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iron range
resources and
rehabilitation board



Biennial Report
1978 - 1980

State of Minnesota

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Pursuant to Mn Stat 298.11, sd 2
due 11/15/80 recd 3/19/81

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iron range resources and rehabilitation board

November 15, 1980

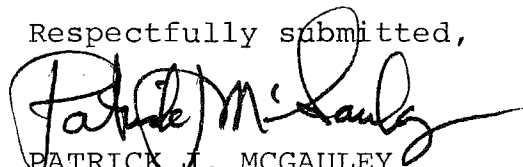
To The Governor and Legislature
of the State of Minnesota

It is my pleasure to submit to the Governor of the State of Minnesota, the Honorable Albert H. Quie, and the Seventy-Second Legislature of the State of Minnesota, this nineteenth Biennial Report of the Iron Range Resources and Rehabilitation Board.

This report is prepared in compliance with Minnesota Statutes 1979, Section 298.22, Subdivision 2, for the period including fiscal years of 1979 and 1980.

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,



PATRICK J. MCGAULEY
COMMISSIONER



AN EQUAL OPPORTUNITY EMPLOYER

highway 53 south - p.o. box 678 eveleth, minnesota 55734 (218) 744-2993

PAST IRRRB COMMISSIONERS

Herbert J. Miller*	July 1, 1941 to June 30, 1942
Robert E. Wilson	July 1, 1942 to May 1, 1949
Ben P. Constantine	May 1, 1949 to November 20, 1950
Edward G. Bayuk	November 20, 1950 to April 30, 1955
Kaarlo Otava	May 1, 1955 to January 4, 1961
Hyrom S. Sorenson**	January 5, 1961 to February 2, 1961
A. M. DeYoannes	February 3, 1961 to May 1, 1971
Robert J. Scuffy	May 2, 1971 to January 10, 1975
Frank V. Ongaro	January 11, 1975 to December 31, 1978

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

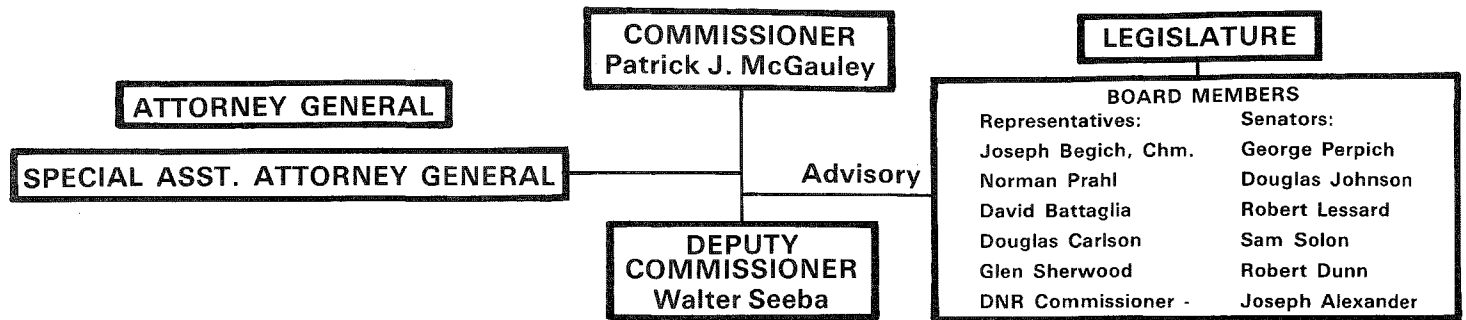
**Acting Commissioner.

PRESENT BOARD MEMBERS

State Representative Joseph Begich, Eveleth, Chairman
 State Representative Norman Prah, Grand Rapids
 State Representative David Battaglia, Two Harbors
 State Representative Glen Sherwood, Pine River
 State Representative Douglas Carlson, Sandstone
 State Senator George Perpich, Chisholm
 State Senator Douglas Johnson, Cook
 State Senator Robert Lessard, International Falls
 State Senator Robert Dunn, Princeton
 State Senator Sam Solon, Duluth
 Commissioner Joseph Alexander, DNR

ORGANIZATIONAL CHART IRON RANGE RESOURCES & REHABILITATION BOARD

Minnesota Statutes — Sec. 298.22



GENERAL SUPPORT
Eveleth (218) 744-2993

Grants

- PLANNING GRANTS ANALYST
- CLERK 2

Accounting

- ACCOUNTING OFFICER
- ACCOUNT CLERK

Personnel

- EXECUTIVE 2
- CLERK STENO., SR.
- CLERK STENO.
- "

Maintenance Custodial

- BLDG. MAINTENANCE FOREMAN
- JANITOR, SR.

Shop

- HEAVY EQUIPMENT FIELD MECHANIC
- LABORER 2

St. Paul Office
Metro Sq. Bldg. (612) 296-2597

- EXECUTIVE 1

IRON RANGE INTERPRETATIVE CENTER
Chisholm (218) 254-3323

- DIRECTOR INTERPRETIVE
- NATURALIST, SR.- ASSISTANT DIRECTOR
- AUDIO-VISUAL EDUC. SPECIALIST
- CLERK STENO., SR.
- CLERK 2
- LABORER 1
- WEEK-END SUPERVISOR (P-T)
- "
- BLDG. & GROUNDS WORKER
- "
- "

Hall of Geology

- BLDG. & GROUNDS WORKER

Ethnic Crafts Center

- INTERPRETIVE
- NATURALIST-PROGRAM COORDINATOR
- BLDG. & GROUNDS WORKER

IRON RANGE REGIONAL RESEARCH CENTER
Chisholm (218) 254-5733

- PROGRAM DIRECTOR
- LIBRARIAN
- HISTORIAN/ARCHIVIST
- CLERK TYPIST
- BLDG. & GROUNDS WORKER

Project Planning & Dev.

- ENGINEERING AIDE
- LABORER 1

Iron Range Country Program

Observation Sites

PUBLIC INFORMATION
Chisholm (218) 254-3323

INFORMATION OFFICER 3

Anchor Lake Tourist Information Center
Hwy. 53 (218) 744-2297

- TRAVEL & TOURISM REPRESENTATIVE
- CLERK 3
- CLERK 2
- "
- "

MEDIA RELATIONS

- ADVERTISING, NEWSLETTERS
- TOUR GUIDE

RESEARCH & BEAUTIFICATION
Eveleth (218) 744-2993

- IRON RANGE RESEARCH SUPERVISOR

Wilderness Valley Farm
Zim (218) 427-2232

- PEAT RESEARCH STATION SUPERVISOR
- PEAT RESEARCH SCIENTIST
- LABORER 2
- SEASONAL LABORERS

Building Demolition Program

- EXECUTIVE 1
- LABORER 2
- "
- "
- LABORER 1 (T)

Recreational Trails

- NAT. RESOURCES SPEC. 1- TRAILS COORDINATOR
- LABORER 1 (T)

MINELAND RECLAMATION
Calumet (218) 247-7215

- PROJECTS MANAGER
- NAT. RESOURCES SPECIALIST 3
- NAT. RESOURCES SPECIALIST 1
- ACCOUNT CLERK
- LABORER 2
- LABORER 1
- "

Landscaping & Revegetation

- INTERN (P-T)
- LABORER 1 (P-T)

Hill Annex Mine Tours

- TOUR COORDINATOR
- CASHIERS (2)
- TOUR GUIDES (4)

Projects

• ST. JAMES	• MARGARET
• LEONIDAS	• NIAGARA
• TIOGA	• GILBERT
• JUDSON 1,2,3	• YAWKEY
• PHILBIN	• CARLZ
• PIERCE	• HILL ANNEX
• WACOOTAH	• RHUDE &
• WHITE	• FRYBERGER

(P-T) Part-Time
(T) Temporary

IRON RANGE RESOURCES AND REHABILITATION BOARD

GOALS AND OBJECTIVES

The Iron Range Resources and Rehabilitation Board is a service and funding agency directing its primary attention to the Cuyuna, Mesabi and Vermilion iron ranges of Minnesota.

Revenue to fund the many programs and grants of the agency is derived from the taconite tax, a tax that is in lieu of local property taxes. As such, expenditures from this revenue must be directed to the taconite tax relief area established by the legislature.

IRRRB assistance, whether through its service or granting programs, is determined by three conditions:

- distress and unemployment exist or may exist by reason of removal of natural resources
- counties are in need of environmental development assistance and do not contain a municipality qualifying for taconite and iron ore tax relief, namely Carlton and Koochiching counties
- areas are adversely affected by the environmentally damaging operations involved in mining taconite and iron ore and producing iron ore concentrates

Priority attention is given to the area of economic development and improvement. It is considered the major mission of the agency, its reason for being. Economic development can come in many forms, from outright grants to communities to upgrade their water and sewer systems to operation of the Anchor Lake Tourist Information Center. Each program and grant of the agency can be traced to its potential for economic development of the region.

In an area that is tied closely to one industry, the iron mining industry, it is imperative that diversification of the economic base be broadened. This nineteenth Biennial Report will focus on the efforts of the IRRRB to bring about this diversification through its programs of service and grants to the region it serves.

The IRRRB History

The Iron Range Resources and Rehabilitation Board began in 1941 as a result of economic hardships that faced the people of the region during that time.

Logging companies had been through the area leaving the region "cut over" and technological advancements in the mining industry had displaced many people.

It was a time when approximately 10,000 people were unemployed in St. Louis and Itasca counties. Employment in the iron mines had dropped by 7,500 people with nearly 12 percent of St. Louis County residents on some type of public assistance.

Because of the severity of these problems, the Junior Chambers of northeastern Minnesota formed a committee to draw up an extensive report on the economic stress facing iron range communities.

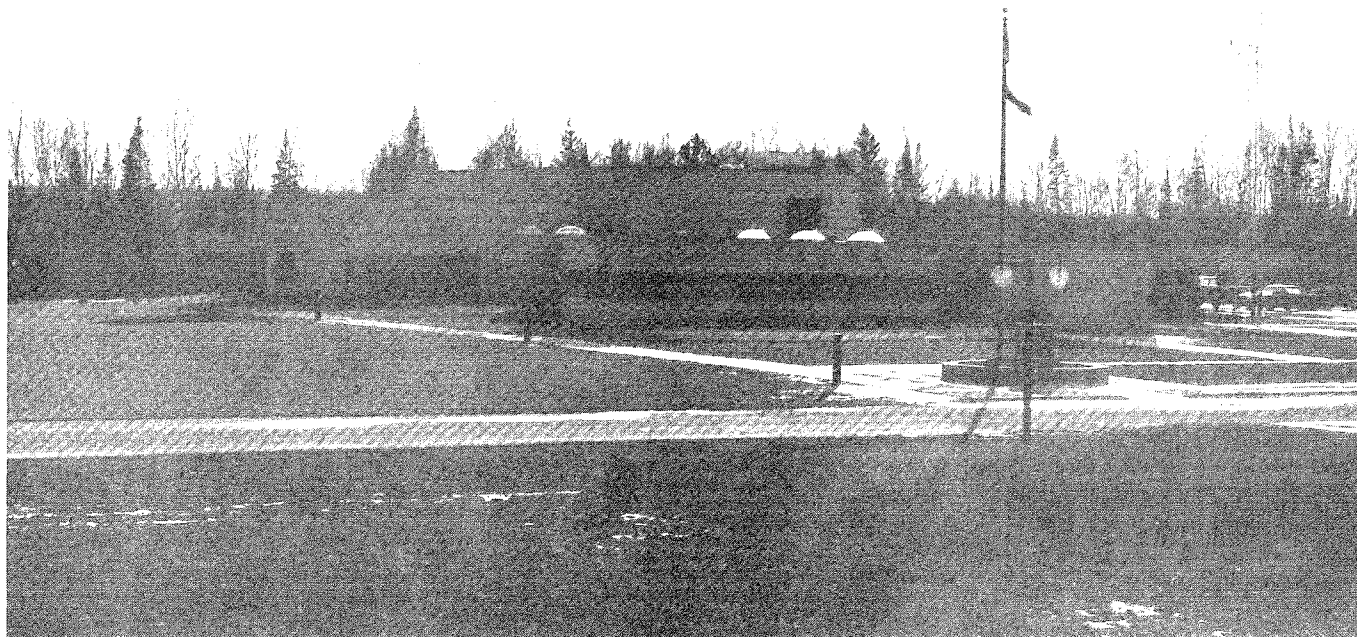
The Office of the Commissioner of Iron Range Resources and Rehabilitation was created as a result of the report being submitted to the Governor. This, in 1941, began IRRRB's involvement in solving the problems facing the region.

The IRRRB has succeeded in its efforts primarily because of its ability to change. It was actively involved in funding research that led to the development of the taconite process and the eventual multi-billion dollar taconite industry. It took chances on many marginal industrial loans in an effort to expand the economy. One such loan resulted in the creation of what became the nation's largest producer of oriental foods. The IRRRB promoted the expansion of the forest products industry and aided in forest management of tax forfeited lands. It became the leader in peat research exploring its use in agriculture, horticulture, sewage treatment and energy. In recent years the IRRRB has come to the fore front in promoting and developing tourism industry for the region. In the field of vocational and human rehabilitation, the IRRRB has been a

leader in supporting innovative programs of training and assisting the handicapped.

Today the IRRRB consists of six divisions employing a staff of 45 persons. In addition to its headquarters at Eveleth, the staff is assigned to the Wilderness Valley Farm Peat Research Station at Zim, the Iron Range Interpretative Center at Chisholm, the Iron Range Regional Research Center at Chisholm, the Hill Annex Mine at Calumet and the Anchor Lake Tourist Information Center near Eveleth. An office for the Agency is also maintained in St. Paul.

The impact of the IRRRB is felt in every community and township in the region it serves. Now in its fortieth year of service, the IRRRB is as important today as it was when it was initiated in July, 1941.



IRRRB Headquarters

IRON RANGE INTERPRETATIVE CENTER



Iron Range Interpretative Center Complex

The Iron Range Interpretative Center, located on the rim of the Glen Mine near Chisholm, continues to be enthusiastically received. Since it was opened to the public in the late summer of 1977, more than 250,000 persons have visited the facility. More than a museum, the Center is committed not only to presenting the story of mining and of the people who settled the region, but also preserving the rich cultural heritage that was brought to the area by the immigrants from 43 different nations.

The Center's graphic exhibits permit a hands-on participatory experience and offers the opportunity to relive the diverse history of the region, experience the technological advancements of today's industrialized society and catch a glimpse of what the future holds in store for this mineral rich area of the world.

The new Hall of Geology was opened in the Fall of 1979. Designed by Joseph A. Wetzel and Associates, Boston, Massachusetts, the exhibit program serves as an introduction to Planet Earth. It houses one of the most comprehensive

collections of native rocks and minerals in the state. A demonstration area provides the visitor with the opportunity to learn and view the skills of cutting, polishing and setting of gem stones.

Soon to be opened will be the Ethnic Arts Center addition to the Center. The building housing this new facility was recently completed. Now efforts are underway to develop the program and furnishings for the interior. The new facility will provide a spacious demonstration area for presentations dealing with ethnic arts and crafts in addition to a large ethnic kitchen where delicacies from nations throughout the world will be prepared and sold.

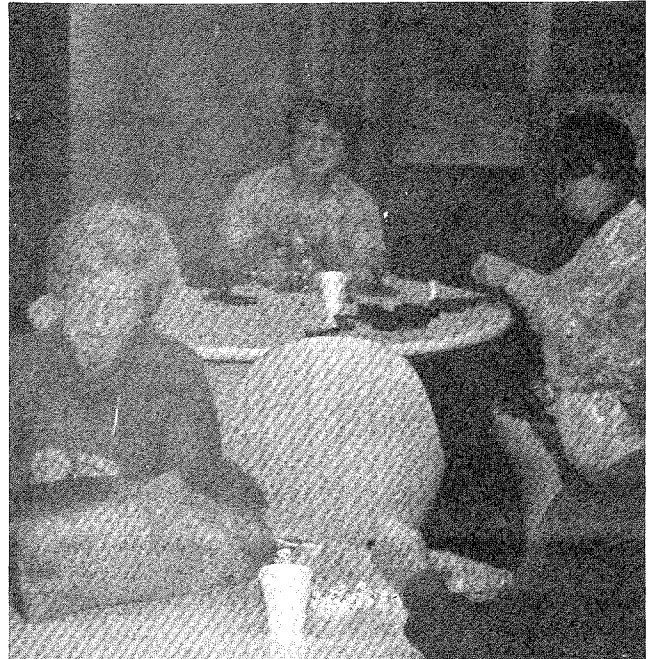
By far the most popular event held at the Iron Range Interpretative Center is the annual Minnesota Ethnic Days celebration. Initiated in 1978, the event now draws over 40,000 persons to the twelve day celebration. Each day recognizes a different ethnic group and features the music, dance, costumes, foods, crafts and culture of the nation being honored.

VOLUNTEER PROGRAM

The Iron Range Interpretative Center belongs to the people of northeastern Minnesota providing a showcase for their history and their heritage. The Center has piqued the imagination of many area residents. To provide an outlet for this interest and to encourage active participation in the Center's activities, the Center has developed a Volunteer Program. It has proved immensely popular and has brought to the Center the invaluable expertise and assistance of many dedicated individuals.

The Volunteer program utilizes the skills developed from all walks of life. After an intensive training course, the volunteer is involved in many aspects of the Center administration. They provide services as tour guides, traffic controllers, shopkeepers, typists, public relations persons and projectionists. One day they may find themselves addressing a class of 35 third graders, the next staffing the tourist information booth.

The Center views the volunteering of one's time and talent as one of the highest forms of giving. As such, there is an on-going program of recruiting and recognizing the efforts of this elite corps.



WINTER LECTURE/SEMINAR SERIES

For the past two years the Center has conducted a Winter Lecture series and this past winter also developed an all-day seminar series.

