

**Meeting of the
Iron Range Resources Board**

Thursday, November 1, 2007

9:00 a.m.

**Iron Range Resources Board Room
Eveleth, Minnesota**

I. Roll Call

Representative David Dill, Chair, called the meeting to order at approximately 9:10 a.m. Present: Representative Tom Anzelc, Representative Tom Rukavina, Representative Tony Sertich, Representative Loren Solberg, Senator Tom Bakk, Senator Tom Saxhaug, Senator Rod Skoe, Senator David Tomassoni, Citizen Joe Begich, Citizen Shelley Robinson and Citizen Jack Ryan. Absent: Senator Yvonne Prettner Solon. Also present were: Sandy Layman, Commissioner; Brian Hiti, Deputy Commissioner; Doug Gregor, Assistant Attorney General; Matt Sjoberg, Development Strategies Director; and Sheryl Kochevar, Communications & Media Coordinator.

II. Approval of the October 25, 2007, Minutes

Representative Tom Anzelc moved approval of the October 16, 2007, minutes. Seconded by Senator Tom Saxhaug. Motion carried.

III. Taconite Area Environmental Protection Fund

Action required: Project approval requires 7 votes

a. Grants Projects – Resolution No. 08-008

Motion by Senator Tom Bakk to approve the Grants Projects as presented in Resolution No. 08-008 with the addition of the following projects to also be approved when the application process and due diligence has been completed.

6. City of Keewatin. *A grant of up to \$150,000 of either Public Works Funds or Mineland Reclamation funds as provided in the agency's approved FY08 Investment Plan, to provide funds to pay, on a dollar-for-dollar matching basis with other funds, a portion of the costs associated with the City's project, commonly known as the Longyear Project, to remediate an oil-spill.*

7. City of Nashwauk. *A grant of up to \$250,000 of Public Works Funds to provide funds to pay for a portion of the costs associated with the City's project to upgrade its municipal sewer system.*

8. City of Chisholm. *A grant of up to \$200,000 of Public Works Funds to provide funds to pay for a portion of the costs associated with the City's pending street improvement project.*

9. City of Hibbing. *A grant of up to \$300,000 of Public Works Funds to provide funds to pay for a portion of the costs associated with the City's pending housing development project.*

Motion to also include the elimination of the final whereas clause which states
“*WHEREAS, the Board at its October 25, 2007, meeting adopted its Resolution No. 08-006 which evidenced its conditional approval of the expenditure of TEPF Funds for the Proposed Projects and for four other projects, and now wishes to limit its approval to the five Proposed Projects, eliminate one of the conditions contained in Resolution No. 08-006, and in other respects rescind and supersede the provisions of its Resolution 08-006.*”

Seconded by Citizen Jack Ryan. Motion carried

Voting in Favor of the Motion: Representative Tom Anzelc, Representative David Dill, Representative Tom Rukavina, Representative Tony Sertich, Representative Loren Solberg, Senator Tom Bakk, Senator Tom Saxhaug, Senator Rod Skoe, Senator David Tomassoni, Citizen Joe Begich, Citizen Shelley Robinson and Citizen Jack Ryan.

Voting Against the Motion: None.

Abstain: None.

Absent: Senator Yvonne Prettner Solon.

**IRON RANGE RESOURCES AND REHABILITATION BOARD
OF THE STATE OF MINNESOTA
BUSINESS INFRASTRUCTURE AND PUBLIC WORKS PROJECT
APPROVALS**

Resolution No.: 08-008

WHEREAS, the Commissioner is authorized to expend, upon approval of a majority vote of the members of the Board, the Taconite Area Environmental Protection Fund monies made available under Minnesota Statutes Section 298.223 (“**TEPF Funds**”) to promote the economic development of the Taconite Assistance Area designated in Minnesota Statutes Section 273.1341 (“**TAA**”), by investing in local economic development projects within the TAA; and,

WHEREAS, the agency’s approved FY 2008 Investment Plan budget includes the allocation of \$ 1,000,000 of TEPF for Community Business Infrastructure Grants (“**Business Infrastructure Funds**”) and the reservation of \$6 million of Development Projects Reserve funds which were to be expended for public works projects, otherwise known as Public Works Infrastructure Grants (“**Public Works Funds**”);

WHEREAS, the Commissioner has received proposals for the expenditure of portions of such TEPF Funds for nine local economic development projects as more specifically described below which would be undertaken and implemented in the TAA (collectively the “**Proposed Projects**”); and,

