance-Group	\$ 16,637.00	\$ 28,951.00	\$ 30,000.00	\$ 30,000.00	\$ 25,487.00	\$ 30,000.00	\$ 30,000.00	0%
Utilities	\$ 5,493.00	\$ 5,892.00	\$ 8,000.00	\$ 8,000.00	\$ 5,317.00	\$ 8,000.00	\$ 8,000.00	0%
Books	\$ 24,064.00	\$ 23,057.00	\$ 19,000.00	\$ 19,000.00	\$ 14,025.00	\$ 20,000.00	\$ 20,000.00	5%
Communications	\$ 2,864.00	\$ 3,265.00	\$ 3,000.00	\$ 3,000.00	\$ 2,274.00	\$ 3,000.00	\$ 3,000.00	0%
Operations	\$ 11,394.00	\$ 12,521.00	\$ 9,000.00	\$ 9,000.00	\$ 13,505.00	\$ 10,000.00	\$ 10,000.00	11%
<b>TOTAL</b>	\$ 146,440.00	\$ 165,082.00	\$ 166,000.00	\$ 166,000.00	\$ 140,177.00	\$ 171,000.00	\$ 171,000.00	3%

**CULTURE AND RECREATION**

<b>TOTAL</b>	\$ 388,152.00	\$ 403,882.00	\$ 442,000.00	\$ 442,000.00	\$ 338,938.00	\$ 507,000.00	\$ 507,000.00	15%
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**BUDGET**  
**CITY OF MOUNTAIN IRON**  
**GENERAL GOVERNMENT**

GENERAL GOVERNMENT	2012		2013		2014		2015		%
	ACTUAL	ACTUAL	ACTUAL	BUDGET	BUDGET	YTD	BUDGET		
Cash Short and Over	\$ (63.00)	\$ -	\$ 10.00	\$ 10.00	\$ 19.00	\$ 10.00	\$ 10.00	\$ 10.00	0%
Cemeteries	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	0%
Retire/Pension Contrib.	\$ 161,145.00	\$ 146,852.00	\$ 140,000.00	\$ 140,000.00	\$ 102,560.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	7%
Public Expense	\$ 1,589.00	\$ 18,069.00	\$ 7,990.00	\$ 7,990.00	\$ 565.00	\$ 7,990.00	\$ 7,990.00	\$ 7,990.00	0%
Promotion and Tourism	\$ 3,055.00	\$ 3,396.00	\$ 3,000.00	\$ 3,000.00	\$ 93.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	0%
EMT Equipment	\$ 10,223.00	\$ 10,906.00	\$ 15,000.00	\$ 15,000.00	\$ 5,722.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	0%
Intergovernmental Coop	\$ -	\$ 2,502.00	\$ -	\$ -	\$ 1,476.00	\$ -	\$ -	\$ -	0%
Contribution - QCJRA	\$ 6,577.00	\$ 6,577.00	\$ 7,300.00	\$ 7,300.00	\$ 6,577.00	\$ 6,600.00	\$ 6,600.00	\$ 6,600.00	-10%
Planning	\$ 3,833.00	\$ 3,833.00	\$ 5,000.00	\$ 5,000.00	\$ -	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	0%
Television Meetings	\$ 15,350.00	\$ 18,100.00	\$ 12,000.00	\$ 12,000.00	\$ 16,400.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	25%
Hydrants	\$ 517.00	\$ -	\$ 1,500.00	\$ 1,500.00	\$ -	\$ -	\$ -	\$ -	-100%
TCBDA	\$ 51,407.00	\$ 52,389.00	\$ 52,000.00	\$ 52,000.00	\$ 30,846.00	\$ 52,000.00	\$ 52,000.00	\$ 52,000.00	0%
Mineview in the Sky	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 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	\$ 10,000.00	\$ 10,000.00	0%
Heart of Continent	\$ -	\$ -	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ -	\$ -	\$ -	-100%
<b>TOTAL</b>	\$ 275,133.00	\$ 284,124.00	\$ 267,800.00	\$ 267,800.00	\$ 178,258.00	\$ 276,100.00	\$ 276,100.00	\$ 276,100.00	3%
<b>TRANSFERS</b>									
Capital Improvement	\$ 368,757.00	\$ 1,997,102.00	\$ 447,079.00	\$ 447,079.00	\$ 298,053.00	\$ 472,155.00	\$ 472,155.00	\$ 472,155.00	6%
Mining Effects	\$ 45,134.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ -	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	0%
OPEB	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Debt Service	\$ 365,000.00	\$ 365,000.00	\$ 350,000.00	\$ 350,000.00	\$ 233,333.00	\$ 280,000.00	\$ 280,000.00	\$ 280,000.00	-20%
<b>TOTAL</b>	\$ 778,891.00	\$ 2,412,102.00	\$ 847,079.00	\$ 847,079.00	\$ 531,386.00	\$ 802,155.00	\$ 802,155.00	\$ 802,155.00	-5%
<b>GENERAL GOVERNMENT</b>									
<b>TOTAL</b>	\$ 1,054,024.00	\$ 2,696,226.00	\$ 1,114,879.00	\$ 1,114,879.00	\$ 709,644.00	\$ 1,078,255.00	\$ 1,078,255.00	\$ 1,078,255.00	-3%
<b>TOTAL EXPENDITURES</b>	\$ 3,593,647.00	\$ 5,271,275.00	\$ 3,771,379.00	\$ 3,771,379.00	\$ 2,578,865.00	\$ 3,777,755.00	\$ 3,777,755.00	\$ 3,777,755.00	-3%

2015 Capital Improvement Budget

REVENUE	2015
Grants	\$ 360,000.00
Utilities	\$ 50,000.00
General Fund	\$ 522,155.00

**TOTAL** \$ 932,155.00

EXPENDITURE	Department	Projects	Grants	2014 Carryover	Utilities	TOTAL
Community Center Generator	Buildings	\$ 30,000.00				\$ 30,000.00
City Garage Roof	Streets	\$ 130,000.00				\$ 130,000.00
Old town Storm Sewer	Streets	\$ 60,000.00	\$ 110,000.00			\$ 170,000.00
Force Main	WWTP	\$ 100,000.00	\$ 100,000.00			\$ 200,000.00
Mountain Iron Drive	Streets		\$ 150,000.00	\$ 50,000.00		\$ 200,000.00
Equipment Replacement	Fire	\$ 50,000.00				\$ 50,000.00
Fire Hall Study	Fire	\$ 10,000.00				\$ 10,000.00
Vehicle	Sheriffs	\$ 30,000.00				\$ 30,000.00
WTP Filter Reconditioning	WTP				\$ 50,000.00	\$ 50,000.00
Technology Upgrades	Admin	\$ 52,155.00				\$ 52,155.00
Batting Cage	Parks	\$ 10,000.00				\$ 10,000.00
South Grove Park Pavilion	Parks	\$ 50,000.00				\$ 50,000.00

**OVERALL 2014 TOTAL** \$ 522,155.00 \$ 360,000.00 \$ 50,000.00 \$ 50,000.00 \$ 982,155.00

**CITY OF MOUNTAIN IRON  
DEBT SERVICE FUND**

REVENUE	2012	2013	2014	2015
	ACTUAL	ACTUAL	BUDGET	BUDGET
Interest Earnings	\$ 17,771.00	\$ 2,670.00	\$ 15,000.00	\$ 15,000.00
Special Assessments	\$ 43,089.00	\$ 79,590.00	\$ 50,000.00	\$ 50,000.00
Electric Fund	\$ 15,000.00	\$ 17,263.00	\$ 26,000.00	\$ 16,000.00
Water Fund	\$ 26,400.00	\$ 24,888.00	\$ 33,000.00	\$ 28,000.00
Refuse and Recycling Fund	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ -
WWTP Fund	\$ 12,364.00	\$ 37,802.00	\$ 37,802.00	\$ 37,634.00
Bond Proceeds	\$ -	\$ 3,968.00	\$ -	\$ -
General Fund	\$ 365,000.00	\$ 365,000.00	\$ 350,000.00	\$ 280,000.00

TOTAL REVENUE	\$ 489,624.00	\$ 541,181.00	\$ 521,802.00	\$ 294,467.00	\$ 426,634.00
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**EXPENSES**

Principle - 2009 Water Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Interest - 2009 Water Revenue	\$ 19,600.00	\$ -	\$ -	\$ -	\$ -
Principle - USDA Loan	\$ 6,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 8,000.00
Interest - USDA Loan	\$ 12,361.00	\$ 11,014.00	\$ 10,725.00	\$ 10,725.00	\$ 10,436.00
Principle - 2005 Xover	\$ 160,000.00	\$ 170,000.00	\$ -	\$ -	\$ -
Interest - 2005 Xover	\$ 40,658.00	\$ 18,969.00	\$ -	\$ -	\$ -
Principle - 2007	\$ 95,000.00	\$ 105,000.00	\$ 105,000.00	\$ 105,000.00	\$ 110,000.00
Interest - 2007	\$ 48,710.00	\$ 44,710.00	\$ 40,510.00	\$ 40,510.00	\$ 36,210.00
Principal - 2012 Refunding	\$ -	\$ -	\$ 175,000.00	\$ 185,000.00	\$ 185,000.00
Interest - 2012 Refunding	\$ -	\$ -	\$ 28,109.00	\$ 4,454.00	\$ 6,133.00
Principal - Garage Addition	\$ 30,000.00	\$ -	\$ 30,000.00	\$ -	\$ -
Interest - Garage Addition	\$ 10,000.00	\$ -	\$ 10,000.00	\$ -	\$ -
WWTP Loan Principal	\$ -	\$ 26,000.00	\$ 26,000.00	\$ 18,800.00	\$ 27,000.00
WWTP Loan Interest	\$ 12,364.00	\$ 11,802.00	\$ 11,218.00	\$ 12,429.00	\$ 10,634.00
Agent Fees	\$ 850.00	\$ 653.00	\$ 1,000.00	\$ 495.00	\$ 1,000.00

TOTAL EXPENSES	\$ 435,543.00	\$ 395,148.00	\$ 444,562.00	\$ 384,413.00	\$ 394,413.00
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**CITY OF MOUNTAIN IRON**  
**CHARITABLE GAMBLING**

