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Biennial Report 1976 — 1978



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STATE OF MINNESOTA
IRON RANGE RESOURCES AND REHABILITATION

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EVELETH, MINNESOTA 55734

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October 23, 1978

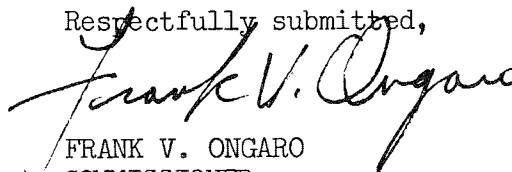
To The Governor and Legislature
of the State of Minnesota

It is my pleasure to submit to the Governor of the State of Minnesota, the Honorable Rudy G. Perpich, and the Seventy-First Legislature of the State of Minnesota, this eighteenth Biennial Report of the Iron Range Resources and Rehabilitation Board.

This report is prepared in compliance with Minnesota Statutes 1977, Section 298.22, Subdivision 2, for the period including fiscal years of 1977 and 1978.

This report is made available to the members of the State Legislature, all State Departments and interested Federal, County and local agencies. Copies of this report are available on request to schools, libraries and the general public.

Respectfully submitted,


FRANK V. ONGARO
COMMISSIONER

AN EQUAL OPPORTUNITY EMPLOYER

PAST IRRRB COMMISSIONERS

Herbert J. Miller*	Minneapolis	July 1, 1941 to June 30, 1942
Robert E. Wilson,	Minneapolis	July 1, 1942 to May 1, 1949
Ben P. Constantine,	Eveleth	May 1, 1949 to November 20, 1950
Edward G. Bayuk,	Eveleth	November 21, 1950 to April 30, 1955
Kaarlo J. Otava,	Mountain Iron	May 1, 1955 to January 4, 1961
Hyrom S. Sorenson**,	Bagley	January 5, 1961 to February 2, 1961
A. M. DeYoannes,	Virginia	February 3, 1961 to May 1, 1971
Robert J. Scuffy,	Gilbert	May 3, 1971 to January 10, 1975

*Director from July 1, 1941 to April 18, 1942

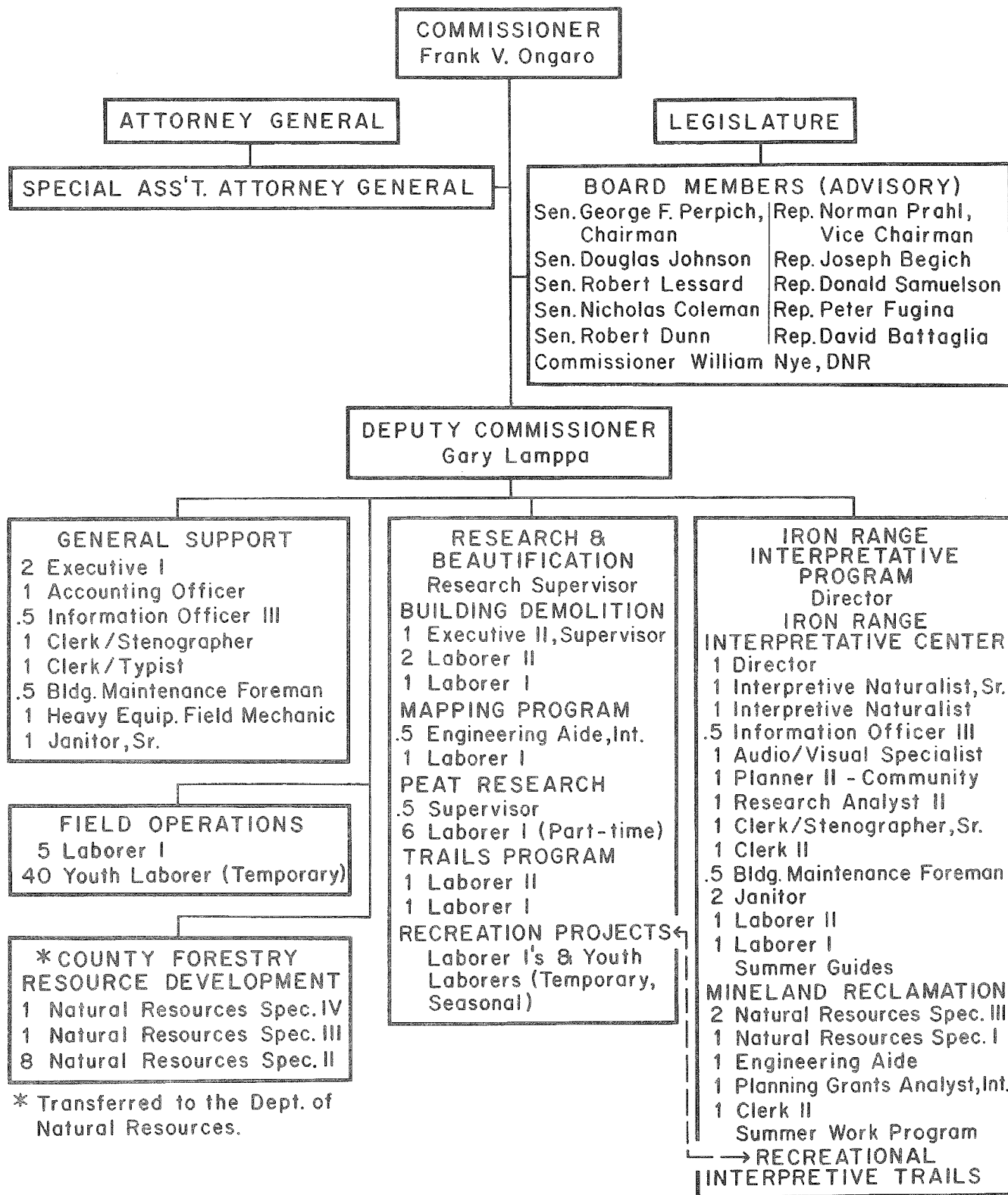
**Acting Commissioner

PAST IRR&R BOARD MEMBERS

Senator Norbert Arnold,	Pengilly	January 3, 1973 to January 3, 1977
Senator Robert O. Ashbach,	St. Paul	July 1, 1967 to June 30, 1969
Senator C. A. Dahle,	Duluth	May 1, 1943 to August, 1949
Senator M. J. Galvin,	Winona	May 1, 1943 to February 4, 1947
Senator K. F. Grittner,	St. Paul	April 21, 1955 to April 21, 1959
Senator Carl A. Jensen,	Sleepy Eye	July 1, 1969 to January 2, 1973
Senator Leo J. Lauerman,	Olivia	July 1, 1959 to January 30, 1963
Senator Michael E. McGuire,	Montgomery	January 30, 1963 to June 30, 1965
Senator George O'Brien,	Grand Rapids	May 1, 1943 to July, 1959
Senator Richard F. Palmer,	Duluth	January 5, 1971 to January 2, 1973
Senator Benjamin Patterson,	Deer River	January 30, 1963 to June 30, 1967
Senator Elmer Peterson,	Hibbing	April 19, 1951 to January 30, 1963
Senator A. J. Perpich,	Virginia	January 5, 1971 to January 3, 1977
Senator Herbert Rogers,	Duluth	April 19, 1951 to July 1, 1959
Senator Charles W. Root,	Minneapolis	July 1, 1959 to June 8, 1961
Senator Thomas D. Vukelich,	Gilbert	April 19, 1945 to April 19, 1951
Senator Arne Wanvick,	Duluth	July 1, 1965 to January 4, 1971
Senator Donald O. Wright,	Minneapolis	June 8, 1961 to January 4, 1971
Representative Delbert Anderson,	Starbuck	January 2, 1973 to January 7, 1975
Representative Elmer E. Berglund,	Bemidji	April 21, 1959 to April 17, 1961
Representative Luke F. Burns,	Virginia	May 1, 1943 to April 19, 1945
Representative Joseph J. Daun,	St. Peter	May 1, 1943 to January, 1949
Representative Emil C. Ernst,	Lester Prairie	April 21, 1949 to April 21, 1955
Representative Alfred France,	Duluth	January 29, 1963 to June 30, 1965
Representative Art Frick, Sr.,	Grand Rapids	January 29, 1963 to June 30, 1965
Representative Peter X. Fugina,	Virginia	April 21, 1955 to April 17, 1961
Representative Charles L. Halsted,	Brainerd	April 21, 1955 to June 30, 1967
Representative Douglas Johnson,	Cook	January 3, 1973 to January 3, 1977
Representative Sidney Mason,	Duluth	January 5, 1971 to January 2, 1973
Representative Warren S. Moore,	Duluth	April 19, 1951 to April 21, 1955
Representative Willard M. Munger,	Duluth	April 21, 1959 to April 17, 1961
Representative Duane Rappana,	Duluth	July 1, 1965 to January 4, 1971
Representative Charles W. Root,	Minneapolis	April 24, 1947 to April 19, 1951
Representative Loren Rutter,	Kinney	April 17, 1961 to January 29, 1963
Representative Roger H. Scherer,	Brooklyn Center	January 5, 1971 to January 2, 1973
Representative Fred Schwanke,	Deerwood	May 1, 1943 to April, 1955
Representative Howard Smith,	Crosby	July 1, 1967 to January 3, 1977
Representative Arne Wanvick,	Duluth	April 17, 1961 to January 29, 1963
Representative Raymond O. Wolcott,	Minneapolis	July 1, 1969 to January 4, 1971
Commissioner Robert Herbst,	Conservation*	July 20, 1966 to January 20, 1967
Commissioner Robert Herbst,	DNR	January 4, 1971 to June 30, 1977
Commissioner Jarle Leirfallom,	Conservation*	January 20, 1967 to January 4, 1971
Commissioner Wayne Olson,	Conservation*	July 1, 1963 to July 19, 1966
Commissioner Clarence Prout,	Conservation*	January 4, 1961 to June 30, 1963
Commissioner George A. Selke,	Conservation*	May 1, 1955 to January 4, 1961
Commissioner Chester S. Wilson,	Conservation*	May 1, 1943 to May 1, 1955
Commissioner William Nye,	DNR	July 1, 1977 to June 29, 1978

*Now known as Department of Natural Resources.

ORGANIZATION CHART
DEPARTMENT OF IRON RANGE RESOURCES & REHABILITATION
MINNESOTA STATUTES - SECTION 298.22



IRON RANGE RESOURCES AND REHABILITATION BOARD

The Iron Range Resources and Rehabilitation Board was created in 1941 to meet the economic challenges brought about by large scale technological displacement in the mining industry coupled with the demise of extensive lumber operations which left much of northern Minnesota "cut over".

