

CITY OF GRAND MARAIS
MINUTES
March 26, 2008

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

Members present: Evelyn Larsen, Kay Costello, Tim Kennedy, William Lenz, and Edward Bolstad

Members absent: None

Staff present: Mike Roth, Don Davison, and Kim Dunsmoor

Mayor Larsen 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.

Mike Flack, Grand Marais Fire Department member, received a letter about the resignation of the Fire Chief and the chief selection process. In the past, they have elected the Fire Chief in house.

Mike Roth apologized if the fire department took the letter the wrong way. There is no intent on a power play. It has been the League of MN Cities recommendation for a long time that election of municipal fire department officials is inappropriate. They are city employees and need to be hired by the city council. They state very clearly that the fire department elections of officers should be eliminated altogether. There should be an application, review process and hiring by the city council.

Mike Flack further alleged rumor that the city was going to take over the Relief Association accounts.

No one knew where this rumor had come from.

Tim McLean, Grand Marais Fire Chief, stated that he is resigning effective April 2, 2008, because of stress and trying to work with Mike. He thinks that it is best if the next chief is not a city employee.

Motion by Bolstad, seconded by Lenz to approve the Consent Agenda; March 12, 2007, Worksession Minutes with change to “Joint Powers Recreation Board has almost finished”; March 12, 2008, Minutes with changes – “recommendation of city staff” on page 1, clarify “orderly annexation” and remove “obvious” on page 2, remove “Minnesota” on page 3; and Payment of Bills. Approved unanimously.

Scott and Chris Melhaff and John Holland, Best Western Superior Inn, request a special liquor license to be granted for serving liquor to hotel guests. They do not intend to operate a restaurant or to serve liquor to the general public. They are requesting the city’s support in seeking special legislation similar to legislation that was passed for The Lodge on Lake Detroit.

Motion by Bolstad, seconded by Lenz to approve a letter of support seeking special legislation to give discretion to the City of Grand Marais to issue a license to allow Holland Motel, Inc. d/b/a the Best Western Superior Inn and Suites to sell intoxicating liquor or a license to sell wine and malt liquor. Approved unanimously.

East Bay Suites has applied for a Consumption and Display Permit to allow private parties who rent the café space or community room to serve their guests alcohol.

Motion by Kennedy, seconded by Bolstad to approve the East Bay Hospitality LLC d/b/a East Bay Suites Consumption and Display Permit. Approved unanimously.

Dave Tersteeg, Parks Assistant Manager, presented the Park Board recommendation to purchase and reconfigure docks at a cost of \$52,590 to relieve the waiting list. North House has concerns about the potential for conflicts with the way the docks are oriented. The original request of the Park Board was simply to add more slips. The initial thought was to add an additional dock parallel to the others, but it would not fit. A suggestion of finger docks was explored and Plan C allows the maximum slips. The need is great and there has been a lot of public input. The council has reservations about the impact to North House Folk School.

Greg Wright, North House Folk School applauded the Park Board in their efforts and is in favor of evolving the marina. He also applauded the efforts of the Grand Marais Business Council and Harbor Friends for their hard work and compromise in the current marina plan.

Motion by Kennedy, seconded by Lenz to refer the dock request back to the Park Board for an additional configuration and confer with North House Folk School over the beach area. Ayes: Kennedy, Lenz, Larsen, Bolstad Abstain: Costello

Costello abstained from discussion and motion due to employment with North House Folk School.

The council requested a sewer service ordinance example at the last meeting in conjunction with a request for variance. City Attorney Davison feels that the ordinance is not necessary because the State Rule does not allow common sewer hookups and the city should require an inspection when properties are sold or split. The real harm is to the property owners that are on the common hookup and raw sewage fills someone's basement.

Motion by Bolstad, seconded by Costello to approve the Young Variance with a hold harmless condition. Approved unanimously.

Tim Young is concerned about the hold harmless provision of the variance. He would like a compromise that he would construct a separate line to the house if the city will waive the hookup fees. He would rather that there were separate sewer lines. There is a question about other cabins also on the existing sewer line. Tim Young has a closing

date of April 26. Tim would also request a hookup completion date by January 1, 2009. The matter will be deferred to the next council meeting for more information.

Motion by Kennedy, seconded by Lenz to approve Resolution 2008-09 for Hearing on Proposed Assessment for the 2nd Street 9th Avenue Project scheduling the hearing for May 14, 2008. Approved unanimously.

One senior citizen has requested deferment. The criteria for deferment includes the property must be their homestead and the assessment would be paid when they move, die or sell the property.

Motion by Bolstad, seconded by Kennedy to approve the First Reading of Ordinance 2008-02 Annexing Land Located in the Unincorporated Area of Cook County, Minnesota Pursuant to Minnesota Statutes § 414.033 Subdivision 2(1), Permitting Annexation by Ordinance. Approved unanimously.

Public hearings have already been held for this topic.

Motion by Larsen, seconded by Bolstad to suspend the rules to allow the seconded reading to occur in the same meeting as the first reading. Approved unanimously.

Motion by Costello, seconded by Kennedy to approve the Second Reading of Ordinance 2008-02 Annexing Land Located in the Unincorporated Area of Cook County, Minnesota Pursuant to Minnesota Statutes § 414.033 Subdivision 2(1), Permitting Annexation by Ordinance. Approved unanimously.

Motion by Kennedy, seconded by Bolstad to approve Ordinance 2008-03 Annexing Land Located in the Unorganized Territory of Cook County, Minnesota Pursuant to Minnesota Statutes § 414.033 Subdivision 2(3), Permitting Annexation by Ordinance. Approved unanimously.

Additional Items:

- 1) The fire chief has resigned. The assistant fire chief can fill in until the next meeting.
- 2) **Motion by Bolstad, seconded by Kennedy to approve the Cook County Curling Club Consumption and Display Permit. Approved unanimously.**
- 3) **Motion by Bolstad, seconded by Costello to approve hiring of 4 Lifeguard Positions: Jerrod Dockan, Ashley Green, Megan Goettl, and Brock Hommerding. Approved unanimously.**

Councilor Costello's Report:

- 1) The Joint Powers Recreation Board went through their by-laws and is very interested in attending the next Joint City/County meeting.

Councilor Bolstad's Report:

- 1) The yearly North Shore Management Board State of the Coast Conference is May 1, 2008. It will be a good review of the North Shore and is open to all council members.

City Administrator Roth's Report:

- 1) Attended the County Board discussion on Annexation: however, the result was the same of no support for orderly annexation.
- 2) The League of Minnesota Cities Joint Legislative Conference is scheduled for April 9 – 10. It is a good opportunity for the council to meeting with representatives.

Mayor Larsen's Report:

- 1) Met with Bruce Martinsen to discuss joint meetings with the City Council and County Commissioners. Bruce would like to schedule regular joint meetings, but would like to wait until the sales tax issue is decided by the legislature.

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

There being no further business, the meeting adjourned at 6:17 p.m.