

**Meeting of the  
Iron Range Resources Board**

**Thursday, August 28, 2008**

**10:00 a.m.**

**Iron Range Resources  
Eveleth, Minnesota**

**I. Roll Call**

Representative David Dill, Chair, called the meeting to order at approximately 10:00 a.m. Present: Representative Tom Anzelc, 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 Shelley Robinson and Citizen Jack Ryan. Absent: Senator Rod Skoe. Also present: Sandy Layman, Commissioner; Brian Hiti, Deputy Commissioner; Doug Gregor, Assistant Attorney General; Matt Sjoberg, Development Strategies Director; Roy Smith, Workforce Development Coordinator; Dan Jordan, Mining Program Supervisor; Jean Dolensek, Chief Financial Officer; Marianne Bouska, Human Resources & Strategic Results Manager; Jim Plummer, Real Property and Laurentian Vision Partnership Coordinator; Sheryl Kochevar, Communications & Media Coordinator; Laureen Hall, Executive Assistant; Kim Anderson, Executive Assistant; David Richter, Business Developer; Dana Byrne, Vice President Public Affairs, Cleveland-Cliffs Inc.

**II. Approval of the July 16, 2008, Minutes**

Representative Tom Anzelc moved approval of the July 16, 2008, minutes. Seconded by Senator David Tomassoni. Motion carried.

**III. Commissioner's Comments**

Commissioner Layman introduced David Richter, who was recently hired by Iron Range Resources on a one-year, renewable contract to perform business development services. Richter answered questions from the Board and made a presentation detailing how he intends to approach his work.

**a. Business Development Presentation – David Richter, Business Developer**

**IV. Taconite Economic Development Fund (TEDF)**

*Action required: project approval requires a majority vote of the quorum present*

**a. Northshore Mining Company – Resolution No. 09-003**

**b. Hibbing Taconite Company – Resolution No. 09-004**

At the July 16, 2008, meeting of the Iron Range Resources Board, Senator Tom Bakk requested that a representative of Cleveland-Cliffs appear before the Board prior to its reconsideration of the approval of TEDF funds (which had been tabled at the June 19, 2008, Board meeting) for the

Northshore Mining Company and Hibbing Taconite Company TEDF projects. Dana Byrne, Vice President Public Affairs, Cleveland-Cliffs Inc. made a presentation, answered questions and requested Board approval of the TEDF projects.

**c. Cleveland-Cliffs Inc Presentation** – Dana Byrne, Vice President, Cleveland-Cliffs, Inc

Senator David Tomassoni suggested that the TEDF projects be considered for approval by the Board at its next meeting.

**V. FY09 Agency Investment Plan**

*Action required: Approval requires 8 votes*

Motion by Representative Tom Rukavina to reconsider the FY09 Agency Investment Plan as presented, with changes as outlined in Resolution No. 09-002. Seconded by Senator Tom Saxhaug. Motion carried.

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

**Voting Against the Motion:** None

**Abstain:** None

**Absent:** Senator Rod Skoe

**IRON RANGE RESOURCES AND REHABILITATION BOARD  
OF THE STATE OF MINNESOTA  
FY 2009 INVESTMENT PLAN**

**Resolution No.: 09-002**

**BE IT RESOLVED** that the Board hereby approves the Commissioner's proposed FY 2009 Investment Plan for the agency's operations, programs and projects, as presented, with the following reductions, additions and other adjustments:

**Operations**

- **Marketing & Communications** Line Item expenditure request of the Commissioner in the original amount of \$1,322,817 is reduced by \$50,000, resulting in an approved FY 2009 Marketing & Communication line item expenditure amount of: \$1,272,817; and,

- **Giants Ridge Golf & Ski Resort: Giants Ridge Facility Improvements** Line Item expenditure request of the Commissioner in the original amount of \$336,277 is increased by \$650,000 to cover additional costs associated with the previously approved (\$1.1 million of FY08 funds) snowmaking system improvements, resulting in an approved FY 2009 Operations: Giants Ridge® Golf & Ski Resort: Giants Ridge Facility Improvements line item expenditure amount of: \$986,277.

## **Programs**

- **Community Readiness** Line Item (original request of \$1,100,000: approved amount of \$850,000) based upon the following adjustments:
  - Sub-Item Range Readiness program allocation request of the Commissioner in the original amount of \$350,000 is reduced by \$250,000, resulting in an approved FY 2009 budget for Programs: Community Readiness: Range Readiness budget allocation amount of: \$100,000.
- **Mining & Mineland Reclamation** Line Item (original request of \$900,000: approved amount of \$800,000) based upon the following adjustments:
  - Sub-Item Laurentian Vision Partnership: Partnership Grant program allocation request of the Commissioner in the original amount of \$100,000 is eliminated.
- **Innovative Technology** Line Item (original request of \$200,000; approved amount of \$ 0):
  - The Commissioner's original program allocation request of \$200,000 is eliminated.
- **Commissioner Projects** Line Item (original request of \$500,000; approved amount: \$500,000) with such approval subject to the following conditions:
  - The Commissioner may expend the first \$250,000 portion of the budgeted amount without further Board approval;
  - Expenditure of the remaining \$250,000 of the budgeted amount is subject to further Board approval; and,
  - The Commissioner shall report quarterly to the Board the amounts and purposes for which the approved Commissioner Projects funds were expended.

## **Projects**

- **Renewable Energy** Line Item (original request of \$1,000,000: approved amount of \$500,000) based upon the following adjustment:
  - Program allocation request of the Commissioner in the original amount of \$1,000,000 is reduced by \$500,000.
- **Community/ Business Enhancement Loans or Grants** Line Item (new approved amount of \$450,000):
  - A new Line Item expenditure category is budgeted in the amount of \$450,000 to provide funding, upon subsequent Board project approval, for loans and grants to businesses and communities for enhancement projects.

**PASSED AND ADOPTED BY VOTE OF THE IRON RANGE RESOURCES AND REHABILITATION BOARD THIS 28th DAY OF AUGUST, 2008.**

<b>Member</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>	<b>Absent</b>
Senator Tom Bakk	<b>X</b>			
Senator Tom Saxhaug	<b>X</b>			
Senator Rod Skoe				<b>X</b>
Senator Yvonne Prettner Solon	<b>X</b>			
Senator Dave Tomassoni	<b>X</b>			
Representative Tom Anzelc	<b>X</b>			
Representative Dave Dill	<b>X</b>			
Representative Tom Rukavina	<b>X</b>			
Representative Tony Sertich	<b>X</b>			
Representative Loren Solberg	<b>X</b>			
Citizen Joe Begich	<b>X</b>			
Citizen Shelley Robinson	<b>X</b>			
Citizen Jack Ryan	<b>X</b>			
<b>TOTAL</b>	<b>12</b>	<b>0</b>	<b>0</b>	<b>1</b>

Signed: \_\_\_\_\_  
 Representative David Dill, Chair

**VI. Other**

The next meeting of the Iron Range Resources Board is scheduled for Tuesday, September 23, 2008, at 10:00 a.m.

**VII. Adjournment**

Meeting adjourned at 11:36 a.m.