

**AGENDA**  
**CITY COUNCIL MEETING**  
**May 27, 2015**  
**6:30 P.M.**

A. 6:30 Call to Order

B. Roll Call

C. Open Forum

*The public is invited to speak at this time. Open Forum is limited to one half-hour. No person may speak more than five (5) minutes or more than once. Each subject will have a limit of ten (10) minutes. Council members may ask questions of the speaker. With the agreement of the Council, such matters taken up during the open forum may be scheduled on the current agenda or a future agenda.*

D. 6:35 Approve Consent Agenda

1. Approve Agenda
2. Approve Meeting Minutes
3. Approve Payment of Bills

E. 6:40 Beer Tent Permit—American Legion

F. 6:50 Business Park Bond Contract

G. 7:10 Ordinance 2015-01 Sunday Growlers 2<sup>nd</sup> Reading

H. 7:15 Other items as necessary

I. Council & Staff Reports

J. Attached correspondence:

1. Other Meeting Minutes
2. Upcoming Meeting Schedule

K. 8:00 Adjourn

*CITY OF GRAND MARAIS  
MINUTES  
May 13, 2015*

Mayor Arrowsmith-DeCoux called the meeting to order at 6:30 p.m.

Members present: Jay Arrowsmith-DeCoux, Dave Mills, Anton Moody, Tim Kennedy and Tracy Benson

Members absent: None

Staff present: Mike Roth, Kim Dunsmoor and Chris Hood

Mayor Arrowsmith-DeCoux 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 Mills, seconded by Kennedy to approve the Agenda with the addition of Sunday Growlers; April 29, 2015, Minutes; and Payment of Bills. Approved unanimously.**

David and Amanda Plummer are requesting a variance from the side and rear yard setbacks to construct an attached garage on their property on Lots 17-18 and the north 2' of Lot 16, Block 23, Village Plat zoned R-1 Residential. 412 1<sup>st</sup> Avenue East. The 24' X 26' garage would be 7' from the side yard lot line, 3' within the required 10' setback and 17' from the rear lot line, 8' within the required 25' setback. The Planning Commission held a public hearing on May 6, 2015. One neighbor was present who did not object to the variance. The Planning Commission found that single family homes with off-street parking are consistent with the purpose and intent of the ordinance; the comprehensive plan encourages new homes to provide off-street parking; it is reasonable to set the garage at the same setback as the existing house and similar to setbacks of neighboring properties; the placement of the garage is limited by the placement of the existing home on the property and the garage will have similar setbacks to the existing home and neighboring properties. The Planning Commission recommended approving the variance request by a 4-0 vote.

**Motion by Kennedy, seconded by Mills to approve Resolution 2015-08 A Resolution of the City Council of the City of Grand Marais, Minnesota Approving the Request for a Variance for David and Amanda Plummer to Construct a Garage within the Required Setbacks. Approved unanimously.**

Lonnie Dupre is requesting a conditional use permit to construct a cabin to be used as a vacation rental on his property located on the Easterly 70' of Lots 31-33, Block 21, Harbor Addition zoned MU Commercial-Residential Mixed Use. PID#80-221-0315. 210 W 1<sup>st</sup> Street. The Planning Commission held a public hearing on May 6, 2015. One neighbor asked questions regarding the potential commercial uses for his property. The Planning Commission found that small scale resorts of ten units or less are an allowed conditional use; the cabin and vacation rental is compatible with the existing neighborhood that includes single family homes, rental cabins and other commercial uses; the use is consistent with commercial-residential mixed use zoning regulations; and the cabin and vacation rental is compatible with the existing neighborhood that includes single family homes, rental cabins and other commercial uses. The Planning Commission recommends approving the conditional use permit by a 4-0 vote.

**Motion by Kennedy, seconded by Mills to approve Resolution 2015-09 A Resolution of the City Council of the City of Grand Marais, Minnesota Approving the Lonnie DuPre Request for a Conditional Use Permit to Operate a Vacation Rental Property. Approved unanimously.**

Council discussed Vacation Rentals by Owner and the requirement to have a health license required by the state. The Planning Commission had considered this topic previously, but did not feel a need to create an ordinance regulating vacation rentals. Council will be provided with the documentation related to that discussion.

**Motion by Kennedy, seconded by Moody to approve the Art Colony Festival Street Permit. Approved unanimously.**

**Motion by Moody, seconded by Benson to approve the Cook County Farm and Craft Market's request to use the municipal parking lot. Approved unanimously.**

George Wilkes and Virginia Danfelt gave the Cook County Local Energy Project 2014 Update. The Residential Energy Efficiency Project (REEP) transitioned from a pilot project to an ongoing plan with AEOA. On average, it takes 18 months to complete a project – 14 of 27 projects have been completed. REEP costs \$9,000 per year to operate and the EDA has been supporting this program. 24 contractors attended the builder's workshop and obtained credits. CCLEP is working to optimize energy efficiency in the residential sector, increase public awareness and engagement regarding energy issues through education and optimize clean, local renewable energy development. Projects include: REEP Pilot Project, CERT's Energy Education Grant, Feasibility of Solar and Solar Promotion Grant, Public Facilities CR-BPS, Monitoring solar thermal/deep sand bed system at NHFA and District Heating Project with FVB Energy. CCLEP requested \$2,000 from the City for 2015 administration of CCLEP.

**Motion by Kennedy, seconded by Benson to approve the \$2,000 for CCLEP. Approved unanimously.**

**Motion by Moody, seconded by Mills to approve Resolution 2015-10 A Resolution by the Mayor and City Council of the City of Grand Marais, Minnesota Authorizing a Corrective Quit Claim Deed to Cook County Hospital District and Dispensing with Review by the Grand Marais Planning Commission. Approved unanimously.**

**Motion by Kennedy, seconded by Moody to approve the First Reading of Ordinance 2015-01, Amending City Code Chapter 6 Alcoholic Beverages to allow Sunday Growler Sales. Approved unanimously.**

Council discussed the Joint City/County/School/Tribe Meeting to be held on May 28<sup>th</sup> with potential topics of garages and recreational funding.

Councilor Moody's Report:

- 1) The EDA met with One Roof Housing and brought forward a plan for the west-end including up to 10 more housing units and a plan for the east end for 6-8 additional housing units.
- 2) Superior National Golf Course opened one month earlier than last year.
- 3) The Bike Rodeo event hosted over 100 children.

Mayor Arrowsmith-DeCoux's Report:

- 1) The unveiling of the public art sculpture will be June 5<sup>th</sup> at 5:30 p.m. The Library will use designated funds to create an entry with a poetry sidewalk.
- 2) The library budget committee is proposing a significant staff increase of 13%
- 3) The library finance committee is revising the financial policy.
- 4) The Assisted Living RFP Committee is being formed.
- 5) Biomass District Heating Update: The contract for service have been completed and sent to all customers except East Bay and the churches. Differences with the hospital proposed usage have been settled. The committee is anticipating signed contracts in June. FVB will be meeting with customers next week.

Councilor Mills' Report:

- 1) The golf course has 75% recovery of the winter kill.
- 2) The Land Trust was contacted and a pavilion and bathrooms are allowed in Boulder Park.
- 3) The Park Board discussed a golf course promotional idea, but took no action.
- 4) North Woods Food Project is approaching businesses regarding compostable waste.
- 5) The Broadband Commission is discussing goals for broadband usage.

Councilor Kennedy's Report:

- 1) The Active Living Steering Committee is working on the health impact goals for the Hwy 61 project.

