

CITY OF GRAND MARAIS
MINUTES
April 29, 2009

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

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

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. No one spoke.

Motion by Costello, seconded by Kennedy to approve the agenda with addition of a closed discussion regarding litigation with Brennan. Approved unanimously.

Motion by Kennedy, seconded by Lenz to approve the April 8, 2009, Worksession Minutes, April 8, 2009, Minutes and the April 8, 2009 Annexation Public Hearing Minutes. Approved unanimously.

Motion by Kennedy, seconded by Hakes to approve the payment of bills. Approved unanimously.

Betsy Perry, Cook County ATV Club, asked for an update of their request to communicate with the county regarding ATV use of streets in the city limits. City Attorney Davison has been in contact with the county. The state-aid roads within the city limits are under the jurisdiction of the county. The city is not going to prohibit use on city streets and encourages consistent treatment of all streets within the city limits.

Motion by Kennedy, seconded by Lenz to approve the Mayor to send a letter to the county board indicating the city's desire to have consistent treatment of all streets within the city limits. Approved unanimously.

Don Hammer, Art Colony Director, requests a street and sidewalk permit for the Art Festival on July 11-12, 2008. The Art Colony will be responsible for disposing of garbage associated with vendor operations.

Motion by Costello, seconded by Kennedy to approve the Art Colony's 19th Annual Arts Festival Permit scheduled for July 11-12, 2009. Approved unanimously.

Motion by Lenz, seconded by Costello to approve hiring Jaclyn Biesemeyer, Kristen Bockovich, and Ailee Larson as lifeguards and Aaron Poznanovic as Park Maintenance Worker. Approved unanimously.

Motion by Kennedy, seconded by Lenz to hire Kyle Oberg and Kirk Oberg as volunteer firefighters. Approved unanimously.

Tom Stockman, Property Maintenance Supervisor, has requested to return to his previous position of property maintenance worker. This creates an issue about the supervisor position and has financial consequences. The personnel committee met and recommends returning Stockman to his previous position, but does not have a recommendation for the treatment of the supervisor position at this time.

Motion by Hakes, seconded by Lenz to remove Stockman from the property maintenance supervisor position and return him to the full-time property maintenance worker position effective immediately and place the street department supervision under the City Administrator temporarily. Approved unanimously.

Motion by Lenz, seconded by Kennedy to approve the Grand Marais Garden Club \$1,000 request for the town planting. Approved unanimously.

Motion by Costello, seconded by Lenz to approve the Como Customer Appreciation Day Street and Sidewalk Permit for July 8, 2009, between 9:00 a.m. and 2:00 p.m. with the condition that they provided their own waste collection. Approved unanimously.

Motion by Kennedy, seconded by Costello to approve the DEED Application requesting \$104,800 for work to correct June storm damage in the Cedar Grove Business Park. Approved unanimously.

The council discussed the annexation public hearing held April 8, 2009. Annexation requires two readings and approval by the state. Although, half a dozen property owners attended the hearing and were opposed to the annexation, other property owners have called in favor of the annexation. The area was platted in the early 1900's in a city lot pattern, the ownership is still in that pattern and the area does not fit with county standards. This area has been discussed for annexation for many years. Other properties in the same area have been annexed with the need for water and sewer upgrades. The property taxes should be treated in the same manner as the property completely surrounding them. This area is in close proximity to city parks, streets, and resources. The Gunflint Trail project was built with stubs for water and sewer to serve this area. The area is urban in character. There are many small lots and the area is becoming too dense. In one section, there are 4 houses on one acre. Piece meal annexation creates jurisdictional problems for law enforcement when one side of the street is in the county and the other side of the street is in the city. The current property taxes in the area are very low with some as low as \$2. The council had compassion for the increase in taxes and lifestyle changes. Lenz felt that the property should not be annexed unless they were adjacent to the current project or requested sewer and water services in the future.

Motion by Kennedy, seconded by Costello to approve the First Reading of Ordinance 2009-01 An Ordinance of the City of Grand Marais, Minnesota, Annexing Land Located in the Unincorporated Area of Cook County, Minnesota Pursuant to Minnesota Statutes § 414.033 Subdivision 2(2), Permitting Annexation by Ordinance.

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

East Bay Hotel is requesting a renewal of their Consumption and Display Permit to serve, but not sell alcohol on the premises.

Motion by Costello, seconded by Sivertson to approve the East Bay Hotel and Suites Consumption and Display Permit. Approved unanimously.

Councilor Sivertson's Report:

- 1) CCLEP hosted a windpower meeting. It was good information and I support their efforts.
- 2) A consultant at a tourism meeting stated that the 5 largest themes in tourism are girl getaways, adventure vacations, culinary workshops, parties and weddings.
- 3) The EDA met and there are budget deficit concerns of \$50,000 - \$80,000. The budget seems optimistic for Superior National Golf Course, the business park increasing legal costs, the budget assumes the sale of 2 lots, and the cash flow is very low even with the loans from the city and the county.
- 4) The city and county met to discuss the swimming pool and they are considering a 50/50 immediate expense sharing proposition. This will be discussed at the county's first board meeting in May. The sharing of expenses discussion expanded to other shared interests within the city and county.

Councilor Lenz' Report:

- 1) A public meeting for the Park Master Plan is scheduled for May 19 at 7:00 p.m. in the community center. There will be two proposals for discussion.

Councilor Costello's Report:

- 1) The Sales Tax Committee met April 20 with Mike Fischer and revised the timeline. The language change had not gone to committee yet. Fischer went to the county board the next day to ask for additional funding for another consultant for the community center project and for additional work for Fischer. The meeting was well attended and included the energy concept for biomass and CCLEP projects coming together on a lot a different levels.
- 2) The Joint Powers Board met and shared an update on projects. The school is still very interested in being a part of this board. Commissioner Sobanja indicated that the county board had approved the additional consultant work, but not additional funding for Fischer for the community center project. There are still city openings on the Joint Powers Board.

Mayor Hakes' Report:

- 1) Spoke with Rob Ege of MNDOT about highway 61 safety issues. He would like to meet with a subcommittee to discuss our traffic issues and discuss options. The committee will consist of Hakes, Kennedy, Costello and Roth.
- 2) Spoke with Larry Killien, DNR, about riparian rights. The attorney in the land division said that we cannot do any work on the wall in front of the private property owners. Hakes and Sivertson will create a small pamphlet to start conversation.
- 3) The Noise Ordinance should be put on the next agenda to discuss complaints, traffic noise, business noise, and special events.

City Administrator Roth's Report:

- 1) CCLEP invited the Italian corporation that makes the biomass energy plant. They have about 100 plants in use in Europe. It seemed like this may be a good fit for us, but there are still many questions. We will need a feasibility study. Bill Middlefelt, State, met with Kennedy, Fenwick and Stead to discuss possible funding through the state by hooking up with another group for carbon sequestration: however, they wanted a \$50,000 match. This option is not recommended. A small group will meet to talk more seriously about ownership and location. There is no model to follow, there are a lot of questions and not many answers.

Upcoming worksessions: May 13th will be a follow-up budget worksession and May 27th will be to discuss a short list for shovel ready projects.

Motion by Kennedy, seconded by Kay to close the meeting to discuss litigation. The meeting closed at 6:10 p.m.

The meeting adjourned at 6:24 p.m.