REVENUE	2012		2013		2014		2015	
	ACTUAL		ACTUAL		BUDGET		YTD	BUDGET
Interest Earnings	\$ 11.00	\$	1.00	\$	10.00	\$	-	\$ 10.00
Gambling Proceeds	\$ 3,113.00	\$	3,845.00	\$	3,000.00	\$	3,279.00	\$ 3,000.00
<b>TOTAL REVENUE</b>	<b>\$ 3,124.00</b>	<b>\$</b>	<b>3,846.00</b>	<b>\$</b>	<b>3,010.00</b>	<b>\$</b>	<b>3,279.00</b>	<b>\$ 3,010.00</b>
<b>EXPENSES</b>								
Allowable Expenditures	\$ 4,435.00	\$	3,695.00	\$	3,010.00	\$	3,400.00	\$ 3,010.00
Administration	\$ -	\$	-	\$	-	\$	-	\$ -
<b>TOTAL EXPENSES</b>	<b>\$ 4,435.00</b>	<b>\$</b>	<b>3,695.00</b>	<b>\$</b>	<b>3,010.00</b>	<b>\$</b>	<b>3,400.00</b>	<b>\$ 3,010.00</b>

**CITY OF MOUNTAIN IRON  
WATER DEPARTMENT**

REVENUES	2012	2013	2014	2014	2015
	ACTUAL	ACTUAL	BUDGET	YTD	BUDGET
Interest Earnings	\$ 7,628.00	\$ (394.00)	\$ 8,000.00	\$ 1,035.00	\$ 8,000.00
Other	\$ 68,838.00	\$ -	\$ 80,000.00	\$ -	\$ -
Charges for Services	\$ 311,950.00	\$ 303,498.00	\$ 335,000.00	\$ 226,131.00	\$ 315,000.00
<b>TOTAL REVENUES</b>	<b>\$ 388,416.00</b>	<b>\$ 303,104.00</b>	<b>\$ 423,000.00</b>	<b>\$ 227,166.00</b>	<b>\$ 323,000.00</b>
<b>EXPENDITURES</b>					
Salaries	\$ 65,919.00	\$ 66,274.00	\$ 85,000.00	\$ 61,292.00	\$ 80,000.00
Employee Benefits	\$ 32,520.00	\$ 21,117.00	\$ 35,000.00	\$ 28,870.00	\$ 35,000.00
Insurance	\$ 7,437.00	\$ 7,217.00	\$ 8,000.00	\$ 2,561.00	\$ 8,000.00
Miscellaneous	\$ 32,383.00	\$ 8,587.00	\$ 22,000.00	\$ 7,926.00	\$ 20,000.00
OPEB	\$ -	\$ -	\$ -	\$ -	\$ -
Repairs and Maintenance	\$ 33,538.00	\$ 22,469.00	\$ 25,000.00	\$ 27,565.00	\$ 25,000.00
Supplies	\$ 10,236.00	\$ 10,413.00	\$ 10,000.00	\$ 7,565.00	\$ 10,000.00
Telephone	\$ 206.00	\$ 62.00	\$ 1,000.00	\$ 23.00	\$ 1,000.00
Utilities	\$ 35,397.00	\$ 40,503.00	\$ 30,000.00	\$ 28,432.00	\$ 30,000.00
Depreciation	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 56,250.00	\$ 75,000.00
Interest Expense	\$ 46,000.00	\$ 46,000.00	\$ 96,000.00	\$ 31,229.00	\$ 28,000.00
Capital Outlay	\$ 156,586.00	\$ 22,237.00	\$ 50,000.00	\$ 49,440.00	\$ 11,000.00
<b>TOTAL EXPENDITURES</b>	<b>\$ 495,222.00</b>	<b>\$ 319,879.00</b>	<b>\$ 437,000.00</b>	<b>\$ 301,153.00</b>	<b>\$ 323,000.00</b>



**CITY OF MOUNTAIN IRON  
WASTE WATER DEPARTMENT**

REVENUES	2012	2013	2014	2014	2015
	ACTUAL	ACTUAL	BUDGET	YTD	BUDGET
Interest Earnings	\$ 2,837.00	\$ (3,682.00)	\$ 11,000.00	\$ 22,360.00	\$ 5,000.00
Other	\$ 1,576.00	\$ 1,342.00	\$ -	\$ 857.00	\$ -
Charges for Services	\$ 372,461.00	\$ 363,669.00	\$ 410,000.00	\$ 262,193.00	\$ 400,000.00
<b>TOTAL REVENUES</b>	<b>\$ 376,874.00</b>	<b>\$ 361,329.00</b>	<b>\$ 421,000.00</b>	<b>\$ 285,410.00</b>	<b>\$ 405,000.00</b>

**EXPENDITURES**

Salaries	\$ 97,751.00	\$ 92,217.00	\$ 80,000.00	\$ 89,705.00	\$ 85,000.00
Employee Benefits	\$ 38,434.00	\$ 39,386.00	\$ 35,000.00	\$ 41,505.00	\$ 40,000.00
Contract Services	\$ 30,650.00	\$ 26,183.00	\$ 30,000.00	\$ 21,467.00	\$ 30,000.00
Insurance	\$ 4,701.00	\$ 10,464.00	\$ 6,000.00	\$ 3,994.00	\$ 6,000.00
Miscellaneous	\$ 13,151.00	\$ 20,953.00	\$ 20,000.00	\$ 28,133.00	\$ 20,000.00
OPEB	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance and Repairs	\$ 22,258.00	\$ 38,156.00	\$ 15,000.00	\$ 14,403.00	\$ 15,000.00
Supplies	\$ 15,440.00	\$ 20,367.00	\$ 9,000.00	\$ 12,282.00	\$ 12,000.00
Telephone	\$ 1,506.00	\$ 1,837.00	\$ 2,000.00	\$ 1,106.00	\$ 2,000.00
Utilities	\$ 55,182.00	\$ 56,637.00	\$ 60,000.00	\$ 46,747.00	\$ 60,000.00
Depreciation	\$ 65,000.00	\$ 91,069.00	\$ 100,000.00	\$ 52,268.00	\$ 100,000.00
Debt Service	\$ 12,364.00	\$ 11,802.00	\$ 35,000.00	\$ 37,217.00	\$ 35,000.00
Capital Outlay	\$ 77,366.00	\$ 35,727.00	\$ -	\$ 638.00	\$ -
<b>TOTAL EXPENDITURES</b>	<b>\$ 433,803.00</b>	<b>\$ 444,798.00</b>	<b>\$ 392,000.00</b>	<b>\$ 349,465.00</b>	<b>\$ 405,000.00</b>

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

	2012	2013	2014	2014	2015
<b>REVENUES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>YTD</b>	<b>BUDGET</b>
Interest Earnings	\$ 4,241.00	\$ (3,441.00)	\$ 12,000.00	\$ 4,170.00	\$ 12,000.00
Transfers In	\$ 1,346.00	\$ 169.00	-	\$ 378.00	\$ -
Charges for Services	\$ 367,790.00	\$ 369,153.00	\$ 384,000.00	\$ 291,033.00	\$ 380,000.00
<b>TOTAL REVENUES</b>	<b>\$ 373,377.00</b>	<b>\$ 365,881.00</b>	<b>\$ 396,000.00</b>	<b>\$ 295,581.00</b>	<b>\$ 392,000.00</b>
<b>EXPENDITURES</b>					
Salaries	\$ 118,284.00	\$ 116,314.00	\$ 101,000.00	\$ 88,458.00	\$ 101,000.00
Employee Benefits	\$ 55,874.00	\$ 57,126.00	\$ 51,000.00	\$ 39,789.00	\$ 51,000.00
Insurance	\$ 7,184.00	\$ 6,945.00	\$ 10,000.00	\$ 3,635.00	\$ 10,000.00
Miscellaneous	\$ 9,794.00	\$ 11,918.00	\$ 13,000.00	\$ 11,152.00	\$ 13,000.00
OPEB	\$ -	\$ -	\$ 23,000.00	\$ -	\$ 23,000.00
Repairs and Maintenance	\$ 17,372.00	\$ 20,800.00	\$ 12,000.00	\$ 15,042.00	\$ 12,000.00
County Fees	\$ 129,386.00	\$ 127,647.00	\$ 130,000.00	\$ 104,134.00	\$ 136,000.00
Supplies	\$ 25,204.00	\$ 24,216.00	\$ 20,000.00	\$ 18,248.00	\$ 20,000.00
Depreciation	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 18,750.00	\$ 25,000.00
Telephone	\$ 702.00	\$ 796.00	\$ 1,000.00	\$ 489.00	\$ 1,000.00
Capital Outlay	\$ 10,000.00	\$ 10,000.00	\$ 150,000.00	\$ 104,086.00	\$ -
<b>TOTAL EXPENDITURES</b>	<b>\$ 398,800.00</b>	<b>\$ 400,762.00</b>	<b>\$ 536,000.00</b>	<b>\$ 403,783.00</b>	<b>\$ 392,000.00</b>

**CITY OF MOUNTAIN IRON  
ELECTRIC DEPARTMENT**

REVENUES	2012	2013	2014	2014	2015
	ACTUAL	ACTUAL	BUDGET	YTD	BUDGET
Interest Earnings	\$ 4,880.00	\$ (6,428.00)	\$ 1,000.00	\$ 4,770.00	\$ 1,000.00
Other	\$ 12,495.00	\$ 61,050.00		\$ 59,620.00	
Charges for Services	\$ 2,020,684.00	\$ 2,055,366.00	\$ 2,300,000.00	\$ 1,673,048.00	\$ 2,225,000.00
<b>TOTAL REVENUES</b>	\$ 2,038,059.00	\$ 2,109,988.00	\$ 2,301,000.00	\$ 1,737,438.00	\$ 2,226,000.00

