

AGENDA
CITY COUNCIL MEETING
September 26, 2012
4:30 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
4. Street Use Permit, CCVB "Moose Mosey"

E. CGMC Annual Report—Bradley Peterson, Flaherty Hood

F. Planning Commission Report

Ordinance 2012-07 HRH Annexation—2nd Reading

Ordinance 2012-08 Johnson Annexation—2nd Reading

G. Construction Agreement w. Homestead Cooperative for 11th Ave Improvements

H. Other items as necessary

I. Council & Staff Reports

J. Attached correspondence:

1. Other Meeting Minutes
2. Upcoming Meeting Schedule

K. Adjourn

*CITY OF GRAND MARAIS
MINUTES
September 12, 2012*

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

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

Members absent: None

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

Mayor Carlson invited the public to speak during a period of open forum. Open Forum is limited to one half-hour. No person may speak more than 5 minutes or more than once. No one spoke.

Motion by Spry, seconded by Sivertson to approve the Agenda; August 29, 2012, Worksession Minutes; August 29, 2012, Minutes with correction to show Tofte Township loaned \$25,000 toward the Cook County Mountain Bike Trail system grant application; and Payment of Bills. Approved unanimously.

Matt Geretschlaeger, Superior Zip Lines, presented his application to IRRRB for site infrastructure work with the City of Grand Marais as the applicant. Kennedy expressed concern that the Conditional Use Permit has not been submitted to the Planning Commission. Geretschlaeger explained that if there is no funding, there will not be a project. City Administrator Roth will ask IRRRB if there is a problem if the CUP has not been approved prior to submitting the application.

Motion by Lenz, seconded by Kennedy to approve Resolution 2012-07 Authorizing Application to the IRRRB Public Works Grant Program. Approved unanimously.

Jack Stone, Stone Harbor, is requesting that he be allowed to use or buy city land directly to the south of his building in a manner similar to the parking agreement with East Bay Suites. It would require extending culverts to the holding pond so the area can be paved for parking. The expansion of the Whole Foods Coop will make UPS and Fed Ex deliveries difficult because Stone Harbor built their building using their entire lot. The City owns the lot and uses it for storm drainage, so staff recommends against selling the lot. The East Bay is losing the parking that they were using from the Beaver House. Council is okay with the concept and authorized City Administrator Roth and the City Attorney to talk with Stone Harbor and East Bay Suites.

Carl and Diane Smith are requesting to purchase a small strip of land north of their property that is owned by the city for parking and a small garden. There is some concern about future storm water infrastructure needs. Council authorized City Administrator Roth and City Attorney Hood to pursue a license or lease with Smith.

Chez Jude LLC has requested that her Beer/Wine License fee be transferred to the new owners in October. The new owners will still need to apply for a license in their name through the state.

Motion by Kennedy, seconded by Sivertson to approve Liquor Licenses as follows:

Licensee	Business	License Type	Fee
Larsen Brothers LLC	Birch Terrace Supper Club	Liquor/Sunday	\$2,500
Sven & Ole's Inc.	Sven & Ole's Pizza	Liquor/Sunday	\$2,500
Jeffrey William Gecas	Gun Flint Tavern	Liquor/Sunday	\$2,500
CEWAL, Inc	Harbor Light Supper Club	Liquor/Sunday	\$2,500
Am Legion 413	American Legion Lounge	Club-not Sunday	\$ 500
Paul & Cara Sporn	My Sister's Place	Wine/Beer	\$ 440
The Crooked Spoon Café, Inc.	The Crooked Spoon Café	Wine/Beer	\$ 440
Chez Jude LLC	Chez Jude	Wine/Beer	\$ 440
George Wilkes	Angry Trout Café	Wine/Beer	\$ 440
The Little Canteen LLC	Hughie's Taco House	Wine/Beer	\$ 440
Toftley, Harley/Shelly	Dockside Fish Market	Wine/Beer	\$ 440
The LM Family, LLC	The Pie Place Café	Wine/Beer	\$ 440

Approved unanimously.

The owners of the property on the west end of town, who considered annexation when the zip line project was considering their property, would like to continue with annexation.

Motion by Lenz, seconded by Kennedy to approve the First Reading of Ordinance 2012-07 An Ordinance of the City of Grand Marais, Minnesota, Annexing Land Located in the Unincorporated Area of Cook County, Minnesota Pursuant to Minnesota Statutes §414.033 Subdivision 2(3), Permitting Annexation by Ordinance of The East half of the Southeast quarter of the Southeast quarter of the Southeast quarter of Section 19, Township 61N, Range 1E. Approved unanimously.

Arthur and Patricia Johnson have petitioned the city to annex their property into the city.

Motion by Spry, seconded by Sivertson to approve the First Reading of Ordinance 2012-08 An Ordinance of the City of Grand Marais, Minnesota, Annexing Land Located in the Unincorporated Area of Cook County, Minnesota Pursuant to Minnesota Statutes §414.033 Subdivision 2(3), Permitting Annexation by Ordinance of The South half of the South half of the West half of the Southwest quarter of the Southwest quarter of Section 15, Township 61 N, Range 1E. Approved unanimously.

Council discussed the future participation in the community center. Discussion included percent of participation, agreement structure with the YMCA, diving board and water slide and only committing to the operation of the community center pool building.

Motion by Carlson, seconded by Kennedy to adopt as the position of the city to participate in the operating losses based on a percentage split up to 50%, cap the total amount of participation at \$100,000, consider an agreement similar to the Library agreement to anticipate future growth of the cap, have the county continue its committed level of support to the existing pool operating loss until the facility is closed or the community center opens, include one-time expenses such as settlement costs with Burbach and demolition costs for

the existing pool, community center/pool operating losses not to include the existing community center or any other recreational facilities or grounds, and expect the county to continue to be involved in other shared services and operations. Approved unanimously.

Council will request a joint meeting with the county on Tuesday, September 18th at 2:00 p.m.

Motion by Lenz, seconded by Kennedy to approve Resolution 2012-06 Approving the Preliminary 2012 Tax Levy, Collectible in 2013. Approved unanimously.

Councilor Sivertson's Report:

- 1) The Gunflint Trail Association would like to hire Yarrow Korf to paint the Welcome to the Gunflint Trail sign by the Library as soon as possible.

Motion by Spry, seconded by Carlson to accept the generous offer from the Gunflint Trail Association to coordinate with staff: however, we cannot allow non-employee use of our bucket truck. Approved unanimously.

Councilor Kennedy's Report:

- 1) The county board agreed to fund the Biomass Committee task to evaluate two alternatives for district heating: County Road 7 corridor from hospital to law enforcement and another alternative to include the downtown businesses. The evaluation will include a detailed study of hot water demand including full costs and detained engineering. This task will be complete in 5 months.
- 2) September 26th, biomass district heating consultants will be back to meet with the PUC from 7-9 p.m. This is a public meeting.
- 3) Have received complaints about airplane noise and a member of the public would like to discuss possible ways to mediate the issue.

There being no further business, the meeting adjourned at 6:04 p.m.

*CITY OF GRAND MARAIS
BUDGET WORKSESSION
MINUTES
September 12, 2012*

Mayor Carlson called the meeting to order at 3:30 p.m.

