**Range Association of Municipalities and Schools**

**Board Meeting**

**Thursday, March 25, 201**

**Minutes**

**Call to Order:**

 President Charlie Baribeau called the meeting to order at 6:05 P.M.

**Roll Call of Board:**

Present: **Charlie Baribeau (City of Virginia);** Cyndi Worshek (ISD 2711-Mesabi East); Barb Kalmi (ISD 319-Nashwauk/Keewatin); Richard Aldrich (Supt Assn);Glenn Anderson (City of Babbitt)**; Bob Berrini (Morse Township):** John Champa (City of Chisholm); Jim Fisher (McDavitt Township); Wade LeBlanc (City of Silver Bay); Jennifer Hoffman-Saccoman (City of Hibbing); Paul Kess (City of Ely); Orlyn Kringstad (City of Tower); Stu Lehman (City of Buhl); Kim McLaughlin (ISD 701-Hibbing); Pat Medure (ISD 318-Grand Rapids); Ron Pittman (Cherry Township); Cal Saari (City of Nashwauk); Dr. Noel Schmidt (ISD 2909-Rock Ridge); Warren Stolp (Nashwauk Township: Stacey Sundquist (ISD 2909 Rock Ridge); Dave Worshek (City of Aurora); David Zins (City of Hoyt Lakes)

Absent: City of Grand Rapids; Great Scott Township

Also Present: **Steve Giorgi, Executive Director;** Costin Group-Jeff Anderson; **Lois Roskoski, RAMS Adm Assistant**

 **(Persons highlighted were present in person; others were via Zoom.)**

**Review and Approve Agenda:**

Moved by Berrini and supported by Medure to approve the agenda, as amended, with the request from the Minnesota Discovery Center added under New Business. Motion carried.

**Approve Meeting Minutes:**

Moved by Medure and supported by Pittman to approve the minutes from the Regular Meeting held on February 25, 2021. Motion carried.

**Appearance:**

 Mr. Brian Silber, Virginia Park & Recreation Director, was unavailable to make his presentation on the “MECC” project.

**Director’s Report:**

 Director Giorgi stated his Director’s report was emailed to the RAMS Board and reviewed the American Rescue Plan, which was signed into law in March, 2021. The Plan was presented at yesterday’s Range Mayor’s meeting. Highlights of the $1.9 trillion “American Rescue Plan” are as follows:

* Funding will be available for Infrastructure, Public Facilities and Transportation Entities. St. Louis County will receive $54 million and Itasca County will receive $8.7 million.
* State Fiscal Recovery Fund - $25.5 billion equally split with all fifty States.
* Local Fiscal Recovery Fund - $19.53 billion for non- entitlement local units of governments.
* Emergency Connectivity Funds - Eligible for schools or libraries for purchases made during COVID.
* $19.53 billion in funding is available for municipalities with populations less than 50,000. Funding will be received through each State. These funds have already been allocated and are based on population. Municipalities should receive their first check by mid-June to early July, with the second check to be received twelve months later. Director Giorgi recommended that entities think about community needs and plan for investment strategies. Counties will also receive funding and need to figure out what they will do with it.
* Funding is available for individual assistance/business assistance.
* State and Local Fiscal Recovery Funds:

$350 billion of non-competitive funding for states, counties, cities, tribes and territories.

$195.3 billion to states and Washington, DC.

$130.2 billion to local governments.

$20 billion to tribal governments.

 Director Giorgi stated it may be wise for small communities to collaborate and consider bringing in a consultant to help capture and maximize the funds. He will be setting up a meeting of the RAMS membership in mid-April to provide more information on the American Rescue Plan.