**EXPENDITURES**

Cost of Sales	\$ 1,304,117.00	\$ 1,402,865.00	\$ 1,455,000.00	\$ 1,155,138.00	\$ 1,455,000.00
Salaries	\$ 302,348.00	\$ 286,551.00	\$ 276,000.00	\$ 216,615.00	\$ 280,000.00
Employee Benefits	\$ 129,086.00	\$ 130,981.00	\$ 125,000.00	\$ 111,351.00	\$ 130,000.00
Insurance	\$ 12,389.00	\$ 12,357.00	\$ 20,000.00	\$ 8,343.00	\$ 15,000.00
Miscellaneous	\$ 29,536.00	\$ 26,948.00	\$ 31,000.00	\$ 23,949.00	\$ 31,000.00
OPEB	\$ -	\$ -	\$ 40,000.00	\$ -	\$ 40,000.00
Repairs and Maintenance	\$ 50,490.00	\$ 101,190.00	\$ 65,000.00	\$ 52,329.00	\$ 65,000.00
Supplies	\$ 24,483.00	\$ 21,483.00	\$ 25,000.00	\$ 18,504.00	\$ 25,000.00
Telephone	\$ 2,741.00	\$ 3,224.00	\$ 4,000.00	\$ 2,541.00	\$ 4,000.00
Depreciation Expense	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 30,000.00	\$ 40,000.00
Debt Service	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 17,333.00	\$ 16,000.00
CIP	\$ 17,352.00	\$ 19,205.00	\$ 35,000.00	\$ 14,332.00	\$ 25,000.00
Capital Outlay	\$ 118,823.00	\$ 150,566.00	\$ 100,000.00	\$ 12,103.00	\$ 100,000.00
<b>TOTAL EXPENDITURES</b>	\$ 2,046,365.00	\$ 2,210,370.00	\$ 2,231,000.00	\$ 1,662,538.00	\$ 2,226,000.00



# CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

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

## RESOLUTION NUMBER 23-14

### APPROVING 2014 TAX LEVY, COLLECTABLE 2015

**BE IT RESOLVED**, by the City Council of the City of Mountain Iron, County of Saint Louis, Minnesota, that the following sums of money be levied for the current year, collectable in 2015, upon the taxable property in the City of Mountain Iron for the following purposes:

TOTAL PROPOSED LEVY	\$1,206,978.00
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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 1<sup>st</sup> DAY OF DECEMBER, 2014.**

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Mayor Gary Skalko

ATTEST:

---

City Administrator



# CITY OF MOUNTAIN IRON

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## RESOLUTION NUMBER 24-14

### APPROVING 2015 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 1<sup>st</sup> DAY OF DECEMBER, 2014.**

ATTEST:

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Mayor Gary Skalko

---

City Administrator



# CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

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## RESOLUTION NUMBER 25-14

### CONCERNING THE 2015 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 1<sup>st</sup> DAY OF DECEMBER, 2014.**

---

Mayor Gary Skalko

ATTEST:

---

City Administrator



# CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

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## **RESOLUTION NUMBER 26-14**

### **APPROVING COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION**

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

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

**WHEREAS**, the City of Mountain Iron has conducted a public hearing on December 1, 2014 in regard to the Storm Sewer Replacement Project and the City of Mountain Iron's CDBG application for the project, and

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

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

**DULY ADOPTED BY THE CITY COUNCIL THIS 1<sup>st</sup> DAY OF DECEMBER, 2014.**

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Mayor Gary Skalko

ATTEST:

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City Administrator

**COUNCIL LETTER 120114-VIE**

**ADMINISTRATION**

**RESOLUTION NUMBER 26-14**

**DATE:** November 26, 2014

**FROM:** Craig J. Wainio  
City Administrator

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Resolution Number 26-14 authorizes the application for grant funding from the Community Development Block Grant program through St. Louis County. The grant application will be for improvements to the Storm Sewer system between Main Street and Agate Street.

It is recommended that the City Council adopt Resolution Number 26-14 Authorizing Submission of CDBG Application.





# Community Development Block Grant

## (CDBG) FINAL APPLICATION St. Louis County, Minnesota

**About:** The Community Development Block Grant (CDBG) Program provides funds for physical improvement, economic development, housing activities, and public service activities. Eligible applicants are cities, townships, and nonprofit agencies within St. Louis County providing services outside the Duluth city limits. For more information, see our website at:

<http://www.stlouiscountymn.gov/LANDPROPERTY/CommunityDevelopment/CDBG.aspx>

Organization/Applicant Name <b>City of Mountain Iron</b>	Daytime # <b>218-748-7570</b>	Date <b>November 25, 2014</b>
Type of Organization <input checked="" type="checkbox"/> Government <input type="checkbox"/> Non-profit		

Address <b>8586 enterprise Drive South</b>	City <b>Mountain Iron</b>	State <b>MN</b>	ZIP <b>55768</b>
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Email cwainio@ci.mountain-iron.mn.us
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Contact Person <i>If applicable</i> <b>Craig J. Wainio</b>	Contact Person # <b>218-748-7570</b>
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Mailing Address <i>If different than above</i>	City	State	ZIP
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Email Address <i>If different than above</i>
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### PROJECT INFORMATION

Project Title **Old Town Storm Sewer Replacement**

Site Address <i>If applicable</i> <b>Main Street to Agate Street</b>	City <b>Mountain Iron</b>		
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### PROJECT TYPE

Housing  Physical Improvements  Economic Development  Public Service

### PROJECT ACTIVITY

Acquisition  Clearance  Infrastructure  Public Facilities  Historic Preservation  Housing Rehabilitation  
 Commercial Rehabilitation  Public Services  Economic Development  Accessibility Improvements  Other

### FUNDING REQUEST

Amount of (\$) of CDBG Request	<b>\$ 50,000</b>
Amount of (\$) of Community or Agency Resources	<b>\$ 60,000</b>
Amount (\$) from Other Sources	<b>\$ 60,000</b>
	\$
	\$
<b>Total Project Cost (\$)</b>	<b>\$ 170,000</b>

**FINAL APPLICATION NARRATIVE** (Please *briefly* explain the following. Additional sheets may be attached if necessary.)

**Please describe the problem or need.**

**In order to retain and protect business and residential property in the old town section of Mountain Iron, the City must replace a vital link in our storm sewer system. Any failure of this system would cause property damage through flooding. The collapse of the sewer interceptor would impact approximately households and 8 businesses and/or Public Service Institutions. The benefitting properties are entirely owned by individuals and not leased from any mining or other companies. The construction will take place within City Right-of-Way and on City owned property.**

**What is being proposed to address the problem or need?**

**This project involves the replacement of approximately 500 feet of storm sewer interceptor. Ultimately, the replacement of this severely deteriorated section of storm sewer would serve these businesses and residents of Mountain Iron for years to come.**

**What is the timeframe for the project or program?**

**Engineering will take place in January and February of 2015, advertisement for bids in March and April 2015 with bid award in May of 2015 and Construction commencing in June and completed by August of 2015.**

**Please describe how the need was identified. Describe community involvement efforts.**

The need was determined through standard City maintenance and monitoring which revealed the deterioration of the system. Due to the fact that the proposed project is for storm sewer infrastructure, Mountain Iron's portion of this project will be funded through the City's general fund.

Mountain Iron performed annual maintenance on the storm sewer line up until a few years ago when maintenance was not able to be performed any longer due to the significant deterioration of the line. Emergency repairs have been made to certain portions of the storm sewer in the past 10 years, these repairs were enough to avoid damage to households in the area. Currently, the City would be unable to undertake any repairs due to the extent of the degradation of the storm sewer line.

**What is the status of the organization's open CDBG awards? (Not applicable to first time applicants).**

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

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

CDBG funds will be used for construction only. The City of Mountain Iron will pay for engineering and the remainder of construction costs. Mountain Iron will budget for its portion of costs through the 2015 Budget Process. IRRRB Funding is expected to be approved at the December meeting of the IRRRB and will be available for the 2015 construction season. Mountain Iron is unable to undertake this project on its own due to its significant infrastructure and investments in other areas of the City

**GOALS & OUTCOMES**

All applicants please fill out first two columns Goal\* & Outcome\*. Public Service only must fill out all columns.

<b>Goal*</b>	<b>Outcome*</b>	<b>Indicators</b>	<b>Measure</b>	<b>Performance Target</b>	<b>Previous Year Results</b>
Goal The replacement of the deteriorated stoem sewer main to protect the residents and businesses loacted in the old town area	The physical replacement of the main				
Objective/Activity Replacement of the storm sewer main in the 2015 construction season					

**BUDGET WORKSHEET**

**Estimated source and use of funds**

Use of Funds	Source of Funds					Total
	CDBG Request	Applicant Funds	Other Funds IRRRB	Other Funds	Other Funds	
Line Item Activities						
Construction activities to Replace Storm Sewer	50000	30000	60000			140000
Engineering and Inspection Services		30000				30000

**ORGANIZATIONAL STRUCTURE****Please list members of the project team and describe their roles.**

Member Name	Role
<b>Craig J. Wainio</b>	<b>Oversee construcion and finance</b>
<b>Benchmark Engineering</b>	<b>Development of Plans and Inspection Services</b>

**ATTACHMENTS****Required attachments for ALL applicants.**

1. A map of the project area and legal description.
2. A resolution by the governing body authorizing the applicants to apply for and receive funds.
3. One copy of most recent financial statements. (First time applicants only.)
4. Other relevant information.

**Required attachments for public bodies applying for physical improvement projects.**

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

**AGREEMENT**

Authorized Applicant Name: <b>Craig J. Wainio</b>	Title <b>City Administrator</b>	Date: <b>12/1/2014</b>
Federal Id # 41-6005398		
DUNS # 110411092		

**BENCHMARK ENGINEERING, INC.**  
 8378 Main Street  
 P.O. Box 201  
 Mountain Iron, MN 55768  
 Phone: 218-734-8914  
 Fax: 218-734-8823  
 E-Mail: info@ben-eng.com  
 Website: www.ben-eng.com

