

CITY OF GRAND MARAIS  
MINUTES  
January 31, 2006

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

Members present: Evelyn Larsen, Kay Costello, Edward Bolstad, and William Lenz

Members absent: Tim Kennedy

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.

Molly Hoffman, Harbor Friends, asked for time on a future agenda to discuss the possibility of creating a ¼ mile handicap loop by Sweetheart's Bluff in the campground. She has already spoken with Ely and the MN Land Trust regarding the type of surface needed for handicap accessible for trails within a MN Land Trust conservation easement.

Harley Toftey expressed that while wetland restoration and the marina are important issues to be discussed, he felt no special interest group such as Harbor Friends should be given the authority to research and recommend positions on these issues. He felt the council should appoint a citizen group with guidelines and a good cross-section of the community.

Jan Lemke and Andrew Warren, President of Grand Marais Area Tourism Association and East Bay Suites, hoped that the council would not rescind the easement agreement for the handicap accessible ramp at the East Bay Suites. They feel that the ramp is in the best possible location, is guest and user friendly, and doesn't interfere with plowing.

Carah Thomas-Maskell, Harbor Friends Board Chair, expressed support for a significant and meaningful lake trout allocation for our commercial fisherman to harvest for the enjoyment of our residents and visitors who would not otherwise have access to this tradition food fish.

Jim Shinnars expressed that the marina issue is important to address and it appears that Harbor Friends have already over reached their boundaries and that they have a confrontational attitude. Jim attended many of the visioning sessions and is very supportive of the process and is excited about the support for businesses.

Andy Brostrom attended the visioning process and felt that the consultant did a great job and that the public had ample opportunity to attend visioning sessions. Has read the report and feels it is well done and encouraged the council to extend more public process to the conclusion. Andy also attended the Harbor Committee meetings that met for 21 months and brought their conclusions to the council and then died. During the process, Harbor Friends was born out of a group way out on one side of the issue. It would be

irresponsible to hand over this issue to Harbor Friends. The issue should be worked on by an independent group. A public forum should be held on the wetland restoration issue.

John McClure was disappointed when he read that the council rescinded the resolution to work with the DNR on the Safe Harbor/Marina. He feels this action is shutting off the DNR and it is obvious that the city cannot afford to build a marina with its own financing – we must work with the DNR and the Army Corp. The Harbor Committee worked for 21 months and spent about \$30,000 in the process on consultants. He thinks that the DNR and Army Corp will not want to work with the city if the decisions swing with politics.

Kim Linnell was disappointed to see thousands of dollars and volunteer hours dismissed. He would like to see the harbor results be a community effort. The harbor should remain a working harbor. The overall profit will include other businesses beyond the marina fees. The DNR and the Army Corp will need to be involved in the marina. Kim owns a business and spends money in town, yet has no voice in town. The council should find out what businesses need to survive to make the town survive.

Todd Miller, Grand Marais resident, hopes to heal the marina debate. He is concerned with Harbor Friends request to shepherd the marina process. The benefit seems relatively ambiguous to speed the process. The deterrents are Harbor Friends is a controversial organization. He encourages the council to bring the community back together rather than hand over the process to a specific interest group.

**Motion by Bolstad, seconded by Costello to approve the Agenda; January 10, 2007, Minutes; and Payment of Bills. Approved unanimously.**

The meeting was recessed at 4:53 p.m. for the Creechville Public Hearing.

The meeting resumed at 5:12 p.m.

Tim McLean and Terry Olson, Grand Marais Fire Department, requested to purchase a small truck to respond to small events such as dumpster fires, medical calls, unconfirmed fires or false alarms. The DNR is offering to sell us a 1994 Ford 1 Ton Crew Cab Diesel pickup with 27,000 miles for \$2,000. A department member will inspect the vehicle and write a grant to purchase a slide-in water pump system.

**Motion by Bolstad, seconded by Larsen to authorize the Grand Marais Fire Department to purchase the 1994 Ford 1Tone Crew Cab Diesel pickup for \$2,000. Approved unanimously.**

Bill Bockovich has tendered his resignation as Fire Chief, but will continue on the department as a volunteer firefighter.

**Motion by Bolstad, seconded by Lenz to appoint Tim McLean as Fire Chief and Ben Silence as Assistant Fire Chief. Approved unanimously.**

Tom Nelson, Grand Marais Fire Department Relief Association Treasurer, requested that the Firefighter Retirement Benefit be raised from \$1,000 to \$1,200 per year of service. The last time the benefit was raised was 2000. The 2006 Minnesota Maximum Benefit Worksheet shows that the relief association fund can support a \$1,200 payment without municipality input.