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

Members absent: Bob Spry

Staff present: Mike Roth, Kim Dunsmoor and Len Bloomquist

Council reviewed the preliminary budget for 2013. Costs for garbage and cleaning supplies have increased. The roof at City Hall is in need of repair. Crack sealing and chip sealing are being looked into for future projects.

The fire department budget is unchanged from 2012.

We have changed the pool contribution from the county from \$75,000 to \$68,000 and reduced interest income. We have included the entire bond payment for the business park plus 5% as required by law. These changes create a 10.61% increase over the 2011 levy. Suggestions to reduce the levy included increasing park revenues from \$715,000 to \$750,000 and request the EDA levy for \$60,000 of the bonds. If we increase the park revenues, the preliminary levy would be 6.32%. If the EDA helps with bond payments, we could reduce the levy to 0%.

There being no further business, the meeting adjourned at 4:17 p.m.



CITY OF GRAND MARAIS

09/20/12 1:45 PM

Page 1

Payments

Current Period: September 2012

Batch Name 092112 CPAP Payments
 User Dollar Amt \$102,968.45
 Computer Dollar Amt \$102,968.45

\$0.00 In Balance

<u>Refer 58690 AFSCME</u>			
Cash Payment	G 101-21712 AFSME Union Dues		\$852.20
Invoice	AUG 2012 9/30/2012		
Cash Payment	G 101-21712 AFSME Union Dues		\$841.56
Invoice	SEP 2012 9/30/2012		
Transaction Date	9/18/2012	MAIN CHECKING G 10100	Total \$1,693.76
<u>Refer 58691 MII LIFE - VEBA</u>			
Cash Payment	G 101-21706 Health Insurance		\$658.37
Invoice	SEPT 2012 9/30/2012		
Transaction Date	9/18/2012	MAIN CHECKING G 10100	Total \$658.37
<u>Refer 58692 PERA Ck# 001709E 9/21/2012</u>			
Cash Payment	G 101-21704 PERA		\$4,888.60
Invoice	19 CPYR 12 9/21/2012		
Transaction Date	9/18/2012	MAIN CHECKING G 10100	Total \$4,888.60
<u>Refer 58693 ING Ck# 001710E 9/21/2012</u>			
Cash Payment	G 101-21720 MN State Retirement DeferC		\$383.50
Invoice	19 CPYR 12 9/21/2012		
Transaction Date	9/18/2012	MAIN CHECKING G 10100	Total \$383.50
<u>Refer 58694 DEPT OT THE TREASURY IRS Ck# 001711E 9/21/2012</u>			
Cash Payment	G 101-21703 FICA Tax Withholding		\$4,502.61
Invoice	19 CPYR 12 9/21/2012		
Cash Payment	G 101-21717 Medicare		\$1,260.94
Invoice	19 CPYR 12 9/21/2012		
Cash Payment	G 101-21701 Federal Withholding		\$4,006.84
Invoice	19 CPYR 12 9/21/2012		
Transaction Date	9/18/2012	MAIN CHECKING G 10100	Total \$9,770.39
<u>Refer 58695 MN DEPT OF REVENUE-EFTPS Ck# 001712E 9/21/2012</u>			
Cash Payment	G 101-21702 State Withholding		\$1,873.28
Invoice	19 CPYR 12 9/21/2012		
Transaction Date	9/18/2012	MAIN CHECKING G 10100	Total \$1,873.28
<u>Refer 58696 ARCTIC GLACIER INC.</u>			
Cash Payment	E 609-49750-259 Other For Resale		\$215.25
Invoice	26339 9/17/2012		
Transaction Date	9/18/2012	MAIN CHECKING G 10100	Total \$215.25
<u>Refer 58697 DR PEPPER SNAPPLE GROUP</u>			
Cash Payment	E 609-49750-260 Soft Drinks/Mix For Resa		\$288.70
Invoice	2436712828 8/1/2012		
Cash Payment	E 609-49750-260 Soft Drinks/Mix For Resa		\$48.60
Invoice	2436712910 8/8/2012		
Cash Payment	E 609-49750-260 Soft Drinks/Mix For Resa		\$107.40
Invoice	2436713029 8/15/2012		
Cash Payment	E 609-49750-260 Soft Drinks/Mix For Resa		\$62.60
Invoice	2436713156 8/22/2012		



CITY OF GRAND MARAIS

09/20/12 1:45 PM

Page 2

Payments

Current Period: September 2012

Cash Payment	E 609-49750-260 Soft Drinks/Mix For Resa				\$70.40
Invoice	2436713273	8/29/2012			
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total	\$577.70
Refer	58698	PHILLIPS WINE & SPIRITS			
Cash Payment	E 609-49750-251 Liquor For Resale				\$10,529.73
Invoice	2300505	9/12/2012			
Cash Payment	E 609-49750-333 Freight and Express				\$315.21
Invoice	2300505	9/12/2012			
Cash Payment	E 609-49750-252 Beer For Resale				\$54.80
Invoice	2300506	9/12/2012			
Cash Payment	E 609-49750-251 Liquor For Resale				-\$20.80
Invoice	3489720	9/11/2012			
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total	\$10,878.94
Refer	58699	JOHNSON BROTHER LIQUOR			
Cash Payment	E 609-49750-251 Liquor For Resale				\$8,653.65
Invoice	1387465	9/12/2012			
Cash Payment	E 609-49750-259 Other For Resale				\$204.50
Invoice	1387465	9/12/2012			
Cash Payment	E 609-49750-333 Freight and Express				\$262.99
Invoice	1387465	9/12/2012			
Cash Payment	E 609-49750-252 Beer For Resale				\$78.50
Invoice	1387466	9/12/2012			
Cash Payment	E 609-49750-251 Liquor For Resale				-\$251.10
Invoice	546779	8/30/2012			
Cash Payment	E 609-49750-333 Freight and Express				-\$7.71
Invoice	546779	8/30/2012			
Cash Payment	E 609-49750-251 Liquor For Resale				-\$36.00
Invoice	546778	8/30/2012			
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total	\$8,904.83
Refer	58700	WINE MERCHANTS			
Cash Payment	E 609-49750-251 Liquor For Resale				\$1,104.00
Invoice	423152	9/12/2012			
Cash Payment	E 609-49750-333 Freight and Express				\$44.97
Invoice	423152	9/12/2012			
Cash Payment	E 609-49750-252 Beer For Resale				\$88.50
Invoice	423153	9/12/2012			
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total	\$1,237.47
Refer	58701	CDW GOVERNMENT, INC.	Ck# 069567 9/13/2012		
Cash Payment	E 215-45500-580 Capital Outlay (Equipme	VOID CHECK			-\$1,370.03
Invoice	N092178				
Cash Payment	E 211-45500-449 Automation	VOID CHECK			-\$1,335.20
Invoice	P738514				
Cash Payment	E 215-45500-580 Capital Outlay (Equipme	VOID CHECK			-\$90.24
Invoice	XFWPF7JD8				
Cash Payment	E 215-45500-580 Capital Outlay (Equipme	VOID CHECK			-\$1,655.25
Invoice	XFWR3MC13				
Cash Payment	E 215-45500-580 Capital Outlay (Equipme	VOID CHECK			-\$843.70
Invoice	XFWT47RX7				



