



**AGENDA FOR  
REGULAR CITY COUNCIL MEETING  
JULY 1, 2025 – 5:00 P.M.**

1. **Pledge of Allegiance**
2. **Call to Order**
  - Roll Call and Establishment of Quorum
3. **Approval of Agenda**
  - Council Changes
  - Staff Changes
4. **Approval of Minutes**
  - A. June 17, 2025
5. **Audience Participation** (10-minute time limit for items not on the agenda)
6. **Consent Agenda** (items approved with one motion)
  - A. Approve Emerald Ash Borer Response Expenses
  - B. Approve Block Party/Street Closure – 321 S. Washington St.
7. **Scheduled Public Hearings**
  - A. Assessments for Delinquent Accounts and Surcharges – Resolutions #39 & #40
8. **Old Business**
9. **Regular Agenda**
  - A. Library Donation from Redwood Area Library Foundation and Redwood Falls Rotary – Resolution #41
  - B. Lake Redwood Confined Disposal Facility Use Agreements – Resolution #42
  - C. Release of Development Agreement with Redwood Falls Industries – Resolution #43
10. **Other Items and Communications**
  - A. Council Items
  - B. Staff Items
11. **Paid Bills and Claims – For Informational Purposes**
  - A. City of Redwood Falls Accounts Payable Summary
12. **Adjournment**

**MINUTES  
REGULAR COUNCIL MEETING  
CITY OF REDWOOD FALLS, MINNESOTA  
TUESDAY, JUNE 17, 2025**

Pursuant to due call and notice thereof, a regular meeting of the Redwood Falls City Council was called to order in the Municipal Chambers on Tuesday, June 17, 2025, at 5:00 p.m.

Roll call indicated Mayor Tom Quackenbush and Council Members Matt Smith, Denise Kerkhoff, Larry Arentson, and Shannon Guetter were present, constituting a quorum. Council Member Jim Sandgren was absent.

Also present were City Administrator Keith Muetzel, Finance Director Kari Klages, City Attorney Trenton Dammann, Public Works Project Coordinator Jim Doering, and Deputy City Clerk Caitlin Kodet.

A motion was made by Council Member Kerkhoff and seconded by Council Member Guetter to approve the agenda. Motion passed by unanimous vote.

A motion was made by Council Member Smith and seconded by Council Member Arentson to approve the June 3, 2025, minutes as presented. Motion passed by unanimous vote.

Mayor Quackenbush opened a public hearing at 5:02 p.m. for the Liquor License Violation Hearing – Redwood County VFW Post 2553.

City Attorney Dammann stated on December 22, 2023, the Redwood Falls Police Department conducted an alcohol compliance check at Redwood County VFW Post 2553 (“VFW”). The VFW failed the compliance check as an alcoholic beverage was sold to an underage individual cooperating with the Police Department. Upon review of the criminal case in Court File No. 64-CR-24-856, Chelsey Lynn Malecek, an employee of the VFW pled guilty on May 2, 2025, to Furnishing Alcohol to a Minor in violation of Minn. Stat. 340A.503.2(1) in relation to the incident from December 22, 2023. Furnishing alcohol to a minor is also a violation of Redwood Falls City Ordinance §5.15, subd. 2(A).

City Attorney Dammann stated pursuant to City Code Section 5.02, Subd. 4(F), on May 20, 2025, notice of this hearing before the Council was sent to Roger Zollner, the license applicant for VFW, via certified mail. The written notice stated the time, place, and purpose of the hearing. On May 27, 2025, Mr. Zollner acknowledged receipt of the notice during a telephone call with staff and later indicated agreement with the proposed recommendations via email.

City Attorney Dammann stated City Staff recommends, following a hearing to allow the license holder an opportunity to be heard, that the liquor license for Redwood County VFW Post 2553 be suspended for a period of seven (7) days, but that the suspension be stayed on the conditions that the license holder complete the following: (1) no alcohol sale violations for a period of 2 years; (2) pay a \$500 civil penalty to the City of Redwood Falls pursuant to City Code Section 5.02, Subd. 4(F); and (3) that the license holder show proof to the City Attorney or City Staff that VFW staff and/or management have attended an alcohol-sales continuing education course since the date of the violation.

No one was present to provide comments during the hearing.

Mayor Quackenbush closed the public hearing at 5:07 p.m.

A motion was made by Council Member Smith and seconded by Council Member Arentson to approve the Findings and Order for Liquor Violation with the included conditions for Redwood County VFW Post 2553. Motion passed by unanimous vote.

Mayor Quackenbush opened a public hearing at 5:07 p.m. for the Tobacco License Violation Hearing – The Market at Redwood.

City Attorney Dammann stated on November 23, 2024, the Redwood Falls Police Department conducted a tobacco compliance check at The Market at Redwood (“Market”). The Market failed the compliance check as tobacco product was sold to an underage individual cooperating with the Police Department. Upon review of the criminal case in Court File No. 64-VB-24-1487, Madalyn Rose Peterson, an employee of the Market pled guilty on March 7, 2025, to Sale of Tobacco/Tobacco Related Device to Children-Under 21 Years Old, in violation of Minn. Stat. Sec. 609.685.1a(a) in relation to the incident from November 23, 2024. Selling tobacco to a minor is also a violation of Redwood Falls City Ordinance §6.23, subd. 4(A) (Ord. 11, Fourth Series, passed 10-19-2010).

City Attorney Dammann stated pursuant to City Code Section 6.23, Subd. 6(B) (Ord. 11, Fourth Series, passed 10-19-2010), on May 29, 2025, notice of this hearing before the Council was sent to Darcy Sella, the license applicant for the Market, via regular mail. The written notice stated the time, place, and purpose of the hearing. On June 3, 2025, Ms. Sella acknowledged receipt of the notice and indicated agreement with the proposed recommendations via email.

City Attorney Dammann stated City Staff recommends, following a hearing to allow the license holder an opportunity to be heard, that the tobacco license for The Market at Redwood be suspended for a period of three (3) days, but that the suspension be stayed on the conditions that the license holder complete the following: (1) no tobacco sale violations for a period of 2 years; (2) pay a \$250 administrative fine to the City of Redwood Falls by September 17, 2025; and (3) that the license holder show proof to the City Attorney or City Staff that Market staff and/or management have attended a Minnesota tobacco retailer continuing education course since the date of the violation.

No one was present to provide comments during the hearing.

Mayor Quackenbush closed the public hearing at 5:11 p.m.

A motion was made by Council Member Guetter and seconded by Council Member Kerkhoff to approve the Findings and Order for Tobacco Violation with the included conditions for The Market at Redwood. Motion passed by unanimous vote.

Craig Popenhagen CPA, Principal with CliftonLarsonAllen, and Elizabeth Mickelson CPA, Manager with CliftonLarsonAllen were present to give an overview of the 2024 audit results for the City of Redwood Falls.

Mr. Popenhagen stated this was an unmodified clean audit with no internal control findings. Due to the amount of Federal funds received for Highway Planning & Construction, a Single Audit was required. The Single Audit found that the City complied with the specific funding requirements. The audit findings are an indication of the City’s high-quality internal control process, reviews that are in place, and overall attention Staff gives to the year-end balances.

A motion was made by Council Member Guetter and seconded by Council Member Kerkhoff to accept the 2024 City Audit results and reports as submitted. Motion passed by unanimous vote.

Finance Director Klages introduced Resolution No. 37 of 2025 – A Resolution Accepting a Donation to the City.

Ms. Klages stated Minnesota Statute 465.03 gives the city authority to receive donations and requires them to be formally accepted by resolution, adopted by a two-thirds vote of the Council. Resolution No. 37 authorizes the acceptance of a financial contribution in the amount of \$3,000 from Reforest Redwood Falls. This donation is designated to support the replacement of trees at Knollwood Park, which were removed due to the presence of Emerald Ash Borer. The total estimated cost of the tree replacement project is \$6,665.00.

A motion was made by Council Member Guetter and seconded by Council Member Kerkhoff to waive the reading of Resolution No. 37 of 2025 – A Resolution Accepting a Donation to the City. Motion passed by unanimous vote.

A motion was made by Council Member Arentson and seconded by Council Member Guetter to approve Resolution No. 37 of 2025 – A Resolution Accepting a Donation to the City. Motion passed by unanimous vote.

Public Works Project Coordinator Jim Doering introduced Resolution No. 38 of 2025 – Authorization to Execute Task Order No. 2025-6 For Redwood Falls Municipal Airport Runway 12/30 Rehabilitation & Lighting System Replacement Project Construction and Administration Including Bid Award With Contingencies.

Mr. Doering stated Resolution No. 38 authorizes the bid award to Duininck Inc. in the amount of \$2,927,254.80 for the Airport Runway 12/30 Rehabilitation & Lighting System Replacement Project, contingent upon funding and approval of the subsequent grant agreements from the Federal Aviation Administration (FAA) and State of MN. The award also approves the Runway 12/30 Rehabilitation & Lighting System Replacement Project. In addition, Resolution No. 38 approves the Construction and Administration Task Order No. 2025-6 with Bolton & Menk Inc., which would fall under the same contingencies. Staff recommend approval of Resolution No. 38.

Mr. Doering stated bids were received digitally and opened at 11:00 a.m. on June 11, 2025. Three bids were received for the solicitation ranging from the presented low bid up to \$3,065,652.04. The engineer's estimate for the Project was \$2,670,204.00. The anticipated funding participation rates are 95% Federal, 2.5% State and 2.5% Local. Task Order No. 2025-6 with Bolton and Menk, Inc. (BMI) to provide the listed scope of services for construction and administration of the Airport Improvement Project (AIP) not to exceed \$700,000.00 lump sum. The anticipated funding participation rates are 95% Federal, 2.5% State and 2.5% Local. Council approved the Airport Capital Improvement Plan (CIP) on September 17, 2024. The anticipated runway project construction will begin in the spring of 2026. Council approved the solicitation of bids by Resolution No. 32 of 2025 on May 20, 2025.

Mr. Doering further stated Council should be aware the pre-application for the earmarked funds is due at the end of June which requires bid results, approved plans and specifications. The execution of the Federal and State grants by Council is anticipated to take place at the first meeting in August 2025. The expected first draw of the grant to cover accrued expenses would begin in September 2025 when we have access to the grant funds. The total project cost estimate is \$4,066,834.00 for FFY '25 and '26 project components which includes construction, engineering, and administration. The project is being funded primarily with FAA federal entitlement and discretionary funds. The breakdown of funding is as follows: Federal (95%) = \$3,863,492.30, State (2.5%) = \$101,670.85, and City (2.5%) = \$101,670.85

A motion was made by Council Member Kerkhoff and seconded by Council Member Smith to waive the reading of Resolution No. 38 of 2025 – Authorization to Execute Task Order No. 2025-6 For Redwood Falls Municipal Airport Runway 12/30 Rehabilitation & Lighting System Replacement Project Construction and Administration Including Bid Award With Contingencies. Motion passed by unanimous vote.

A motion was made by Council Member Arentson and seconded by Council Member Guetter to approve Resolution No. 38 of 2025 – Authorization to Execute Task Order No. 2025-6 For Redwood Falls Municipal Airport Runway 12/30 Rehabilitation & Lighting System Replacement Project Construction and Administration Including Bid Award With Contingencies. Motion passed by unanimous vote.

Library Director Connie Lechner was present to provide a Library Expansion Project Update.

