

KINDRED CITY COUNCIL SPECIAL MEETING MINUTES

09-18-2020 at 1:30 pm

Virtual Meeting Via MS Teams

Present: CMs Spelhaug, Amerman, and Peraza. Absent: Mayor DuBord and CM Stoddard.
Also present were Brandon Oye, Brandon Reber, and Pat Downs of Moore Engineering, City Attorney Sarah Wear, PWS Rich Schock, and City Auditor Tabitha Arnaud.

Meeting called to order at 1:32pm.

1. Lagoon Expansion Project – Land Option/Purchase Update

Brandon Oye and CM Spelhaug shared that the previous offer to David Braaten of \$302,500 for 81 acres (equal to \$6050/ac) was rejected. The land appraisal was completed and received, providing a total value of \$532,000 for 81.16 acres, or \$6655/acre. Mr. Braaten counter offered requesting double the appraised value, siting agricultural land being taken out of production increasing it's worth, \$13,300/ac for 50 acres of permanent acquisition and \$6650/acre for 30 acres of construction easement, totaling \$864,500. Discussion regarding Mr. Braaten purchasing a life insurance policy, naming the City as a beneficiary, could reduce the upfront costs on a purchase. City Attorney Sarah Wear was unable to confirm viability of such an agreement and stated it could be hard to confirm and/or enforce. Recommendation was to not pursue that avenue as a supplement to a purchase agreement. Mr. Pat Downs stated that they did attempt a counter offer to Mr. Braaten on his counter, of \$10K/ac for 50 acres and \$5K/ac for 30 acres, but that was refused as well.

Discussion on the 40-acre Naslund site, the second land option located just North of the Braaten site. With the smaller parcel of land and the road/drain easements to consider, the usable acreage could drop to 37.5 acres so there is potential the lagoon cell sizes would need to be decreased just a bit to fit within this option. For comparison, the original plan for the expansion at the Ottis property was 38.5 acres. If Naslund site is chosen, a construction easement would need to be acquired as well. CM Spelhaug contacted abutting property owner, Torgerson's, who seemed to be open to the option of a 20-acre temporary construction easement.

All present council members felt the counter offer was too high for the project costs and wanted to further explore the Naslund site. Engineer's recommendation was to offer Naslund \$5500/acre, up to \$7500/ac.

**MOTION, passed – To reject the counter offer to David Braaten for 80-acre purchase;
Peraza moved, Amerman seconded. RCV; Motion carried unanimously.**

**MOTION, passed – To make offer to Randy Naslund of \$224,015 for purchase of 40.73 acres,
not to exceed \$305,475;
Peraza moved, Spelhaug seconded. RCV; Motion carried unanimously.**

2. Water Towner – Finalizing project items

Maguire Iron called Moore Engineering and was unhappy with the \$2000 counter withheld from the final payment for grass establishment. Per Moore, CM Spelhaug, and PWS Schock, the grass has not reached acceptable growth. In part due to lack of seeding/watering, which was included in the project plans. Discussed splitting the \$2000 in half and choosing to finalize the project or whether to make them come back to reseed next season.

**MOTION, passed – To change the deduction on the final payment to \$1000 and consider the
project final;
Amerman moved, Peraza seconded. RCV; Motion carried unanimously.**

Meeting adjourned at 2:02pm.

Tabitha Arnaud, City Auditor

Jason DuBord, Mayor

Date approved