# Range Association of Municipalities & SchoolsBoard Meeting MinutesThursday, February 23, 2017 – 6:00 P.M.Northeast Service Cooperative Building

**Call to Order:**

President Paul Kess called the meeting to order at 6:00 P.M.

**Roll Call:**

Present: Paul Kess (City of Ely); Jim Fisher (McDavitt Township); Gregg Allen (Supts Assn); Charlie Baribeau (City of Virginia); Bob Berrini (Morse Township); Ben DeNucci (City of Nashwauk); Pat Garrity (City of Hibbing); Walt Hautala (ISD 2711-Mesabi East); Stuart Lehman (City of Buhl); Ray Marsnik (ISD 696-Ely); Kim McLaughlin (ISD 701-Hibbing); Mona Putzel (ISD 2154-Eveleth/Gilbert); Kevin Scaia (City of Chisholm); David Zins (City of Hoyt Lakes); Al Stanaway (City of Mt. Iron); Warren Stolp (Nashwauk Township); Stacey Sundquist (ISD 706-Virginia); Ione Tomasetti (ISD 695-Chisholm); Dave Worshek (City of Aurora)

Absent: ISD 318-Grand Rapids; Great Scott Township; City of Babbitt; One rep from Supts Assn; City of Silver Bay

Also Present: Steve Giorgi, Executive Director; Lois Roskoski, Administrative Assistant; Ed Zabinski; Barb Kalmi, Jennifer Sterbenz

**Review and Approve Agenda:**

Director Giorgi stated a resolution regarding the Laurentian Energy Authority was added under New Business.

**Moved by Fisher and supported by Tomasetti to approve the agenda, as modified. Motion carried unanimously.**

**Approve Meeting Minutes:**

**Moved by DeNucci and supported by Lehman to approve the minutes from the regular meeting held on January 26, 2017. Motion carried.**

**Appearance:**

Director Giorgi stated a RAMS subcommittee has been formed to review options on the IRRRB governance and DJJ Fund.

Ed Zabinski was present and stated he served on a Task Force in 2013 to prepare a comprehensive study to restructure the IRRRB to provide more accountability and protect the DJJ Fund. Ed Zabinski summarized the 165 page IRRRB Comprehensive Study, as follows:

* Task Force was a 17 member panel and included 4 legislators, 4 “next generation” members, 4 local elected officials and 5 at large members.
* Process included 6 task force meetings; 26 stakeholder interviews; 29 focus group participants from education, economic development, labor and mining industry; public surveys and public input forums.
* Regarding the DJJ Fund, it was recommended that the fund should be protected and earmarked for the Iron Range. Local governance was preferred. Decisions should be unanimous. Ensure that proceeds from mining taxes should be made to the fund.
* IRRRB should have a more direct role in selecting its chief executive to assure accountability.
* IRRRB should utilize existing county systems for production tax collection.
* IRRRB staff member salaries, benefits and pensions should be protected through any changes.
* IRRRB would remain a state agency and governed by board of legislators who represent districts in which one third or more of the residents live with the Taconite Assistance Area.
* IRRRB would approves the Agency’s budget.
* IRRRB would decide how much funding to allocate from mining production tax to DJJ Fund.
* New board would be created to oversee the DJJ Fund.
* DJJ Fund would be separate, non-governmental entity.
* DJJ Fund would be governed by board comprised by people within the TAA.
* DJJ Fund board roles would include hiring/managing separate chief executive, setting policy and approving projects.
* DJJ Fund would be accountable to IRRRB via a contract.
* Proposal was made to IRRRB board, but not implemented.

Ed Zabinski submitted a proposal to work with the RAMS subcommittee and prepare changes to the IRRRB and DJJ Fund. The board will review Ed Zabinski’s proposal under New Business.

Director Giorgi stated Representative Layman has introduced a bill regarding the IRRRB. A copy of the bill will be emailed to the board members. Director Giorgi stated he will be meeting with legislators next week in St. Paul and then determine a course of action on this issue. It was recommended that the RAMS Subcommittee review the State Auditor’s audit report on the IRRRB.

**Director’s Report:**

 Director Giorgi provided an update on his activities for the month of February:

* An MPCA open house was hosted by RAMS in February, where an overview was given on wild rice sulfate standards. Entities could apply for a waiver if there is an economic hardship, which includes a $10,000 fee. There may be a bill introduced to delay the implementation date until the cost analysis is available.
* Hosted a meeting with health care providers and the St. Louis County Public Health Department to explore the possibility of developing a regional health care community assessment report.
* Hosted a meeting with Secretary of State Steve Simon to discuss replacement of voting equipment. In 2000, federal funding was provided to purchase new election equipment. There is a $28 million cost to replace election equipment in Minnesota. The Governor’s proposed budget includes $14 million to replace election equipment. A resolution will be considered later in the meeting on this issue. There is an estimated cost of $10,000 per precinct to replace election machines.
* Hosted a meeting of the Range Mayors. Ben Hill, State Director for Senator Klobuchar, attended the meeting to hear issues from the Iron Range Mayors.
* The Superintendents Association passed a resolution on the withdrawal of land from the Rainy River Watershed.
* Traveled to St. Paul to meet with legislators.
* Tentative trip to Washington, DC has been planned for March 21-23. Representatives from Jobs for Minnesotans, Mining Minnesota, labor and trades and two local elected officials would be included in the trip.