CITY OF GRAND MARAIS

09/20/12 1:45 PM

Page 4

Payments

Current Period: September 2012

Cash Payment	E 609-49750-321 Telephone			\$59.00
Invoice	2183871630	9/1/2012		
Cash Payment	E 101-41400-321 Telephone			\$331.84
Invoice	2183871848	9/1/2012		
Cash Payment	E 101-42200-321 Telephone			\$31.06
Invoice	2183879092	9/1/2012		
Cash Payment	E 613-45125-321 Telephone			\$47.76
Invoice	2183879988	9/1/2012		
Cash Payment	E 101-43100-321 Telephone			\$46.72
Invoice	2183873125	9/1/2012		
Cash Payment	E 101-45100-321 Telephone			\$654.02
Invoice	2183871712	9/1/2012		
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total \$1,454.43
Refer	58706	<u>COCA-COLA REFRESHMENTS</u>		
Cash Payment	E 609-49750-260 Soft Drinks/Mix For Resa			\$139.00
Invoice	0618014509	9/12/2012		
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total \$139.00
Refer	58707	<u>SUPERIOR BEVERAGES LLP</u>		
Cash Payment	E 609-49750-252 Beer For Resale			\$4,870.35
Invoice	410672	8/29/2012		
Cash Payment	E 609-49750-259 Other For Resale			\$23.25
Invoice	410672	8/29/2012		
Cash Payment	E 609-49750-252 Beer For Resale			\$2,391.60
Invoice	411144	9/5/2012		
Cash Payment	E 609-49750-259 Other For Resale			\$17.75
Invoice	411144	9/5/2012		
Cash Payment	E 609-49750-252 Beer For Resale			\$4,589.65
Invoice	411620	9/12/2012		
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total \$11,892.60
Refer	58708	<u>COMO OIL & PROPANE</u>		
		Ck# 069570	9/13/2012	
Cash Payment	E 101-45100-217 Heating Fuel	VOID CHECK		-\$2,863.91
Invoice	536649			
Cash Payment	E 101-45100-217 Heating Fuel	VOID CHECK		-\$2,596.73
Invoice	536649			
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total -\$5,460.64
Refer	58709	<u>COMO OIL & PROPANE</u>		
Cash Payment	E 101-45100-217 Heating Fuel			\$587.49
Invoice	536649	8/23/2012		
Cash Payment	E 101-45100-217 Heating Fuel			\$854.67
Invoice	536648	8/23/2012		
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total \$1,442.16
Refer	58710	<u>ROHLFING INC.</u>		
Cash Payment	E 609-49750-252 Beer For Resale			\$6,245.25
Invoice	369133	8/29/2012		
Cash Payment	E 609-49750-259 Other For Resale			\$47.00
Invoice	369133	8/29/2012		
Cash Payment	E 609-49750-252 Beer For Resale			\$3,420.55
Invoice	369443	9/5/2012		



CITY OF GRAND MARAIS

09/20/12 1:45 PM

Page 5

Payments

City of Grand Marais

Current Period: September 2012

Cash Payment	E 609-49750-259 Other For Resale			\$32.50
Invoice	369443	9/5/2012		
Cash Payment	E 609-49750-252 Beer For Resale			\$6,454.50
Invoice	369755	9/12/2012		
Cash Payment	E 609-49750-259 Other For Resale			\$26.60
Invoice	369755	9/12/2012		
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total \$16,226.40
Refer	58711	VISA		
Cash Payment	E 211-45500-330 Transportation/School			\$175.00
Invoice	3976	9/2/2012		
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total \$175.00
Refer	58712	VINOCOPIA		
Cash Payment	E 609-49750-251 Liquor For Resale			\$730.75
Invoice	0062672-IN	9/7/2012		
Cash Payment	E 609-49750-333 Freight and Express			\$32.00
Invoice	0062672-IN	9/7/2012		
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total \$762.75
Refer	58713	BLUE CROSS/BLUE SHIELD OF MN		
Cash Payment	G 101-21706 Health Insurance		last check went to wrong address	\$13,246.50
Invoice	CI926-V0 8	8/29/2012		
Cash Payment	G 101-21706 Health Insurance		last check went to wrong address	\$561.00
Invoice	CI926-V1 6	8/29/2012		
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total \$13,807.50
Refer	58720	SUNNY HILL DISTRIBUTORS INC.		
Cash Payment	E 609-49750-251 Liquor For Resale			\$1,937.13
Invoice	273341	9/18/2012		
Cash Payment	E 609-49750-333 Freight and Express			\$100.70
Invoice	273341	9/18/2012		
Cash Payment	E 609-49750-251 Liquor For Resale			\$675.98
Invoice	273337	9/18/2012		
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total \$2,713.81
Refer	58732	WIRTZ BEVERAGE MINNESOTA		
Cash Payment	E 609-49750-259 Other For Resale			\$241.85
Invoice	106785	9/18/2012		
Cash Payment	E 609-49750-251 Liquor For Resale			\$5,488.16
Invoice	106785	9/18/2012		
Cash Payment	E 609-49750-333 Freight and Express			\$92.50
Invoice	106785	9/18/2012		
Cash Payment	E 609-49750-333 Freight and Express			\$3.70
Invoice	106185	9/18/2012		
Cash Payment	E 609-49750-251 Liquor For Resale			-\$72.00
Invoice	868190	9/11/2012		
Cash Payment	E 609-49750-333 Freight and Express			-\$1.85
Invoice	868190	9/11/2012		
Cash Payment	E 609-49750-251 Liquor For Resale			-\$229.00
Invoice	868199	9/11/2012		
Cash Payment	E 609-49750-333 Freight and Express			-\$1.85
Invoice	868199	9/11/2012		



CITY OF GRAND MARAIS

09/20/12 1:45 PM

Page 6

Payments

City of Grand Marais

Current Period: September 2012

Transaction Date	9/19/2012	MAIN CHECKING G 10100	Total	\$5,521.51
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Fund Summary

	10100 MAIN CHECKING GMSB	
101 GENERAL FUND		\$30,167.28
211 LIBRARY		\$412.31
215 LIBRARY RESTRICTED FUND		\$0.00
609 MUNICIPAL LIQUOR FUND		\$72,341.10
613 GOLF COURSE		\$47.76
		<hr/>
		\$102,968.45

Pre-Written Checks	\$4,549.27
Checks to be Generated by the Computer	\$98,419.18
Total	<hr/> \$102,968.45



CITY OF GRAND MARAIS

09/21/12 10:42 AM

Page 1

Payments

Current Period: September 2012

Batch Name	9272012AP	User Dollar Amt	\$27,342.53
	Payments	Computer Dollar Amt	\$27,342.53

\$0.00 In Balance

Refer 58672 HANSON, CHRISTINE

Cash Payment E 101-41400-200 Office Supplies (GENER) \$77.88
 Invoice OFFICE COFFE 9/10/2012

Transaction Date 9/18/2012 MAIN CHECKING G 10100 **Total** \$77.88

Refer 58673 COOK COUNTY NEWS HERALD

Cash Payment E 101-41400-350 Publishing \$210.00
 Invoice AUGUST 2012 8/31/2012

Cash Payment E 101-41910-350 Publishing \$36.00
 Invoice AUGUST 2012 8/31/2012

Cash Payment E 101-45100-250 Merchandise Resale (GE) \$110.50
 Invoice AUGUST 2012 8/31/2012

Transaction Date 9/18/2012 MAIN CHECKING G 10100 **Total** \$356.50

Refer 58674 TOSHIBA BUSINESS SOLUTIONS,

Cash Payment E 101-41400-200 Office Supplies (GENER) \$80.82
 Invoice 9416505 9/4/2012

