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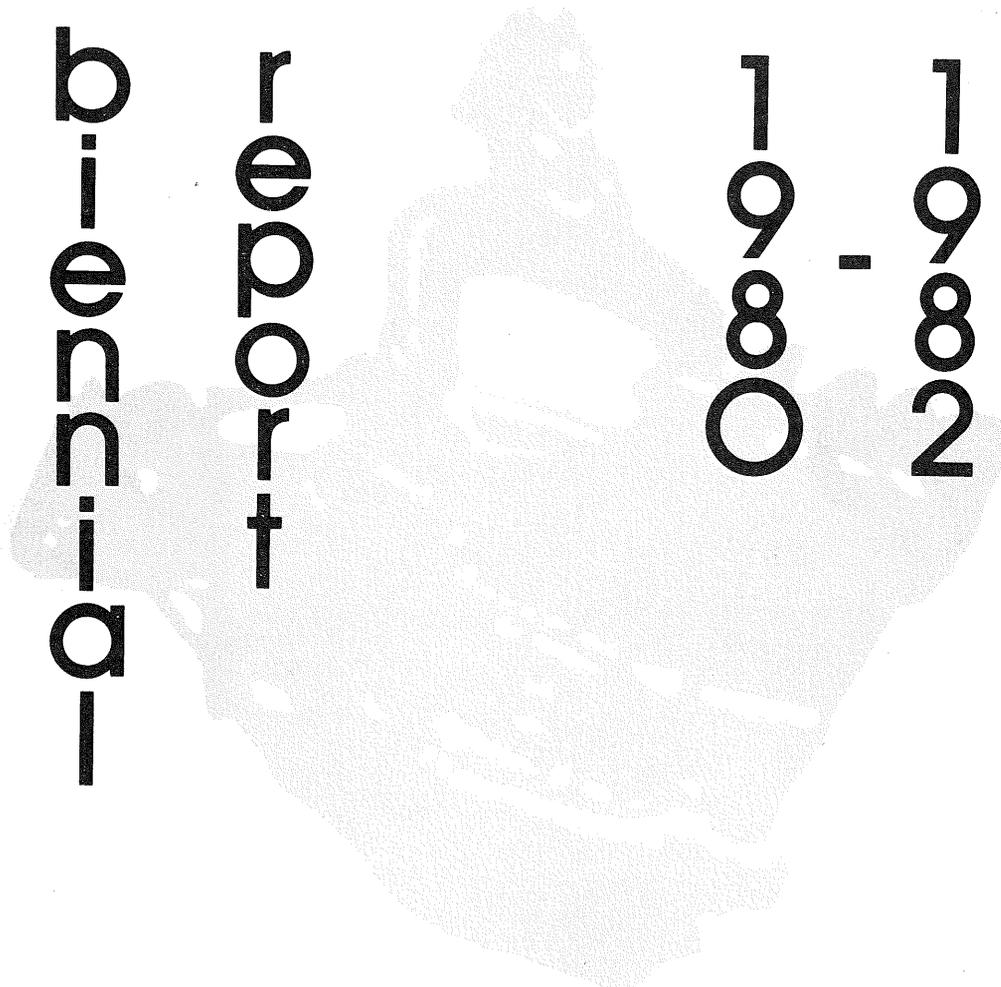
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iron range resources and rehabilitation board

November 15, 1982

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-third Legislature of the State of Minnesota, this twentieth Biennial Report of the Iron Range Resources and Rehabilitation Board.

This report is prepared in compliance with Minnesota Statutes 1981, Section 298.22, Subdivision 2, for the period including fiscal years of 1981 and 1982.

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

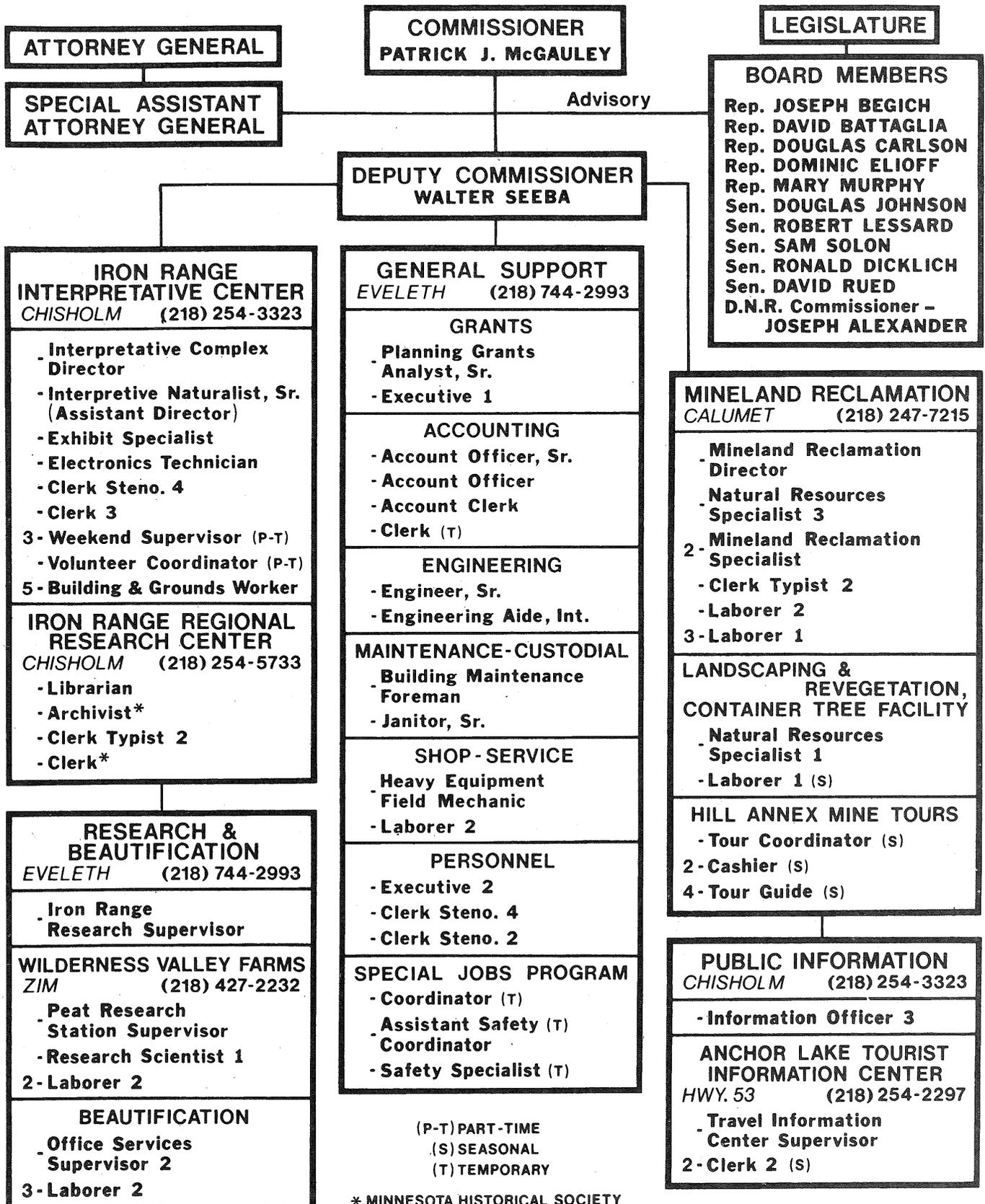
*Director from July, 1941 to April 18, 1942.

**Acting Commissioner.

PRESENT BOARD MEMBERS

State Senator Douglas Johnson, Cook, Chairman
State Senator Robert Lessard, International Falls
State Senator Ronald Dicklich, Hibbing
State Senator Sam Solon, Duluth
State Senator David Rued, Aitkin
State Representative Joseph Begich, Eveleth
State Representative David Battaglia, Two Harbors
State Representative Douglas Carlson, Sandstone
State Representative Mary Murphy, Hermantown
State Representative Dominic Elioff, Virginia
Commissioner Joseph Alexander, Department of Natural Resources

ORGANIZATIONAL CHART
IRON RANGE RESOURCES & REHABILITATION BOARD
 MINNESOTA STATUTES – SECTION 298.22



IRON RANGE RESOURCES AND REHABILITATION BOARD

Meeting the challenges posed by the eighties has involved all of the divisions of the Iron Range Resources and Rehabilitation Board.

The economic conditions on the Iron Ranges for the first two years of this decade have been of great concern to the commissioner, the members of the IRRRB and the staff.

This Agency was created in the midst of the economic downturns of the late thirties and early forties. The answer then and now is the same. For a continued vitality on the Iron Ranges there must be economic diversification, job creation and community development.

The very nature of the IRRRB programs and the grants it has made have been directed at a manifold approach to economic development.

Whether it is a water and sewer project for the Town of White or a major tourism promotion for northeastern Minnesota, the bottom line is the same. The IRRRB is an economic development

agency concentrating its attention on the natural and human resources of this region.

Since its creation in 1941, the IRRRB has been actively involved in programs that have been directed at vocational and human rehabilitation, mineral research, agriculture, forestry, tourism and mining.

The list of IRRRB successes is long, its involvement in the region it serves extensive. There isn't a city or township in the area that isn't touched by its programs.

Over the years the IRRRB has prided itself in its ability to adapt programs to the needs of its service area. It is this adaptability that enabled the Agency to create the Iron Range Interpretative Center, to fund the Community Workshop Development Corporation, to conduct an emergency jobs program and to become a leader in peat research and mineland reclamation.



Members Iron Range Resources and Rehabilitation Board 1980-1982

L-R: State Senator Ronald Dicklich; State Senator Douglas Johnson, chairman; Patrick J. McGauley, commissioner; State Representative Joseph Begich, vice-chairman; State Representative Mary Murphy.

Standing: L-R: Walter J. Seeba, deputy commissioner; State Senator Robert Lessard; State Senator David Rued; Steven Thorn, assistant commissioner DNR; State Representative David Battaglia; State Representative Dominic Elioff.

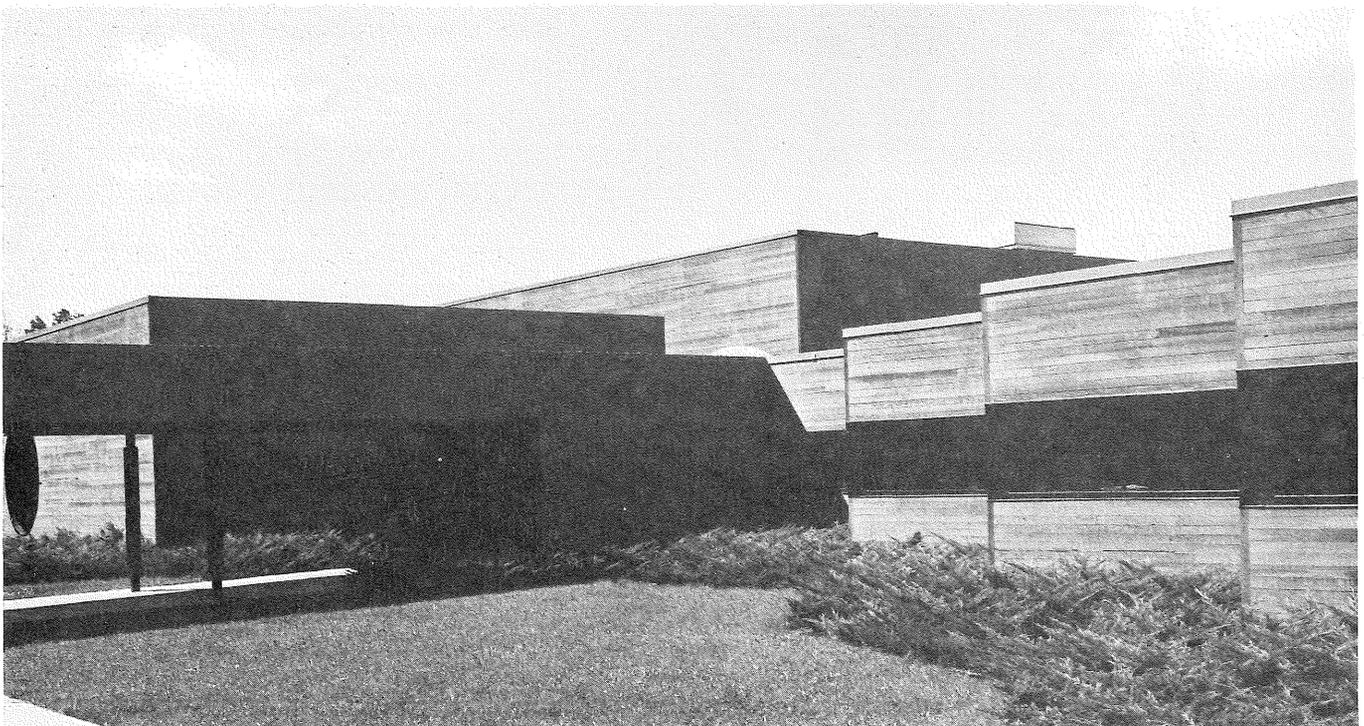
Missing: State Senator Sam Solon and State Representative Douglas Carlson.

If a trend for the 1980's can be discerned it would be economic enhancement activity. The IRRRB is armed with the necessary statutory mandates, flexibility and financial resources to make a major impact.

The Iron Range Resources and Rehabilitation Board consists of five divisions with a staff of 56 persons. While the IRRRB headquarters is located near Eveleth, the division headquarters are located at the Anchor Lake Tourist Information Center, the Wilderness Valley Farm near Zim, the Hill Annex Mine at Calumet and the Iron Range Interpretative Center complex in Chisholm.

Serving as an advisor to the Commissioner is the Board made up of five members from the Minnesota Senate, five members from the Minnesota House of Representatives and the Commissioner of the Department of Natural Resources. The Board assists the Commissioner in the development of policy, approves grants from the general appropriations account and recommends action to the Legislative Advisory Commission and the governor concerning the projects funded under the Taconite Area Environmental Protection Fund.

In this twentieth Biennial Report we will highlight the activities, programs and projects of the IRRRB over the past biennium.



RESEARCH AND BEAUTIFICATION

WILDERNESS VALLEY FARMS

The Iron Range Resources and Rehabilitation Board operates the only peat research station in the nation. Located in the Fens bog near Zim, Wilderness Valley Farm is a 520 acre facility equipped to conduct on-going experiments in biomass gasification, agriculture, horticulture, sewage treatment and other means to utilize peat.

Peat is a vast resource for Minnesota. Northeastern Minnesota contains over 7 million acres of peatlands, roughly 50% of the continental United States' supply of peat.

The IRRRB continues to be a leader in the field of peat research.



BIOMASS GASIFICATION

In the previous biennium, the division installed a biomass gasifier. The downdraft thermochemical reactor produces a low BTU gas from any biomass material.

Experiments have involved several types and combinations of biomass material including wood chips, wood shavings, wood pellets, peat pellets, peat sods and peat briquettes.

The experiments were directed at determining the cost, efficiency, proper sizing and optimum drying necessary for each fuel.

One of the most promising experiments involved use of a biomass pelletizer developed by California Pellet Mill, Inc. Utilizing peat as the binding mechanism numerous biomass materials were tested. Birch sawdust and peat and aspen dust and peat proved to be a very effective fuel.

Pellets ranging in size from 5/8" to 3/4" were produced. The machine is capable of producing 1,000 pounds of pellets per hour.

Less successful were experiments in making peat briquettes with a machine on loan to the division from the Hanna Mining Company. It was found that in the process not enough pressure could be applied to form a sturdy briquette.

Experiments were also conducted using an Irish extruder and a Finnish extruder in field tests.

Tests were also conducted in the best means of drying peat. A commercial dryer developed by the Harris Company was used. Propane fueled, the tests involved finding the optimum dryness allowable before the peat was pelletized.

Future tests are planned for willows, cattails and grasses.

ALTERNATIVE ENERGY CROPS

Through the cooperation of the IRRRB's division of Research and Beautification, two major studies are underway at Wilderness Valley that could lead to the development of "Energy Farms" on Minnesota's numerous peatlands.

The University of Minnesota's Soil Science Department is conducting an extensive study of woody biomass material.

Under study are ten Swedish willows, three alder species, 20 hybrid poplars and 17 native willows.

Some of the species are showing phenomenal growth patterns of 8 to 10 feet a year. It is expected that heights of 20 feet and diameters of 3/4 inches will be common in a four year cycle.

Currently some 32 acres have been planted with over 60,000 plants. All of the plants were clones, taken from 20 dormant cuttings and multiplied. The cloning process allows for the preservation of the genetic complement for each of the species.

The best species will be selected for this region and the tests will establish the optimum harvest rotation.

Another equally exciting experiment is being conducted by the Botany Department of the University of Minnesota. This project is exploring the use of cattails for direct burning, biomass material, alcohol production and peatland reclamation.

The prospects of farming a rapidly renewable energy crop is of great interest to many in the energy field.

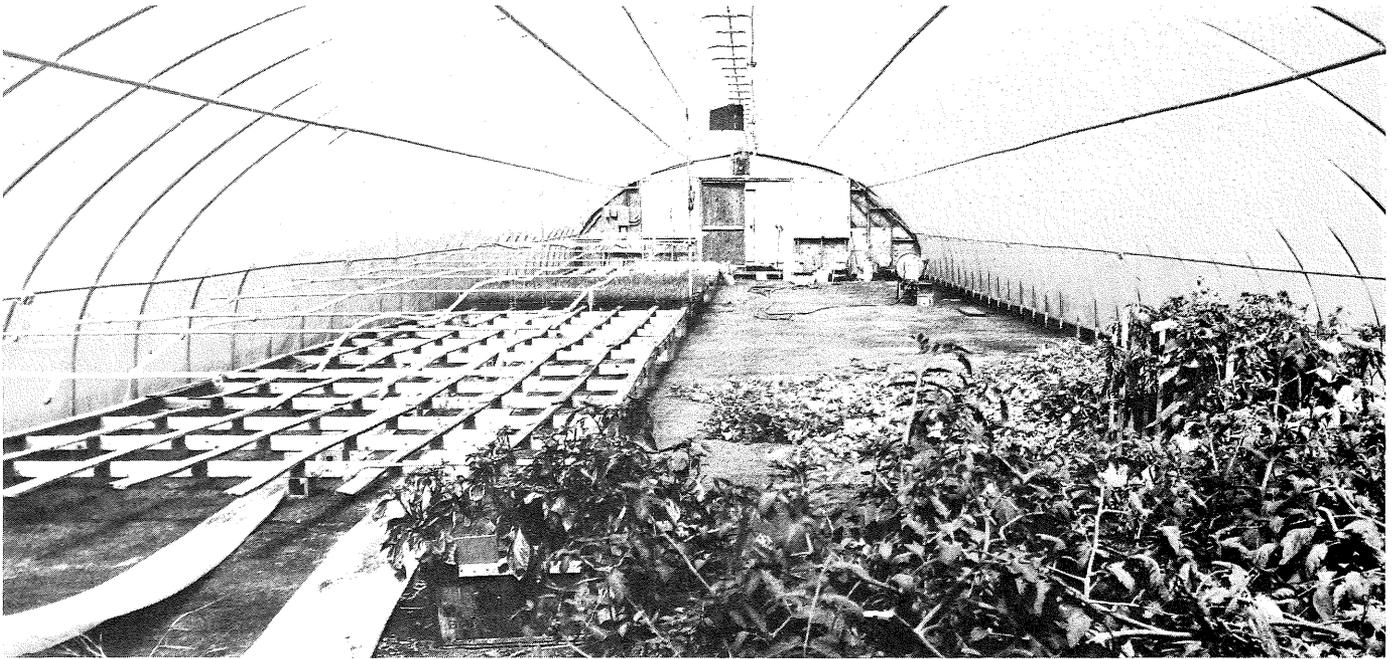
6th INTERNATIONAL PEAT CONGRESS

In August of 1980, the 6th International Peat Congress was held in Duluth. The event drew world-wide attention as scientists from 30 foreign countries took part.