Charlie Baribeau encouraged all entities to send resolutions to their legislators to request the rescission of action to withdraw 400,000 acres of federal land from the Rainy River Watershed area and allow the agencies to review mineral development projects under the existing processes that are in place. Copies

**Old Business:**

1. Follow up on board resolutions

Director Giorgi noted a response was received from Commissioner Tom Landwehr regarding the resolution adopted by RAMS to support the proposed reorganization efforts by Mesabi Metallics.

**New Business:**

a. Resolution of support for State funding for election equipment

**Moved by Putzel and supported by Baribeau to adopt Resolution 05-2017 in support of State funding to replace voting equipment. Resolution adopted unanimously.**

b. Information from Jobs Up North - Gerald Tyler

Director Giorgi will review the information that was received earlier in the day from Jobs Up North regarding the leases for the Twin Metals project and add to the next agenda, if necessary.

c. Committee updates

Discussion on the formation of an Organizing Committee will be added to a future agenda. Board members that are interested in reaching out to possible new members were asked to notify the Director.

d. RAMS board members trip to St Paul

Director Giorgi and Gary Cerkvenik have set the itinerary for the meetings at the State Capitol on February 27th and 28th.

e. Agreement with Ed Zabinski to provide facilitation services

**Moved by Fisher and supported by Putzel to approve the contract with Ed Zabinski to provide consulting services for a proposal to enhance the IRRRB governance and preserving local control of the DJJ Economic Development Fund, at a cost not to exceed $2,500. Motion carried unanimously.**

f. Legislative Report – Gary Cerkvenik

Gary Cerkvenik provided a written report and noted legislative committee deadlines have been set for March 10, March 17 and March 31.

Gary is following the following bills:

* HF 229/SF 332 East Range Water bonding project.
* HF976/SF652 Bonding bill request to improve rail services.
* HF1024/SF 87 Bill to increase funding for small schools.
* HF xxx/SF 1301 Bonding bill for Coleraine to repair sewage treatment infrastructure.
* HF 954/SF 427 Bonding bill for new sewage treatment facilities for Nashwauk and Keewatin.
* HF1324/SF 1300 Bill to extend $500,000 in grant funds to Education Innovation Partners for teacher
 training.
* HF 1325/SF xxx Bill to increase taconite municipal aid by locking in distributions at the 1983 level
 without the current law reduction of 2 percent for each 1 million tons of production.
* HF 1372/SF xxx Changes to Iron Range Fiscal Disparities.
* HF xxx/SF 45 Increases in LGA, County Aid and Township Aid.
* HF 759/SF 700 LEA bill.
* HF 690/SF 414 ATV trail development appropriations in the RAMS service territory.
* HF 891/SF 708 Legacy Bill.
* HF 1265/SF 550 LCCMR Bill
* HF 416/SF 336 Bonding bill for Mesabi Trail between Embarrass and Tower.
* HF 415/SF 335 Bonding bill for Highway 53 bridge.
* HF 432/SF 340 Bonding bill to provide MNDOT resources to reconstruct an intersection during
 rebuild of Hwy 169.
* HF 408/SF XXX Allow IRRRB to make multi- year expenditures from School Account.
* HF 1255/SF 768 Bill to increase funding for mental health services and staff development.
* HF 760/SF 83 LGA adjustments to benefit Hibbing and Biwabik.
* HF 1067/SF 1366 Bill to allocate money to MNSCU to provide teacher grants to earn graduate credits
 to teach concurrent enrollment courses.

g. Resolution supporting LEA legislation

Director Giorgi stated the Laurentian Energy Authority is seeking changes to lower their risk profile by changing its biomass requirements by reasonable modifications, to reduce financing risks and an extended contract with Xcel Energy to secure its future for the citizens of Hibbing and Virginia.

**Moved by Garrity and supported by Baribeau to adopt Resolution No. 06-2017 to support the members of RAMS, the Hibbing Public Utilities, the Virginia Public Utilities and the Laurentian Energy Authority in their efforts to secure their future by encouraging the Minnesota Legislature and Governor to pass and enact into law Senate File 700 and House File 759. Resolution adopted unanimously.**

**Board Member Updates:**

Kevin Scaia provided a report on the City of Chisholm.

* Todd Scaia has appointed as Mayor, which was vacant due to the election of Mike Jugovich to the St Louis County Board.
* Marty Halverson was appointed to the vacant seat on the City Council.
* Katie Bobich has been hired for the City Administrator position as of March 6, 2017.
* An All Class Reunion will be held in August.
* Chisholm Community Foundation is sponsoring a “Slide the City” event on August 5th.
* Chisholm has been awarded a Blandin broadband grant.
* Several infrastructure projects will be shovel ready by spring.
* The Chisholm sanitary sewer district received an MPCA award.

**Finance Committee Report:**

Charlie Baribeau reviewed the financial reports for the period January 26 through February 22, 2017:

a. Expenditures totaling $12,384.40
b. Profit & Loss Budget vs Actual – January 1, 2017 to current date

c. Balance Sheet

**Moved by Baribeau and supported by Putzel to approve the financial reports, as presented. Motion carried unanimously.**

**Other:**

 Director Giorgi stated an ad was placed in the Hometown Focus mining edition, at a cost of $334.00.

Director Giorgi reviewed information from the Minnesota Department of Revenue on the 2017 taconite production tax.

Gregg Allen stated it was School Board Recognition Week and the school board members were recognized and thanked for their efforts.

**Next Meeting:**

The next RAMS board meeting was set for March 23, 2017

**Adjournment:**

The meeting was adjourned at 7:45 PM.