Both series provided an opportunity for area residents to continue their personal education in a wide variety of topical areas.

The series utilized authorities from throughout the region to present their expertise. Each session included a discussion period with the lecturer to further explore the topic of the day.

EDUCATIONAL PROGRAM

The Iron Range Interpretative Center continues its efforts directed at promoting educational group tours of the Center.

Each year the Center offers free admission during selected times of the year for school groups. This has proved highly successful.

As part of the educational program a complete curriculum guide has been prepared for elementary and secondary students planning to visit the Center. Using the guide a student can experience the Geology, Geography, Natural Environment, History and Culture of this very unique region.

The Center has been designed to be an educational tool and a learning experience for all. A visit to the Center is an enlightening experience for any student, elementary through post graduate.

MINNESOTA ETHNIC DAYS

Minnesota Ethnic Days originated in 1978 as part of the 1st anniversary of the opening of the Iron Range Interpretative Center.

The original idea was to have, as part of the anniversary, one day in which a group of Twin City Swedes would perform outside the Center. The feeling on the part of the staff of the Center was that if you allowed one ethnic group a day . . . why not invite many ethnic groups to participate in the celebration. The idea took root . . . and has now mushroomed into a twelve-day celebration.

Minnesota Ethnic Days is consistent with a major objective of the Center and that is to begin the process of preserving the rich cultural and ethnic heritage brought to this region by the immigrants from 43 nations.



Each day of the celebration is dedicated to a different ethnic group but each day is designed around five basic presentations:

- Performance of music and dance
- Demonstration of ethnic food preparation and ethnic crafts
- Displays of the finery of each group
- Films of the native homeland
- Opportunities to taste the various ethnic foods

This celebration has provided the opportunity for people to recapture their heritage and to share that heritage with others. It shows what makes "a Finn a Finn", "a Slav a Slav". Man is at his best when he is celebrating and in sharing that joy with others brings a new understanding of each other.

Attendance at the celebration has increased each year. Already almost 100,000 persons have participated in the celebration which is becoming the premier event on the summer calendar of northeastern Minnesota.

IRON RANGE INTERPRETATIVE PROGRAM

The Iron Range Interpretative Program represents the IRRRB's response to the legislative mandate for regional economic development and tourism and mineland reclamation.

Because of the richness and historical significance of the Iron Range area, the IRRRB has endeavored to begin the effort to preserve and interpret the many aspects of mining and the mining culture and linked this effort to several existing mining sites.

The Cuyuna, Vermilion and Mesabi Iron Ranges have undergone vast changes in a relatively short period of time.

It has been a century since the rich iron ore deposits were first discovered in these regions. In that time all three ranges have gone from areas of dense wilderness to highly industrialized societies.

Mining, past and present, has and continues to leave its mark on the region. Billions of tons of earth have been moved in man's quest for this land's mineral wealth.

The result has been the creation of hundreds of deep sprawling canyons and huge man-made mountains. The evidences of mining past has left a wealth of industrial archaeology. Couple this with the area's rich geologic and natural history and unparalleled scenic beauty and you have the basis, the foundation of a comprehensive program of interpretation.

CROFT MINE PARK

The Croft Mine Park was dedicated in May and opened for business in June following two years of planning, development and construction.

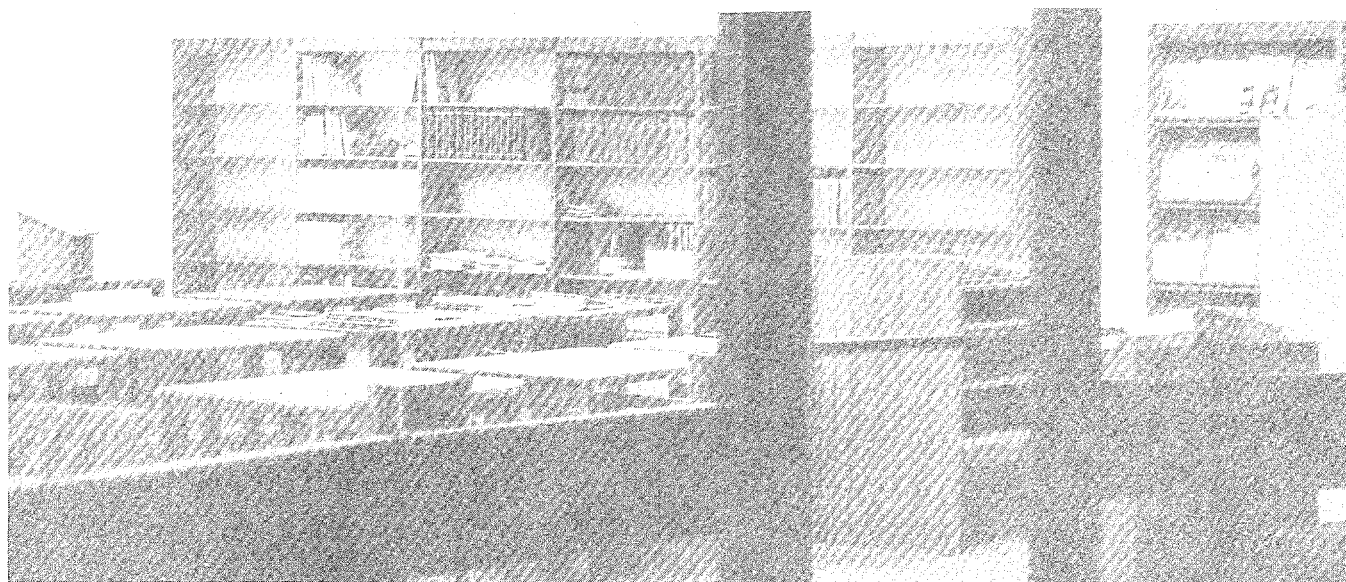
Located in Crosby, Minnesota, the new historic park, a twenty acre complex, features the restoration of the dry house for the former mine. Inside the dry house are numerous display photographs, murals and various artifacts. One room is devoted to telling the story of the Milford Mine tragedy in which 41 miners lost their lives in an accident in 1924.

Throughout the grounds display modules and markers interpret the history of mining in the Cuyuna region.

The park, which has been recommended for the National Register of Historic Sites, is now in the process of being turned over to the City of Crosby. The IRRRB funded the complete development of the park, including property acquisition, as part of the mineland reclamation effort launched by the Iron Range Interpretative Program.



Croft Mine Park



IRON RANGE REGIONAL RESEARCH CENTER

Construction of the Iron Range Regional Research Center was launched in October of 1978 and spanned two years. The facility was opened to the public in the fall of 1980.

This Center provides many exciting potentials for the Iron Range Interpretative Program.

Preserving, restoring and archival storage of the area's historical documentation is the principle goal of the Center. It will also become the repository for the public record. Through the cooperation of the Minnesota Historical Society and numerous local and regional societies a vigorous program of collection will be launched. This will include both public and private papers, records and historical documentation of persons, organizations, events and activities that have affected the history of the Iron Ranges.

Not only will the Research Center work toward the goal of ensuring that the social, cultural, economic, political and religious history of the region is preserved, plans call for the facility to become the data base for research materials for developing programs of economic development, urban renewal and industrial diversification.

The Research Center has been carefully planned and designed. Over 14,000 square feet of space is provided with the upper level featuring

the general offices, a large reception area, a classroom/conference room, a large reading room and oral history listening studio. The upper level is linked to the Iron Range Interpretative Center by a glass-enclosed walkway.

The lower level features a large garage and unloading dock and receiving area equipped with a fumigation plant, a complete document processing area, photographic dark room, microfilming room and the large archival storage vaults. The climate control vault areas provide nearly 11,000 linear feet of archival storage.

The Iron Range Regional Research Center represents an ambitious undertaking by the Iron Range Interpretative Program and the IRRRB.

It is a responsibility that is not taken lightly by either the Program or the Board. To assist in the administration of the Research Center, a citizen's advisory board has been appointed by the commissioner. This board, in addition to having voting members from each of the area's historical societies, is made up of people from all walks of life.

The future success of the Iron Range Regional Center will be dependent upon the cooperation of all segments of society working together in a mutual effort of preserving, for generations to come, the invaluable documentation of this region's history and culture.

OBSERVATION STANDS

During this biennium, the Iron Range Interpretative Program began the effort to develop an organized system of mine observation areas throughout the region. Mine overlooks and observation stands have consistently been extremely popular with visitors to the Iron Range.

With this in mind, the Program set out to develop two types of mine observation stands: A permanent installation which would provide summer guide service, distribution of materials on all aspects of the Iron Range, an interpretation of the mine and its significance, and rest room facilities; and a movable observation stand that could be set up at short notice to observe special activities in the mining process.

Two sites, the famous Hull-Rust-Mahoning Mine at Hibbing and the Viewpoint in the Sky at the Rouchleau Mine in Virginia, were selected for the permanent installations.

Construction of each of the facilities was launched in the spring of 1980. As part of the program, the IRRRB will train and supply guides for each of the installations as part of its summer work program. However, each of the communities will be responsible for the operational and maintenance costs.

IRON RANGE COUNTRY TOUR GUIDE

Iron Range Country, A Historical Travelogue of Minnesota's Iron Ranges was published by the IRRRB the end of 1979.

The travelogue, which has been developed by the Iron Range Interpretative Program, is filled with descriptions, essays, maps, drawings and photographs is designed in such a way as to assist the visitor to Minnesota's iron ranges.

The spiral bound book features an introduction to the Iron Range and then follows with separate sections detailing places of interest, anecdotes, historical photographs and pertinent information for the Cuyuna, Vermilion and Mesabi ranges. The last chapter of the book designates the recreational opportunities available in *Iron Range Country*.

The book is on sale at all area book stores and the gift shops at the Iron Range Interpretative Center and Hill Annex Mine Tours office. Response to the publication has been most favorable.

IRON RANGE HISTORICAL CULTURAL SURVEY

Commissioned by the Iron Range Interpretative Program, this survey was jointly sponsored by the IRRRB and the Minnesota Historical Society. The project had four major goals:

- To provide an inventory of historic resources (i.e., structures, groups of structures, artifacts and areas) that exist on the Iron Ranges and information about their significance, condition and ownership status.
- To gather pertinent facts and resource materials on the history of the Iron Range and surrounding country so that criteria for assessing significance can be established for future planning and interpretation.
- Promote interest in future efforts at conservation and development of regional historic resources.
- To help develop more sound methods and practices for the statewide preservation program.

The survey was conducted over a period of one year covering all three of Minnesota's iron ranges. The survey directly involved the local community as well as the professional historian and, as such, afforded the populace a major voice in the overall project.

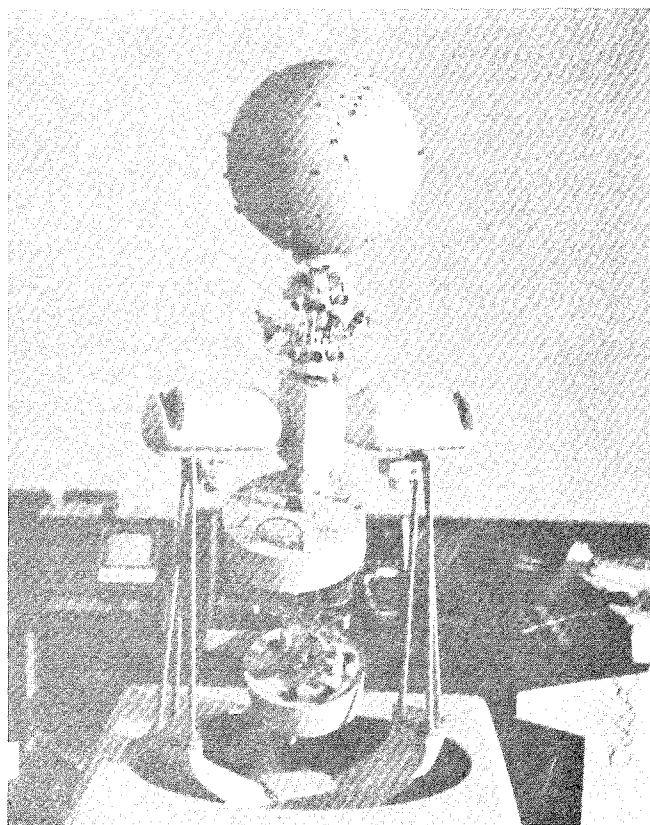


PAULUCCI PLANETARIUM

Located on the campus of Hibbing Community College, the Paulucci Planetarium was opened in the spring of 1980.

Throughout the development of the planetarium the IRRRB and the Iron Range Interpretative Program have played a key role in funding the construction with grants totaling \$430,000.

The investment of time and funding is directed at the expansion of the tourism potential of the Iron Range.



OLDTOWN/FINNTOWN INTERPRETATIVE AREA

The Iron Range Interpretative Program continues to be vitally interested in this project, a restoration of a section of Virginia, Minnesota, to a period of the early 1900's.



VERMILION RANGE INTERPRETATIVE CENTER

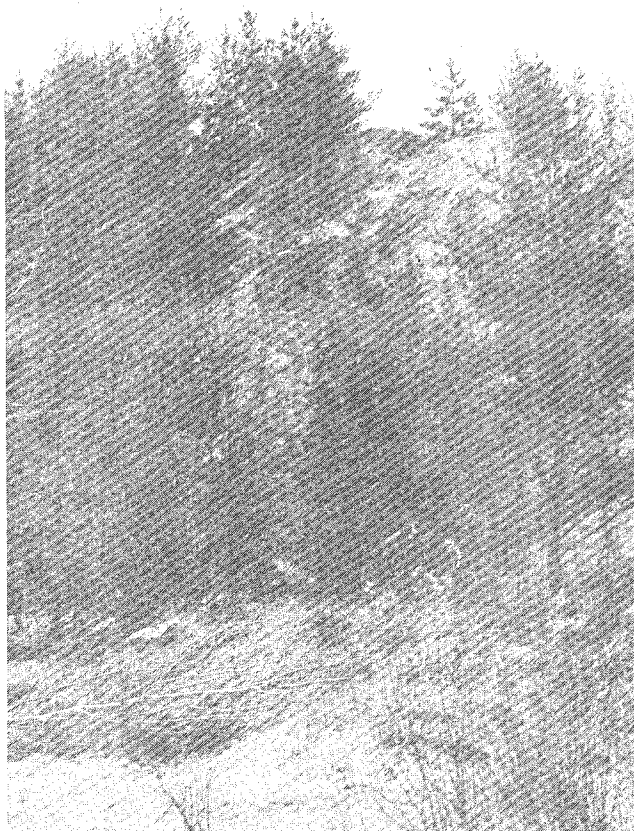
Funding for construction of this facility came from a grant from the IRRRB. Located on the campus of Vermilion Community College, Ely, Minnesota, the building, which is adjacent to their new Cultural Center, provides almost 1,800 square feet of permanent exhibit space plus an additional 1,600 square feet for traveling and/or temporary exhibits.

During the past biennium, the Iron Range Interpretative Program has been involved in the research and planning of the exhibit program directed at the human experience in this region.

The facility, which will be operated and maintained by Vermilion Community College, has a two-fold purpose:

- To provide an alternative to the wilderness experience for the touring public.
- To serve as an educational center introducing the public to the rich culture and history of the Vermilion Range and the State of Minnesota.

MINELAND RECLAMATION



Through the years millions and millions of tons of earth have been moved on Minnesota's three Iron Ranges, the Cuyuna, Mesabi and Vermilion. It is all part of the mining process. This tremendous earth moving effort has left gigantic holes, some several miles long and hundreds of feet deep. The overburden and lean ore removed to reach the merchantable ore was stockpiled creating hills, some of which are hundreds of feet high and covering hundreds of acres.

These alterations to northern Minnesota's topography resulted in producing a unique scenic beauty, striking in appearance but not always trouble free.

Most mine pits have sheer walls which nature has trouble in stabilizing. Further problems are encountered as the abandoned pits fill with water. Lean ore and overburden stockpiles sometimes have slopes which are too steep for nature to revegetate.

These are the problems that face the IRRRB's Mineland Reclamation division. Created in 1977, the result of establishment of the Taconite Area Environmental Protection Fund, the division is responsible for reclamation of state owned or abandoned minelands.

Mineland Reclamation does not mean returning the land to its original state. That would be physically impossible. But it does mean trying to eliminate the areas of danger, re-establishing vegetation and making the land available for new use.

Many of the areas in need of reclamation are close to population centers. Mining towns were built close to the mines allowing for easy access for the workers. In some areas of historic significance the proper goal is to preserve evidences of mining for its tourism potential.

In many cases the future use of reclaimed minelands will involve recreation. There is great potential for utilizing these lands for development of hiking trails, bike trails, snowmobile trails, fishing areas, winter sliding areas and picnic areas.

The Mineland Reclamation division is facing many challenges in returning these lands to productive use. Now in its beginning stages, the division has launched several demonstration projects. A few have been complete, more are now in the stage of advanced planning and design.

As a new program, the first order of business was to conduct a complete inventory of abandoned mining areas on public lands. Priorities were established based upon problems found on each site. Priority has been given to areas that exhibit high accessibility and visibility and to areas that present potential safety, erosion or dust problems.

The division is involved in some very exciting projects that will have a wide-ranging effect on northeastern Minnesota. With very few precedents from which to draw, the division is breaking new ground in the field of reclamation.



To prevent this, the division employs the process of hydromulching which consists of a slurry of seed and fertilizer covered by mulch. It has proved an excellent means to establish a grass cover. However, its success depends greatly on soil stability of the slope and weather conditions following the hydromulching process.

This past year the division added a vermeer tree planter to its equipment inventory. The machine makes possible the transplanting larger trees. Over 1,000 trees three to four feet in height were planted in highly visible areas. One hundred trees 10 to 15 feet in height were transplanted in areas that needed immediate screening. An extremely high survival rate has been experienced with this planter.

