

**IRRRB Meeting Minutes**  
**Thursday, May 29, 2025 – 2:00 p.m.**

(Pursuant to Minnesota Statutes Section 13D.015, board members may participate by interactive technology.)

**1. Roll Call**

Senator Robert Farnsworth, Chair, called the meeting to order at 2:03 p.m. Sara Ferkul took the roll call. Present: Senator Robert Farnsworth, Senator Keri Heintzeman, Representative Spencer Igo, Representative Roger Skraba, Representative Cal Warwas. Present via ZOOM: Senator Bobby Joe Champion, Senator Grant Hauschild, Representative Ben Davis. Excused: None. Minute Taker: Sara Ferkul, Executive Assistant. Also present: Ida Rukavina, Commissioner; Al Becicka, Deputy Commissioner; Stacey Scholz, Legal Counsel; Ailie Clement, Paralegal; Ryan Malich, Executive Director of Development; Whitney Ridlon, Community Development Director; Chris Ismil, Community Development Representative; Jason Janisch, Climate & Energy Policy Advisor; Roy Smith, Director of Education and Talent Development; Tom Jokinen, Loan Officer; Dave Kallio, Accounting Director; Jeri Venne, Grants Management Coordinator; Sean Peyla, Facilities & Operations Manager; Danae Beaudette, Community Development Representative; Shawn Herhusky, Community Development Representative; Jordan Metsa, Communications Director; Shelly Sallee, Office & Administrative Specialist, Senior; Markus Hoche, Information Technology Specialist; Dan Stifter, Aitkin School District; Chris Lindholm, Cook County School District; Sara Powell, City of Babbitt; Steve Biondich, City of Biwabik; Pete Hyduke, City of Hibbing; Luke Peterson, Hibbing Public Utilities; Craig Wainio, City of Mountain Iron; Jackie Ward, Northland Learning Center; Lana Fralich, City of Silver Bay; Harold Langowski, City of Ely.

**2. Approval of March 26, 2025 Minutes**

Representative Skraba moved approval of the March 26, 2025 meeting minutes.

Sara Ferkul took a roll call vote.

**Voting in Favor of the Motion:** Senator Champion, Senator Farnsworth, Senator Hauschild, Representative Davis, Representative Igo, Representative Skraba and Representative Warwas.

**Voting Against the Motion:** None.

**Abstain:** Senator Heintzeman.

**Excused:** None.

**Motion Carried.**

**3. Project presentations by the recipients of the Minerals Article/2024 Tax Omnibus Bill.**

Under the guidance of Bond Council, IRRR will issue revenue bonds for the financing of up to 82 identified grants in the 2024 Minerals Article legislation that was enacted. (Laws for Minnesota 2024, Chapter 127, Article 69, Sections 15-16). Projects that were awarded \$1 million or more are required to present their project to the IRRR Board and submit a spending plan.

# of Projects: **8**

Agency Investment: **\$19,100,000**

**City of Babbitt** – Presenter: Sara Powell, Deputy Clerk/Treasurer

**Bond Proceeds Amount: \$1,500,000**

For renovations to the ice arena.

**City of Biwabik** – Presenter: Mayor Steve Biondich

**Bond Proceeds Amount: \$1,000,000**

For a public safety facility.

**Commissioner of Iron Range Resources and Rehabilitation** – Presenter: Sean Peyla, Facilities & Operations Manager  
**Bond Proceeds Amount: \$7,600,000**

For the design, engineering, and upgrades or replacement of chair lifts or an irrigation system, and for the design, engineering, demolition, and construction of a nordic and welcome center at the Giants Ridge Recreation Area.

**City of Hibbing** – Presenter: Mayor Pete Hyduke

**Bond Proceeds Amount: \$1,150,000**

For housing development.

**Hibbing Public Utilities** – Presenter: Luke Peterson, General Manager

**Bond Proceeds Amount: \$1,770,000**

For water infrastructure projects.

**City of Mountain Iron** – Presenter: Craig Wainio, City Administrator

**Bond Proceeds Amount: \$2,000,000**

For infrastructure projects including but not limited to Enterprise Drive North East infrastructure development, water main and other infrastructure in the city, waste water plant improvements to comply with new permits, supervisory control and data acquisition on lift stations, and recreation projects.

**Northland Learning Center** – Presenter: Jackie Ward, Executive Director

**Bond Proceeds Amount: \$1,080,000**

To construct the Alternative Learning Center on the campus in the city of Mountain Iron.

**City of Silver Bay** – Presenter: Lana Fralich, City Administrator

**Bond Proceeds Amount: \$3,000,000**

To design, engineer, construct, and reconstruct publicly owned infrastructure including sewers, water systems, utility extensions, street construction, wastewater treatment, stormwater management systems, sidewalks, and compliance with the Americans with Disabilities Act.

#### **4. Iron Range Schools and Community Development Account – Resolution No. 25-023**

Representative Igo moved that the Board recommend an expenditure of up to \$5,000,000 of School Account funds for the Aitkin Independent School District 001 for infrastructure and site development and \$5,000,000 of School Account funds for the Cook County Independent School District 166 for construction of an athletic and activities complex project, as presented in Exhibit A of Resolution 25-023.

Sara Ferkul took a roll call vote.

**Voting in Favor of the Motion:** Senator Champion, Senator Farnsworth, Senator Hauschild, Senator Heintzeman, Representative Davis, Representative Igo, Representative Skraba and Representative Warwas.

**Voting Against the Motion:** None.

**Abstain:** None.

**Excused:** None.

**Motion Carried.**

**IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD  
OF THE STATE OF MINNESOTA  
IRON RANGE SCHOOLS AND COMMUNITY DEVELOPMENT ACCOUNT EXPENDITURE**

**Resolution No.: 25-023**

**WHEREAS**, Minnesota Statutes Section 298.28, subdivision 7a created the Iron Range schools and community development account ("**School Account**") for the purpose of authorizing the Commissioner, after consultation with the Iron Range Resources and Rehabilitation Advisory Board ("**Board**"), to provide disbursements to assist certain statutorily identified school districts with the payment of bonds that were issued for qualified school projects, or for any other school disbursement to school districts that are located within the taconite assistance area as defined in Minnesota Statutes Section 273.1341 ("**TAA**"); and

**WHEREAS**, the Commissioner has received a proposal for the expenditure of up to \$5 million of School Account funds for the Aitkin Independent School District 001 infrastructure and site development project as more specifically set forth in Exhibit A, which is attached hereto and incorporated by reference; and

**WHEREAS**, the Commissioner has further received a proposal for the expenditure of up to \$5 million of School Account funds for the Cook County Independent School District 166 construction of an athletic and activities complex project as more specifically set forth in Exhibit A (collectively the "**Proposed Disbursements**"); and

**WHEREAS**, the Board met in open session at 2:00 p.m. on May 29, 2025, at the agency's Mineland Reclamation Building located in Chisholm, Minnesota, with some members participating via interactive technology as authorized by Minnesota Statutes Section 13D.015, to consider, among other matters, the Proposed Disbursements and determined that such expenditures would be in the public interest and promote the improvement of schools within the TAA.

**NOW, THEREFORE, IT IS HEREBY RESOLVED** that the Board recommends that the Commissioner approve the expenditure of up to \$10 million of School Account funds for the Proposed Disbursements.

**PASSED AND ADOPTED BY VOTE OF THE IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD THIS 29<sup>TH</sup> DAY OF MAY 2025.**

Member	Aye	Nay	Abstain	Excused
Senator Bobby Joe Champion	X			
Senator Robert Farnsworth	X			
Senator Grant Hauschild	X			
Senator Keri Heintzeman	X			
Representative Ben Davis	X			
Representative Spencer Igo	X			
Representative Roger Skraba	X			
Representative Cal Warwas	X			
<b>TOTAL</b>	<b>8</b>			

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

Senator Robert Farnsworth, Chair

**EXHIBIT A**

**Program:        Iron Range Schools and Community Development Account**

**Purpose:** The Iron Range Schools and Community Development Account provides disbursements to assist school districts with the payment of bonds that were issued for qualified school projects, or for any other school disbursement as approved by the commissioner of Iron Range Resources and Rehabilitation after consultation with the IRRR Board.

Projects are funded by 33.6 cents per ton of the Taconite Production Tax, six cents per ton of Occupation Tax and an annual transfer of \$3,500,000 from the Douglas J. Johnson Economic Protection Trust Fund to the Iron Range Schools and Community Development Account.