The Office of the Commissioner of Iron Range Resources and Rehabilitation, backed with funding from 5% of the iron ore occupation tax, began a multi-pronged attack on the problems facing the distressed areas of northern Minnesota.

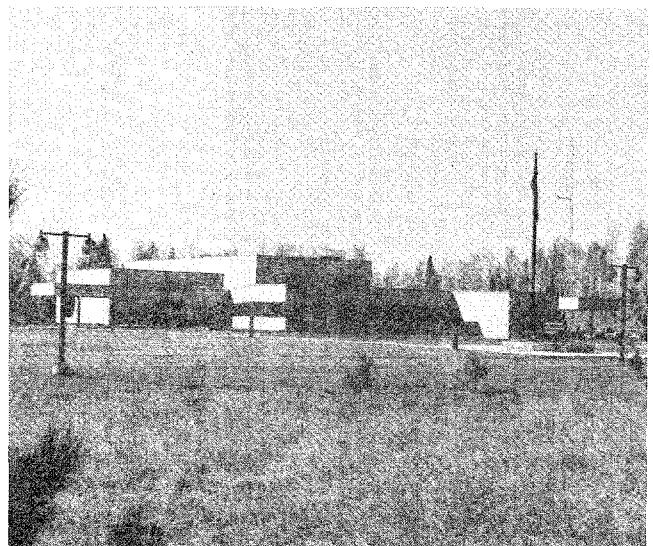
From its earliest days this Agency has been actively involved in the development of low grade iron ore. Millions of dollars were channeled into research conducted at the University of Minnesota. This investment resulted in the perfection of the taconite process which opened the way for a multi-billion dollar investment by private industry in the construction and operation of the enormous taconite production facilities on the Iron Range.

Throughout its history, the IRRRB has made a concerted effort to diversify the economic base of northeastern Minnesota. This has been done by assisting new industry to develop in the area. Considerable attention has been focused on the implementation of forest management policies and promoting the expansion of the forest products industry.

In the field of peat research no other state agency has invested more time and effort into developing means to utilize this abundant renewable natural resource.

As the IRRRB moved into the seventies, it has become deeply involved in the development, expansion and promotion of tourism as a viable industry to the economy of the iron ranges of Minnesota. Through its investment into the multi-million dollar Iron Range Interpretative Center and its efforts to expand and promote the Iron Range Interpretative Program, there is a new awareness to this region of the economic impact brought about by tourism dollars.

Perhaps the most rewarding re-direction of effort during the seventies has been the Agency's involvement in human and vocational rehabilitation. Concentrating its attention on new and innovative means of training and rehabilitating those less fortunate, the IRRRB has become a leader in assisting numerous Day Activity Centers and Sheltered Workshops in their humanitarian tasks.



IRRRB Headquarters

The key ingredient to the success of the IRRRB has been its ability to adapt to the changing complexion of the region it serves.

In this eighteenth Biennial Report we will focus our attention on the works of the IRRRB and staff and document our efforts to enhance the quality of life and improve the economic stability of the region we serve.

REORGANIZATION

The 1977 Legislature expanded the IRRRB to eleven members. The Board is now made up of five state senators, five members of the House of Representatives and the commissioner of the Department of Natural Resources. The senators are appointed by the committee on committees; the representatives are appointed by the Speaker of the House.

In addition, the Legislature created the Taconite Area Environmental Protection Fund and mandated the IRRRB to administer the fund. Monies for the fund come from a portion of the taconite production tax and have been designated for four specific purposes.

- To initiate investigations into matters the IRRRB determines in need of study and which will determine the environmental problems requiring remedial action
- Reclamation, restoration or reforestation of minelands not otherwise provided for by state law

- Local economic development projects including construction of sewer and water systems, and other public works
- Monitoring of mineral industry related health problems among mining employees

Under this new fund, the Commissioner submits to the Board a list of projects to be funded. After approval by the IRRRB, the list is then submitted to the Legislative Advisory Commission. The final step in the approval process rests with the Governor who shall approve or disapprove, or return for further consideration, each individual project. Funds for a project may be expended only upon approval of the project by the Governor.

The Taconite Area Environmental Protection Fund has brought to IRRR a new and deeper involvement in the region it serves. With current emphasis being placed on water and sewer projects and mineland reclamation, great progress is being achieved in updating and improving community sanitation systems and also the beginning of the process of reclaiming state lands that have been subjected to mining activity.

Research & Beautification

PEAT RESEARCH

The IRRRB has been a leader in peat research in Minnesota ever since the Agency was created in the 1940's. Northern Minnesota possesses over seven million acres of peatlands. This represents approximately 50% of the nation's supply of peat.

The value of this natural resource is now being recognized. The three decades of research conducted by IRR&R is being made available not only in the United States but world-wide. The utilization of this research is a tribute to the Agency's foresight and a credit to its extensive investment.

During the biennium the division has cooperated with numerous potential peat developers. Providing research information, on-site field inspections and other forms of assistance, the IRRRB input has been geared to aid in the expansion of the industry.

Multi-million dollar operations are now in the planning stages. The State of Minnesota has before it numerous applications for peatland leases. The majority of these peatlands have been studied by the Research and Beautification division. With State approval of these leases, Minnesota could see a large investment of private capital to bring these potential operations into existence.

Interest in peat for fuel purposes has continued high. As a result of past work on a direct burning experiment, a study was made by Ekono Inc., a Finnish consulting firm, on the feasibility of utilizing peat to fuel power plants on the Iron Range. The division made arrangements for the study visits and accompanied the consulting engineers in their work.

The division has also assisted Minnegasco in their peat gasification studies as well as providing information to electric companies and oil companies that have become interested in peat. Peat is being looked at very strongly as an aid to the energy crisis.

Information on the peat-over-sand filter, an effluent sewage treatment system developed by the division working in cooperation with the University of Minnesota, was provided to many interested parties world-wide.

WILDERNESS VALLEY FARMS

Since the mid-1960's Iron Range Resources and Rehabilitation has operated Wilderness Valley Farms as a peat research station. Today, it is the only such facility operating in the United States.

With the renewed interest in peatlands, the division has invested considerable time and effort in upgrading and improving the 520 acre facility.

During the biennium, a cooperative program was entered into between the DNR, University of Minnesota and the IRRRB. A grant from the DNR has been matched by the IRRRB and an extensive program has been entered into.

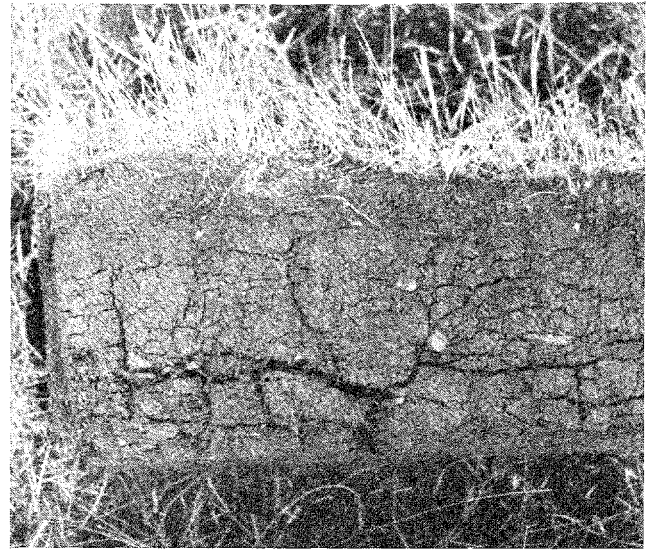
Agricultural and maintenance equipment has been purchased, a weather station installed and the process of field drainage and land preparation has continued. Two exceptionally wet seasons have not made the task an easy one.

During the biennium the facility has been used extensively to conduct studies in hydrology, forestry, land reclamation, waterfowl ponds, vegetable crops, grass crops, grains, drying experiments and sewage treatment work. These studies have been conducted jointly with the University of Minnesota and the Department of Natural Resources and will aid in providing information for the development of a comprehensive State Peatland Policy. This policy is vital to the organized development and protection of this natural resource.

Drying studies on new peat harvesting techniques were begun during the biennium. With a grant from the Department of Natural Resources and matching funds from IRR&R, this project was launched to test methods of harvesting and drying for fuel peat.

In the future, Wilderness Valley Farms will provide an area for testing of new crops and development of new harvesting, packaging and processing equipment for the peat industry. It is hoped that private industry will participate in the research both in in-kind services and funding.

Wilderness Valley Farms was also utilized by I.S.D. #701 and #710 for agriculture programs at the respective schools. The private sector also utilized portions of the complex for processing of carrots grown on adjacent peatland, generating approximately 30 part-time seasonal jobs.



SIXTH INTERNATIONAL PEAT CONGRESS

Through the efforts of Dr. R.S. Farnham of the University of Minnesota and the division Supervisor, the Sixth International Peat Congress was awarded to the United States. The Congress will be held in Duluth in August, 1980.

Arrangements have been made as to meeting places, accommodations, tours and peatland inspections and have been distributed to the International Peat Society membership world-wide. It is expected that 800 persons will attend the Congress.

Organizing funds have been secured from a grant from the U.S. Bureau of Mines. Iron Range Resources and Rehabilitation has agreed to provide in-kind service assistance. The division Supervisor is serving as Organizing Chairman for the event.

Of special interest is the fact that the division Supervisor has been elected to the 24 member International Peat Society Council as the United States representative. This governing body sets all the policies, Congresses, symposiums and related activities in the world. It, again, is a tribute to the IRRRB's involvement in peat research.



BUILDING DEMOLITION PROGRAM

The Building Demolition Program has continued to be one of the most popular programs in the history of the Agency. Now in its sixth year of operation, the program has been operating in seven counties in northeastern Minnesota.

The program was launched in 1972 as part of a demonstration project to clean up this area of the state for the celebration of the Bicentennial. The number of buildings awaiting demolition far outpaced the ability of the crews and an extensive waiting list has developed.

During the biennium, a considerable amount of time was spent in the Carlton County area. Some 284 dilapidated or abandoned buildings were removed. The remainder of the work was done in areas of St. Louis and Itasca Counties. All tolled, approximately 650 buildings have been razed during the biennium, bringing the total for the program to over 2,000 buildings.

In addition to beautifying the area, the results of the program have seen increased property valuations, new construction and progress for the areas served.

ABANDONED VEHICLE PROGRAM

This program, as with the Building Demolition Program, was initiated by IRRRB as a beautification project. It has since become a statewide program under the auspices of the Minnesota Pollution Control Agency.

While the division did not participate in a collection program this biennium, it is interesting to note that the number of voluntary collections have drastically increased. These collections were carried on in the private sector.