REVEGETATION

In the area of mineland reclamation, revegetation plays an extremely important role. It is vital to controlling erosion and dust problems.

During the past biennium over 250,000 trees were planted. While the vast majority were of the bare root variety, some 90,000 were container trees.

Now in its third year of use, container trees have several advantages. They are easier to plant, have a better survival rate, grow more rapidly and by utilizing this form of seedling the planting season is extended by as much as three months.

The division has also been involved in jack pine seeding. Several areas have been tested with satisfactory results. As part of the experiment various forms of fertilizers have been used in areas where fertility is low. An application of fertilizer can suddenly turn an otherwise barren area into an area of lush vegetation.

Establishing a grass cover in any area where erosion is a problem is a critical step in mineland reclamation. Trees alone won't stop erosion on the steeper slopes encountered on many of the stockpiles. As a matter of fact, soil erosion will eventually fell fairly good sized trees if left unchecked.



HILL ANNEX DEMONSTRATION AREA

During the biennium the IRRRB has acquired the Hill Annex Mine property from the Jones and Laughlin Steel Company.

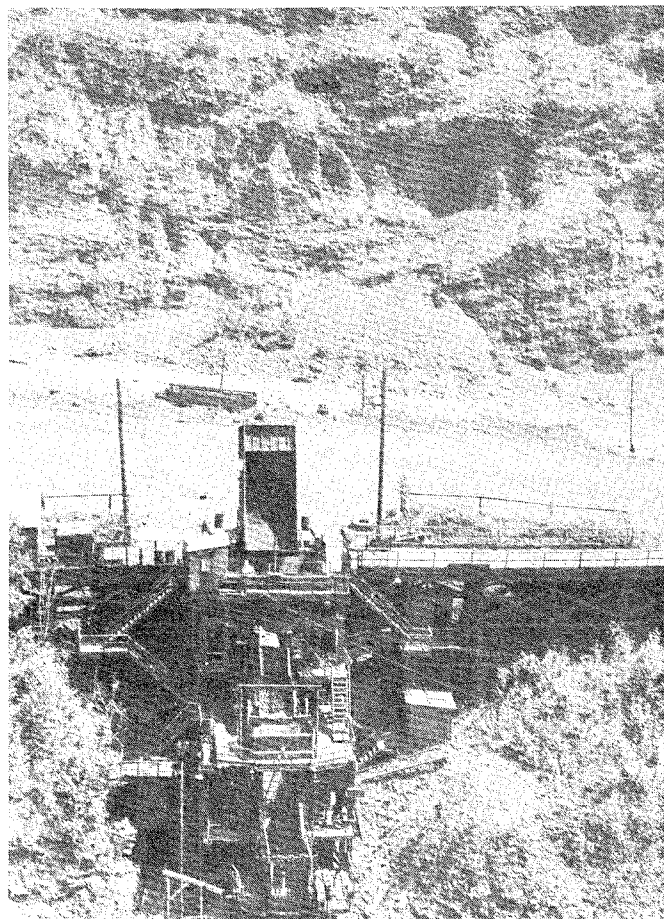
The sixth largest open pit mine in the country, this property is located near Calumet, Minnesota, and now provides the headquarters for the division.

The reclamation needs of the Hill Annex are tremendous with pit walls that in places are 500 feet deep along the 2½ miles.

In addition, there are numerous lean-ore stockpiles that are highly visible and in need of vegetation. It is estimated that reclamation costs at the Hill Annex Mine could be in excess of \$4 million.

The approach to reclamation that has been taken is that the area should be preserved as is and used to provide the public an opportunity to tour a natural ore open pit mine.

That opportunity is now available through the development of the Hill Annex Mine Tours. A seasonal operation, this program utilizes former miners as tour guides who explain the mining process as the tour bus winds its way to the bottom of the mine. The program has been met with excellent public response as thousands have taken advantage of the tours.



A minimum of expense was involved in providing a staging area for the tours in one of the acquired buildings. The tourism potential is great as the Hill Annex Mine Tour provides a memorable experience to visitors to the area.

Along with the mine tours, a number of mine-land reclamation demonstration areas will be established on the property to acquaint the visitor with the efforts underway throughout the iron ranges targeted at mineland reclamation.

Among them will be the re-shaping of various slopes along the badly eroded pit walls going into the mine. The sloping will be used to show the impact of the degree of slope used to ease the stabilization process. An experimental seeding area will also be developed to demonstrate the effectiveness of various seed mixes and plant combinations to control the erosion process.

MINELAND RECLAMATION PROJECTS

ST. JAMES MINE — Aurora

The St. James Mine is located on the north edge of the community of Aurora which uses the water-filled pit as its source for the city water supply. The walls of the pit have eroded to a point where private property will soon be in danger. The erosion has also caused the city water supply to become cloudy during windy days.

Presently the division is working with an engineering consultant evaluating the problems and designing a remedial course of action.

TOWN OF WHITE STOCKPILE — Aurora

This highly visible stockpile is located in the City of Aurora. A barren area with some erosion problems, the area will be hydromulched to establish grass vegetation and then planted with trees to complete the reclamation.

LEONIDAS STOCKPILE — West Eveleth

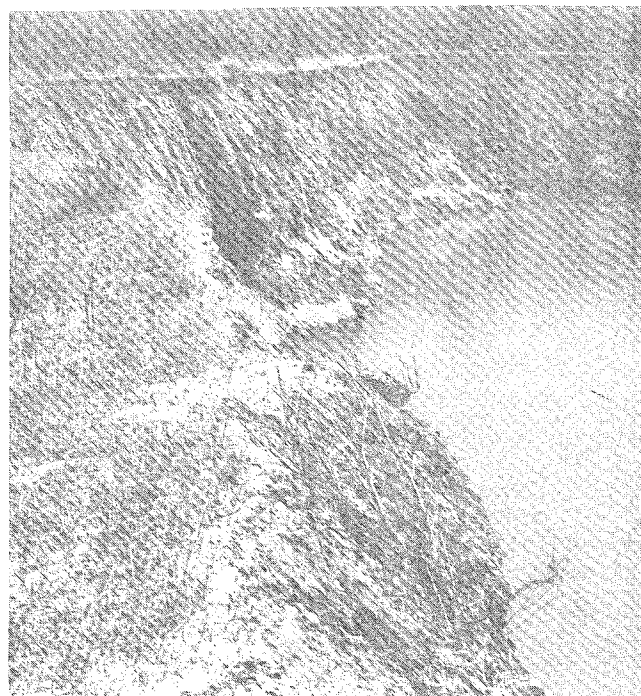
This is a large rock stockpile lying next to the community of West Eveleth. As an experimental project, the face overlooking the populated area was covered with earth material. When this stabilizes, the area will be hydromulched and later trees will be planted.

WACOOTAH STOCKPILE — Mt. Iron

A large badly-eroded stripping dump located on Highway 169 near Mt. Iron, this is state property with a mineral lease held by United States Steel. Discussions are currently being held with U.S. Steel in which a cooperative venture is being proposed. The project design calls for the reshaping of the stockpile and hydromulching to establish grass vegetation.

MARGARET LEAN ORE STOCKPILE — north of Buhl

This small stockpile is located on highway #25. The first phase of reclamation has been completed which involved the hydromulching of the area. Trees will be planted in future years.



JUDSON MINE — Buhl

The abandoned mine is located along highway 169 near Buhl and exhibits badly eroded pit walls. A contractor is presently re-shaping the state-owned portion of the mine. Once the re-shaping is completed, the soil will be stabilized by hydromulching.

Phase II of this project will be to develop recreational facilities at the site. This is contingent upon a maintenance and operation agreement with the City of Buhl.

JUDSON STOCKPILE — Buhl

This is a small washed-out area along highway 169 on an old overburden stockpile. Project plans call for hydromulching the face of the stockpile to control erosion, a problem that is increasing every year.

JUDSON MOORE DEMONSTRATION AREA — Buhl

This project is being financed by the division in cooperation with St. Louis County and the Department of Natural Resources Minerals Division. The overburden stockpile was re-shaped and hydromulched. Though not now visible to the public, with completion of the new highway bypassing Buhl, the entire area will have a high visibility.

PHILBIN LEAN ORE STOCKPILE – Hibbing

A large stockpile with high visibility, this project is located just east of Hibbing on highway 169. The stockpile has been hydromulched and when vegetation has been established will be planted with trees.

PIERCE TACONITE STOCKPILE – Hibbing

Also located along highway 169 near Hibbing, this small stockpile was hydromulched in the spring of 1980. The project will be completed with extensive tree planting.

NIAGARA OVERBURDEN STOCKPILE – Hibbing

Nature has done a satisfactory process of reclamation of this large stockpile west of Hibbing. However, there was a small area that began to erode. Once this is allowed to take place, the process is difficult to control. This area was hydromulched in the spring of 1980 and the revegetation has controlled the erosion process.

CARLZ REJECTS STOCKPILE – Keewatin

A small stockpile located just north of the athletic field in Keewatin, this project involves re-shaping and veneering with top soil. Hydromulching and tree planting will complete the project.



TIOGA MINE – Grand Rapids

A partly developed mine pit that is now used by the public for fishing, boating and swimming, this area has been planted with trout by the Department of Natural Resources and features a public access, a boat landing and a sandy swimming beach. Our portion of the project will be to re-shape the pit wall on the east end of the mine, establish grass cover to control erosion and the planting of numerous trees.

YAWKEY MINE – Crosby

This mine is located on University of Minnesota lands near Crosby, and features steep pit walls and severe erosion problems. The pit walls will be re-shaped and hydromulched to stop the erosion. The mine was once planted with trout but rough fish have taken over the fish population. A potential exists on this project to involve the Department of Natural Resources in re-establishing the trout population. Negotiations are now underway to transfer the property from the University of Minnesota to the City of Crosby. Work on the planned project will commence when these negotiations have been completed.

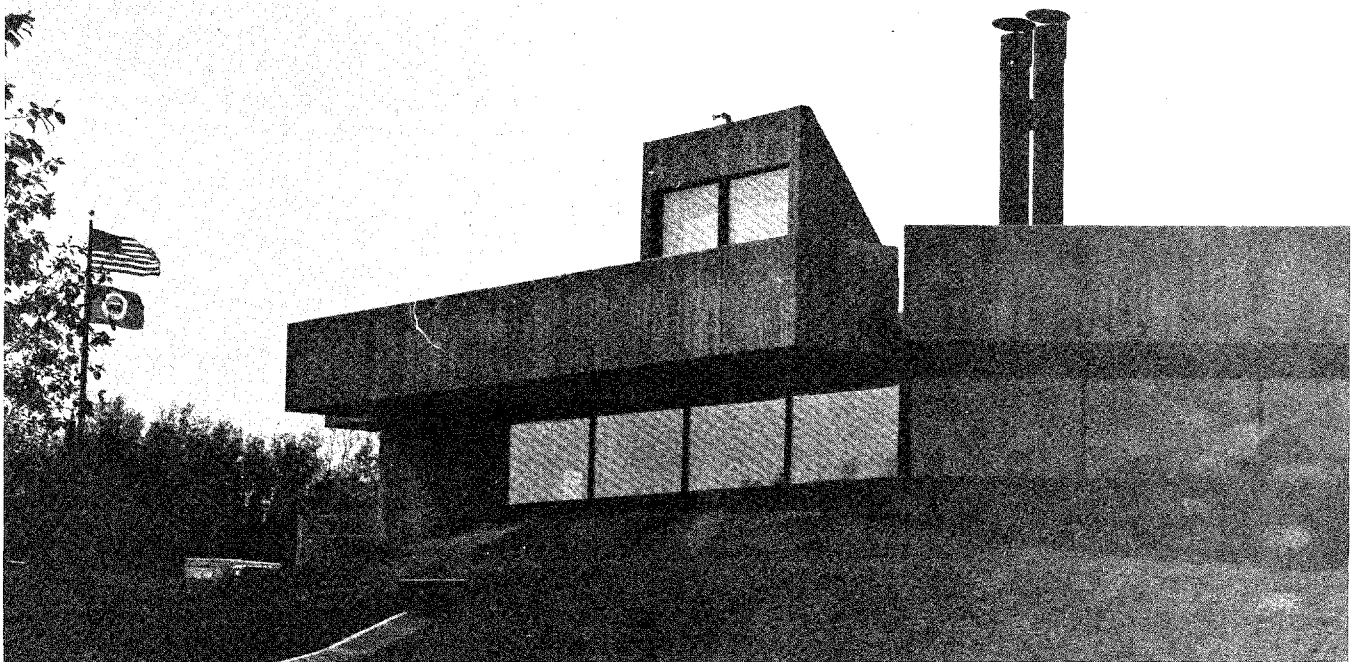
GILBERT STRIPPING STOCKPILE – Gilbert

A large stockpile located near Ely Lake, this project involves the reshaping of the stockpile and hydromulching. An access road will be provided so that the resloped stockpile can be used as a winter sliding area.

RHUDE AND FRYBERGER STRIPPING STOCKPILE – Hibbing

The IRRRB division of Mineland Reclamation is working jointly on this project with the Joint Recreation Board of the City of Hibbing. The stripping stockpile has been re-shaped to provide an excellent winter tubing slide which will be part of a multi-use recreational area. The division is using this project as a prototype for future mine-land reclamation projects involving winter recreation.

PUBLIC INFORMATION



ANCHOR LAKE TOURIST INFORMATION CENTER

As part of the IRRRB effort geared to the development of tourism in northeastern Minnesota, the agency has agreed to staff the Anchor Lake Tourist Information Center.

Opened to the public in August, 1979, the rest area portion of the facility is operated and maintained by the Minnesota Department of Transportation. The IRRRB is responsible for the Tourist Information Center portion of the building.

In its first year of operation, the Anchor Lake facility has received wide public acceptance and has been favorably received by the tourist/travel industry as an important tool in dispensing tourist information to the motoring public.

The Tourist Information Center is open daily. During the summer months the hours of operation are 8:00 a.m.-8:00 p.m. During the winter months, 9:00 a.m.-5:00 p.m. To date, the Center has responded to nearly 25,000 formal travel inquiries with nearly 80,000 persons utilizing the Center.

ADVERTISING AND PROMOTION

The Public Information division of the IRRRB conducts an extensive program of advertising and promotion for the tourism opportunities available through the Agency.

While the majority of this effort is directed at the Iron Range Interpretative Center, it also focuses on the Hill Annex Mine Tours and the special events that are held at both installations.

The advertising program utilizes a multi-media approach with three target areas: the metropolitan area of the Twin Cities, Duluth and the Iron Range.

During the biennium the division developed the kiosk program. A large permanent kiosk was placed in the Anchor Lake Tourist Information Center. Six free-standing portable kiosks for use in shopping malls and airports are now being placed. One hundred twenty-five lightweight displays have been placed in resorts, motels, restaurants, etc.

IRON RANGE COUNTRY PROMOTION

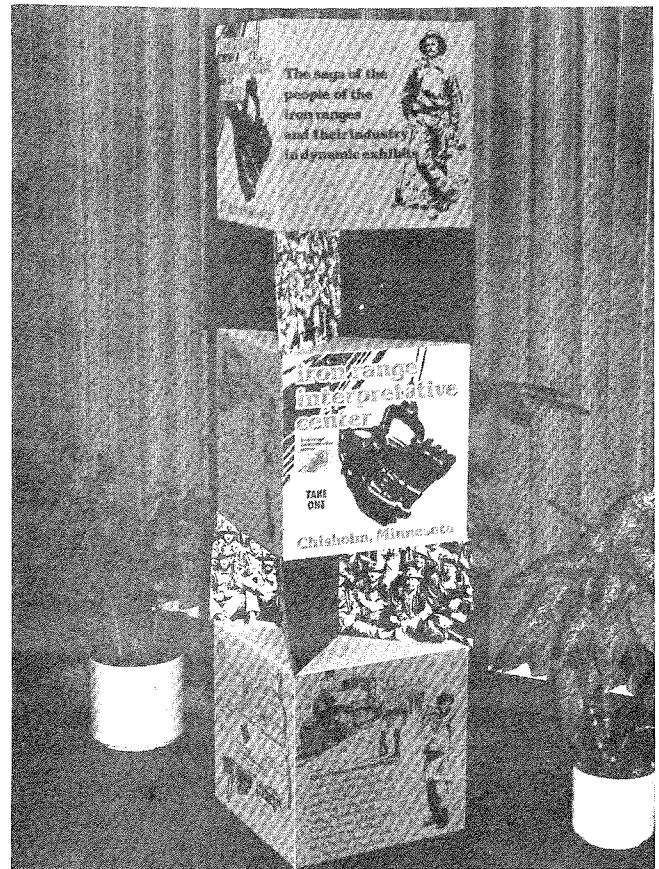
Iron Range Country stretches from Grand Rapids in the west to Ely in the north, a distance of about 110 miles. In this region visitors can enjoy some of the most beautiful scenery in the world, both natural and man-made.

This region has abundant lakes and streams, dense pine forests, rugged man-made mountains of overburden and lean ore and breathtaking man-made canyons left by the mining process.

The Iron Range Country Program seeks to promote all this and to make the public aware of the numerous tourism opportunities that are available in this region.

An eleven minute slide/sound show has been developed to do just that. In addition to the natural scenic beauty of Iron Range, the presentation focuses on:

- The Forest History Center, Grand Rapids
- The Hill Annex Mine Tours, Calumet
- The Hull Rust Mine Observation, Hibbing
- The Paulucci Planetarium, Hibbing
- The Iron Range Interpretative Center, Chisholm
- The Minnesota Museum of Mining, Chisholm
- The Rochleau Mineview in the Sky, Virginia
- Oldtown Finntown, Virginia
- The U.S. Hockey Hall of Fame, Eveleth
- The Tower Soudan Underground Mine, Soudan



MEDIA AND PUBLIC RELATIONS

The principle goal and objective of the division of Public Information is to inform the public of the workings of the IRRRB.