Minnesota Statutes Section 298.28 Subd. 7a

**Aitkin Independent School District 001**

**Grant Amount: \$5,000,000**

The agency is recommending \$5 million to Aitkin Independent School District for infrastructure and site development related to construction of a new PreK-6 elementary school situated on a 220-acre property which has been annexed by the city of Aitkin.

On November 4, 2025, local citizens will have the opportunity to vote on the ballot measure. Referendum Question 1 will support a new PreK-6 elementary site. Referendum Question 2 will support a new community wellness center.

The district is seeking alternative funding sources to reduce the financial burden on local taxpayers and ensure Aitkin School district students and the broader community have a school facility that meets educational standards.

The existing elementary building, Rippleside Elementary, is over 60 years old and no longer meets Minnesota Department of Education standards. The building faces serious infrastructure issues that pose health and safety risks, including poor indoor air quality, water intrusion, asbestos-containing materials and inadequate building security.

A new PreK-6 facility is vital to meeting current educational, safety and health standards. The new site will allow for long-term future consolidation of the district's high school facilities. However, improvements have been made to the district's high school, enabling it to remain in use.

In addition to the IRRR request, the district is striving to secure a \$5.6 million construction sales tax exemption and state bonding funds to further reduce the amount of the referendum and burden on local taxpayers.

To qualify for funding from the Iron Range Schools and Community Development Account, the following milestones must be met:

1. Approval from the commissioner, following consultation with the IRRR Board.
2. Project approval by the Minnesota Department of Education (anticipated plan submission by July 9, 2025).
3. Successful passage of a local voter referendum Question 2 in the November 4, 2025 election.
4. Submission of a final project budget and timeline, following referendum approval.

If the four steps above are completed, construction can begin in April 2027 and be completed by August 2028. See full project details attached.

Uses		Sources	
New PreK-6 elementary building	\$43,860,200	IRRR	\$5,000,000
Infrastructure: utilities, road and site work	9,444,200	Local Referendum Question 1: PreK-6 building (pending)	59,440,400
Playground and field	630,500	Local Referendum Question 2: community wellness center (pending)	6,000,000
Utilities to the site	2,940,000		
Transportation center	5,674,100		
New community wellness center connected to PreK-6 building	6,000,000		
Furniture, fixtures and equipment	1,891,400		
<b>Total</b>	<b>\$70,440,400</b>	<b>Total</b>	<b>\$70,440,400</b>

**Cook County Independent School District 166**  
**Grant Amount: \$5,000,000**

The agency is recommending \$5 million to Cook County Independent School for construction of an athletic and activities complex. The project includes improvements to Arrowhead Center for the Arts, a new football field, softball field and multi-use artificial turf field, running track, field event space, a bus garage, outdoor learning space, concession and storage, parking, bleachers, a scoreboard and sound system.

In the November 4, 2024 election, voters approved Referendum Question 1 which funds essential K–12 building improvements including security upgrades, cafeteria and common area renovations, classroom and bathroom improvements, a new gymnasium with a fitness center and health safety center, ADA-accessible playgrounds, solar panels for energy savings and deferred maintenance (HVAC, windows, doors, flooring, paving).

Referendum Question 2 did not pass and would have funded the athletic and activities complex. On November 4, 2025, local citizens will have the opportunity to vote on the ballot measure. Prior to the 2025 election, the district is seeking alternative funding sources to reduce the financial burden on local taxpayers and ensure Cook County students and the broader community have access to robust athletics and performing arts programs. In addition to the IRRR funding request, the district is exploring other grant opportunities and a construction sales tax exemption to further help offset project costs.

As one of the largest geographic school districts in Minnesota with only one neighboring district, Cook County has limited open enrollment options. The district must directly provide most educational, athletic and extracurricular opportunities to its students.

To qualify for funding from the Iron Range Schools and Community Development Account, the following milestones must be met:

1. Approval from the commissioner, following consultation with the IRRR Board.
2. Project approval by the Minnesota Department of Education (anticipated plan submission by July 9, 2025).
3. Successful passage of a local voter referendum Question 2 in the November 4, 2025 election.
4. Submission of a final project budget and timeline, following referendum approval.

If the four steps above are completed, construction can begin in spring 2026 and be completed by December 2027. See full project details attached.

Uses		Sources	
K-12 building improvements	\$24,180,000	IRRR	\$5,000,000
Athletic and activity improvements	14,000,000	Local Referendum Question 1: K-12 building improvements (approved)	24,180,000
		Local Referendum Question 2: athletic and activity improvements (pending)	9,000,000
<b>Total</b>	<b>\$38,180,000</b>	<b>Total</b>	<b>\$38,180,000</b>

**5. Iron Range Higher Education Account – Resolution No. 25-024**

Representative Skraba moved that the Board recommend an expenditure of up to \$1,247,000 of Higher Education Account funds for the Iron Range Engineering program, Manufacturing program and the Veterinary Technician program, as presented in Exhibit A of Resolution No. 25-024.

Sara Ferkul took a roll call vote.

**Voting in Favor of the Motion:** Senator Champion, Senator Farnsworth, Senator Hauschild, Senator Heintzeman, Representative Davis, Representative Igo, Representative Skraba and Representative Warwas.

**Voting Against the Motion:** None.

**Abstain:** None.

**Excused:** None.

**Motion Carried.**

**IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD  
OF THE STATE OF MINNESOTA  
IRON RANGE HIGHER EDUCATION ACCOUNT EXPENDITURE RECOMMENDATION**

**Resolution No.: 25-024**

**WHEREAS**, Minnesota Statutes Section 298.28, subd. 9d allocates five cents per taxable ton of taconite taxes to the agency to be deposited in an Iron Range higher education account ("**Higher Education Account**") to be used for higher education programs conducted at educational institutions in the Taconite Assistance Area designated in Minnesota Statutes Section 273.1341 ("**TAA**"); and

**WHEREAS**, Minnesota Statutes Section 298.2214 created the Iron Range Higher Education Committee ("**Committee**") to advise the commissioner of the Department of Iron Range Resources and Rehabilitation ("**Commissioner**") on providing higher education programs within the TAA; and

**WHEREAS**, pursuant to 298.28, subd. 9d, the Commissioner, after approval by the Committee and consultation with the Iron Range Resources and Rehabilitation Advisory Board ("**Board**"), approves expenditures from the Higher Education Account; and

**WHEREAS**, on May 9, 2025, the Committee met and approved the expenditure of up to \$1,247,000 of Higher Education Account funds for the purposes listed in Exhibit A, which is attached hereto and incorporated by reference ("**Proposed Expenditures**"); and

**WHEREAS**, the Board met in open session at 2:00 p.m. on May 29, 2025, at the agency’s Mineland Reclamation Building located in Chisholm, Minnesota, with some members participating via interactive technology as authorized by Minnesota Statutes Section 13D.015, to consider, among other matters, the Proposed Expenditures, and has determined that the Proposed Expenditures, as presented to the Board at its meeting, would be in the public interest and promote economic development within the TAA.

**NOW, THEREFORE, IT IS RESOLVED** that the Board hereby recommends that the Commissioner approve up to \$1,247,000 of Higher Education Account funds for the Proposed Expenditures.

**PASSED AND ADOPTED BY VOTE OF THE IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD THIS 29<sup>TH</sup> DAY OF MAY 2025.**

Member	Aye	Nay	Abstain	Excused
Senator Bobby Joe Champion	X			
Senator Robert Farnsworth	X			
Senator Grant Hauschild	X			
Senator Keri Heintzeman	X			
Representative Ben Davis	X			
Representative Spencer Igo	X			
Representative Roger Skraba	X			
Representative Cal Warwas	X			
<b>TOTAL</b>	<b>8</b>			

Signed: \_\_\_\_\_  
Senator Robert Farnsworth, Chair

#### **EXHIBIT A**

**Program:** Iron Range Higher Education Account

**Purpose:** The Iron Range Higher Education Committee (IRHEC) advises the commissioner on providing higher education programs to the service area.

Programs are funded by five cents of the Taconite Production Tax that are placed in the Iron Range Higher Education Account.

Upon approval by the IRHEC and recommendation of the Iron Range Resources & Rehabilitation Board, the commissioner approves expenditures from the account.

Minnesota Statutes Section 298.28 Subd. 9d.

