

CITY OF GRAND MARAIS  
MINUTES  
January 14, 2009

Sue Hakes, Jan Sivertson, and Tim Kennedy took the Oath of Office.

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

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

Members absent: None

Staff present: Mike Roth, Tom Stockman, Dave Tersteeg, 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.

Shae Kosmalski, Cook County Engineer, reminded the public that salt and sand do not stick in these temperatures. Please drive carefully.

**Motion by Lenz, seconded by Costello to approve the Agenda; December 31, 2008, Minutes; and Payment of Bills. Approved unanimously.**

The council discussed the park board membership and proposed Ordinance 2008-07. It has been difficult to get all seven board members to show up for the meetings: however, there are 3 applicants and council did not want to turn away people who wish to serve on the board. With the Park Master Plan, future of the pool, and planning ways to make the golf course profitable, a larger board would be better.

**Motion by Lenz, seconded by Hakes to approve the Second Reading of Ordinance 2008-07 Reducing the Park Board membership from seven members to five members.**

**Ayes: None**

**Nays: Lenz, Hakes, Sivertson, Costello, and Kennedy**

Council members were appointed to boards and commissions as follows:

<b>Board Name</b>	<b>Council Representative</b>
Cable Board	Kay Costello
Economic Development Authority	Jan Sivertson
Library Board	Kay Costello
ARDC Board	Bill Lenz
North Shore Management Board	Jan Sivertson
Joint Powers Recreation Board	Kay Costello

Park Board	Bill Lenz
Personnel Committee	Sue Hakes, Bill Lenz
Planning Commission	Tim Kennedy
Public Utilities Commission	Tim Kennedy
Public Utilities Board	Kay Costello, Bill Lenz, Jan Sivertson
Safety Committee	Tim Kennedy
Broadband Committee	Tim Kennedy
1% Sales Tax Committee	Tim Kennedy, Kay Costello
Animal Advocates	Bill Lenz
North House Folk School Liaison	Jan Sivertson

**Motion by Hakes, seconded by Lenz to appoint Robin DuChien to a 3-year Park Board term, Todd Miller to a 3-year Park Board term, and Paul Anderson to a 2-year Park Board term. Approved unanimously.**

The Mayor appointed Sherri Carlson to the Planning Commission with council consent.

**Motion by Hakes, seconded by Kennedy to appoint Hal Greenwood to the Public Utilities Commission.**

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

**Motion by Hakes, seconded by Sivertson to appoint Tim Kennedy as Acting Mayor. Approved unanimously.**

There are still vacancies on the EDA Board, Park Board, and Planning Commission.

Dave Tersteeg, Parks Manager, discussed a marina reconfiguration. In April 2008, the council approved an upgrade to the docks in the amount of \$26,000. Due to boater feedback, maintenance dredging in October, and consultation with industry professionals, the Park Board recommends a revised configuration and requests an additional \$13,055 to purchase more 30' x 3' finger piers. The docks can be reconfigured if a new marina is approved.

**Motion by Costello, seconded by Lenz to approve the Park Board request for additional \$13,055 for docks. Approved unanimously.**

The council considered Ordinance 2008-08 Amending Chapter 58 of the City Code by adding Sections 58-66 No 24-hour parking and 58-67 Calendar Parking. The first reading of the ordinance passed at the December 31, 2008, meeting. Shae Kosmalski, Cook County Engineer, addressed the council asking for the calendar parking to reduce plowing costs in the city. The highway department budget saw fuel and material increases of 40%. With an overall county budget cap of 1.6%, \$600,000 needed to be cut. The county is looking for efficiencies to reduce costs. It takes 3 to 6 times more time to plow city streets than county roads. Several northern municipalities have stated that they have saved money by using calendar parking. Kosmalski estimates that the county could save \$8,000 - \$11,000 per year by using calendar parking. Shawn