The division is responsible for the publication of a quarterly newsletter, *The Resourcer*, the agency's *Biennial Report*, and all other printed matter published for public use.

In an effort to keep the public informed, the division coordinates the Agency Speakers Bureau offering programs on a wide variety of IRRRB programs. These programs have been presented on television, radio and at many seminars, service and social organizations and schools.

During the biennium the division has coordinated numerous press conferences, conducted many media tours and, utilizing the news release, made a concerted effort directed at making available to the public vital information about the IRRRB program affecting them.

RESEARCH AND BEAUTIFICATION

The Research and Beautification division of the IRRRB is deeply involved in a number of on-going projects that affect the people of northeastern Minnesota. From peat research to building demolition, the programs of this division are all directed at improving the quality of life for the residents it serves and making this region a better place in which to live.

PEAT RESEARCH

Northeastern Minnesota is rich in peat deposits. In fact, it is estimated that approximately 50 percent of the continental United State's peat supply is located in the seven million acres of peatlands in northeastern Minnesota.

In recent years this resource has gained worldwide attention for its unique qualities in agriculture, horticulture, an alternative fuel, and for its miraculous abilities in the treatment of effluent sewage.

Long before peat gained this notoriety, the IRRRB's Research and Beautification division was involved in peat research. The quest for knowledge has spanned three decades, much of it conducted at the IRRRB's Peat Research Center located on Wilderness Valley Farm near Zim, Minnesota.

This 520-acre facility is the only one of its kind in operation today in the United States. During the biennium a new office complex was added to the facility as part of a continuing program of updating and improving the research complex.

BIOMASS GASIFICATION

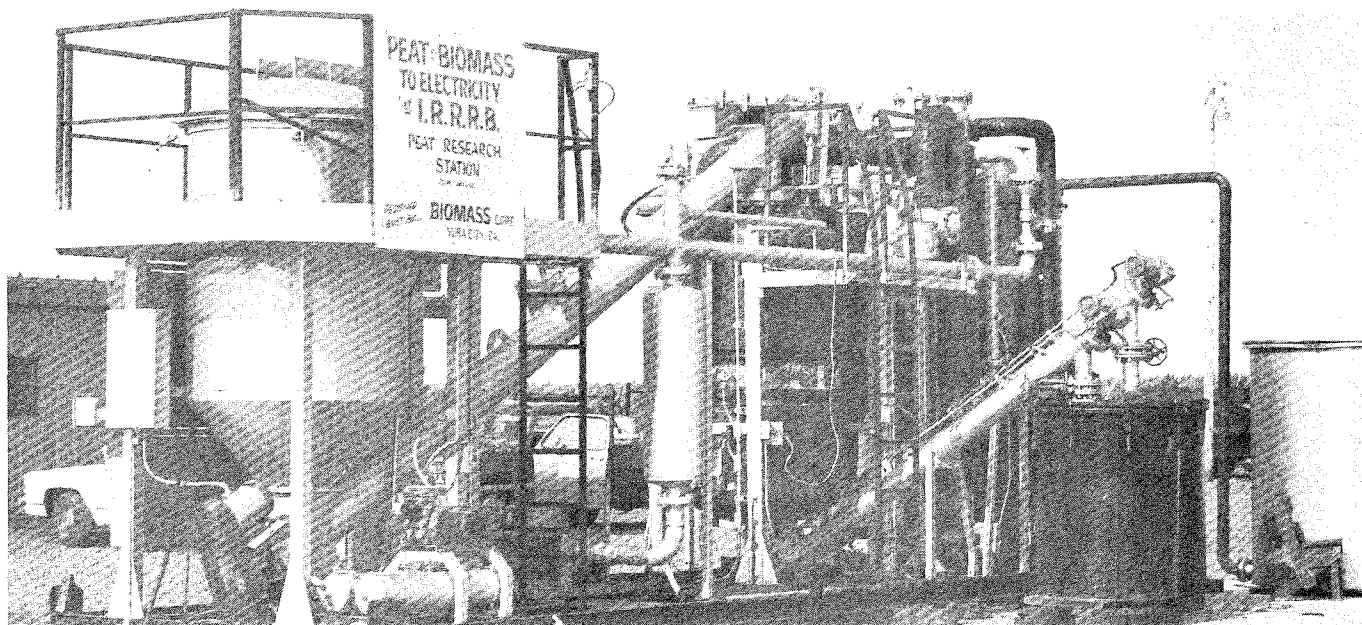
One of the most exciting developments at Wilderness Valley Farm came with the installation of the Biomass Gasifier.

Developed by the Biomass Corporation of Yuba City, California, the system involves a down-draft thermochemical reactor in which solid fuels containing carbon are converted into a gaseous fuel. The gas produced is used to fuel a diesel electric generator. In addition to providing the research center's demand for electricity, the system will be tied into area transmission lines and surplus power will be sold.

The experiment is being directed at utilizing peat as the biomass material. A series of tests will determine the optimum drying of the peat necessary for gas production. However, the fuel source will not be limited to peat. Other experiments will involve the use of vegetation such as cat-tails, willows, various forms of grasses and sedges.

In previous experiments by the Biomass Corporation, gas has been produced from such sources as rice husks, cereal straw, tree prunings, nut shells, fruit pits, wood chips, bark and other materials that can be considered as immediately available renewable fuels.

Application of this technology could have an enormous impact on northeastern Minnesota. If this system is adaptable to peat as a fuel source this technology could be used to produce energy for small cities, taconite plants, businesses and farms.



RECLAMATION STUDIES

The mining of peatlands presents many problems of reclamation of these lands once the peat has been removed. During the biennium several experiments have been directed to these potential problems.

Working in conjunction with the University of Minnesota and the Department of Natural Resources, the IRRRB has made available the Wilderness Valley Farm to conduct this research.

One of the more interesting studies has involved two one-acre water ponds.

In the first, the pond was excavated to mineral soil, a depth of six to seven feet. In the second, the excavation left one foot of peat as the base of the pond.

The water quality of each pond is being monitored on a continuing basis. Of principle interest is the fishlife that will be supported and the vegetation growth in each pond.

The information generated from this study will provide important data in determining the environmental effects of mining peatlands. It will also be used to shape the development of a statewide peatland policy for the State.

Also of great interest are the studies being conducted on the hydrology of peatlands. This involves the testing of water quality when fertilizers are used on peatlands, experiments in water table fluctuations and, in general, determining the overall hydrology of Minnesota's peatlands.

Additional experiments are being conducted to determine if forestry production can be included in the reclamation of mined peatlands. Researchers are attempting to determine which species of trees fare best in reclaimed peatlands, what fertilizers, if any, produce the best result, and what hydrology controls are necessary to promote optimum growth.

Minnesota is on the threshold of utilizing its peatlands to far greater advantage than ever has been the case. The important research being conducted at Wilderness Valley Farm will be of tremendous value in the years ahead when reclamation of the utilized lands can still remain productive. It is only through proper planning and research that this can and will happen.

AGRICULTURE AND PEAT

Farming in northeastern Minnesota is marginal at best. In the first place, the region is plagued by an extremely short growing season. In the second, much of the potential farmland is laden with peat. Organic soil farming presents special problems. Here again, research being conducted at Wilderness Valley Farm is being directed at solving those problems.

There is no way that the growing season can be extended. But there is hope in finding crops that are best suited to the area and means to take full advantage of today's technology to produce the greatest yield possible.

Test plots at the research center are being used each summer to determine the best vegetables and grains to plant and the proper application of fertilizers to promote this growth. Farming in peatlands requires the use of nitrogen, phosphorus and potash (N, P & K) at often high levels to counteract the highly acidic qualities of peat.

The results of these research projects are made available to area organic farmers.

Related to agriculture and to energy related research, are experiments that are being conducted with cattails, willows (both native and European), alders and hybrid poplars.

PEAT IN SEWAGE TREATMENT

In previous *Biennial Reports* we have highlighted the exciting potential of utilizing peat in the treatment of effluent sewage.

The Peat-Over Sand filter, developed through research at Wilderness Valley farm continues to be utilized throughout the country as a cost savings method of sewage treatment.

Also of interest is the Finnish ditch system in which raw effluent sewage is introduced into a series of ditches in a bog area. This system is utilized extensively in Europe but has yet to gain acceptance in the United States.

Because of the potential interest in utilizing both the Peat-Over Sand Filter and the Finnish ditch system, construction is now underway to present a demonstration area for interested communities and units of government.

While this technology would not be applicable to a wide segment of society, in areas where there are extensive peat deposits, this method of sewage treatment could provide tremendous cost savings to the taxpayers.

6TH INTERNATIONAL PEAT CONGRESS

Duluth, Minnesota, was the scene of the 6th International Peat Congress. The first time that the event has been held in the United States, the IRRRB was deeply involved in planning, development and staging of the Congress.

The event drew over 500 scientists from 30 foreign countries and produced 165 research papers on all aspects of peat research.

The event also brought world-wide attention to the efforts being made in Minnesota geared toward developing this natural resource.

Over three hundred participants took advantage of the post-Congress field trips that took the scientists on study tours into the bogs of Minnesota, Canada, Maine and Illinois.

BUILDING DEMOLITION PROGRAM

Increased property values, new construction, area progress and regional beautification are just some of the reasons that the IRRRB continues to conduct the Building Demolition Program.

Armed with a tracked front-end loader, and two dump trucks, the program, now in its eighth successful year, has been operational in virtually every community of the Iron Range.



Launched in 1972 as part of a demonstration project to clean up the area for the celebration of the nation's bicentennial, the program has met with such success that it has been continued as part of the Research and Beautification division.

The program is open to anyone who has a dilapidated building that needs to be removed. Equipment and manpower are provided at no direct cost to the property owner.

Close to three thousand unsightly buildings have been removed under the program since it was initiated.



LANDOWNERSHIP MAP PROGRAM

Since 1962 the IRRRB has been involved in the production of landownership maps for 21 counties in north central and northeastern Minnesota.

Each county landownership map details, through color coding, federal, state, county and private landownership.

The maps have received wide acceptance, as they are utilized by the forest products industry, federal, state and county governments as well as the general public whose interest centers on land availability for construction of new homes and cabins.

As with anything, time effects a change and maps need to be periodically updated. This past biennium six county maps were updated. They were: Kanabec, Hubbard, Lake, Koochiching, Aitkin-Clearwater and Mille Lacs counties.

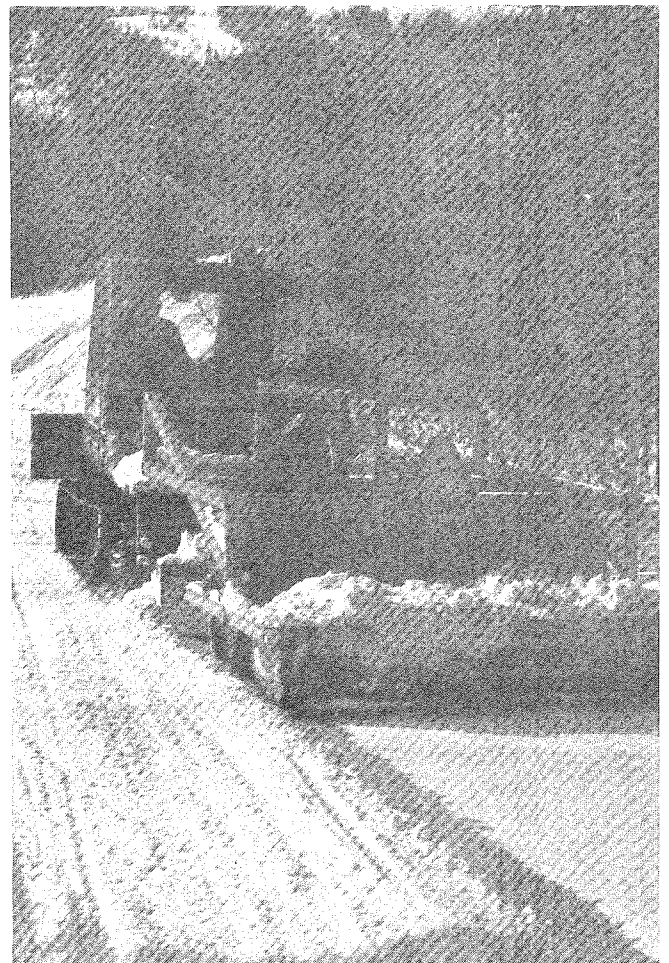
TRAILS PROGRAM

Trail grooming and assistance in trail construction highlighted the biennium for the Trails Program.

The IRRRB grooming program involves the use of 2 SV-200 ski dozers which pull the specially designed grooming rigs over the numerous snowmobile trails in northeastern Minnesota. The grooming rigs were designed and fabricated in the IRRRB shops.

The major emphasis of the grooming program is aimed at the state's Taconite Trail north of Virginia to the Side Lake area near Chisholm, and the Laurentian feeder trail from Giants Ridge near Biwabik to Virginia. In addition numerous other trails that augment the state trail system are groomed on a regular basis.

Working in conjunction with the U.S. Forest Service, assistance during the summer months has been directed at trail construction, trail layout and marking.



IRRRB GRANTS PROGRAM

The Iron Range Resources and Rehabilitation Board was created in 1941 to seek development of the natural resources of the Iron Ranges and to provide vocational training and rehabilitation to residents of areas which experienced depletion of its natural resources.

Since 1977, monies dedicated to the IRRRB grants program have been provided through a portion of the tonnage tax on taconite production. Since these revenues are in lieu of local property taxes on the taconite industry, eligibility for grant qualification is limited to those communities and/or organized townships that are within the taconite tax relief areas as defined by MN Statute 273.134.

The IRRRB Grants Program will consider funding projects in four basic categories:

- Economic development and/or tourism
- Community development
- Park and recreation development
- Human resources, rehabilitation and vocational training.

In addition to these categories, the IRRRB has provided communities "land management" grants for local public works related projects involving summer youth employment programs and building demolition of abandoned or unsafe buildings.

Six basic requirements must be met by all projects seeking IRRRB approval:

- Meet the basic purpose of economic and resource development in northeastern Minnesota
- Be based upon current and reliable feasibility analysis
- Require no more than 90 percent of total funding from the IRRRB
- Not exceed \$100,000 in total funds requested in any fiscal year

- Be self-sustaining and require no IRRRB financial support for operation and maintenance
- Be construction or program related and not include any requests that will provide for the hiring of personnel or operational costs.

Economic development loans for use by communities to fund the operation of a private business must be approved by the IRRRB, the Legislative Advisory Commission and the Governor.

NORTHEASTERN MINNESOTA GRANTS AND AID WORKSHOP

As part of a program to inform area city and township officials of the numerous grants programs available to them from various state and federal agencies, the IRRRB sponsored an all-day Grants and Aid Workshop.

Attended by nearly two hundred city and township officials, six funding agencies participated in the seminar. Among those participating were: the Economic Development Administration; the Upper Great Lakes Regional Commissioner; the Department of Housing and Urban Development; Land and Water Conservation; the Farmers Home Administration; the Blandin Foundation; and the IRRRB.

Each presenter stressed the application procedures required and the funding qualifications for various programs available. Emphasis was placed on sewer and water, housing, parks, recreation, local economic development and human rehabilitation.

Similar workshops are being planned for the future.

SUMMER YOUTH WORK PROGRAM

Each summer the IRRRB participates in three summer work programs for area young people.

The first program hires students to work in the Agency. These young people are assigned to the various divisions of the Agency.

The second program is one in which the IRRRB assigns students to the organization and

pays their salary through the summer months.

The third program is called the Land Management Program. Under this program the IRRRB provides a 50/50 match with any community that desires to participate in the program

To date, hundreds of persons have been employed under all three programs.