City Administrator Roth's Report:

- 1) The County reviewed the agreement with the City and EDA to fund half of the business park bond payments with a 3-2 vote. The agreement will be on the next EDA agenda.

City Attorney Hood thanked the council for the meet and greet reception.

There being no further business, the meeting adjourned at 8:30 p.m.



# CITY OF GRAND MARAIS

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## Payments

### City of Grand Marais

Current Period: May 2015

Batch Name	051515CPAP	User Dollar Amt	\$61,935.04
Payments		Computer Dollar Amt	\$61,935.04

\$0.00 In Balance

Refer	64866	<u>THE AMERICAN BOTTLING COMP</u>			
Cash Payment	E 609-49750-260	Soft Drinks/Mix For Resa			\$109.30
Invoice	5436826007	5/11/2015			
Transaction Date	5/14/2015	MAIN CHECKING G	10100	<b>Total</b>	\$109.30
Refer	64867	<u>WIRTZ BEVERAGE MINNESOTA</u>			
Cash Payment	E 609-49750-252	Beer For Resale			\$3,932.45
Invoice	1080321942	5/12/2015			
Cash Payment	E 609-49750-333	Freight and Express			\$59.35
Invoice	1080321942	5/12/2015			
Transaction Date	5/14/2015	MAIN CHECKING G	10100	<b>Total</b>	\$3,991.80
Refer	64868	<u>SUPERIOR BEVERAGES LLP</u>			
Cash Payment	E 609-49750-252	Beer For Resale			\$2,664.42
Invoice	472919	5/13/2015			
Transaction Date	5/14/2015	MAIN CHECKING G	10100	<b>Total</b>	\$2,664.42
Refer	64869	<u>VINOCOPIA</u>			
Cash Payment	E 609-49750-251	Liquor For Resale			\$973.00
Invoice	0124169-IN	5/11/2015			
Cash Payment	E 609-49750-333	Freight and Express			\$56.00
Invoice	0124169-IN	5/11/2015			
Transaction Date	5/14/2015	MAIN CHECKING G	10100	<b>Total</b>	\$1,029.00
Refer	64870	<u>ROHLFING INC.</u>			
Cash Payment	E 609-49750-251	Liquor For Resale			\$6,398.20
Invoice	410628	5/13/2015			
Transaction Date	5/14/2015	MAIN CHECKING G	10100	<b>Total</b>	\$6,398.20
Refer	64872	<u>PUBLIC UTILITIES COMMISSION1</u>	<u>Ck# 002929E 5/14/2015</u>		
Cash Payment	E 101-42200-380	Utility Services (GENER			\$190.00
Invoice	APRIL 2014	5/14/2015			
Cash Payment	E 101-45184-380	Utility Services (GENER			\$72.81
Invoice	APRIL 2014	5/14/2015			
Cash Payment	E 211-45500-380	Utility Services (GENER			\$618.57
Invoice	APRIL 2014	5/14/2015			
Cash Payment	E 101-42200-380	Utility Services (GENER			\$1,103.70
Invoice	APRIL 2014	5/14/2015			
Cash Payment	E 101-42700-380	Utility Services (GENER			\$118.47
Invoice	APRIL 2014	5/14/2015			
Cash Payment	E 101-43100-381	Street Light Utilities			\$2,168.37
Invoice	APRIL 2014	5/14/2015			
Cash Payment	E 101-45100-380	Utility Services (GENER			\$730.12
Invoice	APRIL 2014	5/14/2015			
Cash Payment	E 101-43100-380	Utility Services (GENER			\$31.61
Invoice	APRIL 2014	5/14/2015			
Cash Payment	E 101-41940-380	Utility Services (GENER			\$1,370.34
Invoice	APRIL 2014	5/14/2015			



**CITY OF GRAND MARAIS**  
**Payments**

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**City of Grand Marais**

Current Period: May 2015

Transaction Date	5/14/2015	MAIN CHECKING G 10100	Total	\$6,403.99
Refer	64873	IOWA DEPARTMENT OF REVENUE		
Cash Payment	G 101-21718	Garnishment		\$41.13
Invoice	Y-001677268	5/14/2015		
Transaction Date	5/14/2015	MAIN CHECKING G 10100	Total	\$41.13
Refer	64874	MII LIFE- HRA	Ck# 002930E 5/14/2015	
Cash Payment	E 211-45500-131	Employer Paid Health		\$115.80
Invoice	10CPYR15	5/14/2015		
Transaction Date	5/14/2015	MAIN CHECKING G 10100	Total	\$115.80
Refer	64875	MII LIFE-FLEX	Ck# 002931E 5/14/2015	
Cash Payment	G 101-21713	Flex Plan Spending		\$77.05
Invoice	10CPYR15	5/14/2015		
Transaction Date	5/14/2015	MAIN CHECKING G 10100	Total	\$77.05
Refer	64876	MN DEPT OF REVENUE-EFTPS	Ck# 002932E 5/14/2015	
Cash Payment	G 101-21702	State Withholding		\$1,330.61
Invoice	10CPYR15	5/14/2015		
Transaction Date	5/14/2015	MAIN CHECKING G 10100	Total	\$1,330.61
Refer	64877	DEPT OT THE TREASURY IRS	Ck# 002933E 5/14/2015	
Cash Payment	G 101-21703	FICA Tax Withholding		\$3,872.56
Invoice	10CPYR15	5/14/2015		
Cash Payment	G 101-21717	Medicare		\$911.04
Invoice	10CPYR15	5/14/2015		
Cash Payment	G 101-21701	Federal Withholding		\$2,759.06
Invoice	10CPYR15	5/14/2015		
Transaction Date	5/14/2015	MAIN CHECKING G 10100	Total	\$7,542.66
Refer	64878	PERA	Ck# 002934E 5/14/2015	
Cash Payment	G 101-21704	PERA		\$4,439.45
Invoice	10CPYR15	5/14/2015		
Transaction Date	5/14/2015	MAIN CHECKING G 10100	Total	\$4,439.45
Refer	64879	VOYA	Ck# 002935E 5/14/2015	
Cash Payment	G 101-21720	MN State Retirement DeferC		\$290.00
Invoice	10CPYR15	5/14/2015		
Transaction Date	5/14/2015	MAIN CHECKING G 10100	Total	\$290.00
Refer	64880	DEX MEDIA EAST LLC		
Cash Payment	E 613-45125-321	Telephone		\$27.07
Invoice	110220315	5/1/2015		
Transaction Date	5/14/2015	MAIN CHECKING G 10100	Total	\$27.07
Refer	64881	VISA		
Cash Payment	E 211-45500-221	Equipment Parts/Builing		\$99.00
Invoice	8757	5/3/2015		
Cash Payment	E 211-45500-221	Equipment Parts/Builing		\$165.95
Invoice	8757	5/3/2015		
Cash Payment	E 211-45500-435	Books, Periodicals		\$21.49
Invoice	8757	5/3/2015		
Cash Payment	E 211-45500-435	Books, Periodicals		\$9.84
Invoice	8757	5/3/2015		



