

EAST RANGE WATER BOARD
Annual Re-organization Meeting
Tuesday, January 3, 2023
4: 30 P.M. 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: 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. Appoint Board Officers for 2023: Board Chairman, Vice Chairman, Secretary, Treasurer
3. Resolution 2023-001 – Rules of Procedure for the East Range Water Board
 - 1) Set day, time, and place for Regular Board Meetings – 3rd Wednesday of each month @ 4:30 P.M.
 - 2) Appoint Legal Advisors for 2023 – Fryberger Law Firm
 - 3) Designate Legal Publication for 2023 – Mesabi Tribune
 - 4) Designate Radio Station - WEVE
 - 5) Designate Official Posting Area for 2023 – City/Town Government Center
 - 6) Designate Engineering Firm – Short, Elliott, & Hendrickson (SEH)
 - 7) Designate Insurance Agent – Jared Ahrens
 - 8) Designate Depositor(s) for Water Board Funds – Northern State Bank – Aurora Branch
 - 9) Designate Auditing Firm – Walker, Giroux, & Hahne
 - 10) Designate Financial Advisor – David Drown Associates – Shannon Sweeney
 - 11) Authorize the Treasurer and City of Aurora Clerk to issue certificates of indebtedness, when needed, and invest funds as necessary
 - 12) Approve pay schedule for Board Members - \$30.00 per meeting
4. Other
5. Adjournment

EAST RANGE WATER BOARD

Resolution No. 2023-01

Resolution Adopting Rules of Procedure for the East Range Water Board, Designation of Official Depositories, Designation of Collateral Authority, Designation of Official Newspaper, and making further operational determinations and designations for the East Range Water Board, St Louis County, Minnesota.

RECITALS

WHEREAS, the East Range Water Board with offices in the City of Aurora at 16 West 2nd Avenue North, Aurora Minnesota 55705 (the “**Board**”) is the governing body of that certain joint powers entity which was created pursuant to Minnesota Statutes, Section 471.59, as the same may be amended from time to time (the “**Act**”) and the provisions of the Joint Powers Agreement (as it may be further amended and supplemented from time to time, the “**Agreement**”) which was entered into on July 22, 2021 by and between the City of Aurora, Minnesota, a municipal corporation under the laws of the State of Minnesota (“**Aurora**”) and the Town of White, a Township duly organized in St. Louis County, Minnesota (“**White**”, and collectively the “**Governmental Units**”), and

WHEREAS, the Board upon properly posted notice is meeting in open public session at the Council Chambers in City Hall in the City of Aurora, and has previously adopted Robert’s Rules of Order as its rules of procedure for the conduct of its meetings and business, and hereby finds that such rules as previously adopted are sufficient for this year and future years, and

WHEREAS, the Act and Minnesota Statutes Chapter 427, as each of the same may be amended from time to time, requires the Board to establish official depositories for Board and related City funds; and

WHEREAS, the Board has previously designated and now wishes to re-designate, depositories for Board and related City funds which, pursuant to Minnesota State Statutes are required to be deposited in such manner as to be secured by deposit insurance, bond, or collateral; and further, that State Statute 118.01 requires approval of collateral submitted for security and allows the Board to designate an official with approval authority, and

WHEREAS, State Statutes mandate the Board to designate an Official Newspaper for the Board’s publication of Annual Financial Statements, Board Proceedings, Notices of Official meetings, Resolutions, and other official Board notices and that such newspaper must be a paper of general circulation in the Board’s Service Area as described in its adopted By-Laws; and

WHEREAS, in the interest of disseminating public information, the Board designates a radio station as the designated official radio station;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby re-adopts the "Rules of Procedure" adopted in 2022 as being those provided in Robert’s Rules of Order, and

BE IT FURTHER RESOLVED that the day, time, and place for Regular meetings of the Board shall be the 3rd Wednesday of each month starting at 4:30 p.m., unless otherwise subsequently determined by the Board; and,

BE IT FURTHER RESOLVED that the Fryberger Law Firm of Duluth, Minnesota is hereby designated as the Board's legal advisors for 2023 unless subsequently terminated; and

BE IT FURTHER RESOLVED that the Board hereby designates the Mesabi Tribune as the Official Newspaper of the Board for 2023 and the Secretary of the Board should publish all designated public notices in said newspaper.