1979-80 GRANTS

ECONOMIC DEVELOPMENT GRANTS

Eveleth-Virginia Airport Commission	\$100,000
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TOURISM GRANTS

Chatfield, City of	\$1,600	
N.E. Minnesota Tourist Information Center	\$2,500	
Breitung, Town of	\$20,000	
Stuntz, Town of	\$48,900	
Minnesota Historical Society (Prior year grant-balance)	\$19,855.36	Carey Lake
Minnesota Historical Society (Prior year grant-balance)	\$3,500	Forest History Center
Giants Ridge Community Ski Association	\$10,900	Folklife Center
Ely, City of	\$49,840	
Lake Superior Museum of Transportation	\$15,000	
Aurora (Prior year grant-balance)	\$4.00	

RESOURCE REHABILITATION GRANTS

CWDC Industries, Inc.	\$50,000	Mortgage Reduction
CWDC Industries, Inc.	\$50,000	Capital Debt
Itasca Day Activity Center	\$75,000	
Keewatin, City of	\$7,975	Senior Citizens
ALANO Society, Hibbing	\$20,000	
Bois Forte Reservation Business Committee	\$30,000	
Range Center, Inc., Chisholm	\$45,000	
Central Mesabi Medical Center, Hibbing	\$38,973	

BUILDING DEMOLITION GRANTS

Aitkin, County of	\$16,825
Ironton, City of	\$1,175
Leonidas location, City of Eveleth	\$19,900
Independent School District #316 Coleraine	\$6,388

YOUTH SUMMER WORK PROGRAM MATCHING GRANTS

Buhl, City of	\$3,000
Babbitt, City of	\$2,000
Chisholm, City of	\$2,000
Ely, City of	\$4,000
Eveleth, City of	\$4,000
Gilbert, City of	\$3,750
Hibbing, City of	\$4,500
Hoyt Lakes, City of	\$3,750
Kinney, City of	\$4,500
Mt. Iron, City of	\$3,750
Stuntz, Town of	\$3,000
Virginia, City of	\$4,500
Biwabik, City of	\$3,750
Tower, City of	\$3,000

1979-80 GRANTS

ECONOMIC DEVELOPMENT GRANTS

Eveleth, City of, Eveleth Development Corporation	\$70,000
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TOURISM GRANTS

Giants Ridge Community Ski Association	\$35,000
Cook, City of	\$5,000
Ely, City of	\$10,000
Stuntz, Town of	\$13,000
U.S. Hockey Hall of Fame, Eveleth	\$40,000
St. Louis County Promotional Bureau	\$45,000
Ely, City of	\$30,160
Kaleva Hall Building Corporation, Virginia	\$3,800
U.S. Hockey Hall of Fame, Eveleth	\$5,000

RESOURCE REHABILITATION GRANTS

Arrowhead Economic Opportunity Agency, Virginia	\$99,800
CWDC Industries Inc.	\$10,980
Greenwood, Town of	\$7,500
Hoyt Lakes, City of	\$2,967
Quad City Drug Commission	\$25,000
Range Center, Inc., Chisholm	\$26,450
Twelfth Step House, Inc.	\$50,000
Wee Folksgarden Child Development Day Care Center	\$5,861

YOUTH SUMMER WORK MATCHING GRANTS

Aurora, City of	\$3,500
Babbitt, City of	\$3,500
Bovey, City of	\$3,500
Buhl, City of	\$3,500
Chisholm, City of	\$4,000
Ely, City of	\$4,000
Eveleth, City of	\$4,000
Biwabik, City of	\$3,500
Fayal, Town of	\$2,000
Gilbert, City of	\$3,500
Grand Marais, City of	\$2,000
Hibbing, City of	\$4,500
Hoyt Lakes, City of	\$3,500
Keewatin, City of	\$3,000
Keewatin, City of	\$2,000
Kinney, City of	\$1,500
Mt. Iron, City of	\$3,500
Nashwauk, City of	\$3,000
Orr, City of	\$1,500
Silver Bay, City of	\$3,500
Tower, City of	\$2,000
Virginia, City of	\$4,500
Two Harbors, City of	\$4,000
Calumet, City of	\$2,000

TACONITE ENVIRONMENTAL GRANTS 1979-1980

Since its establishment in 1977, the Taconite Area Environmental Protection Fund has assisted communities and townships located in the taconite tax relief area with grants for water and sewer projects, community economic development public works and park and recreational development.

Monies for this grants program are derived from a portion of the Taconite Production Tax, a tax which is in lieu of local ad valorem property taxes on the taconite industry.

Community eligibility for these funds is based on the definition of the taconite tax relief area as set forth in Minnesota Statutes 273.134.

Among the general criteria established to evaluate a project for TAEP funding, the project should:

- Be consistent with the goals of IRRRB

- Enhance local or regional economic development by attracting new jobs or opportunities for growth in the economic base
- Demonstrate a critical need for funding
- Show that other funding sources have been explored
- Detail sufficient public and private support

Under this funding program, each year the Commissioner of Iron Range Resources and Rehabilitation draws up a list of eligible projects. Upon recommendation by the IRRRB, this list is submitted to the Legislative Advisory Commission for their recommendation. The list is finally submitted to the Governor who shall approve or disapprove, or return for further consideration, each individual project. No funds can be expended on a project without the approval of the Governor.

NEW GRANTS – WATER AND SEWER – 1978-1979

Aurora, City of	10% PCA local match for waste water treatment.	\$ 24,700
Balkan, Town of	Drill well and construct water system.	\$ 7,000
Big Fork, City of	Renovate water treatment plant and construct w/s line.	\$177,918 per year for 4 years
Biwabik, City of	Construct w/s extensions to two development sites.	\$281,125 per year for 4 years
Breitung, Town of	Drill new well to service Tower and Soudan.	\$ 32,697
Chisholm, City of	10% PCA local match for waste water treatment.	\$ 39,100
Coleraine, City of	Construct storm and sanitary sewers and water line extension.	\$119,399 per year for 3 years
Colvin, Town of	Construct w/s facilities.	\$ 8,200
Cook, City of	Replace water mains and reroute waterline. (Additional funds to complete project.)	\$113,400

Crosby, City of	Construct and replace storm sewer.	\$156,750 per year for 4 years
Deer River, City of	Drill new well and water line extensions.	\$ 57,500
Deerwood, City of	Extensions of sewage system.	\$ 91,127 per year for 3 years
Ely, City of	Sewer line extensions.	\$130,472 per year for 4 years
Eveleth, City of	Construct water storage and ground reservoir.	\$475,000 per year for 4 years
Eveleth, City of	Sewer and water line extensions to West Eveleth.	\$140,000
Eveleth, City of	10% PCA local match for wastewater treatment.	\$ 66,492
Fall Lake, Town of	Construct water and sewer system.	\$ 3,000
Fayal, Town of	Analysis of water and sewer needs of Fayal Township.	\$ 50,000
Gilbert, City of	Install sanitary sewer service to Genoa location.	\$109,000 per year for 4 years
Gilbert, City of	10% PCA local match for wastewater treatment.	\$ 70,600
Grand Rapids, City of	Drill well, pump installation and construct discharge main.	\$124,138
Hibbing, City of	Sanitary sewer and water main improvements.	\$246,719 per year for 2 years
Hoyt Lakes, City of	10% PCA local match for wastewater treatment.	\$ 20,500
Iron Junction, Town of	10% PCA local match for wastewater treatment.	\$ 9,086
Keewatin, City of	Construct storm sewer.	\$ 90,500 per year for 2 years
Kinney, City of	Upgrade water facilities.	\$ 66,000 per year for 3 years
Long Lake Conservation Center	Construct sewage disposal system.	\$ 30,000
Marble, City of	Sanitary sewer extensions.	\$102,000 per year for 2 years
Meadowlands, City of	Upgrade sewage treatment to PCA standards.	\$ 7,000
Mt. Iron, City of	Construct water/sewer lines to South Grove and West Virginia.	\$482,500 per year for 4 years
Mt. Iron, City of	10% local PCA match for wastewater treatment.	\$ 31,700
Nashwauk, City of	Complete storm sewer project funded in 1977.	\$ 80,500 per year for 2 years
Silver Creek, Town of	Drill new well and construct water system.	\$ 3,000
Stuntz, Town of	Water and sewer main extensions.	\$259,000 per year for 3 years \$140,000 4th year
Stuntz, Town of	10% PCA local match for waste treatment project.	\$ 49,400
Squaw Lake, Town of	Partial funding to construct water system.	\$ 12,500
Tower, City of	Extension water/sewer mains.	\$116,000
Two Harbors, City of	Pump station and extension of water lines.	\$375,000 per year for 4 years
Warba, City of	Lift station and lagoon repair.	\$104,500 per year for 2 years

PHASE PROJECTS FROM PREVIOUS YEAR

Aurora, City of	\$118,970	Hibbing, City of	\$353,250
Beaver Bay, City of	\$ 92,000	Hibbing, Public Utilities	\$391,000
Bovey, City of	\$ 82,500	Hoyt Lakes, City of	\$ 76,000
Chisholm, City of	\$225,000	LaPrairie, Town of	\$108,000
Ely, City of	\$110,000	Mt. Iron, City of	\$ 50,000
Gilbert, City of	\$202,912	Nashwauk, City of	\$ 68,420
Grand Marais, City of	\$100,000	Owens, Town of	\$ 40,500
Grand Rapids, City of	\$159,500	Virginia, City of	\$210,000

HUMAN REHABILITATION PROJECT GRANTS

(Note: The Taconite Area Environmental Protection Fund no longer funds Human Rehabilitation Projects.)

East Range Day Activity Center, Eveleth, MN	Purchase equipment for existing programs.	\$ 2,500 per year for 2 years
East Range Day Activity Center, Eveleth, MN	Modifications of driveway and parking for handicapped.	\$ 19,885 per year for 2 years
Ray-Kabetogama Area Senior Citizens Club	Partial funding of construction of facility.	\$ 7,500
Tower Civic Center	Partial funding of civic center building.	\$ 41,500 per year for 2 years
Beltrami Day Activity Center, Bemidji, MN	Remodel and expand existing facility.	\$ 35,000
Range Center, Inc., Chisholm, MN	Partial funding for Group Home.	\$ 35,000
Duluth Sheltered Workshop	Program purchase.	\$ 30,000
Northeast Adult Day Care Project, Virginia, MN	Purchase equipment and vehicle.	\$ 20,000
Arrowhead Economic Opportunity Agency, Virginia, MN	Partial funding of 3 buses for the handicapped.	\$ 44,660
CWDC Industries, Inc., Virginia, Hibbing, MN	Mortgage retirement.	\$ 63,000

COMMUNITY ECONOMIC DEVELOPMENT GRANTS

Chisholm-Hibbing Airport Commission	Partial funding new terminal.	\$ 25,000
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RECREATION, PARK AND OUTDOOR PROJECT GRANTS

Bass Brook, Town of	Construct public swimming beach and recreational area.	\$ 31,000
Biwabik, City of	Construct campground and general recreational area.	\$ 60,000
Biwabik, Town of	Construct outdoor recreational area.	\$ 21,585

Blackberry, Town of	Bridge removal.	\$ 10,000
Embarrass, Town of	Construct recreation area.	\$ 10,000
Eveleth, City of	Improvements to Ely Lake Park.	\$ 49,000
Fayal, Town of	Develop recreational area.	\$105,000
Giants Ridge Ski Area	Purchase snow making equipment, grooming equipment and lighting.	\$ 38,000
Grand Marais, City of	Construct boat launching, parking site for primitive camping, equip playground.	\$ 7,500
Grand Portage Development Committee	Partial funding of campground trailer court development.	\$ 40,000
Grand Rapids, City of	Development of recreation area and swimming beach.	\$ 70,000
Grand Rapids, City of	Completion of recreation project.	\$ 7,500
Grand Rapids, City of	Multi-purpose trails.	\$100,000
Harris, Town of	Develop recreational area.	\$ 29,000
Hoyt Lakes, City of	Recreational improvements.	\$ 41,500
Itasca County Fair Board	Install sewer/water/utilities to buildings.	\$ 20,000
Marcell, City of	Partial funding recreational area.	\$ 63,500
Mesabi Elm Authority	Equipment for control elm disease.	\$ 6,600
Stuntz, Town of	Maple Hill Park development.	\$ 36,963
Tower, City of	Completion of mini-park and expansion of campground.	\$ 20,000
Waasa, Town of	Develop recreational facility.	\$ 12,000

WATER AND SEWER GRANTS, 1979-1980

NEW PROJECTS

Aurora, City of	\$ 37,961	10% PCA – Sewage Treatment Plant.
Buhl, City of	\$201,212	Step II and Step III EPA-PCA project to upgrade Sewage Treatment System.
Chisholm, City of	\$ 28,238.20	10% PCA – Sewage Treatment Plant.
Coleraine/Bovey, City of	\$234,700	Upgrade sewage treatment for Coleraine, Bovey, and taconite to meet Federal and State requirements.
Gilbert, City of	\$ 25,749	10% PCA – Sewage Treatment Plant.
Hibbing, City of	\$ 29,000	10% PCA – Wastewater Treatment Plant.
Hoyt Lakes, City of	\$ 5,632	10% PCA – Wastewater Treatment Plant.
Marble/Calumet, City of	\$ 95,560	10% PCA – upgrade sewage facilities for Marble and Calumet.
Mt. Iron, City of	\$ 55,550	10% PCA – Sewage Treatment Plant.
Tower, City of	\$151,100	10% PCA – upgrade Sewage Treatment System.
Aurora, City of	\$218,000	Renovation of raw water supply.
Aurora, City of	\$448,000	Additional water storage capacity.
Aurora, City of	\$346,000	Water main.

Aurora, City of	\$ 31,000	Sanitary sewer replacement.
Babbitt, City of	\$130,000	Water treatment for water from well.
Babbitt, City of	\$ 36,000	Repair of sanitary sewer system.
Biwabik, City of	\$ 54,000	Sanitary sewer repair, 2nd St. to Main St., between 3rd and 4th Avenue.
Biwabik, City of	\$ 98,000	Sewer extension, 1st St., West of 1st Avenue.
Buhl, City of	\$ 66,000	Complete installation of new interceptor sewer.
Buhl, City of	\$277,000	Sanitary sewer replacement on Frantz St., Culver Ave. and Roberts Street.
Buhl, City of	\$126,000	Extension of utilities to State Addition.
Calumet, City of	\$252,590	Sanitary sewer system in unsewered area of State First Addition.
Eveleth, City of	\$320,000	Water main to W. Eveleth.
Eveleth, City of	\$417,000	Sewer and water extensions to Station 44.
Eveleth, City of	\$108,000	Improvements to lift station and Kennedy Ave. storm sewer.
Fayal, Township of	\$ 31,844	Upgrade and deepen drainage ditches in Sec. 31-36, T57, R17.
Gilbert, City of	\$411,000	Water plant improvements.
Gilbert, City of	\$136,000	Water plant improvements. Lime sludge lagoons.
Hibbing, City of	\$129,000	Storm sewer line, new construction.
Hibbing, City of	\$450,000	Rehabilitation of 24" stream line.
Hibbing, City of	\$200,000	Water main addition (fire protection). Water main additions – west side.
Hibbing, City of	\$500,000	\$250,000 per year for 2 years. Phase I, water filter plant design (north) and Phase I water filter plant (south)
Keewatin, City of	\$ 58,089	Water source – well.
Keewatin, City of	\$133,853	Sanitary sewer extensions.
Keewatin, City of	\$159,058	Water main replacement and extensions.
Marble, City of	\$ 42,408	Cost over-run to be applied to 1979 sanitary sewer project.
Marble, City of	\$ 34,500	Construction of new lift station.
McKinley, City of	\$ 15,300	Improvements at sewage plant.
McKinley, City of	\$ 8,000	Install standby raw water.
McKinley, City of	\$ 89,000	New raw water supply.
Nashwauk, City of	\$ 89,909	Over-run on 1979 storm sewer contract and additional catch basin and rip rap in discharge pitch.
Silver Bay, City of	\$200,000	Rehabilitation of sanitary sewer system.
Stuntz, Township of	\$289,000	Additional funds to cover cost of 1979 sanitary sewer project.
Stuntz, Township of	\$ 52,000	Water and sewer extensions 2nd Ave. E. in Woodland.
Stuntz, Township of	\$ 73,000	Sanitary sewer, 40th St.
Virginia, City of	\$600,000	Steam main extensions.
Virginia, City of	\$1,316,000	\$438,666 per year for 3 years (phased project). Construction of sanitary sewer and water mains, northernly half-Midway and southernly half Midway.

Breitung, Township of	\$186,000	Replace main sewer to plant.
Cook, City of	\$125,000	Sanitary sewer extensions.
Cook, City of	\$ 35,000	Water main, 1st Ave.
Ely, City of	\$306,822.36	Revised grant estimate (\$521,888 over 4 years).
Ely, City of	\$308,600	8" sewer main Milwaukee Ave.
Grand Rapids, City of	\$100,000	Water treatment plant improvement.
Grand Rapids, City of	\$ 88,000	Sanitary sewer and water main extensions in SW Grand Rapids.
Tower-Soudan, City of	\$ 15,000	Replace water main on Soudan line.
Winton, City of	\$ 9,800	Wastewater system improvements and upgrading.
Deer River, City of	\$ 37,400	Install 8" water transmission main.
Floodwood, City of	\$ 20,000	Emergency flood damage on 4-20-79, storm cleaning.
Meadowlands, City of	\$ 6,000	Install chlorinator into city water system.
Meadowlands, City of	\$ 66,740	Renovate part of old water system.
Orr, City of	\$107,000	Replace 600' of water main and construct lift station.
Orr, City of	\$ 41,000	Sewer extension.
Two Harbors, City of	\$385,000	\$192,500 per year for 2 years phased project for extension of sanitary sewer collection system.
Warba, City of	\$140,550	Water system improvements.

PARK AND RECREATION GRANTS, 1979-1980

NEW PROJECTS

Buhl, City of	\$ 60,000	Site preparation for community park.
Chisholm, City of	\$168,750	Recreation facilities including all-purpose park.
Hibbing JRB, City of	\$155,250	Athletic field complex, Phase 1.
Giant's Ridge	\$120,000	Phase 1, development of recreational ski area.
Keewatin, City of	\$ 65,000	Recreational building.
Kinney, City of	\$ 66,000	Recreational building improvements, tennis courts.
Coleraine, City of	\$ 32,500	Tennis court construction.
Grand Rapids, City of	\$ 37,500	Neighborhood park project.
LaPrairie, City of	\$ 4,520	Fencing for existing tennis court.

ECONOMIC DEVELOPMENT PUBLIC WORKS PROJECTS - 1979-1980

NEW PROJECTS

Eveleth-Virginia Airport	\$ 68,450	Construct new drainage system along runway.
Silver Bay, City of	\$ 45,900	Remodel building for tourism information center, includes water and sewer.
Chisholm — MN Museum of Mining	\$ 10,875	Blacktop parking lot.
Mesabi Elm Authority	\$ 6,000	Equipment rental to be used in cutting diseased elmwood to be used as firewood for elderly, low income.
Maple Hill Community Club	\$ 4,000	Installation of sewer system to the club.
Central Mesabi Medical Center	\$ 87,690	Purchase of traction elevators.
Iron, City of	\$ 5,525	Repair community building for energy efficiency.
Palo-Markham	\$ 10,500	Equipment and repairs for community center.
Toivola, Township of	\$ 10,600	Renovation to community center sewer system.
Vermilion Lake, Township of	\$ 22,500	Construction of civic center building.
Colvin, Township of	\$ 34,215	Renovation of town hall to accommodate recreational and social functions.
Cook, County of	\$ 33,000	Streamline extensions from wood burning boiler plant.
Zemple, City of	\$ 15,000	Construct recreational and community building.



