

**MINUTES
SPECIAL CITY COUNCIL MEETING – WORKING SESSION**

AUGUST 13, 2013

Mayor Jeff Thompson called the meeting to order at 6:00 p.m. Council members present were Jean Soine, Kay McDaniel, Donovan Mayer, and Gene Beavers (6:05 p.m.). Others present were Renee Eckerly, City Administrator; Jennifer Welling, Administrative Assistant; Ron Mergen, Public Works Director; Amber Young, Social Media Specialist; and Bill Spooner, City Attorney.

PAHCS – FIRST RIGHT OF REFUSAL

Representatives from PAHCS will be in attendance for tomorrow night's City Council meeting and Dennis Miley, CEO has asked that any questions the Council might have be emailed to him. The Agreement To Transfer Assets was reviewed. This Agreement is complicated due to the debt that was taken over by the Hospital from the City and the Agreement is not very detailed.

There was some discussion on the official notice and time period for the First Right of Refusal.

Two questions were raised:

1. The need for the First Right of Refusal?
2. Does the City want to take over senior housing?

There is a sense that a new agreement won't happen until the City gives up their first option to purchase.

The debt and original transfer of property was discussed.

It was stated that it appears that the intent of the original Agreement was that there needs to be a hospital and health care system here and how does the City make sure that intent stays there.

There was further concern with losing the hospital. This question was asked at the PAHCS Open House and it was stated at that time that they don't plan on shutting down the hospital.

It was questioned why the City would give up the option to keep the hospital. It was argued why the City would want it. The City would assume all the debt that goes with it as well as have to purchase the properties.

Questions for Miley:

1. Is it possible to waive the right with PAHCS, but have a similar agreement with CentraCare?
2. What is the hospital's total debt that is secured by buildings and pledged as collateral for the debt?
3. Can the City receive a draft of the Agreement PAHCS is going to sign?

It was asked if the City could discuss these issues in a closed session. Spooner said no.

AREA CENTER RESPONSE LETTER

McDaniel commented that she had requested this be on the agenda to commend Mergen and Eckerly on the great job they had done.

COMMITTEE/COMMISSION/BOARD MAJOR PROJECTS - REPORTS

Mayer mentioned that the Planning Commission would like to tackle the Zoning Ordinance and to hire an outside facilitator to do such.

Spooner suggested the LMC's basic code for municipalities.

CITY OWNED LAND

The Mayor had requested that this be on the agenda. Eckerly is working on a map showing all City-owned land.

BUDGET

It was reported that the 2014 Budget is being worked on and that money to update the Zoning Ordinance should be included.

There being no further business, the meeting was adjourned at 7:07 p.m.

Renee Eckerly, City Administrator