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## Payments

City of Grand Marais

Current Period: May 2015

Cash Payment	E 211-45500-435 Books, Periodicals			\$57.10
Invoice 8757	5/3/2015			
Cash Payment	E 211-45500-437 Audio Visual / DVD			\$7.74
Invoice 8757	5/3/2015			
Cash Payment	E 211-45500-437 Audio Visual / DVD			\$249.71
Invoice 8757	5/3/2015			
Cash Payment	E 211-45500-437 Audio Visual / DVD			\$37.36
Invoice 8757	5/3/2015			
Cash Payment	E 211-45500-437 Audio Visual / DVD			-\$7.73
Invoice 8757	5/3/2015			
Cash Payment	E 211-45500-435 Books, Periodicals			\$40.78
Invoice 8757	5/3/2015			
Transaction Date	5/14/2015	MAIN CHECKING G	10100	<b>Total</b> \$681.24
Refer	64882	COOK COUNTY VISITORS BUREA		
Cash Payment	G 101-20802 Cook County Lodging Tax			\$8,366.34
Invoice MARCH 2015	5/7/2015			
Transaction Date	5/14/2015	MAIN CHECKING G	10100	<b>Total</b> \$8,366.34
Refer	64883	MN DEPT OF REVENUE-EFTPS Ck# 002936E 5/14/2015		
Cash Payment	G 101-20800 Taxes Due (State MN)			\$488.00
Invoice APRIL 2015	5/14/2015			
Cash Payment	E 101-45100-200 Office Supplies (GENER			\$4.00
Invoice APRIL 2015	5/14/2015			
Cash Payment	G 609-20800 Taxes Due (State MN)			\$10,293.00
Invoice APRIL 2015	5/14/2015			
Cash Payment	G 211-20800 Taxes Due (State MN)			\$39.00
Invoice APRIL 2015	5/14/2015			
Transaction Date	5/14/2015	MAIN CHECKING G	10100	<b>Total</b> \$10,824.00
Refer	64884	CENTURYLINK		
Cash Payment	E 101-43100-321 Telephone			\$47.80
Invoice 2183873125	5/1/2015			
Cash Payment	E 101-42200-321 Telephone			\$32.01
Invoice 2183879092	5/1/2015			
Cash Payment	E 609-49750-321 Telephone			\$60.08
Invoice 2183871630	5/1/2015			
Cash Payment	E 101-41400-321 Telephone			\$342.88
Invoice 2183871848	5/1/2015			
Cash Payment	E 101-45100-321 Telephone			\$363.08
Invoice 2183871712	5/1/2015			
Cash Payment	E 613-45125-321 Telephone			\$48.93
Invoice 2183879988	5/1/2015			
Transaction Date	5/14/2015	MAIN CHECKING G	10100	<b>Total</b> \$894.78
Refer	64886	BERNICKS		
Cash Payment	E 609-49750-260 Soft Drinks/Mix For Resa			\$46.50
Invoice 454027	5/14/2015			
Cash Payment	E 609-49750-251 Liquor For Resale			\$6,574.10
Invoice 454028	5/14/2015			
Cash Payment	E 609-49750-251 Liquor For Resale			-\$29.60
Invoice 454029	5/14/2015			



City of Grand Marais

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Current Period: May 2015

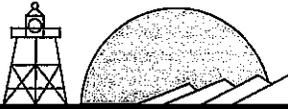
Transaction Date	5/15/2015	MAIN CHECKING G 10100	<b>Total</b>	<b>\$6,591.00</b>
Refer	64887	BELLBOY CORPORATION - LIQUO		
Cash Payment	E 609-49750-251	Liquor For Resale		\$90.00
Invoice	48232100	5/12/2015		
Cash Payment	E 609-49750-333	Freight and Express		\$2.45
Invoice	48232100	5/12/2015		
Cash Payment	E 609-49750-259	Other For Resale		\$22.75
Invoice	91999300	5/12/2015		
Cash Payment	E 609-49750-333	Freight and Express		\$2.00
Invoice	91999300	5/12/2015		

Transaction Date	5/15/2015	MAIN CHECKING G 10100	<b>Total</b>	<b>\$117.20</b>
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### Fund Summary

	10100 MAIN CHECKING GMSB	
101 GENERAL FUND		\$29,150.43
211 LIBRARY		\$1,454.61
609 MUNICIPAL LIQUOR FUND		\$31,254.00
613 GOLF COURSE		\$76.00
		<u>\$61,935.04</u>

Pre-Written Checks	\$31,023.56
Checks to be Generated by the Computer	\$30,911.48
<b>Total</b>	<b>\$61,935.04</b>



# CITY OF GRAND MARAIS

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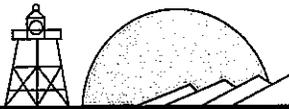
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## Payments

City of Grand Marais

Current Period: May 2015

Batch Name	5282015AP	User Dollar Amt	\$111,481.35		
Payments		Computer Dollar Amt	\$111,481.35		
				\$0.00	In Balance
Refer	64889	COOK COUNTY NEWS HERALD			
Cash Payment	E 101-41400-350	Publishing			\$761.25
Invoice	APRIL 2015	5/19/2015			
Cash Payment	E 613-45125-340	Advertising			\$144.00
Invoice	APRIL 2015	5/19/2015			
Cash Payment	E 211-45500-340	Advertising			\$11.00
Invoice	APRIL 2015	5/19/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$916.25
Refer	64890	TOSHIBA BUSINESS SOLUTIONS			
Cash Payment	E 101-41400-210	Operating Supplies (GE			\$28.03
Invoice	11858747	5/11/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$28.03
Refer	64891	QUILL CORPORATION			
Cash Payment	E 101-41400-200	Office Supplies (GENER			\$64.41
Invoice	3852715	5/1/2015			
Cash Payment	E 101-41110-430	Miscellaneous (GENERA			\$4.89
Invoice	4019174	5/7/2015			
Cash Payment	E 101-45100-200	Office Supplies (GENER			\$13.62
Invoice	4165831	5/11/2015			
Cash Payment	E 101-45100-200	Office Supplies (GENER			\$97.27
Invoice	4060912	5/8/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$180.19
Refer	64892	FIKA COFFEE			
Cash Payment	E 101-41110-430	Miscellaneous (GENERA			\$32.36
Invoice	1011	5/14/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$32.36
Refer	64893	ALYCE S			
Cash Payment	E 101-41110-430	Miscellaneous (GENERA			\$24.00
Invoice	0302586	5/13/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$24.00
Refer	64894	ROHLFING INC.			
Cash Payment	E 613-45125-252	Beer For Resale			\$195.80
Invoice	410527	5/8/2015			
Cash Payment	E 609-49750-251	Liquor For Resale			\$4,112.15
Invoice	410922	5/20/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$4,307.95
Refer	64895	BERNICKS			
Cash Payment	E 613-45125-255	Food For Resale			\$140.76
Invoice	14900	5/7/2015			
Cash Payment	E 613-45125-252	Beer For Resale			\$251.60
Invoice	452943	5/7/2015			
Cash Payment	E 613-45125-260	Soft Drinks/Mix For Resa			\$468.62
Invoice	452942	5/7/2015			



