

CITY OF GRAND MARAIS
MINUTES
February 8, 2012

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

Members present: Larry Carlson, Tim Kennedy, Jan Sivertson, Bob Spry and Bill Lenz

Members absent: None

Staff present: Mike Roth, Kim Dunsmoor and Chris Hood by telephone

Mayor Carlson 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. No one spoke.

Motion by Spry, seconded by Lenz to approve the Agenda; January 25, 2012, Minutes; February 1, 2012, Special Meeting Minutes and Payment of Bills. Approved unanimously.

Greg Wright, North House Folk School, updated the council about upcoming events, increasing enrollment, and progress of the outdoor commons area. The reconstruction of the commons area was done with mostly local contractors. The retaining walls are 50% complete and the rest of the area is about 90% complete. A timber entry to the blue building will be added in April.

Nancy Grabko, Joint Cook County/City of Grand Marais Economic Development Authority, updated the council on two commercial rehabilitation projects: Senior Center and The Garage. The projects are eligible for 70% grant from DEED. Nancy requested that the city approve a low interest loan to Jill Terrill, Joy Enterprises LLC, for The Garage in the amount of \$23,000. The grant amount is \$38,500. There is a gap in funding of approximately \$16,000. Nancy is approaching the County's Revolving Loan program for additional funding and hoping to finalize the paperwork in the next ten days.

The Guidelines for the City of Grand Marais Revolving Loan Fund were discussed. The Revolving Loan Fund allows more projects than the Storefront Loan Program, loans more money at lower interest rate, gives preference to projects that can demonstrate job creation and uses the EDA to help administer the loan process. This fund was designed to work together with the EDA's Small Cities DEED grant program. The council discussed whether we should continue both programs or combine them into the Revolving Loan Fund.

Motion by Spry, seconded by Kennedy to approve the Guidelines for the City of Grand Marais Revolving Loan Fund. Approved unanimously.

Motion by Kennedy, seconded by Lenz to approve a maximum City of Grand Marais Revolving Loan of up to \$23,000 for Jill Terrill, Joy Enterprises, LLC for The Garage. Approved unanimously.

Jim Boyd requested a letter of support for the Business Retention and Expansion Program at the January 25, 2012, meeting.

Motion by Lenz, seconded by Sivertson to approve the Business Retention and Expansion Program letter of support. Approved unanimously.

The council reviewed the Memorandum of Understanding with AFSCME Council 5.

Motion by Lenz, seconded by Spry to approve the Memorandum of Understanding with Minnesota AFSCME Council 5 to add two new job classifications for the Park Office Manager and the Park Facilities Manager at a base wage of \$18.18 equivalent to the Head Lifeguard position. Approved unanimously.

The Safety Committee made a recommendation to purchase AED's for the Library and the Golf Course. The Library Board approved the AED purchase. Staff recommends purchasing an additional AED for the Park.

Motion by Spry, seconded by Lenz to purchase 3 Refurbished AED's. Approved unanimously.

Councilor Lenz' Report:

- 1) The Park Board discussed the entrance to the park and would like to entertain bids from local contractors to create a pathway and a riprap-lined ditch as shown in a design from S.E.H.

Councilor Kennedy's Report:

- 1) The Planning Commission met. Only two members were present. There are still two vacancies. Parsons did not provide any additional information. A decision will be made at the next Planning Commission meeting.
- 2) The Public Utilities Commission discussed Biomass and whether the city should be involved in district heating as a utility. There are two projects that the group will focus on to study further: district heating from the hospital to the law enforcement center along 5th street and a larger plan that would include the downtown area in addition to the 5th street corridor. Some of the concerns include emissions and cost effectiveness.

City Administrator Roth's Report:

- 1) The Joint City/County/School/Tribe meeting is scheduled for February 23rd.
- 2) DNR Trails staff visited and asked if we are interested in having a trailhead in Grand Marais. We would like to talk to businesses and the snowmobile club about potential locations for a trailhead.

There being no further business, the meeting adjourned at 5:28 p.m.