**Old Business:**

1. Update on HF 496 – 9 member Property Tax Committee.

 Director Giorgi stated a follow up hearing was held on HF 496. Representative Paul Marquart is the chief author of the bill. Director Giorgi received a lot of feedback from the RAMS membership and sent a letter expressing the objections. The second hearing did not have as much testimony and it was agreed to lay the bill over and include in the Omnibus Tax Bill. The League of Minnesota Cities testified about the concerns. Elected officials sent emails stating they believe the property tax process is already transparent.

b. Update on HF 874 – Constitutional Amendment on Education

Director Giorgi stated a hearing was held in the House, where there was an extensive list of testifiers, stating both pros and cons. The Federal Reserve has been pumping out information and holding community meetings. Jeff Anderson stated there doesn’t seem to be much of an appetite in the Senate for HF 874 and schools don’t seem to have shown much supoort.

Jeff Anderson, Costin Group, provided an update on other legislative issues:

* The paid time off family leave bill passed in the House, but does not have a chance in the Senate.
* There is a battle brewing on the Governor’s authority to distribute the funding through the American Rescue Plan.
* Governor Walz submitted a revised budget of $55.4 billion for the next biennium. The Governor and House want a tax increase, but the Senate says that’s a non-starter and won’t be serious about budget discussions, until tax increases are off the table.
* No taconite tax changes are being discussed.
* Prove It First legislation did not receive any hearings and it doesn’t look like it will.
* Senator Tomassoni’s bill relating to mining permits on terminated minerals leases was heard in the Senate, but there has been no word on it being taken up in the House.
* An initiative is making way through the process to include the expansion of Highway 169 from 2 to 4 lanes in the MNDOT 10 year capital investment plan.
* PPP tax conformity has passed the Senate, but has not been through the House as of yet. Any businesses taking PPP loans have to pay taxes on that.
* House Education Omnibus Funding – House passed $107 million for summer school expansion, which targets kids that missed classroom time. $29 million was sent to school districts that were forced to distance learning.
* The list of LCCMR projects has been recommended to the legislature.
* HF 14, $120 million for broadband grants, passed the House Committee unanimously, and is heading to the House.
* The “Buy Clean and Buy Fair” bill is supported by Representative Lislegard, labor, business and environmental groups. As the State does public works project, they should take into consideration the impact of the carbon footprint of the products used, making it more desirable to buy more in Minnesota or the USA, which have less carbon footprint. Director Giorgi has been asked to testify on the bill. Cleveland Cliffs and US Steel will reduce their carbon footprint by 2025. Ore mined in Minnesota is mined cleaner than in other countries.
* The legislature begins their Easter recess on March 26th for 10 days.
* The exempt sales tax bill for Virginia’s public safety building, Rock Ridge high school and Hibbing schools has been heard and should end up in an omnibus hearing bill. Supt Aldrich stated the superintendents held virtual meetings with legislators, who seem to be opposed to the exempt sales tax bill. He suggested that the legislators hear from RAMS again on the issue.

**New Business:**

1. Letter of Introduction to Congressional Cabinet members

 Director Giorgi recommended that RAMS introduce ourselves to the Congressional Cabinet members, because of the turnover in the cabinet. RAMS, Jobs for Minnesotans and Mining Minnesota will send separate letters, so the cabinet is more familiar with us as issues arise. Director Giorgi reviewed the draft letter from RAMS and there was no opposition in sending it.

1. Intelligent Communities Initiative – Blandin/IRRR – possible grant project

 Director Giorgi reviewed another Blandin/IRRR initiative that focuses around broadband with $400,000 of funding available. Director Giorgi suggested that we take advantage of the speed test mapping system and see if a wireless project could be done in rural areas. We need to find a wireless provider.

Funds are available and Connected MN is looking for a project to fund. Director Giorgi suggested a $20,000 budget to conduct the feasibility of the project, including mapping of the speed tests and student addresses as well as tower locations. If awarded, RAMS would be the recipient of the grant. A grant account would be established and expenses taken out for the initiative.

1. America Recovery Rescue Plan Act – funding for the region

Director Giorgi will send out the full data base to the RAMS membership.

1. Representative Julie Sandstede

Director Giorgi provided a list of the bills that Representative Julie Sandstede has introduced. A letter from RAMS in support of the Highway 169 project, was included in the agenda packet.

1. Minnesota Discovery Center request.

Minnesota Discovery Center has sent a request to sponsor the 10th Annual, 2nd Virtual, Iron Range Science and Engineering Festival for seventh grade students on May 5, 2021.

