

EAST RANGE WATER BOARD

Regular Meeting

Wednesday, March 15, 2023

City/Town Government Center

Appointed Board Members for City of Aurora: Doug Gregor, Chairman of the Board; David Skelton; Dennis Schubbe;

Appointed Board Members for the Town of White: Jon Skelton, Vice Chairman of the Board; Clark Niemi;

Other Team Members: Luke Heikkila (COA); Kimberly Berens (COA); Jodi Knaus (TOW); Wayne Thuringer (COA); Jim Gentilini (COA); Mike Larson (SEH); Miles Jensen (SEH); Kevin Young (SEH); Mia Thibodeau (Fryberger Law); Shannon Sweeney (David Drown Associates);

AGENDA

1. Call to Order/Roll Call
2. Consent Agenda:
 - a. Approval of February 15, 2023 Regular Meeting Minutes
 - b. Treasurer's Report – Fund Balances: Interim Financing: \$310,032.52; Biwabik Fund: \$109,606.87; Total: \$419,639.39
 - c. Approval of Disbursements
 1. Fryberger Law Firm - \$802.00
 2. SEH - \$7,783.00
 3. East Range Times - \$62.10
 4. Aurora Post Office Direct Mail – \$241.35
 5. Vivid Design - \$275.00
 6. W.A. Fisher - \$65.03
 - d. Correspondence
 1. LMCIT 2023 Insurance Premium Summary Quote \$1,976.00 – 49.71% reduction from 2022
 2. 2023 Governor's Capital Budget Recommendation for City of Aurora – \$2.5 million
3. Legal Matters – Updates Including but not limited to:
 - a. Scenic Acres Land & Facility Title Clearance Status
 - b. Rosa Easement Status – Closing Update
 - c. Creation of New Legal Entity Timeline & Guidance – Tabled from last month
 - a. Public Water ID creation – Miles was looking into this
 - b. Water Board EIN with State of MN - Mia was looking into this
4. Guests – No requests received
5. Engineering Updates - SEH
 - a. Funding Initiatives & Cumulative Accounting – Updates by Mike Larson
 - b. Engineering Work – Updates by Miles Jensen
 1. March 2023 Status Report
 - i. Environmental Review Updates – Archaeological Environmental Review - Approved by SPHO – waiting for MDH approval; Federal Environmental Review Update
 - ii. Bat Nesting Sites – Tree Removal tabled to Spring – June 1 deadline
 - iii. Technical Committee Meeting
 - iv. Project Labor Agreement - Approved last month to be sent to labor unions
 - v. Emergency Water Service Interconnects Agreement with Biwabik – Update
 - vi. Water Appropriations Permit Update – email correspondence enclosed between SEH & DNR regarding request for water modeling
 - vii. Project Timeline Update
 - viii. Project Cost Update
6. Community Outreach Plan - Community Outreach Bulk Mailing Flyer Enclosed

- a. Schedule Public Open Forum Meeting with Presentations – (save the date cards will be mailed prior to meeting)
7. Other Business
 - a. St. James Pit & Current Water Plant updates – Jim Gentilini
8. Next Meeting Date: Wednesday, April 19, 2023
9. Adjournment

EAST RANGE WATER BOARD

Monthly Meeting Minutes

Wednesday, February 15, 2023

City/Town Government Center

4:30 P.M.

Appointed Board Members for City of Aurora Present: Doug Gregor, Chairman of the Board; Dennis Schubbe;

Appointed Board Members for the Town of White Present: Jon Skelton, Vice Chairman of the Board; Clark Niemi;

Other Team Members Present: Jim Gentilini (COA); Jodi Knaus (TOW); Miles Jensen (SEH); Mia Thibodeau (Fryberger Law); Luke Heikkila (COA); Richard Hess (COA); Kimberly Berens (COA); Mike Larson (SEH):

Others Present: Robert Rutka

1. **A board meeting was called to order by Chairman Gregor at 4:30 p.m.** Gregor introduced Luke Heikkila, new City Administrator.
2. **Consent Agenda:**
 - a. Approval of January 3, 2023 Regular Meeting Minutes & January 3, 2023 Reorganization Meeting Minutes
 - b. Treasurer's Report – Fund Balances: Interim Financing: \$318,593.00; Biwabik Fund: \$109,606.87; Total: \$428,199.87
 - c. Approval of Disbursements
 - i. Fryberger Law Firm - \$1,241.50
 - ii. SEH - \$3,825.00
 - iii. East Range Times - \$776.25
 - d. Correspondence
 - I. LMCIT Coverage Binder for Property/Casualty Insurance Renewal
 - II. Liability Waiver Form “Not Waiving” the Monetary Limits on Municipal Tort
 - III. East Range Times Published Thank You for Senator Smith & Project Information Sheet**MOVED BY CLARK NIEMI, SUPPORTED BY JON SKELTON APPROVING CONSENT AGENDA AS PRESENTED. MOTION CARRIED**
3. **Legal Matters – Mia Thibodeau Updates**
 - a. Scenic Acres Land & Facility Title Clearance – Board reviewed Paul Kilgore correspondence in packet; Kilgore is working on title actions.
 - b. Rosa Easement Status – Fryberger sent out Easement paperwork to Rosa's (property owners); Rosa is ready to sign; Closing will be held remotely; Township Board will need to also approve & sign easement agreement including gate access.
 - c. Project Labor Agreement Review Status – Updated Project Labor Agreement was reviewed as prepared by Donald Erickson at Fryberger Law Firm
MOVED BY DENNIS SCHUBBE, SUPPORTED BY JON SKELTON APPROVING THE PROJECT LABOR AGREEMENT AS PRESENTED AND TO SHARE WITH THE LABOR UNIONS. MOTION CARRIED
 - d. Creation of New Legal Entity Timeline & Guidance – Tabled from last month, keep on agenda, no action taken. Mia will check into if the Water Board needs its own EIN with the Secretary of State. We will need a new Public Water ID established and Miles Jensen will check into what is needed for this.
4. **Guests – None**
5. **Engineering Updates – SEH**
 - a. Funding Initiatives & Cumulative Accounting – Mike Larson updated the secured funding to date; IRRRB has one million left to commit to the second phase of the project. Included in the bonding bill will be

