

**Meeting of the  
Iron Range Resources Board**

**Thursday, June 16, 2005**

**8:30 a.m.**

**Room 318 – State Capitol  
St. Paul, Minnesota**

**I. Roll Call**

Senator David Tomassoni, Chair, called the meeting to order at approximately 8:31 a.m. Present: Representative Maxine Penas; Representative Tom Rukavina; Representative Tony Sertich; Representative Loren Solberg; Senator Tom Bakk; Senator Tom Saxhaug; Senator Yvonne Prettnner Solon; Citizen Joe Begich; Citizen Bill Henning and Citizen Matt Matasich. Absent: Representative David Dill and Senator Becky Lourey. Also present were: Sandy Layman, Commissioner; Brian Hiti, Deputy Commissioner; Gunnar Johnson, Assistant Attorney General; Matt Sjoberg, Interim Development Strategies Director; Jean Dolensek, Administrative Services Director; Linda Johnson, Director – Giants Ridge; Marianne Bouska, Director – Ironworld Discovery Center; David Hart, Loan Officer, Senior; Sheryl Kochevar, Executive Assistant; Patricia Steger Holmberg, Owner, Steger Designs, Inc.; and Dr. Richard Dinter, University Medical Center Mesabi.

**II. Approval of the April 21, 2005, Minutes**

Representative Penas moved approval of the April 21, 2005, minutes. Motion carried.

**III. Douglas J. Johnson Economic Protection Trust Fund**

*Action Required: Project approval requires 8 votes*

**a. Steger Designs, Inc.**

Motion by Senator Bakk to approve the Steger Designs, Inc. project as presented. Seconded by Citizen Matasich. Motion carried.

**Voting in Favor of the Project:** Representative Maxine Penas, Representative Tom Rukavina, Representative Tony Sertich, Representative Loren Solberg, Senator Tom Bakk, Senator Tom Saxhaug, Senator Yvonne Prettnner Solon, Senator David Tomassoni, Citizen Joe Begich, Citizen Bill Henning and Citizen Matt Matasich.

**Voting Against the Project:** None.

**Abstain:** None.

**Absent:** Representative David Dill and Senator Becky Lourey.

**b. U.S. Department of Agriculture, Rural Development – Intermediary Relending Program**

Motion by Representative Sertich to approve the U.S. Department of Agriculture, Rural Development – Intermediary Relending Program project as presented. Seconded by Senator Solon. Motion carried.

**Voting in Favor of the Project:** Representative Maxine Penas, Representative Tom Rukavina, Representative Tony Sertich, Representative Loren Solberg, Senator Tom Bakk, Senator Tom Saxhaug, Senator Yvonne Prettner Solon, Senator David Tomassoni, Citizen Joe Begich, Citizen Bill Henning and Citizen Matt Matasich.

**Voting Against the Project:** None.

**Abstain:** None.

**Absent:** Representative David Dill and Senator Becky Lourey.

**IV. Board Account**

*Action Required: Project approval requires 7 votes*

**a. Healthcare Capital Projects**

Motion by Representative Rukavina to amend the Healthcare Capital Projects by increasing the grant amount from \$50,000 to \$100,000 for both the Cook Hospital and White Community Hospital. Motion carried.

**Voting in Favor of the Amendment:** Representative Maxine Penas, Representative Tom Rukavina, Representative Tony Sertich, Representative Loren Solberg, Senator Tom Bakk, Senator Tom Saxhaug, Senator Yvonne Prettner Solon, Senator David Tomassoni, Citizen Joe Begich, Citizen Bill Henning and Citizen Matt Matasich.

**Voting Against the Amendment:** None.

**Abstain:** None.

**Absent:** Representative David Dill and Senator Becky Lourey.

Motion by Representative Sertich to approve the Healthcare Capital Projects as presented and amended. Seconded by Senator Prettner Solon. Motion carried.

**Voting in Favor of the Project:** Representative Maxine Penas, Representative Tom Rukavina, Representative Tony Sertich, Representative Loren Solberg, Senator Tom Bakk, Senator Tom Saxhaug, Senator Yvonne Prettner Solon, Senator David Tomassoni, Citizen Joe Begich, Citizen Bill Henning and Citizen Matt Matasich.

**Voting Against the Project:** None.

**Abstain:** None.

**Absent:** Representative David Dill and Senator Becky Lourey.

**b. Ely Municipal Airport Expansion**

Motion by Senator Bakk to approve the Ely Municipal Airport Expansion project as presented. Seconded by Citizen Henning. Motion carried.

**Voting in Favor of the Project:** Representative Maxine Penas, Representative Tom Rukavina, Representative Tony Sertich, Representative Loren Solberg, Senator Tom Bakk, Senator Tom Saxhaug, Senator Yvonne Prettner Solon, Senator David Tomassoni, Citizen Joe Begich, Citizen Bill Henning and Citizen Matt Matasich.

**Voting Against the Project:** None.

**Abstain:** None.

**Absent:** Representative David Dill and Senator Becky Lourey.

**V. FY06 Early Retirement Resolution**

Motion by Representative Solberg to amend Resolution No.: FY05-004 - FY06 Early Separation Incentive Program to include that any lump sum salary cash payment as part of the Program will be based on the employee's FY2005 salary level. Motion carried.

**Voting in Favor of the Amendment:** Representative Maxine Penas, Representative Tom Rukavina, Representative Tony Sertich, Representative Loren Solberg, Senator Tom Bakk, Senator Tom Saxhaug, Senator Yvonne Prettner Solon, Senator David Tomassoni, Citizen Joe Begich, Citizen Bill Henning and Citizen Matt Matasich.

