

AGENDA
CITY COUNCIL MEETING
December 31, 2014
2:00 P.M.

A. 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. Approve Consent Agenda

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

E. Budget and Levy

-Resolution 2013-19 Final Levy

F. Personnel

--Supervisor Salaries

G. District Heating Follow-Up Work Service Contract

H. Ordinance 2014-04 Liquor Fees

I. 2015 Mileage Reimbursement Rate

J. Other items as necessary

K. Council & Staff Reports

L. Attached correspondence:

1. Other Meeting Minutes
2. Library Board Resignation
3. Upcoming Meeting Schedule

M. Adjourn

*CITY OF GRAND MARAIS
MINUTES
December 10, 2014*

Mayor Carlson called the meeting to order at 5:00 p.m.

Members present: Larry Carlson, Jan Sivertson, Tim Kennedy, Bill Lenz and Bob Spry
Members absent: None
Staff present: Mike Roth, Kim Dunsmoor, Dave Tersteeg and Chris Hood

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 Sivertson to approve the Agenda; November 26, 2014 continued to December 1, 2014 Minutes; and Payment of Bills. Approved unanimously.

Ilena Berg, Cook County Soil and Water, shared the results of the May-October 2014 Lake Superior Water Monitoring Season Report. The project tracked non-point source pollutants from the City of Grand Marais along a two mile coastal area of the city. Samples were taken twice per month as conditions allowed. Samples were tested for e-coli, phosphorus, cholorhpyll-a, suspended solids, volatile suspended solids, chloride, temperature, conductivity, dissolved oxygen, with conditions noted for wind, recent precipitation date and amount, air temperature, wave height time, cloud cover and water clarity. The results indicate that we are doing good. We are the first community on the North Shore to do this type of study. A trend analysis would take ten years and the project would like to study additional parameters such as caffeine and different types of e-coli if they continue to receive grants for the study.

Jay Arrowsmith DeCoux, North Shore Health Care Foundation (NSHCF), requested that the City of Grand Marais solicit bids for a market study for our service area concerning the viability of an Assisted Living facility located in the city. The request would include information concerning the medical and residential services that are currently available in Cook County and the number of people who will need these services in the future. The NSHCF has shown interest in providing funding for the study, but are not interested in heading the process of finding a provider, coordinating building or contracts, etc. The City would not be obligated to act on the results of the study. The study done four years ago did not include existing businesses, used a 20 mile radius from Grand Marais rather than a more comprehensive county-wide study. The study needs to be tailored to Cook County.

Motion by Kennedy, seconded by Sivertson to support the Request for Proposals for a market study and surveys for our service area concerning the viability of an Assisted Living Facility in Grand Marais after the scope of the market study has been defined by the North Shore Health Care Foundation.

Ayes: Kennedy, Sivertson, Lenz, and Spry Nay: Carlson

Carlson said the request was not timely and that we should wait for the NSHCF to determine the scope of the project.

Emily Dushek, YMCA Director, provided a report on the operations of the YMCA. The model of this YMCA is being looked at nation-wide. There will be a free celebration on January 4th from 1-4 p.m. for the one year anniversary. There are 812 units of membership consisting of 1473 members. Age distribution is 30% youth, 50% adults, and 20% seniors. Geographic distribution by zip code is 88% from 55604, 5% from 55612, 1.4% from 55613 and 55615, 1.7% 55606, .5% from 55605, and 3% from outside Cook County. Average daily visits are 215. Revenues and expenses are nearly double the budget because the usage of the YMCA far outpaced projections requiring additional equipment and staffing. Fund raising dollars for scholarships stay in Cook County and 55 scholarships have been awarded: no one has been turned away. The budget includes a \$140,000 contribution from Cook County and \$100,000 from the City of Grand Marais. The strategic plan for the future includes a licensed childcare beginning January 5th, focus on quality family time, offer more programming for the schools, provide satellite programs in the east and west ends of the county, expand programming for seniors and young adults and be a volunteer hub for recruiting and training volunteers and providing mentoring opportunities.

No one from the public attended the Truth-in-Taxation Public Hearing at 6:00 p.m.

City Administrator Roth discussed the 2015 Budget. There are 15 things that affect property taxes; one is controlled by the City of Grand Marais. Currently, our budget includes a less than 1% increase over the 2014 levy. This change from the preliminary levy is due to health insurance status changes. The new park rates had not been forecasted into the 2015 Budget at the time of the preliminary levy. Some new projections assuming a stable flat occupancy could include an additional \$23,870 in additional revenue. Council directed staff to not increase the levy from 2014 levels. This measure will hold the property tax levy at the same levels as 2013 and 2014 resulting in zero increases over three years.

City Administrator Roth discussed the results of the mediation with KGM on December 2nd. The mediator was successful in reaching a tentative agreement. The city payment will be \$80,000 which is what we believe we owe them for work in Cedar Grove Business Park. This will close out all construction accounts in relation to the business park.

Motion by Kennedy, seconded by Spry to approve the settlement agreement with KGM in the amount of \$80,000 and authorize and direct its execution. Approved unanimously.

Library technician, Mark Luttinen, resigned his position. The previous Library technician, Tom Knutson, would like to return to the library on a limited basis only taking care of the technician portion of the job at 5-10 hours per week.

Motion by Kennedy, seconded by Spry to hire Tom Knutson as part-time Library Technician. Approved unanimously.

We will advertise a position for 10 hours per week of library cataloguing.

Councilor Spry's Report:

- 1) The EDA approved their settlement agreement with KGM as mediated on December 2nd.

The December 31st meeting time was changed to 2:00 p.m. The agenda items will include certifying the levy and paying bills.

Due to the age of some of our computers, we will be replacing 3 city computers and 3 utility computers.

There being no further business, the meeting adjourned at 6:25 p.m.