five to eight million in funding from the PFA water infrastructure fund, leaving a four to five million gap in funding which the City/Town will borrow from the PFA drinking water revolving fund. SEH needs to update the cost estimates for the Project and then Sweeney needs to update his calculations for rates.

b. Engineering Work – Miles Jensen

i. January Status Report was verbal this month.

1. Environmental Review - Draft Archaeological Environmental Review was approved by SPHO; now we wait for MDH approval; Heikkila inquired about federal environmental review and Jensen reported it will take about three months; Kohlstad advised this be done prior to bidding Project; this will be an additional \$7,500.00 cost for SEH in engineering fees.
2. Bat Nesting Sites – Tree removal tabled to Spring; no new updates; June 1st Deadline; Niemi requested guidance on flagging (what do colors of ribbons signify).
3. Technical Committee Meeting was not held; Jensen will be sending out color boards of the plant & raw water pump station facilities in March
4. Emergency Water Service Interconnects Agreement Status – 2nd draft was sent to Biwabik PUC; Discussion took place about the interconnect that would be a 50% benefit to Biwabik and how it should be paid for; a second phase of the Project could be for the booster stations and interconnect.
5. Water Appropriations Permit – was sent to DNR

6. **Community Outreach Plan** – Three informational articles were published in the East Range Times. Next step is to send out a bulk mailing and schedule a public meeting with SEH and key stakeholders presenting the Project.
MOVED BY JON SKELTON, SUPPORTED BY CLARK NIEMI TO SEND BULK MAILING OUT. MOTION CARRIED

7. **St. James Pit & Current Water Plant updates** – Water is pumping.

8. **Next Meeting date: March 15, 2023**

9. **Adjournment**

MOTION BY JON SKELTON, SUPPORTED BY CLARK NEIMI TO ADJOURN MEETING AT 5:27 P.M. MOTION CARRIED

ERWB - Interim Financing

Revenue

	DATE	VENDOR	DESCRIPTION	
Beginning Balance	7/22/2021	First Independent Bank	Interim Financing	\$ 1,000,410.00
<i>Ending Balance</i>				<u>\$ 1,000,410.00</u>

Disbursements

	DATE	VENDOR	DESCRIPTION	
	7/16/2021	SEH	Wetlands	\$ 11,236.12
	7/21/2021	Steve Thorp	Prof. Liability Insurance	\$ 960.00
	7/25/2021	Building Rescue - Todd Koneczny	Professional Services	\$ 4,687.50
	7/28/2021	Steve Thorp	ERWB Plan Review	\$ 3,480.00
	8/16/2021	SEH	Task 1	\$ 16,184.00
	9/6/2021	Building Rescue - Todd Koneczny	Professional Services	\$ 2,524.50
	9/21/2021	SEH	ERWB Amendment 1	\$ 40,083.00
	10/15/2021	SEH	ERWB Tasks 2-4	\$ 107,763.00
	10/21/2021	MN DNR Ecological & Water Resources	Water Permit	\$ 150.00
	11/9/2021	Fryberger, Buchanan, Smith & Frederick	Legal Services 8/13 thru 10/13/2021	\$ 5,658.35
	11/16/2021	SEH	ERWB Tasks 2-4	\$ 119,032.00
	12/10/2021	SEH	ERWB Tasks 2-4	\$ 128,884.00
	11/30/2021	St. Louis County Auditor	ERWB Parcel 100-0047-00090 Purchase	\$ 6,115.81
	1/19/2022	Steve Thorp	Plan Review ERWB 90% Completion	\$ 6,960.00
	1/26/2022	MN Dept. of Health	Watermains Plan	\$ 150.00
	1/26/2022	MN Dept. of Health	Treatment Plant Plan	\$ 1,000.00
	2/17/2022	Fryberger, Buchanan, Smith & Frederick	Legal sevices through 1/31/2022	\$ 2,989.50
	2/17/2022	Walker, Giroux & Hahne	Review JPA, general accounting, & reporting	\$ 350.00
	2/17/2022	SEH	ERWB Tasks 2-4	\$ 121,129.00
	3/14/2022	NTS	Geotechnical Reports	\$ 36,370.00
	3/14/2022	SEH	ERWB Tasks 2-4	\$ 13,193.00
	3/14/2022	SEH	ERWB Tasks 2-4	\$ 704.00
	4/20/2022	Fryberger, Buchanan, Smith & Frederick	Legal Services through 2/28/2022	\$ 2,942.00
	4/20/2022	LMCIT	Property/Casualty insurance	\$ 2,004.00
	4/20/2022	SEH	ERWB Tasks 2-4	\$ 704.00
	5/18/2022	East Range Shopper	Thank you Ad	\$ 72.45
	5/18/2022	MN Dept. of Health	Pumphouse Review	\$ 150.00
	5/18/2022	SEH	ERWB Tasks 2-4	\$ 7,744.00
	5/18/2022	St. Louis County Land & Minerals	Tree Cutting	\$ 936.52
	6/15/2022	Fryberger, Buchanan, Smith & Frederick	Legal Services through 4/30/22	\$ 8,648.44
	6/15/2022	Fryberger, Buchanan, Smith & Frederick	County Lease	\$ 762.45
	6/15/2022	NTS	Raw Water Intake	\$ 82.96
	6/15/2022	SEH	ERWB Tasks 2-4	\$ 3,520.00
	6/15/2022	Steve Thorp	Professional Liability	\$ 960.00
	7/20/2022	APG	Environmental Review	\$ 10.41
	7/20/2022	Duluth Archaeology Center	Research & Reporting	\$ 1,172.22
	7/20/2022	Fryberger, Buchanan, Smith & Frederick	Real Estate Matters	\$ 938.75
	7/27/2022	Park State Bank	Snacks for Joint Meeting 7/27/22	\$ 47.44
	9/16/2022	SEH	ERWB Tasks 2-4	\$ 1,408.00
	11/10/2022	Fryberger, Buchanan, Smith & Frederick	County Lease	\$ 6,261.97
	11/18/2022	Department of natural Resources	Lease	\$ 1,603.50
	11/20/2022	Duluth Archaeology Center	Phase I	\$ 5,733.36
	12/13/2022	Fryberger, Buchanan, Smith & Frederick	Project Labor Agreement Review	\$ 668.00
	1/11/2023	Fryberger, Buchanan, Smith & Frederick	Project Labor Agreement Review	\$ 1,241.50
	1/31/2023	East Range Times	Status Reports 1-3	\$ 776.25
	2/7/2023	SEH	ERWB Tasks 2-4	\$ 3,825.00
	2/14/2023	Fryberger, Buchanan, Smith & Frederick	Refund - double paid	\$ (668.00)
	2/23/2023	Vivd Design	Card Stock for Bulk Mailing	\$ 275.00
	2/27/2023	U.S. Post Office	EDDM - Bulk Mailing	\$ 241.35
	2/27/2023	w.a.fisher	East Range Water Facility Map	\$ 65.03
	2/9/2023	Fryberger, Buchanan, Smith & Frederick	Project Labor Agreement Review	\$ 802.00
	3/1/2023	East Range Times	9" Thank You Ad	\$ 62.10
	3/6/2023	SEH	ERWB Tasks 2-4	\$ 7,783.00

