

EAST RANGE WATER BOARD
Regular Meeting
Wednesday, July 20, 2022
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: Stefanie Dickinson (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 June 15, 2022 Meeting Minutes
 - b. Treasurer's Report – Fund Balances - \$530,519.69
 - c. Approval of Disbursements (Invoices for Approval as listed below in order by date received)
 1. Duluth Archaeology Center - \$1,172.22
 2. APG Media - \$10.41
 3. Fryberger Law – \$938.75
 - d. Correspondence
 1. LMC Article – Iron Range Cities Receive Federal Funds for Critical Projects
3. Legal Matters – Updates Including but not limited to:
 - a. Scenic Acres Land & Facility Title Clearance
 - b. St. Louis County Lease for the Intake Site – Enclosed for Approval
4. Guests – No requests received
5. Engineering Updates - SEH
 - a. Funding Initiatives & Cumulative Accounting – Updates by Mike Larson
 1. Joint Entity Meeting -June 27, 2022 – 5:00 P.M. Aurora Community Center
 - a. Public Official Briefing by SEH, David Drown Associates, and others
 - b. City/Town Approve Resolutions Committing to Project
 - b. Engineering Work – Updates by Miles Jensen
 1. TTD & Review July Status Report
 - i. Archaeological Assessment Survey Cost Proposal - \$12,093.22
 - ii. Scenic Acres Interconnect Capacity Update – Biwabik PUC Meeting July 18th Report
 - iii. Embarrass Pit Boat Landing Update – Township Lease expires 2025
 - iv. David Rosa Easement Status
 - v. Bat Nesting Sites – Tree Removal in August – Is area marked?
6. Community Outreach Plan – tabled last month – further discussion
 - a. Public Information Project Sheet – To be bulk mailed, advertised etc.
 - b. Scenic Acres Community Meeting Update – Jon Skelton
7. Giants Ridge/IRRR Contingency Plan Status – David Skelton

8. Adopt Proposed Project Labor Agreement – David Skelton
9. Other Business
 - a. St. James Pit & Current Water Plant updates – Jim Gentilini
10. Next Meeting Date: Wednesday, August 17, 2022
11. Adjournment

**East Range Water Board
Monthly Meeting Minutes
City/Town Government Center
Wednesday, June 15, 2022
4:30 p.m.**

PRESENT: Chairman, Doug Gregor; Secretary/Treasurer, David Skelton; Alternate Board Member, Dave Worshek; Vice Chairman, Jon Skelton (Zoom); Board Member, Clark Niemi;

ABSENT: Board Member Dennis Schubbe

ALSO PRESENT: Jodi Knaus, Town of White Clerk; Stefanie Dickinson, City of Aurora Clerk & Treasurer; Jim Gentilini, City of Aurora Water Supervisor; Mike Larson (SEH), Miles Jensen (SEH viz Zoom), Robert Rutka, John Baxter

1.) **A board meeting was called to order by Chairman Gregor at 4:30 p.m.**

2.) **Consent Agenda:**

MOVED BY DAVID SKELTON, SUPPORTED BY NIEMI APPROVING THE CONSENT AGENDA AS PRESENTED. MOTION CARRIED

3.) **Legal Matters**

- a) Scenic Acres Land & Facility Title Clearance – Gregor confirmed Fryberger Law is preparing the documents for transfer of title when necessary
- b) St. Louis County Lease Status -- St. Louis County Attorney and Fryberger law are finalizing the lease.

4.) **Guests:** None

5.) **Engineering Updates**

- a) Funding Initiatives – Mike Larson updated the Board the Intended Use Plan was submitted to PFA; Congressionally Direct Spending Applications were submitted to Stauber, Smith, and Klobuchar at four million each; He has been in contact with Jim Luke at the Army Corps regarding their \$1 million in funding for the project; NO bonding bill unless there is a Special Session; Larson explained the worst and best scenario for funding for the Project. Worst being \$17 million and Best being \$21 million. The City & Township will need to cover the gap.
- b) Engineering Work -- Miles Jensen updated the Board and reviewed the June 10, 2022 Status Report for Tasks 2 and 3. Miles is recommending a survey of the boat landing surface area. Township will need to discuss further what to do with the lease which expires in 2025. A visual site survey for the archaeological assessment is recommended. The Board reviewed the May 18, 2022 SEH memo regarding the interconnect capacity between Aurora/TOW/Biwabik. SEH recommends installing a master meter/control station at the system interconnection point and installing a booster station. Gregor and Jensen will meet with Biwabik to discuss this and it could be discussed at a future technical committee meeting. David Skelton directed SEH to go back to Mr. Rosa and finalize the easement. All questions have been answered with Scenic Acres residents. SEH will be marking the area for tree removal to take place in August.
MOVED BY DAVID SKELTON, SUPPORTED BY NIEMI APPROVING THE PHASE 1 SITE SURVEY & ARCHAEOLOGICAL INVESTIGATION. MOTION CARRIED

6.) Community Outreach Plan

Knaus and Dickinson need to connect with SEH to coordinate a bulk mailing and maybe a Facebook page for the Water Board. Gregor proposes scheduling a Community Meeting on June 29th with the Council, Town Board, and Water Board. David Skelton would like the agenda items to be first Needs addressed by Jim Gentilini, Plans addressed by Jensen, Finance & Economics of the Project addressed by Larson & Sweeney, and finally both the City Council and Township Board need to pass a Joint Resolution stating their support for the Project. Mr. Rutka from the audience suggested Scenic Acres have a representative present at this meeting. Jon Skelton agreed it would be nice to know the number of Scenic Acres residents who are against the Project and who are in support of the Project. Dickinson suggested the financial information shared at this meeting needs to be in a clear, concise understandable format for the public. The Scenic Acres Association meets every twelve months and they need to meet.

7.) Contingency Plans

The Biwabik plan has been executed. Gregor will meet with IRRR Attorney and Linda Johnson for the Giants Ridge Contingency Plan.

8.) Project Labor Agreement

A Sample Project Labor Agreement was shared with the Board for review and comment at next month's meeting.