BE IT FURTHER RESOLVED that the Board hereby designates WEVE of Eveleth as Official Radio Station for 2023.

BE IT FURTHER RESOLVED that the official posting area for official notices of the Board shall be the notice Board within the City/Town Government Center, at 16 West 2nd Avenue North, Aurora Minnesota 55705; and,

BE IT FURTHER RESOLVED that the Board hereby designates as its engineering firm for the Project, Short, Elliott, and Hendrickson, Inc.; and

BE IT FURTHER RESOLVED that the Board designates as its insurance agent and agency, Jared Ahrens of the Ahrens Insurance Agency, Inc.; and,

BE IT FURTHER RESOLVED that the Board hereby designates the Northern State Bank of Aurora as official depository of Board and related City funds and authorizes the authorized agents of the Board to deposit funds in said institution only to the extent that the institutions have provided documentation of collateral in at least 110% of the amount authorized to be deposited therein, and;

BE IT FURTHER RESOLVED, that the Board designates the accounting firm of Walker, Giroux & Hahne as its auditing firm for 2023; and,

BE IT FURTHER RESOLVED that the Board designates David Drown Associates acting through its employee Shannon Sweeney as the Board's financial advisory firm for 2023; and,

BE IT FURTHER RESOLVED that the Board designates the Board's Treasurer as its authorized agent to approve collateral that conforms to State Statute guidelines submitted as security for such Board and related City funds, and

BE IT FURTHER RESOLVED that non-publicly employed Board members who are not otherwise publicly compensated are entitled to a payment at the rate of Thirty dollars (\$30.00) for each attendance at an official meeting of the Board.

ADOPTED this 3rd day of January 2023.

Doug Gregor, Board Chair

ATTEST:

David Skelton, Board Secretary-Treasurer

East Range Water Board

2023

MONTHLY MEETING SCHEDULE

3rd Wednesday of each month unless indicated different

4:30 P.M.

City/Town Government Center

Tuesday, January 3rd

Wednesday, February 15th

Wednesday, March 15th

Wednesday, April 19th

Wednesday, May 17th

Wednesday, June 21st

Wednesday, July 19th

Wednesday, August 16th

Wednesday, September 20th

Wednesday, October 18th

Wednesday, November 15th

Wednesday, December 20th

EAST RANGE WATER BOARD

Regular Meeting

Tuesday, January 3, 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: 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 December 21, 2022 Meeting Minutes
 - b. Treasurer's Report -- Fund Balances: Interim Financing: \$324,435.75; Biwabik Fund: \$109,606.87; Total: \$434,042.62
 - c. Approval of Disbursements
 1. Fryberger Law Firm - \$668.00
 - d. Correspondence - None
3. Legal Matters -- Updates Including but not limited to:
 - a. Scenic Acres Land & Facility Title Clearance
 - b. Rosa Easement Status
 - c. Project Labor Agreement Review Status
 - d. Creation of New Legal Entity Timeline & Guidance -- EIN establishment, Checking Account, Accounting
4. Guests -- No requests received
 - Engineering Updates - SEH
 - a. Funding Initiatives & Cumulative Accounting -- Updates by Mike Larson
 - b. Engineering Work -- Updates by Miles Jensen
 1. January 2023 Status Report
 - i. Draft Archaeological Environmental Review -- Sent to SPHO
 - ii. Bat Nesting Sites -- Tree Removal tabled to Spring
 - iii. Technical Committee Meeting Updates
 - iv. Emergency Water Service Interconnects Agreement Status Update
6. Community Outreach Plan -- 1st publication sent to East Range Times -- attached
7. Other Business
 - a. St. James Pit & Current Water Plant updates -- Jim Gentilini
8. Next Meeting Date: Wednesday, February 15, 2023
9. Adjournment

EAST RANGE WATER BOARD
Monthly Meeting Minutes
Wednesday, December 21, 2022
City/Town Government Center
4:30 p.m.