Information on the program was provided to the Governor's Aesthetic Environment Program and to technicians working in St. Louis County.

SNOWMOBILE TRAILS

The division continued its program of assistance in the maintenance and grooming of snowmobile trails in the area. The general requirement is that the trails feed into or augment the state trail system. Grooming was provided for the Laurentian Trail and the Taconite Trail in the Side Lake area.

In an effort to improve the program, new groomers were designed and manufactured in the IRRRB shop. These groomers are pulled by the division's two SV200 ski-dozers. The new design has provided much better trail maintenance with a minimum of repairs.

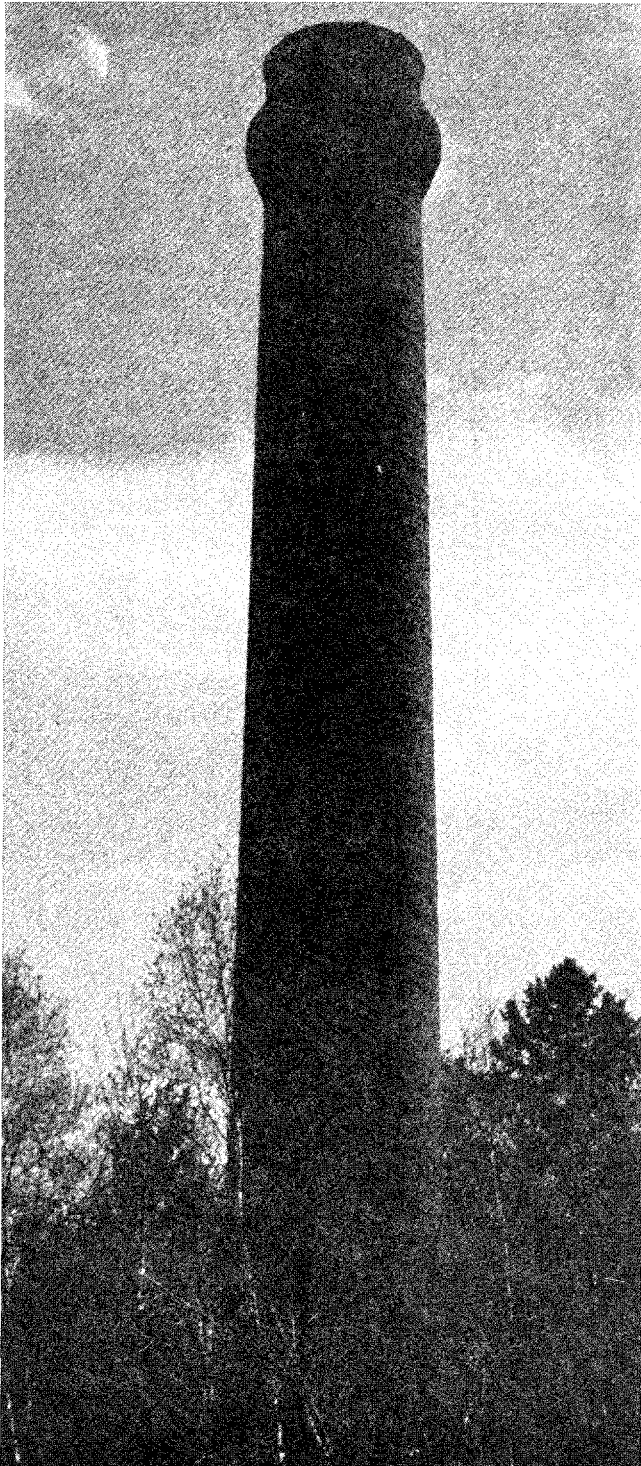
The Trail Coordinator has worked with government agencies as well as the local snowmobile clubs in providing technical aid in the marking and construction of snowmobile trails.

LAND OWNERSHIP MAPS

The land ownership map program has met with increased demands during the biennium. The division produces maps for 21 counties in northeastern Minnesota which show State, County, Federal and private ownership. The maps have proved an invaluable aid to governmental agencies as well as to planners, industries and those persons interested in buying property.

The maps are periodically updated. Counties revised during the biennium included Cook, Lake of the Woods, Cass, Itasca and St. Louis.

Iron Range Interpretative Program



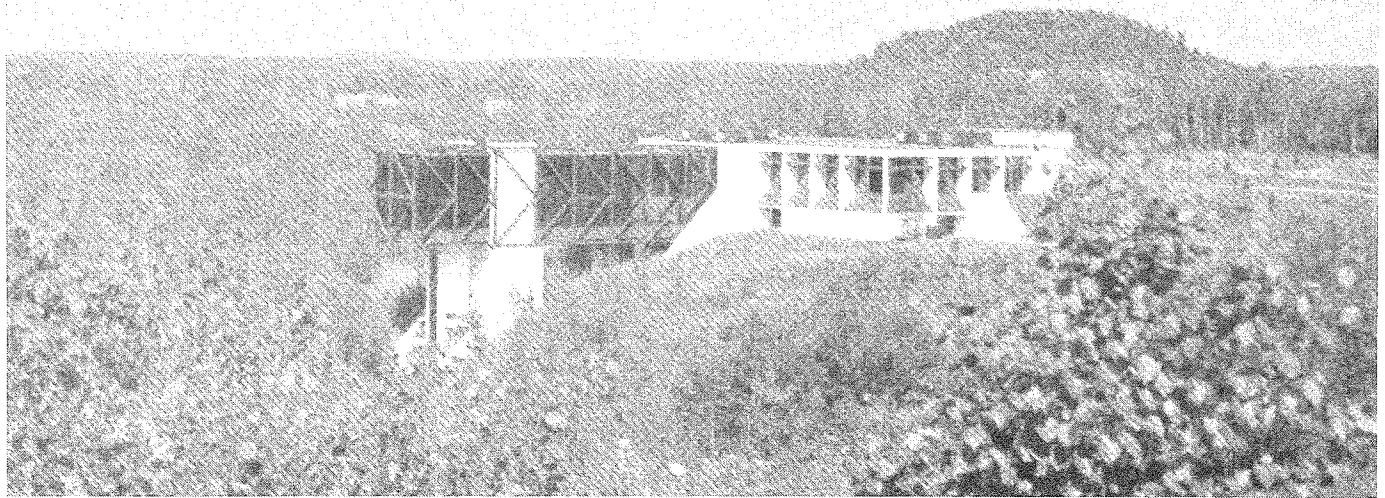
Due to the appeal, diversity and quality of recreational, scenic, geological, cultural and historic resources of northerastern Minnesota, the Iron Range Interpretative Program has been developed and is now bringing about a variety of projects throughout the region.

Faced with the physical reality of great wastelands created by the present mining economy, the program is also involved in finding positive uses for the countless abandoned pits, mine dumps tailings deposits and mining remnants that are found on the Iron Range.

In doing so, the program is continually aware that the present economy is only temporary. It is felt that promotion of a healthy tourism industry can result by turning present unusable areas into tourism generating attractions that will provide a positive, substantial economic return.

Therefore, the stress has been in three areas:

- Expansion of facilities at the Iron Range Interpretative Center with the purpose of making it the most outstanding tourist draw in the midwest.
- Development of a network of interpretive areas and secondary centers that will compliment the Center and give the touring public a variety of experiences.
- Experimenting with various public properties that have been left a wasteland when mines long ago were abandoned. These uses vary from beautifying unsightly areas to creation of recreational parks and trails which will draw tourists and improve the quality of life for residents of the Iron Range.



Iron Range Interpretative Center

IRON RANGE INTERPRETATIVE CENTER

The new \$3.1 million Iron Range Interpretative Center was completed and opened to the public on August 19, 1977. Completion of the project brought to a close over ten years of planning and development and three years of construction.

In the first year of operation, the Center has received wide and enthusiastic response from the 70,000 persons that have toured the Center through June, 1978. Every state in the nation has been represented as well as 47 foreign countries.

IRRR's involvement in the Center has consistently been looked upon as an investment in generating tourism for this region of northeastern Minnesota. But while the economic impact is important justification for the existence of the Center, of equal importance is the effort being made by the Center to begin the process of preserving the rich ethnic heritage and traditions of the Iron Range and to focus its attention on the accomplishments of the people and industry of the Iron Range.

The Iron Range Interpretative Center is a 33,000 square foot structure located on a 120 acre site near Chisholm, Minnesota. The Center overlooks the abandoned Glen Mine, an open pit mine that operated from the early 1900's to 1957. The

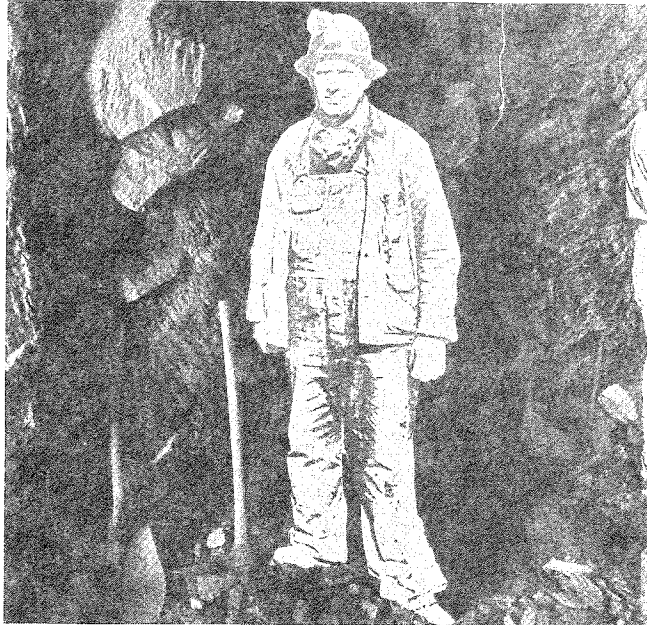
site provides parking for 250 vehicles, has numerous picnic facilities and features a one-quarter mile nature trail that winds along the edge of the mine.

Construction of the Center was made possible through the cooperation of Federal, State and local units of government and from the private sector.

