

CITY OF GRAND MARAIS  
MINUTES  
July 8, 2009

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

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

Members absent: None

Staff present: Mike Roth, Don Davison and Kim Dunsmoor

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.

Bradley Peterson, Coalition of Greater Minnesota Cities, updated the council on the coalition's efforts to lobby the senate and house representatives and work with the media to reduce the cuts to local government aid. Minnesota has a structural long-term deficit and many of the current cuts were one time budget fixes. They are also working on land use and annexation issues.

**Motion by Kennedy, seconded by Costello to approve the agenda with the addition of Biomass; June 24, 2009, Worksession Minutes; June 24, 2009 Minutes; June 24, 2009, Noise Ordinance Public Hearing Minutes; payment of bills; American Legion Fisherman's Picnic Bingo Permit; North Shore Federal Credit Union Customer Appreciation Days Permit; and Sawtooth Challenge Bike Race Street Permit. Approved unanimously.**

Kelly Rauzi, Cook County Whole Foods Coop, is requesting a conditional use permit to add two roof signs to their building. One sign will be oriented toward the North of the building and will extend 6' above the roof. The other sign will be at the West edge of the façade and will extend 3' above the top edge of the façade. The Whole Foods Coop is a single story commercial building located on Lots 1 and 2, Block 31, Village Plat, PID #80-131-0010. The Planning Commission held a public hearing on July 1, 2009. There were no public comments. The Planning Commission recommends approval of the Conditional Use by a 4-1 vote. Rauzi provided the council with a drawing of the superstructure to support the sign and stated that they would paint the supports black.

**Motion by Hakes, seconded by Sivertson to approve the Cook County Whole Foods Coop Conditional Use Permit. Approved unanimously.**

Advanced Housing Concepts had requested a rezoning for a lot owned by the EDA. It was determined that the rezoning was not an option due to the type of funding secured to build the business park.

**Motion by Kennedy, seconded by Lenz to deny the Advanced Housing Concepts and EDA request for rezoning. Approved unanimously.**

**Motion by Costello, seconded by Sivertson to approve the Dragon Boat Festival Permit. Approved unanimously.**

Dragon Boat Festival organizers will be reminded about their responsibility to provide porta-potties and remove their own vendors and organizer garbage.

**Motion by Kennedy, seconded by Lenz to approve the Grand Marais Lion's Club Fisherman's Picnic Permit. Approved unanimously.**

**Motion by Kennedy, seconded by Lenz to approve the American Legion Temporary On-Sale Liquor Permit for the Fisherman's Picnic Beer Tent. Approved unanimously.**

Diane Brostrom, GMATA, updated the council with the 2009 Budget. GMATA is on track with their budget. Last year there were 28,000 visitors to the visitor center which is open 7 days per week. It is a busy place with information requests, calls, emails and visitors. The lodging tax collection shows an increase in revenues each year from 2004. The new website averages 25,000 visits per month. Visitor surveys indicate that we are still not attracting families with young children. The new visitor guide has won awards. 40,000 copies were printed a year ago and it is time to reprint the guide. GMATA has created a new link with 10 fun ideas for activities that are absolutely free. The e-newsletter is sent to 1,650 email addresses and has a 34% open within 24 hours rate.

Council discussed the noise ordinance. There were problems in 2007, but businesses have corrected the problems. Decibel meters require extra enforcement time and read all noises. Council will hold another public hearing in the fall to evaluate the noise ordinance and make changes if necessary.

**Motion by Costello, seconded by Kennedy to approve the Second Reading of Ordinance 2009-02 Amending Grand Marais Code, Chapter 46, By Creating an Exception to Noise Nuisances within the City for Live Musical Performances.**

**Ayes: Hakes, Sivertson, Costello, Kennedy      Nay: Lenz**

**Motion by Hakes, seconded by Costello to approve the Agreement for Prosecution Services between the City of Grand Marais and Cook County. Approved unanimously.**

The city will pay \$3,125 on a quarterly basis for prosecution services performed by the County Attorney on behalf of the City.

Chuck Hartley, LHB, continued discussion about the Biomass District Heating and Power Plant project. The feasibility study will be completed next week. Full build-out could have \$1.1 million/year savings in fuel and heating costs, electric revenue and EPA

Cap and Trade credits. CCLEP has been working for over a year on this concept. This grant would allow the city to use \$ 5.6 million in federal money and \$5.6 million in city money. The state forestry and firewise people have indicated that there are enough biomass sources to supply the plant. There is no smell when the plant is operating because 80% of the particulates are removed in the first filtration system, and then 95% of the remaining particulates are removed by the second system. The plant can burn hog fuel or chips.

**Motion by Costello, seconded by Kennedy to support the Boundary Waters District Heating/Power Plant Project Grant Application.**

**Ayes: Costello, Lenz, Kennedy, Sivertson**

**Nay: Hakes**

**Motion Approved.**

There is a need for a working committee for this biomass project. The committee should include Councilor Kennedy, Public Utilities Commission, CCLEP Biomass Committee, Bob Fenwick, school and hospital. There should also be a quarterly meeting between the City of Grand Marais and the City of Ely.

The specifications for a “Your Speed Is” sign have been received from MNDOT. We will need to get a permit from MNDOT before we can order the sign. Two “Event Congestion Ahead” signs have been ordered and a “No Outlet” sign has been ordered for 1<sup>st</sup> Avenue W south of Wisconsin Street.

Councilor Kennedy’s Report:

- 1) The Broadband Committee has quickly approaching grant deadlines. They are applying for an 80% funding request. The rules of the grant exclude Grand Marais. The only way the project will work is if the 1% sales tax referendum is passed.

City Administrator Roth’s Report:

- 1) A Small Cities Grant has been applied for to pay for additional repair work above and beyond the FEMA grant to reconstruct ditches and provide additional riprap. The city is the pass through agent for the EDA. The same program is paying for the Creechville Special Assessments. The City is not being asked to provide a match.

**Motion by Hakes, seconded Kennedy to accept the Small Cities Grant in the amount of \$114,365 for the EDA Cedar Grove Business Park. Approved unanimously.**

- 2) The Fire Department is writing a FEMA grant to expand the fire hall. There is no match required.
- 3) The Mayor and staff will meet with the DNR tomorrow to discuss the safe harbor/marina to find out what they need from us, what to do, and if there is a match required from the city.
- 4) Requests for Proposal for City Attorney civil services are due by next Friday July 17, 2009. We have not received any proposals yet.

Councilor Lenz' Report:

- 1) The Park Board will hold a meeting on July 28, 2009 to make their decision public. The plan will show wetlands, two campsites will be eliminated from the current design. The final plan will be brought to the council in August.

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

There being no further business, the meeting adjourned at 6:53 p.m.