#### **Current Committee Members:**

Senator Rob Farnsworth  
Senator Grant Hauschild  
Representative Cal Warwas  
Representative Roger Skraba  
Julie Marinucci, Governor’s Appointee  
President Michael Raich, Minnesota North College  
Commissioner Ida Rukavina, Iron Range Resources & Rehabilitation  
Chancellor Charles Nies, University of Minnesota Duluth

Iron Range Resources & Rehabilitation Board

May 29, 2025 Meeting Minutes

The IRHEC met on May 9, 2025 to receive updates from Minnesota North College and consider proposed investments. The IRHEC approved the following expenditures from the Iron Range Higher Education Account:

**Iron Range Engineering**  
**Grant Amount: \$100,000**

- Iron Range Engineering (IRE) is a higher education program that, in collaboration with private industry, allows students to earn a Bachelor of Science degree in engineering from Minnesota State University Mankato. Since 2009, IRE has received worldwide recognition for its innovative engineering education approach. IRHEC initially supported IRE with \$1 million annually. Since the creation of the Bell Program within IRE, the financial model has allowed the funding amount to decrease.

The request is to support the development and delivery of the IRE program.

**IRE Program Highlights:**

- More than 300 graduates.
- Local businesses are served during the academic year through engineering projects, the hiring of IRE co-ops/interns or the hiring/retention of IRE graduates.
- Presented IRE model to MIT, Harvard, The National Academy of Engineering in Washington D.C. and the European Engineering Education Conference in Ireland.
- Participated in national strategic planning groups on the future of engineering education.
- Published in a recent edition of the International Handbook on Engineering Education Research.
- Completed its third ABET Accreditation in September 2024 with no shortcomings and two strengths highlighted including student support and co-op-based learning model.
- Faculty and staff frequently publish journal and conference articles.
- Hillcrest Manor in Chisholm was converted in 2022 to housing for IRE students including 40 rooms and 65 beds across two floors. It was named the Senator David J. Tomassoni Building, and more than 200 people have utilized it since 2022. It is owned by the Chisholm Economic Development Authority.

**Academic Program Revitalization & Growth Strategies**  
**Grant Amount: \$1,147,000**

- **Manufacturing Program - \$990,000**
  - Design and implement curriculum and purchase start-up equipment and lab space for a new Manufacturing Program to help area manufacturers have a critical mass of trained employees in the region.
  - Students will receive the knowledge, skills and experience needed to begin careers in manufacturing trades with an understanding of manufacturing theory and practice. They will develop skills in machining, welding, fabrication, assembly and CAD/CAM.
  - Graduates may seek careers as CNC machinists, welders, fabricators, production line or assembly line workers. They will be prepared for work in industry sectors such as small manufacturing shops, large manufacturing plants, mining maintenance, construction maintenance, aviation manufacturing or aviation maintenance.
  - The program will offer an entry-level Manufacturing Technologies diploma, an advanced diploma and opportunities for work-based learning with local manufacturing partners.
  - Advanced diploma curriculum will focus on automation and robotics within manufacturing.
  - The work will take place over three fiscal years. The initial curriculum development took place in 2024-2025 for the entry level diploma.



- **Veterinary Technician Program, Vermilion Campus - \$157,000**
  - Upgrade the equipment and technology and make facility improvements, based on feedback and recommendations resulting from the program’s first full accreditation site visit conducted by the American Veterinary Medical Association (AVMA) Committee on Veterinary Technician Education and Activities (CVTEA).
  - **Equipment and technology upgrades include:** updated diagnostic laboratory equipment, ultrasound machine, teaching camera, an additional anesthesia monitor, microhematocrit centrifuge and software and hardware for essential skills tracking.
  - **Facility improvements include:** addition of a separate space to house animals, a dedicated space for student and faculty personal items, reconfiguring the surgery scrub sink area for greater accessibility and installation of mini split HVAC systems in the vet tech and animal care areas.
  - The Veterinary Technician Program was established in 2016-2017 and welcomed its first cohort of students in fall 2017. Initial accreditation was granted by CVTEA following a fall 2019 site visit, and the first cohort graduated December 2019. Since that time, technology and industry standards have evolved.

#### **6. Giants Ridge Recreation Area (GRRR) Tax – Resolution No. 25-025**

Representative Warwas moved that the Board recommend an expenditure of up to \$300,000 of Giants Ridge Amenities Tax revenues for costs associated with the design and construction of a new mountain bike trail and skills park, along with equipment for maintenance of existing trails, as presented in Exhibit A of Resolution No. 25-025.

Sara Ferkul took a roll call vote.

**Voting in Favor of the Motion:** Senator Champion, Senator Farnsworth, Senator Hauschild, Senator Heintzeman, Representative Davis, Representative Igo, Representative Skraba and Representative Warwas.

**Voting Against the Motion:** None.

**Abstain:** None.

**Excused:** None.

**Motion Carried.**

### **IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD OF THE STATE OF MINNESOTA GIANTS RIDGE RECREATION AREA TAXING AUTHORITY EXPENDITURE RECOMMENDATION**

#### **Resolution No.: 25-025**

**WHEREAS**, pursuant to 2010 Laws of Minnesota, Chapter 389, Article 5, Section 7, as amended by 2017 Laws of Minnesota, Chapter 94, Article 7, Section 57, the City of Biwabik (“**Biwabik**”) is authorized to impose lodging taxes, admissions and recreation taxes, and food and beverage taxes for the purpose of collecting tax revenues to invest in public amenities as provided in such law (collectively the “**Giants Ridge Amenities Tax**”); and

**WHEREAS**, the proceeds of these taxes are dedicated to and must be expended by the Commissioner of the Department of Iron Range Resources and Rehabilitation, after consultation with the Iron Range Resources and Rehabilitation Advisory Board (“**Board**”), to pay costs for the construction, renovation, improvement, expansion, and maintenance of public recreational facilities located in those portions of Biwabik within the Giants Ridge Recreation Area as defined in Minnesota Statutes, section 298.22, subdivision 7 (“**GRRR**”); and

**WHEREAS**, the Giants Ridge Amenities Tax revenue balance as of March 31, 2025, is \$450,569; and

**WHEREAS**, the Commissioner has received a proposal for the expenditure of up to \$300,000 of Giants Ridge Amenities Tax revenues for costs associated with the design and construction of a new mountain bike trail and skills park, along with equipment for maintenance of existing trails, as more fully described in Exhibit A, which is attached hereto and incorporated by reference ("**Proposed Expenditures**") ; and

**WHEREAS**, the Board met in open session at 2:00 p.m. on May 29, 2025, at the agency's Mineland Reclamation Building located in Chisholm, Minnesota, with some members participating via interactive technology as authorized by Minnesota Statutes Section 13D.015, to consider, among other matters, the Proposed Expenditures and determined that the Proposed Expenditures would be in the public interest and promote economic development within the GRRRA.

**NOW, THEREFORE, IT IS HEREBY RESOLVED**, that the Board recommends the use of up to \$300,000 of Giants Ridge Amenities Tax revenue monies for the Proposed Expenditures.

**PASSED AND ADOPTED BY VOTE OF THE IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD THIS 29<sup>TH</sup> DAY OF MAY 2025.**

Member	Aye	Nay	Abstain	Excused
Senator Bobby Joe Champion	X			
Senator Robert Farnsworth	X			
Senator Grant Hauschild	X			
Senator Keri Heintzeman	X			
Representative Ben Davis	X			
Representative Spencer Igo	X			
Representative Roger Skraba	X			
Representative Cal Warwas	X			
<b>TOTAL</b>	<b>8</b>			

Signed: \_\_\_\_\_  
Senator Robert Farnsworth, Chair

#### **EXHIBIT A**

**Program:**        **Giants Ridge Recreation Area (GRRRA) Tax**

**Purpose:**        The GRRRA taxes (lodging, admissions, food and beverage), which were implemented by the city of Biwabik pursuant to 2010 Laws of Minnesota Chapter 389, Article 5, Section 7, are dedicated to construction, renovation, improvement, expansion or maintenance of public recreation facilities located within those portions of the city of Biwabik that lie within the GRRRA.