**Voting Against the Amended:** None.

**Abstain:** None.

**Absent:** Representative David Dill and Senator Becky Lourey.

Motion by Representative Solberg to approve Resolution No.: FY05-004 - FY06 Early Separation Incentive Program as presented and amended. Seconded by Representative Sertich. Motion carried.

**Voting in Favor of the Resolution:** Representative Maxine Penas, Representative Tom Rukavina, Representative Tony Sertich, Representative Loren Solberg, Senator Tom

Bakk, Senator Tom Saxhaug, Senator Yvonne Prettner Solon, Senator David Tomassoni, Citizen Joe Begich, Citizen Bill Henning and Citizen Matt Matasich.

**Voting Against the Resolution:** None.

**Abstain:** None.

**Absent:** Representative David Dill and Senator Becky Lourey.

**IRON RANGE RESOURCES AND REHABILITATION BOARD  
OF THE STATE OF MINNESOTA**

Resolution No.: FY05-004

**WHEREAS**, Laws of Minnesota for 2005, Chapter 156, Article 2, Section 34, contains provisions authorizing the Commissioner of Iron Range Resources (“Commissioner”), in consultation with the State’s Commissioner of Employee Relations, to offer a targeted early separation incentive program (the “Program”) for employees of the Commissioner who have attained the age of 60 years and have at least five years of allowable service credit under Minnesota Statutes Chapter 352, or who have received credit for at least 30 years of allowable service under the provisions of the said Chapter 352; and,

**WHEREAS**, the Commissioner has requested the Board to approve the expenditure of up to \$881,000 of the funds made available to the Commissioner under the provisions of Minnesota Statutes Section 298.223 (“TEPF Monies”) in State Fiscal Year 2006 (FY06) to provide funding with which to implement the said Program; and,

**WHEREAS**, on Thursday, June 16, 2005, the Board met in a regular session at the State Capitol in St. Paul to consider the request of the Commissioner for approval to expend the said TEPF Monies to provide the funds with which to implement the said Program; and,

**WHEREAS** on the basis of the materials submitted by the Commissioner and the discussions at the said public meeting, the Board has concluded that it would be in the best interests of the Taconite Assistance Area defined in Minnesota Statutes Section 297.1341 (“TAA”) and in furtherance of the purposes specified in Laws of Minnesota for 2005, Chapter 156, Article 2, Section 34 and in Minnesota Statutes Section 298.223 to use the said TEPF Monies to implement the said Program on the terms and conditions proposed by the Commissioner.

**NOW, THEREFORE, BE IT RESOLVED THAT:**

- a. The Board hereby concludes that the proposed expenditure of \$881,000 of TEPF Monies is for a purpose authorized in Laws of Minnesota for 2005, Chapter 156, Article 2, Section 34 and in Minnesota Statutes Section 298.223, and is in the best interests of the TAA; and,
- b. The Board hereby authorizes, pursuant to the provisions of Minnesota Statutes

Section 298.223 and Laws of Minnesota for 2005, Chapter 156, Article 2, Section 34, the expenditure by the Commissioner of up to \$881,000 of such TEPF Monies to fund the Commissioner's proposed Program to offer, in accordance with the provisions of Laws of Minnesota for 2005, Chapter 156, Article 2, Section 34, targeted early separation incentives to certain employees of the Commissioner who have attained the age of 60 years and have at least five years of allowable service credit under Minnesota Statutes Chapter 352, or who have received credit for at least 30 years of allowable service under the provisions of the said Chapter 352.

- c. Any lump sum salary cash payment as part of the Program will be based on the employee's FY2005 salary level.

**PASSED AND ADOPTED BY VOTE OF THE IRON RANGE RESOURCES AND REHABILITATION BOARD THIS 16<sup>th</sup> DAY OF JUNE, 2005**

AYES: 11

NAYS: 0

ABSTENTIONS: 0

ABSENT: 2

Signed: \_\_\_\_\_

Senator David Tomassoni  
Chair of the Board

**VI. FY06 Investment Plan**

Motion by Representative Rukavina that if an Iron Range Resources FY2006 budget is not approved by the Iron Range Resources Board by June 30, 2005, the current FY2005 budget allocations will remain in place for FY2006 until a FY2006 Iron Range Resources budget is approved by the Iron Range Resources Board. Seconded by Senator Bakk. Motion carried.

**Voting in Favor of the Motion:** Representative Maxine Penas, Representative Tom Rukavina, Representative Tony Sertich, Representative Loren Solberg, Senator Tom Bakk, Senator Tom Saxhaug, Senator Yvonne Prettner Solon, Senator David Tomassoni, Citizen Joe Begich, Citizen Bill Henning and Citizen Matt Matasich.

**Voting Against the Motion:** None.

**Abstain:** None.

**Absent:** Representative David Dill and Senator Becky Lourey.

**IRON RANGE RESOURCES AND REHABILITATION BOARD  
FY2006 Interim Budget Motion**

**Motion No: FY05-01**

IT IS HEREBY MOVED THAT: If an Iron Range Resources FY2006 budget is not approved by the Iron Range Resources Board by June 30, 2005, the current FY2005 budget allocations will remain in place for FY2006 until a FY2006 Iron Range Resources budget is approved by the Iron Range Resources Board.

PASSED AND ADOPTED BY VOTE OF THE IRON RANGE RESOURCES BOARD  
THIS 16TH DAY OF JUNE, 2005.

AYES: 11

NAYS: 0

ABSTENTIONS: 0

ABSENT: 2

Signed: \_\_\_\_\_  
Senator David Tomassoni  
Chair of the Board

## **VII. Adjournment**

Meeting adjourned at 10:45 a.m.