

**Minutes of HRA City Board Meeting
Monday, December 12, 2022, at 12:00 pm**

CALL TO ORDER

Chair Skaare called the meeting to order at 12:16 p.m. in the Council Chambers at City Hall.

ROLL CALL

Members present: Ken Skaare, Dan Mensing, Mark Maher, Rick Scholtes, and Kim Shaffer
Staff present: Mary Kennedy, City Administrator; Amy Schaefer, Economic Development Specialist;
Megan Hanson-Haase, Executive Director/Housing Manager

DETERMINATION OF QUORUM

A quorum was present. No public comment.

APPROVAL OF MINUTES

The minutes from the HRA City Board meeting of November 14, 2022, were provided in the HRA packet for the board to review.

MOTION BY MENSING, SECOND BY SCHOLTES, TO APPROVE THE MINUTES OF THE HRA CITY BOARD MEETING OF NOVEMBER 14, 2022. THE MOTION PASSED UNANIMOUSLY.

BUDGET UPDATE AND APPROVAL OF BILLS

The bills were provided in the HRA packet for the board to review. Scholtes communicated that the Council will be adding \$10,000 to the 2023 HRA budget if approved on Monday's meeting.

MOTION BY MAHER, SECOND BY SHAFFER, TO APPROVE THE BILLS AS PRESENTED TO THE BOARD. THE MOTION PASSED UNANIMOUSLY.

CORRESPONDENCE/COMMUNICATIONS

None

OLD BUSINESS

103 Bluestem

Kennedy presented the proposal from Square Konstruktion to take care of the exploratory and discovery work at 101 and 103 Bluestem at a rate of \$90 per hour and once a plan is established, any work done on the sites be subcontracted by Square Konstruktion and invoiced to the city at the invoice cost plus 15%. Shaffer inquired if the Hanson's have been contacted. Kennedy confirmed that City Attorney, David Frundt is working with them on an agreement. The first step is to figure out where everything is and what is going on and then an agreement will come to fix the problem.

MOTION MADE BY MENSING, SECOND BY MAHER, TO ACCEPT THE EXPLORATORY/DISCOVERY PROPOSAL FROM SQUARE KONSTRUKTION AT 101 AND 103 BLUESTEM. THE MOTION PASSED UNANIMOUSLY.

Next, Scholtes proposed that Hanson's should be given something for the inconvenience of the exploratory work as they would need to agree to let the contractor in the house to explore. Mensing inquired if the Hanson's are aware of the current situation and Kennedy confirmed they are. Skaare suggested that Hanson's want to work together to solve the problem.

MOTION BY SCHOLTES TO PAY UP TO \$5,000.00 TO HANSON'S TO SIGN AN AGREEMENT TO DO THE EXPLORATORY/DISCOVERY ON THE PROPERTY AND FIX THE PROBLEM.

The board had some discussion on whether compensation be a part of the agreement and the amount of that compensation. Shaffer suggested waiting with that decision until the contractor has a solution as the inconvenience is worth something, but until there is a solution, the dollar amount is unknown. The Board agreed that having the solution before compensation is offered was a good idea. Shaffer noted he would like to propose an amendment to the original motion by Scholtes.

SCHOLTES WITHDREW HIS MOTION.

MOTION BY SHAFFER, SECOND BY SCHOLTES, TO APPROVE \$500.00 TO THE HANSON'S TO EVALUATE AND PROCEED WITH THE EXPLORATORY AND DISCOVERY WITH POSSIBLE ADDITIONAL COMPENSATION AFTER THE SOLUTION IS REACHED. THE MOTION PASSED UNANIMOUSLY.

NEW BUSINESS

Kennedy brought forth a pay estimate for \$47,050.00 for the 8th and Rice Street project along with the update she received from Square Konstruktion. Kennedy also passed out a change order, in the amount of \$87,632.23, for separating the townhomes into four separate sewer and water services. Square Konstruktion connected with the building inspector, Steve Anderson, and he reassured them that four separate services are required for code compliance.

MOTION BY SCHOLTES, SECOND BY MENSING, TO APPROVE THE \$87,632.23 CHANGE ORDER FROM SQUARE KONSTRUKTION. THE MOTION PASSED UNANIMOUSLY.

OTHER BUSINESS

None

DIRECTOR'S REPORT

City Administrator Mary Kennedy

Kennedy provided her update in the packet. Kennedy added an update on the MCPP program. There have been 2 loans totaling \$268,669.00 with deferred down payments used to purchase homes through the program and there is no cost to the city.

Economic Development Specialist Amy Schaefer

Schaefer provided her update in the packet.

ADJOURNMENT

The next City HRA Board meeting will be held on Monday, January 9, 2022.

MOTION BY SCHOLTES, SECOND BY MENSING, TO ADJOURN THE MEETING. THE MOTION PASSED UNANIMOUSLY.

Skaare adjourned the meeting at 12:46 p.m.