9.) Other Business

- a.) St. James Pit & Current Water Plant Updates – Gentilini indicated water levels continue to rise; de-watering will start this month.
- b.) Dickinson & Gentilini are formulating a Water Plant Emergency Contingency Plan
- c.) The Technical Committee plans to meet on June 29, 2022
- d.) Clarification of Cost Sharing between the City/Town - The City of Aurora/Town of White Joint Powers Agreement governs the Project and explains the cost sharing once the Project is complete and new water plant is built. Town of White users of the current water/wastewater system pay a higher rate (out of town) and pay a capital charge to the City of Aurora. The higher user rate and capital charges go towards current debts for the system.
- e.) Schedule Meeting

MOVED BY GREGOR, SUPPORTED BY DAVID SKELTON TO SCHEDULE A JOINT CITY COUNCIL, TOWNSHIP BOARD, AND WATER BOARD MEETING AT THE AURORA COMMUNITY CENTER FOR JUNE 29, 2022 AT 5:00 P.M. MOTION CARRIED

12.) Adjournment

MOVED BY DAVE WORKSHEK, SUPPORTED BY DAVID SKELTON TO ADJOURN THE MEETING AT 5:57 P.M. MOTION CARRIED

Next Regular East Range Water Board Meeting Date: July 20, 2022 at 4:30 p.m.

Respectfully Submitted, Jodi Knaus

ERWB - Interim Financing

Revenue

	DATE	VENDOR	DESCRIPTION	
Beginning Balance	7/22/2021	First Independent Bank	Interim Financing	\$ 1,000,410.00
Ending Balance				\$ 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
Total Disbursements				\$ 660,251.98
Ending Balance	as of June 15, 2022			\$ 340,158.02
Biwabik Fund	beginning balance 10/20/2021			\$ 203,577.59

	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

Biwabik Fund ending balance as of 6/15/2022 \$ 190,361.67

TOTAL ENDING BALANCE Biwabik and Interim Financing combined as of 6/15/2022 **\$ 530,519.69**

July 21, 2022 Disbursements

COMPANY	AMOUNT PAID
APG	\$ 10.41
DULUTH ARCHAEOLOGY CENTER	\$ 1,172.22
FRYBERGER BUCHANEN SMITH & FREDERICK	\$ 938.75
Grand Total	\$ 2,121.38

Duluth Archaeology Center
 5910 Fremont Street, Suite #1
 Duluth, MN 55807
 Phone: (218) 624-5489
 Fax #: (218) 249-0765

Invoice

Date	Invoice #
6/29/2022	2022-19

Bill To
East Range Water Treatment Board

Contract No.	Terms	Project
DAC 22-11	Net 15	East Renge Joint water treat...

Description	Qty	Rate	Amount
ADMINISTRATION/RESEARCH			
Account Manager	0.5	48.31	24.16
Principal Investigator	8.5	65.92	560.32
OSA Portal	25	1.00	25.00
Subtotal			609.48
REPORTING			
Principal Investigator	8.25	65.92	543.84
Report Production	10	1.00	10.00
Photocopies and reproduction	89	0.10	8.90
Subtotal			562.74

Please remit to above address.	Jennifer Shafer, Account Manager	Total	\$1,172.22
	E-mail: accounts@dulutharchaeologycenter.com	Payments/Credits	\$0.00
	Web Site: www.dulutharchaeologycenter.com	Balance Due	\$1,172.22



MINNESOTA LLC

PO Box 410 || Ashland, Wisconsin 54806

RECEIVED

JUL 05 2022

CITY OF AURORA

ADVERTISING & PRINTING INVOICE

BILLED ACCOUNT NO.	ADVERTISER/CLIENT NAME			
STERWB	EAST RANGE WATER BOARD			
CURRENT NET AMT DUE	30 DAYS	60 DAYS	90 DAYS	OVER 120
\$0.00	\$0.00	\$0.00	\$0.00	\$10.41
BILLING PERIOD	TOTAL AMOUNT DUE		PAGE	
6/1/22-6/30/22	\$10.41		1	

Billed Account Name and Address:

EAST RANGE WATER BOARD
PO Box 160
Aurora, MN 557050160

DATE	PUBLICATION	AD ID	DESCRIPTION - OTHER COMMENTS/CHA	PAGES	SIZE	BILLED UNITS	NET AMT
			PREVIOUS BALANCE				15.41
6/30/2022			service charge adjustment				-1.00
6/30/2022			service charge adjustment				-1.00
6/30/2022			service charge adjustment				-1.00
6/30/2022			service charge adjustment				-1.00
6/30/2022			service charge adjustment				-1.00

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Stephanie Stern
sstern@mesabidailynews.net



MINNESOTA LLC

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Billed Account Name and Address:

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Aurora, MN 557050160

REMIT TO:

APG Media of Minnesota
P.O. Box 410
Ashland, WI 54806

BILLING DATE
6/30/22
CUSTOMER NUMBER
STERWB
INVOICE NUMBER
STERWB-0622
AMOUNT DUE
\$ 10.41
AMOUNT PAID
\$ _____

**ENVIRONMENTAL REVIEW –
PUBLIC NOTICE**

The City of Aurora and Town of White and the East Range Water Board are requesting public comments on the potential environmental impact of the construction of a new water treatment plant (WTP), construction of a new raw water intake structure, construction of new watermain, and addition of raw water transmission from the proposed raw water intake location near Embarrass Mine Pit.

The City of Aurora, Town of White, and the East Range Water Board are proposing to switch source water supplies for the communities and construct a new raw water intake and water treatment plant. The new source water has significantly better quality and the new water treatment plant will replace the existing Aurora facility that has exceeded its useful life. The proposed water treatment plant is generally located at 98 Industrial Drive, Aurora, MN 55705. The proposed raw water intake structure is generally located along the northern shore of the Embarrass Mine Pit and the proposed raw water transmission piping will connect the raw water pump station to the WTP. The proposed raw water intake will be approximately 2 miles in length. The raw water intake transmission main will be primarily constructed using trenchless technology (horizontal directional drilling) to mitigate surface and environmental impacts, apart from open cut construction methods for the installation of air relief hydrants and connections to the raw water intake and water treatment facilities. Additional finished water main will be constructed to connect the entirety of Scenic Acres to Pineville. The finished water main will be constructed along Scenic Acres Road and extended across Highway 135, then west until turning north onto Ryan Street in Pineville, where it will be extended to the north end of Pineville, connecting with existing water main on the north and south ends of the community. The total distance of water main is approximately 2 miles in length. The water main will be primarily constructed using trenchless technology (horizontal directional drilling) to mitigate surface and environmental impacts, apart from open cut construction methods for the installation of fire hydrants and connections to existing water main and water services.