Ms. Lechner stated Staff received notice that the general obligation bonding bill SSHF18 had an amendment that provided the City of Redwood Falls with an exemption to the SB 2030 Energy Standard, which includes the B3 Guidelines for energy standards on all projects receiving funding from the State of Minnesota. The City was awarded a \$1 million grant from the Commissioner of Education for the Library Expansion Project. The additional requirements were causing cost increases to the project and project delays. Staff worked directly with Senator Gary Dahms and Representative Paul Torkelson to lobby for the exemption. Staff intend to incorporate some of the energy efficient concepts and designs where they fit for this project.

Public Works Project Coordinator Doering stated with the B3 exemption, Staff can move forward with the expansion planning without the additional B3 costs. The grant agreement with the Department of Education will need to be amended, but Staff can move forward with Engan Associates on the architectural side of things and continue the planning process.

No action was taken.

Public Works Project Coordinator Doering stated there have been no issues with the sanitary sewer systems from the recent rain events. The sanitary sewer ponds are functioning normally.

Mayor Quackenbush stated the Celebrate Redwood Falls Summer Splash events are Friday, June 20, through Sunday, June 22.

Public Works Project Coordinator Doering provided an update on the grant application for the Redwood Falls Community Trail. Staff recently received notice that the City has been awarded a grant from the Orrin S. Estebo Foundation in the amount of \$42,870.00 to reduce a portion of the estimated ineligible costs associated with the Safe Routes to School (SRTS) trail grant project.

Bills and Claims were presented to the Council for informational purposes. No questions, comments, or concerns were raised.

There being no further business, a motion was made by Council Member Arentson and seconded by Council Member Kerkhoff to adjourn the meeting at 5:53 p.m. Motion passed by unanimous vote.

ATTEST:

\_\_\_\_\_  
Keith Muetzel  
City Administrator

\_\_\_\_\_  
Tom Quackenbush  
Mayor

## AGENDA RECOMMENDATION

**Meeting Date:** May 6, 2025

**Agenda Item:** Approve Emerald Ash Borer Response Expenses

**Recommendation/Action Requested:** Staff recommends approval of the Emerald Ash Borer Response Expenses.

**Summary/Overview:** The emerald ash borer (EAB), an invasive insect that targets and kills all species of ash trees, continues to pose a significant threat to our community.

In response to the growing impact of EAB, the City began the coordination of the removal of dead and infected ash trees within the public right of way and from public property and recently established a tree committee to provide oversight and guidance of tree removal and replacement efforts.

The City contracted with Keck Tree Service to remove and clean up 152 stumps, the majority of which were ash trees. The trees were removed at Knollwood park and along City boulevards. The cost of removal is \$30,400.

Following the completion of the ash tree removal, Redwood Falls Nursery provided tree replacement at Knollwood Park. The cost of the tree replacement was \$6,735.

These expenditures were not included in the 2025 budget and therefore according to the City's purchasing policy, City Council ratification is required.

**Attachments:** Keck Tree Service Invoice  
Redwood Falls Nursery Invoice

Date 6-7-25

Name Knollwood Park Street \_\_\_\_\_  
 Post Office Redwood Falls State \_\_\_\_\_ Zip \_\_\_\_\_ Telephone \_\_\_\_\_

I have this day bought of the  
**REDWOOD FALLS NURSERY, INC.**

PO BOX 304, REDWOOD FALLS, MINNESOTA 56283 • PHONE 507-637-8615 • FAX 507-637-5868

when goods are:  delivered  planted  called for

All nursery stock sold by the Redwood Falls Nursery, Inc. is guaranteed to grow until June 1 of the year after purchase unless otherwise noted. Plants which fail to grow will be replaced free of charge provided they have been given proper care, and in the absence of other agreement, the account is paid in full. Requests for replacements must be accompanied by a sales slip. Guarantee does not apply to annuals, perennials, or roses. Under no circumstances can the Redwood Falls Nursery, Inc. be held liable for more than the purchase price of the affected plants. A finance charge is computed on the balance due at a periodic rate of 1 1/2 % (annual percentage rate of 18%) is added to the amount over 30 days.

Redwood Falls Nursery will call Gopher-One utility locate service and have all public utilities located and marked when necessary. Customer's private utilities (sprinkler systems, dog fences, outdoor lighting cables, etc.) is the customer's responsibility. Redwood Falls Nursery IS NOT responsible/liable for damages to these lines, wires and components.

Quantity	Size or Grade	Variety	Unit Price	Total Price
6	1" BR	Princeton Elm	145.00	870.00
4	#10	Skyline Locust	225.00	900.00
3	#10	Hackberry	245.00	735.00
7	#17	Fall Fiesta Maple	190.00	1330.00
2	#10	Prairie Stature Oak	280.00	560.00
1	#10	Green Spire Linden	245.00	245.00
3	#10	Princeton Elm - list \$240.00	145.00	435.00
4	yds	Mulch		260.00

Approved: [Signature]

PLANTING	405-4-5122-3409 Project 154-3999 Nursery Donation	MATERIALS	5335.00
EDGING INSTALLATION		SALES TAX	
ROCK & FABRIC INSTALLATION		LABOR	1900.00
		TOTAL	7235.00
		DOWN PAYMENT	500.00
		TOTAL DUE	6735.00

Seller \_\_\_\_\_ Purchaser's Signature \_\_\_\_\_



# INVOICE

Thank you for your business!

**Keck Tree Service**  
26977 County Road 15  
Lamberton, Minnesota 56152  
United States

5072270860

**BILL TO :**

**City of Redwood Falls**  
333 South Washington Street  
P.O. Box 526  
Redwood Falls, Minnesota 56283  
United States

**Invoice Number:** 1240

**Invoice Date:** June 2, 2025

**Payment Due:** June 17, 2025

**Amount Due (USD): \$30,400.00**

Items	Quantity	Price	Amount
<b>Removal of 152 stumps</b> (averaging stumps at \$150/stump)	152	\$150.00	\$22,800.00
<b>Clean-up of 152 stumps and hauling out of material</b> \$50/stump	152	\$50.00	\$7,600.00
		<b>Total:</b>	\$30,400.00
		<b>Amount Due (USD):</b>	<b>\$30,400.00</b>

405-4-5122-3409  
Project 154-3999

Approved: *[Signature]*

A 3.5% per month finance charge will be added to late payments.

## AGENDA RECOMMENDATION

**Meeting Date:** July 1, 2025

**Agenda Item:** Block Party/Street Closure Request – The Circle of Healing

**Recommendation/Action Requested:**

Rae Lynn Stands on behalf of The Circle of Healing Enrichment Program has requested permission to block off a portion of South Washington St., between 3<sup>rd</sup> Street and 4<sup>th</sup> Street, on Saturday, August 16, 2025, from 10:00 a.m. to 10:00 p.m. for a community worship event, “Worship in the Streets”. Staff recommends approval.

Upon approval by City Council, Staff will notify Ms. Stands and reaffirm the City policy regarding barricades and garbage.

cc: Police Chief Jason Cotner  
Street Superintendent Darren Hacker

6/26/25

The Circle of Healing Enrichment Program  
321 South Washington  
Redwood Falls, MN 56283  
Rae Lynn Stands  
507.430.1577



### Worship in the Streets Proposal

Thank you for taking the time to read and consider this. I am asking the city if I can shut down the street of Washington in front of my building between 3rd and 4th street. To hold a Worship in the Streets on Aug 16th 2025. It's a Saturday so the businesses that are there won't be affected. I would like to have it shut down at 10 am that day to give my team time to get the sound systems in place.

The night will be a free event for the community that is centered around worship. There will be a few different pastors speaking in between times of worship. I will be connecting with different churches in the area seeing if they would like to put up a stand with their information/fundraising for their church. It will also be open to nonprofits and organizations this year as well. All the plans aren't completely in place but I have already started making plans as long as it is approved by the city. So far Northwood church and their worship team, Alliance Church, E Free church and First United Methodist are joining the event. The building will be open for bathrooms or we will have a porta potty . I would like to find a way to have some picnic tables available.

If you have any questions, comments or concerns please email me at [thecircleofhealingenrichmentpr@gmail.com](mailto:thecircleofhealingenrichmentpr@gmail.com) or by phone 507-430-1577

Sincerely,

Rae Lynn Stands

## AGENDA RECOMMENDATION

**Meeting Date:** July 1, 2025

**Agenda Item:** Resolution No. 39 of 2025 – Resolution Adopting Assessments for Delinquent Utility Accounts  
Resolution No. 40 of 2025 – Resolution Adopting Assessments for Unpaid Surcharges

**Recommendation/Action Requested:** Open public hearing to discuss proposed resolutions. After discussions are held, close the public hearing. Read the resolutions or make a motion to waive the reading of the resolutions. If there are no concerns, adopt proposed resolutions by motion in accordance with Chapter 4 of the City Charter.

**Summary/Overview:** Attached for your consideration are two resolutions handling delinquent utility and surcharges that are 30 days past due. Similar resolutions are brought to the Council on a quarterly basis in order to improve the time between the delinquent utility bill and our ability to disclose the information to new owners. The delinquent account resolutions will be presented at the first meeting in January, April, July, and October. Staff recommends approval of the resolutions as mentioned above.

**Delinquent Process:**

- Delinquent letters are mailed to the utility account holders.
- Delinquent letters are then mailed to the property owners if not collected from account holders.
- Pending assessments are published two weeks prior to the Public Hearing.
- Any unpaid balance is then brought to the Council to be approved by resolution.
- Pending assessments passed by resolution and still outstanding as of November 1 will be charged a \$50 fee and then transferred to Redwood County to be assessed on the tax rolls.

**Attachments:** Resolution No. 39 of 2025  
Resolution No. 40 of 2025

**RESOLUTION NO. 39 OF 2025  
RESOLUTION ADOPTING ASSESSMENTS FOR DELINQUENT UTILITY ACCOUNTS**

**WHEREAS**, Section 9.02 of the Home Rule Charter of the City of Redwood Falls provides that the City Council may provide by Ordinance that the costs of any utility services provided to a property located within the City of Redwood Falls may be assessed against the property benefited and collected in a like manner as are special assessments; and

**WHEREAS**, Section 3.04, Subd. 8(D) of the Redwood Falls City Code of Ordinances provides that each utility account which is more than thirty (30) days delinquent may, when authorized by Resolution of the City Council, be certified by the City Administrator of the City of Redwood Falls to the County Auditor for payment in a single installment; and

**WHEREAS**, certain accounts, as listed on this resolution, have been established with the Redwood Falls Public Utilities Department for the purpose of providing utility services to the premises specified for each account listed therein, said premises being located in the City of Redwood Falls, Redwood County, Minnesota; and

**WHEREAS**, there is an outstanding balance that is more than thirty (30) days delinquent on the customer accounts listed below in the amount as set forth therein; and

**WHEREAS**, pursuant to proper notice duly given as required by law, the council has met and heard and passed upon all objections to the proposed assessment of delinquent utility accounts listed below.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF REDWOOD FALLS, MINNESOTA:**

1. The properties listed below are hereby specially assessed in the amount specified for each parcel. The amounts certified may include a \$50.00 assessment fee.
2. Such assessments shall be payable in a single installment.
3. The owner of any property so assessed may, at any time prior to certification of the assessment to the County Auditor, pay the whole of the assessment on such property to the City Treasurer.
4. Before certification of the assessment to the County Auditor, the City Administrator or other authorized official, is authorized and directed to accept partial prepayment of the assessment, but not less than 50% of the total amount of any assessment, and reduce the amount certified to the County Auditor accordingly. Partial prepayment may be accepted only during the 30-day period following approval of the assessment.
5. The Accounts Receivable Coordinator shall forthwith transmit certified duplicates of the assessments to the county auditor to be extended on the property tax lists of the county. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