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## Payments

### City of Grand Marais

Current Period: May 2015

Cash Payment	E 609-49750-251 Liquor For Resale				\$5,905.09
Invoice	455114	5/21/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$6,766.07
Refer	64896	<i>GREAT LAKES ALARM</i>			
Cash Payment	E 613-45125-310 Service Agreements				\$255.86
Invoice	67892	5/1/2015			
Cash Payment	E 211-45500-310 Service Agreements				\$239.40
Invoice	67880	5/1/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$495.26
Refer	64897	<i>ALL STAR PRO GOLF, INC.</i>			
Cash Payment	E 613-45125-254 Golf Supplies For Resale				\$168.35
Invoice	245268	5/1/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$168.35
Refer	64898	<i>NIVEL PARTS &amp; MFG. CO.</i>			
Cash Payment	E 613-45125-221 Equipment Parts/Building				\$93.84
Invoice	71504187	5/4/2015			
Cash Payment	E 613-45125-221 Equipment Parts/Building				\$590.69
Invoice	71497203	5/4/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$684.53
Refer	64899	<i>SUPERIOR BEVERAGES LLP</i>			
Cash Payment	E 613-45125-252 Beer For Resale				\$81.20
Invoice	473010	5/13/2015			
Cash Payment	E 609-49750-251 Liquor For Resale				\$1,180.90
Invoice	473454	5/20/2015			
Cash Payment	E 613-45125-252 Beer For Resale				\$126.00
Invoice	472617	5/6/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$1,388.10
Refer	64900	<i>CRYSTAL GOLF</i>			
Cash Payment	E 613-45125-254 Golf Supplies For Resale				\$95.21
Invoice	57607	5/6/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$95.21
Refer	64901	<i>TESSMAN SEED COMPANY</i>			
Cash Payment	E 613-45125-211 Operating Supplies				\$2,458.25
Invoice	S213414-IN	5/6/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$2,458.25
Refer	64902	<i>BUCK S HARDWARE HANK</i>			
Cash Payment	E 613-45125-211 Operating Supplies				\$135.95
Invoice	9988	4/30/2015			
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE				\$339.69
Invoice	1712	4/30/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$475.64
Refer	64903	<i>STEVE S SPORTS AND AUTO</i>			
Cash Payment	E 613-45125-221 Equipment Parts/Building				\$7.52
Invoice	246019	4/18/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$7.52
Refer	64904	<i>BUCK S RADIO SHACK</i>			



# CITY OF GRAND MARAIS

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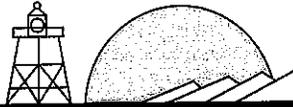
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## Payments

City of Grand Marais

Current Period: May 2015

Cash Payment	E 613-45125-211 Operating Supplies			\$151.01
Invoice	10000517	5/1/2015		
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b> \$151.01
Refer	64905	ARROWHEAD COOPERATIVE		
Cash Payment	E 613-45125-380 Utility Services (GENER			\$47.00
Invoice	908127	4/30/2015		
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b> \$47.00
Refer	64906	HORNUNG S PRO GOLF SALES, IN		
Cash Payment	E 613-45125-253 Clothes For Resale			\$87.34
Invoice	351277	5/6/2015		
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b> \$87.34
Refer	64907	FLEET ONE LLC		
Cash Payment	E 613-45125-212 Motor Fuels			\$141.75
Invoice	4453130044	4/30/2015		
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b> \$141.75
Refer	64908	EDWIN E. THORESON, INC.		
Cash Payment	E 101-43100-419 Snow/Ice Removal			\$4,260.00
Invoice	22430	5/14/2015		
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b> \$4,260.00
Refer	64909	CHRISTIANSEN, CHARLES		
Cash Payment	E 101-43100-430 Miscellaneous (GENERA			\$87.98
Invoice	BOOTS	5/11/2015		
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b> \$87.98
Refer	64910	MCI MEGA PREFERRED		
Cash Payment	E 101-41400-321 Telephone			\$32.19
Invoice	08678993875	5/19/2015		
Cash Payment	E 211-45500-321 Telephone			\$4.48
Invoice	08678993875	5/19/2015		
Cash Payment	E 609-49750-321 Telephone			\$8.72
Invoice	08678993875	5/19/2015		
Cash Payment	E 613-45125-321 Telephone			\$13.74
Invoice	08678993875	5/19/2015		
Cash Payment	E 101-43100-321 Telephone			\$0.37
Invoice	08678993875	5/19/2015		
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b> \$59.50
Refer	64911	GIBEAU, KIM		
Cash Payment	E 101-41400-330 Transportation/School			\$15.00
Invoice	MCFOA MEETIN	5/19/2015		
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b> \$15.00
Refer	64912	GRAND MARAIS PLAYHOUSE		
Cash Payment	E 609-49750-340 Advertising			\$275.00
Invoice	YRLY SPONSOR	5/19/2015		
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b> \$275.00
Refer	64913	ULINE		
Cash Payment	E 609-49750-430 Miscellaneous (GENERA			\$1,055.45
Invoice	67073694	4/27/2015		



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## Payments

City of Grand Marais

Current Period: May 2015

Cash Payment	E 609-49750-333 Freight and Express				\$128.74
Invoice	67073694	4/27/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$1,184.19
Refer	64914	COMO OIL & PROPANE	-		
Cash Payment	E 101-41940-217 Heating Fuel				\$374.40
Invoice	621581	4/29/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$374.40
Refer	64915	COOK COUNTY LAW ENFORCEME	-		
Cash Payment	E 101-42100-317 Contracted Services				\$11,666.67
Invoice	231	5/19/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$11,666.67
Refer	64916	BAKER & TAYLOR	-		
Cash Payment	E 215-45500-435 Books, Periodicals				\$591.97
Invoice	2030591952	4/29/2015			
Cash Payment	E 211-45500-435 Books, Periodicals				\$754.14
Invoice	2030605780	5/4/2015			
Cash Payment	E 215-45500-435 Books, Periodicals				\$240.75
Invoice	2030588197	4/28/2015			
Cash Payment	E 215-45500-435 Books, Periodicals				\$537.24
Invoice	2030551047	4/17/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$2,124.10
Refer	64917	ARROWHEAD LIBRARY SYSTEM	-		
Cash Payment	E 211-45500-444 Electronic Books, Periodi				\$2,000.00
Invoice	043015GRM	4/30/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$2,000.00
Refer	64918	THE NEW YORK TIMES	-		
Cash Payment	E 211-45500-435 Books, Periodicals				\$111.80
Invoice	878672104	4/26/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$111.80
Refer	64919	SVEN & OLE S	-		
Cash Payment	E 211-45500-430 Miscellaneous (GENERA				\$199.57
Invoice	513357	5/13/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$199.57
Refer	64920	SOUTHERN WINE & SPIRITS OF M	-		
Cash Payment	E 609-49750-252 Beer For Resale				\$2,626.61
Invoice	1285273	5/14/2015			
Cash Payment	E 609-49750-333 Freight and Express				\$95.10
Invoice	1285273	5/14/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$2,721.71
Refer	64921	TWIN PORTS PAPER & SUPPLY IN	-		
Cash Payment	E 609-49750-210 Operating Supplies (GE				\$135.82
Invoice	260786	5/12/2015			
Cash Payment	E 101-45100-210 Operating Supplies (GE				\$622.15
Invoice	260665	5/12/2015			
Transaction Date	5/19/2015	MAIN CHECKING G	10100	<b>Total</b>	\$757.97
Refer	64927	HAND DONE T SHIRTS INC.	-		