- CIVIL ENGINEERING
- ENVIRONMENTAL ENGINEERING
- LAND SURVEYING
- PLANNING
- MAPPING
- LAND DATA BASE MAPPING

PROJECT NO: MTN-CE  
 DATE: OCT 2014  
 DRAWN BY: JSA  
 CHECKED BY: X

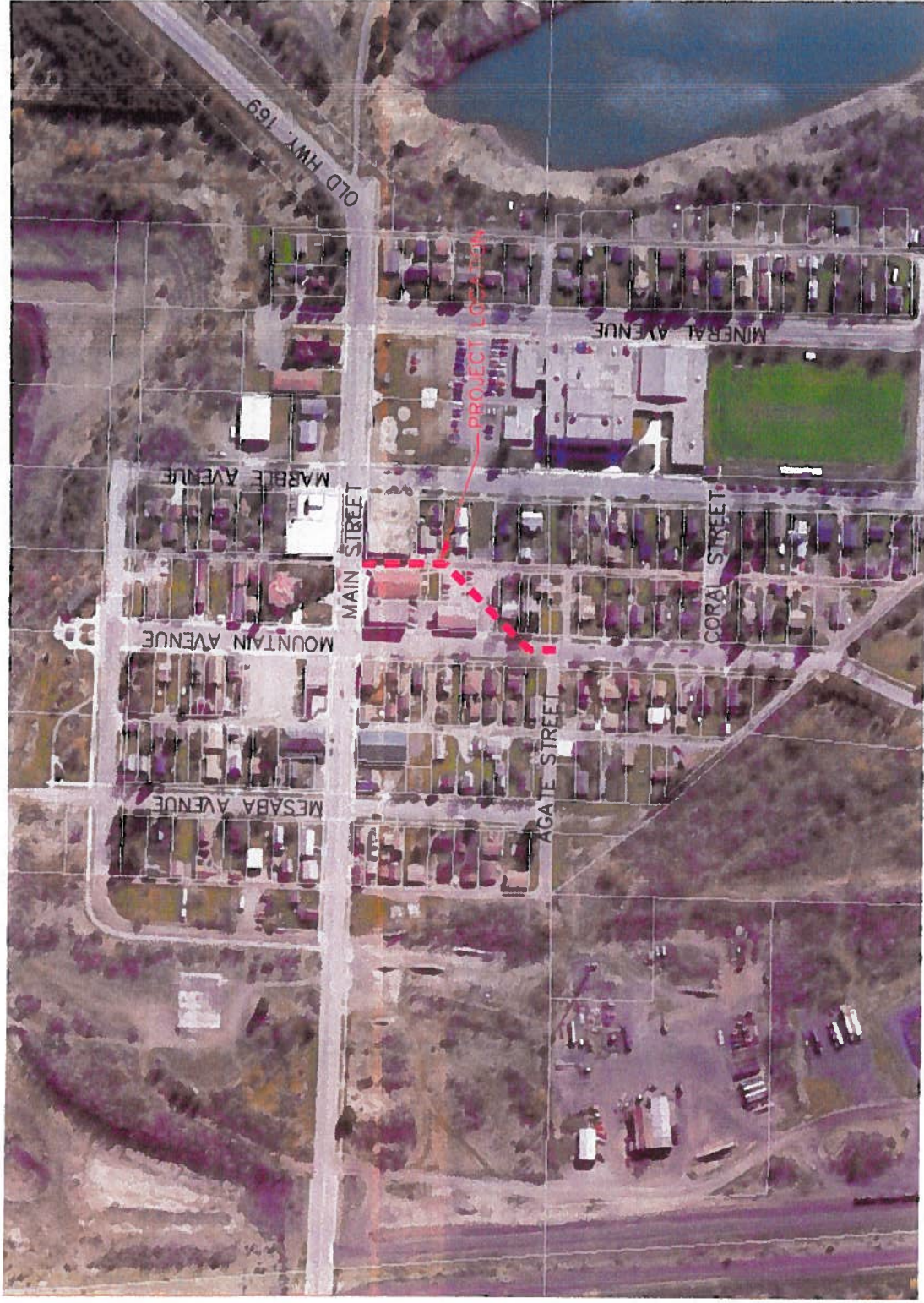
DATE	REVISIONS	DESCRIPTION

AGATE TO MAIN STREET  
 STORM SEWER

MTN. IRON, MINNESOTA

**PROJECT LOCATION MAP**

SHEET NO.  
**1** OF **1**



To whom it may concern,

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

Brandon (Bubba) White Benefit

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On DEC 17<sup>th</sup> 2014.

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

Thank You,



Bg's Bar & Grill



**COUNCIL LETTER 120114-IX**

**PERSONNEL COMMITTEE**

**CLOSED MEETING**

**DATE:** November 26, 2014  
**FROM:** Personnel Committee  
Craig J. Wainio  
City Administrator

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The Personnel Committee is requesting a closed meeting under MN Statute 13.05D, subdivision 3(a) for performance evaluations concerning individuals subject to the public body's authority.

The following procedure must be used to close a meeting under this exception:

The public body must identify the individual to be evaluated prior to closing the meeting.

The meeting must be open at the request of the individual who is the subject of the meeting, so some advance notice to the individual is needed in order to allow the individual to make a decision.

Before closing the meeting, the council must state on the record the specific grounds permitting the meeting to be closed and describe the subject to be discussed.

The meeting must be electronically recorded, and the recording must be preserved for at least three years after the meeting.

At the next open meeting, the public body must summarize its conclusions regarding the evaluation. The council should be careful not to release private or confidential data in its summary

COMMUNICATIONS  
DECEMBER 1, 2014

1. Saint Louis County, Environmental Services Department, a letter informing the City of an increase in the solid waste tipping fees for 2015.
2. Department of Homeland Security's Federal Emergency Management Agency (FEMA), an announcement regarding flood insurance in the City of Mountain Iron.
3. League of Minnesota Cities, forwarding the 2014-15 coverage changes, rates, and dividends.
4. Mesabi Family YMCA, a letter announcing their annual dinner and auction fundraiser and asking for support.
5. Mediacom, forwarding information about changes to the channel lineup.
6. City of Mountain Iron, a notice of a planned power outage on December 11-12, 2014.

To whom it may concern,

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

Brandon (Bubba) White Benefit

---

On Dec 17<sup>th</sup> 2014.

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

Thank You,



Bg's Bar & Grill



# Saint Louis County

Environmental Services Department • 307 First Street South, Suite 115 • Virginia, MN 55792  
Phone: (218)749-9703 or 1-800-450-9278 • Fax: (218)749-0650 Email: [stlawrencem@stlouiscountymn.gov](mailto:stlawrencem@stlouiscountymn.gov)

**Mark St. Lawrence**  
Director

November 12, 2014

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

Good Afternoon:

The purpose of this letter is to provide information regarding an increase to St. Louis County's municipal solid waste (MSW) tipping fee for 2015.

Last year's review of current and future program costs indicated that a MSW tipping fee increase is needed to keep the County's waste management program financially sound.

The Environmental Services Department recommended a \$6 per ton increase to the tip fee on MSW bringing the 2015 MSW tipping fee to \$48 per ton (17% Minnesota Municipal Solid Waste Management Tax not included). The St. Louis County Board of Commissioners has reviewed and approved of this recommendation.

The attached information sheet outlines the background and current situation in regards to the tip fee increase for 2015. If you have any questions or comments please contact me at [stlawrencem@stlouiscountymn.gov](mailto:stlawrencem@stlouiscountymn.gov), (218) 749-9703 or toll free at 1-800-450-9278.

Sincerely,

Mark St. Lawrence  
Director

M:\Administration\budget\fees\2015\Final Tip Fee Letter 111214.doc

"Maximizing the potential of St. Louis County's employees while  
providing them with a safe and healthful workplace"

## Fact Sheet

### St. Louis County Tipping Fee Increase

November 7, 2014

#### Background

St. Louis County, through its Environmental Services Department, provides a comprehensive integrated solid waste management program for the residents of the Solid Waste Service Area. This includes the entire county except the area served by the Western Lake Superior Sanitary District encompassing Duluth and surrounding communities. The program does not receive property tax levy support, but is funded by tipping fees, service fees, and other revenue such as commodity sales and state grants.

These primary funding mechanisms were established in 1993 when the County instituted a solid waste service fee and tipping fees for a variety of waste categories. The most significant tipping fee is charged on municipal solid waste (MSW). In 1993, the MSW Tipping Fee was set at \$55/ton. The County also charges service fees on residential and commercial parcels. The 1993 service fee charge was established at \$68 per residential parcel. Since that time, both the MSW Tipping Fee and the residential service fee have been decreased.

As shown by the following chart, the MSW Tipping Fee was decreased from \$55/ton to \$45/ton in 1994, and again in 1995 to \$39/ton. Since 1995, the disposal charge remained at \$39/ton through 2013. In 2013, Environmental Services recommended to the St. Louis County Board of Commissioners' Solid Waste Subcommittee a three year plan to increase the MSW Tipping Fee by \$3 per year for the next 3 years (2014 – 2016) to ensure the County's waste management program remains fiscally sound and that disposal costs cover the cost of operating and upgrading the St. Louis County Regional Landfill, transfer stations and canister sites. As a result, the MSW Tipping Fee increased to \$42 per ton this year.

After a careful review of current and near-future financial obligations, Environmental Services recommended to the St. Louis County Board of Commissioners that the annual \$3 per ton increase planned for 2015 and 2016 be combined for 2015. That recommendation was approved by the St. Louis County Board of Commissioners on November 4, 2014. The MSW Tipping Fee for 2015 will be increased to \$48 per ton with no increase requested for 2016 and the foreseeable future.

Year	Tipping Fee
1993	\$55/ton + applicable tax
1994	\$45/ton + applicable tax
1995-2013	\$39/ton + applicable tax
2014	\$42/ton + applicable tax
2015	\$48/ton + applicable tax

Please direct any questions regarding this matter to the St. Louis County Environmental Services Department at 1-218-749-9703 or 1-800-450-9278.

St. Louis County Environmental Services Department

2015 Solid Waste Tipping Fees

<sup>1</sup>Solid Waste Management Area (SWMA) Rates (Effective 1/1/15)

For more information, call the Environmental Services Department at 1-800-450-9278 or 1-218-749-9703