CITY OF GRAND MARAIS

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Payments

City of Grand Marais

Current Period: December 2014

Batch Name	121214 CPAP Payments	User Dollar Amt	\$37,519.49		
		Computer Dollar Amt	\$37,519.49		
			\$0.00	In Balance	
Refer	63849 MN DEPT OF REVENUE-EFTPS	Ck# 002784E	12/5/2014		
Cash Payment	G 101-20800 Taxes Due (State MN)				\$73.00
	Invoice NOV SALES TAX 11/30/2014				
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE				\$109.00
	Invoice NOV SALES TAX 11/30/2014				
Cash Payment	G 609-20800 Taxes Due (State MN)				\$11,812.00
	Invoice NOV SALES TAX 11/30/2014				
Cash Payment	G 211-20800 Taxes Due (State MN)				\$31.00
	Invoice NOV SALES TAX 11/30/2014				
Transaction Date	12/10/2014	MAIN CHECKING G	10100	Total	\$12,025.00
Refer	63850 PAY.GOV-ACA TRANSITIONAL REI	Ck# 002785E	12/8/2014		
Cash Payment	E 101-41900-430 Miscellaneous (GENERA				\$1,992.06
	Invoice 251AAFKM 11/5/2014				
Transaction Date	12/10/2014	MAIN CHECKING G	10100	Total	\$1,992.06
Refer	63851 MN DEPT OF REVENUE-EFTPS	Ck# 002786E	12/10/2014		
Cash Payment	G 101-21702 State Withholding				\$1,230.14
	Invoice 25 CPYR 14 12/12/2014				
Transaction Date	12/10/2014	MAIN CHECKING G	10100	Total	\$1,230.14
Refer	63852 DEPT OT THE TREASURY IRS	Ck# 002787E	12/12/2014		
Cash Payment	G 101-21703 FICA Tax Withholding				\$3,329.30
	Invoice 25 CPYR 14 12/12/2014				
Cash Payment	G 101-21717 Medicare				\$784.04
	Invoice 25 CPYR 14 12/12/2014				
Cash Payment	G 101-21701 Federal Withholding				\$2,481.38
	Invoice 25 CPYR 14 12/12/2014				
Transaction Date	12/10/2014	MAIN CHECKING G	10100	Total	\$6,594.72
Refer	63853 NCPERS GROUP LIFE INS.				
Cash Payment	G 101-21710 NCPERS-Pera				\$16.00
	Invoice 49361214 11/20/2014				
Transaction Date	12/10/2014	MAIN CHECKING G	10100	Total	\$16.00
Refer	63854 ING	Ck# 002788E	12/10/2014		
Cash Payment	G 101-21720 MN State Retirement DeferC				\$290.00
	Invoice 25 CPYR 14 12/12/2014				
Transaction Date	12/10/2014	MAIN CHECKING G	10100	Total	\$290.00
Refer	63855 VICKERMAN INC.	Ck# 072263	10/9/2014		
Cash Payment	E 101-45189-220 Repair/Maint Supply (GE	Void Check			-\$867.29
	Invoice SQ-264160 9/12/2014				
Transaction Date	12/10/2014	MAIN CHECKING G	10100	Total	-\$867.29
Refer	63856 VICKERMAN INC.				
Cash Payment	E 101-45189-220 Repair/Maint Supply (GE				\$909.15
	Invoice SI 855255 9/15/2014				
Transaction Date	12/10/2014	MAIN CHECKING G	10100	Total	\$909.15



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Payments

City of Grand Marais

Current Period: December 2014

Refer	63857 PERA	Ck# 002789E 12/11/2014		
Cash Payment	G 101-21704 PERA			\$3,744.22
Invoice	25 CPYR 14 12/12/2014			
Transaction Date	12/10/2014	MAIN CHECKING G 10100	Total	\$3,744.22
Refer	63858 CENTURYLINK			
Cash Payment	E 211-45500-321 Telephone			\$230.06
Invoice	2183871140 12/1/2014			
Cash Payment	E 613-45125-321 Telephone			\$48.83
Invoice	2183879988 12/1/2014			
Cash Payment	E 101-41400-321 Telephone			\$342.28
Invoice	2183871848 12/1/2014			
Cash Payment	E 101-42200-321 Telephone			\$31.90
Invoice	2183879092 12/1/2014			
Cash Payment	E 101-43100-321 Telephone			\$47.71
Invoice	2183873125 12/1/2014			
Cash Payment	E 101-45100-321 Telephone			\$285.60
Invoice	2183871712 12/1/2014			
Cash Payment	E 609-49750-321 Telephone			\$59.99
Invoice	2183871630 12/1/2014			
Transaction Date	12/10/2014	MAIN CHECKING G 10100	Total	\$1,046.37
Refer	63859 VISA			
Cash Payment	E 101-45100-210 Operating Supplies (GEN Seat Covers Unlimited			\$236.00
Invoice	8757 12/2/2014			
Cash Payment	E 101-45184-220 Repair/Maint Supply (GE Iboats Inc			\$1,110.72
Invoice	8757 12/2/2014			
Cash Payment	E 211-45500-435 Books, Periodicals, AV Amazon			\$256.35
Invoice	8757 12/2/2014			
Transaction Date	12/10/2014	MAIN CHECKING G 10100	Total	\$1,603.07
Refer	63882 ROHLFING INC.			
Cash Payment	E 609-49750-252 Beer For Resale			\$1,521.25
Invoice	404396 12/10/2014			
Cash Payment	E 609-49750-333 Freight and Express			\$2.00
Invoice	404396 12/10/2014			
Transaction Date	12/12/2014	MAIN CHECKING G 10100	Total	\$1,523.25
Refer	63883 WIRTZ BEVERAGE MINNESOTA			
Cash Payment	E 609-49750-251 Liquor For Resale			\$5,322.35
Invoice	1080262276 12/9/2014			
Cash Payment	E 609-49750-333 Freight and Express			\$103.75
Invoice	1080262276 12/9/2014			
Transaction Date	12/12/2014	MAIN CHECKING G 10100	Total	\$5,426.10
Refer	63884 SUPERIOR BEVERAGES LLP			
Cash Payment	E 609-49750-252 Beer For Resale			\$81.00
Invoice	463653 12/10/2014			
Cash Payment	E 609-49750-252 Beer For Resale			\$1,903.70
Invoice	463520 12/10/2014			
Cash Payment	E 609-49750-252 Beer For Resale			\$2.00
Invoice	463520 12/10/2014			



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Payments

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Current Period: December 2014

Transaction Date	12/12/2014	MAIN CHECKING G 10100	Total	\$1,986.70
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Fund Summary

	10100 MAIN CHECKING GMSB	
101 GENERAL FUND		\$16,145.21
211 LIBRARY		\$517.41
609 MUNICIPAL LIQUOR FUND		\$20,808.04
613 GOLF COURSE		\$48.83
		<hr/>
		\$37,519.49

Pre-Written Checks	\$25,008.85
Checks to be Generated by the Computer	\$12,510.64
Total	<hr/>
	\$37,519.49



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December 2014

Check Amt Invoice Comment

10100 MAIN CHECKING GMSB

Paid Chk# 002796E 12/23/2014 PERA

G 101-21704 PERA		\$3,929.59	26 CPYR 14
Total PERA		\$3,929.59	

Paid Chk# 002797E 12/23/2014 DEPT OT THE TREASURY IRS

G 101-21717 Medicare		\$816.94	26 CPYR 14
G 101-21701 Federal Withholding		\$2,642.77	26 CPYR 14
G 101-21703 FICA Tax Withholding		\$3,470.16	26 CPYR 14
Total DEPT OT THE TREASURY IRS		\$6,929.87	