ACCOUNT	LEGAL DESCRIPTION	PARCEL	AMOUNT
01-03210-04	HITCHCOCK 2 <sup>ND</sup> , LOT 4, BLOCK 4	88-423-0680	\$703.20
01-03420-04	ORIGINAL, LOT 1, BLOCK 12	88-200-2080	\$145.93
01-03920-08	ORIGINAL, 2 <sup>ND</sup> N 24' LOTS 11 & 12, BLOCK 15	88-200-2620	\$187.68
01-04170-06	ORIGNAL, S 48' OF 40' LOT 11 & S 48' LOT 12, BLOCK 15	88-200-2580	\$234.02
02-00300-08	HITCHCOCK 3 <sup>RD</sup> , COM 180' W OF NE COR, S 120', W 60', N 120', E 60', PT OF N ½, BLOCK 1	88-424-0080	\$145.93
02-01560-03	HITCHCOCK, LOT 8, BLOCK 6	88-422-1180	\$1,221.40
02-01750-02	HITCHCOCK, LOT 3, BLOCK 8	88-422-1080	\$2,352.26
02-02090-01	HITCHCOCK, LOT 6, BLOCK 7	88-422-1360	\$145.93
02-03370-06	HITCHCOCK 3 <sup>RD</sup> , LOT 6, BLOCK 4	88-424-0680	\$853.92
02-03960-06	ORIGINAL, LOT 3, BLOCK 2	88-200-0340	\$1,852.89
02-04180-10	ORIGINAL, LOT 11, BLOCK 1	88-200-0060	\$145.93
02-04630-01	LAMBERTON, LOT 5, BLOCK 1	88-533-0100	\$145.93
02-05420-03	EASTERN, LOT 11, BLOCK 2	88-323-0280	\$345.01
02-07130-06	EASTERN, LOT 5, BLOCK 6	88-323-1100	\$145.93
02-07840-03	HITCHCOCK 2 <sup>ND</sup> , LOT 1, BLOCK 7	88-423-1160	\$150.65
02-08210-02	HITCHCOCK 3 <sup>RD</sup> , TRACT 50' X 120' ON E SIDE OF BLOCK 3	88-424-0320	\$150.65
03-00760-07	WATSON 1 <sup>ST</sup> , N ½ LOTS 1 & 2, BLOCK 3	88-865-0060	\$202.44
03-02570-04	WATSON 1 <sup>ST</sup> , E 30' LOT 12 & ALL LOT 13, BLOCK 1	88-865-0100	\$158.48
05-01850-05	SUNNYSIDE HEIGHTS, LOT 5, BLOCK 12	88-766-2400	\$145.93

**PASSED AND ADOPTED** by the City Council of the City of Redwood Falls, Minnesota, this 1<sup>st</sup> day of July 2025.

ATTEST:

\_\_\_\_\_  
Keith T. Muetzel  
City Administrator

\_\_\_\_\_  
Tom Quackenbush  
Mayor

(City Seal)

\_\_\_\_\_  
Subscribed and sworn to before me this 1<sup>st</sup> day of July 2025.

**RESOLUTION NO. 40 OF 2025**  
**RESOLUTION ADOPTING ASSESSMENTS FOR UNPAID SURCHARGES**

**WHEREAS**, Sections 3.40 and 3.50 of the Redwood Falls City Code of Ordinances prohibit clear water drainage into the public sanitary sewer and require an inspection of each building within the City to confirm that there is no discharge of prohibited clear water drainage; and

**WHEREAS**, said sections provide that in the event a property owner fails to schedule an inspection and/or provide the required affidavit proving inspection and compliance, the City may impose a monthly surcharge in an amount duly adopted by the City Council and set forth in the City's fee schedule; and

**WHEREAS**, Section 3.50, Subd. 9 further provides that if said surcharge is not received by the City, the City may assess the unpaid balance against the property and collect in a like manner, as are special assessments.; and

**WHEREAS**, on or about the date as hereinafter set forth, surcharges remain unpaid to the City for the following described properties, all of which are located in the City of Redwood Falls, Redwood County, Minnesota; and

**WHEREAS**, the owner(s) of said properties has failed or refused to pay the said amount(s); and

**WHEREAS**, pursuant to proper notice duly given as required by law, the Council has met and heard and passed upon all objections to the proposed assessment of unpaid surcharges listed below.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF REDWOOD FALLS, MINNESOTA:**

1. The properties listed below are hereby specially assessed in the amount specified for each parcel. The amounts certified may include a \$50.00 assessment fee.
2. Such assessments shall be payable in a single installment.
3. The owner of any property so assessed may, at any time prior to certification of the assessment to the County Auditor, pay the whole of the assessment on such property to the City Treasurer.
4. The Accounts Receivable Coordinator shall forthwith transmit certified duplicates of the assessments to the county auditor to be extended on the property tax lists of the county. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

ACCOUNT #	LEGAL DESCRIPTION	PARCEL #	AMOUNT
01-00110-02	UREN, LOT 1, BLOCK 1	88-800-0020	\$100.00
01-00830-11	HITCHCOCK 2 <sup>ND</sup> , COM 120' E OF SW COR BLK N 120', E 60', S 120', W 60, BLOCK 2	88-423-0340	\$100.00
01-03210-04	HITCHCOCK 2 <sup>ND</sup> , LOT 4, BLOCK 4	88-423-0680	\$300.00
01-04120-08	ORIGINAL, COM 44' N OF SE COR BLK, W 100', N 20', E 100', S 20 TO POB LOTS 11 & 12, BLOCK 18	88-200-3560	\$300.00
02-04740-08	LAMBERTON, LOT 8, BLOCK 4	88-533-0680	\$300.00
02-07840-03	HITCHCOCK 2 <sup>ND</sup> , LOT 1, BLOCK 7	88-423-1160	\$300.00
02-08210-02	HITCHCOCK 3 <sup>RD</sup> , TRACT 50' X 120' ON E SIDE OF BLOCK 3	88-424-0320	\$300.00
02-80210-01	HYLLAND, LOT 5, BLOCK 3	88-438-0440	\$300.00

**PASSED AND ADOPTED** by the City Council of the City of Redwood Falls, Minnesota, this 1<sup>ST</sup> day of July 2025.

ATTEST:

\_\_\_\_\_  
Keith T. Muetzel  
City Administrator

\_\_\_\_\_  
Tom Quackenbush  
Mayor

(City Seal)

Subscribed and sworn to before me  
This 1<sup>st</sup> day of July 2025.

\_\_\_\_\_  
Notary Public

**Council Meeting Date:** July 1, 2025

**Agenda Item:** Resolution No. 41 of 2025 – Resolution Accepting Donation from Redwood Area Library Foundation (RALF) and the Redwood Falls Rotary

**Recommendation/Action Requested:** Read the proposed Resolution or make a motion to waive the reading of the Resolution. Discuss the proposed Resolution. If there are no concerns, adopt proposed Resolution by motion in accordance with Chapter 4 of the City Charter.

**Summary/Overview:** Attached is Resolution 41 of 2025 accepting a donation from the Redwood Area Library Foundation in the amount of \$137,341.87. This is full payment for the Design Development phase and 70% of the Construction Documents phase from Engan Associates. The Rotary grant awarded to the Expansion is complete and the final donation amount is \$5,087.29. The total of these two donations is \$142,429.16.

Staff are requesting approval to accept the financial donation from RALF and Redwood Falls Rotary for these expenses.

**Attachments:** Resolution No. 41 of 2025

**RESOLUTION NO. 41 OF 2025**  
**A RESOLUTION ACCEPTING DONATIONS TO THE CITY.**

**WHEREAS**, the City of Redwood Falls is generally authorized to accept donations of real and personal property pursuant to Minnesota Statutes Section 465.03 et seq. for the benefit of its citizens and is specifically authorized to accept gifts; and

**WHEREAS**, the following persons and entities have offered to contribute a payment amount set forth below to the City:

<u>Name of Donor</u>	<u>Amount</u>
Redwood Area Library Foundation	\$137,341.87
Redwood Falls Rotary	\$ 5,087.29
	Total: <b>\$142,429.16</b>

**WHEREAS**, the terms or conditions of the donations, if any, are as follows:

Terms or Conditions

Payment for expenses related to the Expansion Project. Included are Schematic design, mileage, and Design Development from Engan Associates, Commissioning agent Hallberg Engineering, and reimbursement to the City for RALF funds designated for children.

**WHEREAS**, all such donations have been contributed to the City for the benefit of its citizens, as allowed by law; and

**WHEREAS**, the City Council finds that it is appropriate to accept the donations offered.

**NOW THEREFORE**, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF REDWOOD FALLS, MINNESOTA AS FOLLOWS:

1. The donations described above are accepted and shall be used to establish and/or operate services either alone or in cooperation with others, as allowed by law.
2. The city clerk is hereby authorized, if requested, to issue receipts to each donor acknowledging the City's receipt of the donor's donation.

**PASSED AND ADOPTED** by the City Council of the City of Redwood Falls, Minnesota this 1<sup>st</sup> day of July 2025.

ATTEST:

\_\_\_\_\_  
Keith Muetzel  
City Administrator

\_\_\_\_\_  
Tom Quackenbush  
Mayor

(City Seal)

Subscribed and sworn to before me this  
1st Day of July, 2025.

\_\_\_\_\_  
Notary Public



**Engan Associates Architects PA**  
PO Box 956  
Willmar, MN 56201  
320-235-0860

Redwood Falls Public Library  
509 S Lincoln Street  
Redwood Falls, MN 56283,

Invoice number 855.01-11  
Date 06/17/2025

Project 855.01 Redwood Falls Public Library

shared vision. innovative design.

Description	Contract Amount	Percent Complete	Prior Billed	Current Billed	Remaining
Predesign	12,000.00	100.00	12,000.00	0.00	0.00
Schematic Design	40,738.50	100.00	40,738.50	0.00	0.00
Design Development	61,231.50	100.00	61,231.50	0.00	0.00
Construction Documents	108,636.00	70.00	0.00	76,045.20	32,590.80
Procurement	13,579.50	0.00	0.00	0.00	13,579.50
Construction Administration	54,318.00	0.00	0.00	0.00	54,318.00
Addition Service-Grant Paperwork	10,700.00	100.00	10,700.00	0.00	0.00
<b>Total</b>	<b>301,203.50</b>	<b>66.64</b>	<b>124,670.00</b>	<b>76,045.20</b>	<b>100,488.30</b>

**Expenses**

	Units	Billed Amount
Miles	98.00	65.17
<b>Invoice total</b>		<b>76,110.37</b>

**Aging Summary**

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
855.01-10	04/09/2025	61,231.50			61,231.50		
855.01-11	06/17/2025	76,110.37	76,110.37				
<b>Total</b>		<b>137,341.87</b>	<b>76,110.37</b>	<b>0.00</b>	<b>61,231.50</b>	<b>0.00</b>	<b>0.00</b>

*Thank You for Your Business!*

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ROTARY GRANT

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EXPENSES INCURRED JULY 2024-MAY 2025

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FENCING:	HOME DEPOT	\$	3,524.73	
SACRETE	CLEMENTS LUMBER	\$	267.84	
SACRETE	RBC	\$	153.12	
FORM FOR CONCRETE		\$	107.52	
FORM FOR CONCRETE		\$	284.08	
TREE MOVING	RALPH PABST	\$	750.00	
		\$	5,087.29	RELATED TO RELOCATION OF OUTDOOR LITERACY AREA (BARNYARD)
CONCRETE	SALONEK, INC.	\$	8,827.71	CEMENT WORK ON LOBBY ENTRANCE

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*Rotary check* \$ 13,915.00

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PREVIOUS REQUEST RESOLUTION #30 \$ (8,827.71)

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*Resolution #41* \$ 5,087.29

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**Meeting Date: July 1, 2025**

## **AGENDA RECOMMENDATION**

**Agenda Item:** Resolution 42 of 2025

**Recommendation/Action Requested:** Read the proposed Resolution or make a motion to waive the reading of the Resolution. Discuss the proposed Resolution. If no concerns, adopt proposed Resolution by motion in accordance with Chapter 4 of the City Charter.