Federal	\$500,000	United States Department of Commerce. Economic Development Administration
	\$150,000	Upper Great Lakes Regional Commission
State	\$830,000	State of Minnesota Iron Range Resources and Rehabilitation Board
	\$500,000	State of Minnesota Resource Commission
Local	\$ 75,000	City of Chisholm, Minnesota
Private	120 Acre Site	Pillsbury, Longyear, Bennett Families

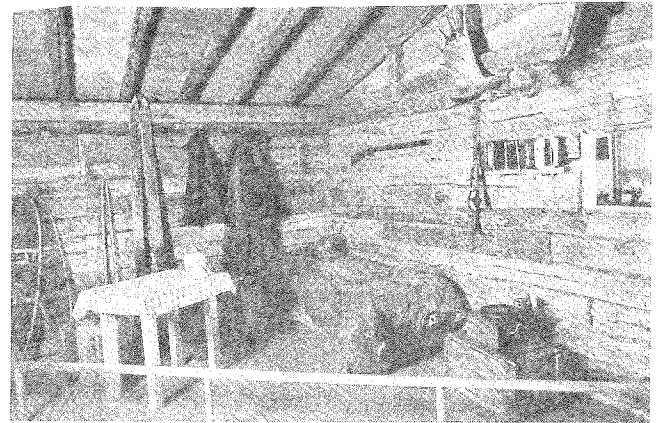
Within the Center, thirty-four exhibits detail the exciting development of the Iron Ranges of Minnesota. The story takes the visitor through a time capsule of history as the area is transformed from a region of dense wilderness to a highly industrialized society in the span of less than one hundred years.

The exhibits were designed by Joseph Wetzel and Associates of Boston, Massachusetts, and fabricated and installed by General Exhibits and Display Inc., Chicago, Illinois.



Funding for the exhibits, as with the Center, came from Federal, State and local units of government and also involved the private sector.

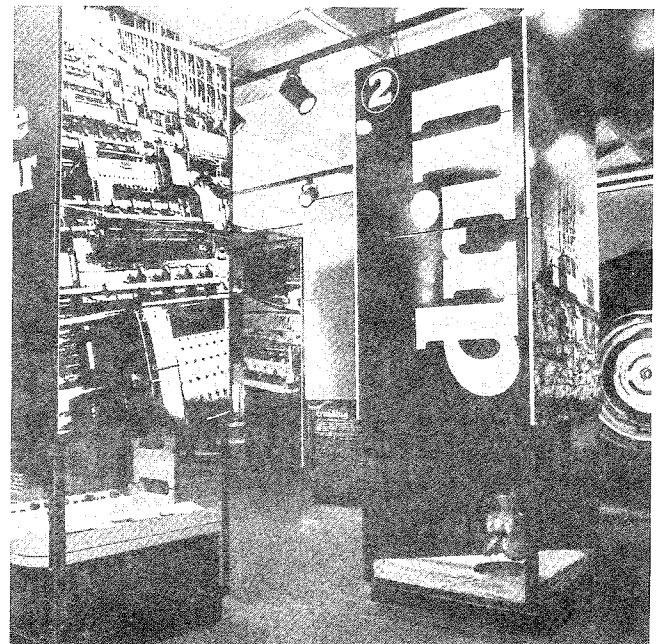
Federal	\$202,751	National Endowment for the Humanities
State	\$221,050	Iron Range Resources and Rehabilitation Board
	\$ 8,000	American Revolutionary Bicentennial Commission
Private	\$ 11,000	E.J. Longyear Company
	\$300,000	Iron Mining Industry of Minnesota (Members of the Lake Superior Industrial Bureau)
	\$115,000	Others



As part of the program to preserve the ethnic traditions and cultural heritage of the people of northeastern Minnesota, the Center features an on-going schedule of ethnic craft and cooking demonstrations. Held in the Celebration exhibit and ethnic kitchen, they have proved to be immensely popular.

Operated as a division of Iron Range Resources and Rehabilitation, the Center conducts an extensive program of promotion and advertising. In addition, group tours, seminars and symposiums are encouraged. During the spring of 1978 the Center hosted 117 school groups totaling over 5,500 students. This successful program will be expanded in the coming biennium.

The Center is open seven days a week. Summer hours of operation are 9:00 A.M. to 9:00 P.M. From October 15th through May 15th, the hours are from 10:00 A.M. to 6:00 P.M. A nominal admission is charged.



IRON RANGE INTERPRETATIVE PROGRAM EXPANSION

The developing Iron Range Interpretative Program is rapidly becoming one of the most active and comprehensive efforts geared to the preservation of Iron Range history and industrial archeology and creation of a series of interesting tourism oriented experiences.

The program is divided into three basic areas of concentration: Mineland Reclamation; Program Elements; and recreation.

Each of the three divisions is involved in a wide range of activities but all share the common goal of establishing an exciting overview of the Iron Ranges of Minnesota past, present and future.

MINELAND RECLAMATION

Backed with funding provided by the Taconite Area Environmental Protection Fund, the effort of this division has been directed at expanding existing interpretive reclamation projects and to begin the process of preserving, restoring, and reclaiming minelands that possess historical or archeological significance.

Glen Mine Complex

The resounding success of the Iron Range Interpretative Center, both in terms of economic impact to the area and its efforts to begin the process of preserving the history and ethnic and cultural traditions of the area, has led to the decision to expand that effort.

In October of 1977, the staff of the Iron Range Interpretative Program began a concerted effort directed at five major expansions to the Iron Range Interpretative Center. Designated as the top priority projects of the program in the coming year, attention was focused on the development of: the Hall of Geology; the Ethnic Craft Demonstration Pods; the Conference/Convention/Performance Center; the Cable-Car-Tram system; and the Iron Range Research Library.

Project directors for each were named with instructions to secure funding, begin planning and development, initiate processing for architectural work and assume responsibility for all aspects of the project.



Center Expansions

Hall of Geology — Ground was broken for the \$196,000 addition on November 12, 1977. Construction continues on the building. Exhibit planning and design is now underway. The project, funded partially by a grant from the Upper Great Lakes Regional Commission, is expected to be completed by February, 1979.

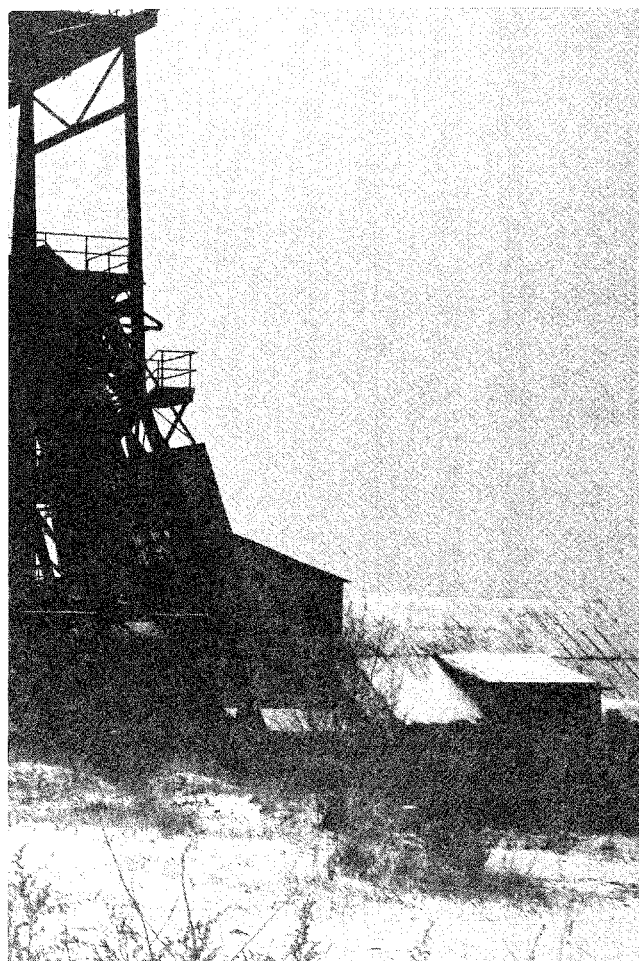
Ethnic Craft Demonstration Pods — An architect was commissioned to design the facility. A \$400,000 grant from the Upper Great Lakes Regional Commission was secured. As envisioned, the Pods will be a series of underground rooms and corridor system in which the ethnic crafts, traditions, folklore, music and dance of 43 nations will be presented. Construction is scheduled to commence in November of 1978.

Conference/Convention/Performance Center — Planning and design of the facility has been completed. Funding for the \$2.1 million complex is pending. Bids will be called for construction in the spring of 1979. A two year construction period is anticipated. The multi-purpose facility will provide a 500 seat theater equipped with removeable telescoping theater risers. The auditorium can be used for convention setting (risers removed), subdivided into three large conference rooms, or standard or theater in the round setting.

Cable-Car/Tram System — Planning for this 1700 foot tramway across the Glen Mine has been completed. The system will take the visitor to a planned historic park on the opposite side of the mine. Construction is expected to begin in the spring of 1979.

Iron Range Research Library — Construction of this facility will get underway in the fall of 1978. Located immediately adjacent to the Center, it will house an archival storage unit, document restoration area, large research library, general offices and conference rooms. The building is scheduled to be completed in August, 1979.

In addition to the expansion projects at the Iron Range Interpretative Center, considerable time has been spent in bringing into existence other facilities and sites, remnants of mining's past.



Pioneer Mine

Pioneer Mine Site, Ely, Minnesota — Working with the City of Ely, the Ely-Winton Historical Society and other interested area citizens, an effort has been launched to restore the industrial archaeological remnants of the Pioneer Mine. The overall project will include general clean-up and landscaping, restoration of the headframe and stack and the installation of interpretive signs and walkways. Eventually the dryhouse will be restored. The site has been placed on the State and National Registers of Historic Places.

Bruce Mine Headframe, Chisholm, Minnesota — This is the last remaining headframe on the Mesabi Range. East of Chisholm, the site is adjacent to a major thoroughfare. Work began in the summer to clean up the area. Planning is now underway to develop a suitable access, parking facilities and walkways through the site. The site has been placed on the State and National Registers of Historic Places.



Croft Mine

Croft Mine, Crosby, Minnesota — This area contains some beautiful examples of early mining company buildings. Since the property is still owned in the private sector a move was begun to purchase the property. An architect was commissioned to begin designing the project along the lines of a historic park.

Observation Stands — One of the greatest tourist attractions available to the Iron Range is the magnificent views of its numerous mines. Two mines in particular, the Hull-Rust at Hibbing and the Rouchleau at Virginia, rank as, perhaps, the most spectacular in the world. Also of interest are the numerous operational mines. With this in mind, an architect has been commissioned to develop a concept for permanent observation stands and a moveable stand. Placement of the stands has yet to be determined. It is felt that if the program is willing to invest in this project, communities will have to provide access, site and security.

During the spring of 1978 an extensive tree planting program was launched on the inactive state-owned minelands on the Mesabi and Cuyuna Iron Ranges. A total of 50,000 trees of the Norway, white spruce and jackpine species were planted.

In addition, several experimental projects were undertaken in an effort to establish various types of vegetation on a number of state-owned overburden stockpiles. Seeding of trees, shrubs and grasses was initiated on several sites in an effort to prevent further soil erosion.