Paid Chk# 002798E 12/26/2014 MN DEPT OF REVENUE-EFTPS

G 101-21702 State Withholding		\$1,260.08	26 CPYR 14
Total MN DEPT OF REVENUE-EFTPS		\$1,260.08	

Paid Chk# 002799E 12/23/2014 ING

G 101-21720 MN State Retirement DeferComp		\$290.00	26 CPYR 14
Total ING		\$290.00	

Paid Chk# 072516 12/24/2014 AFSCME

G 101-21712 AFSME Union Dues		\$606.29	Dec 2014
Total AFSCME		\$606.29	

Paid Chk# 072517 12/24/2014 BERNICKS

E 609-49750-252 Beer For Resale		\$2,697.35	431293
E 609-49750-252 Beer For Resale		(\$20.00)	432317
E 609-49750-252 Beer For Resale		\$1,152.70	432318
Total BERNICKS		\$3,830.05	

Paid Chk# 072518 12/24/2014 JOHNSON BROTHER LIQUOR

E 609-49750-251 Liquor For Resale		\$5,930.60	5051364
E 609-49750-333 Freight and Express		\$178.64	5051364
E 609-49750-333 Freight and Express		\$47.06	5051365
E 609-49750-251 Liquor For Resale		\$1,177.80	5051365
E 609-49750-251 Liquor For Resale		(\$186.50)	506466
E 609-49750-333 Freight and Express		(\$5.02)	506466
E 609-49750-333 Freight and Express		(\$5.02)	506467
E 609-49750-251 Liquor For Resale		(\$171.98)	506467
E 609-49750-251 Liquor For Resale		(\$2.76)	506468
E 609-49750-251 Liquor For Resale		(\$38.85)	506469
E 609-49750-333 Freight and Express		(\$2.51)	506469
Total JOHNSON BROTHER LIQUOR		\$6,921.46	

Paid Chk# 072519 12/24/2014 MII LIFE - VEBA

G 101-21706 Health Insurance		\$533.36	Dec 2014
Total MII LIFE - VEBA		\$533.36	

Paid Chk# 072520 12/24/2014 PAUSTIS WINE COMPANY

E 609-49750-333 Freight and Express		\$75.00	8478412-IN
E 609-49750-251 Liquor For Resale		\$870.00	8478412-IN
Total PAUSTIS WINE COMPANY		\$945.00	

Paid Chk# 072521 12/24/2014 PHILLIPS WINE & SPIRITS

E 609-49750-333 Freight and Express		\$110.44	2714963
E 609-49750-251 Liquor For Resale		\$4,049.88	2714963
Total PHILLIPS WINE & SPIRITS		\$4,160.32	



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December 2014

Check Amt Invoice Comment

Paid Chk# 072522 12/24/2014 ROHLFING INC.

E 609-49750-333	Freight and Express	\$2.00	404654
E 609-49750-252	Beer For Resale	\$2,911.60	404654
E 609-49750-333	Freight and Express	\$2.00	404908
E 609-49750-252	Beer For Resale	\$1,520.40	404908
Total ROHLFING INC.		\$4,436.00	

Paid Chk# 072523 12/24/2014 SOUTHERN WINE & SPIRITS OF MN

E 609-49750-333	Freight and Express	\$65.25	1234269
E 609-49750-251	Liquor For Resale	\$1,638.45	1234269
E 609-49750-251	Liquor For Resale	\$1,505.25	1237987
E 609-49750-333	Freight and Express	\$40.50	1237987
Total SOUTHERN WINE & SPIRITS OF MN		\$3,249.45	

Paid Chk# 072524 12/24/2014 SUPERIOR BEVERAGES LLP

E 609-49750-333	Freight and Express	\$2.00	464013
E 609-49750-252	Beer For Resale	\$1,646.60	464013
E 609-49750-252	Beer For Resale	\$713.60	464580
E 609-49750-333	Freight and Express	\$2.00	464580
Total SUPERIOR BEVERAGES LLP		\$2,364.20	

Paid Chk# 072525 12/24/2014 WINE MERCHANTS

E 609-49750-251	Liquor For Resale	\$287.00	7010718
E 609-49750-333	Freight and Express	\$7.53	7010718
Total WINE MERCHANTS		\$294.53	

Paid Chk# 072526 12/24/2014 WIRTZ BEVERAGE MINNESOTA

E 609-49750-251	Liquor For Resale	\$3,261.36	1080268019
E 609-49750-333	Freight and Express	\$60.44	1080268019
Total WIRTZ BEVERAGE MINNESOTA		\$3,321.80	

10100 MAIN CHECKING GMSB \$43,072.00

Fund Summary

10100 MAIN CHECKING GMSB

101 GENERAL FUND	\$13,549.19
609 MUNICIPAL LIQUOR FUND	\$29,522.81
	\$43,072.00



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Payments

City of Grand Marais

Current Period: December 2014

Batch Name	12312014AP	User Dollar Amt	\$156,804.56		
Payments		Computer Dollar Amt	\$156,804.56		
			\$0.00	In Balance	
Refer	63896 TWIN PORTS PAPER & SUPPLY IN				
Cash Payment	E 609-49750-210 Operating Supplies (GEN				\$46.25
Invoice	246859 12/10/2014				
Transaction Date	12/15/2014	MAIN CHECKING G	10100	Total	\$46.25
Refer	63899 YELLOW PAGES UNITED				
Cash Payment	E 609-49750-340 Advertising				\$396.00
Invoice	3354686 12/15/2014				
Transaction Date	12/15/2014	MAIN CHECKING G	10100	Total	\$396.00
Refer	63901 COMO OIL & PROPANE				
Cash Payment	E 101-41940-217 Heating Fuel				\$766.80
Invoice	521544 12/1/2014				
Transaction Date	12/15/2014	MAIN CHECKING G	10100	Total	\$766.80
Refer	63902 COOK COUNTY NEWS HERALD				
Cash Payment	E 101-43100-430 Miscellaneous (GENERA				\$128.00
Invoice	NOV 2014 11/30/2014				
Transaction Date	12/15/2014	MAIN CHECKING G	10100	Total	\$128.00
Refer	63905 TOSHIBA BUSINESS SOLUTIONS				
Cash Payment	E 101-41400-210 Operating Supplies (GEN				\$27.82
Invoice	11477767 12/10/2014				
Transaction Date	12/16/2014	MAIN CHECKING G	10100	Total	\$27.82
Refer	63912 COCA-COLA REFRESHMENTS				
Cash Payment	E 609-49750-260 Soft Drinks/Mix For Resa				\$152.30
Invoice	0668065911 12/17/2014				
Transaction Date	12/22/2014	MAIN CHECKING G	10100	Total	\$152.30
Refer	63914 ER PERRY SIGNS & ENGRAVING				
Cash Payment	E 101-41110-430 Miscellaneous (GENERA				\$31.90
Invoice	17621 12/22/2014				
Transaction Date	12/22/2014	MAIN CHECKING G	10100	Total	\$31.90
Refer	63915 SUNDEW TECHNICAL SERVICES				
Cash Payment	E 101-45100-200 Office Supplies (GENER				\$1,334.29
Invoice	GMRECPARK 12/19/2014				
Transaction Date	12/22/2014	MAIN CHECKING G	10100	Total	\$1,334.29
Refer	63916 SMALL ENGINE SALES & SERVICE				
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE				\$834.69
Invoice	6250 12/10/2014				
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE				\$12.70
Invoice	6265 12/16/2014				
Transaction Date	12/22/2014	MAIN CHECKING G	10100	Total	\$847.39
Refer	63917 BOREAL ACCESS				
Cash Payment	E 101-45100-210 Operating Supplies (GEN				\$84.95
Invoice	141215-0183 12/15/2014				