The East Range Water Board intends to finance the project with a low interest loan from the Minnesota Public Facilities Authority (PFA) through the Drinking Water Revolving Fund (DWRF). An Environmental Review must be conducted in accordance with Section 106 of the National Environmental Policy Act of 1969 to receive this loan.

Comments must be received by January 3rd, 2022. They are to be submitted to Lindsay Luke, Deputy City Clerk, 16 W 2nd Ave

FRYBERGER

— LAW FIRM —

fryberger.com

P.O. Box 16990
Duluth, Minnesota 55816

RECEIVED

MAY 27 2022

CITY OF AURORA

INVOICE

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

EAST RANGE WATER BOARD

For Legal Services Rendered Through 5/31/2022

June 27, 2022

Invoice No. 22438.000000.12206

File No. 22438.000000 - MET

CLIENT: EAST RANGE WATER BOARD
MATTER: REAL ESTATE MATTERS

Professional Fees

Date	Description	Atty	Hours
05/02/22	Receive and review executed Maki quit claim deed and bill of sale.	PBK	0.15
05/03/22	Discussions with Mr. Morris regarding execution of deed and bill of sale; correspondence to and from Mr. Gregor.	PBK	0.45
05/05/22	Reviewed survey on AOI; Pulled referenced easement document from St. Louis County Land Records; Printed GIS overview of AOI.	GMH	0.75
05/18/22	Discussions and correspondence with Mr. Gregor and work in preparation for water board meeting; review and prepare deeds for filing; correspondence with Mr. Skelton.	PBK	1.00
05/19/22	Receive and review correspondence from Mr. Skelton and review Torrens issues.	PBK	0.15
05/20/22	Analysis regarding Torrens requirements upon receipt of executed deeds and bills of sale; prepare memorandum to file regarding remaining steps to obtain certificate of title.	PBK	0.75

Total Professional Fees

\$938.75

Current Invoice Amount	\$ <u>938.75</u>
Prior Balance:	8,648.44
Payments & Adjustments:	-8,648.44
Total Due:	\$ <u>938.75</u>

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
\$938.75	\$0.00	\$0.00	\$0.00	\$0.00	\$938.75

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

June 27, 2022

Invoice No. 22438.000000.12206

File No. 22438.000000 - MET

Client: EAST RANGE WATER BOARD

Matter: REAL ESTATE MATTERS

Total Current Professional Fees	938.75
Total Current Costs	0.00
Current Invoice Amount	\$ <u>938.75</u>
Balance Forward:	8,648.44
Payments & Adjustments:	-8,648.44
Total Due:	\$ <u>938.75</u>

Amount enclosed: \$ _____

Thank You

EAST RANGE SHOPPER

BOX 206 AURORA, MINNESOTA 55705

PHONE 218-229-2245

RECEIVED

APR 11 2022

CITY OF AURORA

INVOICE NO. ERS 042210

INVOICE DATE April 2022

TO: East Range Water Board
c/o City of Aurora
P O Box 160
Aurora, MN 55705

TERMS: This sale is not being financed. NET payment is due the 10th of the month following purchase. Payments not received by the 30th day of the month following purchase will be in default and a charge of 1 1/2% per month (18% per annum) will be assessed against any delinquent account, \$2.50 per month minimum.

OUR JOB NO.	DATE	YOUR P.O. NO.	DESCRIPTION	AMOUNT
	4-11-22		10.5" Thank You	72.45

Please Pay From This Invoice - No Statements Sent Unless Requested



Focus on Small Cities

Iron Range Cities Receive Federal Funds for Critical Projects

By Mary Jane Smetanka

Chisholm's fire station is a handsome 1908 brick building, with an ornate roof line and arched windows and doors set off by decorative brick. But the building's charm doesn't make it functional in the 21st century.

The city has to special order fire trucks that are small enough to fit through doors designed for horse-drawn fire wagons. The fire and police departments share the cramped space, and the building's downtown location means fire trucks have to back onto a busy road that's also a state highway.

"It has so many limitations," says Chisholm City Administrator Stephanie Skraba. "We've been looking at this issue for a good 10 years."

Replacement is finally near, due partly to a \$3.5 million federal appropriation that will allow the city to soon begin construction of a new \$8.9 million station. The federal money is from the resurrected "congressionally directed spending" program, formerly referred to as "earmarks," that was included in a huge government funding bill signed by President Biden in March 2021.

Federal funding

Earmarks, which directed federal funding to local projects, were banned in 2011 after accusations of waste and favoritism. The program was revived last year with reforms that include full disclosure on where the money goes and a requirement that only local governments and nonprofits can receive funding.

U.S. Sens. Tina Smith and Amy Klobuchar both provided an avenue for Minnesota cities to send applications to their offices for congressionally directed spending (CDS).

"I think there's a lot more rigor in this process," says Sen. Smith. "Sen. Klobuchar and I are very conscious that the projects we're putting forward will put those dollars to good use right away."

Hundreds of millions of federal dollars are coming to Minnesota cities from the 2022 CDS program for water and sewer projects, roads and bridges, libraries, law enforcement, technology upgrades, broadband expansion, and economic development projects. According to *The New York Times*, that first round of funding brought \$380.3 million to the state. About 70 awards totaling over \$130 million came through Smith's office. Requests for the second round of funding are being evaluated now.

“We very much wanted to start this process up again,” Smith says. “I think this is a good idea because folks at the local level know what projects are best for them. We think the dollars are being distributed fairly.”

Chisholm’s fire department

The closer a project is to being shovel-ready, the more likely it is to win funding. That was the case in Chisholm, where for more than a decade, city officials had been trying to figure out how to replace their fire station, the only one in the city of 5,000.

Chisholm had already received state bonding money and other financial support for a new station, and it owned most of the new building site. It had been working with an architect on a 22,000-squarefoot facility that would comfortably house the fire and police departments as well as ambulance services.

Skraba says Chisholm plans to break ground on the project this fall, with the new facility opening in 2024. City officials hope the historic fire station, which sits at the heart of downtown across from City Hall, will get new life through redevelopment.

The CDS program “is a great funding source for communities our size,” Skraba says. “So much of our old infrastructure is failing. This grant was crucial for construction of this project.”

Small cities collaborate for water

Another project in the Iron Range area that received CDS funds is the new water supply and treatment plant for Aurora, Biwabik, Hoyt Lakes, and White Township. Those communities, with a total population of about 5,400, have each had issues with trying to maintain a supply of quality water.

Water wells used in some areas became unreliable. Very old city treatment plants needed expensive maintenance. Some of the former mine pits that communities relied on for water had high sulfite and other chemical levels and very hard water, making treatment expensive.

