

CITY OF GRAND MARAIS
MINUTES
November 18, 2009

Mayor Hakes called the meeting to order at 4:30 p.m.

Members present: Kay Costello, Sue Hakes, William Lenz and Jan Sivertson

Members absent: Tim Kennedy

Staff present: Mike Roth, Linda Chappell, Kim Dunsmoor and Chris Hood by teleconference

Mayor Hakes invited the public to speak during a period of open forum. Open Forum is limited to one half-hour. No person may speak more than 5 minutes or more than once. No one spoke.

Motion by Costello, seconded by Lenz to approve the Agenda with addition of letter to county and storefront loan; November 9, 2009, Worksession Minutes with correction indicating that the county has not approved their final budget that would give \$5,000 to the golf course operation; November 9, 2009, Minutes; and Payment of Bills. Approved unanimously.

The council discussed their role in the 1% Sales Tax projects. The council will send a letter and attend a county board meeting to express the importance of the community center project and the library expansion and offer to work with the county board to get projects completed.

Linda Chappell, David Quick, and Carol Miller representing the Library Board, asked for the council's support for the library expansion in its current location including use of the lawn area.

Motion by Lenz, seconded by Costello to give the library board a vote of support and ask them to proceed with building plans. Approved unanimously.

The Library Board should also approach the county board with the same request. The library is funded jointly by the city and the county.

Bev Wolke, Chamber of Commerce, presented a storefront loan application by Grand Marais Hotel Company in the amount of \$12,500 for the replacement and renovation of the Shoreline Inn sign located at the corner of Hwy 61 and Broadway. The Chamber of Commerce recommends approval of the storefront loan.

Motion by Costello, seconded by Sivertson to approve the Grand Marais Hotel Company Storefront Loan in the amount of \$12,500. Approved unanimously.

Carolyn Drude, Ehlers and Associates, received bids for the Cedar Grove Business Park Refinancing. The underwriter did not take as much discount as allowed so the principal amount require to refinance was reduced by \$10,000. Two bids were received. Northland Securities, Inc. with a true interest rate of 4.2419% and Cronin & Company, Inc. with a true interest rate of

4.3350%. Standard and Poor's confirmed and continued the City of Grand Marais "A" rating with a stable outlook.

Motion by Hakes, seconded by Lenz to adopt Resolution 2009-14 Providing for the Issuance and Sale of the \$ 1,675,000 General Obligation Improvement Refunding Bonds, Series 2009A, Pledging Special Assessments for the Security and Levying a Tax for the Payment Thereof. Approved unanimously.

Mayor Hakes opened the floor for discussion and review of the Grand Marais Noise Ordinance. One phone call was received indicating that there were no problems this summer. No other comments were received. The Sheriff's Office did not receive any complaints about music. It was noted that this was a cold summer and that there were fewer outdoor entertainment opportunities.

The SMMPA Board, made up of representatives from member cities, has offered a twenty year extension to the power sales contract. This contract obligates SMMPA to provide us with our electricity. They use the power sales contracts with their members as the basis of revenue bond financing. Financing of large capital items related to providing power can extend out beyond the current length of the contracts. The Public Utilities Commission voted 3-0 to approve the contract extension.

Motion by Hakes, seconded by Lenz to support the Public Utilities Commission contract extension with SMMPA to the year 2050. Approved unanimously.

Councilor Lenz' Report:

- 1) Three councilors went to the community center meeting, but one left because they did not know if the meeting was posted.

Mayor Hakes' Report:

- 1) Diane Booth will go before the county board and will send the agenda to all the participants at the committee meeting. Amber Clay, Parks Assistant, will participate on the community center committee.

City Administrator Roth's Report:

- 1) The Joint City/County/School/Tribe meeting will be held at the school.
- 2) December 9th is our Truth-in-Taxation Meeting at 6:00 p.m

Motion by Hakes, seconded by Lenz to adjourn the meeting. Approved unanimously.

There being no further business, the meeting adjourned at 5:40 p.m.