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Payments

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Current Period: December 2014

Transaction Date	12/22/2014	MAIN CHECKING G	10100	Total	\$84.95
Refer	63918 EDWIN E. THORESON, INC.				
Cash Payment	E 101-45124-300 Professional Svcs (GENE				\$64,726.00
Invoice	22332 12/10/2014				
Transaction Date	12/22/2014	MAIN CHECKING G	10100	Total	\$64,726.00
Refer	63919 WTIP				
Cash Payment	E 613-45125-340 Advertising				\$412.50
Invoice	1129 12/7/2014				
Cash Payment	E 101-45184-340 Advertising				\$237.50
Invoice	1129 12/7/2014				
Cash Payment	E 101-45100-340 Advertising				\$2,000.00
Invoice	1129 12/7/2014				
Transaction Date	12/22/2014	MAIN CHECKING G	10100	Total	\$2,650.00
Refer	63920 DEX MEDIA EAST LLC				
Cash Payment	E 101-45100-340 Advertising				\$40.50
Invoice	110220345 12/1/2014				
Transaction Date	12/22/2014	MAIN CHECKING G	10100	Total	\$40.50
Refer	63921 MEDIACOM-MIDWEST				
Cash Payment	E 101-45100-258 Cable TV Expense				\$39.10
Invoice	83849223400001				
Transaction Date	12/22/2014	MAIN CHECKING G	10100	Total	\$39.10
Refer	63922 RJ THOMAS MFG. CO., INC.				
Cash Payment	E 101-45100-580 Capital Outlay (Equipme				\$1,999.99
Invoice	00172431 12/12/2014				
Transaction Date	12/22/2014	MAIN CHECKING G	10100	Total	\$1,999.99
Refer	63923 MCI MEGA PREFERRED				
Cash Payment	E 101-41400-321 Telephone				\$34.50
Invoice	08678993875 12/13/2014				
Cash Payment	E 211-45500-321 Telephone				\$16.70
Invoice	08678993875 12/13/2014				
Cash Payment	E 609-49750-321 Telephone				\$6.87
Invoice	08678993875 12/13/2014				
Cash Payment	E 613-45125-321 Telephone				\$0.80
Invoice	08678993875 12/13/2014				
Cash Payment	E 101-43100-321 Telephone				\$0.82
Invoice	08678993875 12/13/2014				
Transaction Date	12/22/2014	MAIN CHECKING G	10100	Total	\$59.69
Refer	63930 THE AMERICAN BOTTLING COMP				
Cash Payment	E 609-49750-260 Soft Drinks/Mix For Resa				\$119.00
Invoice	2436819711 12/22/2014				
Transaction Date	12/23/2014	MAIN CHECKING G	10100	Total	\$119.00
Refer	63931 NORTH HOUSE FOLK SCHOOL				
Cash Payment	E 609-49750-340 Advertising				\$1,000.00
Invoice	SPONSORSHIP 12/23/2014				
Transaction Date	12/23/2014	MAIN CHECKING G	10100	Total	\$1,000.00
Refer	63933 EMERGENCY RESPONSE SOLUTI				



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Payments

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Cash Payment	E 101-42200-220 Repair/Maint Supply (GE)				\$179.28
Invoice	3131	12/9/2014			
Transaction Date	12/23/2014	MAIN CHECKING G	10100	Total	\$179.28
Refer	63943	GRAINGER			
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE)				\$163.33
Invoice	806560496	12/15/2014			
Cash Payment	E 101-45100-210 Operating Supplies (GEN)				\$292.60
Invoice	806560496	12/15/2014			
Transaction Date	12/24/2014	MAIN CHECKING G	10100	Total	\$455.93
Refer	63952	COMO OIL & PROPANE			
Cash Payment	E 101-42200-217 Heating Fuel				\$457.13
Invoice	521605	12/15/2014			
Cash Payment	E 101-43100-217 Heating Fuel				\$273.23
Invoice	521602	12/15/2014			
Cash Payment	E 101-41940-217 Heating Fuel				\$585.07
Invoice	538527	12/18/2014			
Transaction Date	12/24/2014	MAIN CHECKING G	10100	Total	\$1,315.43
Refer	63953	HARENS MEDIATION CENTER, LL			
Cash Payment	E 427-46500-317 Contracted Services	PC0035236			\$80,000.00
Invoice	KGM Settlement	12/11/2014			
Transaction Date	12/24/2014	MAIN CHECKING G	10100	Total	\$80,000.00
Refer	63954	FLAHERTY & HOOD, P.A.			
Cash Payment	E 101-41610-304 Attorney(Civil)				\$403.94
Invoice	7355	12/2/2014			
Transaction Date	12/24/2014	MAIN CHECKING G	10100	Total	\$403.94

Fund Summary

	10100 MAIN CHECKING GMSB	
101 GENERAL FUND		\$74,654.14
211 LIBRARY		\$16.70
427 EDA CEDAR GROVE BUSINESS PARK		\$80,000.00
609 MUNICIPAL LIQUOR FUND		\$1,720.42
613 GOLF COURSE		\$413.30
		<u>\$156,804.56</u>

Pre-Written Checks	\$0.00
Checks to be Generated by the Computer	\$156,804.56
Total	<u>\$156,804.56</u>

RESOLUTION 2014-10

RESOLUTION APPROVING FINAL 2014 TAX LEVY,
COLLECTIBLE IN 2015

BE IT RESOLVED, BY THE City Council of the City of Grand Marais, County of Cook, State of Minnesota, that the following sums of money constitute the final levy for the current year, collectible in 2015 upon the taxable property in the City of Grand Marais for the following purposes;

REVENUE	\$ 650,453.12
PFA WATER 2004	\$ 31,838.18
G.O. IMPROVEMENT 2005	\$ 36,489.50
G.O. IMPROVEMENT 2008	\$ 23,449.60
G.O. REFUNDING 2009 EDA	\$ 65,781.19
G.O. REFUNDING 2013	\$ 16,165.85
 TOTAL	 \$824,152.44

The City Administrator is hereby instructed to transmit a certified copy of this resolution to the County Auditor of Cook County, Minnesota.

