
North Shore Management Board

Thursday, September 30, 2010 7:00 PM

Grand Marais City Hall

Grand Marais, MN

Minutes

Attendee	Representing	Absentees	Representing
Bob Fenwick	Cook County	Dave Mount	Duluth Township
Mike Hoops	Silver Creek Township	Mary Rosati	City of Two Harbors
Mark Russell	City of Beaver Bay	Scott Johnson	Silver Bay
Rich Sve	Lake County	Tim Musick	Town of Lakewood
Jan Sivertson	City of Grand Marais	Peg Sweeney	St. Louis County
Clint Little	MN DNR		
Bruce Carmen	Silver Bay EcoPark Coordinator		
Andy Hubley	ARDC		
Liz Sarabia	ARDC		

1. Call to Order/Committee Business

The meeting was called to order by Rich Sve at 7:00 PM and introductions were made. As there was no quorum, the June 28, 2010 minutes would be approved next meeting.

The agenda was adjusted so that the presentation of the Silver Bay Eco Park would follow Committee Business. No public comments were heard.

2. Presentation on the Silver Bay Eco Park

Bruce Carmen, Eco Park Coordinator, explained that the current business park has existed in Silver Bay for about 20 years, but it has been underutilized. In 2008 the concept of transforming the business park into an eco park was discussed. In order to assess the viability of the project the City of Silver Bay applied for and was awarded an environmental assistance grant from the MPCA. The concept for the park is to apply industrial ecology designing to achieve zero waste-zero emissions at the site. The design is one where one business could support another business through a cyclic process in which one company's waste is the raw product for another company. Additionally, it was hoped that other businesses that are cluster-based could eventually be located in the park.

Ideally the park would be self sustaining especially in energy usage. The park's location could take advantage of small wind to produce electricity for some

businesses, using biomass for a generator and biodiesel for a back up source. Costs to businesses in the park could be predictable and stable without the reliance on fossil fuel consumption.

Multiple terms were defined for the attendees: CHP (Combined Heat and Power Generation, Biomass Binary Combined Heat and Power, Conventional Condensing Power, Biomass Binary (Organic Rankine Cycle) Power, Large/Small Wind, Biodiesel from Algal Growth, industrial ecology, cluster-based economic development, cluster design.

The park itself will be organized into geographic clusters: Energy cluster, Office cluster, Education cluster, Retail cluster, Tourism cluster, Biofuel-Food Cluster. The first priority in establishing the park will be the Energy cluster with biomass binary combined heat and power. This would be the result of wood pellet production in which merchantable and non-merchantable biomass is produced. The non-merchantable biomass would be used for the combined heat and power production facility.

In the spring of 2011 a greenhouse would be installed in which to raise fish (tilapia-perch-trout) in a tiered water system. The waste from the fish production would be used in biodiesel production; the fish would be sold to meet the rising demand for fresh fish. It is hoped that the major consumers for the fish will be the local hospitals which have already shown a strong interest in the project. The greenhouse would be heated from the excess heat produced during the pellet production process and/or from the generator.

A great deal of interest has been expressed by UMD and Lake Superior College for the Education cluster as it would provide a hands-on opportunity for sustainability and ecology studies as well as research and development.

Discussion followed the presentation. Questions arose regarding the rezoning for the greenhouse, clustering of businesses, ownership of the businesses, who will be the consumers of the products produced by the various businesses, what will happen if there is any sort of fluctuation in the business climate, who is ultimately responsible for project costs since this is a new system. Another point of discussion was the entrance and exits to the park and the impact on traffic in the area. Additionally discussion touched on excess energy and the potential of selling it.

Also covered were the implications of the various users/usages and how they will conform to the NSMP. It was stated that during the process of establishing the park and with future activity in the park, the City of Silver Bay needs to be keep the NSMB informed as the project progresses.

3. Vacation Home Short Term Rentals

A concern in Lake County has been the number of short term rentals that are not regulated; many of which are occurring in the North Shore Management Zone.

Currently there is a moratorium in place on these rentals. The State statutes cover motels and hotels, and as it stands it is confusing and not clear on short term vacation rentals. Request was for feedback from the NSMB regarding the NSMP and the effect on these rentals within the zone.

It was pointed out that theoretically this not a Board issue as the buildings already exist under the plan, they have met the minimum standards set forth in the plan and they are in compliance for septic under the plan. However, if it is a new structure or the owners are adding parking spaces and impervious surfaces or adding height to their structure, then the plan would have to be considered. (Note: reference North Shore Management Plan Update, June 2004, Chapter 3: Shoreland Management Standards).

The issue appears to be when a single family dwelling which has been in usage with 2-3 bedrooms and 4 people with regular daily use is then rented for a short term for upwards to 17 people with constant use.

Discussion followed regarding the moratorium, conditional use permitting, how is short term rental defined, who would be responsible for enforcement if changes are made, time involved in licensing short term rentals, tax impact, implications for current Mom & Pop operations, and could this be an environmental issue.

4. Town of Silver Creek: Stewart River Waste Water Project

Mike Hoops, chair of the Town of Silver Creek presented information on the Stewart River Wastewater Project. The Stewart River project will provide a wastewater collection and treatment system for residents and businesses within the Stewart River Project area. The area currently has a 75% overall failure rate for individual sewage treatment systems. Due to the poor soils and the location of the identified parcels, a new wastewater collection system, similar to the system installed at Castle Danger, has been brought forth as viable solution.

The project will include settling ponds and filtering of all discharges. Lake County will provide tax-forfeit land for the wastewater treatment area and has funded the facility plan update. The proposed project has costs upward to \$5.5 million. The township is requesting a letter of support from the North Shore Management Board for the project. As there was no quorum, this item will be placed on the agenda of the next meeting.

5. Reports

A printout of the Environmental Website was provided. It is being considered if the NSMB will be able to have its own website, separate from ARDC's. This will be looked at in the near future.

The Annual Report for Fiscal Year 2010 was provided to members.

Report on local match receivables was provided. All members except for the Town of Lakewood have paid their match amounts.

6. Other Business

The membership list for Fiscal Year 2011 had been distributed and a request made for any changes. Mark Russell indicated he should have "III" behind his name and it should also be changed in the annual report.

Next meeting: Beaver Bay on January 20, 2011 at 5 PM

ATTEST:

Rich Sve, Chair

Elizabeth R. Sarabia, Recording Secretary