TACONITE AREA ENVIRONMENTAL PROTECTION FUND GUIDELINES

I. POLICY STATEMENT ON PROJECT GRANTS:

The source of Taconite Environmental Protection Fund monies is the Taconite Production Tax which is in lieu of local ad valorem property taxes on the taconite industry. As such, these monies must be spent in the same manner as property taxes are spent elsewhere in the state.

The establishment of guidelines (or grant criteria) are premised upon two fundamental considerations — a need for:

- Community related criteria: Determination of eligible communities, and
- Project related criteria: Determination of eligible projects.

II. COMMUNITY RELATED CRITERIA:

Communities eligible for Taconite Environmental Protection Fund (T.A.E.P.) grants will be established in accordance with Minnesota Statutes 273.134 which set forth definitions of taconite tax relief areas (Appendix A).

Within this "tax relief" area exists a "core" of communities (and organized townships) which are located in close relative proximity to taconite mining operations — including such activity as concentrating and primary power generation. These communities (Appendix B) have eligibility for IRRRB taconite funds with priority consideration.

Communities on the periphery of this core area in which a significant percentage of the total working population is directly employed in taconite mining operations shall also be considered for priority consideration.

Another "community related" criteria to be evaluated in the determination of IRRRB grants is a per capita computation based upon: (1) dollar amount of previous grants by this agency to a

community for projects, and (2) the population of the community. Every attempt will be made to establish "per capita equity" among all eligible communities. A higher relative per capita will be established for those communities identified for priority considerations.

IRRRB project grants under T.A.E.P. may be up to one hundred percent of total costs. However, eligible communities will be expected to participate in several grant categories. In determining required local (or other) match funds, consideration will be given to the applicant's ability to pay. Where a project need is acute and ability to pay is marginal — a hardship can be documented — the required local participation may be modified.

III. PROJECT RELATED CRITERIA:

A. In general, eligible project grants can be categorized as follows:

- Water and sewer related projects
- Local economic development projects
- Community development public works
- Park and recreation development

Communities will be required to prioritize all project grant requests. The highest priority project(s) from an eligible unit of government — and within the categories identified — will be afforded major consideration. It shall be the position of the Commissioner that the community is best able to determine its needs and that grant monies are in lieu of their property taxes.

B. In determining categorical priority by project type, it has been established that water/sewer systems and related projects are of highest relative priority. Because of the environmental significance of these projects, IRRRB grant recommendations can be 100 percent of total project costs.

Other Priority Projects are:

- Local economic development related projects
- Community park/recreation projects and similar regional developments
- Local community development public works projects
- Energy development systems including district heating or alternative, renewable resource programs.

In each of these project categories a grant of up to 90 percent of total costs may be provided and the applicant will be required to finance (or have other committed funding) for the remainder of the project development. The amount (and/or percentage) of IRRRB funding will be established on the basis of:

- Demonstrated community need and priority
- Other — federal, state or private — monies dedicated to the project; and/or
- A determination of the local units ability to pay relative to factors of:
 - high existing mill levies
 - high per capita bonded indebtedness
 - high utility rates (where applicable)
 - available capital reserves
 - low per capita assessed valuation

Secondary Priority Projects:

- All-purpose recreation facilities that include enclosed skating and/or tennis, etc. (arenas)
- Street, sidewalk projects, including construction, or improvements
- Public buildings such as city halls, garages, fire stations, and libraries
- Sanitary landfill projects
- Electrical utility service systems
- Community development (beautification) building demolition projects.

Projects of secondary priority will require local match funds.

C. Other Public Projects: Equipment and/or service not specifically identified herein may also be eligible for match funds.

D. All eligible projects are further expected to meet various criteria — general and specific — so that a thorough evaluation can be accomplished. While it is not expected that all criteria will be met, it is important that most are satisfied.

1. **General Criteria** — To be considered for funding, each project should:

- Be consistent with the goals of IRRRB
- Enhance local or regional economic development by attracting new jobs or opportunities for growth in the economic bases
- Demonstrate a critical need for IRRRB funding
- Show that other funding sources have been explored
- Detail sufficient public and private support

2. **Specific Criteria** — Specific criteria will be applied to each project in the public works area.

a) **Water/Sewer Projects:** Priority considerations given the most weight will include those projects that can:

- Demonstrate industrial growth by providing new facilities which will serve planned or existing industrial areas
- Stimulate local labor employment and improve local economic conditions
- Materially improve or eliminate health and safety hazards including pollution and contamination situations
- Implement existing research related to peat and biomass utilization in sewage treatment

b) **Local Economic Development Projects:** Such projects may include essential site preparation for industrial location and/or industrial park development. Basic water/sewer services and excavation are high priority. Some specific criteria:

- An industrial development project should not be highly speculative
- A demonstration of wide public and private sector support

- Supportive financial analysis and demographics data
- Consideration as to whether the project complements or competes with other similar projects in the taconite region
- Potential for contributing to the creation of new private sector jobs or expanding job opportunities in the taconite area
- Ability to provide for economic diversification

c) Community Development Public Works: Each project should:

- Be compatible with the intent to stimulate the economic base of the community or region served
- Meet identified community social needs and provide activities or services to a large number of people
- Directly affect on-going community development programs that have an important and long lasting impact on the lives of the people
- Have well planned implementation strategies and be able to sustain themselves

d) Park and Recreation Projects: To qualify for funding, a park and recreation project should:

- Demonstrate potential for community wide, or regional use
- Provide year-around utilization and include some structured activities
- Enhance the tourism potentials of the taconite area
- Be within the reach of a community's administrative capabilities to provide for all management and operational costs

APPLICATIONS AND PROJECT REPORTING

All applications for project funding must be submitted to IRRRB prior to June 1.

The Commissioner will prepare a "list of projects" to be funded from all eligible applications. This list will be submitted to the IRRR Board for review and recommendation in August. The Commissioner's list, with IRRR Board recommendation, will be provided to the Legislative Advisory Commission (L.A.C.) by September 1 and the L.A.C. recommendations to the Governor by November 1. The Governor's approval of the Commissioner's list of projects is required.

All applications to the IRRRB for T.A.E.P. project funding must include an appropriate resolution of endorsement from the local unit of government (or organization). This certification must be notarized.

IRRRB may require a current audit of any applicant, or may perform an audit of grantees, in order to maintain a careful accounting system on all grant funds.

A final accounting report must be filed with IRRRB upon completion of any IRRRB funded project. Such a report shall provide a detailed breakdown of all project costs — with particular focus on the administration of IRRRB monies involved.

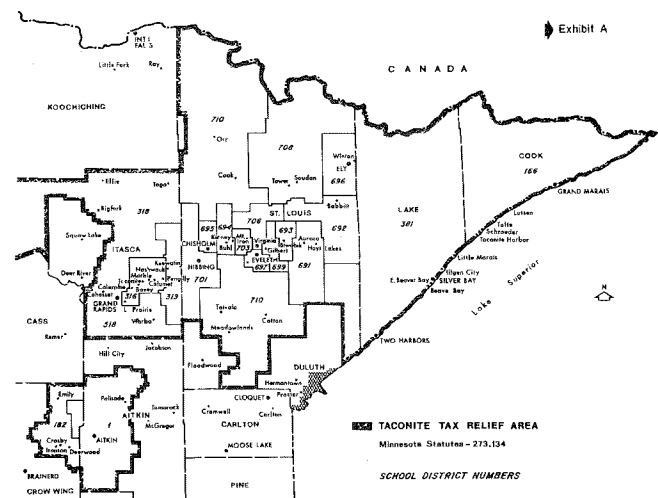
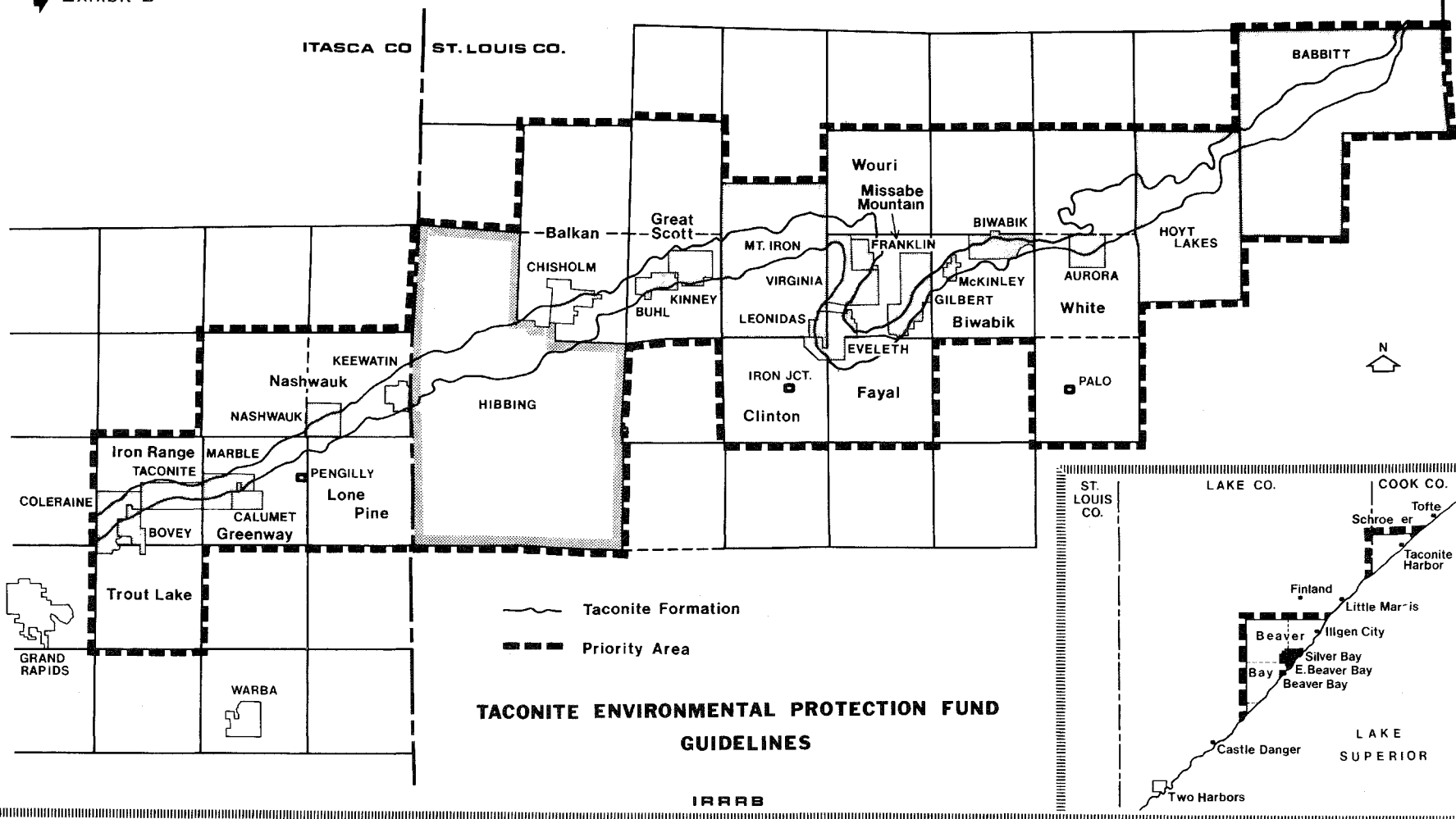


Exhibit B



ENVIRONMENTAL DEVELOPMENT FUND

The Iron Range Resources and Rehabilitation Board is responsible for the administration of monies for environmental development grants to Carlton and Koochiching Counties, as provided by Minnesota Statutes 298.17 (1980)

Of the monies apportioned to the general fund by this section there is annually appropriated and credited to the Iron Range Resources and Rehabilitation Board account in the special revenue fund an amount equal to that which would have been generated by a 1 cent tax imposed by section 298.24 on each taxable ton produced in the preceding calendar year. To be expended for the purposes of.....environmental development grants to local governments located within any county in region 3 as defined in governor's executive order number 68.

The monies available through this special revenue fund will be divided between Carlton and Koochiching Counties on a 50-50 basis.

I. ELIGIBLE UNITS OF LOCAL GOVERNMENT

Eligible units of local government are Carlton, Koochiching Counties and the municipalities and townships within the jurisdiction of each county.

II. ELIGIBLE PROJECTS

Eligible projects are those environmental development projects that are within the scope of these general categories:

- Water and sewer related systems
- Park/recreation development and lakeshore management
- Environmental beautification including building demolition
- Flood and/or erosion control
- Sanitary landfill development
- Air and water quality
- Economic — community development (including tourism)

A. General Project Funding Guidelines: Each eligible project should:

- Contribute to the environmental and/or economic development of the county
- Satisfy the defined criteria and be within an eligible grant category
- Find sufficient justification in terms of current and reliable feasibility analysis
- Be related to development or construction and not include request for hiring of personnel or other operational costs

B. Specific Project Funding Guidelines: Eligible project grants will:

- Be up to 100 percent of total project costs for water and sewer related items
- Require local participation in all other categories. The maximum IRRRB grant will not exceed 90 percent for projects other than those which are water/sewer related.
- Require less than 25 percent of the total dollar allocation for the county in each funding year.

[In each of the eligible project categories, a high priority will be given to projects that utilize Iron Range Resources and Rehabilitation Board monies as a local match for other sources of funding.]

C. Categorical Criteria for Projects:

1. Water and Sewer Related Systems Projects should:

- Significantly improve residential, commercial or recreational aspects of the community (or area) so as to make it more amenable to growth.
- Demonstrate that an existing or potential health/safety hazard will be ameliorated.

2. Park/Recreation Development Projects should:

- Demonstrate community wide, or regional use.

- Enhance the recreational and/or tourism potentials of the area.
 - Be innovative and complement existing facilities or provide for an activity not otherwise found in the area.
3. Environmental Beautification (including building demolition) Projects should:
- Restore or protect the natural environment from adverse effects of present or planned development.
 - Contribute to the balanced development of the community or region.
 - Provide for an improvement in the economic base of the area by providing for a more desired use of the site or area (building demolition).
4. Flood and/or Erosion Control Projects should:
- Provide significant land enhancement benefits such as soil or water conservation.
 - Be designed to prevent future encroachments and/or stabilize the area to be redeveloped.
5. Sanitary Landfill Development Projects should:
- Meet all requirements mandated by the State of Minnesota Pollution Control Agency and the Federal Government.
 - Have well defined operational/maintenance programs.

6. Air and Water Quality Projects should:
- Demonstrate an ability to prevent, reduce or eliminate an air or water pollution problem.
 - Be consistent with all existing Federal and State standards.
7. Economic – Community Development (including tourism) Projects should:
- Contribute to new private sector job opportunities.
 - Provide services and activities that benefit a large number of community or area residents.
 - Have well designed implementation strategies and be able to sustain themselves.

III. APPLICATION PROCEDURE

A copy of every grant or application form should be sent to the Commissioner of Iron Range Resources and Rehabilitation Board. Local projects shall be screened and if approved or disapproved by the County Board and then referred to the Commissioner and the Iron Range Resources and Rehabilitation Board, who shall take final action. Local units will have the power to appeal a negative reaction by the County Board directly to the Iron Range Resources and Rehabilitation Board.

A financial report describing the expenditure of all IRRRB funds must be filed with the IRRRB for each project within three months of completion of the work.