Swearingen, grader operator, said that he starts plowing at 4:00 a.m. downtown and is plowing residential neighborhoods by 6:00 a.m. Most people cooperate by moving their vehicles once he has plowed the street, but not all. Many people have off-street parking; however, some do not use their available off-street parking. There are a few areas where there is a problem because people do not move their vehicles. Any car that hasn't moved in 24 hours needs to be moved. There are a few neighborhoods above Hwy 61 that are more commercial in nature such as by the North Shore Building/Maruska's and around the churches where people will tend to park on both sides of the street during business hours. We will need to ease into the ordinance with a lot of public notification, warning tickets, administrative tickets, and then as a last resort – towing. Sheriff Falk asked that the ordinance be easily enforceable and consistent. Kosmalski will return with more cost savings information from other municipalities that use calendar parking. The ordinance was tabled.

One bid was received for Official Newspaper. The price increased from \$1.50/ inch to \$5.00/inch. Copies of minutes are on the city website, meetings are broadcast on PAC-13, and a DVD is available for checkout at the library. If we do not publish minutes, then we need to mail them to people who ask for them.

**Motion by Costello, seconded by Kennedy to designate the Cook County Newsherald as the City of Grand Marais Official Newspaper and look at ways to reduce volume due to increased cost. Approved unanimously.**

**Motion by Kennedy, seconded by Costello to approve the city depositories as Grand Marais State Bank, North Shore Federal Credit Union, Security State Bank, League of MN Cities 4M Fund, Smith Barney Citigroup/Citigroup Global Markets, Inc. Approved unanimously.**

**Motion by Hakes, seconded by Lenz to accept the terms of engagement and select Walker, Giroux, and Hahne, Ltd. as the City Auditor. Approved unanimously.**

Council set a worksession for January 28, 2009, at 3:30 p.m. to discuss city priorities.

Council discussed the Iron Range Resource Commercial Business Partnership Grant Program. This would be a revolving loan program providing low interest loans for commercial rehabilitation. The program could provide up to \$40,000 per applicant and consist of 1/3 Small Cities Grant, 1/3 Small Cities Loan, and 1/3 IRR Loan. Willing participants will need to be identified by the February 1, 2009, application deadline.

**Motion by Kennedy, seconded by Sivertson to approve Resolution 2009-01 Authorizing the City of Grand Marais to make application to the Iron Range Resources Community Business Partnership (09) Grant Program for Grand Marais Downtown Redevelopment Program. Approved unanimously.**

Mayor Hakes' Report:

- 1) Hakes and Sivertson attended the League of MN Cities Newly Elected Officials Workshop that stressed teamwork and the ability to do great things.
- 2) Expressed appreciation for the public service of Evelyn Larsen and Ed Bolstad.

Councilor Kennedy's Report:

- 1) The Safety Committee reported that there was one injury that was easily resolved in 2008. There were over 64,000 employee hours worked in 2008.

Councilor Sivertson's Report:

- 1) Attended the League of MN Cities Newly Elected Officials Workshop where they discussed the challenges of the economy, was inspirational, and was honored to be a part of this group.

Councilor Lenz' Report:

- 1) The Park Master Plan public meeting was held January 12, 2009, and was well attended.

Councilor Costello's Report:

- 1) The library quiet room is taking shape.
- 2) The 1% sales tax meeting is Monday, January 19, 2009, at 7:00 p.m.

City Administrator Roth's Report:

- 1) Welcome new council members.
- 2) The state unallotted about \$40,000 of Local Government Aid in 2008 and we expect a similar cut for 2009. We did anticipate some loss of LGA in our budget, but we will need to talk specifically about this loss of income. We have a few months to review the budget with some options.

City Attorney Davison's Report:

- 1) Glad that new council members attended the League of MN Cities Workshop.
- 2) The League of MN Cities online is a great resource for many city issues.
- 3) We have had 3 dog bites in the last 12 months; the last dog was not current on shots or licensed. We need to start enforcing our licensing requirements.

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

There being no further business, the meeting adjourned at 6:43 p.m.