Transaction Date 9/18/2012 MAIN CHECKING G 10100 **Total** \$80.82

Refer 58675 TITLEIST

Cash Payment E 613-45125-254 Golf Supplies For Resale \$234.60
 Invoice 0926585 8/29/2012

Cash Payment E 613-45125-254 Golf Supplies For Resale \$714.10
 Invoice 0923922 8/28/2012

Transaction Date 9/18/2012 MAIN CHECKING G 10100 **Total** \$948.70

Refer 58676 TAYLOR MADE

Cash Payment E 613-45125-254 Golf Supplies For Resale \$245.42
 Invoice 18482061 8/29/2012

Cash Payment E 613-45125-254 Golf Supplies For Resale \$351.49
 Invoice 18512345 9/10/2012

Transaction Date 9/18/2012 MAIN CHECKING G 10100 **Total** \$596.91

Refer 58677 BERNICKS

Cash Payment E 613-45125-252 Beer For Resale \$229.80
 Invoice 303261 9/6/2012

Transaction Date 9/18/2012 MAIN CHECKING G 10100 **Total** \$229.80

Refer 58678 SUPERIOR BEVERAGES LLP

Cash Payment E 613-45125-252 Beer For Resale \$74.80
 Invoice 411164 9/5/2012

Transaction Date 9/18/2012 MAIN CHECKING G 10100 **Total** \$74.80

Refer 58679 ROHLFING INC.

Cash Payment E 613-45125-252 Beer For Resale \$98.10
 Invoice 369484 9/5/2012

Transaction Date 9/18/2012 MAIN CHECKING G 10100 **Total** \$98.10

Refer 58680 JOHNSON S FOODS



CITY OF GRAND MARAIS

09/21/12 10:42 AM

Page 2

Payments

City of Grand Marais

Current Period: September 2012

Cash Payment	E 613-45125-211 Operating Supplies			\$23.28
Invoice 1848	9/7/2012			
Cash Payment	E 613-45125-255 Food For Resale			\$389.09
Invoice 1848	9/7/2012			
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total \$412.37
Refer	58681	<u>BUCK S HARDWARE HANK</u>		
Cash Payment	E 211-45500-220 Repair/Maint Supply (GE)			\$108.87
Invoice AUGUST 2012	8/16/2012			
Cash Payment	E 101-43100-220 Repair/Maint Supply (GE)			\$14.13
Invoice AUGUST 2012	8/16/2012			
Cash Payment	E 101-41940-220 Repair/Maint Supply (GE)			\$5.79
Invoice AUGUST 2012	8/16/2012			
Cash Payment	E 609-49750-210 Operating Supplies (GE)			\$5.85
Invoice AUGUST 2012	8/16/2012			
Cash Payment	E 613-45125-211 Operating Supplies			\$11.24
Invoice AUGUST 2012	8/16/2012			
Cash Payment	E 101-45100-210 Operating Supplies (GE)			\$135.73
Invoice AUGUST 2012	8/16/2012			
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE)			\$135.73
Invoice AUGUST 2012	8/16/2012			
Cash Payment	E 101-45189-220 Repair/Maint Supply (GE)			\$179.38
Invoice AUGUST 2012	8/16/2012			
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total \$596.72
Refer	58682	<u>COOK COUNTY LAW ENFORCEME</u>		
Cash Payment	E 101-42100-317 Contracted Services			\$11,666.67
Invoice 231	9/18/2012			
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total \$11,666.67
Refer	58683	<u>NORTH SHORE WASTE</u>		
Cash Payment	E 101-41940-384 Refuse/Garbage Disposa			\$93.60
Invoice 1983	8/31/2012			
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total \$93.60
Refer	58684	<u>NORTH HOUSE FOLK SCHOOL</u>		
Cash Payment	E 609-49750-340 Advertising			\$500.00
Invoice UNPLUGGED A	9/7/2012			
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total \$500.00
Refer	58685	<u>TOTAL REGISTER</u>		
Cash Payment	E 609-49750-210 Operating Supplies (GE)			\$198.68
Invoice 28206	9/11/2012			
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total \$198.68
Refer	58686	<u>WTIP</u>		
Cash Payment	E 609-49750-340 Advertising			\$500.00
Invoice 815	9/11/2012			
Transaction Date	9/18/2012	MAIN CHECKING G	10100	Total \$500.00
Refer	58687	<u>JOYNE S DEPARTMENT STORE</u>		
Cash Payment	E 609-49750-210 Operating Supplies (GE)			\$12.14
Invoice 713-1	9/12/2012			



CITY OF GRAND MARAIS

09/21/12 10:42 AM

Page 3

Payments

Current Period: September 2012

Transaction Date	9/18/2012	MAIN CHECKING G 10100	Total	\$12.14
Refer	58688 <i>MCI MEGA PREFERRED</i>			
Cash Payment	E 101-41400-321 Telephone			\$31.76
Invoice	08678993875	9/18/2012		
Cash Payment	E 101-42200-321 Telephone			\$0.36
Invoice	08678993875	9/18/2012		
Cash Payment	E 211-45500-321 Telephone			\$14.62
Invoice	08678993875	9/18/2012		
Cash Payment	E 609-49750-321 Telephone			\$1.69
Invoice	08678993875	9/18/2012		
Cash Payment	E 101-45124-321 Telephone			\$5.39
Invoice	08678993875	9/18/2012		
Cash Payment	E 613-45125-321 Telephone			\$6.06
Invoice	08678993875	9/18/2012		
Cash Payment	E 101-43100-321 Telephone			\$0.76
Invoice	08678993875	9/18/2012		
Transaction Date	9/18/2012	MAIN CHECKING G 10100	Total	\$60.64
Refer	58689 <i>G&G SEPTIC</i>			
Cash Payment	E 101-43100-418 Portable Toilet Rentals			\$48.25
Invoice	4868	9/4/2012		
Cash Payment	E 101-45189-418 Portable Toilet Rentals			\$1,218.89
Invoice	4868	9/4/2012		
Cash Payment	E 101-45184-418 Portable Toilet Rentals			\$177.76
Invoice	4868	9/4/2012		
Cash Payment	E 101-45100-418 Portable Toilet Rentals			\$355.52
Invoice	4868	9/4/2012		
Transaction Date	9/18/2012	MAIN CHECKING G 10100	Total	\$1,800.42
Refer	58714 <i>EDWIN E. THORESON, INC.</i>			
Cash Payment	E 101-43100-224 Street Maint Materials			\$659.08
Invoice	19981	9/17/2012		
Cash Payment	E 613-45125-211 Operating Supplies			\$315.29
Invoice	19983	9/17/2012		
Cash Payment	E 101-45100-225 Landscaping Materials			\$86.57
Invoice	19911	9/5/2012		
Cash Payment	E 101-45100-225 Landscaping Materials			\$129.86
Invoice	19982	9/17/2012		
Transaction Date	9/19/2012	MAIN CHECKING G 10100	Total	\$1,190.80
Refer	58715 <i>G&K SERVICES</i>			
Cash Payment	E 101-41940-210 Operating Supplies (GE			\$406.56
Invoice	1229126226	9/11/2012		
Transaction Date	9/19/2012	MAIN CHECKING G 10100	Total	\$406.56
Refer	58716 <i>DEX MEDIA EAST LLC</i>			
Cash Payment	E 613-45125-321 Telephone			\$2.95
Invoice	110220315	9/1/2012		
Transaction Date	9/19/2012	MAIN CHECKING G 10100	Total	\$2.95
Refer	58717 <i>BUCK S RADIO SHACK</i>			



