

CITY OF GRAND MARAIS
MINUTES
February 25, 2009

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

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

Members absent: Jan Sivertson

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.

John McClure requested a copy of the letter that he received removing him from the Park Board and the Planning Commission for absenteeism. He feels discriminated against and requested fair and consistent treatment for removal from boards. Further, he felt that the ordinance establishing conditions when a vacancy occurs should be abolished and he should be reinstated on the Planning Commission.

Jim Shinnners had applied for the Planning Commission, but requested that John McClure be given preference due to experience. He also requested an update on the 1% Sales Tax Committee and is concerned that the ground work needs to be done now to make sure that every voter hears and understands what the 1% Sales Tax will do for our community. This is a huge opportunity that the city should be vitally involved in.

Motion by Costello, seconded by Lenz to approve the Agenda switching the order of items E and F; February 11, 2009 Minutes; and Payment of Bills. Approved unanimously.

Two applications were received for the Planning Commission – Jim Shinnners and John McClure. Ordinance 2004-01 Amendment of Chapter 2 of the Grand Marais City Code, Administration, by adding thereto section 2-4: Vacancies, Establishing the Conditions when a Vacancy occurs on the City Council and on City Commissions was discussed. A position shall be deemed to be abandoned, and shall be declared vacant, if the person holding the position is absent from three consecutive regularly scheduled meetings or is absent from more than 25% of the regularly scheduled meetings during a calendar year. This ordinance was conceived in 2003 because there were problems reaching a quorum on the Planning Commission due to absences. In 2008, the Park Board had problems reaching a quorum due to absences. No business can be conducted without a quorum. John McClure is the only person who has been removed under this ordinance due to problems reaching a quorum at the Park Board: then his attendance was questioned on the Planning Commission. He had met the absenteeism requirement for declaring his position vacant for both boards. It is possible that there are other board members whose position should be declared vacant. Staff will need to research the attendance to make that determination. It is hard finding people that are willing to serve on boards and

commissions: however, if people are not attending the meetings, the work is not getting done.

Motion by Costello, seconded by Kennedy to table Planning Commission appointments until the next meeting.

Ayes: Costello, Kennedy, Lenz

Nay: Hakes

Greg Wright, North House Folk School Director, gave a presentation of the history of the school and the plans for the future. Currently, NHFS is in the midst of the “Raise the Roof” Campaign with their focus on the milling shop, expanding the campus with a student center, 3rd woodworking shop, enhance student safety, and housing for interns. The milling shop is a sustainable green building with energy efficiency. There will be solar heating for water and heat in the slab. There are sensors in the sand at different depths to determine the effectiveness of the heat. NHFS created an Alumni Survey of over 1200 students during 2006-2008, 320 students responded. Of the students that responded, 88.5% cited NHFS as the primary reason for their trip to Grand Marais, 66% stay at B&B’s, hotels and motels while 20% camp. Most students brought 1.1 extra persons with them and stayed additional days in Grand Marais. NHFS draws students to the area during the shoulder seasons. Most students patronize restaurants, gas and convenience stores, grocery stores and farmers markets, coffee shops, lodging, bars and taverns, etc. Instructors stay 40% on campus and 38% at local hotels. NHFS estimates that their induced economic impact on the community is around \$6,000,000. In the future, NHFS would like to build the Green Building that will be the student center, library, and bathhouse. The milling shop cost is being built on a cash basis. The green building is estimated at \$750,000. The blacksmith shop would be moved to the west and a kitchen would be put in the blue building. The brick oven would be moved next to the blue building’s kitchen area. NHFS will be seeking funding for the green building and they will need to discuss the ownership of the building with the city because it would be built on city property. Greg will bring back to the council the letter of understanding and framework for an agreement about the ownership of the potential green building.

Motion by Kennedy, seconded by Costello to approve Pay Estimate #4 in the amount of \$208,558.43 to Redstone Construction for the 2008 Improvements Project. Approved unanimously.

At the end of last year, the state approved the annexation of the school owned property in the Blackwell Addition and the City owned property above Creechville. At this time the remaining properties in the Blackwell Addition are surrounded by the City limits and are eligible for annexation by ordinance. This annexation will include four properties that will be improved this summer by our Creechville infrastructure project.

One of the properties has changed ownership since we held our initial public hearing. The State had advised that we should redo the hearing with new notice to all of the current property owners. Thirty days written notice is required, so we should schedule a hearing for late March or early April.

Motion by Kennedy, seconded by Lenz to set the public hearing for the annexation of the Blackwell Addition for April 8, 2009, at 5:00 p.m. Approved unanimously.

The council discussed the scope and strategy of the March 2nd strategic planning session. The goal will be to set priorities for the next two years.

Motion by Lenz, seconded by Costello to remove Evelyn Larsen, Ed Bolstad, and Kay Costello and authorize Sue Hakes and Tim Kennedy as official signatories for the City of Grand Marais and Public Utilities Commission bank accounts. Approved unanimously.

Councilor Kennedy's Report:

- 1) The 1% Sales Tax Committee is having some discussions with Senator Bakk about the language of the legislation. This will be discussed at the Joint City/County/School/Tribe meeting tomorrow.

Councilor Costello's Report:

- 1) The 1% Sales Tax Committee did assign project ideas to different members such as Kay for the library. The Joint Powers Recreation Board met recently and would like to work on the sales tax issue.

City Administrator Roth's Report:

- 1) The Park Board met with Bob Bruce about the Park Master Plan. They are really struggling to get public input and encourage the public to get involved.
- 2) The DNR/Safe Harbor meeting is scheduled for March 17 from 9:00 – noon.

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

There being no further business, the meeting adjourned at 6:25 p.m.