Total Disbursements \$ 690,377.48

Ending Balance as of March 15, 2023 \$ 310,032.52

Biwabik Fund *beginning balance 10/20/2021* \$ 129,839.79
Beginning balance was not accurate previous months

	DATE	VENDOR	DESCRIPTION	
	1/1/2022	First Independent Bank - Russell	Interest Payment	\$ 6,198.62
	6/1/2022	First Independent Bank - Russell	Interest Payment	\$ 7,017.30
	1/1/2023	First Independent Bank - Russell	Interest Payment	\$ 7,017.00

Biwabik Fund ending balance as of 03/15/2023 \$ 109,606.87

TOTAL ENDING BALANCE Biwabik and Interim Financing combined as of 03/15/2023 \$ 419,639.39

FRYBERGER

LAW FIRM

fryberger.com

P.O. Box 16990
Duluth, Minnesota 55816

INVOICE

RECEIVED
FEB 10 2023
TOWN OF WHITE

Tax ID: 41-1000525
Phone: (218) 722-0861
Fax: (218) 725-6800

EAST RANGE WATER BOARD
16 WEST SECOND AVENUE NORTH
PO BOX 146
AURORA MN 55705

February 9, 2023
Invoice No. 22438.000004.12302
File No. 22438.000004 - DCE

For Legal Services Rendered Through 1/31/2023

CLIENT: EAST RANGE WATER BOARD
MATTER: PROJECT LABOR AGREEMENT REVIEW

Professional Fees

Date	Description	Atty	Hours
01/05/23	Review and reply to e-mail from Mia	DCE	0.10
01/17/23	Edit and modify PLA to a draft of a prevailing wage agreement	DCE	1.70
01/25/23	Review deeds and investigate closing issues in preparation for drafting of Torrens petition.	PBK	0.40

Total Professional Fees \$802.00

Current Invoice Amount \$ 802.00

Prior Balance: 573.50 Pd 2/16

Payments & Adjustments: -0.00

Total Due: \$ 1,375.50

Pay your bill online at www.fryberger.com <<http://www.fryberger.com>>

Outstanding Invoices (Including Current Invoice)

Invoice Date	Invoice No.	Invoice Amount	Total Payments and Adjustments	Balance
01/11/23	12301	573.50	0.00	573.50
02/09/23	12302	802.00	0.00	802.00
Total Outstanding Invoices				\$1,375.50

Current (Less than 30)	30-59 Days	60-89 Days	90-119 Days	Over 120 Days	Total Amount Due
\$1,375.50	\$0.00	\$0.00	\$0.00	\$0.00	\$1,375.50

Please Note: When your legal matter is completed, your file is closed and placed in storage. Closed files are placed on a schedule for destruction. While we make an attempt to contact you at the time your file is scheduled for destruction, we are not always successful. If you want to keep your file, you should request in writing that your file be returned to you at the time your matter is completed.