A total of 165 papers were presented at the Congress. The papers have since been edited and assembled into a 752 page hard bound book.

The IRRRB division of Research and Beautification was involved in planning, development and staging of the event. Over 500 scientists participated in the sessions.





AIDS TO GOVERNMENT AND INDUSTRY

The subject of peat, peat research and utilization of this valuable natural resource has drawn much attention in recent years.

A tremendous amount of time is spent by personnel of the division assisting government and industry with information about peat.

The division supervisor is a member of the Peat Advisory Committee and serves on the Governor's Interagency Peat Task Force. Both are involved in providing input for the development of peat policy in the state.

The division provides constant aid to prospective developers interested in utilizing peat in agriculture, horticulture and fuel. This assistance is on a world-wide basis and has spanned over twenty years.

With the gasification studies that are now underway at Wilderness Valley, there has been a substantial increase in requests for information concerning the project.

During the biennium the division has been involved in conducting educational seminars and attending numerous peat symposiums and seminars. Staff have also been involved in the Agency's speakers bureau and public relations program.

BUILDING DEMOLITION PROGRAM

One of the most successful programs ever conducted by the IRRRB has been the Building

Demolition Program.

Now in its tenth year of operation, the Program still has an extensive waiting list in virtually every community across the Iron Ranges.

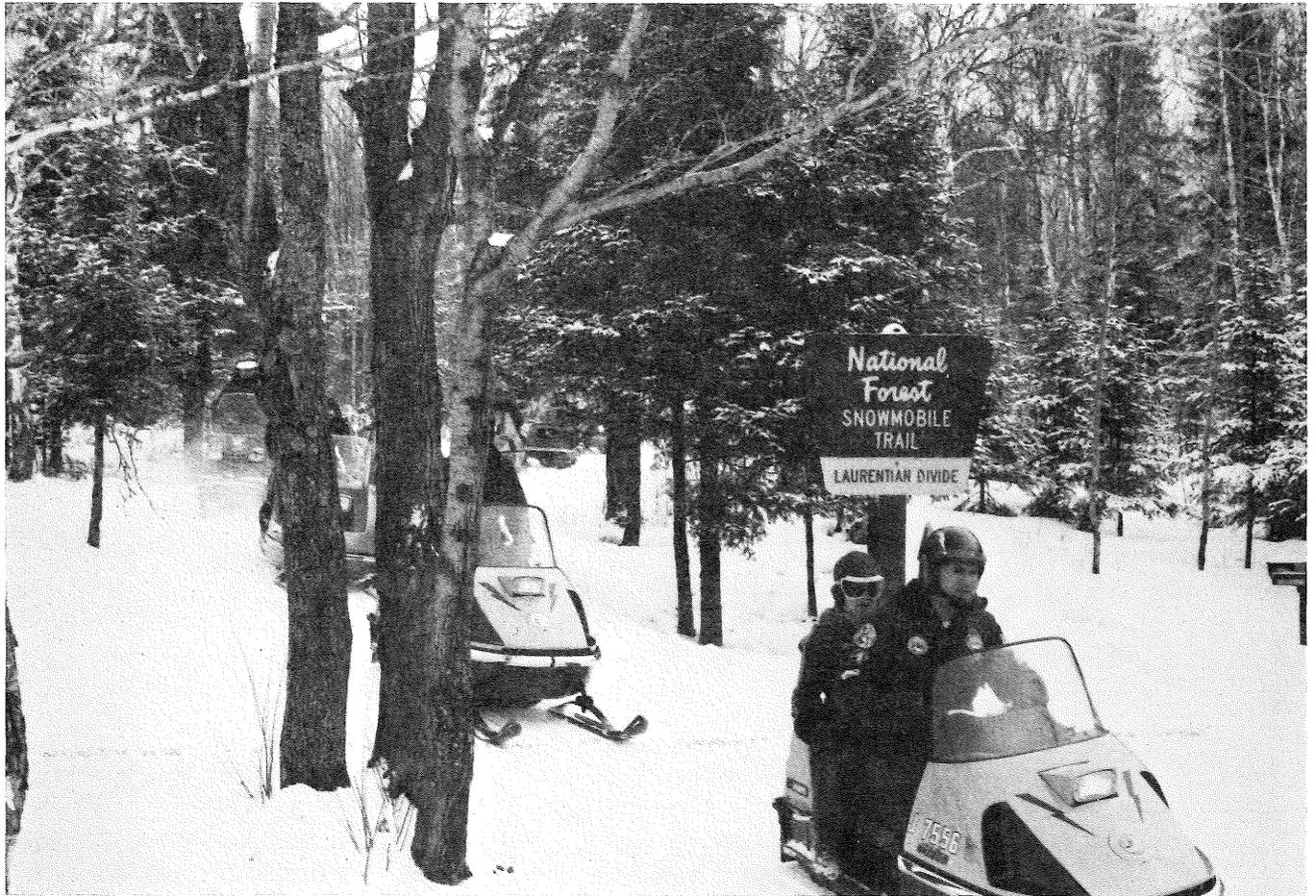
Thousands of abandoned and dilapidated buildings have been razed in communities from Crosby to Grand Marais.

The main element that makes the program so successful is that new construction and general improvements in the neighborhoods follow in the wake of the clean-up.



Under the program, residents can have their buildings removed at no direct cost. The IRRRB furnishes the equipment and manpower.

If the project is too extensive for the program, grants have been given to the community to carry out the beautification.



TRAILS PROGRAM

The division continued its snowmobile trails and cross country ski trails grooming program throughout the biennium under the Trails Program.

Assistance is given the Department of Natural Resources in the grooming of the Taconite Trail from the Side Lake area north of Chisholm to Virginia. The other major grooming takes place on the Laurentian Trail from Biwabik to Virginia.

The program utilizes two grooming rigs that were designed and fabricated in the IRRRB shops pulled by SV00 ski dozers. The cross country ski trails are groomed using rigs pulled by snowmobiles.

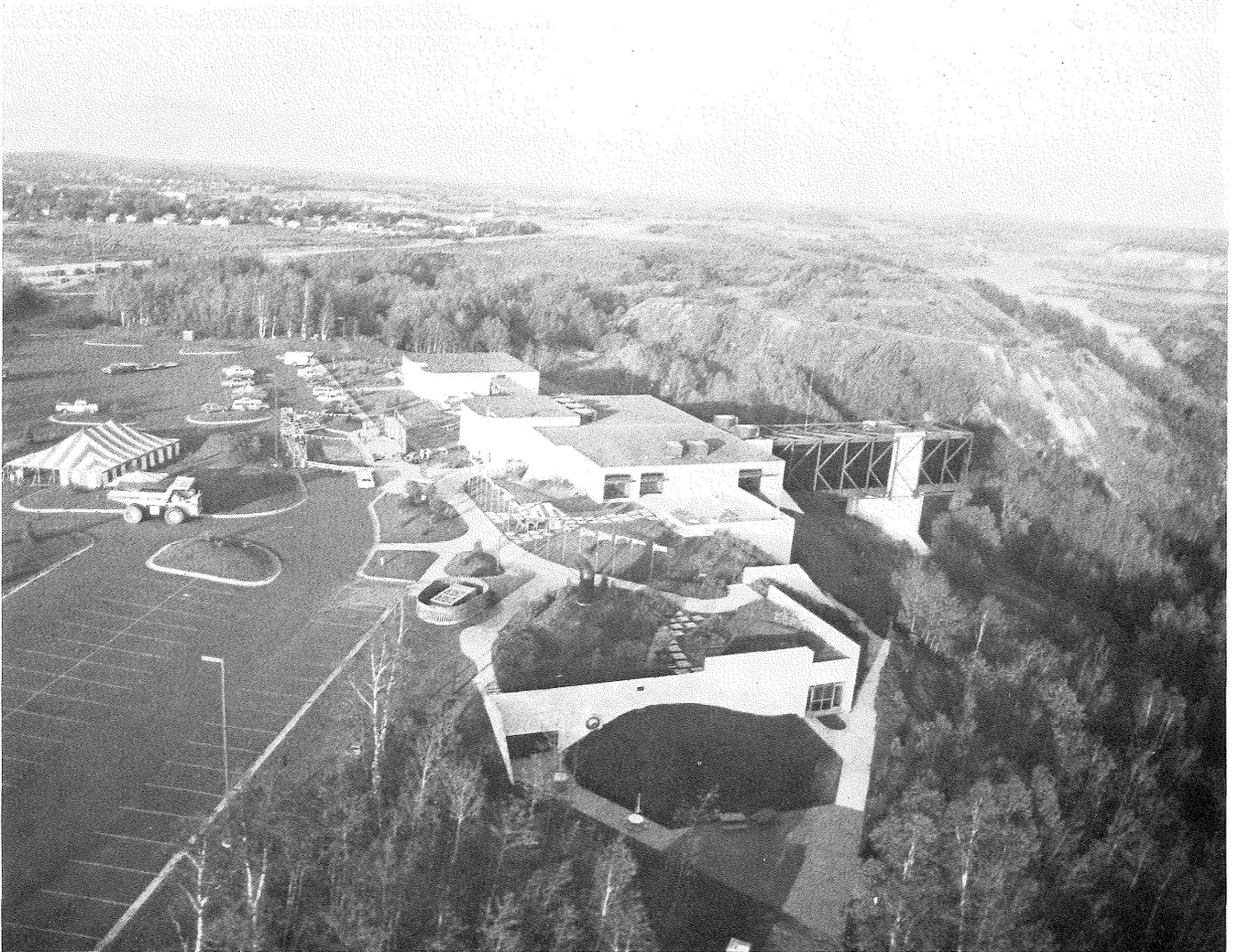
LANDOWNERSHIP MAPS

Over the years the Research and Beautification division has produced landownership maps for 21 counties in north central and northeastern Minnesota.

During the past biennium no maps have been updated. However, distribution of the maps for all 21 counties has continued.

The color-coded maps detail federal, state, county and private landownership. The maps have proved an excellent tool for various units of government and industry. The general public utilizes the maps particularly for determining land availability for cabins and homes.

IRON RANGE INTERPRETATIVE CENTER



You'll experience your heritage with a stop at the Iron Range Interpretative Center. Located on the rim of the Glen Mine the Center has attracted 500,000 visitors since it opened in August of 1977.

The Center offers its visitors a spectacular view of past mining activity and an opportunity to experience their heritage in a most unique manner as it tells the story of mining and, in particular, the people from 43 nations that settled this region.

The exhibit program within the Center is a technological blending of audio visual techniques, artifacts, graphics and participatory activities that focus on the rich cultural heritage of the region as well as the technology that has made the Iron Ranges what they are today.

The Iron Range Interpretative Center is a dynamic institution growing and changing through additions to its buildings, exhibit additions, updates, and in programming.

ETHNIC ARTS CENTER

Dedication of the Ethnic Arts Center addition to the Center was held in June of 1982, marking completion of a four-year project.



Designed by Architectural Resources, Inc., Hibbing, the building was constructed by Ray Risberg Construction Company of Duluth. Interior fabrication was done by Max Gray Construction of Hibbing. The electrical contractor was Malton Electric, Virginia. Chisholm Plumbing and Heating Company served as mechanical contractor.

The new 7,000 square foot facility is now being used to provide additional space for the Center's on-going program of craft demonstrations.

The main program area has a seating capacity of 250 persons on telescoping bleachers. A hardwood floor makes the area especially suited for dance presentations.

Twelve display kiosks throughout the facility allow for changing exhibits. They are used to interpret ethnic crafts, artifacts and examples of ethnic culture and heritage.

The facility is a multiple use area. During the off season the facility will be used as a learning center where people will be able to practice crafts, skills and traditions brought to this region by the immigrants.

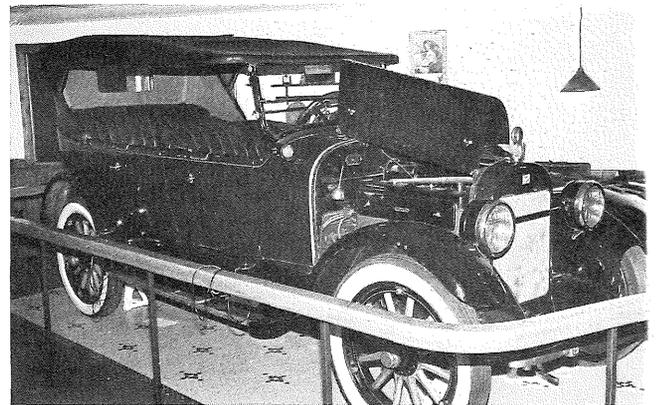


Included in the new addition is the Ethnic Kitchen, a 44-seat restaurant. This facility is operated privately under terms of a contract. The Ethnic Kitchen features a menu of ethnic and traditional American foods.

EXHIBIT PROGRAM

Three major exhibit revisions and one new exhibit were worked on during the biennium.

The new exhibit deals with the transportation story and was fabricated around a 1923 Buick touring car which was donated to the Center by the Jacob Usan family.



Usan operated garages in Virginia and Duluth which specialized in auto top replacement and upholstery in the early auto years. The exhibit is a replication of his Peerless Auto and Body Company garage in Virginia in the early 1920's.

In addition to the car, the exhibit features several pictures of the original garage and includes a 2½ minute audio-visual presentation on early transportation on the Iron Range.

This permanent exhibit enhances the story of transportation which is told in the Center.

Major exhibit revisions were completed on the "Early Man" and "Early Explorers" exhibits and also in the "Labor and Management" corridor of the exhibit program.

CENTER CAMPGROUNDS AND NATURE TRAILS

The nature trail system at the Center has always been a very popular element in the total experience. The original ¼ mile trail how has been expanded to nearly two miles taking the visitor along the rim of the Glen Mine and to the top of a large overburden stockpile. The trails provide scenic beauty that rivals the Grand Canyon.



In response to numerous requests, a twenty station primitive campground was built adjacent to the Center. Equipped with a pavilion, a children's playground and outdoor rest rooms, the campground has been well received.

SPECIAL PROGRAMS

As part of the developing and expanding program of the Center a great deal of work was directed at building year around attendance at the Center.

In an effort to accomplish this the staff has initiated a number of popular events in the past two years. Many will become annual events such as:



- **Antique Car Show:** This festival is held in June and is staged in cooperation with area vintage auto clubs.



- **Laskiainen Festival:** This traditional winter sliding festival is taken from the Finnish culture and features many outdoor activities.



- **Iron Range Country Hoedown:** Held in the fall, this afternoon of entertainment presents the traditions, music and dance of the Ozarks.

In addition to these activities the staff put on an Author's Day, a Mexican Fiesta, an Indian Awareness Day, Senior Citizens Activities and numerous seminars, workshops and demonstrations.

EDUCATIONAL PROGRAM

The Iron Range Interpretative Center offers a unique opportunity to school groups to study the history of the Iron Range, the geology of the world and the ethnic heritage brought to this region by its many immigrants.

As such, the Center is a hands-on learning laboratory. Complete curriculum guides are available for teachers and students and the Center actively promotes group trips by school classes.



During the school year any educational student group is allowed free entrance into the Center complex. Upon request, staff is made available to present special seminars.

As part of the educational activities of the Center a special outreach program has been developed to bring the Center to schools.

VOLUNTEER PROGRAM

The Volunteers to the Iron Range Interpretative Center is a group of very special people who perform a variety of tasks to assist in the operation of the Center.

The Center utilizes the skills of the volunteer in staffing the tourist information booth, conducting guided tours of the Center, greeting and orienting group tours and assisting in traffic control.

The Volunteers are a most active group. In August of 1981 they published "The Old Country Cookbook", a compilation of ethnic recipes from the area, quotes from immigrants and historical pictures of northeastern Minnesota. The volunteers spent a year in putting the book together which has proved a complete success.

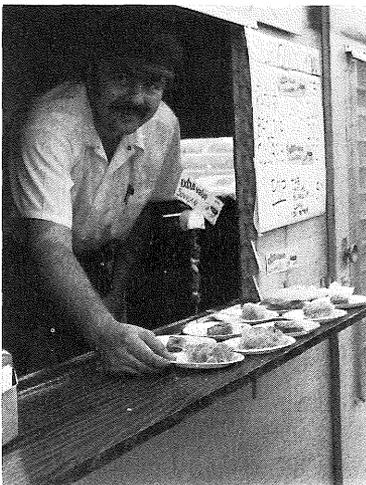
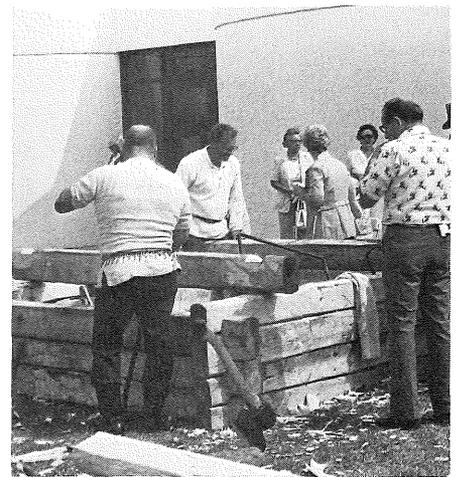
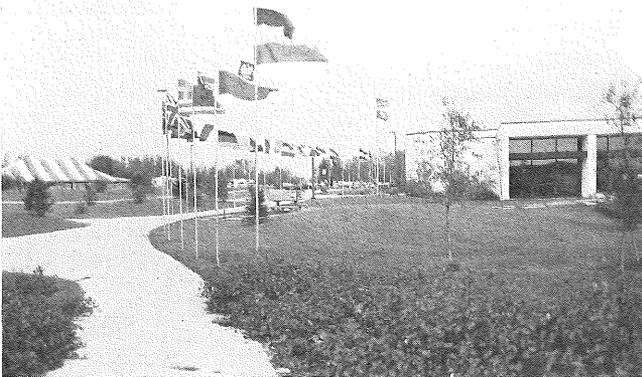
MINNESOTA ETHNIC DAYS

In its five year history, Minnesota Ethnic Days has become one of the most popular events on the summer calendar in northeastern Minnesota.

This twelve day celebration focuses its attention on the music, dance, foods, culture and heritage of many nations. Each day of the celebration is devoted to a different ethnic group.

Minnesota Ethnic Days originated in 1978 as part of the 1st anniversary of the Center. Since then, nearly 200,000 persons have participated.

Outstanding entertainment, fine ethnic foods, fun and fellowship have become the hallmarks of this celebration.