Adopted by the City Council of the City of Grand Marais this 31st day of December 2014.

(SEAL)

Mayor Laurence Carlson

ATTEST:

Michael J. Roth
City Administrator

City of Grand Marais

MEMO

TO: Mayor Carlson
City Council Members
FROM: Michael J. Roth, City Administrator
DATE: December 23, 2014
SUBJECT: 2015 Supervisor Salaries

Union salaries have been settled with a two-year (2014-15) contract that calls for a 1.5% adjustment to salaries in 2015. Please approve a 1.5% salary increase for all non-union supervisory positions for 2015.

Position	2014 Base Rate	2015 Base Rate	Increase
Golf Course Superintendent*	\$21.23	\$21.55	1.5%
Liquor Store Manager*	\$22.06	\$22.39	1.5%
Library Manager*	\$22.69	\$23.03	1.5%
Electric Superintendent	\$25.68	\$26.06	1.5%
Water/Sewer Superintendent	\$25.68	\$26.06	1.5%
Finance Director*	\$25.75	\$26.13	1.5%
Parks Manager*	\$25.82	\$26.20	1.5%
City Administrator*	\$30.75	\$31.21	1.5%

*salaried, hourly equivalent shown based on 2080 hours/year

City of Grand Marais

MEMO

TO: Mayor Carlson
City Council
FROM: Michael J Roth, City Administrator
DATE: December 23, 2014
SUBJECT: District Heating Follow-Up Work Service Contract

Attached is the service contract for the next phase of the district heating project. This work will be funded by two grants awarded to the City—one from the Blandin Foundation and one from the MN Department of Agriculture. The scope of work includes discussing and obtaining service contracts with prospective customers, investigating additional funding sources, and preparing for the next state bonding cycle. The work will be conducted by a team led by Mark Spurr, FVB.

CONSULTANT SERVICE CONTRACT

This Contract, made this ___ day of _____, 201_, by and between the CITY OF GRAND MARAIS, MINNESOTA, a Minnesota municipal corporation, 15 N. Broadway Ave., Grand Marais, MN 55604, ("CITY"), and FVB Energy Inc., a Minnesota corporation, ("CONSULTANT"), (collectively the "PARTIES").

WHEREAS, CITY requires various professional engineering and technical services; and

WHEREAS, CONSULTANT agrees to furnish the various professional engineering and technical services required by CITY.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the Parties agree as follows:

SECTION I – CONSULTANT'S SERVICES AND RESPONSIBILITIES

- A. **Scope of Services.** CONSULTANT agrees to perform various professional engineering and technical services as requested by CITY and as generally described in Exhibit 1, Scope of Services, attached hereto and incorporated herein by reference.
- B. **Grants.** CITY has been awarded a grant of \$50,000 from the Blandin Foundation, and a \$50,000 grant from the MN Department of Agriculture to fund CONSULTANT professional services. All work must be done in compliance with applicable grant requirements. Work shall not commence until grant agreements are in place.
- C. **Schedule.** Both the CONSULTANT and the CITY will put forth reasonable efforts to complete their respective duties in a timely manner as described in Exhibit 1.

Because the CONSULTANT's performance must be rendered with due diligence and be governed by sound professional practices, the CONSULTANT is not responsible for delays occasioned by unforeseen circumstances or factors beyond its control.

- D. **Standard of Care.** Professional services provided by CONSULTANT or its subcontractors and/or sub-consultants under this Contract will be conducted in a manner consistent with that level of care, skill and diligence ordinarily exercised by members of CONSULTANT's profession.
- F. **Insurance.**
 - 1. CONSULTANT agrees to maintain, at CONSULTANT's expense, a professional liability insurance policy for its negligent acts, errors or omissions in the performance of professional services with limits of at least \$1,500,000 per occurrence and \$3,000,000 annual aggregate on a claims-made basis.
 - 2. CONSULTANT agrees to maintain, at CONSULTANT's expense, statutory

worker's compensation and employer's liability insurance coverage.

3. CONSULTANT agrees to maintain, at CONSULTANT's expense, commercial general liability insurance coverage insuring CONSULTANT against claims for bodily injury, death or property damage arising out of CONSULTANT's general business activities (including automobile use). The liability insurance policy shall provide coverage in the minimum amount of \$1,000,000 per occurrence and \$2,000,000 general aggregate.
4. CONSULTANT will not cancel any insurance policy required in this Contract until thirty days after providing the CITY written notice.
5. True, accurate and current certificates of insurance, showing evidence of the required insurance coverages, are hereby provided to CITY by CONSULTANT and are attached hereto as Exhibit 2.
6. CITY reserves the right to rescind the Contract or any agreement for a Project not in compliance with these requirements and retains all rights thereafter to pursue any legal remedies.

SECTION II – CITY'S RESPONSIBILITIES

- A. CITY shall promptly compensate CONSULTANT as services are performed to the satisfaction of the designated CITY contact person for the Project in accordance with Section III of this Contract.
- B. CITY shall provide access to any and all previously acquired information relevant to the scope of services for the Project in its custody to CONSULTANT for its use, at CONSULTANT's request.
- C. CITY will, to the fullest extent possible, grant access to and make all provisions for entry upon both public and private property as necessary for CONSULTANT's performance of the services for the Project.
- D. Mike Roth, CITY's City Administrator, shall serve as the general contact/liaison person to act as CITY's representative with respect to services to be rendered under this Contract. Said representative shall have the authority to transmit instructions, receive instructions, receive information, interpret and define CITY'S policies with respect to the CONSULTANT's services.

Such person shall be the primary contact person between CITY and CONSULTANT with respect to the services from CONSULTANT under this Contract. CITY reserves the right to substitute the authorized contact person for this Contract or any Project at any time and shall notify CONSULTANT thereof.

SECTION III – CONSIDERATION

- A. CITY will compensate CONSULTANT as detailed in Exhibit 3, Compensation, which is attached hereto and incorporated herein by reference, for CONSULTANT's performance of services under this Contract. In no case shall compensation exceed \$100,000.

