Range Association of Municipalities & Schools

## Board Meeting Minutes

## Thursday, March 28th, 2019 – 6:00 PMNortheast Service Cooperative Building

**Call to Order:**

 President Pat Medure called the meeting to order at 6:02 P.M.

**Roll Call of Board:**

Present: Charlie Baribeau (City of Virginia); Pat Medure (ISD 318); Glenn Anderson (City of Babbitt); Gregg Allen (Superintendent’s Association) Dale Christy (City of Grand Rapids); Jim Fisher (McDavitt Township); Jennifer Hoffman Saccoman (City of Hibbing); Barb Kalmi (ISD 319); Paul Kess (City of Ely); Stuart Lehman (City of Buhl); Milan Luzaich (Great Scott Township); Kim McLaughlin (ISD 701); Al Stanaway (City of Mt. Iron); Jim Varda (City of Chisholm); David Pace (Superintendent’s Assoc); Calvin Saari (City of Nashwauk); Ron Pittman (Cherry Township); Dave Worshek (City of Aurora); Walt Hautala (Alternate ISD 2711); Ray Marsnik (ISD 696); Bob Berrini (Morse Township); Glenn Anderson (City of Babbitt); Warren Stolp (Nashwauk Township)

Absent: Stacey Sundquist (Virginia Schools)

Also Present: Angela Campbell – City of Ely; Dave Zins – City of Aurora; Deb Pelkey – Great Scott Township; Laura Kircher – Enbridge

**Review and Approve Agenda:**

Director Giorgi announced that the agenda was updated from the one sent via email. Additions include the Legislative update, review of new bills and letters of support for consideration.

**Motion by J Varda and supported by B Kalmi to approve agenda, as amended. Motion carried.**

**Approve Meeting Minutes:**

 **Moved by C Perfetto and supported by J. Varda to approve the minutes, as presented, from the Regular Meeting held February 28, 2019. Motion carried.**

**Appearances:**

 President Medure introduced Laura Kircher, Enbridge, to talk about the Line 3 Replacement Project. Laura stated Enbridge has been in business for 70 years and their line of business is the transporting of crude oil, primarily from the Edmonton area of Canada down to their transfer station in Superior. From Superior, the oil is transported to Chicago, northern Michigan, Louisiana, Oklahoma and even Texas. There are six lines that come into Superior. The new Line 3 will actually be co-located with the MN pipeline, wherever possible. Enbridge will privately fund the construction of the line, at a cost of $2.3 billion dollars. Ninety-eight percent of land owners have already agreed to easements or leases on the proposed pipeline route. The remaining two percent is state owned land, which takes special action to have approved but is not a concern for the project. The replacement pipeline project has now gone through four years of regulatory overview, making it the most extensively reviewed pipeline project in Minnesota ever.

The MN Public Utilities Commission has unanimously approved the proposed pipeline route and the certificate for need, which are the two main thresholds for the project. Enbridge has also committed to spending up to $100 million dollars for native owned, tribal owned or native populations to provide services and work during construction of the pipeline. Training has taken place and is ongoing for tribal residents to learn skills that will enable them to be employed during the construction phase. Enbridge anticipates over 8,000 jobs will be created during the construction of the project, which is planned to be completed by the end of 2020. Testing on the current pipeline that is over 50 years old indicates that up to 7,000 digs for repairs to the line would be done over the next 10 years, if the line was not taken out of service.

**Director’s Report:**

 A written report was provided to the board. No questions were asked.

**Old Business:**

1. Meeting with St Louis County.

Director Giorgi provided a written summary and spoke about the meeting with the St Louis County Board. While the Board did not embrace the RAMS broadband resolution, there was support from Commissioners Jugovich and MacDonald. Commissioner Nelson stated his priorities are roads, bridges and out-of-home child placements and noted St. Louis County has been involved in broadband. If there is a need for St Louis County to become involved in discussions or with a project, Administrator Kevin Gray can be contacted and he will work with staff to have someone from the county involved.

1. Constitution review.

No one has contacted the Director with any further concerns on the Constitution. The board has time before placing this on the agenda. If anyone reviews the constitution and identifies a concern, they should contact Director Giorgi.