ANNUAL MEMBERSHIP PROGRAM

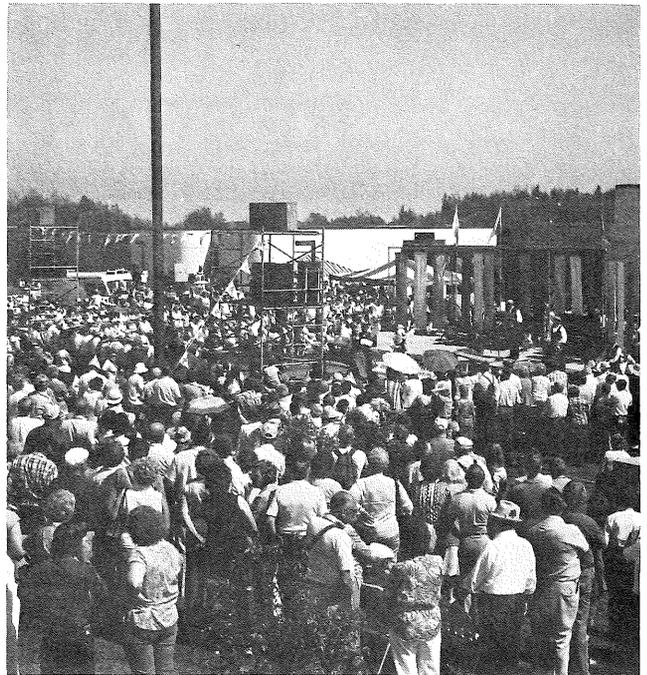
More and more area residents are becoming annual members at the Center. There are three membership programs: senior citizens (individual for \$5.00); individual membership for \$10.00; and, family membership for \$15.00.

The privileges include:

- free entrance to the Center
- craft and food demonstrations
- special film presentations
- invitations to previews and special events
- admission to Minnesota Ethnic Days
- personal enrichment
- 10% discount in Craft Store

Memberships are available at all times and are honored for one year from date of purchase.

A lifetime membership is available at a one-time charge of \$100.00.



IRON RANGE RESEARCH CENTER

The Iron Range Research Center opened in October of 1980. In the past 22 months the staff has been involved in program development, establishment of collection policies, acquisition of equipment and furnishings.

Reviewing, selecting and cataloging reference material for the library has involved hundreds of hours. A collection policy focusing on mining; local, regional and state history; reclamation; ethnicity, genealogy and geology has guided this process.

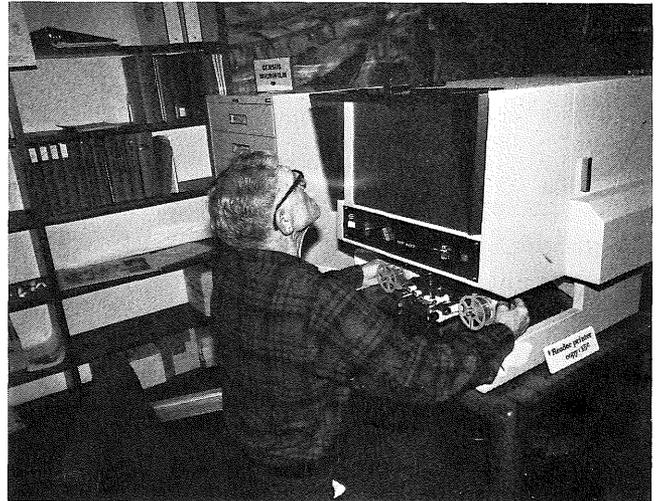
To date, the library contains approximately 650 reference books, 90 periodicals and magazines, and 500 state and federal documents. A collection of foreign language material was started with the aid of the Arrowhead Library system.

One area which was developed as quickly as possible was the microfilm reference program. The Center now has over 1,300 rolls of microfilm including 837 rolls of Iron Range newspapers 1884-1980, 363 rolls of state and federal census, 5 rolls of plat maps from all 87 Minnesota counties, 116 rolls of naturalization papers from St. Louis, Cook, Carlton and Lake counties, and 8 rolls of fire insurance maps for cities all across Minnesota.

This microfilm program enabled the Center to begin serving the public immediately. The program has been well received and as it becomes more widely known the clientele has been steadily growing. Already over 6,000 patrons have utilized this research service.

Accreditation

In May of 1980 a contract was signed with the On Line Computer Library Center (OCLC), Inc., an online computer network via the Minnesota Inter-library Telecommunications Exchange (MINITEX), a regional library network and liaison serving Minnesota, Iowa, North Dakota, South Dakota and Wisconsin. This network allows the Center access to a database of over 6.5 million records for the purposes of cataloging and facilitation of interlibrary loan.



In December 1980, an agreement was signed with the North Country Library Cooperative (NCLC) to share resources among all types of libraries in the seven counties of northern Minnesota. The Center makes continuous use of the 25 libraries belonging to NCLC for reference questions, and loan of books, periodicals and microfilm.

In October of 1981 a team of professional archivists and historians from Minnesota, Wisconsin and Nebraska conducted a review of the Center for the Minnesota Historical Society. The conclusions of the review team set the stage for recommending that the Center be made part of the Regional Research Center Network of the Minnesota Historical Society.

ARCHIVAL PROGRAM DEVELOPMENT

The archival component of the Iron Range Research Center is administered by the Minnesota Historical Society under contract with the Iron Range Resources and Rehabilitation Board. A professional archivist is employed under the terms of this contract.

The first 22 months have allowed a foundation to be laid for an archival program. As a designated repository for government records, the Research

Center set about to contact cities, townships, and school districts in an effort to provide records assistance and to discuss possible records transfers to the Research Center.

The program has met with success. To date, records have been transferred from the cities of Aurora, Buhl and Chisholm. School district records include Babbitt, Gilbert and Virginia.



Other government records now deposited include Willow Valley Township and the Iron Range Resources and Rehabilitation Board.

In the area of manuscript collecting, several major collections have been acquired including the extensive Carl Pederson photo collection, the Hill Annex Mine records, the Finnish Temperance Union chapter of Hibbing, the KSKJ chapter records from Hibbing and others. A survey of Iron Range churches produced over 100 inventories of church records.

PUBLIC PROGRAMMING

An important part of the Center's program is developing public relations. Toward this end, the Center has sponsored a number of programs. Workshops were conducted on preserving church records; fundraising for historical groups; how to produce a slide-tape program; preservation of historical photographs; and writing and publishing local history. The Center also sponsored a winter film series.

Numerous speaking engagements with social and civic groups were done by the staff. A special eight minute slide-tape program on the Research Center was developed for the purpose of informing

the public about the facility and the services that it offers.

The Research Center cooperated with the Iron Range Interpretative Center on a number of projects during the biennium. During Minnesota Ethnic Days a program was featured daily. Also, two traveling exhibits from the Minnesota Historical Society and a special showing of a 50



year old movie on the Yugoslav Radio Hour picnics were scheduled.

Other community projects include the restoration and preservation of 45 Red Cross posters for the Hibbing Historical Society, the preparation of a slide-tape program on the History of the West Range Chapter of the American Red Cross and a special program during preservation week on encapsulating documents. Special displays were also put up for the Chisholm All Class Reunion and Minnesota Ethnic Days.

SPECIAL PROJECTS PROGRAM

This portion of the Research Center activity is most exciting. The Special Projects Program allows for local and regional historical societies to become actively involved in the Research Center.

Three projects have been approved. The Virginia Historical Society received a grant to preserve 146 photographs. The Iron Range Historical Society is receiving assistance for the production of 3 slide tape programs. And, the St. Louis County Historical Society received approval on assistance on the preservation of 65 World War II posters.

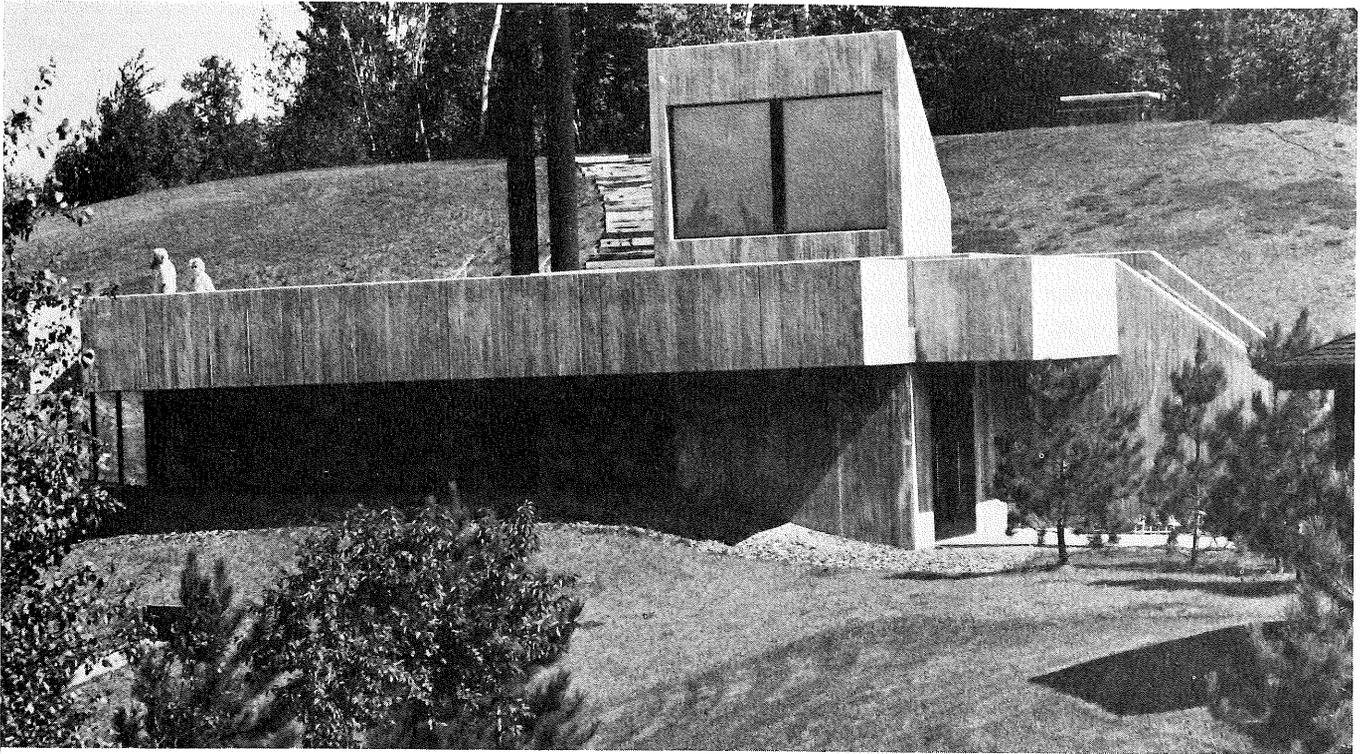
RESEARCH CENTER ADVISORY BOARD

Community input into the operation and administration of the Iron Range Research Center has been provided by the Center's Advisory Board. The Board is composed of nine members representing all segments of Iron Range society. The presidents of all the historical societies on the Iron Range are also on the Board. Serving as ex-officio members are the Director of the Minnesota Historical Society and the commissioner of the Iron Range Resources and Rehabilitation Board.

Since the inception of the Research Center, the Advisory Board has met at regular intervals and at special meetings called by the director. The members have assisted in defining and clarifying the Center's role, reviewed and approved the recommendations of the Archival Review Team, and given considerable time and support in obtaining archival materials.

During the past year approval was given to two project proposals submitted by local historical societies. The Board will review the results and make recommendations for housing future projects in the Research Center.

PUBLIC INFORMATION



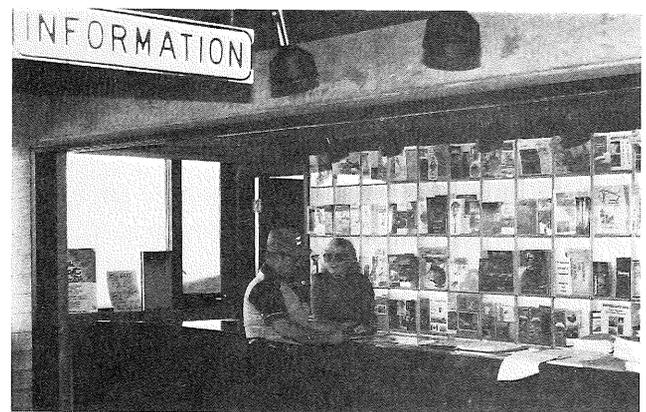
ANCHOR LAKE TOURIST INFORMATION CENTER

The Anchor Lake Tourist Information Center is now three years old and continues to show rapid growth in acceptance. One of seven such information centers in the state system, Anchor Lake, for the second consecutive year, has shown the largest increase in visitorship and growth of business.

Since opening in 1979, the facility has catered to 370,000 visitors, serviced 76,143 inquiries, distributed 256,000 brochures, dispensed 48,000 maps and answered nearly 3,200 phone inquiries.

Dubbed the "Welcome Mat" for northeastern Minnesota, the Anchor Lake Tourist Information Center is operated by the IRRRB. The Rest Area and grounds are under the jurisdiction of the Minnesota Department of Transportation.

The Information Center features a variety of over 500 maps and brochures, provides information on road conditions, geography, historical



points of interest, lodging, dining, camping, resorts, entertainment guides, and seasonal hunting and fishing information.

The staff of the Information Center keeps meticulous records on the clientele utilizing the services of the facility. Visitors have come from all 50 states, the District of Columbia, all of the Canadian provinces and thirty-six foreign countries. The

daily records at the Center have proved to be an excellent barometer measuring tourist traffic in the area.

Anchor Lake is open daily. During the summer months the Center is staffed from 8:00 a.m. to 8:00 p.m. During the winter months the hours are reduced to 9:00 a.m. to 5:00 p.m. daily.

A great deal of emphasis has been placed on the image that Minnesota is leaving with its out of state tourists. Anchor Lake is well aware of the importance of presenting the best that this state has to offer. The staff of the Center reflect this positive attitude toward tourism development. An on-going training program allows the travel guides to experience, first hand, the state and region's tourist opportunities. The management of the Center is deeply involved in the regional tourism associations and the state-wide tourism efforts.

ADVERTISING AND PROMOTION

One of the principle duties of the Public Information division is the administration of an on-going program of advertising and promotion of the Iron Range Interpretative Center and its many activities and the Hill Annex Mine Tour program. With the development of the "Iron Range Country" program, detailed later in this section, the overall advertising program has become extensive.

Utilizing both "in house" capability and advertising agency assistance, a comprehensive program of multi-media advertising and public promotion has been conducted.

The program relies heavily on billboard, radio and newspaper. The primary targets for the advertising were the Twin Cities and northeastern Minnesota.

To penetrate the larger metropolitan markets, the Arrowhead lurebook was used. This instrument is distributed widely at many travel shows in the Upper Midwest. It is also one of the more popular books at the seven state-run information centers.

During the biennium new four-color brochures were developed for the Iron Range Interpretative Center and the Hill Annex Mine Tour. Both have received wide distribution. Posters for both were also used and well received.

Slide programs for use in the Agency's outreach programs were developed for the Iron Range Interpretative Center and the Iron Range Research Center. Area clubs and organizations continued to utilize the services of the Speaker's Bureau for all of the divisions.

The news release program continued to be a major tool in the overall program of Agency promotion and public information. During the biennium the addition of a complete photographic laboratory allowed for greater use of visual material for newspapers and magazine articles.

The Croft Mine Park at Crosby also figured in the promotional plan of the division. With a limited budget the facility was promoted through billboard advertising and a poster campaign. It was also featured in the Iron Range Country promotion.

IRON RANGE COUNTRY AND TOURISM

The impact of tourism on the economy of a region has been well documented in the state. The Iron Range Resources and Rehabilitation Board has been at the forefront of the effort to expand



the tourism industry in the region and, in particular, the Iron Ranges.

Based on input from a special task force on tourism, a study on the tourism components of the Iron Range Interpretative Program and staff planning sessions an extensive program of media promotion of "Iron Range Country" was launched.

The advertising program utilized two basic themes: a billboard campaign centering on *Come North, Visit Iron Range Country*; and, a radio and print campaign focusing on *Do the Range . . . We dare you to see it all!*

Billboards were placed on all of the major entry points into Minnesota. The print campaign utilized the Minneapolis Tribune, and Twin City magazine. A promotional flyer featuring the tourism opportunities in Iron Range Country was printed and dispensed through the seven state Travel Information Centers and regional chambers of commerce. The radio campaign concentrated on stations in Chicago, Des Moines and Minneapolis-St. Paul. A full page four-color advertisement was also placed in the *Arrowhead*, a regional association lure book.

The Anchor Lake Tourist Information Center



was used as the clearinghouse for all of the phone and mail inquiries generated by the campaign.

The promotional campaign came, in part, as a result of a Midwest Research Institute report funded by the IRRRB. Entitled *Assessment of the Tourism Development Components of the Iron Range Interpretative Program*, the report presented a seven point program for development and expansion of the tourism potential for the Iron Range.

Among the recommendations were:

- The Range must be perceived as a destination area
- Establish a Tourism Planning Advisory Committee
- Plan and support a major annual summer festival or activity.
- Support private tourism and commercial development efforts
- Emphasize improving Iron Range Interpretative Center program
- Establish uniform criteria for the financial support of affiliated sites
- Structure promotion around a coordinated market and advertising plan

A special task force on tourism has extensively reviewed the report. Based, in part, on the material included in the report an advertising program was instituted.

Also, as part of the overall effort to expand the tourism concept in northeastern Minnesota, several seminars were held to encourage a greater awareness of the regional benefits of tourism.

The Iron Range Country concept is beginning to take root. In addition to the many lakes and streams that lure the tourist, the special attractions along the Iron Ranges are providing the visitor to the region a wider variety of activities in which to participate.

WORKSHOPS AND SEMINARS

In November of 1981, the IRRRB sponsored a two day workshop on Industrial Market Economic Development and Travel, Tourism and Recreation Development.

The workshop was conducted by Midwest Research Institute, a Kansas City, Missouri based firm.

Improving the Iron Range economic base was tied to minimizing weaknesses, an organized plan

for industrial expansion and implementation of a strategy for overall development on the Iron Range.

The positive aspects of tourism were also stressed. It was determined that the region has a sophisticated resource base for tourism already in place.

Public education of the benefits of tourism surfaced as a highly important tool in expanding the industry. Through an informed public and business community it was felt that there would be a greater understanding of the impact tourist dollars have on a region.