Please return this page with remittance

Fryberger, Buchanan, Smith & Frederick
P.O. Box 16990
Duluth, MN 55816

EAST RANGE WATER BOARD
16 WEST SECOND AVENUE NORTH
PO BOX 146
AURORA MN 55705

February 9, 2023
Invoice No. 22438.000004.12302
File No. 22438.000004 - DCE

Client: EAST RANGE WATER BOARD
Matter: PROJECT LABOR AGREEMENT REVIEW

Total Current Professional Fees	802.00
Total Current Costs	0.00
Current Invoice Amount	\$ <u>802.00</u>
Balance Forward:	573.50
Payments & Adjustments:	-0.00
Total Due:	\$ <u>1,375.50</u>

Amount enclosed: \$ _____

Thank You



Invoice

Short Elliott Hendrickson, Inc. FEIN: 41-1251208 | 651.490.2000 | 800.325.2055

RECEIVED
MAR 06 2023
CITY OF AURORA

Invoice Number: 442597



BILL TO:

Attn: Accounts Payable
East Range Water Board
16 West 2nd Avenue North
AURORA MN 55705

REMIT PAYMENT TO:

Short Elliott Hendrickson, Inc.
PO Box 64780
Saint Paul, MN 55164-0780

Pay This Amount	\$7,783.00
Due Date	05-APR-23
Invoice Date	06-MAR-23
Bill Through Date	25-FEB-23
Terms	30 NET
SEH Customer Acct #	84463
Customer Project #	
Agreement / PO #	163450
Authorized Amount	\$562,968.00
Authorized Amount Remaining	\$47,279.00
Project Manager	Miles Jensen mjensen@sehinc.com 651.490.2000
Client Service Manager	Miles Jensen mjensen@sehinc.com 651.490.2000
Accounting Representative	Justin Oelschlager joelschlager@sehinc.com 651.490.2000

Project #	Project Name	Project Description
163450	ERWBD Tasks 2-4 East Range WTP	ERWBD Aurora Tasks 2-4 East Range WTP

Notes:

CC:

kimberly@ci.aurora.mn.us
cityclerk@ci.aurora.mn.us
lindsey@ci.aurora.mn.us

Fee

Description	Amount
(99% of \$70,400.00) less previously billed of \$68,288.00	\$1,408.00
(90% of \$12,750.00) less previously billed of \$5,100.00	\$6,375.00
	\$7,783.00
Invoice total	\$7,783.00

Project Billing Summary

	<u>Current Amount Due</u>	Previously Invoiced	Cumulative
Totals	\$7,783.00	\$507,906.00	\$515,689.00

East Range Times

PO Box 206
Aurora, MN 55705 US
+1 2182292245
ershopper@frontiernet.net

RECEIVED
MAR 06 2023
CITY OF AURORA

INVOICE

BILL TO
East Range Water Board
P.O. Box 160
Aurora, MN 55705

INVOICE 1102
DATE 03/01/2023
TERMS Net 30
DUE DATE 03/31/2023

ACCOUNT SUMMARY

01/31/2023	Balance Forward	776.25
	Other payments and credits after 01/31/2023 through 02/28/2023	0.00
03/01/2023	Other invoices from this date	0.00
03/01/2023	Other payments from this date	-776.25
	New charges (details below)	62.10
	Total Amount Due	62.10

DATE	ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
	9" Display Ad	thank you	1	62.10	62.10

TOTAL OF NEW CHARGES 62.10

BALANCE DUE \$62.10

Lindsey Luke

ERWB

Account # 282201135
CRID # - 32189518

RECEIVED

MAR 02 2023

CITY OF AURORA

[Back to EDDM® Tool](#)

Thank You for Your Order

Order Confirmation

Order #: [8422071](#)

Post Office™ Drop-Off Locations: 1

Drop-Off Date: 2/27/2023

Routes Selected: 3

Total Mailpieces: 1277

Order Total: \$241.35

Payment Method: Pay at Post Office™

Vendor 240
Account 601e-49400.322
to 02/2023
Approved by MVP

Add this order to your [Favorites](#) on the Order History page.

[Create New Order](#)

[Find an Expert](#)

What do I do next?

1. Double-check your mailpieces.

We have specific requirements for mailpiece size and format.

- Use our [Mailpiece Size Checker](#) or read our [EDDM Quick Reference Guide](#) to make sure your mailings meet size requirements.
- Include the approved EDDM Retail® Indicia (the postage payment mark that takes the place of a regular postage stamp or meter stamp). Get more information on [EDDM Postage](#).
- Need help? Our third-party vendors can help you format, design, print, and prepare your mailing to meet Postal Service™ standards. [Find a Local Printer](#).

2. Prepare your mailing bundle(s).

Bundle your mailing in stacks of 50-100 mailpieces. Bundles may not be higher than 6".

3. Print out your processing forms.

The Mailing Statement and Facing Slip forms tell the Postal Service how to process and deliver your order.

Each bundle needs a Facing Slip on top.

For example, for your order with 1277 mailpieces:

Bundles of 50 would require 26 Facing Slips.

Bundles of 100 would require 13 Facing Slips.