**Summary/Overview:** Upon completion of the Lake Redwood Dredging project, the original intent was for the dredge disposal site also known as the “Confined Disposal Facility” (CDF) to be deeded to the City of Redwood Falls to maintain for future maintenance dredging as the need arises. The site would be turned back to an agricultural purpose during the interim period between projects.

Upon project close out with the Redwood Cottonwood Rivers Control Area (RCRCA) and Minnesota Management and Budget (MMB) it was revealed that for RCRCA to transfer the deed to another local government unit it would have to be based on a fair market value purchase with the proceeds going back to the State to offset bond funding.

Meetings were held between RCRCA, MMB, the City of Redwood Falls, and Senator Dahms and Representative Torkelson’s offices to find a way through this discrepancy in the bonding legislation. MMB suggested a use agreement between RCRCA and the City for the continued management of the CDF and that haying and grazing would be a permissible use of the property. Any revenue more than the annual maintenance expenses would have to be sent back to the State.

RCRCA has prepared a use agreement in conformance with the MMB template and checklist. They will be presenting this agreement to their board for approval. To expedite the approval process, Resolution 42 of 2025 cites the Redwood Falls City Council approves the use agreement contingent upon the RCRCA JPO Board and MMB approvals. Staff recommend its approval with contingencies.

Resolution 42 also approves entering into a land use agreement for haying and grazing of the 140-acre CDF with BW Farms Inc. to get the site under prescribed management as soon as possible to control vegetation on the CDF with a matching term of the parent use agreement. The disposal site prior to the project had wetland areas that would fall under the ag exemption if the site was turned back to an agricultural purpose. The Board of Water and Soil Resources (BWSR) has oversight on this and has indicated that haying and grazing will meet the definition.

**Attachments:**

Resolution 42 of 2025

Use Agreement provided by RCRCA

Land Use Agreement BW Farms LLC

**RESOLUTION NO. 42 OF 2025**

**AUTHORIZATION TO EXECUTE USE AGREEMENTS  
FOR MANAGEMENT OF THE LAKE REDWOOD  
DREDGE SPOIL CONFINED DISPOSAL FACILITY**

**WHEREAS**, the City of Redwood Falls is authorized to enter into a use agreement with the Redwood-Cottonwood Rivers Control Area (RCRCA) Joint Powers Organization of Marshall, MN pursuant to Minnesota Statutes § 412.221, subd. 2 for the benefit of its citizens; and

**WHEREAS**, the use agreement sets forth the terms and conditions to manage the confined disposal facility (CDF) that is used to store dredge spoils from the Minnesota General Bond funded Lake Redwood Dredging project and to remain viable for future maintenance dredging as needed; and

**WHEREAS**, approval of the use agreement is contingent upon final approval of the RCRCA Board of Directors and State of Minnesota Management and Budget (MMB) office; and

**WHEREAS**, the Minnesota Board of Water and Soil Resources has determined that haying and grazing of the CDF is an agricultural practice that will maintain the agricultural exemption status of project impacted wetlands; and

**WHEREAS**, upon meeting the necessary contingencies of the parent RCRCA use agreement, the City of Redwood Falls is authorized to enter into a land use agreement for grazing and haying of the CDF with BW Farms LLC of Redwood Falls, MN pursuant to Minnesota Statutes § 412.221, subd. 2 for the benefit of its citizens; and

**WHEREAS**, prescribed haying and grazing will be used for vegetation management of the CDF per the term of the land use agreement.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF REDWOOD FALLS, MINNESOTA, AS FOLLOWS:**

1. The Use Agreement with RCRCA for the management of the CDF facility as described above is approved in the form submitted to the City Council and made a part of this Resolution by reference, contingent upon RCRCA and MMB approval.
2. The Land Use Agreement with BW Farms LLC for vegetation management of the CDF facility as described above is approved in the form submitted to the City Council and made a part of this Resolution by reference.

3. The Mayor and/or City Administrator are authorized to execute these agreements and approve any changes or amendments and negotiate in good faith on behalf of the City of Redwood Falls.

**PASSED AND ADOPTED** by the City Council of the City of Redwood Falls, Minnesota this 1st day of July, 2025.

ATTEST:

\_\_\_\_\_  
Keith Muetzel, City Administrator

\_\_\_\_\_  
Tom Quackenbush, Mayor

(City Seal)

Subscribed and sworn to before me this  
\_\_\_\_ day of July, 2025.

\_\_\_\_\_  
Notary Public

## Lake Redwood Confined Disposal Facility Use Agreement

This Lake Redwood Confined Disposal Facility Use Agreement (the “Agreement”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2025 (the “Effective Date”) by and between the Redwood-Cottonwood Rivers Control Area, a joint powers organization organized under the laws of Minnesota, (“RCRCA”), 1424 East College Drive, Suite 300, Marshall, Minnesota 56258, and the City of Redwood Falls, a political subdivision of the State of Minnesota (the “City”), 333 S. Washington Street, Redwood Falls, Minnesota 56283,

**WHEREAS**, in an effort to reclaim Lake Redwood by removing sediment, increasing its depth, sustaining the renewable energy capacity of the hydroelectric dam, reducing the flow of pollutants to the Minnesota River, increasing fish habitat, and enhancing recreational opportunities, the Minnesota Legislature appropriated a Capital Investment to RCRCA pursuant to the Laws of Minnesota 2019 Regular Session (Chapter 2, Article 1, Section 2, Subdivision 4) in the form of State grant funding, herein the “Grant;” and

**WHEREAS**, two parcels of land were purchased, measuring 140.03 acres, herein the “Real Property,” where a catchment area was constructed with the Grant to be known as the Confined Disposal Facility, herein the “CDF;” and

**WHEREAS**, RCRCA is the owner of the Real Property as it cannot be transferred without purchase at Fair Market Value; and

**WHEREAS**, long-term operation and maintenance of the CDF is necessary to allow for the dredged sediments to dry, to control weeds and trees, and to eventually return the land to agricultural use; and

**WHEREAS**, rental of the Real Property for agricultural haying and/or grazing is permissible with revenue used for the operation and maintenance of the CDF, and any revenue in excess of that needed for the operation and maintenance of the CDF must be returned to Minnesota Management and Budget pursuant to the State of Minnesota Capital Grants Manual (revised November, 2020); and

**WHEREAS**, pursuant to Minn. Stat. § 16A.695, attached as Exhibit 1, RCRCA may enter into a Use Agreement with another entity that involves or relates to the Real Property; and

**WHEREAS**, RCRCA desires to contract for the long-term operation and maintenance of the CDF; and

**WHEREAS**, the City is agreeable to these obligations; and

**WHEREAS**, this Agreement is entered into for a governmental purpose; and

**WHEREAS**, this Agreement is entered into in order to carry out the purpose for which the Grant was allocated.

**NOW THEREFORE**, pursuant to the terms of the aforementioned Grant and in consideration of the mutual promises contained therein, it is mutually agreed between the RCRCA and the City as follows:

**1. DEFINITIONS.**

1.1 Defined Terms. This Agreement shall adopt the following terms:

“Project” – means the operation and maintenance of the Real Property.

“Real Property” – the real property located in the County of Redwood, State of Minnesota, legally described the Declaration in Exhibit 2.

“Useful Life of the Real Property” – 37.5 years

**2. TERM AND AMOUNT OF APPROPRIATIONS.**

2.1 Effective Date and Term. This Agreement shall, unless earlier terminated in accordance with any provision contained herein, remain in full force and effect for the time period of fifteen (15) years starting on the Effective Date and ending on the same date in the year 2040.

2.2 Renewal of Use Agreement. This Agreement will not automatically renew upon expiration. RCRCA may, at its sole option and discretion, allow this Agreement to expire at the original term and contract with another entity or operate and maintain the Real Property directly.

2.3 Amount of Appropriations. The amount of local funds returned to the City for the Project is \$\_\_\_\_\_. Issuance of these funds will coincide with the execution date of this Agreement.

2.4 Reimbursement. In no event shall RCRCA be obligated to reimburse the City for eligible expenses that exceed the amount of the Appropriations nor shall RCRCA be obliged to make payments pursuant to this Agreement from funds other than those returned to the City.

**3. CITY’S DUTIES AND RESPONSIBILITIES.**

3.1 Inspections. The City shall be responsible for frequently inspecting the property to assess weed and tree growth and make arrangements for the control thereof.

3.2 Revenue Use. As allowed under Minn. Stat. § 16A.695, the City may enter into rental agreements for agricultural haying and/or grazing. Any revenue in excess

of that needed for the operation and maintenance of the CDF must be returned to Minnesota Management and Budget pursuant to the State of Minnesota Capital Grants Manual (revised November, 2020).

3.3 Operation of Real Property. In large rainfall or rapid snowmelt events, the operation of the outlet valve will require operation as necessary to allow for the outflow of water from the Real Property.

3.4 Annual Report. The City shall provide an annual report to RCRCA detailing the operation and maintenance activities for that year, and a total accounting of the revenues and expenses of the operation and maintenance activities to justify that the CDF is being used for the Government Program.

3.5 Compliance. The City shall fully comply with the terms of this Agreement.

#### **4. CITY'S CERTIFICATIONS.**

4.1 The City makes the following representations and certifications and understands that its representations and certification in this Agreement are material requirements:

- (a) The City has the full right and power to enter into and perform this Agreement.
- (b) The City will secure the necessary funds to operate and maintain the Project.

#### **5. DEFAULT.**

5.1 Event(s) of Default. If the City fails to comply with any provision, term, condition, covenant, or warranty contained in this Agreement, the Declaration, or any other document referred to herein, this shall constitute an Event of Default under this Agreement.

#### **6. REMEDIES FOR NONCOMPLIANCE; TERMINATION.**

6.1 Termination by RCRCA. If the RCRCA determines the City has failed to comply with any term, condition, or requirement of this Agreement, RCRCA may, in its discretion, suspend or terminate this Agreement or exercise any other remedy for noncompliance. Failure to comply with any requirement of this Agreement includes, but is not limited to, the following:

- (a) Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, and guidelines relating to the use of generated revenue as may become applicable at any time;
- (b) Failure, for any reason, of the City to fulfill in a timely and proper manner its obligations under this Agreement;
- (c) Ineffective or improper use of the generated revenue; or

(d) Submission by the City to RCRCA of any reports, audits, or other documentation that is incorrect or incomplete in any material respect.

The RCRCA will promptly notify the City in writing of its determination and the reasons for the termination together with the date on which the termination shall take effect.

6.2 Termination of Governmental Program. Should the Governmental Program be terminated, or a change in the Governmental Program that no longer allows RCRCA to continue to own or operate the Real Property, this Agreement is automatically and immediately terminated.

6.3 Termination and/or Modification. This Agreement may be terminated or modified by RCRCA, in whole or in part, with the written approval of the Commissioner of Minnesota Management and Budget. RCRCA shall set forth the reasons for such termination and/or modification, the effective date, and, in the case of partial termination or modification, the portion to be terminated or modified. The City also has the right to terminate this Agreement prior to the expiration of the term by providing RCRCA with not less than sixty (60) days' prior written notice of termination. Such termination shall be effective on the date specified in the City's notice, provided that the City is not then in default under this Agreement and the City pays to RCRCA all rent and other amounts due and payable through the termination date.