# CITY OF GRAND MARAIS

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## Payments

### City of Grand Marais

Current Period: May 2015

Cash Payment	E 101-45100-250 Merchandise Resale (GE				\$497.00
Invoice N18277	5/15/2015				
Cash Payment	E 101-45100-210 Operating Supplies (GE				\$845.75
Invoice N18278	5/15/2015				
Transaction Date	5/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$1,342.75
Refer	64928 HAWKINS, INC.				
Cash Payment	E 101-45189-216 Ballfield Supplies				\$568.96
Invoice 3725857	5/7/2015				
Transaction Date	5/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$568.96
Refer	64929 NINAWORKS!				
Cash Payment	E 101-45100-340 Advertising				\$480.00
Invoice 150770	4/1/2015				
Cash Payment	E 101-45100-340 Advertising				\$1,432.20
Invoice 150880	5/10/2015				
Cash Payment	E 101-45100-210 Operating Supplies (GE				\$2,000.00
Invoice 150880	5/10/2015				
Transaction Date	5/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$3,912.20
Refer	64930 MISSION MANAGEMENT INFO SYS				
Cash Payment	E 101-45100-210 Operating Supplies (GE				\$395.00
Invoice 52233	5/18/2015				
Transaction Date	5/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$395.00
Refer	64931 BELL RECREATIONAL PROD. GRO				
Cash Payment	E 101-45100-250 Merchandise Resale (GE				\$781.96
Invoice 970179	5/2/2015				
Cash Payment	E 101-45184-210 Operating Supplies (GE				\$20.00
Invoice 970179	5/2/2015				
Transaction Date	5/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$801.96
Refer	64932 BOREAL ACCESS				
Cash Payment	E 101-45100-210 Operating Supplies (GE				\$84.95
Invoice 150515-0163	5/5/2015				
Transaction Date	5/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$84.95
Refer	64933 SUNDEW TECHNICAL SERVICES				
Cash Payment	E 101-45100-200 Office Supplies (GENER				\$88.44
Invoice GM REC PARK	4/20/2015				
Transaction Date	5/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$88.44
Refer	64934 DEX MEDIA EAST LLC				
Cash Payment	E 101-45100-340 Advertising				\$40.31
Invoice 110220314	5/1/2015				
Transaction Date	5/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$40.31
Refer	64935 NORTH SHORE WASTE				
Cash Payment	E 101-45100-384 Refuse/Garbage Disposa				\$82.27
Invoice 14071	4/30/2015				
Transaction Date	5/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$82.27
Refer	64936 JOHNSON BROTHER LIQUOR				
Cash Payment	E 609-49750-252 Beer For Resale				\$1,781.20
Invoice 5165457	5/20/2015				



# CITY OF GRAND MARAIS

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## Payments

City of Grand Marais

Current Period: May 2015

Cash Payment	E 609-49750-333 Freight and Express			\$95.37
Invoice	5165457	5/20/2015		
Cash Payment	E 609-49750-252 Beer For Resale			\$11,128.87
Invoice	5165458	5/20/2015		
Cash Payment	E 609-49750-333 Freight and Express			\$340.10
Invoice	5165458	5/20/2015		
Cash Payment	E 609-49750-252 Beer For Resale			\$374.50
Invoice	5165459	5/20/2015		
Transaction Date	5/22/2015	MAIN CHECKING G	10100	<b>Total</b> \$13,720.04
Refer	64937	WINE MERCHANTS		
Cash Payment	E 609-49750-251 Liquor For Resale			\$1,452.50
Invoice	7031003	5/20/2015		
Cash Payment	E 609-49750-333 Freight and Express			\$47.69
Invoice	7031003	5/20/2015		
Transaction Date	5/22/2015	MAIN CHECKING G	10100	<b>Total</b> \$1,500.19
Refer	64938	PHILLIPS WINE & SPIRITS		
Cash Payment	E 609-49750-252 Beer For Resale			\$5,143.03
Invoice	2790756	5/20/2015		
Cash Payment	E 609-49750-333 Freight and Express			\$149.53
Invoice	2790756	5/20/2015		
Transaction Date	5/22/2015	MAIN CHECKING G	10100	<b>Total</b> \$5,292.56
Refer	64939	NORTHERN WILDS		
Cash Payment	E 609-49750-340 Advertising			\$319.00
Invoice	14305	5/15/2015		
Transaction Date	5/22/2015	MAIN CHECKING G	10100	<b>Total</b> \$319.00
Refer	64940	PAUSTIS WINE COMPANY		
Cash Payment	E 609-49750-252 Beer For Resale			\$1,530.02
Invoice	8499436-IN	5/19/2015		
Cash Payment	E 609-49750-333 Freight and Express			\$110.00
Invoice	8499436-IN	5/19/2015		
Transaction Date	5/22/2015	MAIN CHECKING G	10100	<b>Total</b> \$1,640.02
Refer	64941	FVB ENERGY INC		
Cash Payment	E 101-49650-303 Engineering Fees	2014		\$37,400.00
Invoice	I000362	6/30/2014		
Transaction Date	5/22/2015	MAIN CHECKING G	10100	<b>Total</b> \$37,400.00



**CITY OF GRAND MARAIS**  
**Payments**

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**City of Grand Marais**

Current Period: May 2015

Fund Summary

	10100 MAIN CHECKING GMSB	
101 GENERAL FUND		\$63,141.12
211 LIBRARY		\$3,320.39
215 LIBRARY RESTRICTED FUND		\$1,369.96
609 MUNICIPAL LIQUOR FUND		\$37,995.39
613 GOLF COURSE		\$5,654.49
		<u>\$111,481.35</u>

Pre-Written Checks	\$0.00
Checks to be Generated by the Computer	\$111,481.35
Total	<u>\$111,481.35</u>

# City of Grand Marais

## MEMO

TO: Mayor Arrowsmith DeCoux  
City Council Members  
FROM: Michael J. Roth, City Administrator  
DATE: May 22, 2015  
SUBJECT: Legion Temporary Liquor License.

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The Legion is applying for a temporary liquor license for the beer tent during fisherman's picnic July 30-August 2. The City Council may approve a temporary liquor license for a non-profit for a 1-4 day event. We require temporary licensees to work with one of our existing licensees to conduct the sales, which in this case is the legion itself. The beer tent will be operated the same as in previous years, in the parking lot behind fencing.



**Minnesota Department of Public Safety**  
**Alcohol and Gambling Enforcement Division**  
 444 Cedar Street, Suite 222, St. Paul, MN 55101  
 651-201-7500 Fax 651-297-5259 TTY 651-282-6555  
**APPLICATION AND PERMIT FOR A 1 DAY**  
**TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE**

Name of organization		Date organized	Tax exempt number
American Legion Lounge, Post 413		February 18, 1993	41-1250881
Address	City	State	Zip Code
17 1st Street West, P.O. Box 721	Grand Marais	Minnesota	55604
Name of person making application		Business phone	Home phone
Terry Breithaupt, Manager		218-387-2974	218-387-2174
Date(s) of event	Type of organization		
July 30, 2015 to August 2, 2015	<input checked="" type="checkbox"/> Club <input type="checkbox"/> Charitable <input type="checkbox"/> Religious <input type="checkbox"/> Other non-profit		
Organization officer's name		City	State      Zip
<input checked="" type="checkbox"/> Donald Wilson	Grand Marais	Minnesota	55604
<input checked="" type="checkbox"/> Terry Breithaupt	Grand Marais	Minnesota	55604
<input type="button" value="Add New Officer"/>			

Location where permit will be used. If an outdoor area, describe.  
 In the parking lot adjacent and north of the American Legion Lounge, Post 413. Presently, the parking lot is owned by Buck's Hardware.

If the applicant will contract for intoxicating liquor service give the name and address of the liquor license providing the service.  
 The American Legion Lounge, Post 413 is the applicant and will be using our own Liquor license.

If the applicant will carry liquor liability insurance please provide the carrier's name and amount of coverage.  
 Security State Insurance of Grand Marais is the local agent. The Scottsdale Insurance Company is the carrier with a \$600,000 aggregate limit and a \$300,000 limit for each common cause limit.

**APPROVAL**

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL AND GAMBLING ENFORCEMENT

City/County	Date Approved
City Fee Amount	Permit Date
Date Fee Paid	

\_\_\_\_\_  
 Signature City Clerk or County Official

\_\_\_\_\_  
 Approved Director Alcohol and Gambling Enforcement

NOTE: Submit this form to the city or county 30 days prior to event. Forward application signed by city and/or county to the address above. If the application is approved the Alcohol and Gambling Enforcement Division will return this application to be used as the permit for the event.