In one pit used for drinking water, water levels were dropping, meaning the water intake pipe eventually would be high and dry. Zebra mussels, which can cluster on and block piping, were discovered in another pit.

Aurora’s water plant was built in the 1950s. Mayor Doug Gregor says it’s in sorry shape, and the city has been talking about replacing it for almost 20 years. That’s a financial challenge for a city with about 1,700 residents. Every year, the cost of replacing the plant escalates. That’s why the \$2.5 million in federal funding is huge for Aurora, where the mayor says most residents have low to medium incomes.

“We’re a small community and the cost of [a new water supply and treatment system] is estimated at \$24.5 million,” Gregor says. The CDS funds “are a godsend.”

New plant set for 2024

Facing precarious water issues with an expensive solution, it was natural for the four small communities to band together to build a new centrally located treatment plant in Aurora.

“Our cities were already working together on a joint powers board on economic development,” says Biwabik Mayor Jim Weikum. “We all knew that for any one of us to build our own plant was beyond what we could afford.”

The cities identified a new water source, Embarrass Mine Lake, as a stable source of quality sustainable water for the future. But in the middle of the planning process, Biwabik had to switch its water supply as part of a mining company pit dewatering process.

Now Biwabik is receiving water through new piping linked to a barge on Embarrass Mine Lake, a project the mining company paid for. But that arrangement won't last forever, Weikum says. “We know the day will come when we will rejoin the [new water plant] project.”

Construction of the new plant is planned for mid-2023, with completion in late 2024. At first, with a capacity to pump 1 million gallons a day, the plant will serve Aurora and White Township. That could be expanded to pump 2 million gallons daily when Biwabik and Hoyt Lakes come on board.

Several funding sources

Stefanie Dickinson, Aurora's city clerk and treasurer, says that the project still has a funding gap. But with state bonding money in hand and a large state Water Infrastructure Grant and other non-state grants anticipated, the CDS funding means that bonding can be used for remaining expenses without burdening residents with excessively high water rates.

Relying on a deteriorating water plant has been nerve-racking for Aurora, Dickinson says. With the federal funding, the project is much closer to reality.

“Without this funding, we'd be looking at doubling water rates,” she says. “We're mostly residential, and we don't have a lot of industry to offset our costs. It's very hard for small cities to finance this.”

“The federal dollars were essential. It was make or break for this project,” Weikum adds. “It could not have gone forward without the help.”

Mary Jane Smetanka is a freelance writer.

The Application Process for Congressionally Directed Spending

While congressionally directed spending (CDS) is bringing hundreds of millions of dollars to local governments and nonprofits in Minnesota, most of the individual awards are around \$1 million or less. That's because much of the funding goes to projects that are on the verge of going forward and just need a final funding boost.

“We try to assess which projects are ready to go,” says U.S. Sen. Tina Smith. CDS funds have already been awarded for 2022, and applications have closed for 2023 funding. Eligible projects for cities include water and sewer projects, some roads and bridges, technology upgrades for law enforcement, libraries, city-owned senior and public housing, community facilities like government centers or town halls, and economic development projects. City business incubators qualify, as does something like improving roads that lead to industrial parks.

Requests for funding go through the offices of each state's U.S. senators and representatives. The application process is different in each congressional office, but in Smith's office, applications are not complex. Forty or 50 fields need to be filled out with details like contact information, cost, supporting organizations, and requested amounts. Only three sections need a narrative explanation.

Though applying is straightforward, deadlines the last two years have been tight, with about two weeks between opening applications and required submission dates.

Projects are vetted by federal agencies and congressional appropriations committees and are approved as part of the big federal budget bill. Whether there will be another round of CDS funding won't be clear until the next Congress is seated in 2023. If the program continues, applications for 2024 funding would likely open next spring.

Your LMC Resource

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For editorial questions:

Contact Claudia Hoffacker

Publications & Web Editor

(651) 215-4032 or (800) 925-1122

choffacker@lmc.org

Jodi Knaus

From: Allison B. Tellinghuisen <atellinghuisen@fryberger.com>
Sent: Friday, July 1, 2022 3:22 PM
To: Jodi Knaus; Doug Gregor (gregor@ci.aurora.mn.us)
Cc: Mia E. Thibodeau
Subject: Land Lease Agreement
Attachments: Land Lease Agreement.pdf

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Enclosed please find the Lease for inclusion on the agenda for the meetings of the Town of White and the East Range Water Board.

Thank you.
Allison

Allison Tellinghuisen
Legal Secretary

Fryberger, Buchanan, Smith & Frederick P.A.
302 West Superior Street, Suite 700 | Duluth, MN 55802
218-725-6855 | fx: 218-625-9255
Office Hours: 8:30 a.m. – 3:00 p.m.
atellinghuisen@fryberger.com | www.fryberger.com

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TAX-FORFEITED LAND LEASE AGREEMENT

This Tax-Forfeited Land Lease Agreement (“Agreement”) between Lessor and Lessee, as defined in Section B below, is effective as of _____, 2022 (“Effective Date”) for a 40-year term ending _____, 2062 (“Initial Term”).

A. Lessor and Lessee agree that this Agreement shall govern their respective rights and obligations throughout the Initial Term.

B. Parties

LESSEE:

Town of White
For the East Range Water Board
16 West 2nd Avenue North
P.O. Box 146
Aurora, MN 55705

LESSOR:

State of Minnesota, in trust for the Taxing Districts
c/o The St. Louis County Land and Minerals Department
Government Services Center
320 West 2nd Street, Suite 302
Duluth, MN 55802
Telephone: (218) 726-2606

C. Pursuant to Laws of Minnesota 2021, 1st Spec. Sess. chapter 6, article 2, section 124, and in consideration of the payment of Three-Hundred Dollars and No Cents (\$300.00), receipt of which is hereby acknowledged, Lessor hereby leases to Lessee, for a 40-year term commencing _____, 2022, and ending _____, 2062, the following tax-forfeited land:

That part of Government Lot 5, Section 5, Township 58 North, Range 15 West of the Fourth Principal Meridian, St. Louis County, Minnesota legally described and depicted on **Exhibit A** (the “Premises”) for the construction, operation, maintenance of water intake infrastructure and supporting facilities, and access thereto.