## **7. INSURANCE REQUIREMENTS.**

As owner of the Real Property, RCRCA will continue to comply with insurance requirements.

The City will maintain Commercial General Liability Insurance in a minimum amount of \$2,000,000 per occurrence; \$3,000,000 annual aggregate. The policy shall cover liability arising from premises, operations, products-completed operations, personal injury, advertising injury, and contractually assumed liability. RCRCA shall be endorsed as additional insured. The City's policies shall be primary and non-contributory to any other valid and collectible insurance available to RCRCA with respect to any claim arising out of the City's acts or omissions under this Agreement. The City will also maintain property insurance covering all of the City's personal property, equipment, and any leasehold improvements made by or for the benefit of the City, for full replacement value, against loss or damage by fire, theft, vandalism, water damage, and such other perils as are commonly included in an all-risk" policy.

**8. AUTHORIZED REPRESENTATIVES.**

Kerry Netzke, or her successor, shall serve as the Authorized Representative of RCRCA and as the liaison with the City.

The City's Authorized Representative is Keith Muetzel, City Administrator, or his successor.

**9. RELATIONSHIP BETWEEN THE PARTIES.**

9.1 Independent Contractor. Nothing in this Agreement shall be construed as creating the relationship of co-partners, joint ventures, or an association, nor shall the City, its employees, representatives or contractors be considered employees, agents or representatives of RCRCA. Any and all personnel of the City or other persons engaged in the performance of the services funded pursuant to this Agreement will have no relationship with RCRCA and will not be considered employees of RCRCA. Such personnel or other persons shall not be entitled to any compensation, rights or benefits of any kind from RCRCA, including, without limitation, Worker's Compensation, medical care, disability, severance pay and retirement benefits.

9.2 No Agency. RCRCA will not assume or accept any agreement, representation, commitment or warranty made to the City, nor shall RCRCA be obligated for damages to any person or organization for personal injuries or property damage directly or indirectly arising out of the City's conduct or caused by the City's negligence, willful act, or failure to act.

**10. INDEMNIFICATION.**

Each party shall defend, indemnify, hold the other party, and their officers, agents, and employees harmless from any claims or causes of action, including reasonable attorney's fees incurred by a party, arising out of a party's negligence or a party's performance or failure to perform its obligations under this Agreement. To the full extent permitted by law, actions by the parties and to this Agreement are intended to be and shall be construed as a "cooperative activity" and it is the intent of the parties that they shall be deemed a "single governmental unit" for the purposes of liability, all as set forth in Minnesota Statutes, Section 471.59, subd. 1a (a) and (b); provided further that for purposes of that statute, each party to this Agreement expressly declines responsibility for the acts or omissions of the other Party.

**11. GOVERNMENT DATA PRACTICES.**

RCRCA and the City must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data created, collected, received, maintained, or disseminated under this Agreement. If a party receives a request to release data referred to in this section, that party must immediately notify the other party. The party receiving such notice shall give the other party instructions

concerning the release of data to the requesting party before the data is released. A party's response to the request shall comply with applicable law.

**12. AUDIT.**

The City shall maintain complete and accurate records with respect to performance of the Project and costs incurred pursuant to this Agreement for a period of at least six (6) years after the termination of this Agreement. Pursuant to Minn. Stat. § 16C.05, Subd. 5, the City shall allow RCRCA, or other persons or agencies, authorized by RCRCA access to the records of the City at reasonable hours, including all books, records, documents, and accounting procedures and practices of the City relevant to the subject matter of the Agreement, for purposes of audit.

**13. SURVIVAL OF TERMS.**

The provisions of this Agreement, which, by their terms, impose obligations that are continuing in nature and which must survive in order to give effect to their meaning will survive the expiration or termination of this Agreement, including, without limitation, the following clauses: Section 6 (relating to remedies for noncompliance); 8 (indemnification); 10 (Audit); and 14.3 (Governing Law; Jurisdiction; Venue).

**14. GENERAL PROVISIONS.**

14.1 Entire Agreement; Amendments; Conflicts. This Agreement (including the exhibits attached hereto) constitutes the entire agreement and understanding of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, documents and proposals, oral or written, between the parties with respect hereto. The terms and conditions of the exhibits are integral parts of this Agreement and are fully incorporated herein by this reference. Any amendment or modification to this Agreement shall not be valid unless such amendment or modification (i) is in writing and signed by authorized representatives of both parties and (ii) references this Agreement. Notwithstanding the foregoing, the RCRCA may, in its discretion, amend this Agreement if required to conform with Federal or State regulations and guidelines, and available funding amounts.

14.2 Compliance with Applicable Law. The City agrees to comply with applicable federal, state and local laws or ordinances, and applicable rules, regulations, and standards established by any agency of such governmental units, which are in effect as of the City's performance pursuant to this Agreement.

14.3 Governing Law; Jurisdiction; Venue. This Agreement shall be governed by the laws of the State of Minnesota, without regard to its conflict of laws rules. For the purpose of resolving conflicts related to or arising out of this Agreement, the parties expressly agree that venue shall be exclusively in the State of Minnesota, County of Redwood. The parties hereby expressly consent to the exclusive personal

jurisdiction of the federal and state courts located in the state of Minnesota, regardless of the citizenship or residence of either party at the time of the commencement of any legal proceeding.

14.4 Debarment. The City certifies that it is not prohibited from doing business with either the federal government or the State of Minnesota as a result of any debarment or suspension proceedings. The City's certification is a material representation upon which RCRCA's approval of this Agreement is based. The City shall provide immediate written notice to RCRCA's authorized representative if at any time the City learns that his certification is erroneous or becomes erroneous due to changed circumstances.

14.5 Equal Employment Opportunity. In connection with the execution of this Agreement, the City agrees that it will comply with Minn. Stat. § 363A.08, to not discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, membership or activity in a local commission, disability, sexual orientation, or age. The City and all of its subcontractors will take affirmative actions to ensure that applicants are employed, and that employees are treated during employment without regard to factors stated in Minn. Stat. § 363A.08. Such action shall include, but not be limited to, the following: hiring, tenure, compensation, term, upgrading, conditions, facilities, or privileges of employment.

14.6 Workers' Compensation. The City certifies that it is in compliance with Minn. Stat. § 176.181, subd. 2, pertaining to workers' compensation insurance coverage. The City's employees and agents will not be considered RCRCA employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way RCRCA's obligation or responsibility.

14.7 Conflict of Interest. The City affirms that, to the best of City's knowledge, its involvement in this Agreement does not result in a conflict of interest with any party or entity, which may be affected by the terms of this Agreement. The City agrees that, should any conflict or potential conflict of interest become known to the City, it will immediately notify RCRCA of the conflict or potential conflict, specifying the part of this Agreement giving rise to the conflict or potential conflict, and will advise RCRCA whether the City will or will not resign from the other engagement or representation.

14.8 Assignment and Delegation. Neither party shall assign its rights or delegate its duties under this Agreement without receiving the prior written consent of the other party.

14.9 Successors in Interest. The provision of this Agreement shall be binding upon and inure to the benefit of the parties and their permitted successors and assigns.

14.10 Severability. In the event that any portion of this Agreement shall be held to be invalid, such invalidity shall not affect the validity of the remainder of this Agreement.

14.11 Execution. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and to constitute one and the same instrument. Electronic copies of this Agreement, including without limitation, those transmitted by facsimile or scanned to an image file, shall be considered originals.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the Effective Date set forth above.

REDWOOD-COTTONWOOD  
RIVERS CONTROL AREA

CITY OF REDWOOD FALLS

By: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## EXHIBIT 1

### 16A.695 STATE BOND FINANCED PROPERTY.

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "State bond financed property" means property acquired or bettered in whole or in part with the proceeds of state general obligation bonds authorized to be issued under article XI, section 5, clause (a), of the Minnesota Constitution.

(c) "Public officer or agency" means a state officer or agency, the University of Minnesota, the Minnesota Historical Society, and any county, home rule charter or statutory city, school district, special purpose district, or other public entity, or any officer or employee thereof.

(d) "Fair market value" means, with respect to the sale of state bond financed property, the price that would be paid by a willing and qualified buyer to a willing and qualified seller as determined by an appraisal of the property, or the price bid by a purchaser under a public bid procedure after reasonable public notice.

(e) "Outstanding state bonds" means the dollar amount certified by the commissioner, upon the request of a public officer or agency, to be the principal amount of state bonds, including any refunding bonds, issued with respect to the state bond financed property, less the principal amount of state bonds paid or defeased before the date of the request.

Subd. 2. **Leases and management contracts.** (a) A public officer or agency that is authorized by law to lease or enter into a management contract with respect to state bond-financed property shall comply with this subdivision. A reference to a lease or management contract in this subdivision includes any amendments, modifications, or alterations to the referenced lease or management contract and refers to the lease wherein the public officer or agency is the lessor of the state bond financed property and the other contracting party is the lessee.

(b) The lease or management contract may be entered into for the express purpose of carrying out a governmental program established or authorized by law and established by official action of the contracting public officer or agency, in accordance with orders of the commissioner intended to ensure the legality and tax-exempt status of bonds issued to finance the property, and with the approval of the commissioner. A lease or management contract must be for a term substantially less than the useful life of the property, but may allow renewal beyond that term upon a determination by the lessor that the lessee has demonstrated that the use continues to carry out the governmental program. If the lessor and lessee do not renew the lease or management contract and if the lessee has contributed to the land and the capital improvements on the state bond financed property, the lessor may agree to reimburse the lessee for its investment in the land and capital improvements. The reimbursement may be paid, at the option of the lessor and lessee, at the time of nonrenewal without a requirement for a prior escrow of funds or at a later date and on additional terms agreed to by the lessor and the lessee. A lease or management contract must be terminable by the contracting public officer or agency if the other contracting party defaults under the contract or if the governmental program is terminated or changed and must provide for program oversight by the contracting public officer or agency. The expiration or termination of a lease or management agreement does not require that the state bond proceeds be repaid or that the property be sold, so long as the property continues to be operated by,

or on behalf of, the public officer or agency for the intended governmental program. Money received by the public officer or agency under the lease or management contract that is not needed to pay and not authorized to be used to pay operating costs of the property, or to pay the principal, interest, redemption premiums, and other expenses when due on debt related to the property other than state bonds, must be:

(1) paid to the commissioner in the same proportion as the state bond financing is to the total public debt financing for the property, excluding debt issued by a unit of government for which it has no financial liability;

(2) deposited in the state bond fund; and

(3) used to pay or redeem or defease bonds issued to finance the property in accordance with the commissioner's order authorizing their issuance.

The money paid to the commissioner is appropriated for this purpose.

(c) With the approval of the commissioner, a lease or management contract between a city and a nonprofit corporation under section 471.191, subdivision 1, need not require the lessee to pay rentals sufficient to pay the principal, interest, redemption premiums, and other expenses when due with respect to state bonds issued to acquire and better the facilities.