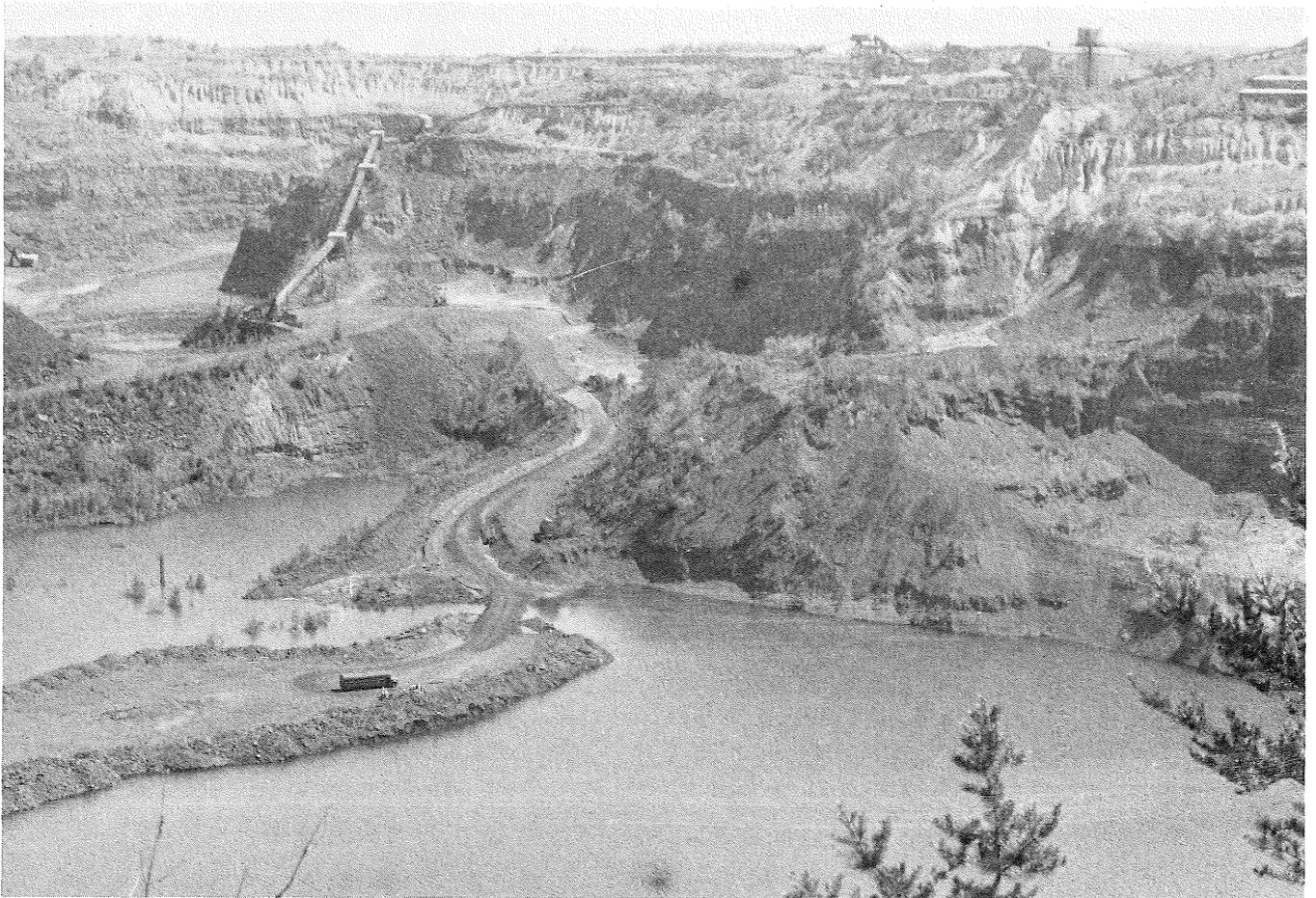
Advertising and promotion were also cited as key ingredients to a healthy tourism region.

In June of 1982, the IRRRB, working in cooperation with the Minnesota Department of Energy, presented a seminar on Energy and Economic Development.

Among the topics discussed were Community Energy Projects, Total Energy Management for School Districts, Commercial and Industrial Energy Conservation, Peat for Fuel, and Commercial Use of Wood for Fuel.

Key to the discussion was the central issue of why local government should deal with energy, the benefits to the economy by energy planning and viewing energy as an integral part of local government decision making.

MINELAND RECLAMATION



The Mineland Reclamation division of the Iron Range Resources and Rehabilitation Board has made great strides in the past two years.

Utilizing the inventories and planning completed in the previous biennium, actual reclamation projects were initiated. Already there are many sites where the reclamation has been completed bringing about dramatic changes.

Areas that were dangerous or unusable are now being used by the public. Areas previously devoid of vegetation have been planted with trees, shrubs and grasses. Areas where erosion was eating away at the landscape are now stabilized.

Reclamation of the Iron Range's many minelands has not and will not be an easy task.

Each project has presented the staff with new problems. Each has been a learning process, a stepping stone upon which new projects are designed.

The total scope of mineland reclamation continues to expand as time moves along. From the beginning, ideas of reshaping, stabilizing and revegetation have grown and developed into creation of a special growth chamber for trees, wind energy systems, tourism and recreation projects, and cooperative projects with many communities.

From original projects on state lands, the mineland reclamation efforts have now evolved to city, township and county lands; lands leased by various governmental agencies from the mining industry; and mining industry lands.

The Mineland Reclamation division is meeting the challenges of the eighties in a bold and dynamic manner.

REVEGETATION

As a tool in mineland reclamation, revegetation plays an extremely important role. It is vital for controlling erosion and combating dust pollution. One cannot overlook the aesthetic benefit that revegetation also offers.

The division utilizes four basic techniques in their revegetation program: tree planting and transplanting; tree seeding; grass seeding; fertilizing and mulching.

GROWTH CHAMBER

One of the most successful developments in the revegetation program has been the use of containerized trees. Now in its fifth season of use, container trees have proven to be easier to plant, to have a far superior survival rate and a much longer planting season.

The container tree has been so successful that the division requested and received funding to develop their own growth chamber at the Hill Annex Mine complex. The new facility is housed in the basement of the Hill Annex Mine clubhouse. Unlike a greenhouse, a growth chamber uses only artificial light.

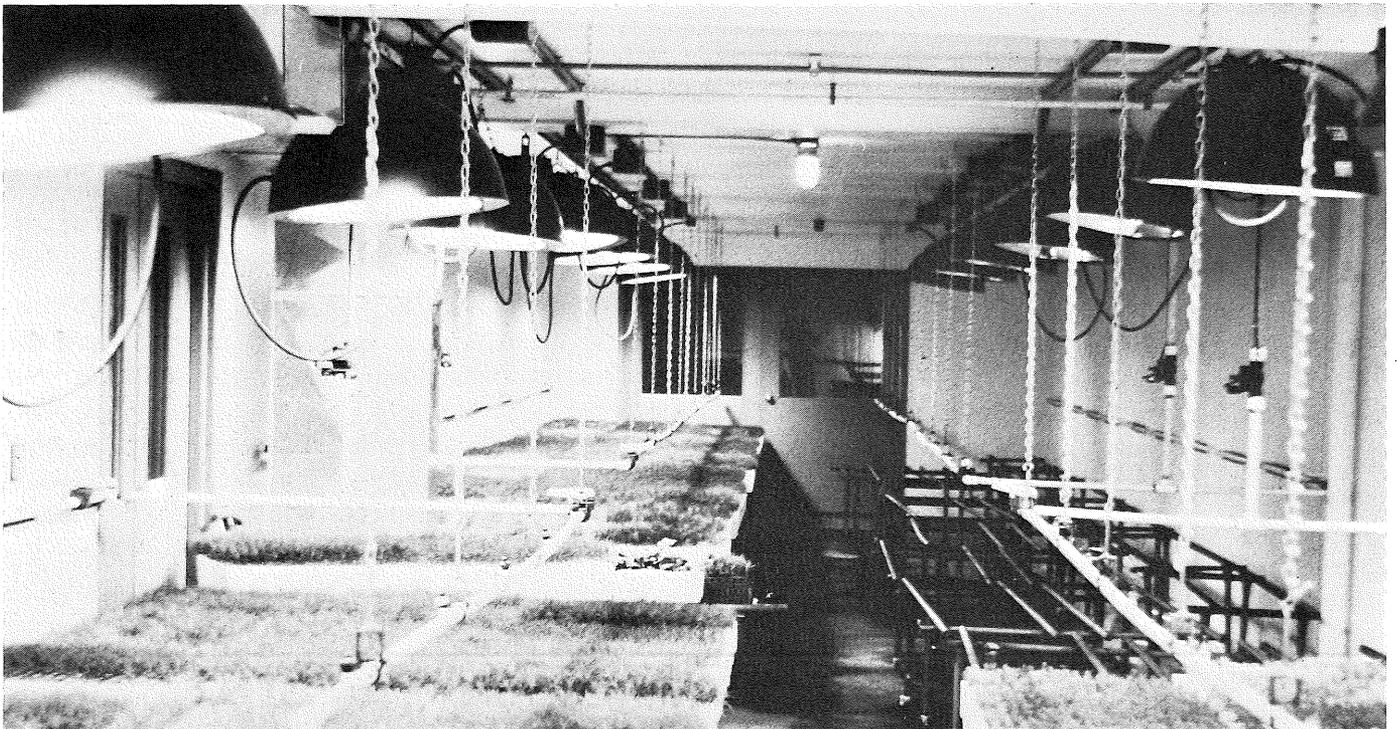
The growth chamber provides 1200 square feet of space and consists of 18 high-pressure sodium lamps, an automatic mist irrigation system and a climate exchange system. The chamber is heavily insulated so that the lighting system will be used for the principle source of heat. Eventually the installation of a wind generation system (featured later in this report) will be used for power generation.

The growth chamber is capable of producing 180,000 seedlings. This is accomplished in two growing seasons yearly, each requiring four to five months.

The process utilizes 14" x 24" styrofoam blocks with 198-240 planting cavities. The cavities are compacted with a sterile soil preparation containing vermiculite and peat moss. Two seeds are planted in each cavity. The next step involves the application of a fungicide and water solution. Plastic is spread over all the plantings and a constant humidity of 80% and temperature of 70 degrees brings about a germination in 1-2 weeks.

After germination the humidity level is dropped to 60% and the plants are given light eighteen hours a day for the balance of the growing season.

Jack pine has been the primary tree grown for reclamation purposes. In an effort to produce a superior tree, work has been started on a seed orchard which would be capable of developing the ideal tree for this region.



PLANTING PROGRAM

The planting program conducted by the Mineland Reclamation division is extensive. During the past biennium, over 240,000 trees were planted.

The majority of these trees were bareroot seedlings. However, 104,000 were of the new containerized variety and of that number, 42,000 were produced in the division's own growth chamber.



In addition to the seedlings planted, the division continued using the vermeer tree planter. 1,350 trees, three to four feet tall, were transplanted. In highly visible areas needing immediate screening 500 ten to fifteen foot trees were planted. The survival rate of the vermeer transplanted tree has been extremely high.

Establishing a grass cover in areas of erosion is a critical step in the reclamation process. In addition to using grass to prevent erosion, in some cases, grass is used to provide the final vegetative

cover. In other areas a mixture of grasses and trees may become the final cover.

Hydromulching has been used with success in many areas. The process consists of a slurry of seed and fertilizer covered by mulch. However, its success depends greatly on soil stability on the slope and weather conditions following the mulching process.

MINELAND RECLAMATION PROJECTS

The physical aspects of the IRRRB Mineland Reclamation Program are beginning to be seen throughout the Iron Ranges of Minnesota.

It is important to point out that the reclamation effort will not return these lands to their original state. But, it does mean that the lands will be put back into productivity.

This productivity could be found in many different forms. It might be a winter recreational tubing site. Or, it could be a picnic area, a new fishing site or swimming beach. The use might be purely historical or it might just be made more aesthetically pleasing.

Where it was not possible to conduct the reclamation effort "in house", the division has not hesitated to enlist the assistance of private engineering firms, designers and contractors.



PROJECTS

ST. JAMES MINE - Aurora

The St. James Mine is located on the north edge of Aurora and is the source of the community's water supply. Erosion of the pit walls was endangering private property and occasionally causing the city water supply to become cloudy. An evaluation of this problem by an engineering consultant found that these environmental and safety problems could be minimized by; shaping the pit walls, providing wave protection at the waterline and establishing vegetation on the slopes. This plan was implemented and is the largest single reclamation project carried out by the agency to date. By the fall of 1982, nearly three-fourths of a mile of pit walls were reshaped, the safety problems were eliminated and the water quality has improved. The red clay removed in reshaping the mine was used to veneer and revegetate the rock stockpile located within the city.



YAWKEY MINE - Crosby

Ownership of this property was transferred from the University of Minnesota to the City of Crosby. The mine has been reshaped and is now being stabilized with vegetation. Plans are now underway to develop a camping area overlooking the reclaimed mine.



MANUAL MINE — Crosby

That portion of the Manual Mine in public ownership is being reshaped and will be stabilized with vegetation.

PENNINGTON-MANGAN MINE - Crosby

Plans are being drawn up to provide a waterway between these two mines and the pit walls adjacent to the waterway will be shaped and revegetated.

JUDSON MINE - Buhl

In previous years, the north and a portion of the west wall of this mine, was reshaped and is now covered with vegetation. The east pit wall of this mine is adjacent to the City of Buhl and is in an unstable condition. The reclamation of this wall is being carried out in two phases. Phase 1 is being carried out in 1982 and Phase 2 will be done in 1983.

CARLZ MINE - Keewatin

A portion of the south wall of this mine was in an unstable condition and could endanger facilities on State land near the mine. Rock and surface overburden were placed along this portion of the mine to buttress the unstable pit wall. The surface overburden removed from the mine was used to extend the athletic field for the City of Keewatin.

LEONIDAS STOCKPILE - West Eveleth

This is an unusually, highly visible large rock stockpile located near the communities of Leonidas and West Eveleth. During the summer and fall of 1981, the west facing slope was reshaped, covered with topsoil and vegetated. The topsoil material was placed over the existing rocky material for the purpose of getting a better ground cover established. A mixture of trees has been planted on the site. This vegetation adds to the aesthetics of the project, provides wildlife habitat and helps in slope stabilization. A sliding hill was incorporated into the reshaped stockpile to provide for a winter recreation use.

The south facing slope was reshaped and revegetated in the fall of 1982. The earthwork was blended into the west slope which was completed the previous year, making for a more complete project. Careful consideration was given in the designing of this slope for water control and runoff. A successful recontouring of any project is contingent upon providing adequate water control.

The reclamation work that has been completed on the Leonidas Stockpile has turned an unproductive rock stockpile into an aesthetically pleasing site, providing many acres of wildlife habitat and a source of winter recreation.



O'BRIEN RESERVOIR - Keewatin

A swimming beach, picnic area, recreation field and a public access to the reservoir are in the process of being developed. The City of Keewatin has a lease agreement with The Hanna Mining Company on this parcel of land. When complete, the area will provide a much needed recreation facility for the cities of Nashwauk and Keewatin. The majority of the work on this project will be completed during the fall of 1982.

KINNEY PIT - Kinney

A public access and a picnic area are being planned for this site, located within the City of Kinney. The Kinney Pit is a large body of water containing a good population of northern pike and small mouth bass. The boat access will open up this area to the general public who, in the past, have not been able to use this area.

FORSYTHE PIT - Kinney

This was a cooperative project between the IRRRB and DNR. The project was completed in the fall of 1981. Upgrading of the access road to the pit and construction of a parking lot were provided for, along with reshaping and vegetating a dangerous portion of the pit wall. The DNR poisoned out the rough fish that were in the pit and planted rainbow and brook trout.

PIONEER STOCKPILE - Ely

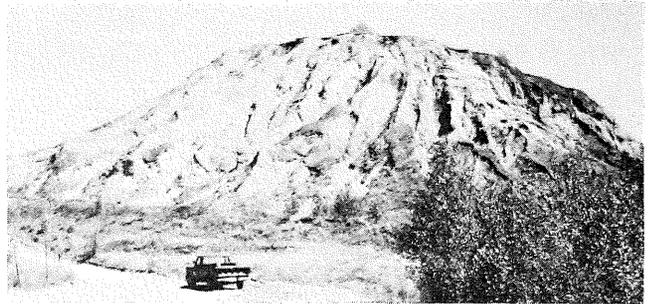
This project is to be completed in the fall of 1982. This site is located within the city limits of Ely, overlooking Sagawa Lake. This stockpile provides a scenic overlook of the lake and surrounding area. Clean up debris, reshaping and vegetating are to be a part of this project. If plans go as scheduled, a motel-convention center would eventually be built on this site.

WEST TWO RESERVOIR - Mt. Iron

The City of Mt. Iron has a lease agreement with U.S. Steel on this parcel of land. A thirty unit campground, swimming beach, boat launch, picnic areas and other recreation uses will be developed at this site. This has been a cooperative project, with the City of Mt. Iron providing much of the manpower and equipment. Additional funding has been approved for fiscal year 1983 for further development of this site.

MT. IRON SENIOR CITIZENS HOUSING RECLAMATION - Mt. Iron

This site is located on an abandoned mining stockpile within the City of Mt. Iron on which a senior citizens housing project has been constructed. Reshaping of eroded slopes, site preparation for tree planting, picnic shelter, garden plots and outdoor recreation facilities have been provided for in this project which was completed in the fall of 1982.



Other reclamation projects accomplished by the IRRRB Mineland Reclamation Division are listed below:

STOCKPILE RECLAMATION

Project	Year
Philbin - Hibbing	1980
Pierce - Hibbing	1980
Niagara - Hibbing	1980
Margaret - Kinney	1980
Rhude Fryberger - Hibbing	1980
Morton Surface - Kerr	1981
Judson-Moore - Buhl	1980
Morton Rock - Kerr	1981
Cannistee - Bovey	1981
Tioga Rock - Grand Rapids	1981
Carlz - Keewatin	1982
Judson-Moore - Buhl	1982

PIT WALL RECLAMATION

Project	Year
Judson - Buhl	1980
Tioga - Grand Rapids	1980
Hill Annex - Calumet	1982
Glen - Chisholm	1981

VARIOUS OTHER PROJECTS

Project	Year
Oliver Shop Area Clean Up - Hibbing	1982
Calumet Recreation Area	1982
Tailing Basin Study - Keewatin (A cooperative study with U.S. Bureau of Mines, U.S. Geological Survey and The Hanna Mining Company)	1982

HILL ANNEX MINE

The base of operations for the Mineland Reclamation program is the Hill Annex Mine in Calumet. This spectacular old mine is an inactive natural ore mine which lies on 640 acres of state land. Actively mined until 1978, the facility was turned over to the IRRRB in early 1979.

In addition to housing the staff of the division, the site is also used as a mineland reclamation demonstration area and a tourism facility staging daily mine tours during the summer months.



DEMONSTRATION AREA

Several tests are underway at the Hill Annex Mine site to determine the suitability of revegetation and erosion control techniques in mineland reclamation.

Revegetation techniques include both seeding and planting. On a recently resloped portion of the pit wall six different grass and legume seed mixes have been planted and are now under study.

Experiments with bareroot and containerized tree and shrub seedlings are now being conducted at several test sites throughout the region. The primary species being tested are jack pine, red pine, hybrid aspen, paper birch, Caragana, hawthorn and willow.

Testing is also underway to determine the best methods for erosion control blankets and determining the optimum angle of slope to the

reclaimed pit wall and the most efficient means of channeling water to decrease the chance of erosion.

The demonstration area is also being utilized to conduct experiments in wind energy.

Wind is an inexpensive, nonpolluting and renewable energy source. To determine the feasibility of utilizing wind power, tests were conducted by the University of Minnesota, Duluth and the division.



