

BAXTER CITY COUNCIL MINUTES

**Work Session
October 3, 2017**

Mayor Darrel Olson called the Work Session to order at 6:30 p.m.

COUNCIL MEMBERS PRESENT: Mayor Darrel Olson, Council Members Quinn Nystrom, Todd Holman, Steve Barrows, and Mark Cross.

COUNCIL MEMBERS ABSENT: None.

STAFF PRESENT: City Administrator Bradley Chapulis, Police Chief Jim Exsted, Community Development Director Josh Doty, Assistant City Administrator Kelly Steele, Finance Director Jeremy Vacinek, and Public Works Director Trevor Walter.

REVIEW PLANS AND SPECIFICATIONS FOR THE 2018 EXCELSIOR ROAD AND EDGEWOOD DRIVE COMMERCIAL IMPROVEMENTS PROJECT

WSB Consulting Engineer Chuck Rickert explained the south leg of the roundabout has been eliminated, Frandsen Bank has a temporary left out from their site until the south leg is constructed, the church will receive access near their single-family home. The Fruth property will maintain a driveway. Most of the pedestrian trail on the south side has been removed, but trail facilities would be constructed up to the pedestrian ramps to eliminate the need to work in the area in the future. The storm sewer lift station at the corner at Forest and Excelsior to help solve some of the storm water problems. Still working on right-of-way for the left station.

The plan includes several improvements to Cub Foods, Brenny Funeral Home, and the strip mall. The property owners have seen the proposed improvements.

The total project cost is approximately \$4,450,000, which is similar to the feasibility study. Approximately one million will be assessed with the rest being city costs. Considering construction to start in the spring. All businesses will always have access through the construction. If the council chooses to move forward the project would be bid in October, with bids opened on November 13. The assessment process would be completed in November and December.

Mr. Rickert explained the council will consider acquisition offers during the closed session.

BLAEDC UNIFIED FUND

City Administrator Chapulis explained upon the conclusion of the last work session, the council was asked to provide any additional questions regarding the proposal to City Administrator Chapulis or Ms. Haverkamp. Those questions were provided to Ms. Haverkamp to discuss.

Ms. Haverkamp explained the City of Baxter has federal funds with federal restrictions. The City could name BLAEDC as the local development organization for fund distribution. Federal loan requirements would have to be met the first time the funds are lent. An organizational chart has been established for the fund. A unified fund board would be established, with each participating entity receiving one seat, including a couple of BLAEDC board members. If the loan request exceeds \$300,000 the unified board and BLAEDC would review the request. The board would

meet for each loan request and twice per year to review how the process is working. BLAEDC would attend one council meeting annually to provide an update. The board has already made one loan. To move forward with participation, the council would need to hold a public hearing and the state would also have to approve.

City Administrator Chapulis explained the board of representatives would establish the objectives, conflict of interest regulations, by-laws, and the loaning criteria. Ms. Haverkamp explained BLAEDC has already invested funds to establish the board. The administrative fund charged by BLAEDC would be used to off-set those costs. As of September, the fund would have \$3 million in cash and \$930,000 in receivables. Approximately \$230,000 of the receivables is on regular payment and \$700,000 is tied with Brainerd on their industrial lots.

Tyler Glynn, BLAEDC, explained this proposal is unique in the state. Ms. Haverkamp has met with two different Baxter companies regarding early project development stages. A company can receive up to a \$500,000 loan. Council Member Holman inquired what the process would be for the public to track meeting minutes and board actions. Ms. Haverkamp explained she would have to review the public process as some information obtained by the board would be private.

City Administrator Chapulis explained the intention is to continue the conversation at the next council meeting and for the council to consider calling for the public hearing to be held in November.

ADJOURN:

MOTION by Council Member Barrows, seconded by Council Member Cross to adjourn the council work session at 6: p.m. Motion carried unanimously.

Approved by:

Respectfully submitted,

Darrel Olson
Mayor

Kelly Steele
Assistant City Administrator