

KINDRED CITY COUNCIL SPECIAL MEETING MINUTES

Monday, July 14, 2025 | 7:00 pm | Kindred City Hall

MEETING CALLED TO ORDER AT 7:05 pm by Mayor Kersting with CMs Spelhaug, Ronningen, and Sharp present. Absent: CM Peraza. Others present: Auditor Tabitha Arnaud, City Engineer Brandon Smith, Mark Ottis, Kevin Bartram, Andrew Smith, Scott Pederson, Tony Sager, Matt Hall, Joel Ronningen.

Improvement District 2025-2 (Meadow Trails Development) Engineering Services:

Mark Ottis inquired about the project background and whether work will begin this season. Kersting noted that Widmer Roel's (audit firm) recent update indicated there is great optimism to complete audits through 2022 by year-end 2025, no guarantees can be made. If audits are caught up by that time, the city may proceed with obtaining financing for development project.

- Mark Ottis thanked Scott Pederson of Northern Improvement for agreeing to hold pay requests until city financing is available. MBN also confirmed their willingness to wait.
- An Improvement District agreement initially drafted for Newport Ridge has been revised to support this project.
- Andrew Smith outlined several agreement details:
 - **Item 1:** Clarified distinction between the different scopes of work for the Meadow Trails development and the Elm Street water main replacement projects.
 - **Item 8:** Cooperative provision that the City will reasonably consider requests to issue building permits and certificates of occupancy prior to substantial/final completion of the project. No obligation; good-faith consideration based on project status at the time.
 - **Building Permits/Certificates of Occupancy:** Developers are not obligated to obtain BP prior to substantial completion or COs prior to final completion. Requests will be evaluated based on project status.
 - **Item 13:** Temporary bond requirement to be removed.
 - **Item 26:** Cooperative provision to reflect active developer involvement and awareness.

Mayor Kersting confirmed the city's financing of the Elm Street portion of work would be difficult at this time, noted that Northern Improvement agreed to hold all Contractor Applications for Payment (CAPs) for the entire project. This allows the city to proceed prior to audit work completion, and appreciation was expressed for Northern Improvement's flexibility.

- Additional updates:
 - **Item 13:** To remove any city financial obligation.
 - **Item 18:** Updated to reflect a 0.5% change in terms.

Discussed proposed change orders, potential start dates, paving held until 2026, water main replacement to be completed prior to development utility work is connected and put into service.

City Attorney Sarah Wear was unavailable to attend this meeting and noted the remaining items:

- Need to finalize the Improvement District Agreement with details outlined here. CMs Spelhaug and Sharp will coordinate with her and developers for legal review.
- Required Dept. of Environmental Quality (NDDEQ) review of finalized project documentation and facility plan.
- Mayor Kersting's absence the remainder of the month, Council President Spelhaug can sign documents as needed.
- Recording of the plat; one signature still needed.

MOTION, passed – To approve 2025-2 Improvement District Agreement contingent on finalized legal review with Council reps. Sharp moved; Ronningen seconded. RCV (Roll Call Vote); MCU (Motion Carried Unanimously).

MOTION, passed – To award 2025-2 bid to Northern Improvement for \$6,240,867.70 contingent on finalized Improvement District Agreement, plat execution, and NDDEQ approval. Spelhaug moved; Sharp seconded. RCV (Roll Call Vote); MCU (Motion Carried Unanimously).

MOTION, passed – To authorize Council Member Adam Spelhaug to sign for Mayor Darrell Kersting for project 2025-2. Sharp moved; Ronningen seconded. RCV (Roll Call Vote); MCU (Motion Carried Unanimously).

MOTION, passed – To adjourn meeting at 7:48 pm. Sharp moved, Spelhaug seconded. RCV; MCU.

(Minutes subject to council approval.) (Agenda deadline is noon Wednesday the week before the meeting.)

Darrell Kersting, Mayor

Tabitha Arnaud, City Auditor

Date approved