D. The initial payment includes a \$200.00 land use fee and a one-time, \$100.00 administration fee. Subsequent annual land use payments of \$200.00 shall be paid on or before the anniversary of the Effective Date. The Premises are subject at all times to tax-forfeited land sale or exchange or other necessary leasing or land management activities by the Lessor; provided, however, that no such land sale, exchange, or other leasing or land

management activities shall interfere with Lessee's rights under this Agreement. The Premises are further subject to all the conditions, provisions, and terms set forth herein and attached hereto as **Exhibit B**.

LESSEE:

East Range Water Board

By: _____

Name: Doug Gregor

Its: Chairman

DATE: _____

By: _____

Name:

Its: Secretary

DATE: _____

LESSOR:

St. Louis County

By: _____

Name: Nancy J. Nilsen

Its: St. Louis County Auditor

DATE: _____

By: _____

PAUL MCDONALD
Chair of County Board

By: _____

JULIE MARINUCCI
Land and Minerals
Director

APPROVED AS TO FORM & EXECUTION:

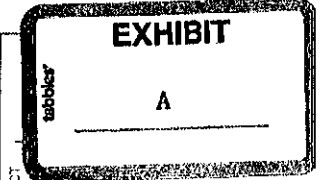
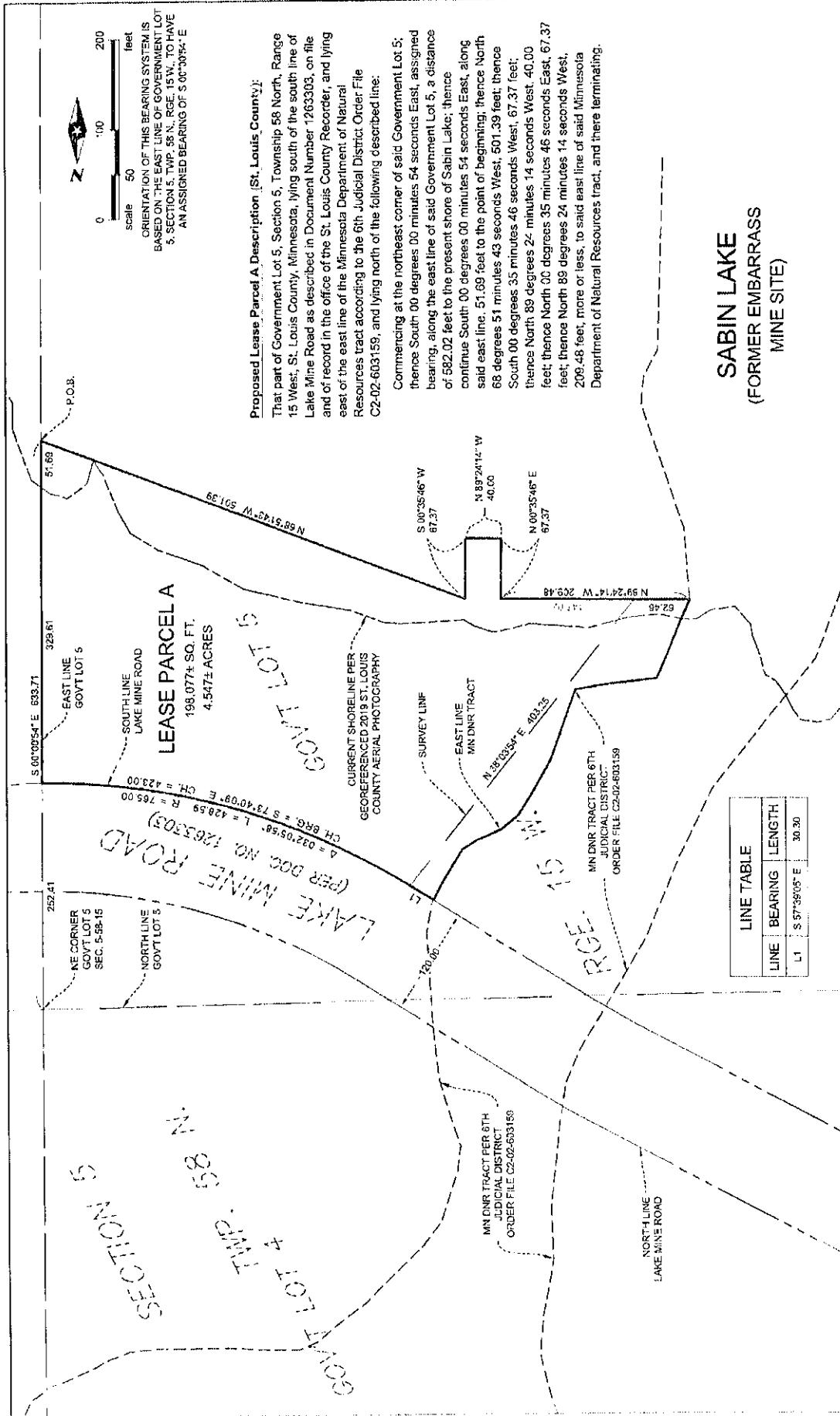
BY: _____
Assistant County Attorney

Date: _____

OnBase Contract No. 2022-0024

EXHIBIT A

Survey of Leased Premises – Access Road & Water Intake Facilities



I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.

Chris A. Larsen, L.S.
 DATE 06/22/2022
 LICENSE NO. 45848

SEH

**LEASE EXHIBIT FOR:
 EAST RANGE WATER
 PROJECT
 AURORA, MINNESOTA**

Revision Issue Description
 SEH Project AUROR159723
 Drawn By bww
 Surveyed By ts/mf
 Checked By cat