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: Kimberly Berens (COA); Jim Gentilini (COA); Mike Larson (SEH); Bob Rutka

AGENDA

1. A board meeting was called to order by chairman Gregor at 4:32 pm
2. **Consent Agenda:** Motion to approve by JS, supported CN, motion passed
 - a. Approval of November 16, 2022 Meeting Minutes:
 - b. Treasurer's Report -- Fund Balances: Interim Financing: \$325,103.75; Biwabik Fund: \$109,606.87; Total: \$434,710.62
 - c. Approval of Disbursements
 - i. Duluth Archaeology Center -- \$5,733.36
 - d. Correspondence
 - i. Derek Lundquist -- Minnesota Energy Resources Email -- Request to be included in construction meetings

MOVED BY JON SKELTON, SUPPORTED BY CLARK NEIMI APPROVING CONSENT AGENDA AS PRESENTED. MOTION CARRIED

3. **Legal Matters** --Chair Doug Gregor
 - a. Scenic Acres Land & Facility Title Clearance
 - b. MN Department of Natural Resources Lease #LMIS010613 -- Lease signed, payment sent, waiting for executed copy;
MOTION BY DAVE SKELTON, SUPPORTED BY JON SKELTON TO INSTRUCT ATTORNEY TO MOVE FORWARD WITH TITLE TRANSFER. MOTION CARRIED
 - c. Rosa Easement Status: It is on Rosa to reach out to the Township
 - d. Project Labor Agreement Review Status: Gregor did not bring this up with Mia.
 - e. Creation of New Legal Entity Timeline & Guidance -- EIN establishment, Checking Account, Accounting: Gregor talked with Mia, might be a step to take later.

4. **Guests** -- None

5. **Engineering Updates**

- a. Funding Initiatives & Cumulative Accounting -- Updates by Mike Larson
 - i. PFA WIF Project Information Worksheet Submitted -- Very important. Waiting on Bonding Bill in January so the PFA has funding. Hoping for \$5-8 mil in grant and \$5-8 mil in low interest loans through the PFA.
 - ii. The City or Aurora on behalf of the ERWB received Community Infrastructure Grant from IRRR in the amount of \$4 million for Phase 1. Expected to get \$4 million for phase 2 as well in June/July of 2023.
 - iii. The City of Aurora on behalf of the ERWB was awarded \$4 million from Community Directed Spending as an earmark by Klobuchar and Smith
- b. Engineering Work -- updates included in packet from Miles, Larson

i. December 2022 Status Report

1. Draft Archaeological Environmental Review -- Sent to SPHO
2. Bat Nesting Sites --Clark said no response
3. Technical Committee Meeting Updates; Jim G said no response yet
4. Emergency Water Service Interconnects Agreement Status Update

6. Community Outreach Plan

MOTION BY DAVE SKELTON, SUPPORTED BY JON SKELTON TO SUBMIT DAVE SKELTON'S WRITE-UP, WITH ADDITION OF INTRO AND LINKS TO WEBSITES (TOW AND COA) TO THE EAST RANGE TIMES FOR PUBLICATION. MOTION CARRIED

7. St. James Pit & Current Water Plant updates

- a. Water is 11.5" below flooding the pump house. Winter pumping is still a battle with DNR. Water plant electrical issues so ran manually for a week.
- b. Schedule Reorganization Meeting: Dave Skelton available Jan 2, 3, 4 before leaving for the winter.

MOTION BY DAVE SKELTON, SUPPORTED BY JON SKELTON TO HAVE BOTH THE REORGANIZATION MEETING AND JANUARY BOARD MEETING ON JANUARY 3RD, 2023. OPEN ORGANIZATIONAL MEETING FIRST, CONCLUDE AND CLOSE, THEN OPEN REGULAR BOARD MEETING. MOTION CARRIED

8. Next Meeting date: January 3, 2023

9. Adjournment

MOTION BY JON SKELTON, SUPPORTED BY CLARK NEIMI TO ADJOURN MEETING AT 5:45 P.M. MOTION CARRIED

ERWB - Interim Financing

Revenue

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

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
<i>Total Disbursements</i>				\$	675,974.25
Ending Balance	as of January 4, 2023			\$	324,435.75
Biwabik Fund	<i>beginning balance 10/20/2021</i>				
			Beginning balance was not accurate previous months	\$	129,839.79

	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 01/04/2023				\$	109,606.87
TOTAL ENDING BALANCE Biwabik and Interim Financing combined as of 01/04/2023				\$	434,042.62