1. Conference Call on Mesabi Metallics.

Director Giorgi provided a written summary of the conversation and reviewed the conference call. There are still many unanswered questions, as the debar process has not been completed and legal action by Essar will cause delays. There are no easy solutions to move this project along and an important date will be April 20th to see if Mesabi Metallics pays the double rent and lease payments to the DNR.

**New Business:**

1. Reminders for Broadband Lobby Day – April 3; Ranger Day – April 9; Mining MN Annual Meeting in Hibbing - May 2.

No one has indicated interest in attending these events.

1. Legislative Update.

Director Giorgi provided a list of most recent bills that have been introduced, including bonding bills for East Range Water Project ($6 million); Chisholm Public Safety Building ($8.5 million); Two Harbors Wastewater Treatment Project ($10 million); Trails System ($2.2 million).

H.F. 2736 was also reviewed, which would take $5 million out of the DJJ Fund for a Tom Rukavina Scholarship Fund set up by St Louis County.

**Motion by C Perfetto and supported by J Fisher that RAMS oppose H.F. 2736, relating to the transfer of money from the Iron Range Resources and Rehabilitation to create the Tom Rukavina Community College Scholarship Fund and notify our Range delegation of our position. Motion carried unanimously.**

1. Letters of Support.

Director provided draft copies of letters on the following issues, which would be sent and released for publication to local media outlets, if approved by the Board:

* New school career academy, approved by the board at the last meeting.
* Letter on the MN PUC Commission’s recent vote to not reconsider the certificate of need for the Line 3 replacement project.
* Letter of thanks to PolyMet CEO Jon Cherry.

**Moved by C Baribeau and supported by G Anderson to authorize the Director to send the letters, as drafted. Motion carried.**

1. April Meeting in Ely at Twin Metals.

Discussion was held on chartering a bus from Shubat for the trip to Ely for the April RAMS Board meeting. Director Giorgi anticipated there could be 20 passengers from Hibbing to Ely, at a cost of $625.00 for the charter bus.

**Motion by B Kalmi and supported by D Christy to charter the bus to travel from Hibbing to Ely for the April 25th Board meeting. Motion carried.**

The bus will depart Hibbing at 4:00 pm, stop at the NESC office and head to Ely. The Board meeting will be conducted after the tour and presentation by Twin Metals. The Finance Committee will likely meet earlier in the week or via conference call.

**Board Member Updates:**

1. Glenn Anderson provided an update on the City of Babbitt.
* The City received some bad news from the MPCA on the need to construct a new wastewater treatment plant by 2024. They have issues with mercury and sulfate and the MPCA is done trying to work with the existing plant and the issues it has, due to age and limitations. At this time, engineering estimates are between $7 to $9 million. This has been quite a jolt to the city.
* The City is also having problems with the State on the proposed new park at Birch Lake. Since they do not have 200 acres, it does not meet the minimum requirements. Glenn has been giving tours to multiple people to try to find a solution to this problem. Otherwise, Babbitt is great!
1. Ray Marsnik provided an update for the Ely School District.
* Ely saw a decline in enrollment this year. There are concerns that the district needs to maintain a student population between 550–600, in order to continue to be a viable public school district. The district will have a referendum next fall to secure needed funding for their three 100 year old buildings and the need to construct passages between the buildings. Currently, students have to go outside to get from one building to another, which is a safety concern and not practical long term. The district is also looking to improve the technical and career technology for students and is working with the Iron Range School Collaboration to improve opportunities for their students.

**Finance Committee Report:**

1. Report on Finance Committee meeting held on March 28, 2019:

**Moved by J Varda and supported by J Fisher to approve the expenditures for the period February 28-March 27, 2019, in the total amount of $16,724.85. Motion carried.**

**Moved by J Varda and supported by J Fisher to accept the Profit & Loss Budget vs. Actual, which is currently at 21.5%. Motion carried**

The Balance Sheet was provided for information purposes and had a balance of $330,755.25 as of March 27, 2019.

**Other:**

 Director Giorgi announced that the Chisholm teachers and School District had reached a tentative agreement in mediation yesterday, after two years without a settlement. Director Giorgi congratulated both parties.

**Next Meeting:**

The next meeting will be held on April 25, 2019, in Ely at the Twin Metals building. Director Giorgi will send out advance notices, itineraries for bus times and stops.

**Adjournment:**

Meeting adjourned at 8:05 P.M.