SECTION IV – TERM AND TERMINATION

- A. **Term.** This Contract shall remain in force and effect from _____, 201_ through August 31, 2016, unless otherwise terminated sooner as provided herein.
- B. **Termination.** Notwithstanding anything to the contrary herein, this Contract may be terminated by either party for any reason or for convenience by either party upon thirty (30) days written notice. In the event of termination, CITY shall be obligated to CONSULTANT for payment of amounts due and owing including payment for services performed or furnished to the date and time of termination, computed in accordance with Section III of this Contract.
- C. **Default.** If CONSULTANT fails to perform any of the provisions of this Contract or so fails to administer the services detailed in Exhibit 1 or for any Project, in such a manner as to endanger the performance of the Contract or Project, this shall constitute default. Unless CONSULTANT's default is excused by CITY, CITY may, upon written notice, immediately cancel this Contract or exercise any other rights or remedies available to CITY under this Contract or law.
- D. **Suspension of Work.** If any work performed by CONSULTANT is abandoned or suspended in whole or in part by CITY, CONSULTANT shall be paid for any services performed to the satisfaction of the CITY prior to CONSULTANT's receipt of written notice from CITY of such abandonment or suspension

SECTION V – INDEMNIFICATION

- A. CONSULTANT shall indemnify, protect, save, hold harmless and insure CITY, and its respective officers, directors, employees and members and agents, from and against any and all claims and demands for, or litigation with respect to, all damages which may arise out of or be caused by CONSULTANT or its agents, employees, contractors, subcontractors, or sub-consultants with respect to CONSULTANT's performance of its obligations under this Contract and each respective Project. CONSULTANT shall defend CITY against the foregoing, or litigation in connection with the foregoing, at CONSULTANT's expense, with counsel reasonably acceptable to CITY. CITY, at its expense, shall have the right to participate in the defense of any Claims or litigation and shall have the right to approve any settlement, which approval shall not be unreasonably withheld. The indemnification provision of this Section shall not apply to damages or other losses proximately caused by or resulting from the negligence or willful misconduct of CITY. All indemnification obligations shall survive termination, expiration or

cancellation of this Contract.

- B. Nothing contained in this Contract shall create a contractual relationship with or a cause of action in favor of a third party against CITY or CONSULTANT. CONSULTANT's services under this Contract are being performed solely for CITY's benefit, and no other entity shall have any claim against CONSULTANT because of this Contract or the performance or nonperformance of services provided hereunder.

SECTION VI – GENERAL TERMS

- A. **Voluntary and Knowing Action.** The PARTIES, by executing this Contract, state that they have carefully read this Contract and understand fully the contents thereof; that in executing this Contract they voluntarily accept all terms described in this Contract 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 Contract are authorized signatories for the entities represented, and (2) no further approvals, actions or ratifications are needed for the full enforceability of this Contract against it; each party indemnifies and holds the other harmless against any breach of the foregoing representation and warranty.
- C. **Dispute Resolution.** CITY and CONSULTANT agree to negotiate all disputes between them in good faith for a period of 30 days from the date of notice of dispute 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. CONSULTANT and CITY agree to require an equivalent dispute resolution process governing all contractors, subcontractors, subconsultants, suppliers, consultants, and fabricators concerned with the Project.
- D. **Electronic/Digital Data.** Because of the potential instability of electronic/digital data and susceptibility to unauthorized changes, copies of documents that may be relied upon by CITY are limited to the printed copies (also known as hard copies) that are signed or sealed by CONSULTANT. Except for electronic/digital data which is specifically identified as a project deliverable by this AGREEMENT or except as otherwise explicitly provided in this Contract, all electronic/digital data developed by CONSULTANT as part of the project is acknowledged to be an internal working document for CONSULTANT'S purposes solely and any such information provided to CITY shall be on an "As Is" basis strictly for the convenience of CITY without any warranties of any kind. In the event of any conflict between a hard copy document and the electronic/digital data, the hard copy document governs. The electronic/digital data shall be prepared in the current software in use by the CONSULTANT and is not warranted to be compatible with other systems or software.
- E. **Opinions or Estimates of Construction Cost.** Where provided by the CONSULTANT

as part of Exhibit 1 or otherwise, opinions or estimates of construction cost will generally be based upon public construction cost information. Since the CONSULTANT has no control over the cost of labor, materials, competitive bidding process, weather conditions and other factors affecting the cost of construction, all cost estimates are opinions for general information of the CITY and the CONSULTANT does not warrant or guarantee the accuracy of construction cost opinions or estimates. The CITY acknowledges that costs for project financing should be based upon contracted construction costs with appropriate contingencies.

F. **Notices.** The PARTIES' representatives for notification for all purposes are:

CITY:

Mike Roth, City Administrator
City of Grand Marais
15 N. Broadway Ave.
Grand Marais, MN 55604207 Lafayette Street
218-387-1848 (phone)
218-387-1966 (fax)
cityhall@boreal.org

CONSULTANT:

FVB Energy Inc.
222 South Ninth St.
Suite 825
Minneapolis MN 55402
612-607-4544 (phone)
612-338-3427 (fax)
mspurr@fvbenergy.com

G. **Independent Contractor Status.** CONSULTANT, at all times and for all purposes hereunder, shall be an independent contractor and is not an employee of CITY for any purpose. No statement contained in this Contract shall be construed so as to find CONSULTANT to be an employee of CITY, and CONSULTANT shall not be entitled to any of the rights, privileges, or benefits of employees of CITY, including but not limited to, workers' compensation, health/death benefits, and indemnification for third-party personal injury/property damage claims.

CONSULTANT acknowledges that no withholding or deduction for State or Federal income taxes, FICA, FUTA, or otherwise, will be made from the payments due CONSULTANT, and that it is CONSULTANT's sole obligation to comply with the applicable provisions of all Federal and State tax laws.

CONSULTANT shall at all times be free to exercise initiative, judgment and discretion as to how to best perform or provide services identified herein.

CONSULTANT is responsible for hiring sufficient workers to perform the

services/duties required by this Contract, withholding their taxes and paying all other employment tax obligations on their behalf.

- H. **Acceptance of Deliverables.** Each deliverable shall be subject to a verification of acceptability by CITY to ensure such deliverable satisfies stated requirements. The acceptability of any deliverable will be based on CITY's satisfaction or non-satisfaction with the deliverable based on requirements of this Contract and the Project. If any deliverable is not acceptable, CITY will notify CONSULTANT specifying reasons in reasonable detail, and CONSULTANT will, at no additional cost, conform the deliverable to stated requirements of this Contract and the Project.
- I. **Subcontracting.** CONSULTANT shall not enter into any subcontract for performance of any services contemplated under this Contract without the prior written approval of CITY. CONSULTANT shall be responsible for the performance of all subcontractors and/or sub-consultants.
- J. **Assignment.** This Contract may not be assigned by either Party without the written consent of the other Party.
- K. **Modifications/Amendment.** Any alterations, variations, modifications, amendments or waivers of the provisions of this Contract shall only be valid when they have been reduced to writing, and signed by authorized representative of the CITY and CONSULTANT.
- L. **Records—Availability and Retention.** Pursuant to Minn. Stat. § 16C.05, subd. 5, CONSULTANT agrees that CITY, 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 CONSULTANT and involve transactions relating to this Contract.
- CONSULTANT agrees to maintain these records for a period of six years from the date of termination of this Contract.
- M. **Force Majeure.** The PARTIES shall each be excused from performance under this Contract 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 Contract then the party affected by force majeure shall give written notice with explanation to the other party immediately.
- N. **Compliance with Laws.** CONSULTANT shall abide by all Federal, State and local

laws, statutes, ordinances, rules and regulations now in effect or hereinafter adopted pertaining to this Contract or to the facilities, programs and staff for which CONSULTANT is responsible.