Date

EXHIBIT B

Specific Lease Terms & Conditions

1. Lessor leases to Lessee the tax-forfeited land described and depicted in **Exhibit A** (“the Premises”) for the purpose of installing, constructing, operating and maintaining a water intake plant, access roads, and related pipes, facilities and equipment (“Intake Facilities”) on the leased Premises.
2. Lessee shall use the Premises only for the construction, operation and maintenance of the Intake Facilities. Preliminary project plans are attached to this Agreement as **Exhibit C**. Lessee shall provide Lessor with final project plans and drawings upon completion of the project. During the initial period of construction, Lessee shall be entitled to ingress and egress to and from its planned Intake Facilities and such additional areas of the Premises as shall be reasonably necessary to complete construction.
3. Lessee shall be responsible for, and shall defend, indemnify and hold Lessor harmless from, any or all claims or damages, of whatever nature, arising out of Lessee’s installation and construction of the Intake Facilities and related roads, structures, or other appurtenant infrastructure. Lessee shall notify Lessor of any wells or other potential hazards located on site, including, but not limited to, any apparent violations of applicable codes, statutes, or regulations, contamination, release or threatened release of hazardous substances, pollutants, contaminants, or petroleum, known or unknown by Lessor, whether created prior or subsequent to execution of this Agreement. Lessee shall defend, indemnify and hold harmless Lessor from any claims or damages, of whatever nature, arising from its installation, construction, operation or maintenance of its Intake Facilities throughout the Initial Term of this Agreement.
4. Lessee shall comply with any road weight limits or other road restrictions placed in effect by local road authorities.
5. Lessor shall have no responsibility, by virtue of entering into this Agreement, to provide Lessee with any utility service to the Premises, including electric, gas, oil, water, sewer, fiberoptic cable, broadband or telephone. In the event a public body or other third party extends utilities to the Premises, the cost of such extension and utilities shall be borne solely by the Lessee. Installation of any added utilities to the Premises may be subject to separate lease or access agreements for crossing State tax-forfeited land.
6. Perimeter or security fencing of the Premises and Intake Facilities is permitted, provided that such fencing is maintained in safe and orderly condition to minimize risk to the public. Prior to installation of any such fencing, Lessee shall share plans with Lessor and obtain written permission for installation.
7. Lessee shall pay, when due, all taxes assessed against or levied upon the Premises or Intake Facilities, including fixtures, improvements, furnishings, equipment or other personal property of the Lessee located on the Premises during the Initial Term of this

Agreement, whether assessed as real or personal property taxes.

8. Lessee and its employees, agents, contractors or other designees shall at all times comply with all applicable federal, state or local laws, ordinances, regulations, judgments or other valid orders of any governmental entity relating to Lessee's activities on the Premises. Lessee shall further obtain all permits, licenses or other authorizations required for its activities on the Premises.

9. The Intake Facilities installed, constructed, operated or maintained on the Premises shall be the sole property of Lessee. Lessor shall not gain, by virtue of this Agreement, any ownership interest in the Intake Facilities constructed on the Premises. Lessee shall have 180 days following termination or cancellation of this Agreement to remove Intake Facilities from the tax-forfeited Premises, including all equipment, materials, structures, or other property or infrastructure placed upon or affixed by Lessee upon the Premises. Lessee further agrees, in the event of termination or cancellation, to restore the Premises to a condition satisfactory to Lessor. In the event of failure to remove Intake Facilities or restore the Premises in accordance with this provision, Lessor may mitigate, sell or dispose of any such remaining property as Lessor deems fit and restore the Premises to a neat and orderly condition. Lessee shall pay expenses incurred by Lessor to dispose of any such property and restore the Premises to a neat and orderly condition.

10. Lessee agrees to maintain the Premises in a safe, clean and orderly condition throughout the Initial Term of this Agreement.

11. In relation to its activities on the Premises, Lessee shall not permit, use, store, dispose of or release any substance defined as a "hazardous substance" or "hazardous waste" under Minn. Stat. § 115B.02, as may be amended, or any other toxic substance or solid waste regulated by federal, state, or local law, except in such quantities or in such manner as may be permitted by applicable law and not harmful to the leased Premises or surrounding environs. Any handling of hazardous or petroleum-based products or fluids on the Premises shall require a mutually agreeable spill plan for the handling of such products or fluids.

12. The covenants, terms and conditions of this Agreement shall run with the land, extend to and bind any and all successors or assigns to this Agreement.

13. Lessee shall repair or pay for any damage to the property or improvements on the Premises caused by Lessee, its employees, agents, licensees or assigns during Intake operations, including any damage to existing roads.

14. This Agreement may be renewed for additional terms and conditions upon review and approval by the St. Louis County Land and Minerals Director, the St. Louis County Board, and the State of Minnesota.

15. This Agreement may be terminated by Lessee upon 30 days written notice to Lessor. Lessor may, upon 60 days written notice to Lessee, terminate this Agreement for default or breach of any of the terms or conditions set forth herein; provided, however, that

if Lessee cures such breach or default within 30 days of said notice (or such additional time as may be reasonably necessary to cure depending on the scope or complexity of the necessary cure), Lessor may not terminate the Agreement.

16. Insurance

- (a) The following insurance is the minimum amount that must be maintained for the duration of this Agreement; provided that the insurance will be secured with limits applicable to any claim of not less than the limits specified in Minnesota Statutes, Chapter 466, as may be amended from time to time. A Certificate of Insurance for each policy must be on file with the St. Louis County Land & Minerals Department within 10 days of execution of this Agreement and prior to commencement of any construction of Water Intake Facilities under this Agreement. Lessee shall secure an endorsement to each policy requiring a 10-day notice of cancellation for cancellation based upon non-payment of premiums to all named and additional insureds, and a 30-day notice of cancellation for nonrenewal, or material change to all named and additional insureds.

- (b) Lessor reserves the right to rescind any contract not in compliance with these requirements and retains all rights thereafter to pursue any legal remedies against Lessee. All insurance policies shall be open to inspection by Lessor, and copies of policies shall be submitted to Lessor upon written request. All subcontractors shall provide evidence of the same coverage.

(1) **General Liability Insurance**

\$500,000 when the claim is one for death by wrongful act or omission and \$500,000 to any claimant in any other case.

\$1,500,000 for any number of claims arising out of a single occurrence.

No Less Than \$2,000,000 Aggregate coverage.

Policy shall include at least premises, operations, completed operations, independent contractors and subcontractors, and contractual liability and environmental liability.

St. Louis County shall be named as an Additional Insured on a primary and noncontributory basis.

(2) **Business Automobile Liability Insurance**

\$500,000 for claims for wrongful death and each claimant.

\$1,500,000 each occurrence.

Must cover owned, non-owned and hired vehicles.

