

***CITY OF GRAND MARAIS***  
***MINUTES***  
***October 28, 2009***

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

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

Members absent: None

Staff present: Mike Roth, Kim Dunsmoor, Dave Tersteeg 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.

Mark Sandbo, Grand Marais Hotel Company, thanked the council for the letter regarding the Shoreline sign. A new sign should be installed by the end of November.

**Motion by Kennedy, seconded by Lenz to approve the Agenda; October 14, 2009, Worksession Minutes; October 14, 2009, Minutes and Payment of Bills. Approved unanimously.**

Bev Wolke, Chamber of Commerce, requested approval of the Christmas Parade Street Permit. The parade is scheduled for November 24, 2009, 5:30 – 6:30 p.m. Bev requested that the city put up the holiday banners, Christmas Tree, and the lighted deer.

**Motion by Kennedy, seconded by Costello to approve the Christmas Parade Street Permit. Approved unanimously.**

Ken Wilenski and Max Bichel, Grand Marais Lion's Club, have chosen downtown public restrooms as a community service project. The Lion's are offering to coordinate the project by forming a group, looking for potential bathroom sites and designs, and getting volunteers to build it. The city has looked at this project before, bathrooms are generally very expensive. Currently, the city supplements the public restroom with satellites during the busy summer season. The council will appoint a member to serve on a committee with the Lion's to work on this project.

Diane Brostrom, Grand Marais Area Tourism Association and Cook County Events Visitors Bureau, presented a lighting plan for downtown Grand Marais to help in the marketing campaign November 19-January 3 for a Christmas city. The grand total for a lighting plan for Harbor Park and the downtown streets is \$9,941.12. The council discussed the budget, lodging tax, lighting rebates, and other potential sources of revenue. City staff can provide the labor to purchase and put up the lighting. Several business owners said they would contribute toward the cost of lights.

**Motion by Kennedy, seconded by Sivertson to provide up to \$5,000 match of donations for the lighting/decoration purchases and provide city staff and electricity for the lighting displays. Approved unanimously.**

PAC-13 equipment has been relocated to City Hall. Jeremy Ridlbauer helped us move the equipment and is in the process of helping us get newer software. Currently, city staff can make changes to the messages and events that are displayed on the channel. Old pages have been removed and other pages updated. WTIP is still broadcasting the sound on the channel. Currently, no one is filming anything. Council decided to set up a camera and record council meetings to be played on PAC-13. If other entities want to have their meetings, games or events on PAC-13, they can submit a recording to City Hall. We will need to develop a policy about what we will advertise on this channel.

The council discussed the Cairn Sign Maintenance Agreement. Our city attorney, Chris Hood, made several changes to the agreement. It now reads that we will be responsible for City of Grand Marais signs and that the city will own the signs.

**Motion by Kennedy, seconded by Lenz to approve the Cairn Sign Maintenance Agreement between Arrowhead Regional Development Commission and the City of Grand Marais. Approved unanimously.**

The burn pile was closed two weeks ago because it is full. We also closed the temporary overflow site at the Grand Marais Recreation Area. On Monday, the conditions were right to burn the brush pile. On Tuesday night, the breeze died down and we had a temperature inversion causing smoke to be bothersome at the hospital and at the school on Wednesday morning. Both facilities turned off their air handlers. A little later in the morning, the breeze picked up and blew the smoke away from town. Council discussed whether we should have a burn pile in town or not and people that dump items that are not allowed at the burn pile. Many people use the burn pile and were angry when they had to drive further out of town to dump their brush. Many people are wondering when the burn pile will be open again. A conflict exists.

Councilor Kennedy's Report:

- 1) The Biomass Committee is still meeting and putting together a business plan. We have not heard anything about the grant yet. Ely just approved their payment for the feasibility study and are continuing to meet every other week. CCLEP has done a lot of work and it shows.

Councilor Sivertson's Report:

- 1) The EDA opened the one response to the Marketing RFP. Gunflint Realty proposed a clear price per lot and developed a simple marketing plan. There are steps in place for the public process and decisions on whether the project has economic development potential. Conflict of interest questions will be answered by the city attorney and the EDA attorney.
- 2) The 1% Sales Tax Committee met this morning and will meet again on Wednesday after the vote. The telephone campaign survey indicates 75% voting

yes, yes: however, they are cautious about relying on phone surveys. There seems to be a lot of concern about the Business Park and whether this could happen again. One project and focus was easier to support.

City Administrator Roth's Report:

- 1) Met with EDA Director, S.E.H., and Tom Bakk. The group asked Bakk for any assistance he could provide for the business development park. The city received a grant for \$130,000 for the housing project and is asking to divert the grant to the business development park infrastructure. We also asked for a loan rather than bonding the \$1.63 million for the BDA, but IRR is not in great financial shape and there is no time to think about it. The Official Statement is being sent out November 1<sup>st</sup> and 5<sup>th</sup>. We can amend the amount to borrow less, but it will delay the sale and require another rating.

Mayor Hakes' Report:

- 1) Will host the Women's Business Luncheon in the Council Chambers on November 18<sup>th</sup>. The meeting will be posted just in case 3 members of the council attend.
- 2) Sue, Kay and Tim will be on WTIP on November 5. This will also be posted since three members of the council will be on the radio show.

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

There being no further business, the meeting adjourned at 6:28 p.m.