Of special interest in the experimental plots was the use of containerized seedlings. A recent development, these seedlings could make possible an extended tree planting season by as many as two to three months.

The staff has also been involved in researching inactive mineland sites for the development of recreation areas. Thought is being given to both summer and winter areas. Summer activities would include camping, hiking trails, fishing, swimming and rock collecting. The winter activities would feature ice fishing, snowmobiling, skiing, and toboggan and tubing slides.



Tree Planting

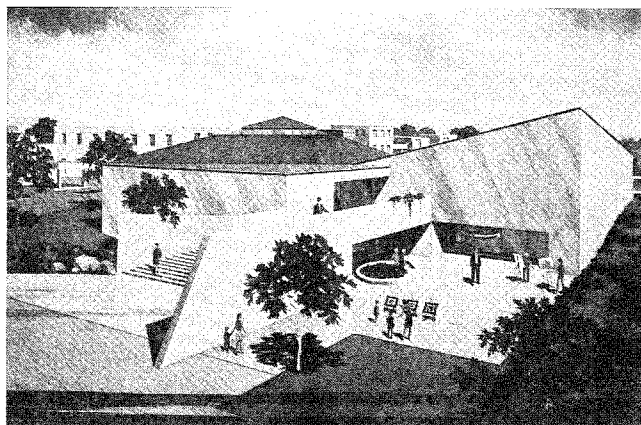
PROGRAM ELEMENTS

The overall Iron Range Interpretative Program is envisioned as coordinating the entire development of historical, cultural, geological natural history and recreational programs throughout all three of Minnesota's Iron Ranges. The program stands ready to assist any community, organization or government sub-division in efforts toward interpreting our past, present or future.

Assistance has been given to a number of such projects during the biennium.

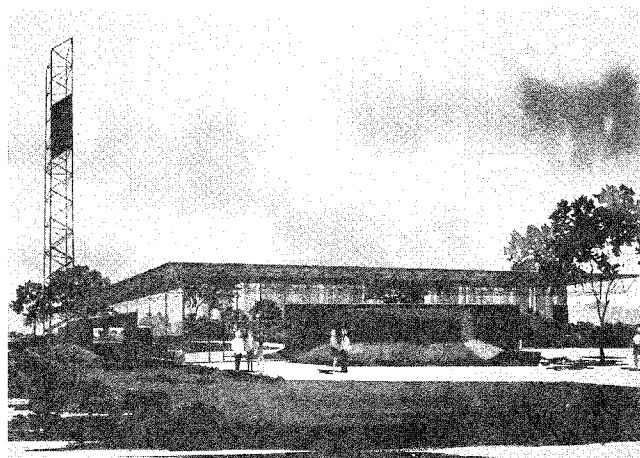
Tour Guide — One of the top priorities of the program, work was begun on a comprehensive guide to points of interest on the three Iron Ranges. Scheduled for publication by the end of 1978, the Tour Guide will contain folklore description, photographs, sectional maps, diagrams and anecdotes relating to the history of the region.

Historical-Cultural Survey — Planning for this in-depth survey of buildings, structures, areas, sites and places on the Cuyuna, Mesabi and Vermilion Ranges was launched in the spring of 1978. The project, expected to be initiated in the fall of 1978, will require one year to complete. In addition to the survey, a large part of the work will involve the gathering of original contracts, deeds, documents, letters and publications to verify the authenticity of the sites.



Grace Living Art Center

Old-Town-Finn Town, Virginia, Minnesota — The program is rendering what assistance it can to the citizen's committee that is involved in the project. An extensive undertaking, the project involves the restoration of a section of Virginia, Minnesota, to the period of the early 1900's.



Motorbus Transportation Center

Motorbus Transportation Center, Hibbing, Minnesota — The Greyhound Bus Corporation traces its roots to this Iron Range community. The IRRRB has been involved in this project since day one. With initial planning grants coming from the IRRRB, the concept for the Center has been developed and a site selected.

Grace Living Art Center, Bovey, Minnesota — The world famous picture "Grace" was taken by Eric Enstrom in Bovey in 1918. The Center will feature a history of the photograph in addition to providing studio workshops for artists. Initial planning and design have been complete, a site selected, and a non-profit corporation has been set up to administer the Center.

Ely Interpretive Center, Ely, Minnesota — Program staff are involved in the planning for this Center which will interpret the history of the Vermilion Iron Range. The Center is envisioned as a wing to the proposed Ely Cultural Center on the campus of Vermilion Community College.

Paulucci Planetarium, Hibbing, Minnesota — The IRRRB has been involved extensively in the funding of this project. Located on the campus of Hibbing Community College, the planetarium is viewed as a great tourist attraction during the summer months as well as generating heavy use by area schools during the year.

Heritage Trails Center, Biwabik, Minnesota — Planning for the Center, which will focus on the role of the voyageurs water routes in northern Minnesota, has continued through the biennium.

RECREATION

In addition to the work that was done under the Mineland Reclamation section, the program was involved in the development and improvement of several recreational areas.

Carey Lake Recreation Area, Township of Stuntz — Utilizing summer work crews, assistance was given this area for clean up and maintenance of the facility during the biennium. IRRRB funds have been involved in the construction of a bituminous bike trail from Hibbing to the facility.

Bennett Park, Hibbing, Minnesota — The City of Hibbing is involved in the improvement and updating of this facility. The IRRRB is involved in the funding of this project.

Recreational Trails — Planning was launched during the biennium to expand the effort of trail development throughout the Iron Ranges. Seen as a definite role of the Iron Range Interpretative Program, in the coming biennium additional attention will be given to this area.

Anchor Lake Rest Area and Tourist Information Center — Now under construction on highway 53, 15 miles south of Eveleth, the Iron Range Interpretative Program will provide a permanent informational kiosk promoting the program and the Center.

Tourism Grants

In a further interest to encourage the development of a viable tourist industry in northern Minnesota, the IRRRB makes available a limited number of funds for projects related to the expansion of the region's tourism effort.

City of Aurora, \$4,000 — Funds were used to develop a recreational park in the community.

Chatfield Brass Band, Inc., Chatfield, MN, \$4,000 — This grant enabled this non-profit organization to purchase office equipment for their tourist attraction.

City of Cook, \$24,700 — Funds were used to develop a tourist information center for the Vermilion Lake region.

Hibbing Community College, \$165,000 — With the understanding that these funds must be matched, Hibbing Community College secured the additional funding for the construction of a Planetarium.



Minnesota Historical Society, \$150,000 — This grant was used for the construction of the Forest History Center, Grand Rapids, Minnesota. The Center's first phase of construction involved the replication of an early lumber camp.

N.E. Minnesota Tourist Information Center, Lion Springs, \$4,022.80 — The grants were used to pay for salaries for staff at the Center during the summer months.

Iron Range Historical Society, \$5,430 — Funding was used to purchase equipment for the Society's offices.

City of Tower, \$40,000 — This grant enabled the construction of a tourist information center and historic park within the City of Tower.

U.S. Hockey Hall of Fame, Eveleth, \$49,952.23 — The grant made possible the purchase of additional equipment for displays within the Center.



N. E. Minnesota Tourist Information Center

Giant's Ridge Community Ski Association, \$50,000 — The non-profit corporation which administers this downhill ski facility used the grant for the purchase of snow-making equipment.

Hibbing Bicentennial Committee, \$1,900 — This grant was used for the initial planning and development of the Motorbus Transportation Center.

Town of Stuntz Housing Development Authority, \$5,000 — Grant was used for the development of the Carey Lake Recreation Area.

Ely Bicentennial Commission, \$17,250 — Funds were used for the development of a tourist information center in Ely.

City of Chisholm, \$3,989.25 — This matching fund grant enabled the surfacing of the road access to the Iron Range Interpretative Center.

Folklife Center, Minnesota Historical Society, \$4,000 — Matching fund grant to conduct a folklife survey of the Iron Range.

Minnesota Museum of Mining, \$2,500 — Funds were used to develop promotional material for the museum.

City of Blackduck, \$19,553.25 — This grant was used to construct a tourist rest area.

LAND MANAGEMENT GRANTS

City of Buhl	\$2,500
City of Gilbert	\$3,500
City of Kinney	\$1,500

Land management grants were used to assist the communities in the clean-up of park facilities, etc., within the communities.

Forestry Resources Development

The division of Forestry Resources Development has been transferred to the Department of Natural Resources as of January 4, 1978.

The entire division is now under the County Assistance Program (C.A.P.) of the Forest Management Section and performs the same function with the capacity of eventually providing a wider scope of management activities to the counties.

The division of Forestry Resources Development has been actively involved in the establishment of sound land and timber management programs since the Agency was created in 1941. The primary target has been focused on the millions of acres of tax-forfeited lands in northern Minnesota.

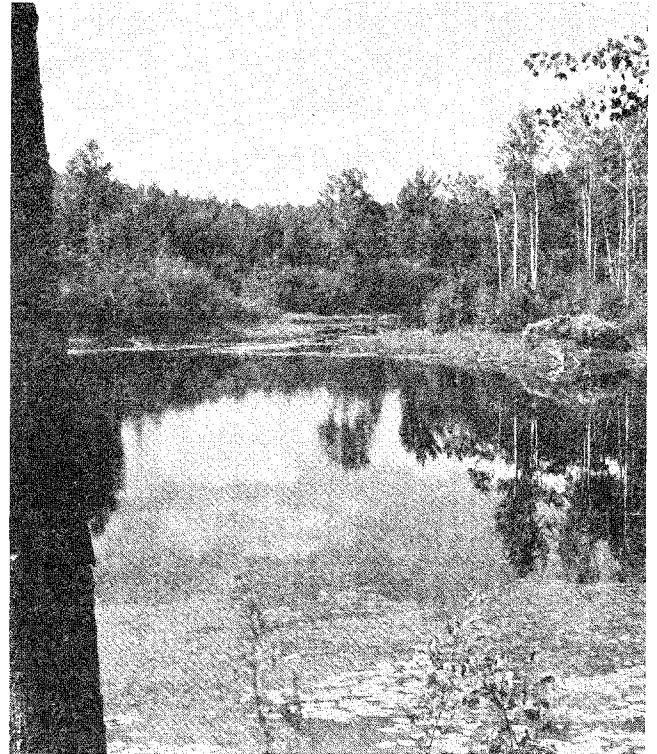
In order to assist the counties with the management of these lands, the IRRRB provided trained foresters for the county land departments. Working in cooperation with the Federal Forest Service and the Department of Natural Resources, the IRRRB also provided a field force to carry out an extensive appraisal of tax-forfeited lands.

Under this program thirteen counties have been assisted. The result has been the development of a viable land and timber management program for tax-forfeited lands.