AURORA POST OFFICE™ FACILITY

Routes (3)	Mailpieces (1277)
55705-R002	348
55705-C001	600
55705-C002	329

Downloads: [Facing Slips \(PDF\)](#) | [Mailing Statement-USPS Form PS3587 \(PDF\)](#)

Feedback

Unique Graphic Design • Color Printing & Copies • Creative Advertising



Vivid Design

307 Main Street North • Aurora, MN 55705
 Shop (218) 229-3335 • Cell (218) 410-9300

INVOICE

DATE 2-23-23	CASH	CHECK #	TERMS
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RECEIVED

TO: Aurora Aurora
 ADDRESS: 16 W. 3rd Ave N
Aurora MN
55705
 PHONE: CITY OF AURORA
 FEB 23 2023

QTY.	DESCRIPTION	UNIT	AMOUNT
	(15 pcs @ \$20 ea)		
	Popul SD case	15 @ \$20	\$300.00

TERMS: <u>Frank Young</u>	SUBTOTAL	\$275.00
	SHIP/FREIGHT	
	SALES TAX	Nil
	DOWNPAYMENT	
	BALANCE DUE	\$275.00

A late charge of \$5.00 for re-billing and a finance charge of 1.5% will be added to all overdue invoices. All payments are final. \$30 charge on all returned checks.

Accepted By: _____

THANK YOU — YOUR BUSINESS IS APPRECIATED!



w.a. fisher
100 years

218-741-9544
123 Chestnut Street | Virginia, MN 55792
info@wafishermn.com | wafishermn.com



Marketing | Advertising | Creative | Websites & Hosting | Printing | Signage

JOB INVOICE #
106799

CLIENT ID
EAS015

CLIENT
EAST RANGE WATER BOARD
KIMBERLY BERENS
PO BOX 160
AURORA MN 55705

RECEIVED

DATE
02/27/23

MAR 02 2023

CITY OF AURORA

PAGE
1

DESCRIPTION	AMOUNT
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JOB ID 71914
DESCRIPTION 1 ER WATER SYSTEM FACILITY MAP

-----	60.00
* Sub Total *	60.00
MN/VA SALES TAX 8.375%	5.03
TOTAL THIS JOB:	65.03

TOTAL THIS INVOICE: 65.03

Terms: NET 30 DAYS



March 6, 2023

Ahrens Insurance Agency Inc

Covered Party: East Range Water Board

Effective Date: 2/16/2023

RENEWAL PREMIUM SUMMARY
Common Coverages

Coverage	Limit	Deductible	Premium
• Property			Not Covered.
• Mobile Property			Not Covered.
• First Party Cyber	250,000	250.	\$475.
• Municipal Liability	\$	250.	\$1,295.
• Automobile Liability		250.	81.
• UM/UIM \$200,000 all owned autos		250.	Included.
• Basic Economic Loss Benefits (PIP) all owned autos		250.	Included.
• Automobile Physical Damage		250.	Included.
• Crime	250,000	250.	Included.
• Petrofund		NA.	Included.
• Defense Cost Reimbursement		NA.	Included.

Auto Experience Mod: 1
Municipal Liability Experience Mod: 1.000

The modifiers are calculated with a formula which compares the city's actual loss history with the amount of losses that would be expected for a city of that size if the city were a perfectly average LMCIT member. If the city's losses and expenses are better than average the city receives a premium credit. If the city's losses and expenses are worse than average, the city receives a premium debit.

Optional Coverages

Coverage	Limit	Deductible	Premium
• Bond	\$ 50,000.	250.	125.
• Equipment Breakdown			Not Covered.
• Excess Liability	\$	NA.	Not Covered.
• Liquor Liability	\$	NA.	Not Covered.
• Fireworks			Not Covered.
• No Fault Sewer Back Up Limit:	\$		Not Covered.
• Airport Liability			Not Covered.
TOTAL:			\$1,976.

DO NOT PAY UNTIL YOU RECEIVE INVOICES

TORT LIMIT: \$500,000/\$1,500,000

LEAGUE OF MINNESOTA CITIES
INSURANCE TRUST

145 UNIVERSITY AVE. WEST PHONE: (651) 281-1200 FAX: (651) 281-1298
ST. PAUL, MN 55103-2011 TOLL FREE: (800) 925-1122 WEB: WWW.LMC.ORG

Coverage	Optional Coverage Quotes Deductible	Approximate Premium

Optional coverage(s) are not bound unless the covered party has requested that coverage be bound and LMCIT has sent a written confirmation. Optional coverage quotes are valid for 30 days after the date of this letter.

Sincerely,

Underwriter

Jodi Knaus

From: jared ahrens <jared.ahrens@hotmail.com>
Sent: Monday, March 6, 2023 2:17 PM
To: Jodi Knaus
Subject: FW: East Range Water Board - Renewal Quote
Attachments: Summary.pdf; Breakdown.xlsx

Caution: This email originated from outside the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Sent from [Mail](#) for Windows

From: [Brue, Nathan](#)
Sent: Monday, March 6, 2023 7:57 AM
To: [jared ahrens](#)
Subject: East Range Water Board - Renewal Quote

Jared,

Attached is the renewal quote.

Overall premium is down 49.71%. This is due to the decrease in expenditures (impacts liability and first party cyber). Auto liability is up due to 5% rate increases.

Coverage	Premium		% Change
	2023	2022	
First Party Cyber	\$ 475	\$ 952	-50.11%
Municipal Liability	\$ 1,295	\$ 2,775	-53.33%
Auto Liability	\$ 81	\$ 77	5.19%
Bond	\$ 125	\$ 125	0.00%
Total Premium	\$ 1,976	\$ 3,929	-49.71%

Coverage/Rate Change Memos: <https://www.lmc.org/insurance-trust/coverages/coverages-rates-and-dividend/>

Please let me know if you have any questions.

