

**MINUTES  
ECONOMIC DEVELOPMENT AUTHORITY MEETING  
JULY 18, 2016**

The meeting was called to order at 6:40 p.m.

Present: Commissioners: Kermes, Prudhon, Ruzek; Assistant Treasurer / Secretary: Short; Attorney: Lemmons.

**APPROVAL OF AGENDA (Additions/Deletions):** Prudhon moved approval of the agenda as submitted. Ruzek seconded. Ayes all.

**APPROVAL OF MINUTES OF JUNE 20, 2016:** Prudhon moved approval of the June 20, 2016 Meeting Minutes. Ruzek seconded. Ayes all.

**NEXTERN SOIL CORRECTION ESCROW – UPDATE:** The Clerk reported that during negotiations on the sale of the Birch Lake Business Center, Parcel 2, the EDA and Nextern agreed that the sale price of \$239,361.00 was for a “pad ready site” which means ready for building construction. The EDA and Nextern also agreed that the site would not be pad ready at the time of closing and that Nextern would perform grading and soil corrections necessary to make site pad ready. The Town Engineer was directed to estimate the additional grading and soil correction work. Larry Bohrer’s 9/17/16 report estimated that cost to be \$76,016.00. The sale price was reduced by that amount to \$163,345.00. Nextern then solicited several estimates for that work which were much higher than Larry Bohrer’s estimate. So the EDA and Nextern agreed to set aside an escrow to cover the possibility of higher costs. The EDA closed on the sale of parcel #2 to Nextern on 10/20/15. An escrow in the amount of \$150,450.48 is being held by Land Title to reimburse Nextern for soil correction costs greater than \$76,016.00. The EDA then authorized the Town Engineer to monitor the soil correction activities to confirm actual costs. Excavation began late last fall and is now almost complete and Nextern has paid their excavator. Grading and soil correction costs have been estimated by the Town Engineer to be \$144,965.00 which is \$68,449.00 more than the \$76,016 initially estimated and deducted from the purchase price. The Engineer also estimated that the cost to complete the remaining soil correction should not exceed \$30,000.00. A second report will be presented to the EDA when that work is complete.

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The Town Engineer reported that previously fill had been placed on this site. The fill was placed without first removing the native topsoil and other organic material. The fill was also placed in an uncontrolled manner without compaction. The previous boring documentation did not uncover this situation entirely so the developer is covering the expenses for their normal mobilization, clearing and grubbing, site grading, testing, rock entrance and supervisor/project coordination which are normal site development costs which he expected to cover. There is still material on site that has been excavated and will need to be exported. This material will be used on-site in the boulevard areas to the greatest extent possible to minimize the removals and the material that is necessary to be brought to the site for fill. The additional work still to be performed consisting of the excavated material is estimated at a maximum of \$30,000.00 which would bring the total cost to approximately \$175,000.00.

Ruzek moved, based on staff review and recommendation to authorize Land Title to release \$68,449.00 from the \$150,450.49 escrow. Prudhon seconded. Ayes all.

**TOWN HALL – LOUCKS SURVEYING SERVICES PROPOSAL:** The Clerk reported that the Town requested a proposal from Loucks Associates for surveying services for the Town Hall relocation. The nature of the project is for a topographic survey and they have based their proposal on correspondence between the Town and Greg Johnson of Loucks Associates. The topographic survey of the site will be approximately 50 feet surrounding the building including: 1) one-foot contours of the site; 2) spot elevations on significant structures and features; and 3) portrayal of underground utilities on the site based upon a Gopher State One call request, and mapping provided by utility operators. Loucks will commence preparation and research into mapping and records upon authorization to proceed. It is anticipated that the survey will be completed in 3 to 4 weeks. Cost for the topographical survey is \$2,200.

Prudhon moved to authorize an expenditure of \$2,200 for Loucks Associates' topographical survey of the Town Hall relocation site. Ruzek seconded. Ayes all.

**RECEIPT OF AGENDA MATERIALS / SUPPLEMENTS:** Ruzek moved to receive all of the agenda materials and supplements for tonight's meeting. Prudhon seconded. Ayes all.

The meeting adjourned at 7:04 p.m.

Respectfully Submitted,

William F. Short  
Assistant Treasurer/Secretary