Subd. 3. **Sale of property.** A public officer or agency shall not sell any state bond financed property unless the public officer or agency determines by official action that the property is no longer usable or needed by the public officer or agency to carry out the governmental program for which it was acquired or constructed, the sale is made as authorized by law, the sale is made for fair market value, and the sale is approved by the commissioner. If any state bonds issued to purchase or better the state bond financed property that is sold remain outstanding on the date of sale, the net proceeds of sale must be applied as follows:

(1) if the state bond financed property was acquired and bettered solely with state bond proceeds, the net proceeds of sale must be paid to the commissioner and deposited in the state treasury; or

(2) if the state bond financed property was acquired or bettered partly with state bond proceeds and partly with other money, the net proceeds of sale must be used: first, to pay to the state the amount of state bond proceeds used to acquire or better the property; second, to pay in full any outstanding public or private debt incurred to acquire or better the property; third, to pay interested public and private entities, other than any public officer or agency or any private lender already paid in full, the amount of money contributed to the acquisition or betterment of the property; and fourth, any excess over the amount needed for those purposes must be divided in proportion to the shares contributed to the acquisition or betterment of the property and paid to the interested public and private entities, other than any private lender already paid in full, and the proceeds are appropriated for this purpose. In calculating the share contributed by each entity, the amount to be attributed to the owner of the property shall be the fair market value of the property that was bettered by state bond proceeds at the time the betterment began.

When all of the net proceeds of sale have been applied as provided in this subdivision, this section no longer applies to the property.

Subd. 3a. **Involuntary sale of property.** Notwithstanding subdivision 3, this subdivision applies to the sale of state bond financed property by a lender that has provided money to acquire or better the property. Purchase by the lender in a foreclosure sale, acceptance of a deed in lieu of foreclosure, or enforcement of a security interest in personal property, by the lender, is not a sale. Following purchase by the lender, the lender shall not operate the property in a manner inconsistent with the governmental program established as provided in subdivision 2, paragraph (b). The lender shall exercise its best efforts to sell the property to a third party as soon as feasible following acquisition of marketable title to the property by the lender. A sale by the lender must be made as authorized by law and must be made for fair market value.

Subd. 4. **Relation to other laws.** This section applies to all state bond financed property unless otherwise provided by law.

Subd. 5. **Program funding.** Recipients of grants from money appropriated from the bond proceeds fund must demonstrate to the commissioner of the agency making the grant that the recipient has the ability and a plan to fund the program intended for the facility. A private nonprofit organization that leases or manages a facility acquired or bettered with grant money appropriated from the bond proceeds fund must demonstrate to the commissioner of the agency making the grant that the organization has the ability and a plan to fund the program intended for the facility.

Subd. 6. **Match requirements.** Recipients of grants from money appropriated from the bond proceeds fund may be required to demonstrate a commitment of money from nonstate sources. This matching money may be pledged payments that have been deposited into a segregated account or multiyear pledges that are converted into cash or cash equivalent through a loan or irrevocable letter of credit from a financial institution. The loan or irrevocable letter of credit may be secured by a lien on the state bond financed property.

Subd. 7. **Ground lease for state bond financed property.** A public officer or agency, as lessee, may lease real property and improvements that are to be acquired or improved with state bond proceeds. The lease must be for a term equal to or longer than 125 percent of the useful life of the property. The expiration of the lease upon the end of its term does not require that the state be repaid or that the property be sold and upon the expiration the real property and improvements are no longer state bond financed property.

Subd. 8. **General applicability.** (a) This section establishes requirements for the receipt and use of general obligation grants and the ownership and operation of state bond-financed property. General obligation grants may only be issued and used to finance the acquisition and betterment of public lands and buildings and other public improvements of a capital nature that are used to operate a governmental program, and for predesign and design activities for specifically identified projects that involve the operation of a governmental program or activity. A general obligation grant may not be used for general operating expenses, staffing, or general master planning. A public officer or agency that is the recipient of a general obligation grant must comply with this section in its use of the general obligation grant and operation, management, lease, and sale of state bond-financed property. A public officer or agency that uses the proceeds of a general obligation grant for any unauthorized purpose or in violation of this section must immediately repay the outstanding balance of the grant to the commissioner, and a failure to comply authorizes the commissioner to recover the outstanding balance as a setoff against any state aid provided to the public officer or agency.

(b) This section does not create any new authority regarding the ownership, construction, rehabilitation, use, operation, lease management, or sale of state bond-financed property, or the operation of the governmental program that will be operated on the property. Any authority that is needed to enter into a management contract or lease of property, to sell property, or to operate a governmental program or carry out any activity contained in the law that appropriates money for a general obligation grant must be provided by as contained in some other law.

Subd. 9. **Grant agreement.** All general obligation grants must be evidenced by a grant agreement that specifies:

- (1) how the general obligation grant will be used;
- (2) the governmental program that will be operated on the state bond-financed property; and

(3) that the state bond-financed property must be operated in compliance with this section, all state and federal laws, and in a manner that will not cause the interest on the state general obligation bonds to be or become subject to federal income taxation for any reason. A grant agreement must comply with this section, the Minnesota Constitution, and all commissioner's orders, and also contain other provisions the commissioner of the agency making the grant deems appropriate. The commissioner shall draft and make available forms for grant agreements that satisfy the requirements of this subdivision.

**History:** 1994 c 643 s 36; 1Sp1995 c 2 art 1 s 19-22; 1996 c 463 s 32; 2004 c 278 s 1; 2007 c 148 art 2 s 14-19

**EXHIBIT 2**  
**LEGAL DESCRIPTION OF CONFINED DISPOSAL FACILITY PROPERTY**

**DOCUMENT: A365994**  
**Recorded 05-15-2020 at 10:35 AM**  
**JOYCE ANDERSON, COUNTY RECORDER**  
**REDWOOD COUNTY, MN 56283**  
**Pages: 2 Fee Amount: \$46.00**

Imaged AG JB JA

STATE OF MINNESOTA  
GENERAL OBLIGATION BOND FINANCED PROPERTY

**DECLARATION**

The undersigned has a **fee simple title** in and to that real property located in Redwood County, State of Minnesota, that is legally described as follows:

That part of the East Half of the Northeast Quarter of Section 26, Township 113 North, Range 36 West of the Fifth Principal Meridian, Redwood County, Minnesota, described as follows: Beginning at the northeast corner of said Northeast Quarter; thence South 00°06'32" East, along the easterly line of said Northeast Quarter, for a distance of 1964.79 feet; thence North 90°00'00" West for a distance of 1332.27 feet to a point of intersection with the westerly line of the East Half of said Northeast Quarter; thence North 00°05'29" West, along the westerly line of the East Half of said Northeast Quarter, for a distance of 1965.40 feet to the northwest corner of the East Half of said Northeast Quarter; thence South 89°58'26" East, along the northerly line of said Northeast Quarter, for a distance of 1331.67 feet to the point of beginning.

AND

That part of the Northwest Quarter of Section 25, Township 113 North, Range 36 West of the Fifth Principal meridian, Redwood County, Minnesota, described as follows: Beginning at the northwest corner of said Northwest Quarter; thence South 00°06'32" East, along the westerly line of said Northwest Quarter, for a distance of 1964.79 feet; thence North 42°37'13" East for a distance of 840.75 feet; thence North 90°00'00" East for a distance of 2072.80 feet to a point of intersection with the easterly line of said Northwest Quarter; thence North 00°19'44" West, along the easterly line of said Northwest Quarter; for a distance of 1340.20 feet to the northeast corner of said Northwest Quarter; thence North 89°52'15" West, along the northerly line of said Northwest Quarter, for a distance of 2638.15 feet to the point of beginning;

including all facilities situated thereon (collectively, the "Restricted Property"); and as owner of such fee title, does hereby declare that such interest in the Restricted Property is made subject to the following restrictions and encumbrances:

- A. The Restricted Property is bond financed property within the meaning of Minn. Stat. Sec. 16A.695, is subject to the encumbrance created and requirements imposed by such statute, and cannot be sold, mortgaged, encumbered or otherwise disposed of without the approval of the Commissioner of Minnesota Management and Budget, which approval must be evidenced by a written statement signed by said commissioner and attached to the deed, mortgage, encumbrance or instrument used to sell or otherwise dispose of the Restricted Property.

The Restricted property shall remain subject to this State of Minnesota General Obligation Bond Financed Declaration for 125% of the useful life of the Restricted Property or until the Restricted Property is sold with the written approval of the Commissioner of Minnesota Management and Budget, at which time it shall be released therefrom by way of a written release in recordable form signed by both the Commissioner of Minnesota Department of Natural Resources and the Commissioner of Minnesota Management and Budget, and such written release is recorded in the real estate records relating to the Restricted Property. This Declaration may not be terminated, amended, or in any way modified without the specific written consent of the Commissioner of Minnesota Management and Budget.

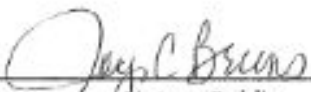
REDWOOD-COTTONWOOD RIVERS  
CONTROL AREA

  
By: Luke Johnson  
Its: Chairman

Dated: May 14, 2020

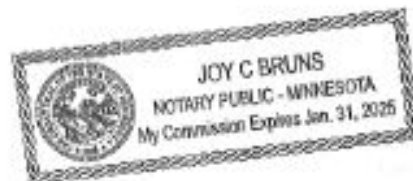
STATE OF MINNESOTA     }  
  } ss.  
COUNTY OF LYON         }

The foregoing instrument was acknowledged before me this 14 day of May, 2020, by Luke Johnson, the Chairman of Redwood Cottonwood Rivers Control Area, a joint-powers organization under the laws of the state of Minnesota, on behalf of the Organization.

  
Notary Public

This Instrument Drafted by:

Frank F. Munshower  
Estebo, Frank & Munshower, Ltd.  
P.O. Box 377, 315 So. Washington  
Redwood Falls, MN 56283  
(507) 637-5721  
frankm@rwflaw.com



## GROUND LEASE AGREEMENT

**THIS GROUND LEASE AGREEMENT** (“Lease”) entered this \_\_\_\_ day of \_\_\_\_\_, 2025, by and between the City of Redwood Falls, a Minnesota municipal corporation (“Landlord”), and BW Farms LLC, an individual (“Tenant”).

**1. Term.** The term of this Lease shall be fifteen (15) years, commencing on the date of this Lease agreement. The contract may be mutually renewed for a consecutive term, upon a satisfactory performance evaluation, and usage agreement extension to the City of Redwood Falls from the property owner. The same fees, terms, and conditions shall apply unless the Landlord and the Tenant agree on any negotiated changes. Any agreement to renew shall be entered into by the parties at least thirty (30) days prior to the expiration of the term. Either party may terminate this agreement, without cause, upon at least thirty (30) days’ written notice directed toward the end of any month. The term is also subject to conditions outlined in Paragraph 12 this agreement.

**2. Demise and Description of Premises.** In consideration of the mutual rents, promises, and covenants contained herein, the Landlord hereby leases to the Tenant and the Tenant hereby hires from the Landlord that certain parcel of real property (“Premises”), located in Redwood County, Minnesota, legally described and depicted within Exhibit “A” attached hereto. The parties agree and acknowledge that the Premises contain 140.03 acres of real property for the use of haying and grazing. TENANT HEREBY ACCEPTS THE LEASED PROPERTY “AS-IS” IN ITS CONDITION ON THE DATE OF THIS LEASE. LANDLORD HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES AND REPRESENTATIONS, WHETHER EXPRESS OR IMPLIED, CONCERNING THE LEASED PROPERTY, INCLUDING, BUT NOT LIMITED TO, ANY EXPRESS OR IMPLIED WARRANTY THAT THE LEASED PROPERTY IS SUITABLE FOR ANY PARTICULAR USE. TENANT HEREBY AGREES THAT LANDLORD HAS MADE NO REPRESENTATION OR WARRANTY OF ANY KIND TO TENANT, EXCEPT AS EXPRESSLY STATED IN THIS LEASE. TENANT UNDERSTANDS THAT THE LEASED PROPERTY HAS HISTORICALLY AND MAY, IN THE FUTURE, BECOME INUNDATED BY FLOODWATERS RENDERING ALL OR A PORTION OF THE PREMISES UNUSABLE. TENANT ACKNOWLEDGES THAT LANDLORD HAS NO CONTROL OVER SUCH MATTERS AND TENANT TAKES THE PREMISES KNOWINGLY ASSUMING SUCH RISK. ANY SUCH EVENT RENDERING THE PROPERTY UNFIT FOR AGRICULTURAL PURPOSES, UNLESS CAUSED BY LANDLORD, SHALL NOT RELIEVE TENANT OF TENANT’S OBLIGATION TO PAY RENT.