Waste Code	<sup>2</sup> 2015 Fees	Units	Description	<sup>5</sup> Non MSW Tax		<sup>6</sup> County Surcharge	Total Cost w/state tax & County surcharge
				Demo LF	MSW LF 17%		
001	\$1.28	per bag/can	MSW (1-6 bags; per 32 gal bag)		\$0.22/bag		\$1.50/bag
002	\$48.00	per ton	<sup>3</sup> MSW		\$8.16/ton		\$56.16/ton
004	\$6.41	per yd <sup>3</sup>	<sup>3</sup> MSW - loose waste		\$1.09/yd <sup>3</sup>		\$7.50/yd <sup>3</sup>
005	\$17.09	per yd <sup>3</sup>	<sup>4</sup> MSW -compacted waste		\$2.91/yd <sup>3</sup>		\$20.00/yd <sup>3</sup>
006	\$40.00	per ton	<sup>5</sup> Demolition (to demo LF)	\$2.00/ton			\$42.00/ton
008	\$12.40	per yd <sup>3</sup>	<sup>5</sup> Demolition (to demo LF)	\$0.60/yd <sup>3</sup>			\$13.00/yd <sup>3</sup>
009	\$30.00	per ton	Municipal Utility Ash (0-7500 tons per customer)		\$5.70/ton	\$.25/ton	\$35.95/ton
119	\$30.00	per yd <sup>3</sup>	Municipal Utility Ash (0-7500 yd <sup>3</sup> per customer)		\$5.70/yd <sup>3</sup>	\$.25/yd <sup>3</sup>	\$35.95/yd <sup>3</sup>
109	\$40.00	per ton	Municipal Utility Ash (more than 7500 tons per customer)		\$6.80/ton	\$.25/ton	\$47.05/ton
129	\$40.00	per yd <sup>3</sup>	Municipal Utility Ash (more than 7500 yd <sup>3</sup> per customer)		\$6.80/yd <sup>3</sup>	\$.25/yd <sup>3</sup>	\$47.05/yd <sup>3</sup>
010	\$0.00	per unit	Appliances (limit 2 per load - vouchers needed for more than 2)				\$0.00/ea
011	\$8.00	per unit	Appliances (in excess of 2 per load without voucher)				\$8.00/ea
012	\$0.00	per unit	Tires up to 16" (4 per load with or without rims - <b>non-commercial generated only</b> )				\$0.00/ea
014	\$0.00	per unit	Tires 16" to 24" (4 per load with or without rims - <b>non-commercial generated only</b> )				\$0.00/ea
016	\$1.00	per unit	Tires up to 16" (in excess of 4 per load with or without rims)				\$1.00/ea
018	\$6.00	per unit	Tires 16" to 24" (in excess of 4 per load with or without rims)				\$6.00/ea
121	\$115.00	per ton	Tires up to 24" (in excess of 10 per load with or without rims)				\$115.00/ton
033	\$185.00	per ton	Off-road tires up to 600# ea (max 6 tires per year)				\$185.00/ton
020	\$0.00	per unit	Yard Waste (leaves, grass clippings, garden waste, etc)				\$0.00/ea
021	\$0.00	per ton	Brush, Branches, Trees (Any part of a tree or brush that grew above the ground is accepted at no charge)				\$0.00/ton
022	\$0.00	per yd <sup>3</sup>	Brush, Branches, Trees (Any part of a tree or brush that grew above the ground is accepted at no charge)				\$0.00/yd <sup>3</sup>
023	\$0.00	per unit	Automobile Batteries				\$0.00/ea
024	\$0.00	per gallon	Used Motor Oil				\$0.00/gal
025	\$0.00	per ton	Scrap Metal				\$0.00/ton
062	\$0.00	per gallon	Used Antifreeze				\$0.00/gal
078	\$1.28	per bag	Light Industrial Waste ( per 32 gal bag)		\$0.22/bag		\$1.50/bag
026	\$48.00	per ton	Industrial Waste (mixed)		\$8.16/ton	\$.25/ton	\$56.41/ton
076	\$24.00	per yd <sup>3</sup>	Industrial Waste (mixed)		\$4.08/yd <sup>3</sup>	\$.25/yd <sup>3</sup>	\$28.33/yd <sup>3</sup>
027	\$22.00	per ton	Heavy Industrial Waste (casting sand, etc)		\$3.74/ton	\$.25/ton	\$25.99/ton
077	\$22.00	per yd <sup>3</sup>	Heavy Industrial Waste (casting sand, etc)		\$3.74/yd <sup>3</sup>	\$.25/yd <sup>3</sup>	\$25.99/yd <sup>3</sup>
039	\$15.00	per ton	Beneficial Use Material			\$.25/ton	\$15.25/ton
028	\$62.00	per yd <sup>3</sup>	Asbestos		\$10.54/yd <sup>3</sup>	\$.25/yd <sup>3</sup>	\$72.79/yd <sup>3</sup>
034	\$0.00	per unit	Fluorescent Bulbs (4' tubes or CFL only - limit 6 per load - <b>residential only</b> )				\$0.00/ea
035	\$0.50	per unit	Fluorescent Bulbs (4' tubes or CFL <b>in excess of 6 per load from residential sources only</b> and for <b>all</b> tubes from commercial sources)				\$0.50/ea
036	\$0.00	per unit	Automobile Oil Filters (limit 6 per load)				\$0.00/ea
037	\$1.00	per unit	Automobile Oil Filters (in excess of 6 per load)				\$1.00/ea
030	\$8.00	per unit	Mattresses/Box Springs				\$8.00/ea
031	\$250.00	per ton	Mattresses/Box Springs				\$250.00/ton
110	\$1.00	per unit	*Video Display Device 19" or less (monitors, TV's, laptops)				\$1.00/ea
111	\$2.00	per unit	*Video Display Device over 19" (monitors, TV's, laptops)				\$2.00/ea
124	\$0.00	per unit	* Video Display Devices - Free Brands - (Mitsubishi, Panasonic, Sharp,Toshiba and Vizio)				\$0.00/ea
116	\$75.00	per hour	Labor for Removal of unacceptable and restricted wastes from load				\$75.00/hr
122	\$22.00	per ton	Petroleum Contaminated Soil		\$3.74/ton	\$.25/ton	\$25.99/ton
166	\$42.00	per ton	Demo into Regional Landfill		\$7.14/ton		\$49.14/ton

**\* Minimum \$7.50 charge for use of scale at Regional Landfill and Transfer Stations**

MSWM tipping fee rates apply to all waste generated in St. Louis County except that portion of the County served by the Western Lake Superior Sanitary District (WLSSD).

Tipping fees must be paid by personal or business check, solid waste coupon, pre-paid disposal card, VISA, MasterCard, Discover or Union Pay credit card.

MSW commingled in the same load with demolition will be charged at the higher tipping fee rate (\$48.00/ton or \$17.09 yd<sup>3</sup>).

This waste category will be used only when the weigh scale is inoperative.

The NMSWM Tax Demo LF is charged for all demolition material delivered to all weigh scale sites and the County 77, French, Kabetogama, Portage, and Soudan Canister Sites.

The County Surcharge Fee refers to Minnesota State Statute §115A.919 County Fee Authority.



# St. Louis County Environmental Services Department

## 2015 Solid Waste Tipping Fees

### <sup>1</sup> Out of Solid Waste Management Area (SWMA) Rates (Effective 1/1/15)

For more information, call the Environmental Services Department at 1-800-450-9278 or 1-218-749-9703

Waste Code	<sup>2</sup> 2015 Fees	Units	Description	<sup>5</sup> Non MSW Tax Demo LF	SWM Tax MSW LF 17%	<sup>6</sup> County Surcharge	Total Cost w/state tax & County surcharge
040	\$2.57	per bag/can	MSW (1-6 bags; per 32 gal bag)		\$0.43/bag		\$3.00/bag
041	\$73.09	per ton	<sup>3</sup> MSW		\$12.43/ton	\$24.98	\$110.50/ton
042	\$12.82	per yd <sup>3</sup>	<sup>3</sup> MSW - loose waste		\$2.18/yd <sup>3</sup>	\$2.50	\$17.50/yd <sup>3</sup>
043	\$34.19	per yd <sup>3</sup>	<sup>4</sup> MSW -compacted waste		\$5.81/yd <sup>3</sup>	\$7.50	\$47.50/yd <sup>3</sup>
044	\$54.00	per ton	<sup>5</sup> Demolition	\$2.00/ton			\$56.00/ton
045	\$18.40	per yd <sup>3</sup>	<sup>5</sup> Demolition	\$0.60/yd <sup>3</sup>			\$19.00/yd <sup>3</sup>
046	\$8.00	per unit	Appliances				\$8.00/ea
079	\$40.00	per ton	Municipal Utility Ash (0-7500 tons per customer)		\$6.80/ton	\$.25/ton	\$47.05/ton
139	\$40.00	per yd <sup>3</sup>	Municipal Utility Ash (0-7500 yd <sup>3</sup> per customer)		\$6.80/yd <sup>3</sup>	\$.25/yd <sup>3</sup>	\$47.05/yd <sup>3</sup>
179	\$50.00	per ton	Municipal Utility Ash (more than 7500 tn per customer)		\$8.50/ton	\$.25/ton	\$58.75/ton
149	\$50.00	per yd <sup>3</sup>	Municipal Utility Ash (more than 7500 yd <sup>3</sup> per customer)		\$8.50/yd <sup>3</sup>	\$.25/yd <sup>3</sup>	\$58.75/yd <sup>3</sup>
047	\$2.00	per unit	Tires up to 16" (with or without rims)				\$2.00/ea
049	\$10.00	per unit	Tires 16" to 24" (with or without rims)				\$10.00/ea
061	\$247.50	per ton	Off-road tires up to 600# ea (max 6 tires per year)				\$247.50/ton
051	\$0.00	per unit	Yard Waste (leaves, grass clippings, garden waste, etc)				\$0.00/ea
052	\$30.00	per ton	Brush, Branches, Trees (Any part of a tree or brush that grew above the ground)				\$30.00/ton
053	\$7.00	per yd <sup>3</sup>	Brush, Branches, Trees (Any part of a tree or brush that grew above the ground)				\$7.00/yd <sup>3</sup>
054	\$0.00	per unit	Automobile Batteries				\$0.00/ea
055	\$0.00	per gallon	Used Motor Oil				\$0.00/gal
056	\$0.00	per ton	Scrap Metal				\$0.00/ton
057	\$96.00	per ton	Industrial Waste (mixed)		\$16.32/ton	\$.25/ton	\$112.57/ton
063	\$48.00	per yd <sup>3</sup>	Industrial Waste (mixed)		\$8.16/yd <sup>3</sup>	\$.25/yd <sup>3</sup>	\$56.41/yd <sup>3</sup>
058	\$32.00	per ton	Heavy Industrial Waste (casting sand, etc)		\$5.44/ton	\$.25/ton	\$37.69/ton
064	\$32.00	per yd <sup>3</sup>	Heavy Industrial Waste (casting sand, etc)		\$5.44/yd <sup>3</sup>	\$.25/yd <sup>3</sup>	\$37.69/yd <sup>3</sup>
059	\$93.00	per yd <sup>3</sup>	Asbestos		\$15.81/yd <sup>3</sup>	\$.25/yd <sup>3</sup>	\$109.06/yd <sup>3</sup>
065	\$1.00	per unit	Fluorescent Bulbs (4' tubes or CFL residential only)				\$1.00/ea
067	\$1.00	per unit	Automobile Oil Filters				\$1.00/ea
140	\$16.00	per unit	Mattresses/Box Springs				\$16.00/ea
141	\$500.00	per ton	Mattresses/Box Springs				\$500.00/ton
112	\$5.00	per unit	*Video Display Device 19" or less (monitors, TV's, laptops)				\$5.00/ea
113	\$10.00	per unit	*Video Display Device over 19" (monitors, TV's, laptops)				\$10.00/ea
116	\$75.00	per hour	Labor for Removal of unacceptable and restricted wastes from load				\$75.00/hr
123	\$32.00	per ton	Petroleum Contaminated Soil		\$5.44/ton	\$.25/ton	\$37.69/ton

**\* Minimum \$7.50 charge for use of scale at Regional Landfill and Transfer Stations**

Out-of-SWMA solid waste is generated in another county, the Western Lake Superior Sanitary District (WLSSD), or other areas not under the jurisdiction of the St. Louis County Environmental Services Department. Out-of-SWMA residents are required to pay a higher tipping fee than SWMA residents because these individuals do not pay the solid waste operations fee charged to St. Louis County Solid Waste Management Area residents and businesses. There will be no free disposal for out-of-county appliances, fluorescent bulbs, oil filters, tires or video display devices. MSW generated by tourists and seasonal residents in the SWMA is not out-of-SWMA waste.