ENVIRONMENTAL DEVELOPMENT GRANTS

CARLTON COUNTY PROJECTS, 1978-1979

Carlton County	Sanitary landfill site preparation.	\$ 20,646.00
Carlton County	Bikeway for recreational use.	\$ 21,178.11
Thomson, City of	Waterline extension.	\$ 5,125.00
Cromwell, City of	Park improvements.	\$ 2,750.00
Kettle River, City of	Park improvements.	\$ 6,350.00
Wright, City of	Park improvements.	\$ 4,265.59
Moose Lake, City of	Waterline extension.	\$ 3,141.00
Moose Lake, City of	Recreational building.	\$ 10,661.65
Wrenshall, Town of	Erosion control.	\$ 1,000.00
Carlton, County of	Demolition of building.	\$ 1,000.00
Cloquet, City of	Park beautification.	\$ 10,000.00
Scanlon, City of	Storm sewer system.	\$ 15,000.00
Wrenshall, Town of	Erosion control.	\$ 2,000.00
Kettle River, City of	Park improvements.	\$ 4,668.00
Carlton, County of	Demolition of building.	\$ 8,000.00
Carlton, County of	Demolition of building.	\$ 275.00
Cloquet, City of	Veterans Memorial Park.	\$ 8,800.00
Cloquet, City of	Veterans Memorial Park.	\$ 8,000.00
Cloquet, City of	Park equipment.	\$ 2,400.00
Cloquet, City of	Park parking lot.	\$ 4,000.00

CARLTON COUNTY PROJECTS, 1979-1980

Barnum, City of	Sewer and water main extensions.	\$ 22,500.00
Blackhoof, Town of	Park and playground improvements.	\$ 4,000.00
Carlton, County of	Well construction Bear Lake Park.	\$ 1,200.00
Carlton, County of	Erosion control and safe bikeway.	\$ 25,000.00
Carlton, City of	Recreation playground facilities.	\$ 15,000.00
Cloquet, City of	Storm sewer extension.	\$ 8,000.00
Cloquet, City of	Waterline extension.	\$ 36,146.00
Cloquet, City of	Storm sewer extension.	\$ 18,000.00
Cloquet, City of	General park improvements.	\$ 10,000.00
Cloquet, City of	Water and sewer extensions.	\$ 3,650.00
Cloquet, City of	Sewer line extension.	\$ 880.00

Cloquet, City of	Fire hydrant installation.	\$ 1,500.00
Cloquet, City of	Construction facility for developmentally disabled.	\$ 7,997.00
Cromwell, City of	Water and sewer extensions and park improvements.	\$ 8,000.00
Holyoke, Town of	Septic system for fire hall.	\$ 312.00
Holyoke, Town of	Well and septic system for fire hall.	\$ 1,778.00
Kettle River, City of	Repair and replace hydrants and water lines.	\$ 1,500.00
Kettle River, City of	Rest stop pavilion.	\$ 5,500.00
Moose Lake, City of	Water line extension.	\$ 16,000.00
Moose Lake, City of	Construct theater building and band shell.	\$ 5,000.00
Moose Lake, City of	Multi-use softball field.	\$ 1,000.00
Perch Lake, Town of	Construct new sewage system.	\$ 750.00
Perch Lake, Town of	Construct water system.	\$ 1,100.00
Scanlon, City of	Storm system curb and gutter.	\$ 15,000.00
Thompson, City of	Water line extension.	\$ 22,200.00
Wrenshall, City of	Recreational facilities.	\$ 6,760.00
Wright, City of	Park improvements.	\$ 7,000.00
Carlton, County of	Erosion control.	\$ 2,500.00
Carlton, County of	Ground water survey.	\$ 4,650.00
Carlton, County of	Water and sewer project.	\$ 7,299.50
Holyoke, Town of	Fire hall water and sewer.	\$ 3,000.00

KOOCHICHING COUNTY PROJECTS, 1978-1979

Northome, City of	Sewer and water improvements.	\$ 20,000.00
South International Falls, City of	Water main improvement	\$ 60,000.00
Koochiching, County of	Maintenance sanitary landfill.	\$ 67,888.00
Littlefork, City of	Well and water main.	\$ 9,832.00
Koochiching, County of	Sewer study.	\$ 5,000.00

KOOCHICHING COUNTY PROJECTS, 1979-1980

South International Falls, City of	Waste water treatment facility.	\$ 66,256.00
Northome, City of	Water and sewer improvements.	\$ 20,000.00
Littlefork, City of	Water line and storage tank.	\$ 32,475.00
Koochiching, County of	Parks and water accesses and maintenance snowmobile trail.	\$ 12,744.00
Big Falls, City of	Upgrading ball park.	\$ 20,000.00
International Falls, City of	Sewage treatment facility.	\$100,000.00

IRRRB

FINANCIAL REPORT

IRRRB FINANCIAL REPORT AS OF CLOSING 9/6/80

<u>Receipts, Transfers and Expenditures</u>	<u>1978-1979</u>	<u>1979-1980</u>
BALANCE FORWARD AND ACCOUNT RECEIPTS		
Balance Forward July 1 (Footnote 1)	\$2,520,405.32	\$2,244,799.00
Prior Year funds forward	81,564.44	462,417.71
Miscellaneous receipts		22.29
Receipts from rentals of state-owned property	84,214.11	145,747.57
Receipts from sale of Surplus property	40,500.00	11,259.72
Receipts from sales of Iron Range Country book		2,730.00
APPROPRIATION:		
Taconite Production Tax Receipts — reserved for funding projects and operational costs in year following tax receipts	2,244,799.00	2,359,985.00
TRANSFERS:		
Transfer to Department of Administration for indirect costs (Services of other State Departments)	(13,021.14)	(9,142.00)
Transfer to Department of Natural Resources for Heavy Metals Release Study		(13,433.00)
Transfer to Department of Natural Resources for Iron Range Information Study		(11,600.00)
Total Balance Forward, Receipts, Appropriations and Transfers	<u>\$4,958,461.73</u>	<u>\$5,192,786.29</u>
NET EXPENDITURES BY ACTIVITY		
General Support Activity:		
Transfer to Department of Administration for construction of Pole Storage building at IRRRB Eveleth Office	\$ 25,652.00	
Salaries, supplies and expenses for administrative staff and maintenance of office building at Eveleth	124,392.54	\$ 174,957.20
Public Information and Public Relations expenses	2,000.00	2,553.00
Salary, Supplies and Expenses of vehicle maintenance shop	41,274.40	35,323.04
Salaries and expenses for summer youth laborers	89,844.07	46,325.81
Summer Work Program Grants to Cities and Townships:		
Aurora		3,500.00
Babbitt	2,000.00	3,500.00
Biwabik	1,932.00	3,500.00
Bovey		3,500.00

Buhl	3,000.00	3,500.00
Calumet		2,000.00
Chisholm	2,000.00	4,000.00
Ely	2,235.45	4,000.00
Eveleth	4,000.00	4,000.00
Fayal Township		2,000.00
Gilbert	3,750.00	3,500.00
Grand Marais		2,000.00
Hibbing	3,350.81	4,500.00
Hoyt Lakes	2,950.95	3,500.00
Keewatin		2,000.00
Keewatin		3,000.00
Kinney	4,500.00	1,500.00
Mountain Iron	3,750.00	3,500.00
Nashwauk		3,000.00
Orr		1,500.00
Silver Bay		3,500.00
Tower	2,999.50	2,000.00
Two Harbors		4,000.00
Virginia	4,467.00	4,500.00
Stuntz Township Housing and Redevelopment Authority	3,000.00	
Subtotal – Summer Work Grants	\$ 43,935.71	\$ 75,500.00
Economic Improvement and Development:		
Eveleth – Virginia Airport	100,000.00	
Eveleth Development Corporation (Good Sports Ind.)		70,000.00
Total General Support Activity	\$ 427,098.72	\$ 404,659.05
Forestry Resources Development and Improvement:		
Transfer to DNR for salaries, supplies and expenses of Natural Resources Specialists transferred from IRRRB in 1978	\$ 215,000.00	\$ 229,600.00
Return of funds previously transferred to DNR for Natural Resources Specialists salary, supplies, and expenses:		
F.Y. 1978 funds not required	(4,430.27)	
F.Y. 1979 funds not required	(20,779.17)	
Reimbursements from eight counties for services of Natural Resources Specialists	(80,077.47)	(45,872.58)
Salary and Expense of one Natural Resources Specialist working on St. Louis County inventory	11,578.32	8,924.08
Prior year salary adjustment for one Natural Resources Specialist – St. Louis County inventory work	8,859.28	
Reimbursement from St. Louis County for services of Natural Resources Specialist		(4,462.04)
Total Forestry Resources Development and Improvement (see also Accounts Receivable)	\$ 130,150.69	\$ 188,189.46
Resource Rehabilitation Grants:		
ALANO	\$ 20,000.00	
Arrowhead Economic Opportunity Agency		\$ 99,800.00
Boise Forte Reservation Business Committee	29,915.16	
Central Mesabi Medical Center	38,973.00	
CWDC Industries, Inc.	50,000.00	
CWDC Industries, Inc.	50,000.00	10,980.00
Greenwood Town Board		7,500.00
Hoyt Lakes		2,967.00
Iron Range Rehabilitation Center Inc.		2,725.00

Itasca Day Activity Center	75,000.00	
Keewatin	7,577.04	
Quad City Drug Commission		25,000.00
Range Center Inc., Chisholm	45,000.00	26,450.00
Twelfth Step House, Inc.		50,000.00
Weefolks Garden Child Development Day Care Center, Inc., Grand Rapids		5,861.00
Total Resource Rehabilitation Grants	\$ 316,465.20	\$ 231,283.00

Research and Beautification:

Salaries, supplies and expenses for administration of peat programs, land ownership map preparation, building demolition and trails	\$ 123,883.02	\$ 146,721.04
Salaries, supplies and expenses of building demolition crew	76,032.18	81,799.03
Building Demolition Grants:		
Aitkin County	16,825.00	
Coleraine	6,388.00	
Ironton	1,152.00	
Leonidas	19,900.00	
Wilderness Valley Farm — salaries of temporary employees and other expenses	67,163.88	31,808.48
Purchase of low BTU gasification unit (Biomass Corp.)		67,820.00
Refund from DNR for research at W.V. Farm	(55,374.89)	(55,260.05)
Preparation for seeking research funding (Thomas Stern)		960.00
Capitol credits from North Electric Coop		(39.87)
Grant from University of Minnesota to assist in purchase of Low BTU Gasification unit		(10,000.00)
Transfer to Department of Administration for construction of metal office building	28,500.00	
Total Research and Beautification	\$ 284,469.19	\$ 263,808.63

Tourism Activity:

Salaries, supplies and expenses for operation of Anchor Lake Tourist Information Center		\$ 19,110.28
Receipts from Admission fees, craft sales and sales tax, Hill Annex Mine		(1,491.10)
Salaries, supplies and expenses for operation of Hill Annex Tours		5,245.64
Transfer to Dept. of Administration for construction of:		
Vermillion Cultural Center	346,747.89	3,204.38
Hibbing Community College Planetarium	180,350.40	37,891.00
Balance due on construction contract	31,758.00	
Iron Range Interpretative Center Exhibits	9,723.00	
Transfer from Dept. of Administration (return of exhibit funds from prior year's construction account)	(41,085.47)	
Payment to Ray Reisberg, contractor, for Ethnic Pods, pending receipt of federal funds		40,000.00
Iron Range Interpretative Center:		
Salaries, supplies and expenses for staff	360,436.83	341,567.65
Receipts from sales of craft items	(14,218.17)	(19,312.01)
Receipts from entrance fee	(51,972.46)	(60,041.20)
Receipts from sales tax collected	(2,651.44)	(3,244.65)
Remittance of sales tax — Dept. of Revenue	2,651.44	3,244.65
Public Information — Promotion of Center and related tourism attractions:		
J.F.P. Associates	78,800.23	109,500.00
WCCO radio	7,308.00	

Miscellaneous advertising	973.77	
Evaluation of Volunteer Program (Karla McGray)		1,600.00
Exhibit items for Geology Hall (Joseph A. Wetzel, Associates)	5,864.12	
Grants for Center expenses during Minnesota Ethnic Days: Mn. Ethnic Days Committee		15,000.00
Mn. Bicentennial Days Committee	5,786.82	
Grant received from Mn. Economic Development Association as estimated 50% of Mn. Ethnic Days expenses	(2,500.00)	
Grants for tourism related development:		
Aurora	3,094.84	
Breitung Township	20,000.00	
Chatfield	1,600.00	
Cook		5,000.00
Ely		9,800.00
Ely	49,840.00	30,160.00
Giants Ridge	10,900.00	35,000.00
Kaleva Hall Building Corp.		3,800.00
Lake Superior Museum of Transportation	15,000.00	
Minnesota Historical Society (Forest History Center)	19,855.36	
Minnesota Historical Society (Folklife Center)	3,500.00	
Northeast Minnesota Tourist Information Center	2,398.06	
Stuntz Housing and Redevelopment — Carey Lake	48,900.00	13,000.00
St. Louis County Promotional Bureau		45,000.00
U.S. Hockey Hall of Fame (2 grants)		45,000.00
Tourism Grant Totals	\$ 175,088.26	\$ 186,760.00
Total Tourism Activity	\$1,093,061.22	\$ 679,034.64
Total Expenditures by Activity	\$2,251,245.02	\$1,766,974.78

Fund Balance:

Taconite Production Tax Receipts — reserved for funding projects and operational costs in the year following tax receipts	\$2,244,799.00	\$2,359,985.00
Funds reserved for replacement of heavy equipment		100,000.00
Liabilities incurred in 1978-80 and prior year, carried forward to 1980-81 (see statement of Liabilities and Accounts Receivable)		349,712.77
Fund balance not awarded or expended during fiscal year and carried forward (Refer to supplemental information regarding fund balance forward, which follows this financial statement)	462,417.71	616,113.74
Grand Total: Expenditures and Fund Balance	\$4,958,461.73	\$5,192,786.29

IRRRB LIABILITIES AND ACCOUNTS RECEIVABLE AS OF CLOSING 9/6/80

Accounts Receivable (1979-80):

Refund due from Department of Administration on federal grant final 10% of Ethnic Pods, advanced by IRRRB to contractor	\$ 40,000.00
Refund due from Department of Administration on federal grant #06-11-01159 for the Iron Range Interpretative Center	79,066.00
Reimbursement from eight counties for services of Natural Resources Specialists – due from Department of Natural Resources for the last 6 months of 1979-80	37,645.00
6 Year Omitted Property Tax*	<u>105,035.75</u>
Total Accounts Receivable (1979-80)	\$261,746.75

Liabilities (1980-81):

Balance due Department of Natural Resources for studies funded by IRRRB:	
Heavy Metals Release Study	\$ 49,067.00
Iron Range Information Study	25,900.00
6 Year Omitted Property Tax received in 1977-78*	252,195.75
Projects approved by IRRRB Board 6/23/80, to be funded in 1980-81 from 1979-80 funds carried forward:	
Gratten Township – well	2,550.00
Cook County – Senior Citizens Workshop	<u>20,000.00</u>
Total Liabilities (1980-81)	\$349,712.75

*Contingency accounts – dependent upon outcome of a legal suit regarding constitutionality of tax receipt distribution.

SUPPLEMENTAL INFORMATION REGARDING FUND BALANCE FORWARD

The fund balance not awarded or expended during fiscal year 1979-80 includes receipts credited and indirect cost reallocations debited during the period between fiscal year ending 6/30/80 and fiscal year closing 9/6/80 in the total amount of \$176,932.64. While it is possible to obligate anticipated receipts during the fiscal year, this agency follows the conservative practice of deferring obligations until funds are received.

On 6/23/80, the Board deferred further grants from this fund pending a review and consideration of IRRRB's role in relieving distress and unemployment which may exist due to a decline in mining activities. The 1979-80 funds carried forward have been designated in 1980-81 for an IRRRB funded emergency work program, the allocated funding for which is \$350,000 to \$750,000.

TACONITE AREA ENVIRONMENTAL PROTECTION FUND

<u>RECEIPTS</u>	<u>1977-78</u>	<u>1978-79</u>	<u>1979-80</u>	<u>Detail Schedule Number</u>
Fund Balance: Reserved for				
administrative costs		\$ 275,867.76	\$ 383,075.19	
Open Encumbrances — project				
obligated funds		951,762.44	3,057,087.27	
Loan from Dept. of Administration ..	\$1,500,000.00			
Taconite Production Tax	6,044,915.00	11,385,218.00	17,928,979.00	
Interest on investment of receipts	81,277.81	297,297.00	1,016,004.30	
Grant from Minnesota				
Historical Society		10,000.00	10,000.00	
Total Receipts	\$7,626,192.81	\$12,920,145.20	\$22,395,145.76	
<u>TRANSFERS, GRANTS AND EXPENDITURES</u>				
Transfer to Dept. of Administration				
for repayment of loan with				
5% interest	\$1,575,000.00			
Transfer to Dept. of Administration				
for indirect costs (services of other				
State Departments)	—0—	\$ 1,822.86	\$ 8,669.00	
Salaries, supplies and expenses for				
administrative staff	See footnote 1	275,867.76	383,075.19	
Administrative engineering services:				
Public works project review				
(Kirkham Michael & Assoc.)		6,000.00		
Mineland Reclamation feasibility				
(Barr Engineering)			* 10,000.00	
Recreational Grants	809,213.04	766,618.00	709,520.00	A
Sewer and Water Grants	3,168,694.16	6,360,014.46	13,877,862.99	B
Public Works Grants	285,749.56	324,001.68	417,890.00	C
Mineland Reclamation Activities:				
Salaries of temporary employees,				
supplies, expenses and purchase				
services for reclamation projects	153,162.35	216,001.64	459,584.25	D
Transfers to Dept. of Administration				
for construction of reclamation				
facilities	406,743.50	1,529,656.34	195,431.33	D,E
Environmental Studies			163,900.00	D
Total Mineland Reclamation				
Activities	\$ 559,905.85	\$ 1,745,657.98	\$ 818,915.58	
Total Transfers, Grants and				
Expenditures	\$6,398,562.61	\$ 9,479,982.74	\$16,225,932.76	
Fund Balance: (See footnote 2)				
Reserved for following year				
administrative costs	\$ 275,867.76	\$ 383,075.19	\$ 591,553.13	
Open Encumbrances — project				
obligated funds	951,762.44	3,057,087.27	5,577,659.87	F
Grant Total Transfers, Grants				
and Expenditures	\$7,626,192.81	\$12,920,145.20	\$22,395,145.76	

Footnote 1: 1977-78 data displayed herein for continuity, refer to 1976-78 Biennial Report for details.
 Footnote 2: Taconite Tax receipts are received in February and May of operating year. Prior year funds must be reserved (carried forward) to provide operational funds for administrative costs incurred prior to receipt of tax monies.