CITY OF GRAND MARAIS

09/21/12 10:42 AM

Page 4

Payments

Current Period: September 2012

Cash Payment	E 613-45125-211 Operating Supplies				\$11.20
Invoice	10000505	9/13/2012			
Transaction Date	9/19/2012	MAIN CHECKING G	10100	Total	\$11.20
Refer	58718	<i>POMPS TIRE SERVICE INC.</i>			
Cash Payment	E 613-45125-221 Equipment Parts/Builing				\$1,608.38
Invoice	530004751	8/31/2012			
Transaction Date	9/19/2012	MAIN CHECKING G	10100	Total	\$1,608.38
Refer	58719	<i>ARROWHEAD ELECTRIC</i>			
Cash Payment	E 613-45125-380 Utility Services (GENER				\$289.00
Invoice	763.000	8/31/2012			
Cash Payment	E 613-45125-380 Utility Services (GENER				\$213.00
Invoice	4256.000	8/31/2012			
Transaction Date	9/19/2012	MAIN CHECKING G	10100	Total	\$502.00
Refer	58721	<i>BOREAL ACCESS</i>			
Cash Payment	E 101-45100-210 Operating Supplies (GE				\$255.90
Invoice	120917-0154	9/17/2012			
Transaction Date	9/19/2012	MAIN CHECKING G	10100	Total	\$255.90
Refer	58722	<i>CHRISTIANSEN, CHARLES</i>			
Cash Payment	E 101-45124-250 Merchandise Resale (GE				\$105.62
Invoice	SAM'S CLUB	9/12/2012			
Transaction Date	9/19/2012	MAIN CHECKING G	10100	Total	\$105.62
Refer	58723	<i>NORTHERN DOOR & HARDWARE,</i>			
Cash Payment	E 101-45124-220 Repair/Maint Supply (GE				\$865.69
Invoice	12-2787	8/31/2012			
Transaction Date	9/19/2012	MAIN CHECKING G	10100	Total	\$865.69
Refer	58724	<i>GRANGER</i>			
Cash Payment	E 101-45100-210 Operating Supplies (GE				\$41.90
Invoice	9917680705	9/4/2012			
Transaction Date	9/19/2012	MAIN CHECKING G	10100	Total	\$41.90
Refer	58725	<i>QUILL CORPORATION</i>			
Cash Payment	E 101-45100-200 Office Supplies (GENER				\$112.63
Invoice	5562091	9/5/2012			
Transaction Date	9/19/2012	MAIN CHECKING G	10100	Total	\$112.63
Refer	58726	<i>GENE S FOODS</i>			
Cash Payment	E 101-45100-429 Entertainment				\$43.64
Invoice	00139796	8/30/2012			
Transaction Date	9/19/2012	MAIN CHECKING G	10100	Total	\$43.64
Refer	58727	<i>XEROX CORPORATION</i>			
Cash Payment	E 101-45100-200 Office Supplies (GENER				\$101.72
Invoice	063791633	9/3/2012			
Transaction Date	9/19/2012	MAIN CHECKING G	10100	Total	\$101.72
Refer	58728	<i>SUNDEW TECHNICAL SERVICES</i>			
Cash Payment	E 101-45100-210 Operating Supplies (GE				\$128.36
Invoice	GM REC PARK	9/8/2012			



CITY OF GRAND MARAIS

09/21/12 10:42 AM

Page 5

Payments

Current Period: September 2012

Cash Payment	E 101-41400-200 Office Supplies (GENER			\$381.33
Invoice	KIM DUNSMOO	9/8/2012		
Transaction Date	9/19/2012	MAIN CHECKING G	10100	Total \$509.69
Refer	58729 NORTH SHORE DAIRY			
Cash Payment	E 101-45100-250 Merchandise Resale (GE			\$66.06
Invoice	4852	9/6/2012		
Transaction Date	9/19/2012	MAIN CHECKING G	10100	Total \$66.06
Refer	58730 ER PERRY SIGNS & ENGRAVING			
Cash Payment	E 101-45189-219 Memorial Plaques			\$282.00
Invoice	13693	8/13/2012		
Transaction Date	9/19/2012	MAIN CHECKING G	10100	Total \$282.00
Refer	58731 NORDIC ELECTRIC			
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE			\$286.71
Invoice	13179	9/6/2012		
Transaction Date	9/19/2012	MAIN CHECKING G	10100	Total \$286.71
Refer	58733 TWIN PORTS PAPER & SUPPLY IN			
Cash Payment	E 609-49750-210 Operating Supplies (GE			\$92.23
Invoice	114345	9/18/2012		
Cash Payment	E 101-45100-210 Operating Supplies (GE			\$195.28
Invoice	114341	9/18/2012		
Transaction Date	9/20/2012	MAIN CHECKING G	10100	Total \$287.51
Refer	58734 PEDERSON S DISPOSAL			
Cash Payment	E 101-45100-384 Refuse/Garbage Disposa			\$30.30
Invoice	283540	9/12/2012		
Transaction Date	9/21/2012	MAIN CHECKING G	10100	Total \$30.30
Refer	58735 COMO OIL & PROPANE			
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE			\$252.60
Invoice	127677	5/30/2012		
Cash Payment	E 101-45124-217 Heating Fuel			\$1,178.54
Invoice	621653	9/4/2012		
Cash Payment	E 101-45124-217 Heating Fuel			\$895.38
Invoice	621329	7/2/2012		
Transaction Date	9/21/2012	MAIN CHECKING G	10100	Total \$2,326.52

Fund Summary

10100 MAIN CHECKING GMSB

101 GENERAL FUND	\$21,090.65
211 LIBRARY	\$123.49
609 MUNICIPAL LIQUOR FUND	\$1,310.59
613 GOLF COURSE	\$4,817.80
	\$27,342.53

Pre-Written Checks	\$0.00
Checks to be Generated by the Computer	\$27,342.53
Total	\$27,342.53

APPLICATION FOR USE OF STREET AND SIDEWALKS

Moose Madness

CHECK ONE:

Benches _____ Flowers _____ Community Event

Miscellaneous _____

Describe: Moose Madness "Moose Mosey"

Name and address of applicant or organization, charitable, veterans, community or non-profit group:

Anna Klobuchar, Cook County Visitors Bureau

P.O. Box 1330

Grand Marais, MN 55607

Contact Person:

Anna Klobuchar

Phone Number: 387-2788, ext 114

Description of request or event:

2nd Annual "Moose Mosey" Start at Beartree Park, progress down sidewalk, turn right, head back to Beartree Park along the beach. (4 blocks long, total.)

Date of Event:

10/20/2012

Length of Event:

5-10 minutes

Time of Event:

2:00pm

Location of Event:

Beartree Park. (last year we had 72 participants!)

Prizes for moose costumes, etc.

Assistance requested of the City or PUC:

Need 4 orange cones. I will put them in place that Saturday afternoon, & return them on Monday 10/22/12.

