

City Council Agenda Memo

From: Todd Langland, Director of Solid Waste

Council Meeting: November 10, 2020

Subject: Landfill Farmland Bid Award

Person(s) Responsible: Todd Langland, Director of Solid Waste

Summary:

This resolution will award the bid for Landfill Farmland rent in the amount of \$227.00 per acres to James Meyer. This is a very favorable lease when compared to the previous year. Staff recommends approval.

Background:

Brookings Regional Landfill has 120 acres of farmland located on the north side of the landfill. The land lease is up on December 31, 2020. The land was last bid in 2016. When viewing the attached map, you will see the Flying Club has six (6) acres of non-farmable land that encompasses a drainage way. This is a separate lease from the 120 acres of farmland.

The lease will be for a period of (5) five years, commencing on January 1, 2021 and ending on December 31, 2025. Annual rent payment will be due on April 1st of each year.

Item Details:

The bid letting for the land rent was held on Tuesday, October 27, 2020 and the City received the following bids:

James Meyer	\$227.00/per acre
David Rochel	\$218.00/per acre
Tim & Dan Bauer	\$167.50/per acre
LNJ Farms	\$135.00/per acre

James Meyer submitted the highest bid of \$227.00 per acre, the previous lease rate was \$211.00 per acre from 2016 through 2020 crop years. The bid prices exceeded staff expectations due to the COVID-19, changes in the farm economy and based on the estimated local cash rent report.

Legal Consideration:

Contract for lease has been reviewed and approved by City Attorney Britzman.

Financial Consideration:

The City will receive \$27,240.00 in revenue in 2021 through 2025.

Options and Recommendation:

The City Council has the following options:

1. Approve as presented
2. Amend
3. Deny
4. Refer to a Study Session
5. Do nothing

Staff recommends approval of the resolution as presented.

Supporting Documentation:

Resolution

Map