Thank you,

Nate Brue | Underwriter

Phone: (651) 215-4049

nbrue@lmc.org

League of Minnesota Cities | 145 University Ave. West | St. Paul, MN 55103

www.lmc.org | [Facebook](#) | [Twitter](#) | [Podcast](#)

East Range Water Board
 CMC 1005270-2
 Premium \$1,976.00

	Coverage	Actual Exposure	Limit	Deductible	Premium
Municipal Liability					
	Total for Municipal Liability				\$1,295.00
	Expenditures	666,666		250	\$1,295.00
Municipal Property					
	Total for Municipal Property				\$600.00
	Crime		250,000	250 Included	
	Bond		50,000	250	\$125.00
	First Party Cyber		250,000	250	\$475.00
	Petrofund		250,000	Included	
Auto					
	Hired & Non-Owned		500,000/1,500,000		\$81.00
	Total for Auto				\$81.00

2023 Governor's Capital Budget Recommendations

(\$ in Thousands)

	Funding Source	Recommendation Amount
LOCAL GOVERNMENT PROJECTS		
Aitkin, City of		
Aitkin Park and Recreation Fieldhouse		
	General Obligation Bonds	629
<p>The Governor recommends \$629,000 for a grant to the City of Aitkin for the Aitkin Park and Recreation Fieldhouse project to predesign, design, and construct a fieldhouse to be used as a warming house and community center, and a parking lot. The total project cost is \$812,000.</p>		
	General Obligation Bonds	629
Aitkin, City of Total		629
Aurora, City of		
St. James Pit Mitigation Project		
	General Obligation Bonds	2,500
<p>The Governor recommends \$2.5 million to the Department of Natural Resources for the St. James Pit mitigation project to predesign and design capital improvement projects to mitigate the imminent threat to public safety, property, and regional water quality from the rising water levels at the St. James open pit mine complex. The total project cost is \$2.5 million.</p>		
	General Obligation Bonds	2,500
Aurora, City of Total		2,500
Becker, City of		
Heartland Trail Segment: Detroit Lakes and Frazee		
	General Obligation Bonds	550
<p>The Governor recommends \$550,000 to the Department of Natural Resources for construction of a trail segment of the Heartland Trail between Detroit Lakes and Frazee.</p>		
	General Obligation Bonds	550
Becker, City of Total		550

Jodi Knaus

From: Doug Gregor <gregor@ci.aurora.mn.us>
Sent: Tuesday, February 28, 2023 11:25 AM
To: Jodi Knaus
Subject: FW: MN DNR Request for Additional Water Modeling Re: Aurora [East Range] Water Appropriations Permit

Caution: This email originated from outside the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Jodi – I forgot to copy you on this message that I just sent to Miles. Stay tued...

Doug

From: Doug Gregor
Sent: Tuesday, February 28, 2023 11:02 AM
To: 'Miles Jensen' <mjensen@sehinc.com>; dschubbe@outlook.com
Cc: Kevin Young <kbyoung@sehinc.com>; Andrew Knapp <aknapp@sehinc.com>; Richard Parr <rparr@sehinc.com>
Subject: RE: MN DNR Request for Additional Water Modeling Re: Aurora [East Range] Water Appropriations Permit

Miles: Dennis and I just had a discussion about this issue. Dennis is VERY concerned that this is an issue that could derail plans for quickly moving toward the solicitation of bids process after legislative appropriation of funds to the PFA for the WIF program. I respect and share his concerns. I would like to propose that I call a special meeting of the Water Board as soon as possible to consider and approve the retention of Barr Engineering. Could you see that every effort is made to expedite SEH's solicitation and receipt of a proposal from Barr on the water study update? Is there any possibility that such a proposal could be in hand by next Monday, March 6, for Board consideration and expenditure approval at a special meeting that is limited to that issue? If not, how soon do you think Barr could get us that proposal for Board consideration? It seems that time is of the essence. I am perfectly willing to call such a special meeting if it can help ensure that this issue is expeditiously addressed. On that note, it also would seem appropriate that an early delivery date be specified with Barr to ensure that the results get to the DNR as quickly as possible. Please give this matter some thought and let me know what you think would work best about the timing of such a special meeting.

Thanks,

Doug

Douglas Gregor, Chair
East Range Water Board
P.O. Box 160
Aurora, MN 55705
Cell: 218-750-0714
Email: gregor@ci.aurora.mn.us

From: Miles Jensen <mjensen@sehinc.com>
Sent: Monday, February 27, 2023 2:21 PM
To: Doug Gregor <gregor@ci.aurora.mn.us>; David Skelton (dps825@mchsi.com) <dps825@mchsi.com>; dschubbe@outlook.com; Jon Skelton (zlgskelton@gmail.com) <zlgskelton@gmail.com>
Cc: Kevin Young <kbyoung@sehinc.com>; Andrew Knapp <aknapp@sehinc.com>; Richard Parr <rparr@sehinc.com>
Subject: MN DNR Request for Additional Water Modeling Re: Aurora [East Range] Water Appropriations Permit

Caution: This email originated from outside the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi All,

I wanted to pass on recent email correspondence that I had with Erika Herr, DNR, regarding the East Range Water Project Water Appropriations Permit.

The main take-away is that SEH will be reaching out to Barr Engineering to request assistance with updating their 2015 water withdrawal model of Lake Mine. SEH will be making this request based upon direction from the DNR that additional modeling be performed with current lake uses combined with Biwabik and Town of White/Aurora proposed withdrawals. This request does not come as a surprise as Ms. Herr made mention of this idea at the January 18 meeting the DNR held with Aurora and Town of White personnel.

Once a satisfactory proposal is received back from Barr, SEH will request approval of the ERWB for an amendment to do this work.

Please call/email with comments and questions.\

Thanks.