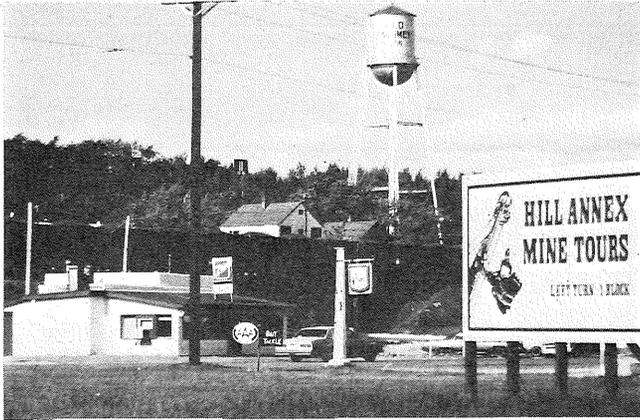
Based on the positive data collected, a 10 K.W. wind energy system has been installed and is now producing electrical energy significantly reducing the energy costs at the Hill Annex complex.

Many of the communities on the Iron Range possess ideal sites for wind energy systems. It is hoped that the wind energy demonstration project at the Hill Annex Mine will serve as a positive force for increasing the utilization of wind power as an alternative energy source in northern Minnesota.

It is another example of how the IRRRB is meeting the challenges posed by the eighties.

HILL ANNEX MINE TOURS

The Hill Mine Tours program is an exciting addition to the many tourism opportunities on the Iron Range. It is unique in that it is the only tour available into a natural ore open pit mine.



There is an indescribable feeling experienced when you are at the bottom of a 618 foot deep mine looking up at a sheer pit wall. The Iron Range takes on a whole different perspective when viewed from the top a 170 foot stockpile.

Those two experiences alone would make the Hill Annex Mine tour worthwhile. Add to that the displays, audio visual materials and artifacts that are on display in the old mine clubhouse and the fact that the bus tours are conducted by miners who had worked the Hill Annex, and you have the makings for an educational experience you will remember for a long time.

The mine tours have met with great success. Since being instituted in 1979, over 40,000 people have taken the 1½ hour tour. Four tours are given daily, seven days a week from Memorial Day through September.

Each summer a special “Miners Day” is held to commemorate the miners’ contribution to the Iron Range. The celebration is a community effort and is held at the mine and an adjoining city park. Over the past three years 13,000 people have attended the festivity.



CROFT MINE PARK

Another tourism opportunity under the administration of the mineland reclamation division is the Croft Mine Park at Crosby.

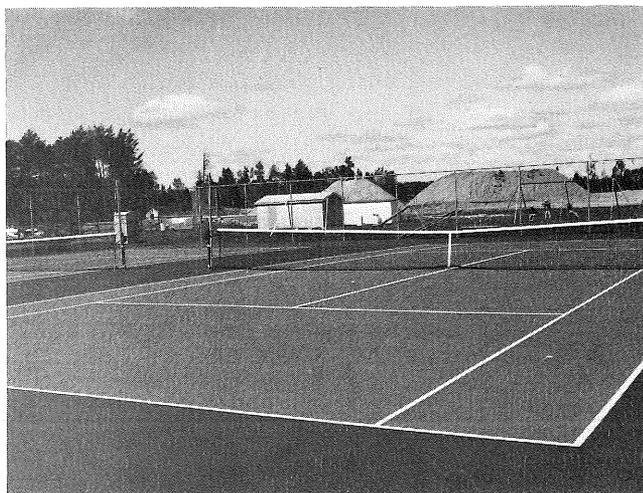
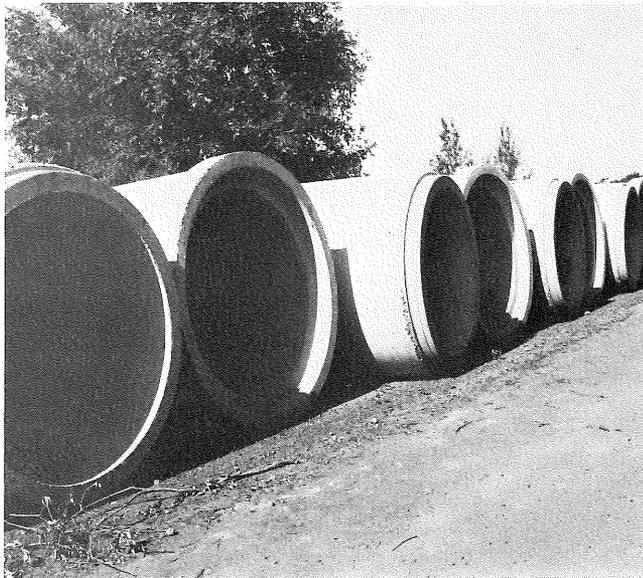
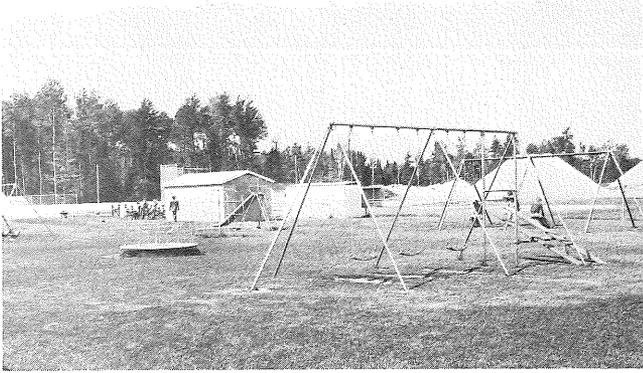
This historic park is located on 20 acres of abandoned mineland and interprets mining activity on the Cuyuna Range.

The main building on the grounds is the dryhouse. The restoration features displays, photo-murals and artifacts.

The park presents numerous picnic facilities, a nature trail system, and a number of historic display modules detailing the history of mining.

Since the park opened over 13,000 persons have visited the site from 43 states and 11 foreign countries.

IRRRB GRANTS PROGRAM



From its general appropriations account the IRRRB conducts a grants program for communities, organized townships and non-profit organizations that are located in the taconite tax relief area as defined by Minnesota Statute 273.134.

The program covers four basic categories:

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

The program also offers an economic development loan program for use by communities. These loans require the approval of not only the IRRRB but the Legislative Advisory Commission and the governor.

During the biennium the Agency also funded an emergency public works program. This program offered unemployed workers, meeting qualifications for the program, a limited amount of work, generally eighty hours, with local units of government. The IRRRB reimbursed the unit of government for the wages.



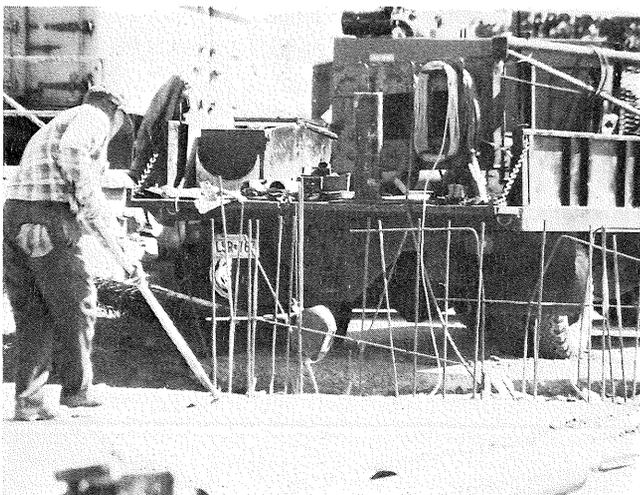
1980-1981 GRANTS

ECONOMIC DEVELOPMENT/TOURISM GRANTS

US Hockey Hall of Fame	\$ 25,000	Promotion & Advertising
Virginia Area Historical Society	1,000	Displays
Vermilion Community College	15,350	Tourist Information
St. Louis County Heritage and Arts	4,000	Cultural Activities
Minnesota Department of Economic Development	17,500	Feasibility Study for Direct Reduction
City of Hoyt Lakes	3,166	Longyear Drill Site
Hibbing Chamber of Commerce	3,878	Hull Rust Mine View
Giants Ridge Ski Area	40,000	Promotion

RESOURCE AND REHABILITATION GRANTS

Central Mesabi Medical Center	\$ 18,000	Landscaping & site preparation
Adult Day Care Central Mesabi Medical Center, Hibbing	20,000	Kitchen equipment
Community Workshop Development Corp.	30,000	Equipment
Duluth Association for the Retarded	20,000	Train handicapped 2 yr. grant
East Range Day Activity Center	36,000	Building improvements
Ely Community, Inc.	24,000	2 grants for a chemical dependency program
Eveleth Senior Citizens	4,425	Building improvements and equipment
Northeast Adult Day Care Center	3,200	Equipment
Hope Association for Retarded	6,000	Educational program for retarded
Quad City Drug Program	21,000	Drug education
12th Step House	15,000	Renovation of building
Cook County (Grand Marais)	20,000	Building construction
Wee Folksgarden	8,070	Office equipment for program for handicapped children
Cook Adult Day Care	30,000	Upgrade kitchen and office
12th Step House	13,682	Renovation and remodeling of Halfway House
Coleraine Developmental Day Care Center	3,600	Improve building



COMMUNITY DEVELOPMENT GRANTS

Iron Range Township	\$ 5,815	Water well construction
City of Taconite	18,000	Heating modification for city building
Lake County	20,000	Sewage disposal treatment
Life Enrichment for the Elderly	80,000	Building construction kitchen
City of Hibbing (Carey Lake)	7,000	
Kabetogama Community Club	10,900	Install water & sewer to community center
Itasca YMCA	21,930	Upgrade outside area
Cuyuna Range	12,300	Equipment for housing project
McDavitt Township	2,800	23 unit apartment design
Gratten Township	2,550	Water well construction

1981-1982 GRANTS

ECONOMIC DEVELOPMENT/TOURISM GRANTS

Hibbing Tourist Seniors	\$ 99,900	Tourist Information Center construction
KAXE Radio, Grand Rapids	11,095	Tourism promotion
City of Ely	97,000	Ski slide
City of Cook	40,442	Tourist Senior Citizens Center
Chisholm-Hibbing Airport Commission	30,000	Runway Repair
Vermillion Community College	16,000	Repertory theater 2 years
Eveleth-Virginia Airport Commission	49,138	Hanger and terminal construction
Aspenal	51,548	Trees for cattle feed
City of Blackduck	5,000	Tourist Center
Univeristy of Minnesota Duluth	25,000	Winterize Lakeside Lab
Giants Ridge Ski Area	30,000	1982 Season
Chisholm Chamber of Commerce	45,000	Purchase and improve building
Tower Mini-Park	12,000	Kiosk construction
City of Hibbing	10,600	Building demolition
City of Bovey	3,500	Saturday Market Place
Kabetogama Community Club	8,840	Remodeling community Center
Vermillion Housing Authority	29,500	Insulation for elderly
U.S. Hockey Hall of Fame	17,500	Promotion

COMMUNITY DEVELOPMENT GRANTS

Leonidas, City of	\$ 8,730	Upgrade recreation area
WDSE TV, Duluth	41,689	IRRRB promotion
City of Hibbing	1,120	Carey Lake master plan
Ely Senior Citizens	30,000	Purchase building
Blackduck, City of	2,000	Fire fighting equipment
Gilbert, I.S.D.	50,000	Building demolition
Mesabi Community College	5,000	Landscaping
Aurora, I.S.D.	25,000	Building demolition
Eveleth Senior Citizens	3,770	Office and kitchen equipment
Ely Senior Citizens	70,000	Remodel building

RESOURCE REHABILITATION GRANTS

Cook Adult Day Care Center	\$ 15,100	Sprinkler system
Nightingale Information and Referral Committee Grand Rapids	1,200	Program for hearing impaired
Lighthouse for the Blind, Duluth	55,200	Expand workshop
National Medical Microbiological Services, Inc., Virginia	35,000	Rural hospital program
12th Step House	10,000	Plumbing and wiring
Greenway Senior Citizens	24,834	Building renovation
Northwoods Senior Citizens	4,000	Kitchen equipment
CWDC Industries	10,000	Employment program
Makinen Senior Citizens	42,000	Building renovation and equipment
Northeast Adult Day Activity Center	21,000	Renovate kitchen area
Buhl-Kinney Senior Citizens	4,000	Remodel bathrooms
Disabled American Veterans, Ely	25,000	Recreational area for DAV's

ECONOMIC DEVELOPMENT LOANS

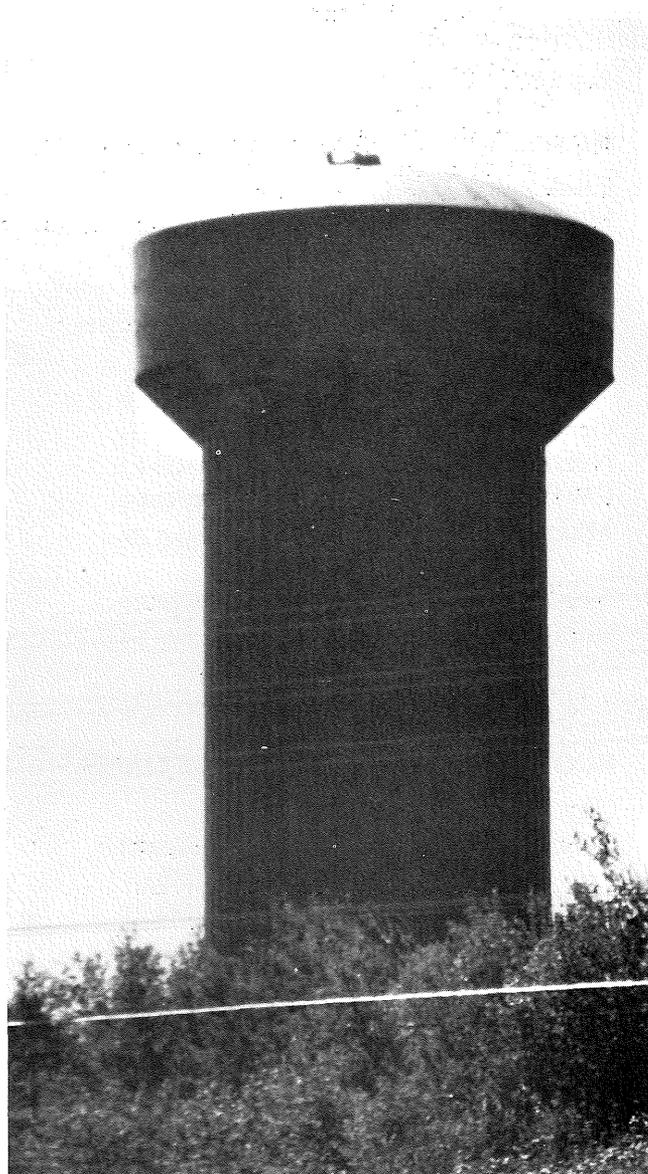
City of Eveleth (Good Sports Manufacturing Company)	\$100,000	Loan made possible purchase of cut and sew equipment for the firm enabling the additional employment of 300 full time persons.
Aspenal Inc., Virginia, Minnesota	\$ 50,000	Loan made possible research monies in the production of alternate energy resources.

IRRRB EMERGENCY PUBLIC WORKS ASSISTANCE PROGRAM

In October of 1980, the IRRRB launched an extensive emergency employment program in northeastern Minnesota.

The program was designed to assist the unemployed workers who had exhausted their unemployment benefits.

Working through area Job Service offices, the unemployed were placed in temporary jobs in local units of government throughout northeastern Minnesota.



Under provisions of the program, workers were entitled to a period of two weeks work at the prevailing federal minimum wage. The IRRRB reimbursed the local unit of government.

The IRRRB funded two phases of the program in fiscal year 81 and one phase in fiscal year 82.

The program met with resounding success and has since been funded by an emergency session of the legislature.

Unit of Government	Phase I 81	Phase II 81	Phase I 82
Aitkin, City of	977		1,942
Aurora, City of	7,690	4,780	9,609
Babbitt, City of	7,938	5,085	5,922
Babbitt, I.S.D. # 692	3,840	3,999	
Big Fork, City of			2,488
Biwabik, City of	5,737	3,500	8,000
Biwabik, I.S.D. # 693			3,850
Boise Fort Reservation			3,983
Bovey, City of	1,711	3,108	6,000
Breitung, Town of		3,500	4,000
Buhl, City of	7,576	3,363	7,997
Buhl, I.S.D. # 694	7,998	3,892	5,999
Calumet, City of		3,202	4,000
Chisholm, City of	8,000	5,500	11,984
Chisholm, I.S.D. #695	7,838	3,886	7,997
Coleraine, City of	7,904	3,500	7,946
Cook, City of	3,412	2,587	3,916
Crosby, City of	7,094	4,622	8,000
Crosby I.S.D. #182			5,897
Ely, City of	8,000	4,941	7,909
Ely, I.S.D. #696	7,779	3,762	7,909
Embarrass, Town of			4,000
Eveleth, City of	7,792	4,221	12,000
Eveleth, I.S.D. # 697	7,293	4,000	8,000
Fayal, Town of		4,056	4,000
Giants Ridge Ski Area	5,932	3,500	
Gilbert, City of	5,404		
Gilbert, I.S.D. #699		4,000	6,000
Grand Marais, City of		1,789	768
Grand Rapids, City of	11,165	4,885	12,904
Grand Rapids, I.S.D. #318			4,460
Great Scott, Town of			3,892
Greenway, Town of		3,500	4,000
Hibbing, City of	11,678	7,448	24,000
Hibbing, I.S.D. #701		3,527	14,696
Hoyt Lakes, City of	7,903	4,949	8,000
Ironton, City of	7,211	3,500	7,714
Itasca, County of	7,697		
Keewatin, City of	1,984	3,023	4,973
Kinney, City of	7,913	3,406	6,135
Marble, City of	7,980	3,500	8,000
Mt. Iron, City of	5,360	3,628	8,000
Mt. Iron, I.S.D. #703	6,316	3,837	5,859
Nashwauk, Town of	3,376	1,726	4,000
Nashwauk, I.S.D. #319	7,992	4,000	6,000
Nashwauk, City of	8,000	3,500	8,000
Orr, City of	536	3,018	3,997
St. Louis County Schools I.S.D. #710	6,413	1,072	8,911
Tower, City of	7,971	3,500	8,000
Tower-Soudan I.S.D. #708	3,827	2,000	3,872
Two Harbors, City of	8,000	5,378	6,000
Virginia, City of	11,339	5,571	17,941
Virginia, I.S.D. #706	7,459	3,872	12,000
Waasa, Town of			4,000
White, Town of		3,430	3,976
Winton, Town of	2,817		

ENVIRONMENTAL DEVELOPMENT FUND

The Iron Range Resources and Rehabilitation Board is responsible for the administration of the Environmental Development Fund.

This fund, derived from the State's general fund, allocates monies into Koochiching and Carlton counties for projects dealing with water and sewer, environmental beautification, flood or erosion control, sanitary landfill development, air and water quality improvement and economic and community development.

Projects are first screened by the county board and then referred to the Commissioner and Iron Range Resources and Rehabilitation Board for final action.