Anna Klobuchar

9/18/12

Signature

Date

Approve: _____ Not Approved: _____

Fee: Paid _____ Waived _____

Insurance (\$500,000): Proof naming City as additional insured _____

Waived in whole _____ Waived in part _____

Additional anticipated costs or expenses to City or PUC _____

Additional Council restrictions _____

Thank you!

ORDINANCE NO. 2012-07

AN ORDINANCE OF THE CITY OF GRAND MARAIS, ANNEXING LAND
LOCATED IN THE COUNTY OF COOK, MINNESOTA
TO THE CITY OF GRAND MARAIS, COOK COUNTY, MINNESOTA, PURSUANT
TO MINN. STAT. § 414.033, SUBD. 2(3), PERMITTING ANNEXATION BY ORDINANCE

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

Section 1. That the unincorporated land legally described in Exhibit A (the "subject area"), which is attached hereto and incorporated herein by reference, located in the County of Cook, Minnesota, is land that is contiguous to and abuts the municipal corporate limits of the City of Grand Marais, Cook County, Minnesota; is land that is 120 acres or less in size; is land that is not presently served by public wastewater facilities, and for which public wastewater facilities are not otherwise available than through the City of Grand Marais; and is land that is existing or proposed for immediate urban or suburban development.

Section 2. That the owner of the subject area has requested annexation for purposes of immediately urban or suburban commercial development of the property and has submitted a petition to the City Council of the City of Grand Marais for annexation of said land.

Section 3. That the City of Grand Marais held a public hearing pursuant to Minn. Stat. § 414.033, subd. 2b, on April 11, 2012, following thirty (30) days written notice by certified mail to the County of Cook and to all landowners within and contiguous to the subject area.

Section 4. That the corporate limits of the City of Grand Marais are hereby extended to include the subject area, which is shown on the map attached hereto and incorporated herein by reference as Exhibit B, and which contains 4.92 acres, and the same is hereby annexed to be included within the City of Grand Marais, Cook County, Minnesota.

Section 5. That the population of the subject area that is hereby annexed is 0.

Section 6. That the requirements of Minn. Stat. § 414.036 regarding reimbursement to town to annex taxable property are inapplicable as the subject area is located in unorganized territory without township government.

Section 7. That there are no special assessments or real estate taxes due or owing on the subject area.

Section 8. That, pursuant to Minn. Stat. § 462.355, subd. 4, upon the effective date of the annexation of the subject area as established in Section 10 below, the interim zoning for the entirety of the subject area shall be "R-1 Permanent Residential" as defined in the City's Zoning Code. This interim zoning shall remain in effect for such time period not to exceed one year or as is otherwise permitted by law until the City shall enact permanent zoning regulations for the subject area as provided for in the City's Zoning Code.

Section 9. That the City Administrator of the City of Grand Marais is hereby authorized and directed to file a copy of this Ordinance with the Minnesota Office of Administrative Hearings Municipal Boundary Adjustments Office, the Minnesota Secretary of State, and the Cook County Auditor.

Section 10. That this Ordinance shall be in full force and effect and final upon the date this Ordinance is approved by the Minnesota Office of Administrative Hearings.

Passed by the City Council of the City of Grand Marais this ____ day of _____, 2012.

Larry Carlson, Mayor

Attest: _____
Michael Roth
City Administrator

First Reading:

Date: September 12, 2012

Ayes: _____ Carlson, Kennedy, Lenz, Sivertson, Spry
Nays: _____
Absent: _____
Abstain _____

Second Reading:

Date: _____

Ayes: _____
Nays: _____
Absent: _____
Abstain _____

Published:

Date: _____

EXHIBIT A
Legal Description

The Subject Area to be annexed in the attached Ordinance is legally described as follows:

The East half of the Southeast quarter of the Southeast quarter of the Southeast quarter of Section
19, Township 61 N, Range 1E

EXHIBIT B
Boundary Map

The municipal boundary map referenced in the attached Ordinance, showing the current City of Grand Marais and its relation to the Subject Area to be annexed, legally described in Exhibit A, is attached hereto.

ORDINANCE NO. 2012-08

AN ORDINANCE OF THE CITY OF GRAND MARAIS, ANNEXING LAND
LOCATED IN THE COUNTY OF COOK, MINNESOTA
TO THE CITY OF GRAND MARAIS, COOK COUNTY, MINNESOTA, PURSUANT
TO MINN. STAT. § 414.033, SUBD. 2(3), PERMITTING ANNEXATION BY ORDINANCE

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

Section 1. That the unincorporated land legally described in Exhibit A (the "subject area"), which is attached hereto and incorporated herein by reference, located in the County of Cook, Minnesota, is land that is contiguous to and abuts the municipal corporate limits of the City of Grand Marais, Cook County, Minnesota; is land that is 120 acres or less in size; is land that is not presently served by public wastewater facilities, and for which public wastewater facilities are not otherwise available than through the City of Grand Marais; and is land that is existing or proposed for immediate urban or suburban development.

Section 2. That the owner of the subject area has requested annexation for purposes of immediately urban or suburban commercial development of the property and has submitted a petition to the City Council of the City of Grand Marais for annexation of said land.

Section 3. That the City of Grand Marais held a public hearing pursuant to Minn. Stat. § 414.033, subd. 2b, on September 5, 2012, following thirty (30) days written notice by certified mail to the County of Cook and to all landowners within and contiguous to the subject area.

Section 4. That the corporate limits of the City of Grand Marais are hereby extended to include the subject area, which is shown on the map attached hereto and incorporated herein by reference as Exhibit B, and which contains 5 acres, and the same is hereby annexed to be included within the City of Grand Marais, Cook County, Minnesota.

Section 5. That the population of the subject area that is hereby annexed is 0.

Section 6. That the requirements of Minn. Stat. § 414.036 regarding reimbursement to town to annex taxable property are inapplicable as the subject area is located in unorganized territory without township government.

Section 7. That there are no special assessments or real estate taxes due or owing on the subject area.

Section 8. That, pursuant to Minn. Stat. § 462.355, subd. 4, upon the effective date of the annexation of the subject area as established in Section 10 below, the interim zoning for the entirety of the subject area shall be "R-1 Permanent Residential" as defined in the City's Zoning Code. This interim zoning shall remain in effect for such time period not to exceed one year or as is otherwise permitted by law until the City shall enact permanent zoning regulations for the subject area as provided for in the City's Zoning Code.

Section 9. That the City Administrator of the City of Grand Marais is hereby authorized and directed to file a copy of this Ordinance with the Minnesota Office of Administrative Hearings Municipal Boundary Adjustments Office, the Minnesota Secretary of State, and the Cook County Auditor.

Section 10. That this Ordinance shall be in full force and effect and final upon the date this Ordinance is approved by the Minnesota Office of Administrative Hearings.

Passed by the City Council of the City of Grand Marais this ____ day of _____, 2012.

Larry Carlson, Mayor

Attest: _____
Michael Roth
City Administrator

First Reading:

Date: _____

Ayes: _____
Nays: _____
Absent: _____
Abstain _____

Second Reading:

Date: September 12, 2012

Ayes: _____ Carlson, Kennedy, Lenz, Sivertson, Spry
Nays: _____
Absent: _____
Abstain _____

Published:

Date: _____

EXHIBIT A
Legal Description

The Subject Area to be annexed in the attached Ordinance is legally described as follows:

The South Half of the South Half of the West Half of the Southwest Quarter of the Southwest
Quarter of Section 15, Township 61 N, Range 1E

EXHIBIT B
Boundary Map

The municipal boundary map referenced in the attached Ordinance, showing the current City of Grand Marais and its relation to the Subject Area to be annexed, legally described in Exhibit A, is attached hereto.

AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into this 26th day of September, 2012 by and between Homestead Cooperative, a cooperative under Chapter 308A of the laws of the State of Minnesota with registered office located at 219 11th Ave. W., #100 Grand Marais, MN 55604, (hereinafter "Homestead"), and the City of Grand Marais, a municipal corporation under the laws of the State of Minnesota, (hereinafter "City"), (collectively the "parties").

The parties represent and affirm that:

WHEREAS, Homestead owns real property situated in the City of Grand Marais, County of Cook, State of Minnesota, described as follows:

Address: 219 11th Ave. W., Grand Marais, Minnesota
Parcel ID Number: 80-340-0000

hereinafter the "Property"; and

WHEREAS, Homestead petitioned the City to construct and pave the portions of 11th Avenue in the City abutting the Property between 2nd Street and 3rd Street as shown on Appendix A, attached hereto (the "Project" or "Improvements"); and

WHEREAS, the City is willing to construct the Project, provided that Homestead bears the cost thereof as specified below.

NOW THEREFORE, in consideration of the mutual promises contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **PETITION FOR IMPROVEMENTS.** Homestead hereby requests and petitions that the City construct the above-described Project as depicted on Appendix A, which is attached hereto and incorporated herein by reference, and agrees to pay all costs and expenses associated with construction of the Project.
2. **OWNERSHIP OF IMPROVEMENTS.** The City shall have exclusive ownership of the improvements and public right-of-way upon which they are made. Homestead understands and acknowledges that the Project is a public improvement project and that Homestead shall have no incidents of ownership in the Project or the public right-of-way upon which the improvements are made.
3. **CONSTRUCTION EASEMENT.** Homestead hereby grants to the City a temporary construction easement to enter upon the Property for purposes of constructing the Project according to City standards for the period ending when the City certifies the Project complete. The right of entry granted hereunder on the Property shall continue until the Project is certified complete by the City, on which date it shall terminate automatically unless extended in writing by the parties.

4. **COST OF PROJECT.** The total cost of construction of the Project is estimated to be \$30,000, which estimate is based on the following expected costs to the City in constructing the Project:

Ditch East Side	\$3,000
Subcut 16", Place Geotextile Fabric, add 12" Class 5 for South 75'	\$4,000
Place 2" Bituminous Base Course and 2" Bituminous Wear Course	\$19,500
Engineering Fees	\$3,500

Total:	\$30,000

The total cost of construction of the Project shall be in an amount consistent with the estimate set forth above, subject to reasonable variation owing to unexpected circumstances or conditions, and shall be paid by Homestead to the City.

Homestead shall pay the above estimated costs and expenses for the Project in a lump sum payment deposited with the City within 60 days of the date of this Agreement. Funds deposited by Homestead with the City shall be used exclusively by the City to pay for the Project.

- a. In the event that the Project is certified as complete by the City and the funds deposited with the City by Homestead have not been expended in their entirety for the Project, the City shall return the remaining deposited funds to Homestead within 30 days of the City certifying the Project complete.
 - b. If the costs and expenses for the Project exceed the above estimate at the time they are bid or quotes are received by the City from contractors for the Project, Homestead shall deposit additional funds with the City to account for the difference within 10 days of receipt of a written request from the City. If Homestead fails to timely deposit the additional funds as requested by the City, the Project shall be cancelled and all costs and expenses incurred or that will be incurred by the City for the Project shall be paid from the proceeds previously deposited by Homestead. Once such costs and expenses are paid by the City, the City shall return the remaining deposited funds to Homestead, if any.
 - c. If Homestead fails to deposit the required funds or any additional funds as required by the City for the Project, this Agreement shall be null and void without further obligation by the City and the Project shall be cancelled with any costs and expenses for the Project being the obligation of Homestead to pay.
5. **ASSESSMENT.** Homestead acknowledges the benefit to the Property and to Homestead of having the City construct the Project described herein and hereby waives any

objections or rights of appeal which Homestead may otherwise have with respect to any assessment for the Project made necessary due to nonpayment of the Project's costs and expenses, whether the same be based upon procedural error under Minnesota Statutes Ch. 429 or other law, ordinance or regulation, or upon a claim that the amount of the assessment is excessive, or upon any other alleged defect. While this Project is not being assessed to the Property, the City reserves the right to assess against the Property any costs and expenses it incurs for this Project not otherwise paid by Homestead and Homestead expressly agrees to such assessment and waives any rights of objection or appeal thereof. The obligation to pay for the Project and the waiver of objections and appeal rights shall continue until all costs and expenses for the Project are paid in full by Homestead.

6. **RECORD KEEPING.** The City shall maintain all records concerning the money deposited by Homestead with the City and provide Homestead, upon request, a statement regarding transactions from and to the account as authorized herein.
7. **LIABILITY.** The City shall have no duty or obligation hereunder other than to take such specific actions as are required of it from time to time by the provisions of this Agreement and it shall incur no liability hereunder or in connection herewith for anything whatsoever other than any liability resulting from its own gross negligence or willful misconduct or unlawful acts or omissions. The only duties and responsibilities of the City shall be the duties and obligations specifically set forth in this Agreement.
8. **INDEMNIFICATION.** Homestead shall indemnify, hold harmless and defend the City from and against any and all losses, claims, liabilities, and reasonable expenses, including the reasonable fees of its counsel, specifically including in-house counsel fees, which it may suffer or incur in connection with the performance of any duties and obligations under this Agreement, except for those losses, claims, liabilities and expenses resulting solely and directly from the City's own gross negligence, willful misconduct, or unlawful act or omission. All indemnification obligations shall survive termination, expiration or cancellation of this Agreement.
9. **NOTICES.** Any notice provided for or permitted under this Agreement, unless otherwise provided herein, will be treated as having been received (a) when delivered personally, (b) when sent by confirmed facsimile or (c) three (3) days following when sent by certified mail, to the party to be notified, at the address set forth below, or at such other place of which the other party has been notified in accordance with the provisions of this paragraph. Such notice will be treated as having been received upon actual receipt if actual receipt occurs earlier than as provided in clauses (a) through (c) hereof.
10. **FUTURE OPERATION AND MAINTENANCE.** Following certification of completion of the Project by the City, the City shall thereafter be responsible for future operation, maintenance, repair and replacement of the improvements and associated costs and expenses, which may be assessed against the Property in accordance with law. Notwithstanding the foregoing the City will not assess the Property for any pavement improvements or pavement repairs with the Project area for a period of five years

following the effective date of this Agreement.

11. **TERMINATION.** This Agreement shall remain in full force and effect until one of the following conditions take place, whichever comes first:

- a. Termination by mutual written agreement of the City and Homestead; or
- b. Certification of completion of the Project and payment in full of the Project costs and expenses by Homestead; or
- c. As otherwise provided in this Agreement.

