

City Council Agenda Memo

From: Jackie Lanning, City Engineer

Council Meeting: November 10, 2020

Subject: Awarding Bids on City Crop Lease in Wiese Addition and Freeland Addition

Person(s) Responsible: Jackie Lanning, City Engineer

Summary:

This resolution will award bids for the 2021 City Crop Lease located in the Wiese Addition and Freeland Addition to Lyle Bothe for the high bid of \$170.00 per acre.

Background:

The City is leasing approximately 10 acres of crop land in the Freeland Addition and 30 acres of crop land in the Freeland Addition as shown on the attached map. The City Crop Lease will be for 2021 with an option to renew for one additional one year for 2022. The lease terms are shorter for these parcels since they are in the industrial park and marketed for sale.

Item Details:

A bid letting was held at 1:30 on Tuesday, November 3, 2020, and the following bids were received:

Lyle Bothe	\$170.00 per acre
Tim and Dan Bauer	\$157.50 per acre

Following approval of this resolution to award the bids, the City will hold a public hearing with intent to lease to a private person at the November 24, 2020 City Council meeting.

Legal Consideration:

None.

Strategic Plan Consideration:

The crop lease furthers the strategic initiative of financial responsibility, whereby the City receives revenue from the lease. The person providing the crop lease also provides weed control, thereby saving City staff and expenses for the weed control operations.

Financial Consideration:

The City will enter into a one-year contract for 2021 with Lyle Bothe for the high bid of \$170.00 per acre for 40 acres resulting in the annual payment of \$6,800.00. The

contract may be renewed for one additional terms for 2022.

Options and Recommendation:

The City Council has the following options:

1. Approve as presented
2. Amend
3. Deny
4. Move the item to a work session
5. Do nothing

Staff recommends approval of the resolution as presented.

Supporting Documentation:

Resolution

Map