

CITY OF GRAND MARAIS
MINUTES

March 12, 2014

Mayor Carlson called the meeting to order at 4:31 p.m.

Members present were Larry Carlson, Bob Spry, Tim Kennedy, Bill Lenz, and Jan Siverston. Others present were George Wilkes, Nick Anhut, Bill Neil, and Tina Hanson.

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 five minutes or more than once. No one spoke.

Motion by Spry, seconded by Lenz to approve the Agenda, February 26, 2014 minutes, and Payment of Bills. Approved unanimously.

George Wilkes came before the council requesting a \$2,000.00 contribution for CCLEP, the same funding as 2013. He presented a list of accomplishments made in that calendar year including the hiring of a coordinator. CCLEP also solicits private contributions. Mayor Carlson stated he had a problem continuing this funding seeing as their main project, biomass, does not seem to be moving forward. Councilor Kennedy felt CCLEP does more than biomass – solar initiative (examples in the Park and at the Golf Course) and housing issues/concerns/problems/education. Kennedy felt the contribution request represented minor costs considering long term benefits. Councilor Lenz stated that CCLEP helped the park get the grant funding to do the solar project in one of the bathhouses. Wilkes spoke up in defense of CCLEP providing the housing improvements and initiatives using their expertise.

Motion by Sivertson, seconded by Spry to approve the \$2000.00 contribution. Ayes – Sivertson, Lenz, Spry, and Kennedy. Nays – Carlson.

Nick Anhut, from Ehlers, brought forth their report on financing options for the FVB Energy biomass project. As of today, there is no forthcoming recommendation to move forward with the project. Ehlers shared all the information on the project with nine firms. Basically there are four possible financing mechanisms: Utility Revenue Bonds, Lease revenue bonds, Certificates of Participation, or General Obligation Bonds. City issued General Obligation Bonds would have the lowest interest rates, but would be inadvisable without state grant options at this time. Anhut went over various scenarios for financing and what debt obligations would have to be covered, and how investors would have to be covered. Councilor Kennedy gave a short update on possible state funding grants. The state session is short, with too many things left to be done before they could hear the request. (Mike Roth arrived at 4:55 p.m.) The council thanked Anhut/Ehlers for the information to be considered.

There being no further additions to the agenda, Mayor Carlson called for council reports:

Councilor Lenz: The DNR presented the Park Board with their new Public Access plan. The present breakwater is not adequate. The park board is asking for public comments for 60 days and the comments will be gathered at different locations. David Demmer also appeared before park board with a potential coastal wetland restoration project (which is addressed in the park master plan). The park would lose approximately 1.2 acres but would possibly acquire wetland credits and receive possible funding. Demmer was going to look into these further.

Councilor Spry had nothing to report.

Councilor Sivertson: the library is looking for a new director; applications are due in by 3/14/2014.

Councilor Kennedy recapped his time at the state capital with Dill and Bakk.

As there was no further business, Mayor Carlson adjourned the meeting at 5:16 p.m.

Mayor, Laurence Carlson

ATTEST:

City Administrator, Michael J. Roth