WHEREAS, the Board met in open session at 11:00 a.m. on October 25, 2007, and again at 9:00 a.m. on November 1, 2007, on each occasion in the Board Room located near Eveleth, Minnesota, to consider, among other matters, the Proposed Projects and has determined that the expenditure of the following amounts of TEPF Funds for the purposes and in the amounts specified below would be in the public interest and promote economic development within the Taconite Assistance Area; and,

NOW, THEREFORE, IT IS RESOLVED that the Board hereby approves the expenditure of TEPF Funds to provide grants in the following amounts for the following Proposed Projects:

1. **City of Ely**: a grant of up to \$480,000 of the Public Works Funds for infrastructure improvements that are directly and primarily related to the construction of an approximately \$4.3 million, 48-unit assisted living complex to be located adjacent to the hospital which is anticipated to create 17 jobs at an average wage of \$11-12 plus benefits;
2. **City of Eveleth**: a grant of up to \$150,000 of Public Works Funds to be used for the costs of site preparation work associated with the construction of an approximately 6,000 square foot addition to the dialysis center at the Eveleth Health Services Park that is anticipated to cost approximately \$1,527,000 and create 4 new jobs as well as retain 7 jobs at the dialysis center. In addition, this project will enhance the viability of the entire facility and help retain 80 full-time jobs in the Eveleth Health Services Park.
3. **City of Gilbert**: a grant of up to \$200,000 of the Public Works Funds for infrastructure and site improvements associated with the construction of an approximately \$3.24 million, 24-unit town home development;
4. **City of Grand Rapids**: a grant of up to \$100,000 of the Business Infrastructure Funds for site work, including environment assessments, associated with the Itasca Economic Development Corporation’s approximately \$675,000 project to renovate an industrial building it has recently acquired that is located near the City’s airport. IEDC expects 20-40 new jobs at a wage level of \$11 per hour, plus benefits once the building is full.
5. **City of Virginia**: a grant of up to \$250,000 of the Business Infrastructure Funds to be used in combination with \$250,000 in Public Works Funds approved by the Board in FY07, along with \$300,000 of DEED funds, to pay a portion of anticipated infrastructure improvements costs of approximately \$1.6 million associated with construction of an approximately \$9.6 million industrial facility to

be occupied by P&H MinePro that would create an estimated 17 new jobs as well as help retain 80 jobs.

6. **City of Keewatin.** A grant of up to \$150,000 of either Public Works Funds or Mineland Reclamation funds as provided in the agency’s approved FY08 Investment Plan, to provide funds to pay, on a dollar-for-dollar matching basis with other funds, a portion of the costs associated with the City’s project, commonly known as the Longyear Project, to remediate an oil-spill.
7. **City of Nashwauk.** A grant of up to \$250,000 of Public Works Funds to provide funds to pay for a portion of the costs associated with the City’s project to upgrade its municipal sewer system.
8. **City of Chisholm.** A grant of up to \$200,000 of Public Works Funds to provide funds to pay for a portion of the costs associated with the City’s pending street improvement project.
9. **City of Hibbing.** A grant of up to \$300,000 of Public Works Funds to provide funds to pay for a portion of the costs associated with the City’s pending housing development project.

BE IT FURTHER RESOLVED that the Board’s approval for the expenditure of the said funds for the said Proposed Projects is further contingent upon the agency, in its grant contracts, requiring each grantee entity to commit to the payment of prevailing wages for the funded project as indicated in, and to the extent required in, the Board’s Resolution 96-005.

BE IT FURTHER RESOLVED that the provisions of this Resolution No. 08-008 are intended by the Board to rescind and supersede the provisions of Resolution No. 08-006 in all respects and for all purposes.

PASSED AND ADOPTED BY VOTE OF THE IRON RANGE RESOURCES AND REHABILITATION BOARD THIS 1ST DAY OF NOVEMBER 2007.

Member	Aye	Nay	Abstain	Absent
Senator Tom Bakk	X			
Senator Tom Saxhaug	X			
Senator Rod Skoe	X			
Senator Yvonne Prettner Solon				X
Senator Dave Tomassoni	X			
Representative Tom Anzelc	X			
Representative Dave Dill	X			
Representative Tom Rukavina	X			
Representative Tony Sertich	X			
Representative Loren Solberg	X			
Citizen Joe Begich	X			

Citizen Shelley Robinson	X			
Citizen Jack Ryan	X			
TOTAL	12	0	0	1

Signed: _____
Representative David Dill, Chair

IV. Adjournment

Meeting adjourned at 10:04 p.m.