KOOCHICHING COUNTY GRANTS 1980-1981

Big Falls	\$30,000	Watermain improvement
East Koochiching, Town of	\$27,000	Wastewater collection line
International Falls, City	\$10,000	Downtown redevelopment planning for water and sewer lines
International Falls, City	\$34,000	Construct water line extension
Little Fork, City of	\$55,000	Construct 100,000 gallon water storage tank
Northome, City of	\$20,000	Updating and extension of water and sewer
South International Falls, City of	\$82,000	Provide connector of sewer to International Falls

KOOCHICHING COUNTY GRANTS 1981-1982

International Falls, City of	\$10,000	Construct waterline extension
South International Falls, City of	\$15,000	Park development
Littlefork, City of	\$ 4,050	Water well repair
Big Falls, City of	\$25,000	Installation of new water mains
Big Falls, City of	\$ 5,000	Preparation of community building basement
International Falls, City of	\$45,000	Water main extension for crosstown
International Falls, City of	\$33,000	Construction of storm sewer
International Falls, City of	\$11,834	Development of park and playground on Shorewood Drive
Littlefork, City of	\$ 8,375	Construct concession stand, storage building and fencing

Littlefork, City of	\$ 5,400	Construct toilet facilities for handicapped
Northome, City of	\$15,000	Repair and install storm sewer and water lines
Ranier, City of	\$ 4,000	Repair docks accessing Rainy Lake
South International Falls, City	\$10,000	Construct playground
International Falls, City of	\$ 9,245	Development of park and playground on Shorewood Drive

CARLTON COUNTY GRANTS 1980-1981

Barnum, City of	\$ 3,000	Erosion control South Lake Road
Barnum, City of	\$15,000	Update wastewater treatment facility
Carlton, City of	\$14,250	Sanitary sewer extensions
Carlton, County of	\$15,000	Weed harvester for lakes
Carlton, County of	\$12,000	Landscaping courthouse grounds
Carlton, County of	\$ 1,935	Well drilling and electric power to Island Lake Park
Carlton, County of	\$ 1,850	Rebuild retaining wall at courthouse
Carlton, County of	\$ 1,040	Fencing around law enforcement building
Carlton, County of	\$ 1,450	Tourism promotion for county
Kettle, River, City of	\$ 6,660	Land acquisition for park development
Moose Lake, City of	\$16,200	Recreational park improvements
Moose Lake, Town of	\$ 4,950	Park improvements
Wrenshall, City of	\$ 2,500	Erosion control
Thomson, Town of	\$22,500	Waterline construction
Wrenshall, City of	\$ 8,930	Park improvements tennis courts
Wright, City of	\$ 4,725	Park improvements
Mahtowa, Town of	\$ 6,500	1500 gallon gravity flow tank
Kettle, River, City of	\$ 1,000	Hydrant repair
Cloquet, City of	\$ 5,000	Tree program
Cloquet, City of	\$ 4,320	Septic system at Spring Lake
Cloquet, City of	\$27,000	Storm sewer installation
Cloquet, City of	\$ 7,740	Watermain installation
Cloquet, City of	\$ 5,400	Fire hydrant installation
Cloquet Chamber of Commerce	\$10,000	Tourist information
Blackhoof, Town of	\$ 2,550	Park improvements
Carlton County Historical Society	\$ 1,080	Slide presentation

CARLTON COUNTY GRANTS 1981-1982

Carlton, County of	\$ 5,463	Monitoring well installation
Cloquet, City of	\$16,000	Storm sewer project
Barnum, City of	\$15,000	Water tower improvements
Moose Lake, City of	\$13,250	Improve beach facility
Wrenshall, City of	\$10,000	Fencing, blacktopping and landscape
Thompson, City of	\$ 9,036	Transfer balance from previous grant
Carlton, County of	\$61,000	Phase I development of South County landfill
Cloquet, City of	\$12,653	Lift station relocation
Thompson, City of	\$ 5,964	Restore funds from previous grant erroneously cancelled by IRRRB
Barnum, City of	\$15,000	Water tower additional fund
Carlton, County of	\$ 7,544	Additional fund for Phase I of South County Landfill
Carlton, County of	\$ 2,000	Sewer installation Airport
Carlton, County of	\$ 4,650	Ground water study
Cloquet, City of	\$ 27,346	Lift station relocation and construction
Cloquet, City of	\$ 5,000	Shade tree program
Cloquet, City of	\$20,000	Water study filtration
Cromwell, City of	\$10,000	Sewage treatment facility
Thompson, City of	\$60,000	Waterline extension
Twin Lakes, City of	\$ 560	Copper sulfate treatment Club Lake
Kettle River, City of	\$ 1,980	Park improvements
Kettle River, City of	\$11,440	Water and sewer lines
Wright, City of	\$ 9,382	Park and recreation development

TACONITE AREA ENVIRONMENTAL PROTECTION FUND

In 1977 the Minnesota legislature created the Taconite Area Environmental Protection Fund. This fund would be financed through a portion of the taconite production tax.

The creation of this fund has been a vital step in assisting local units of government in funding programs of community development, public works, recreation and water and sewer construction.

Administered by the IRRRB, each year the commissioner draws up a list of projects which is submitted to the IRRRB for their recommendation to the Legislative Advisory Commission and the governor. The governor reserves the power to ap-

prove or disapprove any expenditure from the fund.

As with any program offering grants, requests for funding far outpaces the ability of the fund. In an effort to be fair with those seeking grants, the communities and units of government have been asked to prioritize their grant requests.

This system has been very successful. It has enabled those requesting grants to receive funding on the most important projects. By the same token, the system has allowed the commissioner and the IRRRB to be more aware of the specific needs of the unit of government seeking financial assistance.



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 es-

tablished 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 of 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
 - 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.

PROJECTS FUNDED BY THE TACONITE ENVIRONMENTAL PROTECTION FUND FOR FY 1981

I. Anticipated Revenues		
A. New Monies	18,000,000.00	
B. Unallotted Prior Funds Carried Forward	<u>2,700,000.00</u>	\$20,700,000.00
II. Phased Projects (previously approved for '81)	4,857,869.00	
III. Mineland Reclamation	1,153,000.00	
IV. New Taconite Area Environmental Protection Fund Projects		
A. 10% PCA - Sewage Treatment Facilities	424,652.00	
B. Water and Sewer	9,276,628.00	
C. Community Economic Development	3,315,179.00	
D. Parks and Recreation	1,037,306.00	
V. Taconite Area Environmental Protection Studies:		
A. As mandated by Mn. Statute 298.22, Sub (d) . . . The fund shall be used for . . . "monitoring of mineral industry related health problems among mining employees. . ."	230,000.00/1981	
	215,000.00/1982	
B. Mineral Resources Research Center	300,000.00	
C. Iron Range Resources and Rehabilitation — Mineland Reclamation (Croft Mine)	55,500.00	
TOTAL expenditures for the Taconite Area Environmental Fund		\$20,650,134.00

II Phased Projects FY 81

Community	Amount	Description
Beaver Bay March 1978 June 1981	\$ 92,000.00	1. Renovation of wastewater collection system. 2. Renovation of water filtration plant
Big Fork Dec. 1978 June 1982	177,918.00	1. Water and sewer line extensions 2. Renovate water treatment plant 3. Major replacement and construction of water supply and wastewater facilities
Biwabik Dec. 1978 June 1982	281,125.00	1. Construct water and sewer extension to serve entire SE¼ of Section 2 2. Construct sewer extension to serve campground control building 3. Construction of sewer extension to serve recreation area (beach) 4. Improvements to water supply system
Bovey Feb. 1978 June 1981	82,500.00	1. Sewer replacement between 1st Ave. and 2nd Ave. 2. Installation of ten hydrants 3. Construction of sewer main on 77th Ave. between 2nd and 4th Streets 4. Construction of water main in Muotka Addition 5. Replacement of 6th Ave. sewer line from 1st St. to 2nd St. 6. Upgrading of the sewer and water system.

NOTE: The grants listed in the Taconite Area Environmental Protection Fund reflect the original grant requested and approved. Some of these grants may have been amended. All amendments must be ap-

proved by the IRRRB and, if they involve additional monies must also be approved by the LAC and the governor. Any unused balances from grants are returned to the Fund for further granting.

Community	Amount	Description
Chisholm Mar. 1978 June 1982	225,000.00	<ol style="list-style-type: none"> 1. Development of new permanent water source 2. Construction of water line loops 3. Addition to existing water treatment plant 4. Construction of elevated storage tank 5. Sewer extensions and repairs 6. Construction of specific storm sewer project 7. Local effort funds for feasibility study on clean-up of Longyear Lake. 8. Local effort funds for a land-use planning study.
Coleraine Dec. 1978 June 1981	119,399.00	<ol style="list-style-type: none"> 1. Construction of storm and sanitary sewer in 3rd Addition 2. Construct water and sewer extensions in Hollywood Addition 3. Construct sanitary sewer force main on Gayley Ave. 4. Construction of sanitary sewer extension on Cole Ave., along Longyear Park 5. Construct (3) three pumping stations with meter boxes.
Crosby Dec. 1978 June 1982	\$ 156,750.00	<ol style="list-style-type: none"> 1. Construction of storm sewer and replaced old inadequate storm sewer portions 2. Construct curb and gutter and paving on streets torn up to replace paving.
Deerwood Dec. 1978 June 1982	91,127.00	<ol style="list-style-type: none"> 1. Construct sanitary sewer extensions
Ely Dec. 1978 June 1982	130,472.00	<ol style="list-style-type: none"> 1. Construct sewer line extensions to serve easterly section of Ely.
Eveleth Dec. 1978 June 1982	475,000.00	<ol style="list-style-type: none"> 1. Construct a 3 million gallon reservoir 2. Construct a 1 million gallon elevated storage tank 3. Repair lift stations for sanitary sewer system 4. Replace water valves throughout the city 5. Replace specific sanitary sewer mains 6. Replace 480 lineal feet of manholes throughout the city. 7. Installation of new manholes in the newly annexed portion of old Fayal Township.
Gilbert Feb. 1978 June 1981	202,912.00	<ol style="list-style-type: none"> 1. Addition to wastewater treatment plant. 2. Construction of water main supply line. 3. Construction of booster pump. 4. Construction of elevated water tank.
Gilbert Dec. 1978 June 1982	109,000.00	<ol style="list-style-type: none"> 1. Construction of sanitary sewer extensions along Highway 37 to Genoa Location area. 2. \$26,000.00 can be used for water system improvements on 1978 water system project.
Hibbing P.U.C. Mar. 1978 June 1982	391,000.00	<ol style="list-style-type: none"> 1. Construction of elevated water storage tank 2. Replacement of 18" water main 3. Construction of new filtration plant.
Hibbing Jan. 1980 June 1982	250,000.00	<ol style="list-style-type: none"> 1. Provide for a Phase I water filtration plant. Phase I provides for preliminary reporting design plans and specifications. This includes water filtration plants North and South projects, also includes engineering fees.
Kinney Dec. 1978 June 1981	\$ 66,000.00	<ol style="list-style-type: none"> 1. Repair upgrade and update water system and facilities
Mountain Iron Dec. 1978 June 1982	482,500.00	<ol style="list-style-type: none"> 1. Construct sanitary sewer and water service to South Grove 2. Construct sanitary sewer and water service to West Virginia

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proved by the IRRRB and, if they involve additional monies must also be approved by the LAC and the governor. Any unused balances from grants are returned to the Fund for further granting.

Community	Amount	Description
Hibbing (Stuntz) Dec. 1978 June 1982	259,000.00	1. Construct water and sewer main extensions.
Two Harbors Jan. 1980 June 1982	192,500.00	1. Extend sanitary sewer collection system
Two Harbors Dec. 1978 June 1982	375,000.00	1. Construct water line extensions to serve Homewood Addition. 2. Construct water line extensions to serve North Segog area. 3. Construct pump station to serve Homewood and North Segog Addition.
Virginia Dec. 1978 June 1982	260,000.00 (FY's '81 & '82)	1. Construction of sewer line from the sewage treatment plant to Midway Location
Virginia Jan. 1980 June 1983	438,666.00	1. Construct sewer and water mains along Southern Drive area to provide for a modular home court site. 2. Extend sewer and water mains along the Midway access road 3. Includes engineering costs and fees.

Projects Requiring IRRRB provision of Local Match (10%) for PCA/EPA Approved Construction

Community	Project No.	Description	Grant Amount
Aurora	1-2-1A	sanitary sewage treatment	\$ 6,785.00
Chisholm	1-11-1A	sewage treatment facility	3,500.00
Cook	81-13-1A	wastewater treatment	93,500.00
Eveleth	81-19-1A	sewage treatment facility	135,532.00
Gilbert	81-22-1A	Sewage treatment facility	23,000.00
Hoyt Lakes	81-26-1A	sewage treatment facility	5,245.00
Keewatin	81-28-1A	sewage treatment facility	86,632.00
Nashwauk	81-37-1A	sanitary sewage system improvements	23,532.00
Orr	81-38-1A	sanitary sewage system improvements	46,926.00

Water & Sewer Grants

Community	Project No.	Description	Grant Amount
Aurora	81-1-1	Morningside Addition storm sewer	\$ 57,000.00
	81-2-2	Watermain project 3rd Avenue S. - 1st St. E.	\$105,000.00
	81-2-3	Extension sewer to industrial development site	103,000.00
	81-2-45	Hydrant and manhole replacement	75,000.00
Beaver Bay	81-57-45	Construct 75,000 gallon water storage tank	239,650.00
	81-57-146	Cost over-run sewage treatment facility	80,000.00
Biwabik	81-6-1	Storm sewer project 1st Ave & 7th Street	114,000.00
	81-6-111	Water sewer construction	91,000.00
	81-6-226	Water system improvements	34,000.00
Bovey	81-12A-1	1st Ave. water and sewer improvements	281,000.00

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proved by the IRRRB and, if they involve additional monies must also be approved by the LAC and the governor. Any unused balances from grants are returned to the Fund for further granting.

Community	Project No.	Description	Grant Amount
Buhl	81-9-1	Replace water valves and sanitary sewer to Memorial Addition	81,000.00
	81-9-136	Sanitary and storm sewer construction-Mercer Avenue	196,000.00
Calumet	81-10-1	Sanitary sewer system 3rd Avenue-4th Ave. Sanitary sewer system Morgan Add.	279,520.00
Chisholm	81-11-617	Standby power to lift station	85,000.00
Coleraine	81-12-1	Water tank roof	27,200.00
	81-12-2	6" watermain Mesaba Location sanitary sewer to existing sewer north of Gunn Avenue	107,067.00
	8-12-721	Lift station controls	10,350.00
Cook	81-13-209	6" watermain between Pine St. and Poplar Street	145,469.00
	81-13-244	6" watermain on First Ave. S.	58,670.00
Ely	81-18-1	Sanitary sewer extension (Conan Street)	135,600.00
	81-18-202	Water tank construction	237,700.00
Eveleth	81-49-624	Sewer and water extension Carlson Addition	255,000.00
Fayal	81-20-1	Watermain extension County Highways 32 and 96	45,260.00
Gilbert	81-22-1	Storm sewer extension Dakota Ave. to the plant	79,212.00
	81-22-304	Sewer and water extensions to unsewered areas	220,000.00
Grand Rapids	81-23-9	Analysis of present water distribution (Plan for additions and improvement)	50,000.00
Hibbing	81-25-1A	8th Ave. storm sewer (serve CMMC)	119,800.00
	81-25-1B	8th Ave. 31st to 27th St.	178,281.00
	81-25-2	8"x12" waterline Hwy. 169 to Hwy. 73	70,365.00
	81-25-4	Completion of water filtration plant	103,000.00
	81-25-5	Sanitary relief sewer for Iron Gate Mall, Lind Park, Jewell Addition and South Hwy. 73 area	737,280.00
	81-25-318	Sewer service system Lebanon Addition	116,350.00
	81-25P-341	Hibbing P.U.C. Rehabilitation of south water well fields	106,000.00
Hoyt Lakes	81-26-306	Study to investigate contaminants in raw water supply	20,000.00
Itasca County	81-65-135	Water and sewer facilities to fairgrounds	30,000.00
Keewatin	81-28-1	Replacement of sanitary sewer manholes throughout town	161,000.00
	81-28-207	Storm sewer Baraga Addition	134,000.00
Kinney	81-60-1	Construct a new municipal well	116,809.00
LaPrairie	81-63-132	Sanitary sewer extensions	265,000.00

NOTE: The grants listed in the Taconite Area Environmental Protection Fund reflect the original grant requested and approved. Some of these grants may have been amended. All amendments must be ap-

proved by the IRRRB and, if they involve additional monies must also be approved by the LAC and the governor. Any unused balances from grants are returned to the Fund for further granting.

Community	Project No.	Description	Grant Amount
McKinley	81-34-1B	Replace deteriorated water valves and hydrants throughout town	41,000.00
	81-34-119	Loop water mains 1st St. S.	17,000.00
Mt. Iron	81-36-1A	Sanitary sewer and water extensions to Industrial Park	97,500.00
	81-36-1B	Reconstruct sanitary sewer main on Mountain Avenue	29,080.00
	81-36-301	Sewer and water extensions to commercial-industrial area	398,960.00
	81-36-448	Construct storm sewers in Ann's Acres	177,000.00
Nashwauk	81-37-1	Watermain and valve replacement (Hawkins Avenue)	79,326.00
	81-37-3	Hydrant Replacement	44,187.00
Orr	81-38-208	Sewer extension to Scott Erickson Addition	106,000.00
Tower	81-43-1A	Installation of new watermain	122,000.00
	81-43-1A	Storm sewer on Poplar St. south of Main Street	18,000.00
Two Harbors	81-44-1	Water and Sewer extension on Homewood Addition & 2nd Avenue	330,000.00
Virginia	81-45-2	Improvements to water distribution system in Midway	386,000.00
	81-45-310	Utilities installation to student housing site	44,839.00
	81-45/36-4	Joint project Virginia/Mt. Iron — Sanitary sewer extension-storm sewer, curb and gutter and some street restoration -16th Ave. W. from 8½ St. to 12th St. So.	165,000.00
Warba	81-64-233	Construct storm sewer system	73,330.00
White	81-66-1	Construct drainfield and purchase equipment for water system at community center	15,193.00
Aitkin	81-1-1	Construct watermain sanitary sewer and lift station north of Hwy. 210 and east of Ripple River	\$190,024.00
Bass Brook	81-67-138	Elevated tank, well, and water distribution system	514,000.00 (\$611,000 1982)
Breitung Township	81-50-1	Replace deteriorated manholes through town	59,000.00
Cotton	81-68-1	Feasibility study for sewer and water system	15,550.00
Crosby	81-51-2	Sanitary sewer improvements in NW. section of city	124,380.00
Deerwood	81-52-1	Construction watermain from Indian Carry to west city limits	110,745.00

NOTE: The grants listed in the Taconite Area Environmental Protection Fund reflect the original grant requested and approved. Some of these grants may have been amended. All amendments must be ap-

proved by the IRRRB and, if they involve additional monies must also be approved by the LAC and the governor. Any unused balances from grants are returned to the Fund for further granting.