The Giants Ridge management team in conjunction with local stakeholders recommends the following expenditures from the Recreation Tax Account:

**Total Recommendation: \$300,000**

- **Purchase of Ditch Witch and Attachments for Mountain Biking/Hiking Trail Maintenance: \$55,000**  
The piece of equipment is critical for continuing to maintain the existing trails within the GRRRA.
- **Construct Bridge for Narrows Hiking Trail: \$20,000**  
Construct a walking bridge across Wynne Creek to allow better access to the Narrows Hiking Trail.

- **Construct Cross Country Mountain Bike Trails: \$125,000**

Extend the existing south cross-country mountain bike trail system, which will bring the Giants Ridge trail system closer to the Vermilion Trail Campground and the city of Biwabik.

- **Expand Mountain Bike Skills Park: \$100,000**

Expand the existing beginners skills park to support rider progression and provide improved teaching terrain for camps, clinics and daily visits. The project is part of the 2024 Giants Ridge Master Plan.

The above four projects will enhance the offerings and recreational opportunities for the region’s visitors and residents. Guest Services will manage the projects.

The current total amount in the Recreation Tax Account as of March 31, 2025 is \$450,569.

Past projects that have been approved from the Recreation Tax Account total \$1,313,000 and include a climbing wall, children’s outdoor play area, design of gravity mountain bike and hiking trails, a walking path and interpretive loop, trail connection to the Villas, purchases of trail maintenance equipment and a portion of the design and construction related to the Pool and Sauna Haus.

## **7. FY25 Budget Amendments – Resolution No. 25-026**

Senator Heintzeman moved that the Board amend the budget by adding \$660,000 from the Douglas J. Johnson Economic Protection Trust Fund carryforward fund to increase the FY25 budget line item for the Regional Trails program, adding \$3,737,204, from the Corpus of the Douglas J. Johnson Economic Protection Trust Fund, to increase the FY25 budget line item for the Housing program, adding \$1,907,290 from the Taconite Area Environmental Protection Fund carryforward fund to increase the FY25 budget line item for the Public Works program.

Sara Ferkul took a roll call vote.

**Voting in Favor of the Motion:** Senator Champion, Senator Farnsworth, Senator Hauschild, Senator Heintzeman, Representative Davis, Representative Igo, Representative Skraba and Representative Warwas.

**Voting Against the Motion:** None.

**Abstain:** None.

**Excused:** None.

**Motion Carried.**

### **IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD OF THE STATE OF MINNESOTA FISCAL YEAR 2025 AGENCY BUDGET AMENDMENT APPROVAL**

#### **Resolution No.: 25-026**

**WHEREAS**, the Iron Range Resources and Rehabilitation Board (The “**Board**”) and Governor have previously approved a Fiscal Year 2025 (“**FY25**”) Department of Iron Range Resources and Rehabilitation agency budget pursuant to the provisions of Minnesota Statutes Section 298.22, subdivision 11, for the funding of the operational expenditures, programs and projects of the agency, which covered the period of time from July 1, 2024 through June 30, 2025 (the “**FY25 Budget**”); and

**WHEREAS**, the Commissioner has requested the Board to approve an increase to the FY25 Budget to add \$660,000 from Douglas J. Johnson Economic Protection Trust Fund carryforward funds to the line item for Regional Trails, which would increase the line item for Regional Trails from \$1,500,000 to \$2,160,000; and

**WHEREAS**, the Commissioner has further requested the Board to approve an increase to the FY25 Budget to add \$3,737,204 from the corpus of the Douglas J. Johnson Economic Protection Trust Fund to the line item for Housing Development, which would increase the line item for Housing Development from \$6,000,000 to \$9,737,204; and

**WHEREAS**, the Commissioner has further requested the Board to approve an increase to the FY25 Budget to add \$1,907,290 from Taconite Area Environmental Protection Fund carryforward funds to the line item for Public Works, which would increase the line item for Public Works from \$6,000,000 to \$7,907,290 (collectively the “**Proposed Budget Amendments**”); and

**WHEREAS**, the Board met in open session at 2:00 p.m. on May 29, 2025, at the agency’s Mineland Reclamation Building located in Chisholm, Minnesota, with some members participating via interactive technology as authorized by Minnesota Statutes Section 13D.015, to consider, among other matters, the Proposed Budget Amendments and determined that increasing the FY25 Budget as proposed would be promote the mission of the agency.

**NOW, THEREFORE, IT IS HEREBY RESOLVED**, that the Board approves the Proposed Budget Amendments.

**PASSED AND ADOPTED BY VOTE OF THE IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD THIS 29<sup>TH</sup> DAY OF MAY 2025.**

Member	Aye	Nay	Abstain	Excused
Senator Bobby Joe Champion	X			
Senator Robert Farnsworth	X			
Senator Grant Hauschild	X			
Senator Keri Heintzeman	X			
Representative Ben Davis	X			
Representative Spencer Igo	X			
Representative Roger Skraba	X			
Representative Cal Warwas	X			
<b>TOTAL</b>	<b>8</b>			

Signed: \_\_\_\_\_  
Senator Robert Farnsworth, Chair

#### **8. FY25 Regional Trails – Resolution No. 25-027**

Representative Roger Skraba moved that the Board recommend an expenditure of up to \$2,160,000 of FY25 Regional Trails Project Funds for a proposed regional trails project, as presented in Exhibit A of Resolution No. 25-027.

Sara Ferkul took a roll call vote.

**Voting in Favor of the Motion:** Senator Champion, Senator Farnsworth, Senator Hauschild, Senator Heintzeman, Representative Davis, Representative Igo, Representative Skraba and Representative Warwas.

**Voting Against the Motion:** None.

**Abstain:** None.

**Excused:** None.

**Motion Carried.**

**IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD  
OF THE STATE OF MINNESOTA  
DOUGLAS J. JOHNSON ECONOMIC PROTECTION TRUST FUND  
FY25 REGIONAL TRAILS PROJECT RECOMMENDATION**

**Resolution No.: 25-027**

**WHEREAS**, pursuant to the agency’s approved fiscal year 2025 (“FY25”) budget, as amended by Resolution No. 25-026, the Commissioner, after consultation with the Iron Range Resources and Rehabilitation Advisory Board (“**Board**”), is authorized to expend up to \$2,160,000 for regional trails projects from the Douglas J. Johnson Economic Protection Trust Fund monies made available under Minnesota Statutes Sections 298.291-298.297 and Minnesota Statute Section 298.28, subdivision 11 (“**Regional Trails Project Funds**”) within the Taconite Assistance Area as defined in Minnesota Statutes Section 273.1341 (“**TAA**”); and

**WHEREAS**, the Commissioner has received proposals for the expenditure of up to \$2,160,000 for a regional trails project, as more fully described in Exhibit A, which is attached hereto and incorporated by reference (the “**Proposed Project**”); and

**WHEREAS**, the Board met in open session at 2:00 p.m. on May 29, 2025, at the agency’s Mineland Reclamation Building located in Chisholm, Minnesota, with some members participating via interactive technology as authorized by Minnesota Statutes Section 13D.015, to consider, among other matters, the Proposed Project and has determined that the expenditure of Regional Trails Project Funds for the purpose and in the amount specified would be in the public interest and promote economic development within the TAA.

**NOW, THEREFORE, IT IS RESOLVED** that the Board hereby recommends the expenditure of up to \$2,160,000 of FY25 Regional Trails Project Funds for the Proposed Project in the amount and for the purpose set forth in Exhibit A.

**BE IT FURTHER RESOLVED** that the Board’s recommendation for the expenditure of all funds for the Proposed Project is contingent upon the agency, in its grant contracts, requiring each such grantee entity to commit to the payment of prevailing wages for the funded project as required by law, or to the extent required in the Board’s Resolution 96-005.

**BE IT FURTHER RESOLVED** that the Board’s recommendation for the expenditure of all funds for the Proposed Project is further contingent upon all such project financing being in place before the agency’s funds are released.

