

CITY OF GRAND MARAIS
MINUTES
March 12, 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.

Lonnie Dupre, Hal Greenwood, Harley Toftey, and Molly Hoffman representing the Grand Marais Business Council and the Harbor Friends approached the council with their combined support to pursue a marina basin development. The proposed basin is a starting point for marina discussions and is not meant to be offered as a final marina design. They believe the configuration comes as close as possible to conforming to the City's Resolution 2007-05 while satisfying the needs and positions of their organizations. It was a unanimous vote by both organizations to support the proposed basin. They would recycle the existing breakwall rocks and address the water quality issue. The proposed basin was a compromise from both organizations with criteria that the design meet safe harbor engineering standards, installation of the bulkhead and no smaller than the proposed basin. They would like to take this plan to Washington D.C. and request to be included in the safe harbor bonding bill for 2009 with the support of the city council.

Motion by Bolstad, seconded by Kennedy to approve the Agenda; February 13, 2008 Worksession Minutes; February 13, 2008, Minutes; Payment of Bills; and American Legion Bingo Permit. Approved unanimously.

Tim Young requests a variance to allow splitting his lot at 1807 W Highway 61, PID # 80-720-2305 in the C-2 zone into two metes and bounds parcels. The newly created lots would otherwise meet zoning requirements. The Planning Commission held a public hearing on March 5, 2008, and found that the new lots would meet our zoning requirements, the metes and bounds lot descriptions are allowed in this circumstance under our subdivision ordinance, and the buyer should grant an easement across the west lot for utility service lines. The commission recommended approval of the variance by a 3-0 vote with the condition that the owner records an easement for utility service lines. The council asked if the properties had separate water and sewer hookups. The owner had previously sued the city over a sewer line problem. It has been a recommendation city staff that each parcel should have a separate hookup to the city lines to avoid the problems that occur with shared water and sewer lines.

Motion by Bolstad, seconded by Larsen to table the Tim Young Variance Request extending the period for 60 days requesting further discussion and documentation from the owner. Approved unanimously.

Motion by Bolstad, seconded by Larsen to consider an ordinance change requiring separate water and sewer hookups for parcels served by city sewer and water. Approved unanimously.

The Grand Marais Area Tourism Association is requesting a conditional use permit to add to a roof sign to the visitor center located in City Hall. The sign will be the canoe that used to reside over the Gunflint Trail Visitor Center. Roof signs are only allowed by conditional use permit. The Planning Commission held a public hearing on March 5, 2008. There were no public comments. The commission found that the sign was attractive in its prior location, roof signs are allowed by conditional use in the C-1 zone, other roof signs are located in the C-1 zone, the sign is located in a developed area and fits with the north woods theme. The planning commission recommended approval of the conditional use permit by a vote of 3-0.

Motion by Costello, seconded by Lenz to approve Resolution 2008-08 Approving the GMATA Conditional Use Permit with the condition that they remove the sign and repair any resulting roof damage if they move from this location. Approved unanimously.

Motion by Kennedy, seconded by Bolstad to approve the The Little Canteen, LLC, doing business as Hughie's Taco House Strong Beer and Wine License. Approved unanimously.

Motion by Bolstad, seconded by Lenz to approve the purchase of a 2008 Ford F150 Pickup for park maintenance in the amount of \$13,000 from Two Harbors Ford. Approved unanimously.

Motion by Bolstad, seconded by Lenz to approve Resolution 2008-05 Declaring Costs to be Assessed, and Ordering Preparation of Proposed Assessment for the 2nd Street 9th Avenue West Project. Approved unanimously.

Motion by Bolstad, seconded by Kennedy to approve Resolution 2008-06 Ordering Improvement and Preparation of Plans for 2008 Improvements. Approved unanimously.

Currently, Creechville is included in the 2008 Improvements. Some properties in the improvement area are in the city limits and some properties are outside the city limits. At yesterday's meeting the county refused to allow the city to orderly annex properties outside the city limits even though some of the properties have requested to be annexed by the city so they could receive city sewer and water and despite their benefit by being directly adjacent to the city limits and in some cases surrounded by the city. The requested annexations have been in process for 4 years. The city has applied for and

most likely will receive a grant to reduce special assessments for the Creechville area: however, the city cannot assess properties outside the city limits. It is the city's policy not to extend city sewer and water services to properties outside the city limits. The annexation can be pursued at the state level. The council directed staff to find out how many properties are in the project area that are outside the city limits. It is important to service the people in Creechville who have requested city sewer and water prior to 2000. This project has been delayed many times while we tried to get a grant to help bring the cost of the project down. The council directed staff to pursue the Creechville/Blackwell, City and State Land Annexations by ordinance. If we cannot annex the properties, the project may need to be scaled back to exclude properties outside the city limits.

Motion by Bolstad, seconded by Kennedy to approve Resolution 2008-07 In Support of the Prevention Minnesota Active Living Minnesota Proposal. Approved unanimously.

Councilor Lenz' Report:

- 1) A potential Conflict of Interest will be resolved at the Park Board level.
- 2) The marina received some money for dredging that will be done in August or September.
- 3) The Park Board will present a plan to add nine additional berths in the marina. It is portable docking that can be reconfigured if the marina changes.

Councilor Kennedy's Report:

- 1) The ordinance following the Downtown Visioning and resulting Comprehensive Plan seems to have stalled. If we cannot get the consultant to respond, we need to move ahead without the consultant. Council directed the city attorney to draft a letter to the consultant and explore potential breach of contract.

Councilor Costello's Report:

- 1) The Library Board is looking at a plan to stay at the current location with a smaller expansion at the current site. They also considered space at the community center, but preferred to stay downtown.
- 2) Would like to attend a national leadership training in Tower, MN called Iron Range Go Run during April and request the city pay for mileage.

Councilor Bolstad's Report:

- 1) The North Shore Management board meets later this month. The rules for the shoreline are voluntary for now, but if they are not followed, we can expect them to become mandatory. These rules affect the Old Shore Road.
- 2) The Colvill Generation Plant owned by Great River Energy is suggested to be on line by the end of summer.
- 3) There was a major water line break by Buck's Hardware. The break was in the old line and was fixed.

City Attorney Davison's Report:

- 1) Economic Development Authority met with the new housing coordinator. The contract went into effect March 11, 2008. The housing coordinator is a consortium, so we will get whatever expertise we need from them. An office at city hall will be staffed on a part-time basis.

Mayor Larsen's Report:

- 1) A copy of the city's Conflict of Interest Policy should be sent out to each Board. There are also different statutory conflict of interest laws for each board.

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

There being no further business, the meeting adjourned at 5:40 p.m.