COUNTY ASSISTANCE PROGRAM

This program has been operational in eight counties of northern Minnesota: Aitkin, Becker, Beltrami, Cass, Crow Wing, Itasca, Lake and St. Louis. A total of nine foresters have been providing expertise in the management of tax-forfeited lands. Under the program, the IRRRB pays 50% of the salary and fringe for the position with the balance coming from the counties in which the forester operates.

Services rendered under this program include a wide variety of activities. The foresters have been involved in timber appraisals, sales, reforestation, marketing, scaling, inventory, timber stand improvement and tree planting.



During 1977, the counties, along with the C.A.P. foresters, administered the 2.8 million acres to produce an income of \$2,841,300 or about \$1.01 per acre.

Expenses were \$1,300,000 in providing 290,700 cords of marketable wood products on 4,000 timber permits and the selling of 30,000 acres of land. The balance of the income was apportioned to other funds such as timber development and memorial forests \$263,300; recreational development \$190,000; County General Revenue \$435,000; School districts \$435,000; and Townships and Villages \$218,000 as provided by law.

Over the last biennium 25,000 acres were added to the memorial forest status which dedicates 48% of tax-forfeited lands to this multiple use concept. An additional 45,000 cords of wood were added to the annual drain and the number of permanent employees raised from 55 to 61.

PUBLICATIONS

PRICE AND MARKETING REPORT

"Minnesota Forest Products Marketing and Pricing Review" has been in publication since 1956. Over 300 producers, dealers and different agencies provide input for the report. This publication is the only source of this information in the collective manner presented. Originally an IRRRB publication, due to staff adjustments, the report should be continued under the utilization and marketing section of the Department of Natural Resources.

REPRODUCTION VALUE REPORT

This annual report provides counties with per acre values of various forest species. The report is used extensively in county land and forest appraisals and follows the trend of stumpage prices.

TREE GROWTH TAX REPORTS

The new forest survey data (see Forest Survey Inventory) provided the basis for establishing new average annual growth rates for each of the twelve participating counties.

LAND OWNERSHIP MAPS

The production of Land Ownership maps has been a joint project of the Research and Beautification division and the Forestry division of IRRRB. Twenty-one counties come under the program initiated in 1963.

The C.A.P. foresters assist in gathering the ownership data from the individual county records. These maps are the only source of viewing the ownership pattern of a complete county and serve all factions interested in ownership distribution.

OTHER FORMS OF ASSISTANCE

Study of Tax-Forfeited Lands

During the past few years the division, in cooperation with the North Central Experiment Station and individual counties, has been conducting a study of tax-forfeited lands. Two studies have been completed showing timber sales and land sales trends of the last 10 years and have contributed to the Forest Resource Economic Study on Minnesota. Further analysis of the economic impact and trends of tax-forfeited lands will continue.

Wildlife Management

Only one county has an active manager in this aspect of the resource working specifically on tax-forfeited lands. In the process he maintains three water impoundment areas, 300 wood duck nesting boxes, allocates the cutting of aspen for browse distribution and contributes census data to the Department of Natural Resources. Most of the other counties, where requested, provide land for cooperative projects with the local DNR wildlife manager.



Environmental Education Projects

Four counties have set aside areas to accomplish the advancement of conservation. Aitkin, with its Long Lake Conservation Center, has accommodated 4,294 students. The Center has been operating since 1961 and now employs a full time staff of nine with a yearly self-supporting budget of \$113,600.

Cass County is in the construction stage of their Deep Portage Conservation Reserve. With a budget of \$16,274 and a full-time director, the activity has been on a day-to-day basis until the interpretive center and dormitory are completed.

Beltrami County has set aside the Grass Lake Environmental Study Area for the use of local schools and interested groups.

Itasca County has also set aside the Crooked Lake Natural Area. This area is mostly used by the local school districts of Itasca County.

FOREST MANAGEMENT DATA BY COUNTIES — 1977

	<u>Aitkin</u>	<u>Becker</u>	<u>Beltrami</u>	<u>Carlton</u>	<u>Cass</u>	<u>Clear- water</u>	<u>Crow Wing</u>	<u>Hubbard</u>	<u>Itasca</u>	<u>Koochiching</u>	<u>Lake</u>	<u>Mahnomen</u>	<u>Pine</u>	<u>St. Louis</u>	<u>Wadena</u>	<u>Totals</u>
Timber Income	\$48,285	\$12,137.60	\$87,915	\$8,773	\$103,633	\$44,144	\$49,467	\$39,612	\$114,728	\$226,073	\$12,887.00	\$1,004	\$2,600.53	\$185,753	\$1,550.00	\$946,562.13
Total Income	\$100,410	\$107,099.15	\$161,263	\$85,933	\$157,755	\$100,073	\$123,842	\$117,030	\$304,002	\$308,043	\$15,836.89	\$4,194	\$173,487.00	\$1,083,851	\$3,832.50	\$2,846,651.40
Tax Forfeited Acreage	222,855	75,667	146,481	73,000	255,000	99,334	100,000	138,617	287,496	284,704	153,653	4,447	30,000	925,000	4,090	2,800,344
Total Expenses	\$59,759	\$43,350.00	\$84,682	\$32,136	\$95,909	\$38,971	\$73,569	\$39,613	\$124,633	\$126,861	\$12,669.86	\$696.71	\$15,355.75	\$539,321	—	\$1,287,526.20
Acres in County Parks	11,000	420	2,964	—	6,100	53	50	3	—	37.5	—	—	—	—	400	21,027.50
Acres in Memorial Forests	128,514	56,460.22	23,150	42,700	222,000	77,538	22,000	38,227	239,657	none	29,067	640	7,040	500,000	None	1,357,955.8
Timber Drain—Cords	19,156	19,772.4	17,011	5,784	26,804	13,037	14,445	12,045	41,574	59,980	10,717	—	2,297.7	50,259	132	293,016.1
Active Timber Permits	360	115	516	162	290	143	525	348	117	318	356	—	12	650	1	3,913
No. Trees Planted to Date (M of Trees)	3,917.5	1,548.00	3,440.5	1,246.5	3,243.5	2,521.0	1,730.3	2,655.0	16,484.5	5,613.5	322.0	557.0	95.0	10,156.0	1,753.0	55,283,300
Public Access Roads to Water	11	20	N.A.	7	N.A.	16	15	12	26	15	2	NA	NA	NA	NA	124
No. Snowmobile Trails Miles	(8) 140	(3) 60	NA	272	(1) 70	NA	(8) 255	(2) 131	NA	(8) 80	NA	NA	NA	NA	(1) 15	(31) 1,023
No. Other Trails Miles	(4) 22	(7) 16	NA	NA	(7) 56	(1) 1	NA	NA	(10) 24	(16) 30	NA	NA	NA	NA	—	(45) 149
Timber Stand Improvement—Acres	30	—	10	—	80	15	65	—	20	—	—	—	—	40	—	260
Total Apportionment 1976	33,385	87,374.78	76,581	15,964	60,466	61,102	50,273	53,331	297,500	151,685	—	3,497	138,941.33	472,861	47,385.82	1,550,346.90
No. County Employees in Land Department																
Permanent	4	1	5	2	7	3	4	3	4	8	2	—	0	18	0	61
Temporary	1		1	1	—	1		3	1	1	—	—	1	2	0	12
No. C.A.P. Foresters Assigned to County	1	1/4	3/4	—	—	—	1	—	2	—	1	—	—	2	0	8

NA = Not applicable to the Department.

Forest Survey and Inventory

The forest survey of Minnesota is in the process of being finalized for publication under the North Central Forest Experiment Station and the Department of Natural Resources. The forest survey presents a snapshot picture of the timber resources as a whole. The survey will give the breakdown as to acreage, size class, site index distribution, the volumes, drain and ownership by species and timber types.

One of the most drastic changes to take place is the acreage of forest land available for commercial use. To offset this drop in acreage intensification of management programs for forestry purposes must be undertaken and tax-forfeited lands must make their contribution.



Forest inventories, as prepared by the counties or other agencies managing the timber resource, provides more detail on "where" the resource is located in the form of detailed maps and specific recommendations for the management of the individual parcel. This type of information is most useful to a manager.

The inventory of Itasca County tax-forfeited lands is being completed with some data already available. In the last biennium St. Louis County has activated inventorying their forest resources and plan the same computer retrieval system for compiling and updating information.

As demand for wood products approaches the supply available, more of the county land departments are becoming interested in the need for a current inventory for better management of their forest resources.

Forest Fire Fighting

The division again continued its cooperation with the Department of Natural Resources to make available personnel and equipment for forest fire fighting.

C.A.P. personnel assigned to the counties have been included in the fire training program of the D.N.R. As a result they are now of greater benefit for the overall efforts at fighting forest fires.

Forest Management Needs of the Counties

As the demand for the use of public lands increase for both recreation and raw material, the counties need some assistance. Income from timber alone will not support all of their activities.

An equal balance of development compatible with other public agencies will be needed to disperse the use over a larger area. An estimate of \$1.00 per acre is needed at present for development that is acceptable to comply with future generation demands. The longer this assistance is delayed, the more difficult will be the tasks of meeting this demand. The counties are anticipating these future demands and requesting assistance through the "County Forest Improvement Act."

Site Preparation for Tree Planting

Many acres have been planted to date with the first planting of 1951 contributing thinnings suitable for fence posts and poles. Those plantings through the year 1960 reached 3.0 million trees per year on all county lands. This figure has declined to 1.3 million the last two years.

Since the areas most accessible and ready to plant have been put into production, a program of site preparation is needed so the acreage of softwoods will not continue to decrease.

Economic Improvement & Development

The Economic Improvement and Development division of IRRRB has been undergoing a phased deactivation over the last three bienniums. With the final payment of a grant to the Seaway Port Authority, this division has ceased making available loans and grants to the private sector. The division currently has nine business development loans outstanding. Collections will continue until each of the loans have been amortized.

Funds previously committed to this division are now being directed into a program of Resource Rehabilitation grants. It is the intent of the IRRRB to support innovative programs for the treatment and rehabilitation of the physically and mentally handicapped and programs aimed at improving the quality of life in northern Minnesota.

SEAWAY PORT AUTHORITY Duluth, Minnesota — \$73,000

This is the final payment of a \$110,000 commitment to the Seaway Port Authority for the construction of the Cargill Grain Meal facility. Payment of this grant was spread over a three-year period.

EXISTING LOANS

RAJALA LUMBER COMPANY

Deer River, Minnesota

Loan \$85,990 — Balance \$15,883

RAJALA TIMBER COMPANY

Deer River, Minnesota

Loan \$69,934.30 — Balance \$31,286.74

These two companies are under single ownership and are involved in the wood products industry.