# City of Grand Marais

## MEMO

TO: Mayor Arrowsmith DeCoux  
City Council Members  
FROM: Michael J. Roth, City Administrator  
DATE: May 22, 2015  
SUBJECT: Business Park Bond Payments

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### Summary

Cook County has approved the attached contract dealing with the payment of the business park bonds. Also attached is a memo I provided the County board with summary information regarding the issue. Please approve the contract.

### Bond Payments

The City issued a bond at the request of the EDA to finance a portion of the business park infrastructure. The bond is backed by special assessment on the business park lots of \$60,000 per lot, which is due when the lots are sold. Since the construction of the park, the EDA has determined that they will not be able to sell the lots with sufficient revenue to cover the assessment. The City, County, and EDA began discussing how to address this issue a few years ago. The County agreed at that time to contribute up to half of the annual bond payments contingent on a long term contract. City staff and councilors met with County staff and commissioners to negotiate the attached agreement.

### Contract Terms

In the contract, the County agrees to contribute half of the annual bond payment amounts to the City. The City agrees to re-assess the lots to more accurately reflect the current situation, to credit the County's payment towards the EDA's assessments, and to collect any lot sale revenues in a fund to pay off the bonds when the fund is sufficient. The EDA agrees to continue their assessment obligation (which is covered by the County's contribution) and to provide all lot sale revenues to the City until the bonds are paid off.

# City of Grand Marais

## MEMO

TO: Chair Doo Kirk  
County Board Members  
FROM: Michael J Roth, Grand Marais City Administrator  
DATE: May 11, 2015  
SUBJECT: Business Park Financing Narrative

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### Summary

This afternoon, Braidy requested that I provide a narrative to explain some of the facts surrounding the business park financing.

### Original Bond

The business park construction was financed with two grants and a bond. DEED provided a \$500,000 business park infrastructure grant, and IRRRB provided a \$200,000 public works infrastructure grant. The remaining construction funds came from a \$1,630,000 bond.

This original bond was offered in December 2006, and closed in January 2007. The bonds were sold as special assessment bonds, and backed with a \$60,000 assessment per lot due at the time of sale. This assessment would provide a total of \$2,200,000. By late 2007, the EDA had 37 lots platted and 14 reservation agreements mainly from local businesses looking to relocate. The EDA had also been in discussions with the DNR and Homeland Security about potential facility developments. Because we anticipated a number of these transactions to take place soon after construction finished, the City decided to start with a 3-year temporary financing. After three years, we would pay off the bonds with existing lot sales and refinance for the remaining principle, thus saving long-term interest payments. If eight lots were sold in the first three years, two lot sales would cover our temporary bond interest and six would write down the required principle on the next financing. If the EDA thought more sales were imminent, the City could potentially sell another temporary three year bond before entering into long-term financing.

### Current Financing

A number of issues made the construction of the park difficult, including engineering, contractor performance, storm water permit violations, and major storms. These difficulties coincided with a dramatic downturn in the economy, resulting in most of the lot reservations expiring without a sale. Due to this complete failure of the original plan, the City decided to enter into long-term financing in December of 2009 to settle the temporary bond.

### Lot Sale Strategy

The EDA identified the \$60,000 assessment per lot as a major obstacle for potential sales. After the recession, the EDA determined that they would not be able to sell many of the lots for enough money to cover the assessment. The deal between the EDA and the City is currently the legal backing for the bond. But unless it is reworked, the EDA's ability to sell anymore lots is hampered. The County, City, and EDA have been discussing how to remedy this situation, which has resulted in the proposed contract before you. The EDA has moved forward based on a tentative understanding between the parties and re-priced their lots. The current market value of the lots is substantially lower than the original value, and potentially lower than the total bond payments due. The EDA has also sold a lot, which has technically created an obligation for the EDA to pay the City \$60,000. The proposed contract would credit the County's contribution towards the EDA's assessment obligation. Once the contract has been approved, the City will begin the process of re-assessing the lots, allowing the EDA to market them with the goal of selling and developing as many lots as possible.

Number of Lots	37
Original Price Per Lot	\$60,000
Total original lot value	\$2,200,000
Lots Sold to Date	5
Assessments paid to Date	\$240,000
Assessment Pending	\$60,000
Total Remaining Lot Value	\$1,230,000

**JOINT POWERS AGREEMENT FOR  
REASSESSMENT OF BUSINESS PARK LOTS AND  
CONTRIBUTION FOR BUSINESS PARK DEBT SERVICING**

This Joint Powers Agreement For Reassessment Of Business Park Lots And Contribution For Business Park Debt Servicing ("Agreement") is made and entered into by and between the City of Grand Marais, a municipal corporation under the laws of the State of Minnesota, (hereinafter referred to as the "City"); Cook County/Grand Marais Economic Development Authority of Cook County, a body politic and corporate under the laws of the State of Minnesota, (hereinafter referred to as the "EDA"); and Cook County, a municipal corporation under the laws of the State of Minnesota, (hereinafter referred to as the "County"), (hereinafter collectively referred to as the "Parties"), which parties are empowered to enter into a joint powers agreement pursuant to Minnesota Statutes, section 471.59, subd. 10.

**WHEREAS**, the City and County have previously jointly established the EDA; and

**WHEREAS**, the County annually adopts a levy to fund the joint EDA; and

**WHEREAS**, at the request of the EDA, the City, in 2009, adopted City Resolution No. 2009-14 issuing general obligation improvement bonds, Series 2009A, in the amount of \$1,685,000 (hereinafter referred to as "Bond Series 2009A") for the financing of the construction of City streets, curb, gutter, water and sewer improvements (hereinafter referred to as the "Improvements") for the EDA's Cedar Grove Business Park project (hereinafter referred to as the "Business Park") and levying special assessments for the security and a tax for the payment thereof; and

**WHEREAS**, the City and the EDA previously entered into an agreement for the Business Park project whereby, in consideration for the City's financing of the improvements, the EDA would pay an assessment of \$60,000 per platted lot for all lots in the Business Park (hereinafter referred to as the "original assessments"), and the EDA agreed to pay such sum to the City out of the proceeds of the sale of lots in the Business Park at the time each lot was sold; and

**WHEREAS**, due to the significant downturn in the economy resulting from the recession, the EDA has been unable to sell lots in the Business Park in a sufficient number or at an adequate price for the EDA to pay the required assessments for Bond Series 2009A, thereby requiring the City to levy taxes to pay the principal and interest on the bonds; and

**WHEREAS**, the EDA has not been able to sell lots in the Business Park at a purchase price sufficient to cover the \$60,000 per lot assessment, which the EDA is contractually obligated to pay to the City; and

**WHEREAS**, the EDA desires to have the City reassess the unsold lots in the Business Park in reduced assessment amounts to make the unsold lots more marketable for purposes of sale; and

**WHEREAS**, Minnesota Statutes, section 429.071, subd. 2, authorizes the City to reassess any portion of the Business Park project in the event the City Council finds that the assessment or any part thereof is excessive; and

**WHEREAS**, the City Council finds that reassessment is warranted to reduce excessive per lot assessments, which have been only collected in part from sold lots and are making the unsold lots unmarketable; and

**WHEREAS**, the EDA agrees that it shall, to the maximum extent made possible by future sales of lots in the Business Park, continue to pay the City the required special assessments placed upon the lots in the Business Park in the reduced amounts as may be reassessed by the City pursuant to Minnesota Statutes, section 429.071 or as otherwise required by law or Bond Series 2009A; and

**WHEREAS**, given that future lot sales are uncertain both in number and sale price per lot within the Business Park, the City desires contribution from the County for a portion of its debt service costs for this joint economic development project, and the County is willing to provide such contribution to the City for a portion of such costs in accordance with this Agreement, the County Board of Commissioners having first voted September 11, 2012, to pay 50% of the City's 2013 Bond payment through the EDA's levy, and having subsequently discussed making an agreement with the City/EDA to make a similar payment yearly.

