

CITY OF GRAND MARAIS
MINUTES
November 28, 2007

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

Members present: Evelyn Larsen, Kay Costello, William Lenz, Edward Bolstad and
Tim Kennedy
Members absent: None
Staff present: 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.

John Haluska, Harbor Friends, fully endorses the snowmobile club request for a letter of support to move the snowmobile trail to the northern boundary of the industrial lots of Cedar Grove Business Park. Harbor Friends also fully endorse the letter of agreement with North House Folk School. John Haluska stated that the language of the Draft Comprehensive Plan page 6, Conditional Use 2 has confusing language and the council should clarify the intent.

Motion by Bolstad, seconded by Lenz to approve the agenda; November 14, 2007, Worksession Minutes; November 14, 2007, Minutes; and the Payment of Bills. Approved unanimously.

Judie Johnson and Lonnie Dupre, North House Folk School, discussed the Letter of Agreement with the City. City Attorney Davison made some changes to the agreement and the changes are acceptable to North House Folk School.

Motion by Bolstad, seconded by Lenz to approve the Letter of Agreement with North House Folk School acknowledging a shared vision for a three-phase plan for enhancing North House Folk School's harbor-side campus.

Ayes: Larsen, Bolstad, Kennedy, Lenz

Abstain: Costello – works for North House Folk School

Motion by Bolstad, seconded by Kennedy to approve a letter of support for North House Folk Schools Capital Campaign.

Ayes: Larsen, Bolstad, Kennedy, Lenz

Abstain: Costello – works for North House Folk School

Motion by Lenz, seconded by Bolstad to approve Resolution 2007-26 Authorizing the Application for a Minnesota's Lake Superior Coastal Program Grant with change to item #4 to read: That the City agrees to act as legal sponsor and fiscal agent under the terms and conditions of Minnesota's Lake Superior Coastal Program.

Ayes: Larsen, Bolstad, Kennedy, Lenz

Abstain: Costello – works for North House Folk School

Dick Parker, Cook County Snowmobile Club, requested a letter of support to relocate the snowmobile trail to the northern boundary industrial section of Cedar Grove Business Park. The current trail bisects three industrial lots and was inadvertently cut in three locations. Although the Economic Development Authority (EDA) repaired the trail route, it is in the best interests of the EDA and the Cook County Snowmobile Club to relocate the trail. The EDA has offered to provide the DNR with necessary easements for the trail on business park property. In addition, the Cook County Snowmobile Club requests a resolution designating the bike trail as the snowmobile route into Grand Marais.

Motion by Bolstad, seconded by Lenz to approve a letter of support to relocate the State Snowmobile Trail to the northern boundary of the industrial lots in Cedar Grove Business Park. Approved unanimously.

Motion by Bolstad, seconded by Kennedy to approve Resolution 2007-27 Designating a Portion of the Right of Way of M.T.H. 61 For Snowmobile Use, Pursuant to 23 USC, §217. Approved unanimously.

The Draft Comprehensive Land Use Plan Update for the C-1 Downtown District was discussed. The transparency issue was never resolved, there are repetitive language errors, definitions need to be clarified, and there are several references to the library that should be revisited because of the possible relocation of the library. This draft should be discussed at the next council worksession.

Motion by Costello, seconded by Bolstad to table the Comprehensive Land Use Plan Update. Approved unanimously.

The Cook County request to offer a parcel of unbuildable land for sale to adjacent owners was tabled due to concern of the accuracy of the map and ravine location.

The Park Board is preparing an application to Minnesota's Lake Superior Coastal Program for \$15,000 in park master planning assistance. The city's match would be \$5,000.

Motion by Lenz, seconded by Bolstad to approve Resolution 2007-25 Authorizing the Application for a Minnesota's Lake Superior Coastal Program Grant in the amount of \$15,000 for the Grand Marais Recreation Area Master Planning Project. Item #4 was revised to read: The City of Grand Marais agrees to act as legal sponsor and to obligate the funds required to satisfactorily complete the proposed project and become eligible for reimbursement under the terms and conditions of Minnesota's Lake Superior Coastal Program. Approved unanimously.

Motion by Bolstad, seconded by Kennedy to approve the following transfers: From General Fund 101 to Harbor Park Construction Fund 406 \$76,457.08

**From General Fund 101 to Downtown Sewer, Water Streetscape Fund 424
\$393,279.75 designating \$200,000 of that money from the Designated Street Fund
Balance.**

**From General Fund 101 to 2nd Street and 9th Avenue West Improvements Fund 426
\$196,434.41**

From General Fund 101 to Golf Course Fund 613 \$230,000.

Approve unanimously.

Councilor Costello's Report:

- 1) The Joint Powers Recreation Board met and is beginning to tackle the pool issue. Diane Booth is looking into a grant and U of M Extension Staff services to work with the group to get feedback from the community about the future of the pool.
- 2) The county removed their health insurance agent of record recently to save money stating that they did not feel they were receiving enough services from the agent to warrant the cost. How would a similar motion affect the city? Finance Director Dunsmoor relayed information regarding the cost to the city. Currently, the agent of record is paid \$19.90 per contract per month, there are 23 contracts - this equates to \$5,492.50 per year. The removal of the agent of record would not affect the 2008 premiums: however, the additional funds would be used toward claims and affect the city's claim rating thereby affecting future premiums. Currently, the agent attends the Northeast Service Cooperative meeting. Most members in the service cooperative attend themselves. Most employees contact the finance director or the customer service number with questions about health coverage. We also have access to Blue Cross Blue Shield representatives.

Motion by Costello to administer our health insurance without an agent of record. The motion died for lack of a second.

Motion by Bolstad, seconded by Kennedy to table the agent of record discussion to the next meeting in December. Approved unanimously.

Councilor Bolstad's Report:

- 1) Two bids were received to finish the work at the old power plant site: however we have not heard from MPCA. It does not look like the hole will be filled this winter.
- 2) Cold Weather Rule is in effect.
- 3) North Shore Management Board meets tomorrow.
- 4) The Northland Construction crews have been doing a good job, are keeping the roads open, and the crews are driving slowly keeping a safe construction zone. Pass on to the contractor positive comments from the public.

The last meeting in December was moved from December 26 to December 19, 2007.

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

There being no further business, the meeting adjourned at 5:36 p.m.