**3. Rent.** Tenant shall pay to Landlord rent at the times and rates as follows: \$1.00 each year by April 1<sup>st</sup> for the term of the agreement.

The Landlord agrees, the Tenant, upon paying the rent and complying with the terms and conditions of this Lease, shall quietly and peaceably have, hold and enjoy the Premises for the term of this Lease.

**4. Payment of Costs and Expenses.** Costs and expenses of any kind whatsoever in connection with the use, operation, and maintenance of the Premises, and all activities conducted thereon shall

be the sole responsibility of Tenant and the Landlord shall have no responsibility of any kind for any of said costs and/or expenses thereof.

**5. Use of Premises.** Subject to the other terms and provisions contained herein, the Tenant shall be permitted to use the Premises for grazing and haying purposes only. The following restrictions shall also apply:

- a. Hunting and trapping without written permission is prohibited upon the Premises.
- b. Tenant shall immediately notify Landlord of any washouts, cave-ins, slides, damage, or other dangerous conditions on the Premises.
- c. During the term of this Lease, the Tenant shall comply with all applicable laws affecting the Premises, including without limitation, all rules and regulations pertaining to feedlots, grazing, herbicide, pesticide and fertilizer use and applications. The Tenant shall not commit or allow to be committed any waste or nuisance on the Premises. Tenant shall be solely responsible for any violation of any applicable laws affecting the Premise and for any waste or nuisance on the Premises.
- d. Tenant shall destroy all noxious weeds and trees growing on the Premises and surrounding ditches, declared by Minnesota or federal statute to be nuisances, within the time as prescribed by law, and shall keep all roadways and other parts of Premises, not in use, clean and weed free.
- e. Tenant agrees to graze/hay the Premises in a careful and husband-like manner, including agriculturally prudent rotation, to prevent damage and waste of the Premises, and to keep up and maintain in good repair all improvements on the Premises, including fencing and tiling.
- f. Landlord or its agent shall have the right to enter upon said Premises at any time for purposes of inspection, soil testing and other observations. Landlord shall endeavor to give Tenant prior notice of such access and shall take reasonable actions to limit impacts on livestock.
- g. Landlord or its agent shall have the right to enter upon said Premises at any time for purposes of planning future lake dredging operations, soil testing and other future public needs. Upon determination to proceed with a future public need/use, the Landlord shall provide the Tenant a written 30-day notice to vacate the property.
- h. Tenant shall, upon 30-day notice or at the expiration of the term of this Lease, quietly yield and surrender the Premises to the Landlord in as good a condition as when taken and further covenants to return the Premises to the Landlord.

**6. Right to Sublease.** Tenant shall not assign this Lease nor sublet the Premises to any other party without the prior written consent of the Landlord.

**7. Notices.** All communications, demands, notices, or objections permitted or required to be given or served under this Lease shall be in writing and shall be deemed to have been duly given or served if delivered in person to the other party or its authorized agent or deposited in the United States Mail, postage prepaid, for mailing by certified or registered mail, return receipt requested, or if telegraphed, by prepaid telegram, and addressed to the other party to this Lease, to the address set forth next to such party's signature at the end of this Lease, or if to a person not a party to this Lease, to the address designated by a party to this Lease in the foregoing manner. Any party may change its address by giving notice in writing, stating its new address, to any other party as provided in the foregoing manner. Commencing on the tenth (10th) day after the giving of such notice, such newly designated address shall be such party's address for the purposes of all communications, demands, notices, or objections permitted or required to be given or served under this Lease.

**8. Mechanics' Liens.** Tenant hereby covenants and agrees that the Tenant will not permit or allow any mechanics' or materialmen's liens to be placed on the Landlord's interest in the Premises during the term hereof.

**9. Indemnification of Landlord/Insurance.**

- a. The Landlord shall not be liable, and the Tenant shall indemnify, save, hold harmless, and defend the Landlord, for any claim, loss, injury, death, or damage arising from or in any way related to the Tenant's use of the Premises to persons or property which may at any time be suffered or sustained by the Tenant or by any person whosoever may at any time be using or occupying or visiting the Premises, or be in, on, or about the Premises, whether such loss, injury, death, or damage shall be caused by or in any way result from or arise out of any act, omission, negligence, or intentional misconduct of the Tenant or of any occupant, subtenant, visitor, or user of any portion of the Premises or shall result from or be caused by any other matter or thing whether of the same kind as or of a different kind than the manner or things above set forth, and the Tenant shall indemnify the Landlord against all claims, liability, loss or damage whatsoever on account of any such loss, injury, death, or damage. The terms and conditions of this paragraph shall survive the expiration or termination of this Lease.
- b. Tenant shall obtain liability insurance to cover this indemnity agreement with a minimum policy limit of \$300,000 naming Landlord as an additional insured. Tenant shall provide a certificate of said insurance evidencing such insurance to Landlord within 15 days of the date of this Lease.

## **10. Default and Remedies/Attorney's Fees.**

- a. In the event of any default of this Lease by the Tenant, the Landlord, in addition to the other rights or remedies it may have, shall have the immediate right of reentry and may remove all persons and property otherwise from the Premises; such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of the Tenant. Should the Landlord elect to reenter as herein provided, or should it take possession pursuant to legal proceedings or pursuant to any notice provided by law, the Landlord may either terminate this Lease or it may from time to time, without terminating this Lease, relet the Premises or any part thereof for such term or terms (which may be for a term extending beyond the term of this Lease) and at such rental or rentals and on such other terms and conditions as the Landlord in the sole discretion of Landlord may deem advisable, with the right to make alterations and repairs to the Premises.
- b. On such reletting (a) the Tenant shall be immediately liable to pay the Landlord, in addition to any indebtedness, other than the rent due hereunder, the expenses of such reletting and of such alterations and repairs incurred by the Landlord and the amount, if any, by which the rent reserved in this Lease for the period of such reletting, up to but not beyond the term of this Lease, exceed the amount agreed to be paid as rent for the Premises for such period on such reletting, or (b) at the option of the Landlord, rents received by such Landlord from such reletting shall be applied first to the payment of any indebtedness other than rent due hereunder from the Tenant to the Landlord; second, to the payment of any expenses of such reletting and of such alterations and repairs; third, to the payment of rent due and unpaid hereunder; and the residue, if any, shall be held by the Landlord and applied in payment of future rent as it may become due and payable hereunder. If the Tenant has been credited with any rent to be received by such reletting under option (a) hereof and if such rent shall not be promptly paid to the Landlord by the new tenant or if such rentals received from such reletting under option (b) hereof during any month is less than that to be paid under that month by the Tenant hereunder, the Tenant shall pay any such deficiency to the Landlord.
- c. No such reentry or taking possession of the Premises by the Landlord shall be construed as an election on the part of the Landlord to terminate this Lease unless a written notice of such intention is given to the Tenant or unless a determination thereof is determined by a Court of competent jurisdiction. Notwithstanding such reletting without termination, the Landlord may at any time thereafter elect to terminate this Lease for such previous breach. Should the Landlord at any time terminate this Lease for any breach, in addition to any other remedy it may have, the Landlord may recover from the Tenant all damages incurred by reason of such breach, including the cost of recovering the Premises and including the worth at the time of such termination of the excess, if any, of the amount of rent and charges equivalent to rent reserved in this Lease for the remainder of the stated

term over the then reasonable rental value of the Premises for the remainder of the stated term, all of which amounts shall be immediately due and payable from the Tenant to the Landlord.

- d. If any action at law or in equity shall be brought to recover any rent under this Lease, on account of any breach of the Lease, or to enforce or interpret any of the covenants, terms, or conditions of this Lease, or for the recovery of the possession of the Premises, the prevailing party shall be entitled to recover from the other party as part of the prevailing party's cost, reasonable attorney's fees, the amount of which shall be fixed by the Court and shall be made a part of any judgment or decree.

## **11. Landlord's Right to Perform**

- a. In addition to any other provision contained herein, in the event that the Tenant shall be in default hereunder by failing or neglecting to do or perform any act or thing herein provided by it to be done or performed, and such failure shall continue for a period of thirty (30) days after written notice from the Landlord thereof, the Landlord may at the Landlord's option do or perform, or cause to be done or performed, such act or thing, and the Landlord shall not be liable, or be held liable or in any way responsible for any loss, inconvenience, annoyance, or damage resulting to the Tenant on account thereof. The Tenant shall pay to the Landlord on demand the entire expense thereof, including compensation to the agents and employees of the Landlord.
- b. The Landlord shall be permitted to enter the Premises while exercising any right given to it by the terms of this section. Any act or thing done by the Landlord pursuant to the provisions of this section shall not be or be construed to be a waiver of any such default by Tenant, or as a waiver of any covenant, term, or condition herein contained for the performance thereof, or of any other right or remedy of the Landlord, hereunder or otherwise.

## **12. Termination for Public Purpose**

- a. Landlord shall have the right to terminate this Lease, in whole or in part, at any time during the term of this Lease if Landlord determines, in its sole discretion, that the Premises are needed for a public purpose.
- b. In the event that Landlord exercises its right to terminate this Lease pursuant to Section 12(a), Landlord shall provide the Tenant with at least thirty (30) days' prior written notice of such termination. The notice shall specify the effective date of termination and the public purpose necessitating the termination.
- c. Upon termination of this Lease for a public purpose, Landlord shall repay the Tenant for

any rent paid by the Tenant covering the Premises after the date of termination. Landlord shall not be liable for any other costs, expenses, or damages incurred by the Tenant as a result of such termination, including but not limited to, relocation expenses, loss of business, or goodwill.

- d. On or before the effective date of termination, the Tenant shall vacate and surrender the Premises to Landlord in accordance with the terms of this Lease, as if the termination date were the originally agreed expiration date of the Lease. The Tenant shall remove all personal property and any leasehold improvements unless otherwise authorized to remain by Landlord.
- e. Landlord's right to terminate this Lease for a public purpose as set forth in this Section shall not be deemed to waive or limit any other rights or remedies available to Landlord under this Lease or at law.

**13. Ownership of Improvements on Termination of Lease.** On the termination of this Lease for any cause, the Landlord shall become the absolute owner of any buildings or improvements of any nature or kind on the Premises, regardless of who placed such buildings or improvements thereon, and the Tenant shall not thereafter have any interest whatsoever therein.

**14. Time Is Of the Essence.** Time is of the essence of this Lease, and of each and every covenant, term, condition, and provision hereof.

**15. No Partnership, Joint Venture or Fiduciary Relationship Created Hereby.** Nothing contained in this Lease shall be interpreted as creating a partnership, joint venture or relationship of principal and agent between the Landlord and the Tenant. It is understood and agreed that the sole relationship created hereby is one of landlord and tenant. All laws and statutes of the State of Minnesota relative to a landlord and tenant relationship shall be applicable to the parties herein.

**16. Minnesota Law.** This Lease shall be construed and enforced in accordance with the laws of the State of Minnesota.

**17. Amendment, Modification, Waiver.** No amendment, modification or waiver of any condition, provision or term of this Lease shall be valid or of any effect unless and until made in writing, signed by the party or parties to be bound or its duly authorized representative, and specifying with particularity the extent and nature of such amendment, modification or waiver. Any waiver by any party of any default of any other party shall not affect or impair any right arising from any subsequent default.