**NOW, THEREFORE**, in consideration of the mutual undertakings and agreements hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Authority. Each of the Parties hereto is empowered and authorized to enter into a joint powers agreement with other governmental units to perform on behalf of those units any service or function, which that government unit would otherwise be authorized to provide for itself pursuant to Minnesota Statutes, section 471.59, subd. 10.
2. Purpose. The purpose of this Agreement is set forth in the above recitals, which are hereby incorporated herein and shall be construed as being part of this Agreement.
3. Term. The term of this Agreement shall commence on the date of the latest signature (the "Effective Date") hereto and shall remain in effect until the City makes payment in full of the principal and interest on Bond Series 2009A or as otherwise provided herein.
4. County Responsibilities.
  - a. County Contribution: As the County's contribution to the City's debt-servicing expenses for the purposes provided in this Agreement, and pursuant to the conditions in Paragraphs [6.d. and 6.e.] below, the County shall annually pay the City an amount which constitutes 50% of the annual bond payment the City must pay for that year according to the debt service payment schedule for Bond Series 2009A, attached hereto and incorporated herein as Exhibit 1.
  - b. The County shall make its Contribution to the City's debt on or before July 1 each year (the "Payment Date").
  - c. Such Contribution shall constitute a credit to the EDA's obligations to repay the special assessments on the individual lots in the Business Park.
5. EDA Responsibilities.

- a. The EDA shall be credited towards the assessments for any amounts paid to the City by the County pursuant to Paragraph 4 above. As to the balance of any assessments the EDA still owes after credit for the County's contribution, the EDA shall pay the City levied assessments on the lots in the Business Park in the reduced amounts as may be reassessed by the City pursuant to Minnesota Statutes, section 429.071 and Paragraph 6 herein, deposited with the City pursuant to Paragraph 5.c. below, as the same become due and payable out of the closing proceeds at the time of the sale of a lot in the Business Park by the EDA. Nothing in this subparagraph shall relieve the EDA of its obligation to pay the entirety of the net proceeds of the sale while the City's obligation to repay principal and/or interest on Bond Series 2009A remains outstanding, pursuant to Paragraph 5.c. below.
- b. The EDA shall notify the County and the City if purchase negotiations contemplate a purchase price below the amount of the reduced assessment, and in that case the EDA shall receive County and City approval of the purchase price prior to the execution of a purchase agreement.
- c. At such time as the EDA sells any lots in the Business Park while the City's obligation to repay any principal and/or interest on Bond Series 2009A remains outstanding, the entirety of the net proceeds of the sale of the lot paid to the EDA (after closing costs are deducted) shall be paid to the City to the extent of the City's obligation on the bonds and deposited by the City in a lot revenue bond repayment reserve account for purposes of paying Bond Series 2009A (the "Reserve Account"). The EDA payments shall be accumulated in the account by the City for the specific purpose of redemption and prepayment, in whole or in part, of Bond Series 2009A, pursuant to Paragraph 6.c. below.

6. City Responsibilities.

- a. Within 90 days of the effective date of this Agreement, the City shall initiate a process to reassess those lots located in the Business Park that have not been sold as of the date of this Agreement pursuant to Minnesota Statutes, section 429.071.
- b. The City shall continue to be bound in all respects for payment of principal and interest on Bond Series 2009A in accordance with the terms and conditions under which such bonds were issued and applicable law.
- c. To the extent made possible by this Agreement, the City shall endeavor to prepay the principal and interest on Bond Series 2009A when there are funds paid to the City pursuant to this Agreement sufficient for such purpose. The proceeds from all payments to the City pursuant to Paragraphs 4 and 5 above shall be deposited by the City in to the Reserve Account.
- d. Prior to the initial payment under this Agreement, the City shall provide to the County the following information accurate and complete up to the first Payment Date: how the proceeds from Bond Series 2009A have been spent up to the date of this Agreement, what amount of proceeds remains, to what extent the bond

obligation has already been repaid and from what revenues the City has paid the bonds.

- e. Prior to each annual payment, the City shall provide to the County:
  - i. An accounting which is accurate and complete for a one year time period ending on the Payment Date of all revenues used to make bond payments; and
  - ii. An account activity report for the Reserve Account which is accurate and complete for a one year time period ending on the Payment Date.

7. General Terms.

- a. **Voluntary and Knowing Action.** The Parties, by executing this Agreement, state that they have carefully read this Agreement and understand fully the contents thereof; that in executing this Agreement they voluntarily accept all terms described in this Agreement without duress, coercion, undue influence, or otherwise, and that they intend to be legally bound thereby.
- b. **Authorized Signatories.** The Parties each represent and warrant to the other that (1) the persons signing this Agreement are authorized signatories for the entities represented, and (2) no further approvals, actions or ratifications are needed for the full enforceability of this Agreement against it; each party indemnifies and holds the other harmless against any breach of the foregoing representation and warranty.
- c. **Notices.** The Parties' representatives for notification for all purposes are:

**City:**

Mike Roth, City Administrator  
PO Box 600  
Grand Marais, MN 55601-0600  
Phone: 218-387-1848  
Email: cityhall@boreal.org

**EDA:**

Howard Hedstrom, EDA Chair  
P.O. Box 597  
Grand Marais, MN 55604  
  
Phone: 218-387-3112  
Email: howard@hedstromlumber.com

**County:**

Braidy Powers  
Cook County Auditor-Treasurer  
411 West Second St.  
Grand Marais, MN 55604

Phone: (218) 387-3646  
Email: braidy.powers@co.cook.mn.us

- d. **Assignment.** This Agreement may not be assigned without the written consent of the Parties.
- e. **Indemnification.** Each party agrees it will be responsible for its own acts and behavior and the results thereof. Each party's liability is governed by the Minnesota Tort Claims Act, Minn. Stat. c.466, respectively, and other applicable laws. For the purposes of the Minnesota Municipal Tort Liability Act (Minn. Stat. c. 466), under no circumstances shall any party be required to pay on behalf of itself and other parties, any amounts in excess of the limits on liability established in Minnesota Statutes, Chapter 466 applicable to any one party. The limits of liability for some or all of the parties may not be added together to determine the maximum amount of liability for any party.
- f. **Modifications/Amendment.** Any alterations, variations, modifications, amendments or waivers of the provisions of this Agreement shall only be valid when they have been reduced to writing, and signed by authorized representative of the Parties.
- g. **Records—Availability and Retention.** Pursuant to Minn. Stat. § 16C.05, subd. 5, the Parties agree that the Parties, the State Auditor, or any of their duly authorized representatives at any time during normal business hours and as often as they may reasonably deem necessary, shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., which are pertinent to the accounting practices and procedures of each Party and involve transactions relating to this Agreement.
- h. **Force Majeure.** The Parties shall each be excused from performance under this Agreement while and to the extent that either of them are unable to perform, for any cause beyond its reasonable control. Such causes shall include, but not be restricted to fire, storm, flood, earthquake, explosion, war, total or partial failure of transportation or delivery facilities, raw materials or supplies, interruption of utilities or power, and any act of government or military authority. In the event either party is rendered unable wholly or in part by force majeure to carry out its obligations under this Agreement then the party affected by force majeure shall give written notice with explanation to the other party immediately.
- i. **Dispute Resolution.** Any dispute concerning any provision of this Agreement, other than a default, shall be resolved as follows: The party which asserts a dispute shall first give notice thereof to the other party and specify the nature of the dispute and shall meet with such other party, within 30 days of the event giving rise to the dispute. Such notice shall set forth all reasons supporting the basis of the dispute. Within 30 days following the date of the notice, a meeting between the Parties shall be held to attempt in good faith to negotiate a resolution of the dispute or controversy prior to proceeding to formal dispute resolution or exercising their rights under law. Any claims or disputes unresolved after good faith negotiations shall first be submitted to mediation utilizing the Minnesota District Court Rule 114 Roster or another mediator mutually agreed upon by the Parties.

