

The Milnor City Council convened for a special meeting at the Milnor Community Center at 7:00 p.m., Wednesday, March 18, 2020. Council members present: Curtis Anderson, Merrill Decker, Charles Faber and Monty Haugen. Absent: Nannette Severson. Also present: City Attorney LeeAnn Even, Carol Peterson, Mary Engst, David Even, Terry Dusek and Jennie Hanna.

Mayor Terry Dusek called the meeting order.

Mayor Dusek informed the council the meeting was being called to discuss the proposed commercial lease agreement with potential grocer Tenant A.

At this point in the meeting, Mayor Dusek called a recess to the regular meeting, in order to hold an executive session with the council members, LeeAnn Even, Carol Peterson and Jennie Hanna in the city office to discuss the proposed commercial lease agreement. After the executive session concluded, everyone rejoined the regular meeting.

Mayor Dusek stated before council voted on the proposed lease agreement, he wanted to provide a synopsis as to how the city reached their decision. He stated the first 8 different grocers the city had talked with had said no to taking over the business. Dusek said he was provided with a couple of names from an individual from Fargo. Dusek and Carol Peterson had met with the 2 individuals about 3 weeks ago. They had decided to go with Tenant A, who will bring Spartan Nash back to the grocery store and increase the operating hours. Dusek stated part of the lease agreement and part of Tenant A's concern is if there was an unsolicited offer from a 3<sup>rd</sup> party to buy the Sebens Building after a number of years, and the city decided to sell it to a 3<sup>rd</sup> party, that party could be a competitor of Tenant A and may just close the grocery store. Therefore, included in the lease is right of first refusal, because the city doesn't want that to happen, they want to maintain a grocery store in Milnor, which is the main reason why the city bought the building back.

Member Anderson asked Mayor Dusek if the lease agreement will be public. Dusek stated the lease agreement will be recorded and will be kept in the city office, since it will be a public record, but he doesn't want the details of the lease agreement published in the Teller. Dusek reported the lease agreement will be signed the next day at 10:00 am, if approved.

Motion to accept the terms presented in the commercial lease agreement between the City of Milnor and Grocer Tenant A, to be executed on the 19<sup>th</sup> of March, 2020 at 10:00 am (Faber/Haugen, with a roll call vote taken with Anderson, Decker, Faber and Haugen voting aye, no nays. Member Severson was absent. Motion passed).

Member Anderson questioned when the door at the grocery store will be fixed. Mayor Dusek stated he would call the repair company the next day.

Motion to adjourn (Haugen/Faber, unanimous).

Jennie Hanna, Auditor

Terry Dusek, Mayor