Tipping fees must be paid by personal or business check, solid waste coupon, pre-paid disposal card, Visa, Mastercard, Discover or Union Pay credit card.

MSW commingled in the same load with demolition will be charged at the higher tipping fee rate (\$73.09/ton or \$34.19 yd<sup>3</sup>).

This waste category will be used only when the weigh scale is inoperative.

The NMSWM Tax Demo LF is charged for all demolition material delivered to all weigh scale sites and the County 77, French, Kabetogama, Portage, and Soudan Canister Sites.

The County Surcharge Fee refers to Minnesota State Statute §115A.919 County Fee Authority.



**FEMA**  
NOV 7 2014

CERTIFIED MAIL,  
RETURN RECEIPT REQUESTED

The Honorable Gary Skalko  
Mayor, City of Mountain Iron  
8586 South Enterprise Drive  
Mountain Iron, Minnesota 55768

Dear Mayor Skalko:

I am pleased to formally notify you that the Department of Homeland Security's Federal Emergency Management Agency (FEMA) has converted the City of Mountain Iron to the Regular Phase of the National Flood Insurance Program (NFIP) effective October 24, 2014, in accordance with Section 1336 of the National Flood Insurance Act of 1968. Flood insurance is now available at the full limits of coverage to local property owners and may be purchased from any insurance agent or broker licensed to do business in the State where the insurable property is located.

I am enclosing a copy of the news release announcing the City of Mountain Iron's eligibility to participate in the NFIP. I hope it assists you in your efforts to publicize the availability of this important coverage. The City of Mountain Iron's property owners will want to know about this opportunity to obtain insurance protection against losses from future flooding. The buildings and contents coverage is now available to building owners and tenants.

There is a 30-day waiting period before a newly purchased flood insurance policy takes effect or for any additional coverage or endorsement that may increase policy limits. The waiting period ends and the policy takes effect at 12:01 a.m. on the 30th calendar day after the insurance policy application date and payment of premium.

There are 10 exceptions to the 30-day waiting period. However, I am only explaining the two most frequently used exceptions in this letter. The two most frequently used exceptions are: (1) when the initial purchase of flood insurance is in connection with the making, increasing, extension, or renewal of a loan, there is no waiting period and coverage is effective immediately; and (2) when the purchase of flood insurance is related to a revision or update of a Flood Hazard Boundary Map or Flood Insurance Rate Map (FIRM), there is a one-day waiting period. Flood insurance coverage takes effect at 12:01 a.m. on the day after the coverage is purchased for a structure located in a Special Flood Hazard Area (SFHA), an area subject to inundation by the base (1-percent-annual-chance) flood, on the revised flood map, which was not previously located in an SFHA prior to the revision. This exception is limited to a 13-month period and begins on the date the revised map is issued. The information on the remaining eight exceptions is contained in the enclosed NFIP "Policy Issuance 5-98" dated October 1, 1998.

The FIRM, which shows the SFHAs for the City of Mountain Iron, became effective on February 19, 1992. This FIRM date indicates the effective date for the authorization of the sale of first and second layer flood insurance coverage at actuarial rates for all new construction and substantial improvements to existing structures within the City of Mountain Iron. The first layer coverage on structures built prior to February 19, 1992, will be available at subsidized rates unless improvements are made to the structure.



The Honorable Gary Skalko

Page 2

Flood insurance rates for buildings built after the issuance of the initial FIRM (post-FIRM construction) for a community are based on the building's risk of flooding and charged actuarial rates, which may be higher, if the structure is not built in compliance with the NFIP floodplain management requirements. Generally, buildings that comply with the community's floodplain management regulations (and NFIP minimum requirements) are charged the lowest rates, and those that do not comply may be charged much higher rates. Enforcement of floodplain management regulations by communities is critical for the NFIP to achieve its objectives of protecting lives and property and providing flood insurance within participating communities at affordable insurance rates.

Under the Flood Disaster Protection Act of 1973, as amended, flood insurance must be purchased by property owners seeking any Federal financial assistance for construction or acquisition of buildings in SFHAs. This financial assistance includes certain federally guaranteed mortgages and direct loans, federal disaster relief loans and grants, as well as other similarly described assistance from FEMA and other agencies.

In addition, all loans individuals obtain from Federally regulated, supervised, or insured lending institutions that are secured by improved real estate located in SFHAs are also contingent upon the borrower obtaining flood insurance coverage on the building. However, purchasing and maintaining flood insurance coverage on a voluntary basis is frequently recommended for properties located outside SFHAs.

If you need additional assistance or information, I recommend you contact Ceil Strauss, CFM the NFIP State Coordinator, by telephone at (651) 259-5713, in writing at the Minnesota Department of Natural Resources, Division of Waters, 500 Lafayette Road, Saint Paul, Minnesota 55155-4032, or by electronic mail at [ceil.strauss@state.mn.us](mailto:ceil.strauss@state.mn.us). The FEMA Regional staff in Chicago, Illinois, is also available to assist you. You may contact the Regional staff by telephone at (312) 408-5500 or in writing. Please send your written inquiries to the Director, Federal Insurance and Mitigation Division, FEMA Region V, at 536 South Clark Street, Sixth Floor, Chicago, Illinois 60605.

Sincerely,



David H. Stearrett, CFM, Chief  
Floodplain Management Branch  
Federal Insurance and Mitigation Administration

Enclosures

cc: Andrew Velasquez, III Regional Administrator, FEMA Region V  
Ceil Strauss, CFM, NFIP State Coordinator, Minnesota Department of Natural Resources  
Craig J. Wainio, City Administrator, City of Mountain Iron

## SAMPLE NEWS RELEASE

### FEDERAL FLOOD INSURANCE NOW AVAILABLE IN THE CITY OF MOUNTAIN IRON, MINNESOTA

Washington, D.C. – The City of Mountain Iron has joined over 21,000 communities nationwide that are allowed to purchase federally backed flood insurance. This availability follows the community's adoption and enforcement of ordinances to reduce flood losses and acceptance by the National Flood Insurance Program (NFIP).

The City of Mountain Iron is now a participant in the NFIP effective on October 24, 2014. Residents of the City of Mountain Iron will be able to purchase flood insurance up to the limits under the Regular Phase of the program. However, there is a 30-day waiting period before flood insurance coverage goes into effect. For single-family dwellings, the building coverage limit is \$250,000, and the contents coverage limit is \$100,000. Renters can also protect their belongings by purchasing contents coverage. For commercial properties, the building and contents coverage limits are both \$500,000.

Lenders must require borrowers whose properties are located in a designated flood hazard area to purchase flood insurance as a condition of receiving a federally backed mortgage loan in accordance with the Federal Disaster Protection Act of 1973.

The NFIP is implemented through the Federal Emergency Management Agency. There are over 5.5 million flood insurance policies in more than 21,000 participating communities nationwide.



November 12, 2014

To: LMCIT Members and Agents

From: Pete Tritz, LMCIT Administrator  
Dan Greensweig, LMCIT Assistant Administrator  
Liam Bieber, LMCIT Underwriting Manager

RE: **2014-15 Coverage Changes, Rates, and Dividends**

The League of Minnesota Cities Insurance Trust (LMCIT) Board has approved rates and several coverage changes for the upcoming underwriting year. In addition, the Board approved returning a \$9.5 million dividend to members of the property/casualty program this year. Following is a summary.

**Dividend**

- Property/casualty members will share in a \$9.5 million dividend. The dividend will be distributed mid-December to those who are property/casualty members as of Dec. 1, 2014.

**Property/Casualty Rates, Effective Nov. 15, 2014**

- Liability rates will decrease 4%.
- Property rates will decrease 4%.
- Auto physical damage will decrease 6%.
- Auto liability and bond rates will be unchanged.
- Rates for LMCIT's optional coverages will change as follows: liquor liability will be unchanged, machinery breakdown will decrease 5%, and excess liability will decrease 12%.

**Workers' Compensation Rates, Effective Jan. 1, 2015**

- Overall premium rates will increase 5%.
- Rates for volunteer firefighters will increase an additional 2%. These rates are based on population served, rather than payroll, and therefore need to be adjusted to account for inflation. This slight increase will allow volunteer firefighter rates to stay in line with other job classes.
- Volunteer accident rates, an optional coverage, will decrease 10%.