**Motion by Bolstad, seconded by Costello to raise the Annual Fire Fighter Retirement Benefit from \$1,000 to \$1,200. Approved unanimously.**

Rudy Schoolderman, Community Growth Institute, provided a power point presentation of the results of the downtown visioning process.

Rebecca Wiinanen, Cook County Soil and Water, and Molly Hoffman, Harbor Friends, presented the Wetland Restoration idea for a wetland near the old power plant site. They believe that a high quality wetland is a separate issue from the marina issue. The logical process to pursue wetland restoration is to have a committee start with soil borings and old maps. It would make sense to explore the whole area to know the potential of wetland restoration and then restore the wetland in sections. According to old maps, potential wetland restoration could affect campsites 156-168. Grants of up to 90% of the cost are available. Cook County Soil and Water is not able to take on this project so Rebecca forwarded the project to Molly Hoffman of Harbor Friends. Molly Hoffman is asking for the approval to set up a committee and apply for a DNR Star Grant to hire wetland consultants. Harbor Friends are committed to match a \$5,000 grant. Mike Roth, City Administrator, stated the obstacles to a wetland restoration project at this site – a large area is currently used by the Public Utilities Commission and loss of campsites. In addition, the Park Board should be involved in any decisions that affect this area. Bolstad stated that the council should be careful about what is done in the council's name and does not think that the council should give authority to other groups such as signing for grants. Costello appreciated Harbor Friends willingness to do the work, but this type of request should be coming the Park Board and encompass a broader committee.

Don Davison, City Attorney, discussed the interpretation from the Attorney General regarding the East Bay Suites handicap ramp which states that it would seem unlikely that a court would uphold the power of a city to grant an abutting property owner a permanent right to maintain a private structure on a public sidewalk and recommended that the council rescind the easement previously granted against the city attorney's and city administrator's recommendation and record the minutes of the rescinding motion. Dehlia Seim, East Bay Suites Attorney, requested more time to respond in writing as she feels that her clients have tried to correct a mistake, it is clear that the council wanted to allow the handicap access, and that the council has the authority to decide issues on a case by case basis.

**Motion by Bolstad, seconded by Lenz to rescind the East Bay Suites Easement Agreement.**

City Administrator Roth suggested that the council give the City Attorney, City Administrator and East Bay Suites until the next meeting to work out an agreement.

Bolstad withdrew his motion in favor of tabling discussion to the February 14, 2007, meeting.

**Motion by Bolstad, seconded by Costello to hire Wendy Frazier as a lifeguard. Approved unanimously.**

**Motion by Bolstad, seconded by Lenz to adopt the Assistant Parks Manager Position Description and set the points at 170 as recommended by the Personnel Committee. Approved unanimously.**

The Personnel Committee reached a tentative agreement on a new two year contract with the negotiating team for the AFSCME Union Employees. The tentative agreement includes the following changes: two year contract, standard wage increase of 3% each year modified by pay equity adjustments between 2% and 5%, modify section 6.9 to afford employees to receive at least a 2% increase as the result of a promotion, add to section 6.11 up to 8,320 hours time served as apprentice applies in Lineworker step increases, increase single employee medical insurance premium contribution to 20% in 2007 and 27% in 2008, add Columbus as an official city holiday, and full-time regular employees eligible to purchase safety boots on hire, with reimbursement upon successful completion of probationary period.

**Motion by Lenz, seconded by Bolstad to approve the tentative agreement with AFSCME Union Employees for 2007 – 2008. Approved unanimously.**

The hospital requested the right of first refusal in the event the city would sell the NE ¼ of the NE ¼, Section 20, T61N, R1E. The council consensus was to deny the request.

John Haluska, Harbor Friends, sent a letter requesting that Harbor Friends be authorized to resolve to investigate possible improvements to the present marina. Bolstad stated that he is in no way ready to give up council authority to decide marina matters. Molly Hoffman of Harbor Friends stated that they have been transparent and offers to allow anyone to go through their files for proof and facts. Lenz did not want the marina issue to lie without action.

The council will discuss priorities at the February 14 worksession at 3:30 p.m.

**Councilor Bolstad's Report:**

- 1) Cable Board and North Shore Management Board meetings were canceled.
- 2) The Public Utilities Commission is seeking applications for scholarships.

- 3) The Sewer Department is replacing a lift station by the park and increasing sewer treatment.

City Administrator Roth's Report:

- 1) We need to remove Ed Bolstad as signatory and add Kay Costello.

**Motion by Bolstad, seconded by Larsen to remove Edward Bolstad and add Kay Costello as official signatory. Approved unanimously.**

- 2) The DNR is looking for a land exchange with the county for the hillside adjacent to the city.

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

There being no further business, the meeting adjourned at 6:59 p.m.