Moved by Kalmi and supported by McLaughlin to approve a $1,000 sponsorship to the Minnesota Discovery Center for their 10th Annual, 2nd Virtual, Iron Range Science and Engineering Festival to be held May 5, 2021, as recommended by the RAMS Finance Committee. Motion carried.

**Board Member Updates:**

Jennifer Hoffman Saccoman provided an update on the City of Hibbing, as follows:

* Hibbing PUC hired Luke Peterson as their new General Manager.
* Hibbing EDA awarded $5,000 in COVID loans to community businesses.
* Hibbing HRA has selected the “Move to Work” demonstration program by HUD. This will provide the HRA the flexibility to create new policies, including implementation of a new policy to reward increased earnings.
* Hibbing Police Department had purchased new body cameras and body armor.
* The Range Regional Airport has been impacted by COVID. They saw an immediate decline, from a near record high to a new low. They had a 54 percent decrease in passengers in 2020. They are still seeing a low demand in 2021. Airport is working on new airport master study.
* Airport Authority needs to construct a large box hangar and are currently designing a new facility to have 2 hangar bays, with 2 stories of office space. One bay and office space would be leased out to a new tenant. They hope to get the bids out in the first quarter of 2022.

Orlyn Kringstad provided an update on the City of Tower, as follows:

* Tower is working on audits for the City of Tower and the WWT Board. They are still in the process of rebuilding city activities after the changeover in the City Council and City Clerk/Deputy Clerk positions.
* Tower Economic Development Authority is very aggressive and has identified 26 major projects they want to do this year, including the expansion of Lamppa Manufacturing, lots of activity along the lakeshore, Lake Vermilion and the Harbor South Project.
* Tower is working hard on expanding broadband, as most projects require that.
* Major work on blight is being done within the City of Tower.
* Tower had previously contacted with Breitung Township for law enforcement, but both their full time employees have resigned. Breitung Township wants to revamp, so Tower is currently contracting with the St. Louis County Sheriff’s Department. Tower is in favor of local community based policing and is interested in working with the East Range Joint Powers Board to see how their Police Department is working.
* Tower is revamping their accounting system to make it more transparent and streamline the budget process.

**Finance Committee Report:**

 Treasurer Barb Kalmi reported on the Finance Committee Meeting held March 25, 2021.

 Moved by Kalmi and supported by C Worshek to approve the finance reports, as follows:

1. Expenditures for the period February 25-March 24, 2021, in the total amount of $14,018.96.
2. Profit & Loss Budget vs Actual.
3. Balance Sheet as of March 24, 2021.

Motion carried.

**Other:**

 Director Giorgi reviewed other legislation, as follows:

* SF 2112 , which requires the MPCA and DNR to hold permits for up to two years in event a mine does not produce. This legislation is targeting the Mesabi Metallics project. Essar has been identified as the main investor of the project at this time and must come up with $800 million by May, 2021. They have an agreement with Fleur Corporation as the construction manager for the project and hopes to kick off during the second quarter of the year. There is also an offtake agreement with a global market investor, whose name has not been given.
* HF 2423 proposes an amendment to the Minnesota Constitution by adding a section to establish a process for a county organized by laws of Minnesota to request approval to be excluded from the Territory of Minnesota.

Director Giorgi received a press release from Midco Fiber, a cable provider that will install fiber in Ely and Winton in early 2022. Ely is using the middle mile fiber network from the NESC for their downtown business district. Midco will be added to that loop, which will expand into the Babbitt area once this project is completed.

Director Giorgi stated the NESC experienced technical difficulties with the room used for the RAMS Board Meetings, therefore the reason the meeting had to be held through ZOOM. He hopes the issue is fixed in April, so RAMS can have 12 people at the next meeting.

**Next Meeting:**

 The next RAMS Board Meeting will be held at 6:00 PM on Thursday, April 22, 2021.

**Adjournment.**

 Moved by Berrini and supported by Saari to adjourn at 7:20 PM. Motion carried.