ALL STATE LAWN PRODUCTS INC.

Chisholm, Minnesota

Loan \$42,438.99 — Balance \$19,748.99

This firm manufactures women's and children's outerwear. It formerly was listed in prior biennial reports as Rainducker Incorporated.

POWER-O-PEAT COMPANY

Gilbert, Minnesota

Loan \$31,737.88 — Balance \$20,145.38

This firm produces blended peat moss, golf course mix and potting soil that is distributed to 40 states.

MALTON ELECTRIC COMPANY

Eveleth, Minnesota

Loan \$74,869.44 — Balance \$45,545.67

Manufactures transformer enclosures, transfer boxes and various types of metal fabrication for the mining industry. Distribution covers 20 states.

MILLS CASH SALES

Grand Rapids, Minnesota

Loan \$117,126.90 — Balance \$16,278.20

PUBLISHERS PAPER COMPANY

Virginia, Minnesota

Loan \$166,424 — Balance \$104,423.20

This firm produces Cladwood Exterior Siding and desks for commercial sale. Operated formerly as the Cladwood Corp.

MESABI DRILL AND TOOL

Chisholm, Minnesota —

Loan \$155,611.78 — Balance \$71,071.28

Involved in the manufacture, sale and distribution of high speed twist drills. They list a nationwide distributorship.

SAMCO SPORTSWEAR

Crosby, Minnesota

Loan \$22,652.57 — Balance \$2,265.23

Samco is involved in the manufacturing of snowmobile suits and winter outerwear.

Resource & Rehabilitation Grants

CITY OF BIWABIK, Biwabik, Minnesota — \$15,500

This grant assisted the City of Biwabik in funding a feasibility study for the movement of the community to a new location. Biwabik is located atop a rich iron formation and will have to be relocated in the future.

ARROWHEAD ECONOMIC OPPORTUNITY AGENCY, Head Start Program, Virginia, Minnesota — \$10,096

Funds from this grant allowed the AEO to purchase equipment to conduct a pre-school educational program for disadvantaged children. This allowed parents to work and enable the employment of additional staff members.

BOISE FORTE RESERVATION — \$439

Monies were used to help defray costs in renovation and improvement of Tribal offices.

CWDC INDUSTRIES INCORPORATED Virginia, Minnesota — \$100,000 Grand Rapids, Minnesota — \$50,000 Hibbing, Minnesota — \$3,460

The grants to Virginia and Grand Rapids represented the final payments for construction of new facilities in the two communities. The grant to the Hibbing facility enabled the construction of a luncheon kitchen within the facility. CWDC Industries provides employment for the physically and mentally handicapped.

EAST RANGE DAY ACTIVITY CENTER, Eveleth, Minnesota — \$55,361

This is the final payment of a two-year grant which was used to renovate a former school in Eveleth to serve the mentally and physically handicapped. The Center serves a wide area of northeastern Minnesota.

SENIOR CITIZENS CENTER, Hibbing, Minnesota — \$5,000

Funds were used to renovate and update the kitchen area of the Center, enabling them to carry on a nutritional program for the elderly.

IRON RANGE REHABILITATION CENTER, Virginia, Minnesota — \$3,000

This grant was to purchase therapy equipment. The equipment enabled the Center to introduce a therapeutic program that was not previously offered in northern Minnesota.

KABETOOGAMA SENIOR CITIZENS CENTER, Ray, Minnesota — \$3,983

Monies were used to renovate and improve the Center.

NORTHLAND DAY ACTIVITY CENTER, International Falls, Minnesota — \$50,000

Funded over the biennium, this grant has assisted in the construction of a new facility for the physically and mentally handicapped.

NORTHWEST ECONOMIC DEVELOPMENT, INC. Crookston, Minnesota — \$35,000

The grant enabled the purchase of raw material, production demonstration and marketing of crafts produced by rural craftspersons. The program was designed to get more people involved in generating personal income from their handicraft skills.

RANGE DAY CENTER INCORPORATED, Chisholm, Minnesota — \$8,500

The IRRRB has a long history of involvement with the Range Center. A treatment facility for the mentally and physically handicapped, this grant enabled the purchase of new equipment to carry on their successful programs of rehabilitation.

Taconite Area Environmental Protection Fund

Creation of the Taconite Area Environmental Protection Fund by the 1977 Minnesota Legislature has brought a new dimension to the IRRRB's involvement in the communities and townships and counties of northern Minnesota.

With revenues for the fund coming from a portion of the taconite production tax, the legislature called on the IRRRB to administer the distribution of the funds with the approval of the Legislative Advisory Commission and the Governor.

WATER AND SEWER PROJECTS

City of Aurora \$118,970	Upgrading existing waste treatment plant, water system and storm drainage.
City of Babbitt \$35,000	Upgrading existing waste water facilities.
City of Beaver Bay \$92,000	Construction of waste water collection system, treatment facility and water filtration plant.
City of Bovey \$82,500	Upgrading sewage treatment plant, replace deteriorated sewer and inadequate water mains.
City of Buhl \$75,000	Replacement of 32 brick manholes and sewer lines that have deteriorated.
City of Calumet \$90,000	Replacement of primary Imhoff Tank with aerated stabilization pore. Drainage and water pipes also included and repair well.
City of Chisholm \$225,000	Develop a new permanent source of water, make addition to existing water treatment plant.
City of Cook \$9,000	Replacement of an old 4" water line which is inadequate with a new 6" water line.
City of Deerwood \$49,845	Repairs and alterations to the sewage disposal plant, clean up, repair and maintenance of storm drainage system.
City of Ely \$110,000	Construct water line extension and sewer line extension.
City of Eveleth \$203,000	Construct sewer and water extensions.
City of Floodwood \$32,000	Construct water line.
City of Gilbert \$202,912	Develop a new water source and improve sewage treatment plant.
City of Grand Marais \$100,000	Construct additional water and sewer mains.
City of Grand Rapids \$159,500	McKinney Lake water and sewer project which would relieve potential lakeshore contamination.
City of Hibbing \$353,250	Construct extension to existing trunk sewer facilities and water main extension.

City of Hoyt Lakes \$76,000	Upgrade the potable water treatment plant.
Itasca County \$37,000	Water-sewer extension to Itasca County Nursing Home.
City of Kinney \$60,000	Upgrading of the water plant and water lines.
City of LaPrairie \$108,000	Construct sewage collection pipelines and lift stations.
City of Marble \$60,246	Construct new pump in well, replace manholes and construct new sewer and water lines.
City of Mt. Iron \$50,000	Construct new waste water treatment facility, a new interceptor system to tie in with the present system and rehabilitation of the present sewer collection system.
City of Nashwauk \$68,420	Construct water well pump and make well improvements, upgrade sewer and water lines and sewage treatment plant.
Town of Owens \$40,500	Extend City of Cook sewers to township.
Public Utilities Commission, Hibbing \$391,000	Construct elevated water storage tank, water filtration plant, and water transmission main improvements.
Town of Stuntz \$15,324.00	Installation of water lines.
City of Two Harbors \$120,100	Water and sewer extension.
City of Virginia \$210,000	Extend sanitary sewer.
Town of Waasa \$440	Improve sewer system in Waasa Town Hall.

RECREATIONAL AREA PROJECTS

City of Hibbing \$397,000	Upgrading and improvement of Bennett Park.
City of Virginia \$400,000	Development of recreational field and area.

PUBLIC WORKS PROJECTS

Northland Day Activity Center International Falls \$77,000	Construction of new facility for mentally and physically handicapped.
Chisholm-Hibbing Airport \$80,000	Construction of a new terminal.
Northland Mental Health Center Grand Rapids \$120,000	Construction of new facility adjacent to Itasca Memorial Hospital.

MINELAND RECLAMATION

The Mineland Reclamation Program carried on by IRRRB has been assigned to the Iron Range Interpretative Program division. A complete summary of the activities carried out by this section can be found in the Iron Range Interpretative Program portion of this report.

Environmental Development Grants

Established in 1975 by the Minnesota legislature, this program designates that one cent of the taconite production tax would be used to provide environmental development grants to local units of government in Koochiching and Carlton Counties.

In administering this program, the IRRRB has worked very closely with the County Boards of both counties. Guidelines established for the distribution of the funds by the IRRRB require that each County Board approve the projects submitted for consideration. The IRRRB approval is necessary for disbursement of the funds.

CARLTON COUNTY PROJECTS

1976 — 1977

Carlton County \$10,000	Landfill
City of Cloquet \$120,000	Water line extension.
City of Thompson \$44,875	Sewer construction.
Holyoke Township \$500	Erosion control.
City of Moose Lake \$16,785	Sewer repair, extension and water line extension.
Carlton County Building Demolition \$10,000	Area Beautification.
Carlton County \$4,750	Recreation — Park improvement.

CARLTON COUNTY PROJECTS

1977 — 1978

City of Cloquet \$3,220	Building demolition.
Kettle River \$7,374	Park improvement.
Carlton County \$8,000	Mobile garbage compactor.
Carlton County \$3,450	Building demolition.
Carlton County \$950	Park improvement.
Wright \$9,500	Park improvement.
City of Carlton \$15,000	Recreation area park.

City of Carlton \$12,255	Roadside park and picnic area.
Wrenshall Township \$1,000	Ditch erosion control.
Carlton County \$5,000	Aerial analysis.
Carlton County \$6,000	Environmental laboratory van.
Moose Lake \$12,387	Recreation project.
Barnum \$35,150	Recreation — Park improvement.
Moose Lake \$5,000	Building demolition.
Chub Lake Park \$8,170	Recreation — Park improvement.
Carlton County \$20,000	Landfill site purchase.
Carlton County \$5,200	Pick-up truck for public parks.
Barnum \$25,000	Sewer project.

KOOCHICHING COUNTY PROJECTS
1976 — 1977

Papermaker's Colony \$63,752	Water line extension.
Koochiching County \$50,000	Landfill.
Koochiching County \$8,850	Parks and snowmobile trails.
City of Littlefork \$25,000	Well construction.
City of Northome \$20,000	Sewage system.
International Falls \$1,625	Utilities extension.
International Falls \$24,000	Utilities extension to playground.
International Falls \$13,500	Water line extension.
City of Big Falls \$6,275	Well construction.
City of Big Falls \$12,350	Comfort station at Municipal Campground.

KOOCHICHING COUNTY PROJECTS

1977 - 1978

City of Big Falls \$3,672	Elevated water storage tank.
International Falls \$759	Complete water line extension.
International Falls \$13,500	Water and sewer line extension.
South International Falls \$60,000	Water line extension.
Ranier \$72,000	Water and sewer projects.
Big Falls \$885	Water extension project.
Little Fork \$27,000	Well, water, and sewer project.