**Coverage Changes**

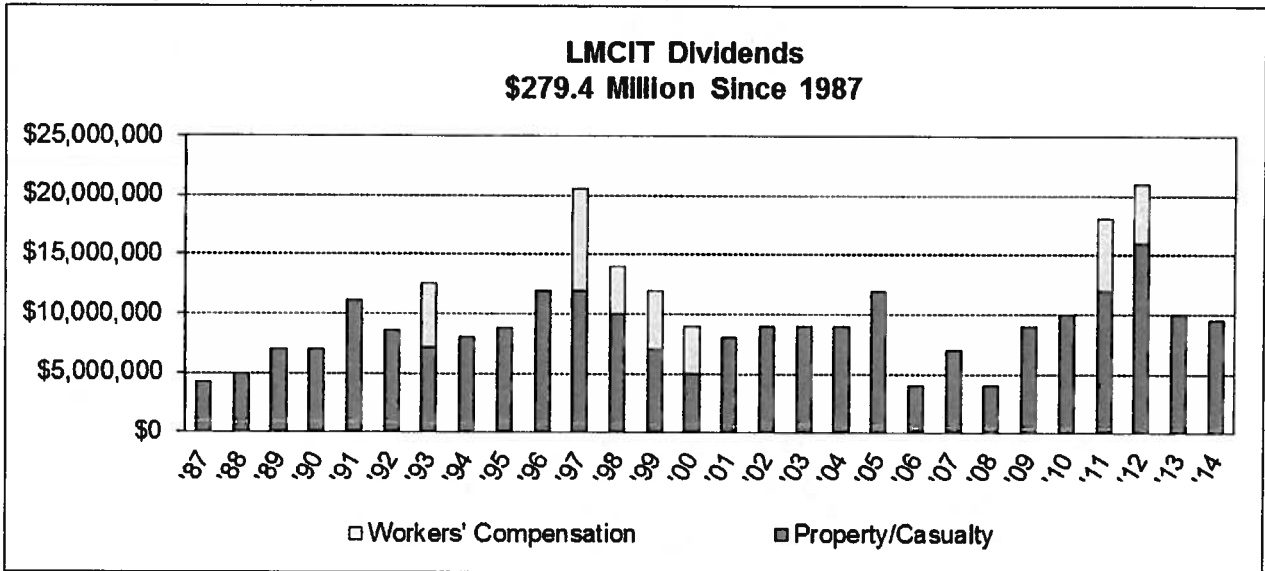
See pages 3-5 to learn more about the coverage changes that will take effect for property/casualty renewals written or renewed on or after Nov. 15, 2014.

**Premium Rates**

The rate reductions for the coming year don't necessarily mean your premiums will decrease by that amount. In fact, some cities' premiums could still increase. That's because actual premiums are also affected by changes in city expenditures, property values, payrolls, experience rating, the third year of transition to the new liability rating system for some members, and other exposure measures.

**Dividend**

Members of the property/casualty program will share in a \$9.5 million dividend this year, bringing the total amount of returned dividends since 1987 to \$279.4 million. The dividend will be distributed, along with a detailed explanation of the dividend formula and calculation, in mid-December to those who are property/casualty members as of December 1, 2014.



The dividend amount this year is possible because of some continued good experience in some of LMCIT's more significant loss areas, but it's worth noting that over the past two years there have been a very large number of claims against LMCIT member cities for alleged violations related to the Drivers Privacy Protection Act (DPPA). Because it's very uncertain what these claims might ultimately cost, the LMCIT Board has decided to retain a significant amount of extra funds as a hedge against this potential cost. Hopefully these funds won't be needed to resolve these claims and can be returned to members in the future.

**Property/Casualty Rates**

Members with renewals on or after November 15, 2014 will see a decrease in rates for most lines of coverage. Auto liability, bond and liquor liability rates will remain flat.

When LMCIT sets premiums rates, the average experience over the past several years is used to project how much loss to expect in the future. The reductions in property, auto physical damage, and machinery breakdown are possible this year because of lower reinsurance costs in these areas of coverage. The reduction in municipal liability rates reflects improved loss experience on land use and steady losses in the areas of sewer backups, auto liability, and other minor liability loss areas. Excluding the effect of claims related to the DPPA, police liability has also been positive.

**Rate Setting**

LMCIT's practice is to incorporate a solid contingency margin into the premium rates. That margin is meant to cover the extra cost in case losses turn out to be more than what LMCIT projected. By doing so (and then returning the extra funds afterwards if it turns out the fund aren't needed), LMCIT is able to keep premium rates much more stable from year to year. In other words, it helps keep premium rate changes in the range of a few percent up or down each year, rather than the much larger year-to-year premium rate changes that would be seen if LMCIT set lower rates with a much smaller contingency margin.

## Changes to the New Liability Premium Rating System

Over the last couple years, some members saw their liability, auto liability and no-fault sewer backup premiums go up while others saw decreases. This was the result of the new liability system's more equitable allocation of premium costs among all members.

To provide a gradual transition to the premium changes, LMCIT has applied a transition mechanism to avoid shock increases for individual members. For the 2014-15 underwriting year, which is the third year of transition to the new system, members will see:

- General liability and auto liability premium increases capped at 15% (50% for drug task forces; 30% for no-fault sewer backup).
- General liability decreases constrained at 15%, with no constraints on all other lines of coverage.

## Workers' Compensation Rates

Members with renewals on or after January 1, 2015 will see a 5% increase in overall rate levels. One of the main reasons for this year's rate increase is because of rising medical costs, which now make up 60% of LMCIT's total workers' compensation loss costs. Rates for 2015 assume that medical costs will continue to increase at a rate of about 9% annually, which significantly outpaces the increase in wage levels.

In addition to the overall rate increase, rates for volunteer firefighters will increase an additional 2%. These rates are based on population served, rather than payroll, and therefore lag all other class rates essentially by the amount of annual wage inflation. This slight increase will allow volunteer firefighter rates to stay in line with other job classes.

The LMCIT Board also decided to decrease rates for LMCIT's optional volunteer accident coverage by 10% because of the very low loss experience and the growth in member participation for this line of coverage. The volunteer accident coverage provides disability, death, and impairment benefits to city volunteers who are injured while performing volunteer services for the city. Cities can also add a limited medical benefit as an extra cost option. At the new rate, the basic charge is \$.05 per capita, subject to a minimum premium of \$75 and a maximum premium of \$750.

## Coverage Changes

The following coverage changes will take effect for property/casualty coverages renewing on or after November 15, 2014.

### Liability Coverage

#### *Liability coverage limits increase*

Beginning with renewals on or after November 15, 2014, LMCIT will increase the per-occurrence liability coverage limit from \$1.5 million to \$2 million. The annual aggregate liability limits will also increase from \$2 million to \$3 million for most of the exposures where annual aggregate limits apply, including products liability, failure to supply utilities, data security breaches, electric magnetic fields (EMF), limited pollution, and mold. The only exposures where the annual aggregate will not change is for LMCIT's land use/special risk litigation coverage (\$1 million) and on coverage for claims arising from activities of outside organizations (\$100,000).

## New Liability Rating System

LMCIT projects it will be nearly fully transitioned to the new liability rating method by the start of the 2015-16 underwriting year. To learn more about the specifics of the new liability system and the changes made to it over the last three years, go to [www.lmc.org/rating](http://www.lmc.org/rating).

For those members that carry LMCIT's excess liability coverage, there will be \$500,000 more in coverage limits. If you carry \$1 million of excess coverage, you currently have \$2.5 million of total limits available - \$1.5 million under the primary coverage plus \$1 million of excess coverage. When the liability limits increase on November 15, you'll have \$3 million of total limits - \$2 million of primary coverage plus \$1 million of excess coverage.

#### *Airport operations exclusion - helipads*

The existing LMCIT liability coverage contains an exclusion for damages arising out of a city's ownership, operation, or maintenance of any airport. It has been clarified to state that this exclusion does not apply to heliports that are not open for public use (i.e. medical facility/public safety-type heliports).

#### *Covered parties – independent contractor exclusion*

Coverage has been clarified that reinforces that independent contractors are generally not considered covered parties. The only exceptions are 1) independent contractors acting in the administrative capacity of medical director or medical advisor to the city ambulance service; and 2) independent contractors serving as a member of, or representing the city as a member of, a committee, subcommittee, board, or commission. This exclusion also applies to the Defense Cost Reimbursement Coverage.

#### *Daycare operations*

The LMCIT liability coverage contains an exclusion for a number of specialty type operations, including medical facilities and nursing homes. The coverage has been revised to include licensed daycare operations to the list of operation types subject to this exclusion. Note, however, there is an exception - "drop-in" daycare operations (e.g. community centers/gyms) and park and rec summer day camp or holiday camp type operations are covered.

#### *Hazardous stunting activities*

The LMCIT liability coverage contains an exclusion for damages arising out of a number of high-risk special event type activities, including motorized amusement devices, vehicle racing and stunting, and rodeos if the city is the owner, sponsor or operator of those activities. The definition of an excluded "stunting activity" has been revised to include any pre-arranged stunting activity or event that involves a significant risk of serious injury to the participant, performer, or others. Common traditional athletic events such as hockey, baseball, softball, basketball, soccer, gymnastics, or track and field events are not subject to this exclusion. Coverage has also been expanded to exclude stunting events or activities like high-wire acts, base or bungee jumping, skydiving, circus type acts, and acts involving dangerous animals.

#### *Data security breach definition*

There is a very slight change to the definition of "data security breach". The change entails broadening the definition so that it applies not only to the *actual* unauthorized acquisition of confidential data, but also the *potential* unauthorized acquisition of confidential data. As a result, the \$3 million annual aggregate limit for claims arising out of data security breaches will also apply to these types of claims even if it's not certain whether the security, confidentiality, or integrity of personal information has actually been compromised.

## Liability Coverage Limit Increase

A *Questions and Answers* section is attached at the end of this letter explaining why LMCIT is making a change to the liability coverage limits, what the higher limits mean in practice, and how the change will affect those members that carry LMCIT's optional excess liability coverage.

*No-fault sewer back up coverage*

LMCIT offers member cities an optional no-fault sewer backup (NFSB) coverage. This coverage pays for a property owner's damage caused by a sewer backup or water main break, regardless of whether the city was negligent or legally liable for those damages. This year there are several changes to the NFSB coverage. A separate letter detailing the specifics will be sent to those cities that currently purchase this coverage option. Briefly, the two major changes this year incorporate the following:

- 1) The exclusion for FEMA-declared disasters has been reworded to exclude NFSB coverage in *any weather-related or other event which has been declared by the President of the United States to be a major disaster pursuant to 42 U.S.C. §§ 5121-5206, commonly known as the Stafford Act*. In other words, the NFSB coverage will not apply in any situation which has been declared a disaster by FEMA.
- 2) The exclusion for heavy rainfall events has been revised to apply to any situation in which rainfall or precipitation exceeds the following amounts:

- 2.0 inches in a 1-hour period; or
- 2.5 inches in a 3-hour period; or
- 3.0 inches in a 6-hour period; or
- 3.5 inches in a 12-hour period; or
- 4.0 inches in a 24-hour period; or
- 4.5 inches in a 72-hour period; or
- 5.5 inches in a 168-hour period.

If rainfall exceeds these amounts, the NFSB coverage will not apply. Formerly, the NFSB coverage excluded events where rainfall exceeded the 100-year rainfall amount. The new provisions are more restrictive.