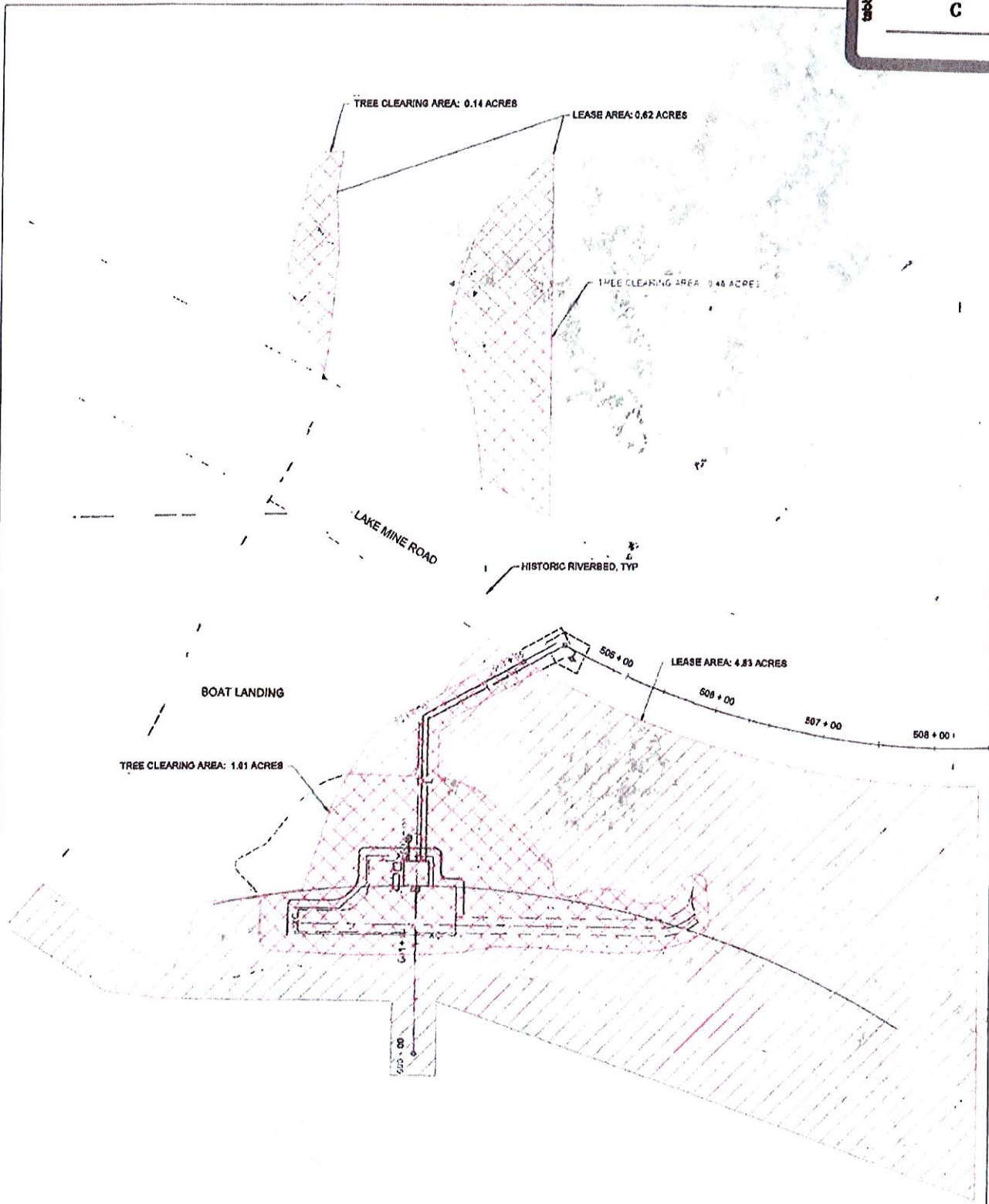
(3) **Workers' Compensation**

Per statutory requirements. Certificate of Compliance must be executed and filed with St. Louis County.

17. Indemnification.

- (a) To the fullest extent permitted by law, Lessee shall indemnify and hold harmless Lessor and its officers, employees, and agents from and against any and all claims, damages, losses and expenses, of whatever nature, including but not limited to attorney's fees, arising out of or resulting from Lessee's performance of its Intake activities authorized and contemplated under this Agreement.
- (b) Lessee agrees that, in order to protect itself and Lessor under the indemnity provisions set forth herein, it shall at all times during the Initial Term keep in force policies of insurances described in paragraph 16 above.
- (c) This provision is not intended to create any cause of action in favor of any third party against Lessee or Lessor or to enlarge in any way Lessee's liability, but it is intended to provide for indemnification of Lessor from liability for damages or injuries to third persons or property arising from Lessee's or Lessee's agents' performance hereunder.

18. Lessee may assign its interest in this Agreement or any interest herein, or sublet its Intake Facilities or any part thereof, or grant any license, concession or other right of occupancy of any portion of its Leased Premises, with the prior written consent of Lessor, which consent shall not be unreasonably withheld; provided that no written consent of Lessor shall be required for an assignment by Lessee to another member of the East Range Water Board. No such assignment or sublease shall operate to relieve Lessee of its obligations under this Lease. Lessee shall provide Lessor with prior written notice of any proposed assignment or sublease of this Agreement.



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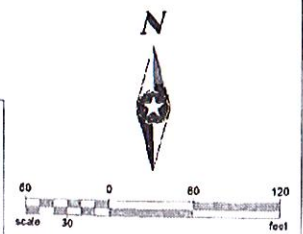
SUMMARY TABLE
 TOTAL LEASE AREA: 6.45 ACRES
 TOTAL TREE CLEARING AREA: 1.63 ACRES



FILE NO.
 AUROR 159723
DATE:
 3/16/2022

**ST. LOUIS COUNTY LAND LEASE
 AURORA, MINNESOTA**

**EXHIBIT
 NO. 1**



SCOPE OF WORK: PHASE I ARCHAEOLOGICAL SURVEY FOR EAST RANGE JOINT WATER TREATMENT SYSTEM, AURORA-WHITE, ST. LOUIS COUNTY, MINNESOTA

I. FIRM NAME Duluth Archaeology Center, L.L.C.
5910 Fremont St. Suite 1, Duluth MN 55807

Dr. Susan Mulholland (president)
tel: 218/624-5489, fax: 218/249-0765, email: archcenter @ aol.com

II. PROJECT OBJECTIVES

The objective of this proposal is to conduct a Phase I archaeological survey for the East Range Joint Water Treatment System in the Cities of Aurora and White, St. Louis County, Minnesota. The Area of Potential Effects (APE) includes the 1200 feet of water mains along streets and 3.75 acres for structures T58N R15W sections 4-7 and T58N R16W section 12. The Phase I archaeological survey will provide field survey of the APE to OSA/SHPO standards for archaeology (Anfinson 2011) and architectural history (MHS 2017). Archaeological survey will be for evidence of archaeological sites; architectural history survey will be for features associated with mining and associated activities. The survey will be reported to SHPO standards (Anfinson 2011) and include all activities as well as recommendations on any additional investigations.