IRRRB

Financial Report

Receipts, Transfers and Expenditures	<u>1976-1977</u>	<u>1977-1978</u>
BALANCE FORWARD & ACCOUNT RECEIPTS		
Balance Forward July 1	\$2,160,801.57	\$1,701,296.65
Adjustments to prior years encumbrances	(9,646.09)	
Receipts from IRR&R Revolving Fund	78,004.30	80,254.80
Reim. from Federal CETA fund for salaries of CETA employees	18,494.40	1,138.17
Insurance settlement for damage to vehicle	—	253.66
APPROPRIATION:		
Taconite Production Tax	693,825.51	2,003,658.00
Taconite Occupation Tax	906,710.40	—
Iron Ore Occupation Tax	345,810.15	—
6 year Omitted Property Tax	—	252,195.75
TRANSFERS:		
Transfer to a separate account the amount brought forward from 1975-1976 reserved for Carlton and Koochiching Counties	(408,089.17)	—
Transfer to Department of Finance for Indirect Costs (services of other State Departments)	(9,210.00)	(12,752.00)
Total Balance Forward, Receipts, Appropriations and Transfers	<u>\$3,776,701.07</u>	<u>\$4,026,045.03</u>
NET EXPENDITURES BY ACTIVITY		
General Support Activity		
Salaries, supplies and expenses for administrative staff and maintenance of office building at Eveleth, MN	207,174.66	211,656.46
Grant to Seaway Port Authority, Duluth, MN	—	36,000.00
Total — General Support	\$ 207,174.66	\$ 247,656.46
Forestry Resources Development and Improvement		
Salaries, supplies and expenses for Natural Resources Specialists	258,313.39	126,611.97
Reim. from 8 counties for services of Natural Resources Specialists ...	(79,599.44)	(80,277.34)
Transfer to Department of Natural Resources for salaries and fringe benefits for Natural Resources Specialists transferred from IRRR&R	—	100,000.00
Total — Forestry Resources Development and Improvement	\$ 178,713.95	\$ 146,334.63
Economic Improvement and Development		
Salaries and expenses	15,192.63	—
Grant to Seaway Port Authority, Duluth, MN	37,000.00	—
Total — Economic Improvement and Development	\$ 52,192.63	—

Resource Rehabilitation Grants	1976-1977	1977-1978
Biwabik	5,000.00	10,500.00
Arrowhead Economic Opportunity Agency, Head Start Program	10,096.76	—
Bois Forte Reservation	439.73	—
CWDC Industries, Grand Rapids	50,000.00	—
CWDC Industries, Virginia	50,000.00	50,000.00
CWDC Industries, Hibbing	—	3,460.00
East Range Day Activity Center	55,361.80	—
Senior Citizens Center, Hibbing	5,000.00	—
Iron Range Rehabilitation Center, Virginia	3,000.00	—
Kabetogama Senior Citizens Club	3,983.38	—
Northland Day Activity Center	11,275.52	38,724.48
N.W. Economic Development, Inc.	35,000.00	—
Range Center, Inc., Chisholm	8,500.00	—
Total — Resource Rehabilitation Grants	\$ 237,657.19	\$ 102,684.48

Research and Beautification

Salaries and fringe benefits for summer work programs and temporary employees	61,615.89	53,343.59
Salaries, supplies and expense for administration of peat programs, land ownership map preparation, building demolition, junk car removal and trails	65,285.80	70,239.18
Multi-use trails (salaries, supplies and expenses)	24,472.93	9,743.83
CETA funded employee	6,804.50	—
Building demolition (salaries, supplies and expenses)	98,880.18	58,266.50
Building demolition grants:		
Floodwood	5,000.00	—
Nashwauk	4,420.00	—
Eveleth	—	17,495.00
Hibbing	—	15,000.00
Buhl	—	16,490.00
Refund from Department of Natural Resources for research at Wilderness Valley Farm	—	(9,574.77)
Wilderness Valley Farm (salaries, supplies and expenses)	—	114,604.82
Total Research and Beautification	\$ 266,479.30	\$ 345,608.15

Tourism

Iron Range Interpretative Center:

Northwoods Pioneer Crafts — demonstrations	—	3,030.00
Hibbing Community College — student help	—	415.23
Transfer to Department of Administration for building and exhibit construction	586,627.00	187,206.60
Transfer from Department of Administration for building and exhibit construction	—	(64,457.56)
Thomas Vecchi, architect for Manuscript Center	—	9,295.00
Joseph Wetzel Associates for exhibit design	—	10,978.72
Salaries, supplies, expenses for staff and building	208,232.47	349,219.83
Receipts from sale of crafts and entrance fee	—	(38,412.92)
Remittance of sales tax collected on sale of crafts and entrance fee	—	1,555.72
CETA funded employee at Forest History Center	10,884.50	—
Transfer to Department of Administration for Vermilion Community College Cultural Center	—	700.00

Grants:

Aurora	905.16	—
Buhl	1,420.46	—
Chatfield	4,000.00	—
Cook	24,700.00	—
Gilbert	1,500.00	2,000.00
Hibbing Community College Planetarium	165,000.00	—
Minnesota Historical Society for Forest History Center, Grand Rapids	88,715.65	41,428.99
Iron Range Historical Society	750.00	4,680.00
Kinney	1,500.00	—
N.E. Minnesota Tourist Information Center	1,916.67	2,106.13
Tower	9,947.55	30,052.45
U.S. Hockey Hall of Fame	26,307.23	23,645.00
Stuntz, Town of — Housing & Redevelopment Authority	780.00	4,220.00
Ely Bicentennial Commission	—	17,250.00
Giant's Ridge Community Ski Association	—	50,000.00
Hibbing Bicentennial Committee	—	1,900.00
Chisholm	—	3,989.25
Minnesota Historical Society, Folklife Center	—	500.00
Minnesota Museum of Mining	—	2,500.00
Blackduck	—	19,553.55
Total — Tourism	<u>\$1,133,186.69</u>	<u>\$ 663,355.99</u>
Total Expenditures by All Activities	2,075,404.42	1,505,639.71
Balance Forward July 1	1,701,296.65	2,520,405.32
	<u>\$3,776,701.07</u>	<u>\$4,026,045.03</u>

Taconite Area Environmental Protection Fund

Receipts, Transfers and Expenditures

RECEIPTS	1977-1978
Balance forward July 1	—
Loan from Department of Administration	\$1,500,000.00
Taconite Production Tax received to June 30	6,044,915.00
Interest on investment of receipts	81,277.81
Total Receipts	<u>\$7,626,192.81</u>
TRANSFERS, GRANTS AND EXPENDITURES	
Transfer to Department of Administration for repayment of loan with 5% interest	\$1,575,000.00
Mineland Reclamation	
Transfer to Department of Administration for new construction and expansion of:	
Glen Mine Complex	55,668.20
Kinney-Croft Mines	39,531.00
Anticipated transfers to Department of Administration for new construction and expansion of:	
Glen Mine Complex	330,544.30
Kinney-Croft Mines	371,982.00
Indirect administrative cost incurred by staff under Iron Range Resources and Rehabilitation Account	
Project consultant costs	1,498.52
Salaries and fringe benefits for administrative staff	44,591.00
Supplies and expenses for administrative staff	44,044.14
Joseph A. Wetzel Associates (exhibit design for Geology Wing)	25,000.00
Grants:	
Eveleth	5,475.00
Ely	8,000.00
Total Mineland Reclamation	<u>\$ 950,566.16</u>

Recreational Area Grants	1977-1978
Grants:	
Hibbing	397,000.00
Virginia	400,000.00
Indirect administrative costs incurred by staff under Iron Range Resources and Rehabilitation Account	7,323.00
Project consultant costs	4,770.00
Total Recreational Area Grants	\$ 809,093.00
Miscellaneous Public Works Projects	
Grants:	
Northland Day Activity Center	77,000.00
Chisholm-Hibbing Airport	80,000.00
Northland Mental Health Center	120,000.00
Indirect administrative costs incurred by staff under Iron Range Resources and Rehabilitation Account	6,809.00
Project consultant costs	1,620.00
Total Miscellaneous Public Works Projects	\$ 285,429.00
Sewer and Water Projects	
Grants:	
Aurora	118,970.00
Babbitt	35,000.00
Beaver Bay	92,000.00
Bovey	82,500.00
Buhl	75,000.00
Calumet	90,000.00
Chisholm	225,000.00
Cook	9,000.00
Deerwood	49,845.00
Ely	110,000.00
Eveleth	203,000.00
Floodwood	32,000.00
Gilbert	202,912.00
Grand Marais	100,000.00
Grand Rapids	159,500.00
Hibbing	353,250.00
Hoyt Lakes	76,000.00
Itasca County	37,000.00
Kinney	60,000.00
LaPrairie	108,000.00
Marble	60,246.00
Mountain Iron	50,000.00
Nashwauk	68,420.00
Two Harbors	120,000.00
Virginia	210,000.00
Owens Township	40,500.00
Public Utilities Commission, Hibbing	391,000.00
Stuntz Township	15,324.00
Wassa Township	440.00
Indirect administrative costs incurred by staff under Iron Range Resources and Rehabilitation Account	23,132.00
Project consultant costs	1,075.71
Total Sewer and Water Projects	\$3,199,114.71
GRAND TOTAL TRANSFERS, GRANTS AND EXPENDITURES	6,819,202.87
Balance forward July 1	806,989.94
	<u>\$7,626,192.81</u>

Environmental Development Grants (Supplemental Tax)

Administered for Carlton and Koochiching Counties

RECEIPTS	<u>1976-1977</u>	<u>1977-1978</u>
Balance forward July 1	\$ 408,089.17	\$ 371,323.08
Taconite Production Tax received through June 30	405,745.91	377,828.00
Total Receipts	<u>\$ 813,835.08</u>	<u>\$ 749,151.08</u>
 LIQUIDATIONS		
Carlton County grants	206,910.00	182,656.00
Indirect administrative costs incurred by staff under Iron Ranges and Rehabilitation Account (related to Carlton County grants)	5,125.00	5,757.00
Koochiching County grants	225,352.00	177,816.00
Indirect administrative costs incurred by staff under Iron Range Resources and Rehabilitation Account (related to Koochiching County grants)	5,125.00	5,757.00
Total Liquidations	<u>442,512.00</u>	<u>371,986.00</u>
Balance forward July 1	<u>371,323.08</u>	<u>377,165.08</u>
	<u>\$ 813,835.08</u>	<u>\$ 749,151.08</u>