

CITY OF GRAND MARAIS
MINUTES
November 9, 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 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.

Eric Humphrey and Jane Shinnors, GMATA and CCEVB, gave an update of their organizations. GMATA, GTA, LTTA, CCEVB and Grand Portage are working toward consolidating administration by creating a director, IT director, and events director to work for all organizations. The board will have members from all areas. They are moving forward in the details of the organization and hope to hire directors in May. There is currently a Holiday promotion going on. There will be customer service training December 16th & 17th. There is no cost to participate.

Motion by Costello, seconded by Lenz to approve the Agenda; October 28, 2009, Minutes; and Payment of Bills. Approved unanimously.

LeRoy (Dale) Speck is requesting a variance from the requirement of a lot to have frontage on a public street in order to subdivide his property creating two lots without frontage on a public street located in the R-1 district abutting County Road 7 PID #80-020-2325. The newly created lots would otherwise meet zoning requirements. Our subdivision ordinance allows up to two parcels less than five acres area and 300' width to be conveyed by meets and bounds if they meet all other requirements of the zoning ordinance. A public hearing was held September 2, 2009. Commissioners Carlson, Kennedy, and Schulte were present. Dale Speck and Jeff Brett were present to answer any questions about the project. Scott Hawkins, owning the adjacent property to the West, was interested in purchasing a small piece of the property as a buffer. Jim Tidwell, owner of the property in the center of the Speck parcel, asked about the maintenance of the driveway after creation of two or three new lots. The issue was continued until the applicant provided the road maintenance agreement. At the hearing, it became clear that there was disagreement between the parties regarding road maintenance. The commission told the applicant that a road maintenance agreement was a condition of considering the variance. At their November 4 meeting, with all commissioners present, the commission reviewed the signed road maintenance agreement. The commission found that two new meets and bounds lots are being created, all lots will meet the dimensional requirements of the zoning ordinance, public street access to all portions of the Speck parcel would not be possible without creation of a new public street, the City is not interested in building or maintaining a new public street for this development, the applicant has provided an acceptable road maintenance agreement signed by all

affected parties, and the area consists of large residential lots similar to the lots being created. The Planning Commission recommends approval of the variance request by a 5-0 vote.

Motion by Hakes, seconded by Kennedy to approve Resolution 2009-12 LeRoy Speck Variance. Approved unanimously.

Paul Coe, Cook County Insurance Agency, presented the liability insurance renewal. The League of Minnesota Cities will do an appraisal of city buildings and property this year. North House Folk School is not included in the policy because the city has an agreement with North House to provide the insurance for those buildings. They should provide the city with proof of insurance. The deductible per claim is \$10,000 and \$20,000 aggregate.

Motion by Kennedy, seconded by Hakes to approve the insurance renewal with the League of Minnesota Cities and to waive the monetary limits on tort liability established by Minnesota Statutes 466.04, to the extent of the limits of the liability coverage obtained from the League of Minnesota Cities Insurance Trust. Approved unanimously.

The 1% Sales Tax referendum was passed by the voters. The projects supported by the 1% Sales Tax will apply toward the city goals of moving the pool and ball field to the community center location. Mayor Hakes prepared a draft letter to the county commissioners expressing the joy and satisfaction of passing the 1% Sales Tax and the willingness of the council to continue working together to complete the community center project. The county commissioners will need to decide which projects will be funded and determine how much revenue the 1% Sales Tax will generate in order to pay bond payments. The 1% Sales Tax will probably not take effect until April 2010. The council discussed the other projects that are also important to the city. Mayor Hakes and Councilor Costello will work on the letter to the county board and request to meet with them on November 17th or 24th. There is also a Joint City County School Tribe meeting scheduled for November 19th.

City Administrator Roth met with S.E.H, Tom Bakk, and the EDA Director to discuss Cedar Grove Business Park. The group requested a transfer of the unused \$140,000 grant related to the Sawtooth Cottages housing project and to provide a non-recourse loan in some amount to help finance the project. IRR will not meet until December. We have three options to consider in the refinancing of the bond: sell bonds as planned, reduce principal by \$140,000 and hope for IRR to grant our request, or delay the bond sale until next year to allow time for our requests to be considered and find a temporary funding source to repay the bond in January. After some discussion, the council decided to sell the bonds as planned.

Councilor Kennedy's Report:

- 1) The Biomass project was not on the list to receive grant funding, but we have not heard anything officially. The group is not meeting weekly any more. They will regroup and consider a smaller project to serve the government buildings. The group can take time to readdress this project.
- 2) The Broadband group was taken aback by the lack of support for the telecom portion of the vote: however, the group is still moving forward and looking at other avenues to bring broadband to the community.

Councilor Sivertson's Report:

- 1) The 1% Sales Tax helpers held a meeting and congratulated themselves on the passing of the referendum. Now the work begins. The Community Center group will meet November 17th at 4:30 p.m.

Motion by Kennedy, seconded by Sivertson to appoint Mayor Hakes to the County Community Center Board. Approved unanimously.

Councilor Lenz' Report:

- 1) The Park Board will finish their rate setting discussion at the next meeting.
- 2) The Marina docks are all together and the flow pumps are in place. If this method works well, it can save a lot of money in the future compared to removing docks.

Councilor Costello's Report:

- 1) The Library Board met and will be on the next agenda to refresh the council about the intended project. The board wants council support of moving forward in the current location.

City Administrator Roth's Report:

- 1) The burn pile is open again. It has been open less than a week and there is a lot of inappropriate junk already being dumped there. We have asked contractors to find other places to dump their loads. We received a letter from the hospital asking us to move the pile. There is no place in the city to move the pile. Aaron Mielke, DNR, spoke with the Mayor and said that we need to find a way to control the junk that gets dumped there or the pile will be closed. We are looking at buying a camera and instituting fines.

Mayor Hakes' Report:

- 1) The DNR was here in July and was going to send us a draft agreement. They have been very busy. Mayor Hakes requested the draft agreement to be sent before the end of the year.
- 2) Our attorney has given us his opinion on the Conflict of Interest question for realty representation in the business park. Council was given a copy of the letter.

Finance Director Dunsmoor's Report:

- 1) The Downtown Holiday lighting effort has been successful. The downtown businesses met and exceeded our match of \$5,000. Businesses have contributed \$5,200 and have committed another \$800. Pole mount lighted garland and bows have been ordered for all the poles on Wisconsin Street and 1st Avenue West. The same garlands have been ordered for the fences in Harbor Park. Warm white lights have been ordered for the trees in Harbor Park.

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

There being no further business, the meeting adjourned at 6:50 p.m.