**Property Coverage**

*Mobile property rental reimbursement limit*

The annual aggregate limit for rental reimbursement expenses needed to sustain operations in the event of a covered loss to mobile property will increase from \$25,000 to \$250,000.

*Data security breach definition*

The definition of "data security breach" has been slightly changed to reflect the same wording as noted above for the liability coverage (i.e. broadening of the definition so it applies to both actual *and potential* unauthorized acquisition of confidential data). The change results in a slight broadening of coverage for the first-party data security breach coverage, which provides coverage for things like legal and information technology consulting, notice to affected persons, credit monitoring and identity theft services, and similar things.

**More Information**

If you have additional questions about the rate changes, coverage changes, and dividend amount being returned this year, contact your underwriter at 651.281.1200 or 800.925.1122.

## **Questions and Answers Liability Coverage Limit Increase**

### **What's being changed in the LMCIT liability coverage limits?**

There are two changes.

- 1) The basic liability coverage limit is increased from \$1.5 million to \$2 million per occurrence.
- 2) The annual aggregate limits that apply to several specific types of liability are increased from \$2 million to \$3 million per year. This affects coverage for claims for products liability, failure to supply utilities, data security breaches, damage caused by electromagnetic fields, limited pollution, and mold. There are also annual aggregate limits on the land use / special risk coverage (\$1 million), and on coverage for claims arising from activities of outside organizations (\$100,000). These annual aggregate limits don't change.

### **More Information**

Read more about LMCIT's Liability Coverage Options at <http://lmc.org/page/1/P-C-Coverages.jsp>.

### **When do the changes take effect?**

The changes will apply at the city's first renewal after November 15, 2014.

### **Why did the LMCIT Board decide to make these changes?**

The reason is to give member cities better protection. The statutory liability limit caps the city's liability for many types of claims. But some liability claims aren't covered by the statutory limit, so the city's potential liability is unlimited. Claims under the federal civil rights laws are probably the biggest example, but there are a few others as well. The new \$2 million per occurrence coverage limit gives the city better protection for these types of claims, and makes it less likely the city could end up with liability exceeding its coverage limit.

That's also why the various aggregate limits were increased – to give member cities better protection. The higher limits make it less likely the city could run out of coverage if there were a major incident in which many people were injured.

### **Do the higher coverage limits mean that the city can now be sued for larger amounts?**

For the vast majority of LMCIT members, the answer is no. This is because for LMCIT members the statutory liability limits remain in effect unless the city has explicitly chosen to waive the statutory limits. Only about 18% of LMCIT members do so. So for most member cities, even though the city's liability coverage now has a \$2 million limit, the city's liability is still limited by the statute to no more than \$500,000 per claimant and \$1.5 million per occurrence. In other words, the new, higher coverage limits would only come into play on those types of claims that aren't covered by the statutory liability limit.

For cities that do choose to waive the statutory limits, the change will mean the city can now be sued for greater dollar amounts. When the city chooses the "waiver" option, the city waives the protection of the statutory limits, up to the amount of coverage the city has. So someone with a claim against a city that has waived the statutory limits would now be able to recover up to \$2 million. Of course, that claimant would have to show that s/he actually did suffer that much damage.

### **Our city carries the optional excess liability coverage. How does this change affect us?**

There are three effects, all of them positive, for the city that carries the optional excess liability coverage.



- 1) The total coverage limit the city has available will now be greater. For example, suppose the city carries \$1 million of excess coverage. Formerly, that \$1 million of coverage would sit on top of the old \$1.5 million primary limit, so the total limit available was \$2.5 million. Now that \$1 million of excess coverage will sit above the \$2 million per occurrence primary limit, for a total of \$3 million.
- 2) The city will now have better protection for claims relating to mold or to failure to supply utilities. The excess liability coverage doesn't apply to those types of claims, so under the old coverage even if the city carries the excess liability coverage, the city still only had \$2 million of coverage for those claims per year. Now the city will have \$3 million of coverage per year for those claims.
- 3) The excess coverage is now less expensive. Formerly, the excess coverage would come into play on a claim that exceeds \$1.5 million; now, a claim would need to exceed \$2 million for the excess coverage to come into play. That means there's less risk that a claim will hit the excess coverage; and because the risk is less, the cost is less.

**So our premium for excess liability coverage will go down at our next renewal?**

For many cities it will, but not necessarily for all. The premiums for excess liability coverage are based on the city's premium for the primary liability coverage. Even though premium rates for the primary liability coverage are decreasing 4%, an individual city's primary liability coverage premium could still increase for any of several reasons: if the city's exposures (gross expenditures, number of employees, number of police officers, number of households, number of sewer connections) have increased; if the city's experience rating has increased; or if the city's liability premium is still increasing because of the transition to the new rating system. If the city's primary liability premium increases for any of these reasons, it's possible the excess liability premium could increase as well.

**LMCIT Liability Coverage Options**  
*Coverage Written or Renewed On or After November 15, 2014*

Coverage structure if the city:	On a liability claim to which the statutory limits apply:		On a liability claim to which the statutory limits do not apply:
	This is the maximum amount a single claimant could recover on an occurrence.	This is the maximum total amount that all claimants could recover on a single occurrence.	This is the maximum amount of damages which LMCIT would pay on the city's behalf for a single occurrence, regardless of the number of claimants.
Does not have excess coverage & Does not waive the statutory limits	\$500,000	\$1,500,000	\$2,000,000
Does not have excess coverage & Waives the statutory limits	\$2,000,000	\$2,000,000	\$2,000,000
Has \$1,000,000 of excess coverage & Does not waive the statutory limits	\$500,000	\$1,500,000	\$3,000,000
Has \$1,000,000 of excess coverage & Waives the statutory limits	\$3,000,000	\$3,000,000	\$3,000,000



# WORKING TOGETHER CHANGING LIVES Why It Matters

November 13, 2014

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

Dear Mountain Iron City Council,

We are pleased to announce that the Mesabi Family YMCA's Annual Dinner & Auction Fundraiser will be taking place on Friday, March 26, 2015 at the Mountain Iron Community Center. This event is a vital fundraiser for our organization. Please consider supporting our 2015 event by making a donation. I hope you consider helping us out. Thank you for your support.

## **WHY MAKE A DONATION?**

It's simple. The Y impacts children, families and communities like no other organization. Our programs change lives, empower people of all ages and transform communities.

## **SUPPORT THE Y**

Without the programs and services the Y offers to our community, the opportunity for children, teens and adults to realize their greatest potential diminishes. We work to ensure that everyone in our community has the opportunity to learn, grow and thrive.

**Your generous contribution allows the Y to impact lives every day.**

- **WE TEACH KIDS THE VALUE OF TEAMWORK.** Structured youth sports positively influence a child's physical and social development. Studies have shown that participating on a sports team helps kids to improve their health, make friends and succeed in school.
- **WE KEEP CHILDREN ACTIVE & SAFE IN SUMMER DAY CAMP.** Our Day Camp program gives kids the opportunities to learn and have fun while school is out. Children in Y Day Camp build relationships and experience new activities in a secure and exciting setting.
- **WE KEEP OLDER ADULTS ACTIVE & INVOLVED IN THE COMMUNITY.** We offer programming that meets the social and physical health needs of our older adult population. We believe that it is essential for older adults to stay healthy and connected in the community.
- **WE CREATE OPPORTUNITIES FOR EVERY STAGE OF LIFE.** Family programs and activities provide a welcoming environment for kids and parents to communicate, bond and have fun. The Y is a place where everyone can find respite from social, economic and educational challenges, and learn how to overcome them. By participating in Y programs and activities, families build stronger bonds, achieve a greater work/life balance and become more engaged within the community.

For more than 29 years, the Mesabi Family YMCA has relied on the generosity of donors like you to fulfill our vital mission of improving the lives of children, adults and families on the Iron Range.

**Everyone has a role to play. Together, we can achieve so much more.**

Thank you for your consideration,

Darlene Simonson  
Development Coordinator  
Mesabi Family YMCA  
8367 Unity Drive  
Virginia MN 55792  
218-749-8020 ext 203  
dsimonson@mesabiymca.org



**United Way  
of Northeastern MN**



*Theresa Sunde  
Government Relations Supervisor*

*Via Mail*

November 13, 2014

Dear Community Official,

Pursuant to FCC regulations governing cable television, we are informing you that effective on or around January 13<sup>th</sup>, Mediacom Communications will be making changes to our channel lineup.

<u>Channel</u>	<u>Current Location</u>	<u>New Location</u>
QVC	20	17
CBMT (Canada)	21	16
WGN	17	78
TCM	78	73
MC22	22	Digital display

Enclosed is the customer notification letter sent to our current Mediacom video subscribers. Questions regarding this letter can be directed to my email at [tsunde@mediacomcc.com](mailto:tsunde@mediacomcc.com).

Sincerely,

Theresa Sunde

Hibbing Area Headend

**Mediacom Communications Corporation  
1504 2<sup>nd</sup> Street SE • Waseca, MN 56093**



# CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

PHONE: 218-748-7570 • FAX: 218-748-7573 • [www.mtniron.com](http://www.mtniron.com)  
8586 ENTERPRISE DRIVE SOUTH • MOUNTAIN IRON, MN • 55768-8260

## NOTICE MOUNTAIN IRON ELECTRIC CUSTOMERS

**DUE TO REQUIRED REPAIRS ON AN ELECTRIC SUBSTATION,  
ELECTRICITY WILL BE SHUT OFF  
FOR CUSTOMERS IN THE DOWNTOWN AREA, KINROSS AREA,  
SOUTH GROVE AREA, SOUTH FOREST GROVE, UNITY I AND UNITY  
II ADDITIONS, ALONG MUD LAKE ROAD, AND CUSTOMERS ALONG  
UNITY DRIVE FROM PARK DRIVE TO MUD LAKE ROAD  
BEGINNING AT 11:45 P.M. ON THURSDAY, DECEMBER 11, 2014,  
UNTIL 4:00 A.M. ON FRIDAY, DECEMBER 12, 2014,  
WEATHER PERMITTING**

**IF YOU HAVE ANY QUESTIONS OR CONCERNS, PLEASE CALL THE MOUNTAIN  
IRON PUBLIC UTILITIES AT 748-7570**

**SORRY FOR ANY INCONVENIENCE THIS MAY CAUSE**

**MOUNTAIN IRON PUBLIC UTILITIES  
DIRECTOR OF PUBLIC WORKS**

[www.mtniron.com](http://www.mtniron.com)