- O. **Covenant Against Contingent Fee.** CONSULTANT warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for CONSULTANT to solicit or secure this Contract, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift or any other consideration, contingent upon or resulting from award or making of this Contract.
- P. **Covenant Against Vendor Interest.** CONSULTANT warrants that it is not employed by any vendor of equipment or service provider that could result in a commission, percentage, brokerage, or contingent fee as a result of CONSULTANT's association with the CITY.
- Q. **Non-Discrimination.** The provisions of any applicable law or ordinance relating to civil rights and discrimination shall be considered part of this Contract as if fully set forth herein.
- R. **Interest by City Officials.** No elected official, officer, or employee of CITY shall during his or her tenure or employment and for one year thereafter, have any interest, direct or indirect, in this Contract or the proceeds thereof.
- S. **Work Product.** All materials such as reports, exhibits, models, graphics, computer files, maps, charts, and supporting documentation produced under work authorized by this Contract ("Materials") shall become the property of CITY upon completion of the work. CITY may use the information for the project for which they were prepared. Such use by CITY shall not relieve any liability on the part of CONSULTANT. Notwithstanding any of the foregoing to the contrary; (a) CONSULTANT may reuse standard details of its Materials in the normal course of its business; and (b) CITY understands that the Materials have been prepared for a specific project, and are not intended to be reused for other purposes. If CITY reuses the Materials for any other purpose, CITY waives any claims against CONSULTANT arising from such reuse and agrees to defend and indemnify CONSULTANT from any claims arising from such reuse.
- T. **Governing Law.** This Contract 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 Contract without regard to its choice of law or conflict of laws principles.
- U. **Data Practices.** The PARTIES acknowledge that this Contract is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 *et seq.*
- V. **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 Contract 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 Contract. Any express waiver of a term of this Contract shall not be binding and effective unless made in writing and properly executed by the waiving Party.

- W. **Severability.** The invalidity or unenforceability of any provision of this Contract shall not affect the validity or enforceability of any other provision. Any invalid or unenforceable provision shall be deemed severed from this Contract to the extent of its invalidity or unenforceability, and this Contract shall be construed and enforced as if the Contract did not contain that particular provision to the extent of its invalidity or unenforceability.
- X. **Entire Contract.** These terms and conditions constitute the entire Contract between the PARTIES regarding the subject matter hereof. All discussions and negotiations are deemed merged in this Contract.
- Y. **Headings and Captions.** Headings and captions contained in this Contract are for convenience only and are not intended to alter any of the provisions of this Contract and shall not be used for the interpretation of the validity of the Contract or any provision hereof.
- Z. **Survivability.** All covenants, indemnities, guarantees, releases, representations and warranties by any Party or PARTIES, and any undischarged obligations of CITY and CONSULTANT arising prior to the expiration of this Contract (whether by completion or earlier termination), shall survive such expiration.
- AA. **Construction Observation.** CONSULTANT shall visit the project at appropriate intervals during construction to become familiar with the progress and quality of the contractors' work and to determine if the work is proceeding in general accordance with the Project plans and specifications, and shall be responsible for notifying CITY of any errors or omissions in contractor's work or any deviations in the contractor's work from the Project plans and specifications developed by CONSULTANT.
- BB. **Americans with Disabilities Act.** The CONSULTANT shall use reasonable professional effort and judgment in interpreting and advising the CITY as to the necessary requirements for the Project to comply with the Americans with Disabilities Act (ADA). The CONSULTANT does not warrant or guarantee that the Project will fully comply with interpretations of ADA requirements by regulatory or judicial bodies.
- CC. **Damage to Property.** If the scope of CONSULTANT's services includes borings or other work that may damage the worksite, CITY understands that some damage may occur to the Project property during the normal course of work, that CONSULTANT has not included in its fee the cost of restoration of damage, and that CITY will pay for such restoration of damage, except in those cases where it is demonstrated that CONSULTANT has failed to exercise reasonable care to minimize damage.

SECTION VII –SIGNATURES

IN WITNESS WHEREOF, the PARTIES have hereunto executed this document the day and year first above written.

**CONSULTANT:
FVB ENERGY, INC.**

By: _____
(Signature)

Date: _____

Title: Principal

Print Name: Mark Spurr

**CITY:
CITY OF GRAND MARAIS, MN**

By: _____
_____, Its Mayor

Date: _____

By: _____
Mike Roth, Its City Administrator

Date: _____

EXHIBIT 1

SCOPE OF SERVICES

Subject to the terms of this Contract, CONSULTANT may be called upon by CITY to perform professional engineering and technical services for CITY. The Scope of Services shall include the tasks described below, for which CITY contracts with CONSULTANT.

Activity	Task #	Task Description	Cost	Deliverables
Customer Contracts	1	Meet with all potential Initial Customers that have been considered by the City regarding the District Heating Service Proposal to assess potential willingness to accept the contract terms and value proposition.	\$19,655	-customer meetings held with proposed service contracts delivered by 2/28/15 -customer statement of interest or no interest received by 3/31/15 -statement of no interest identifies factors that would result in a statement of interest
Financing	2	Identify and assess potential new sources of grant funding, including foundations.	\$4,840	-new funding source list created by 3/31/15
Financing	3	Follow up with legislative leaders, IRRRB, U.S. Department of agriculture, U.S. Department of Energy, MN DNR, and MN Department of Commerce regarding potential grant or low-interest loan funding.	\$10,720	-meetings held with potential funding agencies by 4/30/15 -list of funding opportunities created by 4/30/15
Financing	4	Develop a revised financing plan which incorporates potential grant funding and debt financing from low-interest loans, revenue bonds, or other loan sources.	\$9,400	-feasible financing plan created by 4/30/15
Customer Contracts	5	Meet with all potential Initial Customers currently under consideration and obtain signed Thermal Energy Service Agreement contingent on City Financing the project.	\$18,605	-Signed agreements received by 5/31/15(to the extent achievable; contractor cannot guarantee action by others)
Bonding Bill Request	6	Develop and submit a revised Bonding Bill request.	\$5,520	-Bonding bill request submitted by 6/30/15
Rebidding	7	Re-bid the Distribution piping system to obtain competitive bids.	\$10,740	-Bids received for DPS by 8/31/16
Rebidding	8	Re-bid the plant to obtain complete bids.	\$5,620	-Complete bids received for plant by 8/31/16.
Rebidding	9	Re-bid the building conversion and ETSSs.	\$6,900	-Bids received by 8/31/16