FRYBERGER

----- LAW FIRM -----

fryberger.com

P.O. Box 16990
Duluth, Minnesota 55816

RECEIVED

DEC 21 2022

CITY OF AURORA

INVOICE

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

December 13, 2022
Invoice No. 22438.000004.12212
File No. 22438.000004 - DCE

For Legal Services Rendered Through 11/30/2022

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

Professional Fees

Date	Description	Atty	Hours
09/15/22	Review and reply to MET re: PLA review	DCE	0.10
09/15/22	Review and reply to e-mail from Mia re: timeframe for PLA review	DCE	0.10
11/10/22	Review comments on project labor agreement; send to client.	MET	0.50
11/16/22	Review voice mail from Mia Thibodeau re: PLA issue; telephone conference with Mia re: same	DCE	0.20
11/16/22	Call re PLA.	MET	1.50
Total Professional Fees			<u>\$668.00</u>

Current Invoice Amount	\$ 668.00
Prior Balance:	0.00
Payments & Adjustments:	-0.00
Total Due:	\$ 668.00

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

Current (Less than 30)	30-59 Days	60-89 Days	90-119 Days	Over 120 Days	Total Amount Due
\$668.00	\$0.00	\$0.00	\$0.00	\$0.00	\$668.00

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

December 13, 2022
Invoice No. 22438.000004.12212
File No. 22438.000004 - DCE

Client: EAST RANGE WATER BOARD

Matter: PROJECT LABOR AGREEMENT REVIEW

Total Current Professional Fees	668.00
Total Current Costs	0.00
Current Invoice Amount	\$ <u>668.00</u>
Balance Forward:	0.00
Payments & Adjustments:	-0.00
Total Due:	\$ <u>668.00</u>

Amount enclosed: \$ _____

Thank You

East Range Water Project
Status Report Number Two: The Plan

This message is the second in a 3-part series of updates that are intended to inform the citizens of the East Range of the status of the planned new drinking water system.

The Plan for Phase One of the new drinking water system is intended to service Aurora and Town of White customers which comprise about 990 users (ERUs) and includes:

- Construction of a new water intake facility on the north shore of the Embarrass Mine Lake (Mine Lake -- the lake located immediately east of the Mine Lake public access site. A 12-foot diameter concrete caisson will be installed to a depth of approximately 65 feet, with an 18" diameter horizontal intake pipe extending from the bottom of that caisson into the Mine Lake waters at a depth of approximately 60 feet (the Lake is over 300 feet deep). At the base of the caisson, pumps will be installed to pump the raw water to the surface raw water transmission line piping system. The intake facility is designed to facilitate the installation in Phase Two of additional pumps to handle any expanded water needs for Biwabik, Hoyt Lakes and/or Giants Ridge;
- The raw water from those pumps will be pumped through underground piping along Lake Mine Road and Highway 135 for about 1½ miles to the new water treatment plant site. The transmission line piping is sized to handle volumes of raw water that are sufficient to service the foreseeable needs of the water system users in both Phase 1 and Phase 2;
- A new state-of-the-art water treatment plant will be constructed next to the existing Aurora water tower. The WTP capacity initially will be 1 million gallons a day and be modularly expandable in Phase 2 to provide up to 2 million gallons a day to service the foreseeable needs of Hoyt Lakes (990 ERUs) and Biwabik (632 ERUs). Water treated at the plant will be piped to the nearby Aurora water tower.
- The treated water from the water tower will flow through the existing Aurora and TOW distribution systems and also provide public water system services, for the first time, to a new distribution system to service the Scenic Acres communities on Embarrass Lake.

It has been determined that the water available in the Mine Lake has 81% less sulfates and a water hardness that is 63% lower than the existing St. James Pit water source. Additional studies have indicated that the water level of the Mine Lake will not be drastically reduced under any foreseeable water usage circumstances and thus provide a reliably abundant supply of raw water for both Phase 1 and Phase 2 of the Project. If the last commitments of anticipated State grant funds are made available through the Public Facilities Authority's Water Infrastructure Fund program during this Legislative session, plans for the new system could be sent out for bids in the near future. Construction of Phase 1 of the new system will take approximately two years. Upon commencement of operations of the new water system, the existing St. James Pit intake and water treatment facilities will be decommissioned. To view a map of the new system's footprint and get additional information about the new water system, visit www.aurora-mn.com or www.townofwhite.com.