**PASSED AND ADOPTED BY VOTE OF THE IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD THIS 29<sup>TH</sup> DAY OF MAY 2025.**

<b>Member</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>	<b>Excused</b>
Senator Bobby Joe Champion	<b>X</b>			
Senator Robert Farnsworth	<b>X</b>			
Senator Grant Hauschild	<b>X</b>			
Senator Keri Heintzeman	<b>X</b>			
Representative Ben Davis	<b>X</b>			
Representative Spencer Igo	<b>X</b>			
Representative Roger Skraba	<b>X</b>			
Representative Cal Warwas	<b>X</b>			
<b>TOTAL</b>	<b>8</b>			

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

Senator Robert Farnsworth, Chair

## EXHIBIT A

**Program:** FY25 Regional Trails

**Purpose:** Regional Trails grants assist with the design, engineering and construction of various types of trails.

**Economic Impact:**

# of Projects: 1

Agency Investment: **\$2,160,000**

Total Project Investment: **\$4,320,000**

**Northeast Regional ATV Trail Joint Powers Board**

**Grant Amount: \$2,160,000**

The project consists of engineering, permitting, right-of-way acquisition and various improvements for five ATV Trail Clubs located within the Taconite Assistance Area. The grant breakdown is as follows:

- **Alborn Dirt Devils ATV Club: \$135,000**
  - Location: 3.6 miles of trail between County Road 166 and Ostman Road in the Alborn area, along an existing snowmobile corridor.
  - Improvements: general trail construction, bridge, boardwalk, culverts, gravel surfacing.
- **Prospector ATV Club: \$1,200,000 – Phases 2 and 3**
  - Location #1: 9 miles of trail between Peyla Road and Pfeiffer Lake, connecting the area north of State Highway 169 and the west side of Lake Vermilion with a potential connection to the Y Store in Tower.
  - Location #2: 1.1 miles of trail and a bridge over Pike River, along State Highway 169 right-of-way.
  - Location #3: 2 miles of trail and a bridge over the Ranger River, connecting existing trails in Lake County to St. Louis County by way of the Echo Trail to the Cloquet line.
  - Location #4: Planning and Environmental Assessment Worksheet for multiple proposed trail segments, connecting the new Lake Vermilion - Soudan Underground Mine State Park and campground to surrounding communities.
- **Quad Cities ATV Club: \$100,000**
  - Location: North Spur, Pfeiffer, Big Aspen and Virginia.
  - Improvements: general trail construction, trailhead.
- **Ranger ATV Club: \$500,000**
  - Location: 3.6 miles of trail on the Seven Beavers Trail in the East Range area, along an existing snowmobile corridor.
  - Improvements: general trail construction, wetland crossings, culverts, gravel surfacing.
- **Voyageur Country ATV Club: \$225,000**
  - Location: 1.2 miles of trail along County Road 3 East toward the Koochiching county line.
  - Improvements: general trail construction, culverts, gravel surfacing, gates.

Uses		Sources	
Construction	\$3,888,000	IRRR (DJJ)	\$2,160,000
Engineering	235,000	Applicant	2,160,000
Permitting	197,000		
<b>Total</b>	<b>\$4,320,000</b>	<b>Total</b>	<b>\$4,320,000</b>

#### 9. FY25 Housing – Resolution No. 25-028

Representative Skraba moved that the Board recommend an expenditure of up to \$3,737,204 of FY25 Housing Development Program Funds for the proposed housing project, as presented in Exhibit A of Resolution No. 25-028.

Sara Ferkul took a roll call vote.

**Voting in Favor of the Motion:** Senator Champion, Senator Farnsworth, Senator Hauschild, Senator Heintzeman, Representative Davis, Representative Igo, Representative Skraba and Representative Warwas.

**Voting Against the Motion:** None.

**Abstain:** None.

**Excused:** None.

**Motion Carried.**

#### IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD OF THE STATE OF MINNESOTA DOUGLAS J. JOHNSON ECONOMIC PROTECTION TRUST FUND FY25 HOUSING DEVELOPMENT RECOMMENDATION

#### Resolution No.: 25-028

**WHEREAS**, pursuant to the agency’s approved fiscal year 2025 (“FY25”) budget, as amended by Resolution No. 25-026, the Commissioner, after consultation with the Iron Range Resources and Rehabilitation Board (“**Board**”), is authorized to expend up to \$9,737,204 for housing projects from the corpus of the Douglas J. Johnson Economic Protection Trust Fund as authorized by Minnesota Statutes Sections 298.292, subdivision 1, and 298.296, subdivision 2(c) (“**Housing Development Program Funds**”) within the Taconite Assistance Area as defined in Minnesota Statutes Section 273.1341 (“**TAA**”), of which \$6,000,000 has already been obligated for projects, leaving \$3,737,204 for expenditure during FY25; and

**WHEREAS**, the Commissioner has received proposals for the expenditure of up to \$3,737,204 for a housing project, as more fully described in Exhibit A, which is attached hereto and incorporated by reference (the “**Proposed Project**”); and

**WHEREAS**, the Board met in open session at 2:00 p.m. on May 29, 2025, at the agency’s Mineland Reclamation Building located in Chisholm, Minnesota, with some members participating via interactive technology as authorized by Minnesota Statutes Section 13D.015, to consider, among other matters, the Proposed Project and has determined that the expenditure of Housing Development Program Funds for the purpose and in the amount specified would be in the public interest and promote economic development within the TAA.

**NOW, THEREFORE, IT IS RESOLVED** that the Board hereby recommends the expenditure of up to \$3,737,204 of FY25 Housing Development Program Funds for the Proposed Project in the amount and for the purpose set forth in Exhibit A.

**BE IT FURTHER RESOLVED** that the Board’s recommendation for the expenditure of all funds for the Proposed Project is contingent upon the agency, in its grant contracts, requiring each such grantee entity to commit to the payment of prevailing wages for the funded project as required by law, or to the extent required in the Board’s Resolution 96-005.

**BE IT FURTHER RESOLVED** that the Board’s recommendation for the expenditure of all funds for the Proposed Project is further contingent upon all such project financing being in place before the agency’s funds are released.

**PASSED AND ADOPTED BY VOTE OF THE IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD THIS 29<sup>TH</sup> DAY OF MAY 2025.**

Member	Aye	Nay	Abstain	Excused
Senator Bobby Joe Champion	X			
Senator Robert Farnsworth	X			
Senator Grant Hauschild	X			
Senator Keri Heintzeman	X			
Representative Ben Davis	X			
Representative Spencer Igo	X			
Representative Roger Skraba	X			
Representative Cal Warwas	X			
<b>TOTAL</b>	<b>8</b>			

Signed: \_\_\_\_\_  
Senator Robert Farnsworth, Chair

#### **EXHIBIT A**

**Program:**        **FY25 Housing Development**

**Purpose:**        Housing grants assist projects or programs that result in the creation of new housing units or the rehabilitation of existing housing units. The program supports housing solutions that align with local priorities and regional employer’s needs.

**Economic Impact:**

# of Projects: **1**  
Agency Investment: **\$3,737,204**  
Total Project Investment: **\$9,684,404**

**City of Ely**

**Grant Increase: \$3,737,204**

**Original Project Approval:** The project consists of infrastructure and the construction of a new three-story, 37-unit market rate workforce apartment building. IRRR previously approved \$850,000 for the project in March 2024.

**Reason for Grant Increase:** In fall 2024, the city applied for a Minnesota Housing Workforce Housing Grant to support the project. While a portion of the Minnesota Housing grant may be awarded, a gap remains. To close the funding gap, the city is requesting an additional \$3,737,204 from IRRR to fully secure the project's financing, allow site preparation to begin in fall 2025 and begin construction in summer 2026.

The \$3,737,204 grant increase will bring the agency’s investment to \$4,587,204 and the total project investment to \$9,684,404, as shown in the budget table.



Uses		Sources	
Acquisition and construction	\$7,847,309	IRRR - original grant (DJJ)	\$850,000
Contractor fee, professional fee, developer fee, financing fee, contingency and reserve	1,837,095	IRRR - grant increase (DJJ)	\$3,737,204
		Minnesota Housing Finance Agency - Workforce Housing Development Program (pending)	1,500,000
		City of Ely	19,200
		Ely Housing & Redevelopment Authority (Developer Cash Equity)	350,000
		Ely Housing & Redevelopment Authority (First Mortgage)	3,228,000
<b>Total</b>	<b>\$9,684,404</b>	<b>Total</b>	<b>\$9,684,404</b>

#### 10. FY25 Public Works – Resolution No. 25-029

Representative Igo moved that the Board recommend an expenditure of up to \$1,907,290 of FY25 Public Works Funds for nine public works projects, as presented in Exhibit A of Resolution No. 25-029.

Sara Ferkul took a roll call vote.

**Voting in Favor of the Motion:** Senator Champion, Senator Farnsworth, Senator Hauschild, Senator Heintzeman, Representative Davis, Representative Igo, Representative Skraba and Representative Warwas.