Miles B. Jensen, PE
(AZ, CO, IA, IL, IN, KS, MD, MI, MO, MN, ND, NE, NM, OH, SD, TX, VA, WI)
Principal/Water Market Leader
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Direct 651.490.2020 | Mobile 651.775.5031
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From: Miles Jensen
Sent: Monday, February 27, 2023 12:47 PM
To: Herr, Erika S (DNR) <erika.herr@state.mn.us>
Subject: RE: 2021-3551 Aurora Water Appropriations Permit

Erika,

I have a couple of questions & comments for you on this matter. Please see below in **RED** where I will address them in context to your points of discussion.

Thanks for your input here!

Miles B. Jensen, PE
(AZ, CO, IA, IL, IN, KS, MD, MI, MO, MN, ND, NE, NM, OH, SD, TX, VA, WI)
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From: Herr, Erika S (DNR) <erika.herr@state.mn.us>
Sent: Thursday, February 23, 2023 2:35 PM
To: Miles Jensen <mjensen@sehinc.com>
Subject: RE: 2021-3551 Aurora Water Appropriations Permit

Hello Miles,

Thank you for providing some of the additional information that was requested as part of the application for Water Appropriation Permit 2021-3551. The information provided has been reviewed. As discussed during the meeting on January 18, additional information is needed.

The WSCP provided for the City of Biwabik does not contain the level of detail necessary to ensure protection of their public water supply. The plan should describe the minimum water elevation at which the City of Biwabik's water supply can operate. **Was this information not provided as part of the Biwabik Appropriations Permit application? I'm guessing it would show up on the City's (Cleveland Cliffs') plans completed by Barr. SEH will reach out to the City to see if this information is available.** Additionally, the plan should include target elevations for the Embarrass Pit which will trigger action by the ERWB. Target elevations should be selected such that they allow appropriate lead time for the associated action based on predictions of water level drawdown. A WSCP for developed for another community can be provided as an example. **The target elevation makes good sense; however, the actual value is a direct function of the rate at which the water level actually drops in relation to the minimum water elevation at which the City of Biwabik's water supply can operate. This was specifically addressed by the ERWB and the City of Biwabik, that is why the terms of the Water Supply Contingency Agreement (WSCA) strongly and directly specified regular water level measurements be made and regular quarterly meetings be held between the City of Biwabik and the ERWB to review the data and maintain a collective understanding of where the water level appears likely to go in the next 5 years on a rolling quarterly basis. The WSCA further notes that a 1-year time period in advance of the minimum water elevation will trigger implementation of the mitigation plan to ensure the City of Biwabik will continue to receive an equivalent supply of raw water from Lake Mine. Setting an actual Target Elevation at this point is premature, but the WSCA does have the mechanisms in place to regularly monitor and address the matter, should it become a problem. If we actually have to identify a value for the Target Elevation, we can try to get a time prediction from the Barr modeling (discussed below), but this will most certainly establish a preliminary value that is less accurate than the mechanism put in place by the Terms of the WSCA.**

The calculation of the drawdown caused by Aurora/White alone presented in the 10/5/2021 memo from SEH is not adequate to demonstrate the likely impacts from the proposed Aurora/White appropriation. The memo relies on GoldSim modeling which was conducted by Barr in 2014 and does not represent current conditions. Barr also constructed a MODFLOW model in 2015, which predicted drawdown as a result of combined pumping for Biwabik, Aurora/White, and Hoyt Lakes. Updated modeling which predicts expected drawdown from existing Biwabik appropriation plus the proposed Aurora/White appropriation is needed. This model could be adapted from either earlier model but should include information learned during both modeling efforts. **SEH will move forward with a solicitation to Barr to have this update work completed where the current uses of the Lake along with extractions from Biwabik and the Town of White/Aurora will be modeled. It is unclear of the actual schedule for this work, but I am thinking it will be in the next 3 months or so. My assumption is that the final Water Appropriations Permit is not needed until the project is nearing completion and the need for water withdrawal is at hand. Am I correct in this assumption?**

Additionally, final construction plans including a dewatering plan, and a lease agreement are still needed. On the lease agreement, I am of the understanding that those agreements were provided to you by Jodi Knaus, from the Town of White, during the January 18 meeting. If this is not correct, please let me know which agreement you are lacking and I'll have that sent to you.

On the matter of the dewatering plan, the question has been asked of me as to why this is included as part of the water appropriations permit? If the water appropriations permit is not needed until the project is constructed, then the dewatering effort will have already occurred. Would the dewatering plan be needed for a construction permit and not the water appropriations permit? Can you help me to understand this element?

Please feel free to reach out with questions or if you would like to further discuss the requests in this email.

Thank you,
Erika

Erika Herr

Mine Permitting and Coordination Supervisor | Division of Lands and Minerals

Minnesota Department of Natural Resources

1525 3rd Ave East

Hibbing, MN 55746

Phone: 218.231.8471

Email: erika.herr@state.mn.us

mndnr.gov



From: Miles Jensen <mjensen@sehinc.com>

Sent: Wednesday, January 4, 2023 5:52 PM

To: Herr, Erika S (DNR) <erika.herr@state.mn.us>

Subject: RE: 2021-3551 Aurora Water Appropriations Permit

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Erika,

Opps, I wasn't finished, yet...please see below.

Please let me know if there are other matters to be resolved that are not included in this list.

Thanks.