Community	Project No.	Description	Grant Amount
Greenwood Township	81-53-1	Construct water storage tank for fire hall	16,500.00
Ironton	81-54-1	Construct sanitary and storm lines on Winona Avenue	48,473.00
Winton	81-56-1A	Water distribution improvements	174,000.00
	81-56-145	Water plant improvements	436,000.00
Meadowlands	81-35-1	Construct water system improvements	77,958.00
Linden Grove	81-55-1	Construct water and septic system for town hall	15,000.00

Community Economic Development—Public Works

Community	Project No.	Description	Grant Amount
Balkan	81-01-1	Repairs to roof at community center building	\$ 19,800.00
Buhl	81-9-542	Demolition of old steam boiler plant	42,750.00
Chisholm	81-02-1	Renovate library building and site (Barrier Free)	145,000.00
	81-02-2	Construction of fire hall	297,800.00
	81-11-322	Construct municipal parking lot	21,275.00
Coleraine	81-12-331	Renovate City hall to make assessible to handicapped	26,640.00
Colvin Township	81-03-1	Completion of remodeling town hall building	15,000.00
Cook	81-13-352	Construction of tourist information center	67,500.00
Ely	81-13-337	Vermilion Cultural Center Develop historical and cultural exhibits. Tourism development for the City	131,400.00
Embarrass	81-05-1	Renovate town hall and community center	72,000.00
Eveleth	81-19-2	Downtown renewal project parking lot construction Phase I	245,000.00
Eveleth Virginia Airport	81-07-114	Repairs to terminal building	45,000.00
Grand Marais	81-59-113	Visitor information center and rest area	\$ 76,500.00
Grand Rapids	81-07-2	Upgrade of through Hwy. 1 IRRRB funds shall be used for off street parking downtown redevelopment project.	100,000.00
Greenwood Township	81-01-125	Blacktop driveway fire hall and town hall	18,900.00
Hoyt Lakes	81-08-2	Construction of new city garage. (Building and site work)	560,000.00
Makinen	81-70-150	Fire truck chasis (public works equipment)	12,970.00
Marble	81-09-1	Approximately 8,000 feet of road, curb and gutter construction throughout city.	109,500.00

NOTE: The grants listed in the Taconite Area Environmental Protection Fund reflect the original grant requested and approved. Some of these grants may have been amended. All amendments must be ap-

proved by the IRRRB and, if they involve additional monies must also be approved by the LAC and the governor. Any unused balances from grants are returned to the Fund for further granting.

Community	Project No.	Description	Grant Amount
North East Minnesota Power Association (NEMMPA)	81-11-1	Funds to assist N.E. Mn Power Association in pursuing and analyzing joint ownership of MP&L Clay Boswell and impact of hydro-electrical power from Manitoba. NE Municipal Power Assn. is comprised of 12 municipalities across the Iron Range who are presently purchasing power from MP&L for distribution to their consumers.	97,478.00
Virginia	81-12-1	Renovation of the downtown business district. (Water sewer lines, street sidewalk replacement, traffic signals, street lighting)	900,000.00
Iron Range Police Chiefs	81-13-1	Construct and equip a regional law enforcement training center	230,000.00
Silver Bay	81-14-2	Improvements to runways at Silver Bay Airport (Mn/DOT 229,157.00)	70,666.00
Two Harbors	81-44-215	Overlay runways at municipal airport	10,000.00

PARKS AND RECREATION

Community	Project No.	Description	Grant Amount
Aurora	81-2-329	New lighting for Pine Grove Park	\$ 29,700.00
	81-2-147	Parksites for Holland Addition and Woodland Terrace	53,100.00
Babbitt	81-0001-1	Construct and develop baseball field complex	76,000.00
Bovey	81-12A-316	Beach, campsite project Kom-On-In beach Trout Lake	39,900.00
Buhl	81-9-223	Construct tennis courts in recreation park	41,500.00
Chisholm	81-11-628	Improve and upgrade recreation facilities. Include 2 tennis courts fencing, ballfield, playground equipment, bleachers for ball field	87,300.00
Clinton Township	81-002-1	Develop recreational park. Includes tennis court, baseball field, playground	54,000.00
Effie	81-62-127	Two tennis courts-playground equipment	36,717.00
Eveleth	81-19-740	Recreation park project Eastview Addition	12,000.00
	81-19-351	Funds to improve sanitary sewer facilities and upgrading present club house facilities at municipal golf course.	72,000.00
Gilbert	81-22-434	Fencing for recreational complex	\$ 13,500.00
Grand Portage	81-004-1	Development regional campgrounds	27,000.00

NOTE: The grants listed in the Taconite Area Environmental Protection Fund reflect the original grant requested and approved. Some of these grants may have been amended. All amendments must be ap-

proved by the IRRRB and, if they involve additional monies must also be approved by the LAC and the governor. Any unused balances from grants are returned to the Fund for further granting.

Community	Project No.	Description	Grant Amount
Grand Rapids	81-003-3	Construct and develop Legion athletic field. (LAWCON 58,850.00) (FED. Bor. 117,700.00) (Local 58,850.00) (Blandin 30,000.00)	150,000.00
Great Scott Township	81-005-01	Construct locker room and rest room facilities at Spirit Lake Beach	5,000.00
Hibbing	81-25-630	25th St. athletic complex	193,500.00
Hoyt Lakes	81-26-543	Bike trail-Allen Junction Road	70,200.00
Kinney	81-60-320	Construct softball field	5,720.00
Silver Bay	81-006-01	Construction of two softball fields	19,049.00
Tower	81-43-439	Construction of two tennis courts (LAWCON 17,500.00)	51,120.00

Taconite Area Environmental Protection Studies

Project	Amount
Mineral Resources Health Assessment Program	\$230,000.00-1981 215,000.00-1982
Analytical Equipment for Minnesota Mineral Resource Environmental and Technical Studies	\$200,000.00
Titanium in Minnesota — A Potential Market Survey	\$ 44,200.00
An Evaluation of the the Cuyuna Range as a National Strategic Manganese Resource	\$ 55,800.00
Mineland Reclamation Croft Mine	\$ 55,500.00

NOTE: The grants listed in the Taconite Area Environmental Protection Fund reflect the original grant requested and approved. Some of these grants may have been amended. All amendments must be ap-

proved by the IRRRB and, if they involve additional monies must also be approved by the LAC and the governor. Any unused balances from grants are returned to the Fund for further granting.

PROJECTS FUNDED BY THE TACONITE ENVIRONMENTAL PROTECTION FUND FOR FY 1982

1.	Estimated Anticipated Revenues		
	A. New Monies	18,122,632.00	
	B. Unallotted Prior Year Funds Carried Forward	2,161,754.00	20,284,386.00
2.	Summary of Recommended Projects for FY 1982		
	A. Phased Projects (previously approved for '82)	5,400,009.00	
	B. Mineland Reclamation Projects	1,450,000.00	
	C. Core Area Community Grants/Projects — Water and Sewer	3,471,884.00	
	D. Other Economic Development Projects	2,675,069.00	
	TOTAL this request		12,996,962.00
	(Balance to be requested in supplemental list)		7,287,424.00

Phased Projects (Previously approved for '82)

Community	Description	Amount
Big Fork (final year of funding, 4 year project)	1. Water and sewer line extensions 2. Renovate water treatment plant 3. Major replacement and construction of water supply and wastewater facilities	\$177,918.00
Biwabik (final year of funding, 4 year project)	1. Construct water and sewer extension to serve entire SE¼ of Section 2 2. Construct sewer extension to serve campground control building 3. Construction of sewer extension to serve recreational area (beach) 4. Improvements to water supply system	\$281,125.00
Chisholm (final year of funding, 5 year project)	1. Development of new permanent water source 2. Construction of water line loops 3. Additional to existing water treatment plant 4. Construction of elevated storage tank 5. Sewer extensions and repairs 6. Construction of specific storm sewer project 7. Local effort funds for feasibility study on clean-up of Long Year Lake. 8. Local effort funds for a land-use planning study.	\$225,000.00
Crosby (final year of funding, 4 year project)	1. Construction of storm sewer and replace old inadequate storm sewer portions 2. Construct curb and gutter and paving on streets to replace paving.	\$156,750.00
Ely (final year of funding, 4 year project)	1. Construct sewer line extensions to serve easterly section of Ely	\$130,472.00

NOTE: The grants listed in the Taconite Area Environmental Protection Fund reflect the original grant requested and approved. Some of these grants may have been amended. All amendments must be ap-

proved by the IRRRB and, if they involve additional monies must also be approved by the LAC and the governor. Any unused balances from grants are returned to the Fund for further granting.

Community	Description	Amount
Eveleth (final year of funding, 4 year project)	<ol style="list-style-type: none"> 1. Construct a 3 million gallon reservoir 2. Construct a 1 million gallon elevated storage tank 3. Repair lift stations for sanitary sewer system 4. Replace water valves throughout the city 5. Replace specific sanitary sewer mains 6. Replace 480 lineal feet of manholes throughout the city. 7. Installation of new manholes in the newly annexed portion of old Fayal Township 	\$475,000.00
Gilbert (final year of funding, 4 year project)	<ol style="list-style-type: none"> 1. Construction of sanitary sewer extensions along Highway 37 to Genoa Location area. 2. \$26,000.00 can be used for water system improvements on 1978 water system project. 	\$109,000.00
Gilbert (final year of funding, 4 year project)	<ol style="list-style-type: none"> 1. Addition to wastewater treatment plant 2. Construction of water main supply line. 3. Construction of booster pump. 4. Construction of elevated water tank. 	\$202,912.00
Hibbing P.U.C. (final year of funding, 4 year project)	<ol style="list-style-type: none"> 1. Construction of 4 million gallon water filtration tank (contract was modified to accommodate city's need for reallocation of funds from other projects approved within this contract) 	\$391,000.00
Mineral Resources Health Assessment Program (final year of funding, 2 year project)	<p>The Division of Epidemiology, School of Public Health, proposes to manage a balanced research program concerning the environmental health impacts of mineral mining and processing activities upon the workers and general public in Minnesota.</p> <p style="text-align: center;">\$230,000.00-1981 215,000.00-1982</p>	\$215,000.00
Mountain Iron (final year of funding, 4 year project)	<ol style="list-style-type: none"> 1. Construct sanitary sewer and water service to South Grove 2. Construct sanitary sewer and water service to West Virginia 	\$482,500.00
Hibbing (Stuntz) (final year of funding, 4 year project)	<ol style="list-style-type: none"> 1. Construct water and sewer main extensions. 	\$140,000.00
Two Harbors (final year of funding, 4 year project)	<ol style="list-style-type: none"> 1. Construct water line extensions to serve Homewood Addition. 2. Construct water line extensions to serve North Segog area. 3. Construct pump station to serve Homewood and North Segog Addition 	\$375,000.00
Virginia (final year of funding, 4 year project)	<ol style="list-style-type: none"> 1. Construction of sewer line from the sewage treatment plant to Midway Location 	\$260,000.00
Virginia (final year of funding, 3 year project)	<ol style="list-style-type: none"> 1. Construct sewer and water mains along Southern Drive area to provide for a modular home court site. 2. Extend sewer and water mains along the Midway access road. 3. Includes engineering costs and fees. 	\$438,666.00

NOTE: The grants listed in the Taconite Area Environmental Protection Fund reflect the original grant requested and approved. Some of these grants may have been amended. All amendments must be ap-

proved by the IRRRB and, if they involve additional monies must also be approved by the LAC and the governor. Any unused balances from grants are returned to the Fund for further granting.

Phased Projects (Previously Approved for '82)

NOTE: Actual tax receipts for FY 81 were less than anticipated. The following projects were phased due to the revenue shortfall.

Community	Description	Project Award	FY 82 Amount
Bass Brook	Elevated tank, well, and water distribution system FY 81 funding approved 514,000 FY 82 funding approved 661,000 Modified to 391,666 / year for FY 81, 81, 83	\$1,175,000.00	\$391,666
Hoyt Lakes	Construction of new city garage. (Building and site work). FY 81 funding approved 560,000 modified to 280,000 / year for FY 81 and FY 82	560,000.00	280,000
Winton	Water plant improvements FY 81 funding approved 436,000 modified to 218,000 / year for FY 81 and FY 82	436,000.00	218,000
Virginia	Renovation of the downtown business district. (Water sewer lines, street, sidewalk replacement traffic signals, street lighting) FY 81 funding approved 900,000 modified to 450,000 / year for FY 81 and FY 82	900,000.00	450,000
Total all phased projects			\$5,400,009

Sewer and Water Projects

Community	Description	Grant Amount
Aitkin	Construct well and pumphouse #6	136,660
Aurora	Holding tank - wastewater	23,700
Bigfork	New Well and Control System	171,061
Biwabik	Storm Sewer, 1st to 2nd St., between 4th & 5th Avenues	25,000
Biwabik	Storm Sewer 2nd St. between 4th & 2nd Avenues	62,000
Biwabik	Sanitary Sewer	54,000
Biwabik	Water System Repairs	34,000
Bovey	Water Main & Street Improvements	47,020
Breitung	Emergency water pump repair	47,800
Breitung Township	Upgrade Water System	109,400
Buhl	Storm Sewers	35,075
Chisholm	Sanitary Sewer Improvements	120,000
Chisholm	Standby Pump/Water Supply	15,000
Coleraine	Emergency Power Generator for Lift Station	29,700
Cook	Replace Water & Sewer, Alley East of Ash Street	61,280
Cook	Replace Water & Sewer, Alley East of Poplar Street	103,230
Crosby	Sanitary Sewer Main	68,000

NOTE: The grants listed in the Taconite Area Environmental Protection Fund reflect the original grant requested and approved. Some of these grants may have been amended. All amendments must be ap-

proved by the IRRRB and, if they involve additional monies must also be approved by the LAC and the governor. Any unused balances from grants are returned to the Fund for further granting.

Community	Description	Grant Amount
Deerwood	Sanitary sewer, Reno Lake Area	175,000
Ely	Sewer & Water Lines, Conan Street	114,500
Fall Lake Two	Sanitary Sewer System Feasibility Study	14,000
	Project references tourists visiting BWCA and Resort area needs.	
Gilbert	Storm Sewer on Summit Street	337,000
Gilbert	Improvements to Sewage Treatment Plant	7,000
Grand Portage	Water line and sewer upgrading	22,500
Hibbing	Newburg Road Relief Sewer	280,000
Hibbing	Storm Sewer Restoration of 5th Avenue W.	189,000
Hoyt Lakes	Water Treatment Improvements	368,900
Ironton	Replace watermain & fire hydrants	58,000
Kinney	Storm sewer rehabilitation	99,195
Lake County	Step II, plans, specifications for wastewater treatment plant	42,593
Marble	Sewer & Water Extensions	29,500
Meadowlands	Sanitary sewer improvements & lift station	67,320
Nashwauk	Reconstruction of Pumphouse	123,750
Orr	New water well	119,000
Silver Bay	Water & Sewer Utilities, Blocks 31 and 32 Town Site Addition	50,800
Tower	Sanitary Sewer, North 3rd Street Poplar to Spruce Street	30,900
Virginia	Standby Power for Lift Stations	200,000

Economic Development Projects

Community	Description	Grant Amount
Babbit	Bryant Building Renovation	343,000
Babbitt	Fire Hall Addition	131,000
Beaver Bay	Street surfacing	51,250
Blackberry Twp	Community Building	13,500
Bovey	Emergency Improvements to City Hall	53,650
Chisholm	Restoration of Longyear Lake	157,575
Clinton Township	Recreational Improvements	90,000
Coleraine	Replace Library Windows	31,500
Coleraine	Upgrade City Hall	9,828
Coleraine	Clean & Seal Street Joints	28,350
Colvin Twp	Install heating unit in community building	7,500
Cook area	Landfill improvements	51,200
Cotton	Upgrade Town hall, Blacktop Parking Lot	24,125
Ely	Incinerator Feasibility Study	25,000
Embarrass	Completion of Town Hall Renovation	45,000
Eveleth/Va. Airport	Construct ramp, taxiway, auto parking improvements	59,000

NOTE: The grants listed in the Taconite Area Environmental Protection Fund reflect the original grant requested and approved. Some of these grants may have been amended. All amendments must be ap-

proved by the IRRRB and, if they involve additional monies must also be approved by the LAC and the governor. Any unused balances from grants are returned to the Fund for further granting.

Community	Description	Grant Amount
Fall Lake	Community Bldg. Renovation/Heating System	12,600
Fayal Township	Fire Sign System	38,250
Fayal Twp.	Eveleth-Fayal Trail	59,750
Greenwood Twp	Purchase Fire Truck	40,000
Hibbing	Bennett Park	103,500
Hibbing	Downtown Improvement & Development	85,000
Kugler Twp	Townhall improvement	21,600
Lakeland VFD	Improvements to the Fire Hall	38,100
Linden Grove Twp	Townhall improvements	40,000
Marble	City Garage	25,200
Sago Township	Recreational Community Center	19,682
Silver Bay	Campton Recreation Area	31,700
Silver Bay	Public Boat Landing & Picnic Area	40,500
Sturgeon Township	Area Recreational Center	12,600
Toivola	Community Center Renovation	41,000
Tower	Completion of Minipark Project	3,000
Tower	Land Acquisition (Airport)	6,300
Tower	Construct New Roof on City Garage	12,600
Two Harbors	Elec. Cable Burial, Resurfacing Landscaping	90,000
Virginia	Public Library Improvements	500,000 FY 82 500,000 FY 83
White Township	Purchase Fire Truck	72,900
Wabana Township	Development of a Recreational Area	32,409
Wuori Township	Construct Community Center	126,900
Core Area Communities	Capital Improvement Program	100,000

NOTE: The grants listed in the Taconite Area Environmental Protection Fund reflect the original grant requested and approved. Some of these grants may have been amended. All amendments must be ap-

proved by the IRRRB and, if they involve additional monies must also be approved by the LAC and the governor. Any unused balances from grants are returned to the Fund for further granting.

List of Projects To Be Funded By The Taconite Environmental Protection Fund For FY 1982

1. Estimated Anticipated Revenues & Unallotted Prior Year Funds Carried Forward	\$20,284,286.00	
Less Project listing previously submitted	<u>12,996,962.00</u>	\$7,287,424.00
2. Summary of Supplemental Listing of Projects for FY 1982		
A. Phased Projects - all previously submitted totaling: 5,400,009.00		
B. Mineland Reclamation Projects, previously submitted totaling: 1,450,000.00		
C. Core Area Community Grants/Projects-Water and Sewer		
— Previously submitted projects totaled \$3,471,884		
— Projects submitted in this listing	4,095,498.00	
D. Other Economic Development Projects		
— Previously submitted projects totaled \$2,675,069		
- Projects submitted in this listing	<u>3,279,712.00</u>	
TOTAL this supplemental listing		\$7,375,210.00

Sewer and Water Projects

Project	Description	Grant Amount
Calumet	Sanitary sewer/water main improvements	238,100
Chisholm	Storm Sewer Improvements	695,664
Ely	Storm Sewer, Harvey Street	207,200
Eveleth	Storm Sewers, Curb, Gutter, Street Construction	450,795
Gilbert	Nebraska Avenue Sanitary Sewer	52,822
Hibbing	Storm Sewer Replacement, Brooklyn Addition	577,840
Hibbing	Water Treatment (P.U.C.)	650,000 FY2 500,000 FY3
Hibbing	Industrial Park-Mitchell Redore-Phase I	200,000
Iron	Water System Improvements	134,000
McKinley	Replace Hydrants & Loop Main	49,220
Mt. Iron	Storm Sewer Improvements	368,145
Taconite	Sanitary sewer improvements	20,000
Tower	Sanitary Sewer Manholes	6,810
	2nd Street Sanitary Sewer	86,102
Two Harbors	Storm Drains on 8th and 9th Additions	250,000

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proved by the IRRRB and, if they involve additional monies must also be approved by the LAC and the governor. Any unused balances from grants are returned to the Fund for further granting.