- j. **Non-Discrimination.** The provisions of any applicable law or ordinance relating to civil rights and discrimination shall be considered part of this Agreement as if fully set forth herein.
- k. **Governing Law.** This Agreement shall be deemed to have been made and accepted in Cook County, Minnesota, and the laws of the State of Minnesota shall govern any interpretations or constructions of the Agreement without regard to its choice of law or conflict of laws principles.
- l. **Data Practices.** The Parties acknowledge that this Agreement is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 *et seq.*
- m. **No Waiver.** Any Party's failure in any one or more instances to insist upon strict performance of any of the terms and conditions of this Agreement or to exercise any right herein conferred shall not be construed as a waiver or relinquishment of that right or of that Party's right to assert or rely upon the terms and conditions of this Agreement. Any express waiver of a term of this Agreement shall not be binding and effective unless made in writing and properly executed by the waiving Party.
- n. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision. Any invalid or unenforceable provision shall be deemed severed from this Agreement to the extent of its invalidity or unenforceability, and this Agreement shall be construed and enforced as if the Agreement did not contain that particular provision to the extent of its invalidity or unenforceability.
- o. **Entire Agreement.** These terms and conditions constitute the entire Agreement between the Parties regarding the subject matter hereof. All discussions and negotiations are deemed merged in this Agreement.
- p. **Headings and Captions.** Headings and captions contained in this Agreement are for convenience only and are not intended to alter any of the provisions of this Agreement and shall not be used for the interpretation of the validity of the Agreement or any provision hereof.
- q. **Survivability.** All covenants, indemnities, guarantees, releases, representations and warranties by any Party or Parties, and any undischarged obligations of the County and City arising prior to the expiration of this Agreement (whether by completion or earlier termination), shall survive such expiration.
- r. **Counterparts.** This agreement may be executed in multiple counterparts with a separate counterpart sent to each Party for authorization and signature by its authorized representatives.
- s. **TERMINATION.** The Count may terminate this Agreement, in whole or in part, if the City or the EDA materially fails to comply with any term of the Agreement.

- i. **Nonappropriation.** Notwithstanding any provision of this Agreement to the contrary, this Agreement may be terminated by either party in the event sufficient funds from the County, State, Federal or other sources are not appropriated, obtained and continued at least at the level relied on for the performance of this Agreement; and the nonappropriation of funds did not result from any act of bad faith on the part of the City or the County.
- ii. **Written Notice of Termination.** Notice of Termination shall be made by certified mail or personal delivery. Notice is deemed effective upon delivery to the party's Authorized Representative.
- iii. **Effect of Termination.** Termination of this Agreement shall not discharge any liability, responsibility or right of any party which arises from the performance of or failure to adequately perform the terms of this Agreement prior to the effective date of termination.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be duly executed on the respective dates set forth below intending to be bound thereby.

COOK COUNTY

By: \_\_\_\_\_  
Heidi Doo-Kirk, Board Chair

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Braidy Powers, Auditor-Treasurer

Dated: \_\_\_\_\_

CITY OF GRAND MARAIS

By: \_\_\_\_\_  
Jay Arrowsmith-DeCoux, Mayor

Dated: \_\_\_\_\_

COOK COUNTY / GRAND MARAIS ECONOMIC  
DEVELOPMENT AUTHORITY

By: \_\_\_\_\_  
Howard Hedstrom, President

Dated: \_\_\_\_\_

This instrument was drafted by:  
Cook County Attorney's Office  
411 West 2<sup>nd</sup> Street,  
Grand Marais, MN 55604  
(218) 387-3670

**ORDINANCE NO. 2015-01**

**AN ORDINANCE OF THE CITY OF GRAND MARAIS, MINNESOTA, AMENDING CITY CODE CHAPTER 6 ALCOHOLIC BEVERAGES**

**THE CITY COUNCIL OF THE CITY OF GRAND MARAIS DOES ORDAIN**

Section 1. That Chapter 6 of the City Code of Grand Marais, Minnesota, which chapter is entitled "Alcoholic Beverages" be amended by adding Article IV as follows:

**ARTICLE IV Brewers**

**Division 2. Off-Sale Malt Liquor Licenses**

**Sec. 6-121. Definitions.** A brewer licensed under Stat. §§ 340A.24 or .301, Subd. 6(d), (i), or (j) may be licensed for the "off-sale" of malt liquor produced and packaged on the licensed premises in accordance with Minn. Stat. §§ 340A.301, ~~Subd. 7(b)~~24 and .28. Unless otherwise stated, the definitions of Minnesota Statutes, Chapter 340A, as the same shall be amended from time to time, shall apply herein.

**Sec. 6-122. Conditions of License.**

1. The annual license fee for an off-sale malt liquor license, as established in the fee schedule in City Code Chapter 26, FEES, shall be paid.
2. Off-sale of malt liquor may only be made during the hours that "off-sale" of liquor may be made pursuant to Minnesota Statutes, Sections 340A.24, .28 and .504, subd. 4, as applicable, except that "off-sale" of malt liquor may be made on Sundays pursuant to Minnesota Statutes, Section 340A.301, subdivisions 6d and 7.
3. The malt liquor shall be packaged in sixty-four-ounce containers commonly known as "growlers" or in seven hundred fifty (750) milliliter bottles. The container or bottle must be sealed in the manner as described in Minnesota Statutes, Section 340A.301, ~~Subdivision 6(d)~~285.
4. The malt liquor sold at off-sale must be removed from the latest time that "off-sale" of liquor may be made pursuant to Minnesota Statutes, Sections 340A.24, .28 and .504, subd. 4, as applicable.
5. All other provisions of Article III of this Chapter shall be applicable to such licenses and licensees unless inconsistent with the provisions of this section

Section 2. That this ordinance shall take effect from and after its passage and publication.

Passed by the City Council of the City of Grand Marais this \_\_\_<sup>th</sup> day of \_\_\_\_, 2015.

\_\_\_\_\_  
Jay Arrowsmith DeCoux, Mayor

Attest: \_\_\_\_\_

Michael Roth  
City Administrator

## Upcoming Meeting Schedule

Updated May 22, 2015

### MAY

Date/Time	Meeting	Location
Wednesday, May 27, 6:30 p.m.	City Council Meeting	Council Chambers
Thursday, May 28, 4:00 p.m.	Joint C/C/S/T	Grand Portage

### JUNE

Date/Time	Meeting	Location
Wednesday, June 10, 6:30 p.m.	City Council Meeting	Council Chambers
Wednesday, June 24, 6:30 p.m.	City Council Meeting	Council Chambers