Miles B. Jensen, PE

(AZ, CO, IA, IL, IN, KS, MD, MI, MO, MN, ND, NE, NM, OH, SD, TX, VA, WI)

Principal/Water Market Leader

SEH

Direct 651.490.2020 | Mobile 651.775.5031

main 651.490.2000 | fax 651.490.2150 | toll free 800.325.2055 | www.sehinc.com



From: Miles Jensen
Sent: Wednesday, January 4, 2023 4:35 PM
To: Herr, Erika S (DNR) <erika.herr@state.mn.us>
Subject: 2021-3551 Aurora Water Appropriations Permit

Hi Erika,

The East Range Water Project is starting to ramp up again in anticipation of the State legislature passing a bonding bill this session. As such, I wanted to reach out to you to see you could share the status of the appropriation request. Last items that I was aware of were the five (5) following questions/data requests that were outstanding:

1. Amount of groundwater to be appropriated for constructing the caisson/water intake. Include dewatering details, such as proposed receiving water (will it be pumped directly into the Embarrass Pit?). **SEH will provide future response sharing the dewatering specification from the Raw Water Intake documents.**
2. Provide evidence of ownership, or control of, or a license to use, the riparian property where the water intake will be located. **SEH will provide a copy of the DNR and SLC lease agreements in the future response packet.**
3. Water Supply Contingency Plans (or other agreements) for the City of Biwabik and Giants Ridge that address potential impacts to their existing water supplies and mitigation for impacts. **SEH has enclosed copies of the two (2) executed contingency plan agreements between the City of Biwabik and the East Range Water Board (ERWB) and between the IRRRB and the ERWB.**
4. Details regarding impacts to the existing public access, such as if the plan is to alter/close the access and inform the public of changes. The boat landing is owned/maintained by the Town of White (TOW). As such, their plan is as follows.
 - a. The TOW will hang on to the boat landing lease until such time as the boat landing cannot be safely due to lake level drop.
 - b. The TOW will have the lake bottom surveyed in the area of the boat landing to determine a lake bottom profile. From that effort, the TOW will have an analysis completed that identifies at what lake level the boat landing becomes unusable.
 - c. The TOW will regularly monitor the lake level to track changes in depth at the boat landing to watch for unsafe conditions.
 - d. In the event that the boat landing becomes unusable due to a reduction in lake level, the TOW will close the boat landing and there are no plans to relocate the boat landing at any other place on the lake.
5. Changes that would be needed to the system if other municipalities are added on to the same system. **There will be no physical changes needed to the Raw Water Pump Station should Biwabik and/or Hoyt Lakes request service in the future. The Raw Water Pump Station and Intake have been physically sized and configured to support service to Biwabik and Hoyt Lakes.**

Miles B. Jensen, PE
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EAST RANGE WATER PROJECT

Community Outreach February 2023

For City of Aurora & Town of White Current & Future Utility Customers

THE NEED

- The East Range Water Board was established in July 2021 by the City & Town to CREATE a New East Range Water Supply System (called The Project)
- Over ten years of planning, engineering design, and financing The Project have gotten us here
- The Project is progressing rapidly thanks to recent funding approval
- This initial phase of The Project will combine the current City of Aurora and Town of White utility customers with the addition of utilities in Scenic Acres
- The new water source will be Lake Mine with a new water plant built next to the current Public Works facility in Aurora
- The final phase of The Project will be the addition of the City of Biwabik and the City of Hoyt Lakes in the future
- The Project is needed because of aged infrastructure, rising pit waters, and poor water quality
- Recently detailed articles were published in the East Range Times

THE PLAN

- Project infrastructure engineering and plant design was completed by Short Elliot Hendrickson Inc.
- All permitting & environmental review required is either done or in progress
- All legal work is in progress or completed for property easements and land leases by Fryberger Law
- Construction bids will be published in Spring of 2023 (date to be determined soon)
- The Project construction timeline is 2 years
- Once complete, the existing St. James Pit intake and water treatment facilities will be decommissioned

THE COST – Estimated \$24.8 million

- **\$ 7.5 million - paid from State grants** - authorized in the 2018 and 2020 State of Minnesota bonding bills
- **\$ 6.5 million - paid from federal appropriations** - (“Congressionally Designated Spending”)
- **\$ 1.0 million – paid from Iron Range Resources and Rehabilitation for Phase 1 water plant build**
- **\$ 150,000 – paid from St. Louis County Community Development Block Grant funds**
- **\$ 5 million - \$8 million – paid from the State’s Water Infrastructure Fund (“WIF”)**
- **\$1 million – paid from the Army Corps of Engineers**
- **\$3 million to \$5 million – paid by City of Aurora & Town of White** - PFA Drinking Water Revolving Fund
- **80% of the costs of The Project will be paid by outside funding sources and not the utility customers**

HOW DOES THIS AFFECT ME AS A TAXPAYER & UTILITY CUSTOMER?

- Water system facilities and operational costs are paid through “enterprise” funds
- Enterprise funds are not funded by real property tax revenues (levies)
- Monthly water utility service rates pay for these costs
- Monthly user rates will need to increase in the near future to pay for The Project (called affordable share)
- The current monthly rate as of January 1, 2023 is \$30.25 per month
- The NEW estimated monthly cost will be at least \$37.16 per month for users (based on estimated affordability rate)

WHAT’S NEXT?

- Community Outreach will continue over the next few months
- Community Meeting(s) will provide detailed information about the Project
- **Watch your mailbox for a SAVE THE DATE Post card**
- **Learn more about the East Range Water Project:** <https://www.aurora-mn.com/>
<https://www.townofwhite.com/>

PROJECT AREA & WATER TREATMENT PLAN DESIGN