EXHIBIT 2

CERTIFICATES OF REQUIRED INSURANCE COVERAGES

[Certificates of Insurance attached hereto]

EXHIBIT 3

COMPENSATION

Subject to the limitations set forth in this Exhibit, CITY will compensate CONSULTANT for the performance of services for CITY on an on-call/project basis under this Contract, as follows:

1. **Compensation.** CITY shall make periodic payment to CONSULTANT upon billing at intervals not more often than monthly at the amounts specified in EXHIBIT 1 for each task based upon the completion of the task and deliverables by CONSULTANT to the satisfaction of the CITY. CONSULTANT will submit monthly invoices to CITY for services rendered in the prior month. Invoices will include statements itemizing services rendered by CONSULTANT for the prior month for each task as described in EXHIBIT 1 indicating the percent of task completed, the total amount of the contract earned, and the current amount due. CITY will pay the invoice of CONSULTANT within thirty (30) days or less of its receipt by CITY.

If CITY fails to make any payment due CONSULTANT for services performed to the satisfaction of the CITY and expenses within thirty days after the date of CONSULTANT's invoice, CONSULTANT may, after giving seven days written notice to CITY, and without waiving any claim or right against CITY and without incurring liability whatsoever to CITY, suspend services and withhold Project deliverables due under this Contract until CONSULTANT has been paid in full all amounts due for services, expenses and charges.

City of Grand Marais

MEMO

TO: Mayor Carlson
City Council Members
FROM: Michael J. Roth, City Administrator
DATE: December 23, 2014
SUBJECT: Liquor Fees Ordinance

Attached is ordinance 2014-04, amending City Code Chapter 26, Fees, adding fees for taproom and off-sale malt liquor sale licenses. These two licenses were added by ordinance earlier this year. This is the final step in preparing to offer taproom licenses. Voyageur Brewing has indicated they will soon be ready to apply for their license. This is the first reading of the ordinance, with a second reading necessary in January.

The ordinance currently lists the annual fee for each license at \$220. This amount would mean that a business with a taproom and off-sale malt liquor license would pay \$440 annually, the same as a business with a wine and strong beer license.

ORDINANCE NO. 2014-04

AN ORDINANCE OF THE CITY OF GRAND MARAIS, MINNESOTA, AMENDING CITY CODE CHAPTER 26 FEES

THE CITY COUNCIL OF THE CITY OF GRAND MARAIS DOES ORDAIN (deleted material is lined out; new material is underlined; subsections which are not being amended are omitted):

Section 1. That Chapter 26 of the City Code of Grand Marias, Minnesota, which chapter is entitled "Fees" be amended as follows:

Sec. 26-3. Beer fees.

(a) Off-sale beer licenses. The annual fee for the issuance of an off-sale beer license shall be \$110.00.

(b) On-sale beer licenses. The annual fee for the issuance of an on-sale beer license shall be \$110.00 (full year), \$65.00 (six months).

(c) Taproom licenses. The annual fee for the issuance of a taproom license shall be \$220.00.

(d) Off-sale malt liquor license. The annual fee for the issuance of an off-sale malt liquor license shall be \$220.00.

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 __ day of _____, 2014.

Larry Carlson, Mayor

Attest: _____
Michael Roth
City Administrator

First Reading:

Date: December 31, 2014

Ayes: _____
Nays: _____
Absent: _____
Abstain _____

Second Reading:

Date:

Ayes: _____
Nays: _____
Absent: _____
Abstain _____

Published:

Date: _____



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New Standard Mileage Rates Now Available; Business Rate to Rise in 2015

IR-2014-114, Dec. 10, 2014

WASHINGTON — The Internal Revenue Service today issued the 2015 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes.

Beginning on Jan. 1, 2015, the standard mileage rates for the use of a car, van, pickup or panel truck will be:

- 57.5 cents per mile for business miles driven, up from 56 cents in 2014
- 23 cents per mile driven for medical or moving purposes, down half a cent from 2014
- 14 cents per mile driven in service of charitable organizations

The standard mileage rate for business is based on an annual study of the fixed and variable costs of operating an automobile, including depreciation, insurance, repairs, tires, maintenance, gas and oil. The rate for medical and moving purposes is based on the variable costs, such as gas and oil. The charitable rate is set by law.

Taxpayers always have the option of claiming deductions based on the actual costs of using a vehicle rather than the standard mileage rates.

A taxpayer may not use the business standard mileage rate for a vehicle after claiming accelerated depreciation, including the Section 179 expense deduction, on that vehicle. Likewise, the standard rate is not available to fleet owners (more than four vehicles used simultaneously). Details on these and other special rules are in [Revenue Procedure 2010-51](#), the instructions to [Form 1040](#) and various online IRS publications including [Publication 17, Your Federal Income Tax](#).

Besides the standard mileage rates, [Notice 2014-79](#), posted today on [IRS.gov](#), also includes the basis reduction amounts for those choosing the business standard mileage rate, as well as the maximum standard automobile cost that may be used in computing an allowance under a fixed and variable rate plan.

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Page Last Reviewed or Updated: 10-Dec-2014

Kim Dunsmoor

From: dawn byholm [zuzudawn@hotmail.com]
Sent: Friday, December 19, 2014 11:43 AM
To: kdunsmoor@boreal.org
Subject: board

Hello,

I am writing this to inform the city that I am resigning from the Library Board effective Dec 31, 2014.

I also forgot to ask Mike when I was down there that I am thinking about the terms of the board and mine ends Dec 2015. The person who replaces me will, at the end of the term, only get a 2 year term in order to re-stagger the terms (so too many people don't leave at once). I am wondering with my resignation now if that cannot be redone to have the new term start in Jan and the person gets a 3 year term. Just wondering.

Thank you
Dawn Byholm

Upcoming Meeting Schedule

Updated December 24, 2014

DECEMBER

Date/Time	Meeting	Location
Wednesday, December 31, 2:00 p.m.	City Council Meeting	Council Chambers

JANUARY

Date/Time	Meeting	Location
Wednesday, January 14, 4:30 p.m.	City Council Meeting	Council Chambers
Wednesday, January 28, 4:30 p.m.	City Council Meeting	Council Chambers