DETAIL SCHEDULE A: RECREATIONAL GRANTS

<u>Municipality</u>	<u>1978-1979</u>	<u>1979-1980</u>
Bass Brook, Town of	\$ 31,000.00	
Biwabik	60,000.00	
Biwabik	21,510.00	
Blackberry Township	8,445.00	
Buhl		\$ 60,000.00
Chisholm		168,750.00
Coleraine		32,500.00
Embarrass Township	10,000.00	
Eveleth	49,000.00	
Fayal Township	105,000.00	
Giants Ridge	27,100.00	120,000.00
Grand Marais	7,500.00	
Grand Portage Dev. Corp.	40,000.00	
Grand Rapids	70,000.00	
Grand Rapids	100,000.00	
Grand Rapids	7,500.00	
Grand Rapids		37,500.00
Harris Township	29,000.00	
Hibbing		155,250.00
Hoyt Lakes	41,500.00	
Itasca Co. Ag. Society	20,000.00	
Keewatin		65,000.00
Kinney		66,000.00
LaPrairie		4,520.00
Marcell	63,500.00	
Mesabi Elm	6,600.00	
Stuntz	36,963.00	
Tower	20,000.00	
Waasa	12,000.00	
TOTAL RECREATIONAL GRANTS	<u>\$766,618.00</u>	<u>\$709,520.00</u>

DETAIL SCHEDULE B: SEWER AND WATER PROJECTS GRANTS

<u>Municipality</u>	<u>1978-1979</u>	<u>1979-1980</u>	<u>1980-1981</u>	<u>1981-1982</u>
Aurora	\$ 118,970	\$ 77,940		
Aurora	24,700			
Aurora		218,000		
Aurora		448,000		
Aurora		346,000		
Aurora		31,000		
Aurora		37,961		
Babbitt		130,000		
Babbitt		36,000		
Balkan Township	7,000			
Beaver Bay	92,000	92,000	\$ 92,000	
Bigfork	177,918	177,918	177,918	\$ 177,918
Biwabik	281,125	281,125	281,125	281,125
Biwabik		54,000		
Biwabik		98,000		
Bovey	82,500	82,500	82,500	
Breitung Township	32,697			
Breitung Township		186,000		
Buhl		201,212		
Buhl		66,000		
Buhl		277,000		
Buhl		126,000		
Calumet		252,590		
Chisholm	225,000	225,000	225,000	225,000
Chisholm	39,100			
Chisholm		28,238		
Coleraine	119,399	119,399	119,399	
Coleraine		234,700		
Colvin Township	8,200			
Cook	113,400			
Cook		125,000		
Cook		35,000		
Crosby	156,750	156,750	156,750	156,750
Deer River	57,500			
Deer River		37,400		
Deerwood	91,127	91,127	91,127	
Ely	110,000	110,000		
Ely	130,472	130,472	130,472	130,472
Ely		306,822		
Ely		308,600		
Eveleth	475,000	475,000	475,000	475,000
Eveleth	140,000			
Eveleth	66,492			
Eveleth		320,000		
Eveleth		417,000		
Eveleth		108,000		
Fall Lake	3,000			
Fayal, Town of	50,000			
Fayal, Town of		31,844		
Floodwood		20,000		
Gilbert	202,912	202,912	202,912	202,912
Gilbert	109,000	109,000	109,000	109,000
Gilbert	70,600	25,749		

Gilbert		411,000		
Gilbert		136,000		
Grand Marais	100,000	100,000		
Grand Rapids	159,500			
Grand Rapids	124,138			
Grand Rapids		100,000		
Grand Rapids		88,000		
Hibbing Public Utilities Commission	391,000	391,000	391,000	391,000
Hibbing and Stuntz Township	353,250	353,250		
Hibbing and Stuntz Township	246,719	246,719		
Hibbing and Stuntz Township	259,000	259,000	259,000	140,000
Hibbing and Stuntz Township	49,400			
Hibbing and Stuntz Township		29,000		
Hibbing and Stuntz Township		129,000		
Hibbing and Stuntz Township		450,000		
Hibbing and Stuntz Township		200,000		
Hibbing and Stuntz Township		250,000	250,000	
Hibbing and Stuntz Township		289,000		
Hibbing and Stuntz Township		52,000		
Hibbing and Stuntz Township		73,000		
Hoyt Lakes	20,500			
Hoyt Lakes	76,000	5,632		
Iron Junction	9,086			
Keewatin	90,500	90,500		
Keewatin		58,089		
Keewatin		133,853		
Keewatin		159,058		
Kinney	66,000	66,000	66,000	
LaPrairie	108,000			
Long Lake Cons.	30,000			
Marble	102,000			
Marble		102,000		
Marble		95,560		
Marble		42,408		
Marble		34,500		
McKinley		15,300		
McKinley		8,000		
McKinley		89,000		
Meadowlands	7,000	6,000		
Meadowlands		66,740		
Mt. Iron	50,000	482,500	482,500	482,500
Mt. Iron	482,500	55,550		
Mt. Iron	31,700			
Nashwauk	68,420	68,420		
Nashwauk	80,500	89,909		
Nashwauk		80,500		
Orr		107,000		
Orr		41,000		
Owens Township	40,500			
Silver Bay		200,000		
Silver Creek	3,000			
Squaw Lake	12,500			
Tower	116,000	15,000		
Tower		151,100		
Two Harbors	375,000	375,000	375,000	375,000
Two Harbors		192,500	192,500	
Virginia	210,000		260,000	260,000

Virginia		600,000		
Virginia		438,666	438,666	438,666
Warba	104,500	104,500		
Warba		140,550		
Wassa Township				
Winton		9,800		
TOTAL GRANTED	\$6,751,575	\$14,518,863	\$4,857,869	\$3,845,343
Cancellation:				
Balkan Township	(560.54)			
reallocation (to FY 1981)				
Hibbing Public Utilities	(391,000)	(641,000.01)		
Total Liquidated or Obligated	\$6,360,014.46	\$13,877,862.99		

DETAIL SCHEDULE C: PUBLIC WORKS GRANTS

	<u>1978-1979</u>	<u>1979-1980</u>
Arrowhead Economic Opportunity Agency	\$ 44,660.00	
Beltrami County D.A.C.	35,000.00	
Central Mesabi Medical Center, Inc.		\$ 87,690.00
Chisholm-Hibbing Joint Airport Commission	25,000.00	
Cook County		33,000.00
Colvin Town Hall		34,215.00
C.W.D.C. Industries	62,956.68	
Duluth Sheltered Workshop (GIVE)	30,000.00	
East Range Day Activity	19,885.00	19,885.00
East Range Day Activity	2,500.00	2,500.00
Eveleth-Virginia Airport Commission		68,450.00
Iron Junction		5,525.00
Kebetogama Senior Citizens Club	7,500.00	
Maple Hill Community Club		4,000.00
Mesabi Elm Utilization Authority		5,750.00
Minnesota Museum of Mining		10,875.00
N.E. Adult Day Care Center	20,000.00	
Palo Markham School Group		10,500.00
Range Center	35,000.00	
Silver Bay		45,900.00
Toivola, Town of		10,600.00
Tower	41,500.00	41,500.00
Vermilion Lake		22,500.00
Zemple		15,000.00
TOTAL PUBLIC WORKS GRANTS	\$324,001.68	\$417,890.00

SCHEDULE D: MINELAND RECLAMATION

<u>Transfers, Grants and Expenditures</u>	<u>1977-1978</u>	<u>1978-1979</u>	<u>1979-1980</u>	<u>Obligation 1980-1981</u>
Initial planning and program development				
Supplies and expenses for staff and programs	\$153,162.35	\$ 36,391.65		
Major expenditures and purchased services:				
Historical/cultural survey of the Iron Range (Joseph Stipanovich)		25,490.00		
Historical/cultural survey of the Iron Range (Katherine Rukavina)		14,500.00		
Geology Wing exhibit items (Joseph A. Wetzel, Assoc.)		38,074.59		
Hibbing Community College, geologist services for Geology Wing		6,500.00		
Minnesota Historical Society, grant to fund survey and presentation of historical data		3,111.24		
City of Ely, grant for additional work at the Pioneer Mine		1,565.14		
Architectural services for Pioneer Mine (Miller-Dunwidde)		3,000.00		
Librarian/archivist services (Iron Range Historical Society, Gilbert)		5,000.00		
Purchase of Croft Mine, Crosby, MN (Dr. Allen Anderson, etal.)		23,400.00		
Fencing for Croft Mine Park (Oberg Fence)		11,970.00		
Tour guide logo development (JFP Assoc.)		9,642.62		
Tour guide production (Midwest Visuals)		8,750.00		
Croft Mine — salaries, supplies and expenses		11,358.04	\$ 32,059.19	
Transferred to Department of Administration for construction of park	39,531.00	104,558.44	2,550.00	
Balance due on construction		2,203.66		
Reserved for land purchase				\$ 30,000.00
Glen Complex — Transfers to Dept. of Administration:				
For Audit required by Federal E.D.A. ..			1,300.00	
For construction of buildings	367,212.50	1,355,594.23	6,599.33	
Balance due on construction	<u>-0-</u>	51,769.01	2,413.00	105,064.52
Total Transfers, Grants, Expenditures — F.Y. 1978	<u>\$559,905.85</u>			
Glen Complex — Ethnic Interior:				
Planning — Architectural Resources			8,500.00	
Interior Design — Joseph Wetzel Assoc. .			47,251.40	
Glen Complex, Iron Range Research Center — Library:				
Library furnishings			92,974.22	7,025.78
Glen Complex — Reserved for further development:				
Ethnic Interior				126,000.00
Trails, Ethnic Center and Research Center				191,500.00

Observation Stands:

Hull Rust site — summer work, brochure	111.72	2,683.00	
Rocheleau site — summer work, brochure	446.93	2,952.10	
Transferred to Dept. of Administration for construction of observation stands	15,531.00	128,773.34	
Balance due on construction contracts ..		53,795.66	15,706.25
Pioneer Mine — brochure		2,683.00	
Reserved for future development			193,317.00
Bruce Mine — brochure		2,683.00	
Reserved for future development			157,317.00
Tioga Mine — reserved for future development			90,000.00
West Entrance to Mesaba (reallocated in F.Y. 1980 — 20,000.00)			—0—
Leonidas Mine (reallocated in F.Y. 1980 — 74,000.00)		8,616.00	17,384.00
Grant Mine (reallocated in F.Y. 1980 — 80,000.00)			
Mineland Recreation Areas (reallocated in F.Y. 1980 — 82,500.00)		72,042.00	5,458.00
Hill Annex Mine — supplies and expenses ..	736.43	29,435.30	69,828.27
Purchase of tour van		8,400.00	—0—
Landscaping-Vegetating:			
Salaries of temporary employees, supplies and expenses	15,953.28	59,309.54	40,737.18
Reserved for maintenance of fire breaks and erosion control			3,000.00
Purchase of fire plow		3,000.00	
Iron Range Trail — reserved for future development			34,500.00
Physical Reclamation Projects (Contractor to date):			
St. James Mine (Barr Engineering)		10,000.00	320,209.00
Yawkey Open Pit			50,000.00
Town of White Stripping Dump			10,000.00
Hill Annex Demonstration Area			50,000.00
Judson (Moore) Demonstration Area (Ideal Enterprises)		19,390.00	7,610.00
Judson Stripping Stockpile			2,400.00
Wacoota (Hanna) Stripping Stockpile ...			100,000.00
Philbin Lean Ore Stockpile (Midwest Cedar)		8,825.00	—0—
		footnote 1	
Pierce Taconite Stockpile #3		9,896.00	—0—
		footnote 1	
St. James Stockpile			36,879.00
			footnote 1
Gilbert Stripping Dump			60,000.00
Judson Mine, Phase II (Mesabi Bituminous)			20,000.00
Judson Mine, Phase I		34,984.50	31,910.50
Physical Reclamation Projects:			
Niagara Stripping Dump (Midwest Cedar)		2,000.00	—0—

Margaret Lean Ore Stockpile (Midwest Cedar)	1,900.00	100.00
Carlz Rejects Stockpile		40,000.00
Environmental Studies:		
Lone Pine Township sewer and water feasibility study	40,000.00	-0-
Tofte-Shroeder sewer and water feasibility study	45,000.00	-0-
Iron Range Interpretative Program feasibility study (Midwest Research Institute)	40,000.00	-0-
Iron Range Resources and Rehabilitation Board administrative study of area needs (Kirkham Michael & Associates)	38,900.00	1,100.00
Total Mineland Reclamation Activities ..	<u>\$1,745,657.98</u>	<u>\$818,915.58</u>
		<u>\$1,817,046.50</u>

Footnote 1: Funding for project cost overrun on physical reclamation projects is provided by monies designated for the St. James Stockpile, a project which may not be developed due to a change in land ownership.

<u>Project</u>	<u>Estimated Cost</u>	<u>Actual Cost</u>	<u>Cost Overrun</u>
Philbin Lean Ore Stockpile	\$ 6,000.00	\$8,825.00	\$ 2,825.00
Pierce Taconite Stockpile #3	9,600.00	9,896.00	296.00
Total Cost overrun			\$ 3,121.00
<u>Project</u>	<u>Estimated Cost</u>	<u>Less Cost Overruns</u>	<u>Project Balance</u>
St. James Stockpile	\$40,000.00	\$3,121.00	\$36,879.00

SCHEDULE E: TRANSFERS TO THE DEPARTMENT OF ADMINISTRATION

	<u>1977-78</u> <u>(F.Y. 1978)</u>	<u>1978-79</u> <u>(F.Y. 1979)</u>	<u>1979-80</u> <u>(F.Y. 1980)</u>	<u>1980-81</u> <u>(F.Y. 1981)</u>	<u>Project</u> <u>Totals</u>
<u>Actual Transfers Out</u>					
Construction of Glen Complex:					
Geology wing (and exhibits)	\$ 85,484.50	\$ 149,275.09	\$ 4,488.24		\$ 239,247.83
Performance Meeting Center	84,431.68	5,000.00			89,431.68
Research Center — Library	55,028.00	971,325.29			1,026,353.29
Ethnic Pods	72,268.32	229,993.85	3,411.09		305,673.26
Tramways	70,000.00				70,000.00
Total Glen Complex —					
Actual	\$367,212.50	\$1,355,594.23	\$ 7,899.33		\$1,730,706.06
Kinney Croft Mine	39,531.00	104,558.44	2,550.00		146,639.44
Mine Observation Stands ...		15,531.00	128,773.34		144,304.34
State Indirect Costs		1,822.86	8,669.00		10,491.86
Total Transfers Out —					
Actual	\$406,743.50	\$1,477,506.53	\$147,891.67		\$2,032,141.70

Anticipated Transfers Out

Construction of Glen Complex:

Geology wing (and exhibits)			\$ 19,319.16	\$ 19,319.16
Performance Meeting Center			29,419.00	29,419.00
Research Center — Library	\$ 50,140.01		10,068.30	60,208.31
Ethnic Pods	1,629.00	\$ 2,413.00	46,258.26	
Tramways				50,300.26
Total Glen Complex	\$ 51,769.01	\$ 2,413.00	\$105,064.72	\$ 159,246.73
Kinney Croft Mine	2,203.66		6,944.05	9,147.71
Mine Observation Stands ...	—	53,795.66	15,706.25	69,501.91
Total Transfers Out — Anticipated	\$ 53,972.67	\$ 56,208.66	\$127,715.02	\$ 237,896.35
Trand Total Actual and Anticipated Transfers	\$406,743.50	\$1,531,479.20	\$204,100.33	\$127,715.02
				\$2,270,038.05

DETAIL SCHEDULE F: FUND BALANCE FORWARD

A. Liabilities against current receipts:

1979-80 Fund Balance Forward	\$6,169,213.00
1980-81 Liabilities brought forward from 1979-80:	
Funds designated for Mineland Reclamation projects (Schedule D)	(1,817,046.50)
Funding from prior year sewer and water contracts for Hibbing Public Utilities	
Commission reallocated to 1980-81 at the request of the Commission	
F.Y. 1978 contract 28,613.37	
F.Y. 1979 contract 391,000.00	
F.Y. 1980 contracts 641,000.00	(1,060,613.37)
Fund balance reallocated to F.Y. 1981 projects (1980-81)	(2,700,000.00)
Total liabilities against current receipts	(5,577,659.87)
Funds reserved for 1980-81 administrative costs	(591,553.13)
Fund Balance Forward less Liabilities against current receipts	—0—

B. Liabilities against future receipts:

Phased sewer and water contracts for 1980-81 (Schedule B)	(4,857,869.00)
Phased sewer and water contracts for 1981-82 funding (Schedule B)	(3,845,343.00)
Total liabilities against future receipts	(8,703,212.00)

ENVIRONMENTAL DEVELOPMENT GRANTS

SUPPLEMENTAL TAX ADMINISTERED FOR CARLTON AND KOOCHICHING COUNTIES

	<u>1978-1979</u>	<u>1979-1980</u>
RECEIPTS		
Balance forward July 1 (Footnote 1)	\$377,165.08	\$ 565,637.91
Prior year funds carried forward:		
Carlton County F.Y. 1977 Project funds not required	839.00	
Carlton County F.Y. 1978 Project funds not required	532.26	
Koochiching County F.Y. 1977 Project funds not required	240.86	
Koochiching County F.Y. 1978 Project funds not required	4,701.06	

Taconite Production Tax Receipts — reserved for funding projects in year following tax receipts	496,140.00	553,733.00
Total Receipts	<u>\$879,618.26</u>	<u>\$1,119,370.91</u>

LIQUIDATIONS

Carlton County grants	\$139,260.35	\$ 263,222.50
Indirect administrative costs incurred by staff under IRRRB and TAEP Accounts (related to Carlton County grants)	6,000.00	7,337.00
Koochiching County grants	162,720.00	251,475.00
Indirect administrative costs incurred by staff under IRRRB and TAEP Accounts (related to Koochiching County grants)	6,000.00	7,337.00
Total Liquidations	<u>\$313,980.35</u>	<u>\$ 529,371.50</u>
Balance forward as of year end closing 9/6/80:		
Reserved for Carlton County	\$ 51,494.45	\$ 29,004.95
Reserved for Koochiching County	18,003.46	7,261.46
Taconite Production tax receipts	496,140.00	553,733.00
Total Balance forward (Footnote 1)	<u>\$565,637.91</u>	<u>\$ 589,999.41</u>
Total Liquidations and Balance forward	<u>\$879,618.26</u>	<u>\$1,119,370.91</u>

Footnote 1: Taconite Production Tax Receipts are received 90 percent in February and 10 percent in May of each fiscal year. Therefore, these receipts are reserved to provide operational funds for the following fiscal year, and are not regarded as operational funds for the fiscal year during which the tax receipts are credited to this appropriation account.

SEMINAR AND WORKSHOP FEES.

1979-1980

RECEIPTS

Registration fees	\$1,113.50
Total Receipts	<u>\$1,113.50</u>

LIQUIDATIONS

Printing brochure	\$ 417.50
Meals (Holiday Inn — Eveleth)	696.00
Total Liquidations	<u>\$1,113.50</u>
Balance forward July 1	-0-
Grand Total Liquidations and Balance Forward	<u>\$1,113.50</u>