**Voting Against the Motion:** None.

**Abstain:** None.

**Excused:** None.

**Motion Carried.**

#### IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD OF THE STATE OF MINNESOTA TACONITE AREA ENVIRONMENTAL PROTECTION FUND FY25 PUBLIC WORKS PROJECT RECOMMENDATIONS

#### Resolution No.: 25-029

**WHEREAS**, pursuant to the agency’s approved fiscal year 2025 (“FY25”) budget, as amended by Resolution No. 25-026, the Commissioner, after consultation with the Iron Range Resources and Rehabilitation Board (“**Board**”), is authorized to expend up to \$7,907,290 for development and community infrastructure projects, for the benefit of the Taconite Assistance Area as defined in Minnesota Statutes Section 273.1341 (“**TAA**”), from the line item for Public Works funded through the Taconite Area Environmental Protection Fund as authorized by Minnesota Statutes Section 298.223 (“**Public Works Funds**”), of which \$6,000,000 has already been obligated for projects, leaving \$1,907,290 for expenditure during FY25; and

**WHEREAS**, the Commissioner has received proposals for the expenditure of up to \$1,907,290 for nine public works projects, which are more fully described in Exhibit A, which is attached hereto and incorporated by reference (collectively the “**Proposed Projects**”); and

**WHEREAS**, the Board met in open session at 2:00 p.m. on May 29, 2025, at the agency’s Mineland Reclamation Building located in Chisholm, Minnesota, with some members participating via interactive technology as authorized by Minnesota Statutes Section 13D.015, to consider, among other matters, the Proposed Projects and has determined that the expenditure of Public Works Funds for the purposes and in the amounts specified would be in the public interest and promote economic development within the TAA.

**NOW, THEREFORE, IT IS RESOLVED** that the Board hereby recommends the expenditure of up to \$1,907,290 of FY25 Public Works Funds to provide grants for the Proposed Projects in the amounts and for the purposes set forth in Exhibit A.

**BE IT FURTHER RESOLVED** that the Board’s recommendation for the expenditure of all funds for the Proposed Projects is contingent upon the agency, in its grant contracts, requiring each such grantee entity to commit to the payment of prevailing wages for the funded project as required by law, or to the extent required in the Board’s Resolution 96-005.

**BE IT FURTHER RESOLVED** that the Board’s recommendation for the expenditure of all funds for the Proposed Projects is further contingent upon all such project financing being in place before the agency’s funds are released.

**PASSED AND ADOPTED BY VOTE OF THE IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD THIS 29<sup>TH</sup> DAY OF MAY 2025.**

Member	Aye	Nay	Abstain	Excused
Senator Bobby Joe Champion	X			
Senator Robert Farnsworth	X			
Senator Grant Hauschild	X			
Senator Keri Heintzeman	X			
Representative Ben Davis	X			
Representative Spencer Igo	X			
Representative Roger Skraba	X			
Representative Cal Warwas	X			
<b>TOTAL</b>	<b>8</b>			

Signed: \_\_\_\_\_  
Senator Robert Farnsworth, Chair

#### **EXHIBIT A**

**Program:**        **FY25 Public Works**

**Purpose:**        Public Works grants support local and Tribal governments with infrastructure funding that provides essential services and promotes economic development.

**Economic Impact:**

# of Projects: **9**

Agency Investment: **\$1,907,290**

Total Project Investment: **\$16,806,329**

**City of Babbitt**

**Grant Amount: \$60,000**

The project consists of water and sewer line extensions to serve an existing business, The Hideaway. The city is currently annexing land beyond its city limits. The new infrastructure could serve additional residential properties as the city

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boundaries expand. The project will provide new tax revenue for the city and support the sustainability of the existing business.

Uses		Sources	
Water and sewer line extension	\$110,000	IRRR	\$60,000
Building upgrades	10,000	Private	30,000
		City of Babbitt	30,000
<b>Total</b>	<b>\$120,000</b>	<b>Total</b>	<b>\$120,000</b>

#### City of Biwabik

##### Grant Amount: \$70,500

The project consists of replacement of an aging and failing sanitary sewer line that has a high risk of causing backups and impacting the entire city sanitary sewer system, residential homes and short-term rental properties. The line currently holds water and does not properly drain, which drastically increases the chances of a sanitary sewer backup and overflow into residences.

Uses		Sources	
Sewer line upgrades	\$125,575	IRRR	\$70,500
Architecture and engineering	15,500	City of Biwabik	83,135
Contingency	12,560		
<b>Total</b>	<b>\$153,635</b>	<b>Total</b>	<b>\$153,635</b>

#### City of Bovey

##### Grant Amount: \$267,790

The project consists of public utilities relocation and extension to a new business development. Palmer Bus Company provides student transportation services for many schools across Minnesota. The company would like to expand their facilities to accommodate the transportation needs of two school districts located on the Iron Range.

Uses		Sources	
Infrastructure and road reconstruction	\$219,500	IRRR	\$267,790
Facility construction	950,000	Private	971,950
Architecture and engineering	48,290		
Contingency	21,950		
<b>Total</b>	<b>\$1,239,740</b>	<b>Total</b>	<b>\$1,239,740</b>

#### City of Chisholm

##### Grant Amount: \$600,000

The project consists of water, sewer, storm sewer and total street reconstruction for a portion of 5<sup>th</sup> Street Southwest. The new infrastructure and street improvements will serve the Chisholm Public School District and 26 single family homes.

Uses		Sources	
Infrastructure and road reconstruction	\$1,338,920	IRRR	\$600,000
Architecture and engineering	243,440	City of Chisholm	982,360
<b>Total</b>	<b>\$1,582,360</b>	<b>Total</b>	<b>\$1,582,360</b>

#### City of Cook

##### Grant Amount: \$85,000

The project consists of roof and HVAC upgrades and interior improvements to the Cook Public Library. The library has experienced numerous roof leaks and HVAC issues for several years, and it was substantially damaged during the 2024

flood. The region received seven inches of rain within a 24-hour time period, causing extensive damage to infrastructure, homes and businesses, particularly in the city of Cook.

Uses		Sources	
Roof and HVAC upgrades	\$127,000	IRRR	\$85,000
Building interior improvements	146,500	City of Cook	5,238
Architecture and engineering	38,000	Federal Emergency Management Agency	141,262
Contingency	25,000	Department of Education	95,000
		Friends of the Cook Public Library	10,000
<b>Total</b>	<b>\$336,500</b>	<b>Total</b>	<b>\$336,500</b>

#### Kelsey Township

##### Grant Amount: \$70,000

The project consists of town hall upgrades. The building's foundation is failing and needs immediate repairs. The basement needs waterproofing and tuckpointing, and new roof trusses will be installed. The town hall is an integral part of the community, providing space for town board meetings, polling and community events. The historic building was constructed over 100 years ago and was originally a school.

Uses		Sources	
Town hall upgrades	\$140,201	IRRR	\$70,000
		Kelsey Township	70,201
<b>Total</b>	<b>\$140,201</b>	<b>Total</b>	<b>\$140,201</b>

#### Lawrence Township

##### Grant Amount: \$23,000

The project consists of town hall renovations and foundation upgrades. The building is 30 years old and requires energy efficient upgrades, including new windows and doors to replace the original ones. New flooring will be installed. The town hall is a central community gathering place.

Uses		Sources	
Town hall upgrades	\$64,500	IRRR	\$23,000
		Blandin Foundation	31,500
		Itasca County	10,000
<b>Total</b>	<b>\$64,500</b>	<b>Total</b>	<b>\$64,500</b>

#### City of Virginia

##### Grant Amount: \$165,000

The project consists of infrastructure relocation and upgrades. The city will replace a storm sewer main to facilitate the expansion of an existing business and relocate a sanitary sewer main to ensure the continued operation of another business. Both businesses have made significant investments in the city and are committed to further development. Without the city's support to relocate the sewer lines, the businesses' ability to expand and maintain operations in Virginia will diminish.

Uses		Sources	
Infrastructure relocation and upgrades	\$308,000	IRRR	\$165,000
Architecture and engineering	50,000	City of Virginia	224,000
Contingency	31,000		
<b>Total</b>	<b>\$389,000</b>	<b>Total</b>	<b>\$389,000</b>

**City of Tower****Grant Increase: \$566,000**

**Original Project Approval:** The original project consists of water, sewer and electric utility placement for development of six newly constructed sustainable homes. The single-family homes feature two or three bedrooms and are suitable for permanent homestead or short-term rentals. The homes are Phase 1 of a larger development project situated on the East Two River. IRRR previously approved \$482,000 for the project in February 2025.

