

CITY OF GRAND MARAIS
MINUTES
July 29 2009

Mayor Hakes called the meeting to order at 4:33 p.m.

Members present: Tim Kennedy, William Lenz, Kay Costello and Jan Sivertson

Members absent: Sue Hakes

Staff present: Mike Roth and Kim Dunsmoor

Vice-Mayor Kennedy 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 Library Budget; July 8, 2009, Worksession Minutes; July 8, 2009, Minutes; and Payment of Bills. Approved unanimously.

Linda Chappell, Library Director, presented the Library Budget with a 0% increase over the 2009 Budget.

Motion by Sivertson, seconded by Costello to approve the 2010 Library Budget. Approved unanimously.

The council interviewed four attorney firms and selected two of those firms to continue considering. Fryberger, Buchanan, Smith and Frederick, PA and Flaherty & Hood. Fryberger has ties to the community while Flaherty & Hood specialize in city government. Flaherty and Hood's rates were 2/3's the price of Fryberger. Long distance attorneys will be able to attend the council meetings by speakerphone. Staff has researched skype capabilities to access video conferencing.

Motion by Lenz, seconded by Sivertson to accept the Flaherty and Hood Proposal for City Attorney Services through 2010. Approved unanimously.

Briggs and Morgan, Bond Counsel, also represent Excel Energy and have asked for prospective consent in the event there is a conflict between the City of Grand Marais and Excel Energy.

Motion by Costello, seconded by Lenz to approve giving prospective consent as requested. Approved unanimously.

City Administrator Roth presented Mayor Hakes' update regarding a meeting with the DNR to discuss the Safe Harbor and Marina. The mayor's update is on her mayor minutes blog. The purpose of the meeting was to re-establish trust between the DNR and the City of Grand Marais, discuss requirements for building a Safe Harbor and Marina,

and identify the next steps in the process. The group felt they could work within the parameters of the City of Grand Marais Resolution 2007-05, work to satisfy the Army Corp of Engineers cost/benefit ratio analysis, and work to satisfy the DNR requirements for a Safe Harbor and Landside uses and easements. Points of interest include: riparian rights, new basin size of about 6 acres, city may retain land ownership with an easement or lease agreement with the DNR, and the marina may be built incrementally with a limited number of slips. The DNR has offered to draft an agreement outlining how the DNR and the City of Grand Marais might work together. The City will prepare a brochure with proposed design concept to request funding for actual design work. Much of the work has already been done through the previous public process. We will ask the City Engineer to create a brochure for \$10,000 or less.

The biomass grant application was submitted on July 14th after edits from City Administrator Roth and Councilor Kennedy. The feasibility report is completed. The City of Ely has the same questions as we do and are in the same stage of their evaluation process. A working committee met this morning. Mayor Hakes and Tim Kennedy are members of the committee. Ehlers will assist us in looking at financing of the project. CERT organized a public meeting on July 20 to showcase a few local energy projects. The working committee will meet weekly.

Since our meeting with MnDot, crosswalks have been repainted, an additional crosswalk was added near 3rd Avenue West, and additional “Stop for Pedestrian” signs have been purchased and placed in crosswalks. Two “Event Congestion Ahead” signs have been ordered and will arrive in August: in the meantime, we are borrowing signs from MnDot for the Dragon Boat Festival and Fisherman’s Picnic. Staff has applied for a permit to install a “Your Speed Is” sign.

Motion by Kennedy, seconded by Lenz to approve Resolution 2009-05 Declaring Costs to be Assessed and Ordering Preparation of Proposed Assessment for the 2008 Improvements Project. Approved unanimously.

Motion by Costello, seconded by Lenz to approve Resolution 2009-06 Setting the Hearing on Proposed Assessment for the 2008 Improvements Project for August 26th, 2009. Approved unanimously.

The Minnesota Office of Administrative Hearings approved the annexation of the remaining properties of the Blackwell Addition on July 23, 2009.

Councilor Lenz’ Report:

- 1) The last Park Master Plan meeting was yesterday. The plan approved by the Park Board will be brought to the council at the next meeting. The maps will delineate wetlands. City Administrator Roth asked the consultant to stop work on the project and asked the council to officially cancel the Carduus Contract. We have deliverables including a final report. There were many behavioral issues that damaged the public process and obvious mistakes on controversial issues including delineation of wetlands. Vice-Mayor Kennedy

will call Carduus to request the remaining maps and to part ways on this project.

Councilor Costello's Report:

- 1) The Sales Tax Committee met for over three hours on Monday with Mike Fischer as a facilitator. The group removed the biomass district heating from the list and left the following projects to be considered further: community center with pool, community center grounds, Birch Grove Community Center, Superior National Golf Course, Library Expansion, and Broadband. The Community Center Project Market Analysis by Ballard*King & Associates was presented and recommended moving the project to the Recreation Area Harbor location and the project loses more money than the current pool. It is uncertain if this community can afford to have a pool. The broadband project is gathering more and more support. The broadband project would use \$9.2 million of the allowed \$20 million sales tax proposal.

Councilor Sivertson's Report:

- 1) The EDA met and will have a cost/benefit analysis done. They are applying for a grant to fund the analysis and it may be done by the UM of Crookston.
- 2) The North Shore Management Board met. They have an ongoing project with ARDC to create a geographic information system available on their website. They have completed a similar system for the iron range already.

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

There being no further business, the meeting adjourned at 6:14 p.m.