**18. Cumulative Rights.** Except as otherwise expressly stated herein, no right or remedy herein conferred on or reserved to the Tenant or the Landlord is intended to be exclusive of any other right or remedy hereof provided by law, but each shall be cumulative, and in addition to, every other right or remedy given herein or not hereafter existing at law, in equity, or by statute.

**19. Severable Provisions.** Each provision, section, sentence, clause, phrase, and word of this Lease is intended to be severable. If any provision, section, sentence, clause, phrase, and word hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the legality or validity of the remainder of this Lease.

**20. Entire Agreement.** This Lease contains the entire understanding of the parties hereto with respect to the transactions contemplated hereby and supersedes all prior agreements and understandings between the parties with respect to such subject matter. No representations, warranties, undertakings, or promises, whether oral, implied, written, or otherwise, have been made by either party hereto to the other unless expressly stated in this Lease or unless mutually agreed to in a writing between the parties hereto after the date hereof, and neither party has relied on any verbal representations, agreements, or understandings not expressly set forth herein.

IN WITNESS WHEREOF, the parties hereto have executed this Lease the day and year first above written.

**LANDLORD:**

**City of Redwood Falls**  
333 South Washington Street  
P.O. Box 526  
Redwood Falls, MN 56283

By: \_\_\_\_\_  
Tom Quackenbush  
Mayor

By: \_\_\_\_\_  
Keith Muetzel  
City Administrator

**TENANT:**

\_\_\_\_\_  
BW Farms LLC  
319 Park Lane  
Redwood Falls, MN 56283

**Exhibit “A”**

Legal Description and Map of Premises

Imaged AG JS JJA

STATE OF MINNESOTA  
GENERAL OBLIGATION BOND FINANCED PROPERTY

**DECLARATION**

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AND

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Including all facilities situated thereon (collectively, the "Restricted Property"); and as owner of such fee title, does hereby declare that such interest in the Restricted Property is made subject to the following restrictions and encumbrances:

- A. The Restricted Property is bond financed property within the meaning of Minn. Stat. Sec. 16A.695, is subject to the encumbrance created and requirements imposed by such statute, and cannot be sold, mortgaged, encumbered or otherwise disposed of without the approval of the Commissioner of Minnesota Management and Budget, which approval must be evidenced by a written statement signed by said commissioner and attached to the deed, mortgage, encumbrance or instrument used to sell or otherwise dispose of the Restricted Property.

The Restricted property shall remain subject to this State of Minnesota General Obligation Bond Financed Declaration for 125% of the useful life of the Restricted Property or until the Restricted Property is sold with the written approval of the Commissioner of Minnesota Management and Budget, at which time it shall be released therefrom by way of a written release in recordable form signed by both the Commissioner of Minnesota Department of Natural Resources and the Commissioner of Minnesota Management and Budget, and such written release is recorded in the real estate records relating to the Restricted Property. This Declaration may not be terminated, amended, or in any way modified without the specific written consent of the Commissioner of Minnesota Management and Budget.

REDWOOD-COTTONWOOD RIVERS  
CONTROL AREA

  
By: Luke Johnson  
Its: Chairman

Dated: May 14, 2020

STATE OF MINNESOTA     }  
  } ss.  
COUNTY OF LYON         }

The foregoing instrument was acknowledged before me this 14 day of May, 2020, by Luke Johnson, the Chairman of Redwood Cottonwood Rivers Control Area, a joint-powers organization under the laws of the state of Minnesota, on behalf of the Organization.

  
Notary Public

This Instrument Drafted by:

Frank F. Munshower  
Estebo, Frank & Munshower, Ltd.  
P.O. Box 377, 315 So. Washington  
Redwood Falls, MN 56283  
(507) 637-5721  
frankm@rwflaw.com





LIBERTY AVE

SHR23

AGENDA MEMO

**Meeting Date:** July 1, 2025

**Agenda Item:** Resolution No. 43 of 2025 – A Resolution of the City of Redwood Falls Providing for the Authorization for Release and Waiver of Development Agreement.

**Recommendation/Action Requested:** Read the proposed Resolution or make a motion to waive the reading of the Resolution. Discuss the proposed Resolution. If there are no concerns, adopt the proposed Resolution by motion in accordance with Chapter 4 of the City Charter.

**Summary/Overview:** Pursuant to Resolution #12 of 2022 the City and Port Authority entered into a Development agreement with Redwood Falls Industries for the redevelopment of two parcels of real property, Seasons Home at 400 Veda Drive (Parcel #88-766-1220) and the residence located at 205 Veda Drive (Parcel #88-766-0360) as single-family residences by December 31, 2022. The Development Agreement was entered into by the parties on March 2, 2022, and recorded against the properties on March 23, 2022, as document number T16824. Pursuant to the terms of the Development Agreement, any modification or waiver of the Development Agreement requires City Council approval through resolution.

Staff were contacted by the law office of Passe & Whitmore P.A. with a request from the current owners of the properties to release the properties from the Development Agreement. Staff believe that all conditions of the Development Agreement have been met with respect to the development of the properties and support a release of the properties from the Development Agreement.

**Attachment:** Resolution No. 43 of 2025  
Release and Waiver of Development Agreement – 205 Veda Drive  
Release and Waiver of Development Agreement – 400 Veda Drive

**RESOLUTION NO. 43 OF 2025  
AUTHORIZATION FOR RELEASE AND WAIVER  
OF DEVELOPMENT AGREEMENT**

**WHEREAS**, on January 19, 2022, Redwood Falls Industries, Inc., (“Developer”) submitted a letter of intent to purchase and redevelop the Seasons Home located at 400 Veda Drive and the residence located at 205 Veda Drive. Pursuant to the Letter of Intent, the City agreed to exclusive negotiations with Developer; and

**WHEREAS**, Purchase Agreements between the City and Developer and the Port Authority and Developer were finalized on February 10, 2022; and

**WHEREAS**, as part of the Purchase Agreements, Developer entered into a Development Agreement with the City and Port Authority, under which Developer agreed to redevelop the Seasons Home (Parcel #88-766-1220) and the residence located at 205 Veda Drive (Parcel #88-766-0360) as single-family residences by December 31, 2022; and

**WHEREAS**, a Development Agreement was entered into by the parties on March 2, 2022, and recorded against the properties on March 23, 2022, as document number T16824; and

**WHEREAS**, any modification or waiver of the Development Agreement requires City Council approval through resolution; and

**WHEREAS**, transfer of ownership of both parcels of real property occurred on March 15, 2022; and

**WHEREAS**, Staff believe that all conditions of the Development Agreement have been met with respect to the development of the properties; and

**WHEREAS**, the current owners of the properties are now requesting that a release and waiver of the Development Agreement be provided by the City and Port Authority.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF REDWOOD FALLS, MINNESOTA, AS FOLLOWS:**

1. The City shall execute a release and waiver of the Development Agreement for each property as described above.
2. The Mayor and City Administrator are authorized to execute a release and waiver of the Development Agreement for each property as described above.

**PASSED AND ADOPTED** by the City Council of the City of Redwood Falls, Minnesota this 1<sup>st</sup> day of July 2025.

ATTEST:

\_\_\_\_\_  
Keith Muetzel  
City Administrator

\_\_\_\_\_  
Tom Quackenbush  
Mayor

(City Seal)

Subscribed and sworn to before me this  
1<sup>st</sup> day of July 2025.

\_\_\_\_\_  
Notary Public

**RELEASE AND WAIVER OF DEVELOPMENT AGREEMENT**

**Date:** \_\_\_\_\_, 2025

The real property located in Redwood County, Minnesota, legally described as follows:

Lots Numbered Two (2) and Three (3), in Block Number Three (3) of Sunnyside Heights Addition to the City of Redwood Falls, according to the recorded plat thereof;

is hereby released from the terms of the **DEVELOPMENT AGREEMENT** executed by the City of Redwood Falls, a Minnesota municipal corporation, and the Redwood Falls Port Authority, a Minnesota governmental entity, as Owners, and by Redwood Falls Industries, Inc., a Minnesota corporation as Developer, and recorded on March 23, 2022 as Document number T16824 in the Office of the County Recorder of Redwood County.

**CITY OF REDWOOD FALLS**

By: \_\_\_\_\_  
Tom Quackenbush, Its Mayor

By: \_\_\_\_\_  
Keith Muetzel, Its Administrator

STATE OF MINNESOTA     )  
  ) ss.  
COUNTY OF REDWOOD    )

The foregoing was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2025, by Tom Quackenbush and Keith Muetzel, the Mayor and City Administrator, respectively, on behalf of the City of Redwood Falls, a Minnesota municipal corporation.

\_\_\_\_\_  
Notary Public

**CITY OF REDWOOD FALLS**

By: \_\_\_\_\_  
Jeanne Limoges, Its President

By: \_\_\_\_\_  
Keith Muetzel, Its Executive Director

STATE OF MINNESOTA     )  
  ) ss.  
COUNTY OF REDWOOD     )

The foregoing was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2025, by Jeanne Limoges and Keith Muetzel, the President and Executive Director, respectively, on behalf of the Redwood Falls Port Authority, a Minnesota governmental entity.

\_\_\_\_\_  
Notary Public

**This instrument was drafted by:**  
Trenton Dammann, Lic. No. 0396869  
Redwood Falls City Attorney  
PO Box 526  
Redwood Falls, MN 56283  
Phone: (507) 616-7400

**RELEASE AND WAIVER OF DEVELOPMENT AGREEMENT**

**Date:** \_\_\_\_\_, 2025

The real property located in Redwood County, Minnesota, legally described as follows:

Lot Two (2) and that part of Lot One (1) lying South of a line described as follows:  
Commencing at a point on the West boundary line and twenty (20) feet North of the South boundary line of said Lot One (1) and running thence Northeasterly to the Northeast (NE) corner of said Lot One (1); all in Block Seven (7) of the Subdivision entitled: "Blocks 5, 6, 7, 8, 9, 10 and 11 of Sunnyside Heights Addition to the City of Redwood Falls, Minnesota," according to the recorded plat thereof.

is hereby released from the terms of the **DEVELOPMENT AGREEMENT** executed by the City of Redwood Falls, a Minnesota municipal corporation, and the Redwood Falls Port Authority, a Minnesota governmental entity, as Owners, and by Redwood Falls Industries, Inc., a Minnesota corporation as Developer, and recorded on March 23, 2022 as Document number T16824 in the Office of the County Recorder of Redwood County.

**CITY OF REDWOOD FALLS**

By: \_\_\_\_\_  
Tom Quackenbush, Its Mayor

By: \_\_\_\_\_  
Keith Muetzel, Its Administrator

STATE OF MINNESOTA     )  
  ) ss.  
COUNTY OF REDWOOD    )

The foregoing was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2025, by Tom Quackenbush and Keith Muetzel, the Mayor and City Administrator, respectively, on behalf of the City of Redwood Falls, a Minnesota municipal corporation.

\_\_\_\_\_  
Notary Public

**CITY OF REDWOOD FALLS**

By: \_\_\_\_\_  
Jeanne Limoges, Its President

By: \_\_\_\_\_  
Keith Muetzel, Its Executive Director

STATE OF MINNESOTA     )  
  ) ss.  
COUNTY OF REDWOOD     )

The foregoing was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2025, by Jeanne Limoges and Keith Muetzel, the President and Executive Director, respectively, on behalf of the Redwood Falls Port Authority, a Minnesota governmental entity.

\_\_\_\_\_  
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