**Reason for Grant Increase:** The utility placement initially was a temporary solution to assist in moving the housing development forward. The grant increase will enable the public infrastructure to become permanent. The increase also supports new development for the harbor which includes 14 townhomes, 14 condo-style apartments and 7,500 square feet of commercial space.

The \$566,000 grant increase will bring the agency's investment to \$1,048,000 and the total project investment to \$12,780,393, as shown in the budget table.

<b>Uses</b>		<b>Sources</b>	
Utilities extension construction	\$1,005,000	IRRR - original grant (Highway 1)	\$482,000
Wetland credits	43,000	IRRR - grant increase	566,000
Site development	489,931	Tower Economic Development Authority	25,000
Home construction	2,454,710	Frandsen Bank and Trust	1,000,000
Land acquisition	650,000	Private	10,707,393
Harbor building construction	8,000,000		
Architecture and engineering	76,979		
Contingency	60,773		
<b>Total</b>	<b>\$12,780,393</b>	<b>Total</b>	<b>\$12,780,393</b>

**11. FY25 Public Works – Resolution No. 25-030**

Representative Skraba moved that the Board recommend amending the scope of the Crane Lake Township project associated with Resolution No. 22-024, Exhibit A, to use all remaining grant funds for the public shower and bathroom facility, as presented in Exhibit B of Resolution No. 25-030.

Sara Ferkul took a roll call vote.

**Voting in Favor of the Motion:** Senator Champion, Senator Farnsworth, Senator Hauschild, Senator Heintzeman, Representative Davis, Representative Igo, Representative Skraba and Representative Warwas.

**Voting Against the Motion:** None.

**Abstain:** None.

**Excused:** None.

**Motion Carried.**

**IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD  
OF THE STATE OF MINNESOTA  
TACONITE AREA ENVIRONMENTAL PROTECTION FUND  
FY25 PUBLIC WORKS PROJECT RECOMMENDATION AMENDMENT**

**Resolution No.: 25-030**

**WHEREAS**, on June 7, 2022, the Board passed its Resolution No. 22-024 recommending the expenditure of up to \$5,600,000 of FY22 Public Works DJJ Corpus Funds to provide grants for several proposed projects, which resolution is attached hereto as Exhibit A; and

**WHEREAS**, one of the proposed projects was a grant to Crane Lake Township for \$250,000; and

**WHEREAS**, the original project has been completed in accordance with its approved scope, leaving a remaining grant balance of \$58,834.76; and

**WHEREAS**, Crane Lake Township is now proceeding with the development of a new campground adjacent to the original project site and requires additional funding to complete a public shower and bathroom facility which the remaining grant balance would cover; and

**WHEREAS**, to accurately reflect this change to the Crane Lake Township Project and apply the remaining grant balance to this portion of the project, it is requested that the scope of the project be amended to include the public shower and bathroom facility as provided in Exhibit B, which is attached hereto and incorporated by reference ("Proposed Project Amendment "); and

**WHEREAS**, the Board met in open session at 2:00 p.m. on May 29, 2025, at the agency's Mineland Reclamation Building located in Chisholm, Minnesota, with some members participating via interactive technology as authorized by Minnesota Statutes Section 13D.015, to consider, among other matters, the Proposed Project Amendment and has determined that the proposed amendment to the Crane Lake Township Project is consistent with the purpose of the original project.

**NOW, THEREFORE, IT IS RESOLVED**, that the Board recommends approval of the proposed Amendment allowing use of the remaining grant balance in support of the Crane Lake Township Project.

**PASSED AND ADOPTED BY VOTE OF THE IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD THIS 29<sup>TH</sup> DAY OF MAY 2025.**

Member	Aye	Nay	Abstain	Excused
Senator Bobby Joe Champion	X			
Senator Robert Farnsworth	X			
Senator Grant Hauschild	X			
Senator Keri Heintzeman	X			
Representative Ben Davis	X			
Representative Spencer Igo	X			
Representative Roger Skraba	X			
Representative Cal Warwas	X			
<b>TOTAL</b>	<b>8</b>			

Signed: \_\_\_\_\_  
Senator Robert Farnsworth, Chair

## EXHIBIT A

### IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD OF THE STATE OF MINNESOTA FY22 PUBLIC WORKS PROJECT RECOMMENDATIONS

Resolution No.: 22-024

WHEREAS, pursuant to the agency's approved fiscal year 2022 ("FY22") budget, as amended pursuant to Board Resolution No. 22-023, the Commissioner is authorized to expend up to \$7,650,000 for the benefit of the TAA for broadband, development and community infrastructure projects from the corpus of the Douglas J. Johnson Economic Protection Trust Fund as authorized by Minnesota Statutes Sections 298.292, subdivision 1, and 298.296, subdivision 2(d) ("Public Works-DJJ Corpus Trust Funds"), of which \$2,000,000 has already been obligated for projects by prior Board actions, leaving \$5,650,000 that has not yet been recommended by the Board for expenditure during FY22; and

WHEREAS, the Commissioner has received proposals for the expenditure of up to \$5,650,000 for broadband, community and development infrastructure projects, which are more fully described in Exhibit A, which is attached hereto and incorporated by reference (collectively the "Proposed Projects"); and

WHEREAS, the Board met in open session at 1:00 p.m. on June 7, 2022, at the agency's Administration Building located near Eveleth, Minnesota, with some members participating via interactive technology as authorized by Minnesota Statutes Section 13D.015, to consider, among other matters, the Proposed Projects and has determined that the expenditure of Public Works-DJJ Corpus Trust Funds for the purposes and in the amounts specified in Exhibit A would be in the public interest and promote economic development within the TAA.

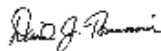
NOW, THEREFORE, IT IS RESOLVED, that the Board hereby recommends the expenditure of up to \$5,650,000 of FY22 Public Works-DJJ Corpus Trust Funds to provide grants for the Proposed Projects in the amounts and for the purposes set forth in Exhibit A.

BE IT FURTHER RESOLVED that the Board's recommendation for the expenditure of funds for all of the Proposed Projects, including those Proposed Projects which have associated private development work, is contingent upon the agency, in its grant contracts, requiring each such grantee entity to commit to the payment of prevailing wages for the funded project as required by law, or to the extent required in the Board's Resolution 96-005.

BE IT FURTHER RESOLVED that the Board's recommendation for the expenditure of all funds for the Proposed Projects is further contingent upon all such project financing being in place before the agency's funds are released.

PASSED AND ADOPTED BY VOTE OF THE IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD THIS 7<sup>TH</sup> DAY OF JUNE 2022.

Member	Aye	Nay	Abstain	Excused
Senator Tom Bakk	X			
Senator Justin Eichorn	X			
Senator Carrie Ruud	X			
Senator David Tomassoni	X			
Representative Rob Ecklund	X			
Representative Spencer Igo	X			
Representative Dave Lislegard	X			
Representative Dale Lueck	X			
Representative Julie Sandstede	X			
TOTAL	9	0	0	0



Signed: \_\_\_\_\_  
Senator David Tomassoni, Chair

## EXHIBIT B

**Program:** FY25 Grant Amendment: Public Works

**Purpose:** Public Works grants support local and Tribal governments with infrastructure funding that provides essential services and promotes economic development.

**Economic Impact:**  
# of Projects: 1

Agency Investment: **\$250,000**  
Total Project Investment: **\$9,300,000**

**Crane Lake Township**  
**Grant Amount: \$250,000**  
**Remaining Grant Funds: \$58,834.76**

**Original Project Approval:** The project consisted of reconstruction of Bayside Drive from Handberg Road (CR 425) to the existing Minnesota Department of Natural Resources (MNDNR) boat access point on Crane Lake. The town of Crane Lake designated Bayside Drive as an official township road, and the reconstruction is to county and township standards. The improvements allow greater public access to the MNDNR boat access serving Crane Lake, Voyageurs National Park, Quetico Provincial Park and Boundary Water Canoe Area Wilderness. The safety considerations are critical with the planned increase in usage of the MNDNR boat access as a result of the new campground development and Voyageurs National Park Visitor Center development adjacent to the boat access. Crane Lake constructed a new visitor center along the shoreline of Crane Lake. The visitor center project is fully funded at \$2.7 million, achieved by a Legislative-Citizen Commission on Minnesota Resources (LCCMR) grant awarded to the township.

