

CITY OF GRAND MARAIS
MINUTES
July 5, 2006

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

Members present: Mark Sandbo, Kay Costello, Bob Spry, Edward Bolstad and Tim Kennedy

Members absent: None

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

Mayor Sandbo 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.

John Haluska, representing Harbor Friends, wished to place a sandwich board sign on the sidewalk to promote the Harbor Friends Center, but was told that sandwich board signs are illegal. Further, he questioned the sandwich board signs he has seen around town and asked that the ordinance be enforced. Harbor Friends would like to work with the council in ensuring that their proposed design is fully considered by the DNR. Also noticed snowmobiles water-skiing in the harbor this weekend and questioned the MN Land Trust Conservation Easement provisions in regard to water skipping. Harbor Friends have published an outdoor classroom field guide funded by the Coastal Zone Management Act, NOAA's Office of Ocean and Coastal Resource Management, in conjunction with the Minnesota's Lake Superior Coastal Program. The guides are free to the public and they are planning 16 additional field guides on various topics.

Motion by Bolstad, seconded by Costello to approve the Agenda; June 28, 2006, Minutes; and Payment of Bills. Approved unanimously.

Mayor Sandbo opened the Improvement Hearing on Cedar Grove Business Park at 4:35 p.m. There were no questions or comments. The hearing was closed at 4:37 p.m.

Jerry Shannon, Elhers and Associates - City of Grand Marais Financial Planner, discussed the Cedar Grove Business Park Development. The Economic Development Authority owns all the property for the business park. In order to comply with Chapter 429, Minnesota Statutes and to obtain authority to issue bonds to finance the project, the City must treat this project the same as any other improvement project. This will require the preparation of a Feasibility Report, which has been done, provide a Notice of Public Hearing which has been done, conduct the hearing which has been done, and Order the Project. This issue will not count against the City's Net Debt Limit since debt service is paid from assessments. The project is 100% assessable to the Economic Development Authority. Each assessment will be paid immediately upon the sale of each lot. To the extent insufficient revenue is available to pay debt service, the City will be required to either levy a tax or appropriate funds for such deficiency. The risk associated with these

temporary bonds is minimal. The Economic Development Authority will need to sell 27 lots to completely payoff the debt over a six-year period.

Motion by Bolstad, seconded by Kennedy to approve Resolution 2006-14 Ordering the Cedar Grove Business Park Improvement. Approved unanimously.

Bill Doucette, The Blue Moose, is requesting permission from the council to use the beach in the harbor close to the Lake Superior Trading Post as a place to launch and land eight kayaks for rental on a daily basis for 2 ½ months during July - September. Currently, he has a peddler's permit to use the parking lot behind the Blue Water Café with the kayaks stored in a trailer that is moved daily back to The Blue Moose. The council will answer this request at the next council meeting.

Mark Falk, Cook County Sheriff, was asked to be at the council meeting to discuss a snowmobile water-skipping incident that happened over the weekend. Mary Manning, Conservation Officer, issued two citations: expired registration and careless operation. The ordinance does not directly address snowmobile operation on the beach or harbor. Law Enforcement does not have a copy of the Resolution passed in 1995 that discusses in detail where snowmobiles can operate. More information will be provided at the next meeting. On another note, the council thanked the Sheriff for the speed trailer slowing traffic down around the city and for extra patrols protecting the plants in Harbor Park during the planting process.

Adam Jaros, Multiple Sclerosis, conducts fundraisers around the region to raise money. He was approached by Birch Terrace to sell pull-tabs. Typically, 20 % of the gross profit goes to the establishment and the remaining funds would be 27% administrative costs and 73% to multiple sclerosis work. In some cases, the city takes 10% of the gross profit. Jaros estimated approximately \$5,000 gross profit to come from an operation such as Birch Terrace. The closest establishments operating pull-tabs are Howling Wolf and Windigo Lodge. The council asked for a detailed report of where the money is spent. Bolstad is opposed to endorsing any type of gambling and questioned the other events that the Birch Terrace requested such as tip board, raffles and bingo. More information will be considered at the next council meeting.

Motion by Bolstad, seconded by Kennedy to approve the 2007 Library Budget. Approved unanimously.

Council discussed the vendor placement for the Fisherman's Picnic and is concerned about vendors in a street opened for traffic. It is not a safe situation. The Trading Post has been very insistent that the avenue remain open for their business and deliveries. The Lion's would like to keep food vendors near the power sources in Harbor Park.

Motion by Kennedy to approve the Lion's Fisherman's Picnic Street and Sidewalk Permit for vendor placement with the provision that all vendors are moved off the 1st Avenue West south of Wisconsin Street. Approved unanimously.

Motion by Spry, seconded by Bolstad to approve the North Shore Federal Credit Union Street and Sidewalk request to close E Second Street in front of the Credit Union during Member Appreciation Days 7/25-27/2006. Approved unanimously.

Motion by Bolstad, seconded by Costello to approve the Cook County Community Center Final Concept Plan. Approved unanimously.

Diane Brostrom, Grand Marais Visitor Information Center, requested a handicap entrance to be included in the City of Grand Marais' 2007 Budget. The county has done research for their entrances estimated at \$3,300. The same situation exists in the city hall offices and staff is hesitant to make improvements because of discussions regarding the long-term future of the city hall location. The request will be added to the budget.

Doug Rude wrote a letter regarding watering sod in the new construction area of the 2nd Street/9th Avenue Project and requesting some relief for the gallons of water they have used to water the sod in the city right of way. The contractor has the responsibility to water the sod or replace the sod if it dies.

Mayor Sandbo's Report:

- 1) Sandbo and Spry helped plant many bushes at Harbor Park on Saturday. The park is looking good and the planting is continuing.

City Administrator Roth's Report:

- 1) Both Mike and Kim will be out of the office for training next week.

City Attorney Davison's Report:

- 1) It is the City's responsibility to provide law enforcement with ordinances and resolutions in the city. They should receive a copy of the snowmobile resolution right away.

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

There being no further business, the meeting adjourned at 5:47 p.m.