Economics Development Projects

Project	Description	Grant Amount
Aurora	Resurface East 3rd Avenue South	81,000
Aurora	Construct New City Garage	450,000
Balsam Twp.	Construct recreation complex	94,300
Buhl	Sidewalk, Curb and Gutter Replacement	103,000
Breitung Twp.	Fire Equipment Storage Building	64,260
Cherry Twp.	Construct Fire Hall/Community Building	307,800
Eveleth	Downtown Development	54,000
Eveleth	New Ambulance	30,000
Eveleth	Development of a multiple use recreation facility	100,262
Fayal Twp	Communications Systems	6,300
Grand Rapids	Downtown Development	300,000
Hudson Landfill	Upgrading of Sanitary Landfill	132,500
Keewatin	Electrical Power Distribution:	125,000
Marble	Improvements to Baseball Field: Softball Field	9,500
Mt. Iron	City Garage	243,490 FY2 243,490 FY3
Nashwauk	Community Recreation Building	200,000
Nashwauk	Power Distribution	50,000
Silver Bay	Ballfield lighting	29,300
Two Harbors	Library improvements	440,000
Virginia	Upgrading Miners Memorial Building	215,000
White Twp.	New Township Garage	150,000
White Twp.	Loon Lake Community Center:	27,000
Winton	Street improvements	67,000
Keewatin	Replace Manholes	108,800

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proved by the IRRRB and, if they involve additional monies must also be approved by the LAC and the governor. Any unused balances from grants are returned to the Fund for further granting.

IRRRB FINANCIAL REPORT

Iron Range Resources & Rehabilitation Combined Balance Sheet As of June 30, 1981 Unaudited

	Iron Range Resources & Rehabilitation Fund	Taconite Area Environmental Protection Fund	Supplemental Tax Administered for Carlton and Koochiching Counties	Combined Totals
ASSETS				
Cash	5,079,417.78	200,980.25	1,085,297.95	6,365,695.98
Accounts Receivable	4,260.97			4,260.97
Reimbursements Receivable from other State Agencies	3,185.00			3,185.00
Investment in Short-Term Securities		22,345,214.32		22,345,214.32
Accrued Income from Investments		870,346.91		870,346.91
TOTAL ASSETS	5,086,863.75	23,416,541.48	1,085,297.95	29,588,703.18
LIABILITIES				
Accounts Payable	145,658.41	2,347,374.95	37,258.39	2,530,291.75
Accounts Payable to other State Agencies		40,112.00		40,112.00
TOTAL LIABILITIES	145,658.41	2,387,486.95	37,258.39	2,570,403.75
FUND EQUITY				
Reserved: For Encumbrances	1,112,674.89	16,528,359.49	405,489.35	18,046,523.73
Unreserved: Designated for LAC/Governor Approved Projects		1,755,040.05		1,755,040.05
Designated for Appropriations Carryover Balances	3,828,530.45	2,745,654.99	642,550.21	7,216,735.65
TOTAL FUND EQUITY	4,941,205.34	21,029,054.53	1,048,039.56	27,018,299.43
TOTAL LIABILITIES & FUND EQUITY	5,086,863.75	23,416,541.48	1,085,297.95	29,588,703.18

**Iron Range Resources & Rehabilitation
 Combined Statement of Revenue, Expenditures & Fund Balances
 For The Year Ending June 30, 1981
 Unaudited**

REVENUE	Iron Range Resources & Rehabilitation Fund	Taconite Area Environmental Protection Fund	Supplemental Tax Administered for Carlton and Koochiching Counties	Combined Totals
Taconite Production and Occupation Taxes	3,254,359.00	15,663,492.00	502,960.00	19,420,811.00
Reimbursements from other State Agencies	135,462.06	863.67		136,325.73
Investment Income		2,294,368.41		2,294,368.41
Other Receipts	153,393.87	1,566.16		154,960.03
TOTAL REVENUES	3,543,214.93	17,960,290.24	502,960.00	22,006,465.17
EXPENDITURES				
Agency Services & Operations	1,809,931.00	13,220,951.39	410,092.29	15,440,974.68
Revenues to other State Agencies	365,845.00	278,571.04		644,416.04
TOTAL EXPENDITURES	2,175,776.00	13,499,522.43	410,092.29	16,085,390.72
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,367,438.93	4,460,767.81	92,867.71	5,921,074.45
FUND BALANCE, July 1, 1980 as Previously Reported	3,425,811.51	6,169,213.00	589,999.41	10,185,023.92
PRIOR PERIOD ADJUSTMENTS	147,954.90	10,399,073.72	365,172.44	10,912,201.06
FUND BALANCES, July 1, 1980 as Restated	3,573,766.41	16,568,286.72	955,171.85	21,097,224.98
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	1,367,438.93	4,460,767.81	92,867.71	5,921,074.45
FUND BALANCES, JULY 1, 1981	4,941,205.34	21,029,054.53	1,048,039.56	27,018,299.43

**Iron Range Resources & Rehabilitation
Combined Balance Sheet
As Of June 30, 1982
Unaudited**

	Iron Range Resources & Rehabilitation Fund	Taconite Area Environmental Protection Fund	Supplemental Tax Administered for Carlton and Koochiching Counties	Combined Totals
ASSETS				
Cash	5,202,606.20	103,577.12	1,186,334.84	6,492,518.16
Accounts Receivables	1,958.06			1,958.06
Reimbursements Receivables from other State Agencies				-0-
Loans Receivable	220,000.00			220,000.00
Investments		27,102,185.00		27,102,185.00
Accrued Income From Investments and Loans Receivable	1,250.00	326,271.00		327,521.00
TOTAL ASSETS	5,425,814.26	27,532,033.12	1,186,334.84	34,144,182.22
LIABILITIES				
Accounts Payable	239,046.28	4,237,093.22	28,805.03	4,504,944.53
Accounts Payable to other State Agencies		24,273.50		24,273.50
TOTAL LIABILITIES	239,046.28	4,261,366.72	28,805.03	4,529,218.03
FUND EQUITY				
Reserved: For Encumbrances	1,032,734.40	18,028,131.86	493,831.92	19,554,698.18
Unreserved: Designated for LAC/Governor				
Approved Projects		1,420,405.02		1,420,405.02
Designated for LAC/Governor Approved Jobs Program		2,500,000.00		2,500,000.00
Designated for Projects Pending LAC/Governor approval		915,500.00		915,500.00
Designated for Appropriations Carryover Balances	4,154,033.58	406,629.52	663,697.89	5,224,360.99
TOTAL FUND EQUITY	5,186,767.98	23,270,666.40	1,157,529.81	29,614,964.19
TOTAL LIABILITIES & FUND EQUITY	5,425,814.26	27,532,033.12	1,186,334.84	34,144,182.22

**Iron Range Resources & Rehabilitation
 Combined Statement of Revenue, Expenditures & Fund Balance
 For The Year Ending June 30, 1982
 Unaudited**

	Iron Range Resources & Rehabilitation Fund	Taconite Area Environmental Protection Fund	Supplemental Tax Administered for Carlton and Koochiching Counties	Combined Totals
REVENUE				
Taconite Production and Occupation Taxes	3,517,809.00	18,899,997.00	517,988.00	22,935,794.00
Reimbursements from other State Agencies	115,876.46			115,876.46
Investment Income		3,080,793.53		3,080,793.53
Other Receipts	150,238.84	1,800.00		152,038.84
TOTAL REVENUES	3,783,924.30	21,982,590.53	517,988.00	26,284,502.83
EXPENDITURES				
Agency Services & Operations	2,973,409.66	19,672,938.66	408,497.75	23,054,846.07
Revenues to other State Agencies	564,952.00	68,040.00		632,992.00
TOTAL EXPENDITURES	3,538,361.66	19,740,978.66	408,497.75	23,687,838.07
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	245,562.64	2,241,611.87	109,490.25	2,596,664.76
FUND BALANCES, JULY 1, 1981	4,941,205.34	21,029,054.53	1,048,039.56	27,018,299.43
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	245,562.64	2,241,611.87	109,490.25	2,596,664.76
FUND BALANCES, July 1, 1982	5,186,767.98	23,270,666.40	1,157,529.81	29,614,964.19

IRON RANGE RESOURCES & REHABILITATION BOARD NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 1982

1. Summary of Significant Accounting Policies

These notes provide disclosures which are relevant to the combined financial statements on the preceeding pages, and are relevant only to the individual account groups to which they refer.

Basis of Presentation:

Except as described in the following notes, the reporting policies of the IRRRB conform to generally accepted accounting principles (GAAP) as prescribed by the National Council on Governmental Accounting (NCGA). The NCGA's Statement 1, *Governmental Accounting and Financial Reporting Principles*, and Statement 2, *Grant, Entitlement, and Shared Revenue Accounting and Reporting by State and Local Governments* are considered the primary authoritative sources of GAAP for governmental units. These publications took effect during fiscal year 1981 and accordingly, their provisions were followed in this financial report.

The reporting emphasis for fiscal years 1981 and 1982, under the guidelines prescribed by the NCGA, represents a departure from presentations of financial statements for prior years. The reporting focus for this report is now on the combined statement level and now includes a combined Balance Sheet. The reporting focus in previous reports was on the individual appropriation accounts, with separate Revenue & Expenditure statements for each account. Previous report did not include a Balance Sheet.

Classification of Funds:

All IRRRB funds are of the Special Revenue Fund type, within the fund category of Governmental funds. Governmental funds account for the acquisition, use and balances of expendable financial resources and the related liabilities. Special Revenue funds account for the proceeds of the specific revenue

sources that are legally restricted to expenditures for specific purposes.

Basis of Accounting:

All governmental funds are accounted for using the modified accrual basis of accounting, which includes the following recognition principles:

Revenues: Revenues are recognized in the period when they become both measurable and available to finance expenditures of the current period. "Measurable" means that the liability is supported by sufficient documentation and can be reasonably estimated. "Available" means collectible by the September close of the books.

Expenditure & Related Liabilities: GAAP requires that expenditures and liabilities be recognized at the point at which goods and services are received. Budgetary data as now reported on the Statewide Accounting system does not provide a liability figure. For the purposes of this report, it was not feasible to convert the budgetary basis data to GAAP. Therefore, all expenditures made after June 30 to fiscal year closing (9/5/81 and 9/4/82) were considered to be liabilities as of June 30.

2. Cash, Investments and Accrued Investment Income

As provided by Minnesota Statutes 298.224, the Taconite Area Environmental Protection Fund cash is separately invested through the State Board of Investment. Cash in the IRRRB Board account and in the Supplemental Tax account is invested by the State of Minnesota and the investment income is credited to the General Fund of the State. The following page lists the Short-Term Securities of the Taconite Area Environment Protection Funds as of June 30, 1982.

3. **Loans Receivable**

Loans receivable are stated in full without allowances for loan losses, although the loans at present are unsecured. This is a departure from GAAP. Two loans are outstanding as of June 30, 1982:

Good sports, Inc. (Eveleth)	\$170,000.00
Aspenal, Inc. (Virginia)	50,000.00
Total Loans Receivable as of June 30, 1982	\$220,000.00

4. **Reimbursements from Other State Agencies and Reimbursements Receivable from Other State Agencies:**

Reimbursements from other State Agencies consist primarily of reimbursements from the Department of Natural Resources for the salaries of personnel participating in the County Assistance Program. In accordance with Minnesota Statutes 282.38 and interagency agreements, DNR will be transferring \$102,479.43 to IRRRB after the closing of fiscal year 1982. The reimbursement of \$102,479.43 will be received during Fiscal Year 1983, but does not meet the availability test (see footnote #1) and therefore, this reimbursement is not reported in the financial statements for fiscal year 1982.

5. **Accounting and Reporting Changes**

Previous Biennial Reports included financial statements which were prepared on a budgetary basis. Significant accounting and reporting changes have been made to recognize the changes required by NCGA Statement 1 and to conform more closely to generally accepted accounting principles. Some of these changes required that fund equity as of July 1, 1980 be restated to give retroactive effect to the changes in accounting and reporting.

Accounting changes that require prior period adjustment to more accurately reflect the beginning fund balance include the reclassification of encumbrances. Valid encumbrances at June 30 are reported as a reservation of fund balance for subsequent year expenditures. In previous years, all valid encumbrances for the current year, at year end, were reported as expenditures.

Because of the change in emphasis of reporting brought about by NCGA Statement 1, from reporting by individual fund to

reporting at the combined financial statement level, data is more summarized than in financial statements for previous years. Details of assets, liabilities, revenues and expenditures at the individual account level have been summarized to more general captions for the combined statement.

6. **Budget Statements**

Budgetary statements, as required by GAAP, have not been presented. Budgetary data as reported by the accounting system does not accurately reflect the budgetary data upon which the appropriations for the fiscal year were based. It was, therefore, not feasible to make comparisons of the original budgets with the actual results.

7. **Contingent Liabilities - Litigation**

The State, its officers and employees, are defendants in numerous lawsuits, including several iron ore and taconite tax cases that could result in expenditures of IRRRB and other state moneys in excess of current levels. Liabilities arising out of a decision in these cases may affect the General Fund of the State, the Northeast Minnesota Economic Protection Fund, local government funds, and the Taconite Area Environmental Protection Fund.

8. **Potential Employee Claims for Compensated Absences**

Most state employees may accumulate vacation leave to a maximum of 240 working hours or 30 days, and all such leave must be liquidated at termination. Employees who are separated from state service by reason of death, retirement or layoff (excluding seasonal) are entitled to a portion of the employee's accumulated but unused sick leave.

The cost of vacation and sick leave is charged against the agency appropriations when the leave is used, rather than when leave is earned. There is no recorded accumulated annual and sick leave in the IRRRB financial records. However, it has been determined that the liability which exists would not have a substantial impact upon the agency's funds.

9. **Fund Balances**

The reserved portion of the fund balances indicates that a portion of the fund balance is legally segregated for a specific future use.

The unreserved portion of the fund balance consists of designated fund balances which indicate tentative managerial plans for future use of resources.

The Designated for Appropriations Carryover Balances for the Iron Range Resources and Rehabilitation fund and for the Supplemental Tax Fund administered for the Koochiching and Carlton Counties, include tax receipts which are received during February and May and reserved for operations of the following fiscal year. Their Designated for Appropriation Carryover Balance for the Taconite Area Environmental

Protection Fund includes a balance reserved for administrative operations of the following year.

Certain commitments exist which are to be financed by future revenues, and in accordance with GAAP, these long term commitments are not included in the reserved portion of the Fund Balances. Long term commitments consist of grant agreements in the form of phased projects which were approved by the Legislative Advisory Commission (LAC) and the Governor during the fiscal year 1981 and 1982. The following phased grant obligations existed as of June 30, 1982:

**PROJECTS INITIALLY APPROVED BY LAC/GOVERNOR
IN FY 81 and FY 82**

	FY 83	FY 84	FY 85
Hibbing PUC Water Treatment Plant (Was \$65,000/82 \$500,000/83 reallocated \$619,683 of '82 to other projects.)	\$ 500,000		
Hibbing PUC Water Treatment Plant (Additional monies to permit bonding. Our LAC request dated 2-25-82)	\$1,000,00	700,000	600,000
Virginia Public Library (*82 list of projects \$500,000/82 \$500,000/83	\$ 500,000		
Mt. Iron City Garage (*82 list of projects \$243,490/82, \$243,490/83)	\$ 243,490		
Base Brook- elevated tank, well, water system (*81 phased due to short fall \$1,175,000 at \$391,666/81,82,83)	\$ 391,666		
TOTAL	\$2,635,156	700,000	600,000

**STATE OF MINNESOTA
STATE BOARD OF INVESTMENT**

Advisor: Taconite Area Environmental Prot.
Report: Short-Term Department Securities Listing — By Type
Period: June 30, 1982

Par Value	Security	Yield	Maturity Date	Original Cost	Accrued Value	Accrued Interest	Date ACQD
1,500,000	Union Bank of LA BA-Disc	13.600 %	Due 8/ 2/1982	1,456,933	1,481,300	24,367	5/18/1982
2,000,000	Republic Natl. Bank N BA-Disc	13.500 %	Due 9/ 1/1982	1,936,250	1,952,750	16,500	6/ 8/1982
1,000,000	First National Dallas BA-Disc	13.450 %	Due 9/ 7/1982	966,001	974,221	8,219	6/ 8/1982
	Sub-Total		PAR \$ 4,500.00	4,359,185	4,408,271	49,086	
1,800,000	Assoc. Corp. of N.A.	14.250 %	Due 7/ 1/1982	1,800,000	1,840,821	40,821	5/ 5/1982
1,053,000	C.I.T. Financial Corp.	14.250 %	Due 7/ 1/1972	1,053,000	1,076,880	23,880	5/ 5/1982
1,800,000	General Electric Credit Corp.	14.250 %	Due 7/ 1/1982	1,800,000	1,840,821	40,821	5/ 5/1982
1,000,000	Transamerica Financial Corp.	14.125 %	Due 7/ 1/1982	1,000,000	1,005,526	5,526	6/16/1982
1,000,000	General Motors Acceptance	13.250 %	Due 7/ 6/1982	1,000,000	1,012,323	12,323	5/28/1982
1,800,000	Honeywell Finance	13.300 %	Due 7/15/1982	1,800,000	1,818,238	18,238	6/ 3/1982
1,700,000	Northwest Bancorporation Inc.	13.250 %	Due 7/15/1982	1,700,000	1,717,159	17,159	6/ 3/1982
1,700,000	Transamerica Financial Corp.	13.250 %	Due 7/15/1982	1,700,000	1,717,159	17,159	6/ 3/1982
	Sub-Total		PAR \$ 11,853,000	11,853,000	12,028,927	175,927	
2,090,000	Repurchase Agreement	13.450 %	Due 7/ 6/1982	2,090,000	2,118,111	28,111	5/25/1982
1,000,000	Repurchase Agreement	13.270 %	Due 7/ 6/1982	1,000,000	1,008,478	8,478	6/ 7/1982
2,000,000	Repurchase Agreement	13.450 %	Due 7/15/1982	2,000,000	2,021,669	21,669	6/ 1/1982
1,800,000	Repurchase Agreement	13.750 %	Due 7/15/1982	1,800,000	1,800,000	0	6/30/1982
	Sub-Total		PAR \$ 6,890,000	6,890,000	6,948,258	58,258	
Govts and Agencies							
4,000,000	Federal Farm Credit Bank	12.900 %	Due 12/ 1/82	4,000,000	4,043,000	43,000	
	TOTAL WTD Yield 13.5%		PAR \$ 27,243,000	27,102,185	27,428,455	326,271	