**Reason for Grant Scope Change:** Crane Lake completed the Bayside Drive Road reconstruction project that provides access to the new National Park Visitor Center, campground development and MNDNR boat access. There is a remaining grant balance of \$58,834.76. The new campground development needs additional funds to complete the public shower and bathroom facility. The township is seeking approval from IRRR to use the remaining grant balance that was dedicated to Bayside road reconstruction to complete the shower and bathhouse at the campground development.

#### **12. FY25 Broadband Infrastructure – Resolution No. 25-031**

Representative Warwas moved that the Board recommend an expenditure of up to \$383,000 of broadband funds for the proposed project, as presented in Exhibit A of Resolution No. 25-031.

Sara Ferkul took a roll call vote.

**Voting in Favor of the Motion:** Senator Champion, Senator Farnsworth, Senator Hauschild, Senator Heintzeman, Representative Davis, Representative Igo, Representative Skraba and Representative Warwas.

**Voting Against the Motion:** None.

**Abstain:** None.

**Excused:** None.

**Motion Carried.**

**FYIRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD  
OF THE STATE OF MINNESOTA  
TACONITE AREA ENVIRONMENTAL PROTECTION FUND  
FY25 BROADBAND PROJECT RECOMMENDATIONS**

#### **Resolution No.: 25-031**

**WHEREAS**, pursuant to the agency’s approved fiscal year 2025 (“FY25”) budget, the Commissioner is authorized to expend up to \$1,000,000 for broadband projects for the benefit of the Taconite Assistance Area as that term is defined under Minnesota Statutes Section 273.1341 (the “TAA”); and



**WHEREAS**, the Commissioner has received a proposal for the expenditure of up to \$383,000 for a broadband project, which is more fully described in Exhibit A, which is attached hereto and incorporated by reference (the “**Proposed Project**”); and

**WHEREAS**, the Board met in open session at 2:00 p.m. on May 29, 2025, at the agency’s Mineland Reclamation Building located in Chisholm, Minnesota, with some members participating via interactive technology as authorized by Minnesota Statutes Section 13D.015, to consider, among other matters, the Proposed Project and has determined that the expenditure in the amount specified in Exhibit A would be in the public interest and promote economic development within the TAA.

**NOW, THEREFORE, IT IS RESOLVED**, that the Board hereby recommends the expenditure of up to \$383,000 of broadband funds for the Proposed Project for the purposes set forth in Exhibit A.

**BE IT FURTHER RESOLVED** that the Board’s recommendation for the expenditure of all funds for the Proposed Project is further contingent upon all such project financing being in place before the agency’s funds are released.

**PASSED AND ADOPTED BY VOTE OF THE IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD THIS 29<sup>TH</sup> DAY OF MAY 2025.**

<b>Member</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>	<b>Excused</b>
Senator Bobby Joe Champion	<b>X</b>			
Senator Robert Farnsworth	<b>X</b>			
Senator Grant Hauschild	<b>X</b>			
Senator Keri Heintzeman	<b>X</b>			
Representative Ben Davis	<b>X</b>			
Representative Spencer Igo	<b>X</b>			
Representative Roger Skraba	<b>X</b>			
Representative Cal Warwas	<b>X</b>			
<b>TOTAL</b>	<b>8</b>			

Signed: \_\_\_\_\_  
Senator Robert Farnsworth, Chair

#### **EXHIBIT A**

**Program:**        **Broadband Infrastructure**

**Purpose:**        Broadband Infrastructure grants assist projects that help households and businesses reach the state of Minnesota broadband speed goal.

**Economic Impact:**

# of Projects: **1**  
Agency Investment: **\$383,000**  
Total Project Investment: **\$1,111,743**  
Households Served: **35**

**Paul Bunyan Rural Telephone Cooperative**  
**Grant Amount: \$383,000**

The project consists of expanding Paul Bunyan Rural Telephone Cooperative fiber optic to serve 35 unserved households in unorganized township T62N-R21W in rural Saint Louis County. This is an expansion of the Paul Bunyan network north of Morcom Township. The project is capable of speeds that will far exceed the state of Minnesota 2026 broadband

speed goal of 100 megabits per second download and 20 megabits per second upload. Construction is planned for summer 2026.

Uses		Sources	
Fiber construction	\$1,003,816	IRRR	\$383,000
Electronics and engineering	107,927	Paul Bunyan Rural Telephone Cooperative	728,743
<b>Total</b>	<b>\$1,111,743</b>	<b>Total</b>	<b>\$1,111,743</b>

### 13. FY26 Agency Budget Approval – Resolution No. 25-032

Senator Keri Heintzeman moved that the Board approve the FY26 Budget, as presented to the Board during consideration of Resolution No. 25-032.

Sara Ferkul took a roll call vote.

**Voting in Favor of the Motion:** Senator Champion, Senator Farnsworth, Senator Hauschild, Senator Heintzeman, Representative Davis, Representative Igo, Representative Skraba and Representative Warwas.

**Voting Against the Motion:** None.

**Abstain:** None.

**Excused:** None.

**Motion Carried.**

#### IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD OF THE STATE OF MINNESOTA FISCAL YEAR 2026 AGENCY BUDGET APPROVAL

### Resolution No.: 25-032

**WHEREAS**, the Commissioner, pursuant to the provisions of Minnesota Statutes Section 298.22, subdivision 11, has submitted to the Iron Range Resources and Rehabilitation Advisory Board ("**Board**") for its consideration and approval a proposed fiscal year 2026 ("**FY26**") budget for the funding of operational expenditures, programs and projects of the agency during the State's FY26 which covers the period of time from July 1, 2025, through June 30, 2026 (the "**Proposed FY26 Budget**"); and

**WHEREAS**, the Board met in open session at 2:00 p.m. on May 29, 2025, at the agency's Mineland Reclamation Building located in Chisholm, Minnesota, to consider, among other matters, the Proposed FY26 Budget; and

**WHEREAS**, the Board, after careful deliberation of the current and future resources anticipated to be available to the agency, has concluded that it would be in the best interests of the agency and the Taconite Assistance Area defined in Minnesota Statutes Section 273.1341 to approve the Proposed FY26 Budget and to approve the requested expenditures of funds made available to the Commissioner under the provisions of Minnesota Statutes Section 298.22 ("**Board Account**"), Section 298.223 ("**Taconite Area Environmental Protection Fund**"), Sections 298.291 through 298.296 ("**Douglas J Johnson Economic Protection Trust Fund**") and Section 298.17 ("**Occupation Tax Funds**") for the projects and purposes, in the amounts, and to the extent requested for final approval authorization in the Proposed FY26 Budget.

**NOW, THEREFORE, IT IS HEREBY RESOLVED** that the Board approves the Proposed FY26 Budget and the expenditure authorizations therein requested from the Board Account, Taconite Area Environmental Protection Fund, Douglas J.

Johnson Economic Protection Trust Fund and Occupation Tax Funds to fund the operational expenditures, programs and projects contained in the FY26 Budget, subject to the understanding that the Board at subsequent meetings during FY26 will provide advice, on a project-by-project basis, regarding the expenditure of funding designated in the projects section of the Budget except as otherwise provided in the Budget, and subject to the understanding that the Commissioner's authority to approve loans up to \$500,000 as described in the Project section of the Budget does not extend beyond June 30, 2026, without further Board approval.

**PASSED AND ADOPTED BY VOTE OF THE IRON RANGE RESOURCES AND REHABILITATION ADVISORY BOARD THIS 29<sup>th</sup> DAY OF MAY, 2025.**

<b>Member</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>	<b>Excused</b>
Senator Bobby Joe Champion	<b>X</b>			
Senator Robert Farnsworth	<b>X</b>			
Senator Grant Hauschild	<b>X</b>			
Senator Keri Heintzeman	<b>X</b>			
Representative Ben Davis	<b>X</b>			
Representative Spencer Igo	<b>X</b>			
Representative Roger Skraba	<b>X</b>			
Representative Cal Warwas	<b>X</b>			
<b>TOTAL</b>	<b>8</b>			

Signed: \_\_\_\_\_  
 Senator Robert Farnsworth, Chair

#### **14. Adjournment**

The meeting adjourned at 4:11 p.m.