III. WORK PLAN

Contractor will complete the following tasks:

- Task 1: Administration
Contractor will conduct accounting and record keeping; conduct prefield activities, including literature review at SHPO/OSA offices; obtain State Archaeology license; request a Gopher State locate if necessary. Client will obtain permissions from private landowners.
- Task 2A: Phase I Archaeological Survey
Contractor will conduct archaeological survey of the APE using pedestrian walkover with shovel testing as appropriate to terrain and previous disturbance.
- Task 2B: Phase I Architectural History Survey
Contractor will conduct survey of the APE for surface features by visual observation from the roads and photodocumentation of the features.
- Task 3: Laboratory and Reporting
Contractor will conduct laboratory cleaning/analysis of any recovered artifacts and prepare maps and state site forms. Contractor will prepare a report on the results of the Phase I survey, including any site form(s), and discuss all activities, results, and recommendations regarding any further recommended archaeological investigations.

Project Schedule

Contractor will start work after written authorization from the client. A maximum of 4 days will be required for the field survey. Survey can be conducted in summer or fall 2022; reporting will depend on the results of the survey but will require a minimum of 2-3 weeks if no sites are recorded and possibly up to 4-5 weeks if sites are found (to allow for assignment of state site numbers).

Curation

Artifacts recovered from public lands are under the jurisdiction of the respective land managing agency. Artifacts collected from land under State or a subdivision (City, County) jurisdiction need to be curated at the Minnesota Historical Society or another facility recognized by the Office of the State Archaeologist as per the requirements of the State Archaeology license. Artifacts from private land can be returned to the landowner or curated if donated by the landowner to a repository.

IV. BUDGET

The budgets are prepared on separate sheets. The budgets are not to exceed quotes; expenses will be charged as incurred. Curation costs are estimates only if artifacts are recovered and curated. NOTE: If human remains or indications of burials are uncovered, additional time and funds may be required for notification and consultation with agencies (Anfinson 2008) under the Private Cemeteries Act (MnST 307.08).

V. PERSONNEL

- Dr. Susan Mulholland: principal investigator, project supervisor
- Jennifer Shafer: graphics supervisor, accountant

VI: APPROVED BY



Name: Susan C. Mulholland

Date: June 20, 2022

Title: President, Duluth Archaeology Center

Anfinson, S.F. 2011 *State Archaeologist's Manual for Archaeological Projects in Minnesota*. Office of the State Archaeologist, Minnesota Department of Administration, St. Paul.

Anfinson, S.F. 2008. *State Archaeologist's Procedures for Implementing Minnesota's Private Cemeteries Act (MS 307.08)*. Office of the State Archaeologist, Minnesota Department of Administration, St. Paul.

Minnesota Historical Society. 2017. *Historic and Architectural Survey Manual*. Heritage Preservation Department.

**PHASE I SURVEY OF EAST RANGE JOINT WATER TREATMENT SYSTEM,
AURORA-WHITE, ST. LOUIS COUNTY, MINNESOTA: ARCHAEOLOGICAL
SURVEY**

TASK 1: ADMINISTRATION

Principal Investigator	6 hr. @ \$65.92	\$ 395.52
Account Manager	1 hr. @ \$48.31	48.31
Supplies		25.00
photocopies	150 @ \$0.10	15.00
TOTAL PRE-FIELD		\$ 483.83

TASK 2A: FIELD SURVEY

Principal Investigator	20 hr. @ \$65.92	\$ 1,318.40
Field Technician	20 hr. @ \$46.45	929.00
mileage	200 mi. @ \$0.625	125.00
per diem	4 days @ \$50	200.00
lodging	2 rooms @ \$120	240.00
TOTAL PRE-FIELD		\$2,812.40

TASK 3: LAB ANALYSIS/REPORT PRODUCTION

Principal Investigator	10 hr. @ \$65.92	\$ 659.20
Computer Supervisor	6 hr. @ \$46.45	278.70
Lab Technician	10 hr. @ \$45.97	459.70
Photocopies	200 @ \$0.10	20.00
Report production		25.00
Postage/Delivery		15.00
TOTAL REPORT PRODUCTION		\$ 1,457.60

TOTAL PROJECT COSTS [WITHOUT CURATION] \$4,753.83

CURATION AT MINNESOTA HISTORICAL SOCIETY (if needed)

Accession Numbers	2 sites @ \$75	\$ 150.00
Storage space	1 cu.ft. @ \$285	285.00
MHS transfer fee		115.00
Principal Investigator	8 hr. @ \$65.92	527.36
Lab Supervisor	8 hr. @ \$46.45	371.60
Mileage	300 mi. @ \$0.625	187.50
Parking fee		6.00
TOTAL CURATION COSTS		\$ 1,642.46

TOTAL PROJECT COSTS [WITH CURATION] \$6,396.29

**PHASE I SURVEY OF EAST RANGE JOINT WATER TREATMENT SYSTEM,
AURORA-WHITE, ST. LOUIS COUNTY, MINNESOTA: ARCHITECTURAL-
HISTORY SURVEY**

TASK 1: ADMINISTRATION

Principal Investigator	4 hr. @ \$65.92	\$ 263.68
Account Manager	1 hr. @ \$48.31	48.31
Supplies		25.00
photocopies	150 @ \$0.10	15.00
TOTAL PRE-FIELD		\$ 351.99

TASK 2B: FIELD SURVEY

Principal Investigator	20 hr. @ \$65.92	\$ 1,318.40
mileage	500 mi. @ \$0.625	312.50
per diem	3 days @ \$50	150.00
lodging	2 rooms @ \$120	240.00
TOTAL PRE-FIELD		\$2,020.90

TASK 3: LAB ANALYSIS/REPORT PRODUCTION

Principal Investigator	7 hr. @ \$65.92	\$ 461.44
Co-Principal Investigator	40 hr. @ \$65.92	2,636.80
Computer Supervisor	4 hr. @ \$46.45	185.80
Photocopies	100 @ \$0.10	10.00
Report production		20.00
Postage/Delivery		10.00
TOTAL REPORT PRODUCTION		\$ 3,324.04

TOTAL PROJECT COSTS \$5,696.93

TOTAL PROJECT COSTS

ARCHAEOLOGY SURVEY [WITH CURATION] **\$6,396.29**

ARCHITECTURAL-HISTORY SURVEY **\$5,696.93**

TOTAL PROJECT COSTS [WITH CURATION] \$12,093.22