12. **DISPUTES AND REMEDIES.** The City and Homestead agree as follows:

- a. **Negotiation.** When a disagreement over interpretation of any provision of this Agreement shall arise, the City and Homestead will direct representatives, as they deem appropriate, to meet at least one (1) time at a mutually convenient time and place to attempt to resolve the dispute through negotiation.
- b. **Mediation/Arbitration.** When the City and Homestead are unable to resolve disputes, claims or counterclaims, or are unable to negotiate an interpretation of any provision of this Agreement, the City and Homestead may mutually agree in writing to seek relief by submitting their respective grievances to mediation and/or binding arbitration.
- c. **Adjudication.** When the City and Homestead are unable to resolve disputes, claims or counterclaims, are unable to negotiate an interpretation of any provision of this Agreement or are unable to agree to submit their respective grievances to mediation or binding arbitration, or such action has not otherwise resolved the matter in dispute, either party may seek relief through initiation of an action in a court of competent jurisdiction. In addition to the remedies provided for in this Agreement and any other available remedies at law or equity, in the case of a violation, default, or breach of any provision of this Agreement, the non-violating, non-defaulting, or non-breaching party may bring an action for specific performance to compel the performance of this Agreement in accordance with its terms.

13. **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. **ASSIGNMENT.** This Agreement may not be assigned by either party without the written consent of the other party. This Agreement shall be binding upon, and inure to the benefit of, the City and Homestead and their respective successors and permitted assigns. Homestead shall notify any successor to Homestead's interest in the Property of the existence and terms of this Agreement.
- d. **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 City and Homestead.
- e. **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.
- f. **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.
- g. **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.
- h. **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.
- i. **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.
- j. **SURVIVABILITY.** All covenants, indemnities, guarantees, releases, representations and warranties by any party or parties, and any undischarged obligations of City and Homestead arising prior to the expiration of this

APPENDIX A
PROJECT DEPICTION

Approved Minutes-Park and Recreation Board

Tuesday, August 7, 2012

Members Present: Bill Lenz, Walt Mianowski, Robin Duchien, Paul Anderson, and Tracy Benson arrived 5 min late.

Members Absent: Sally Berg

Staff Present: Dave Tersteeg, Samantha Williams, Mike Kunshier and Charles Christiansen

Call to Order

Mianowski called the meeting to order at 4:30pm

Additions or Corrections to Agenda

Motion by Lenz to approve the agenda, second by Anderson all ayes, motion approved.

Review July Minutes

Motion by Lenz to approve the July minutes, second by Anderson. All ayes, motion approved

Guests

Jane Howard

Golf Report:

Kunshier reported Gunflint Hills has been having a great season so far. Total revenue for the year is \$102,731, which is a 17% increase from last year. Green fees are up about 15% and season pass totals are up 8% over last year. Two money transfers of \$8,554 from the park and \$5,000 from the county were received. Capital improvement planning is ongoing as well as preparing the budget for 2013.

Pool Report:

Christiansen reported cash register receipts for the month of July were \$13,899; down about \$1,100 vs. last year. Visitation for the month was also down about 480 visits. Christiansen attributed this to the hot weather and everyone swimming in Lake Superior and other outside lakes. One exception was the week of 4th of July, which was very busy for the pool. The YTD revenue at the pool is down \$4,900 from last year - about 10%. August is the last month of the summer season and pool hours and rates will begin after Labor Day – the pool will be closing on Sundays again and dollar Fridays are back. Fall programming (lessons) begin the 1st of October. Duchien questioned the hot water in the showers sometimes coming out scalding and if anything can be done. Tersteeg explained a commercial grade, mixing-valve has been installed to prevent this and he will look into the setting and make sure it is under 120 degrees. Lenz reported that the city has settled with Burbach for \$57,000. He expressed his belief that had they gone to court, the city would have paid at least \$50,000 in legal fees and may still have lost. The city can now participate in discussions of the community center with pool that is currently being planned by the county.

Community Connection trail project update

Tersteeg reported that we did not receive funding from the DNR Local Trail Connections Program for the connection. However, capital money has already been budgeted to construct the trail this year and the question to the board was should we proceed or continue to seek grant money and wait? Benson asked about applying for other grants? Tersteeg suggested re-applying to the DNR for either Legacy money or another spring application to the Local Trail Connections, as this project closely matches the purpose of this program. All agreed the project should be completed sooner than later and re-applying only draws out the wait. Anderson suggested building out the connection this fall and then re-applying for grants to fund the continuation of the trail as it develops in the future. A motion was made by Lenz to proceed with the Community Connection trail project this fall, second by Benson. All ayes, motion passed.

Events Pavilion alternate locations

Tersteeg briefed the board on recent city council support for the DNR public access improvements planned in the campground. The proposed events pavilion on the 2009 Master Plan map is at the same site and DNR has stated it would not be able to share the boat/trailer parking lot with such a facility, if it were

built. The city council asked that the park board designate an alternate location for the pavilion so the public water access may be improved. The board discussed alternate locations and Lenz suggested Boulder Park and Coast Guard point as good options for several reasons, incl. proximity to downtown and existing surface parking. A motion by Lenz was made stating the park board supports an events pavilion near the boat launch of Coast Guard point if ever a pavilion is to be built, second by Anderson. All ayes, motion passed.

Capital Improvement planning with City Council

At its May 2012 meeting the board made a list of capital improvement projects in no particular order. Tersteeg asked the board to confirm and prioritize the projects, as he will soon be meeting with city council and other department heads to create a city-wide capital improvement plan. The board prioritized the top 5 projects; the top two priorities were Community connection construction and toddler upgrades to the playground. The second top two priorities are site upgrades and repaving park roads as needed. The third priority was a new office/bath house complex.

Camper /Boater Issues and Concerns:

Anderson raised the concern of parking boats w/trailers on sites and how some sites have enough room and others do not and what is the best area to offer for off-site storage? Tersteeg agreed that it sometimes can be an issue, but currently there is no designated, secure storage. He and his staff often suggest using the ball field lot, however, campers are concerned about security and prefer to have their boats on-site.

Marina/Mooring/Harbor Report:

Tersteeg reported the marina has been very busy this summer; fuel revenue is up 50% over last year. The fishing has been the best in years.

City Council Update:

Lenz reiterated his brief update given during the pool report regarding the Burbach settlement.

Parks Update:

- Revenue for the month of July was \$233,182, which is up 4½ % over last July. Year to date revenue is also up vs. last year: the campground is up 14%, the marina is up 17% and fuel sales are up 55% for the year. It is shaping up to be a very successful summer.
- There have been numerous bear sightings in the park starting over Fisherman's for about a week. A ripped tent, stolen cookies and chewed up coolers were reported. Signs are up asking campers to keep a clean site and not leave any food out over night. The DNR and local law has been notified.

Adjourn

Motion to adjourn at 5:25pm by Mianowski. These minutes will be reviewed for approval at the September meeting.

September meeting is Tuesday, September 4th at 4:30 in the REC HALL. Please contact the Park Office if you cannot attend, 387-1712.

Upcoming Meeting Schedule

Updated September 21, 2012

SEPTEMBER

Date/Time	Meeting	Location
Wednesday, September 26, 4:30 p.m.	City Council Meeting	Council Chambers
Wednesday, September 26, 7:00 p.m.	Biomass Meeting	Courthouse

OCTOBER

Date/Time	Meeting	Location
Wednesday, October 10, 4:30 p.m.	City Council Meeting	Council Chambers
Wednesday, October 31, 4:30 p.m.	City Council Meeting	Council Chambers