

**March 17, 2015**

**To: Mayor Bemrich and City Council**  
**From: David Fierke, City Manager**  
**Subject: Memorandum of Understanding:  
City of Fort Dodge and Land O'Lakes, Inc.**



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**ACTION: For Vote Monday, March 23, 2015**

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**Brief History**

The plans and specifications for Phase 1C of the East Region Storm Sewer Project have been completed by Snyder and Associates. The City will need to acquire land from Purina Animal Nutrition, LLC, dba Land O'Lakes, Inc. The approximate 9-acre site would be used to construct a detention basin and lift station and install storm sewer infrastructure. Land O'Lakes had valued the property at \$160,000.

An Environmental Assessment of the site revealed contaminated soil at the site, estimated at 1200 cubic yards. The cost to remove the contaminated soil and install monitoring wells is estimated to cost \$84,300.

Land O'Lakes has agreed to sell the site to the City for the \$160,000 less the cost to remediate the site. If the actual cost of remediation is less than \$84,300, the City would reimburse Land O'Lakes for the difference in the estimated cost and the actual cost of remediation.

**Analysis of Issue**

This site is needed in order to move forward with Phase 1C of the East Region Storm Sewer Project.

**Budget Impact**

Funds allocated for Phase 1C of the East Region Storm Sewer project will be utilized to acquire the property and perform the remediation.

**Strategic Plan Impact**

Policy D.4.2: Advanced planning for all infrastructure facilities shall be supported and routinely updated. Facilities benefited by advanced planning shall include, at minimum, schools, health care, residential areas, roads, water, sewer, storm water management, parks, recreation, and greenways.

**Existing Plan Impact**

Consistent with Capital Improvement Plan and Envision 2030 Plan.

**Subcommittee or Commission Review / Recommendation**

None

**Staff Conclusions / Recommendations**

Staff recommends approving the attached Memorandum of Understanding with Purina Animal Nutrition, LLC.

**Alternatives**

The only alternative would be to not approve the attached Memorandum of Understanding, which is not recommended.

**Implementation and Accountability**

If this resolution is approved, staff of the Department of Business Affairs and Community Growth will ensure that the terms of the Memorandum of Understanding are met.

Signed

Approved



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Vickie L. Reeck  
Community Development Manager

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David R. Fierke  
City Manager

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING WITH  
PURINA ANIMAL NUTRITION, LLC, DBA LAND O'LAKES, INC. FOR THE  
ACQUISITION OF INTERESTS IN REAL PROPERTY FOR PHASE 1C OF THE EAST  
REGION STORM SEWER PROJECT**

WHEREAS, plans and specifications for Phase 1C of the East Region Storm Sewer Project have been prepared by Snyder and Associates; and,

WHEREAS, the acquisition of interests in real property are needed from Purina Animal Nutrition, LLC in order to complete the project; and,

WHEREAS, the attached Memorandum of Understanding has been negotiated with the owner.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Fort Dodge, Iowa, hereby approve the attached Memorandum of Understanding.

Passed this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

Other: \_\_\_\_\_

CITY OF FORT DODGE, IOWA

By: \_\_\_\_\_  
Matt Bemrich, Mayor

ATTEST:

\_\_\_\_\_  
Jeff Nemmers, City Clerk

**MEMORANDUM OF UNDERSTANDING  
BY AND BETWEEN  
THE CITY OF FORT DODGE, IOWA  
AND PURINA ANIMAL NUTRITION, LLC,  
dba LAND O'LAKES, INC.**

THIS AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2015, by and between the City of Fort Dodge, Iowa, an Iowa Municipal Corporation (The "City") and Purina Animal Nutrition, dba Land O'Lakes, Inc. ("Land O'Lakes")

**WITNESSETH**

WHEREAS, the City is undertaking Phase 1C of the East Region Storm Sewer Project; and,

WHEREAS, in order to complete said project the City will need to acquire certain property rights from Land O'Lakes; and,

WHEREAS, the said Land O'Lakes property, which is located on 8<sup>th</sup> Avenue South, east of South 25<sup>th</sup> Street, and is generally depicted on the attached plat, will be used for the construction of a detention basin and lift station and the installation of infrastructure for the storm sewer project; and,

WHEREAS, Land O'Lakes had agreed to sell the approximate 8.68-acre site to the City for \$160,000; and,

WHEREAS, it has been determined that approximately 1200 square yards of contaminated soil are present on the site and would need to be removed in order to use the site for the intended purpose; and,

WHEREAS, remediation of the contaminated soil and installation of monitoring wells is estimated at \$84,300.

NOW, THEREFORE, the parties agree to the following stipulations:

Land O'Lakes agrees to:

1. Deed the subject property, labeled as Parcels "A", "B" and "C" on the attached plat, to the City at a cost of \$75,700, which represents the original offer of \$160,000 less the estimated costs for remediation of the site.
2. Provide a temporary construction easement for the area marked "TCE" on the attached plat for the 2015 construction season (approximately April 1, 2015 – December 1, 2015). The purpose of the temporary construction easement is for equipment maneuverability and some grading and shaping. The trees and any other improvements within the temporary easement will be protected.

The City agrees to:

1. Place the estimated cost of remediation, \$84,300, in an escrow to be drawn on for the actual costs of remediation. Any remaining balance at the end of the remediation would be released to Land O'Lakes. Should the costs to remediate exceed \$84,300, Land O'Lakes is under no obligation to reimburse the City for additional costs.

All parties of this agreement hereby and herewith agree to hold harmless and indemnify each of the other parties, their employees or representatives, from any and all liability to which they may be subject, arising out of the execution of this agreement.

This is the complete and final agreement of the parties and no statement not herein contained has been relied upon by any party in affixing their signature hereto.

All parties warrant that they have full and sufficient authority to execute this agreement and each party will sign whatever document is necessary to effectuate this agreement.

IN WITNESS WHEREOF, we have affixed our signatures hereto.

CITY OF FORT DODGE, IOWA

ATTEST

\_\_\_\_\_  
By: Matt Bemrich, Mayor

\_\_\_\_\_  
Jeff Nemmers, City Clerk

STATE OF IOWA, WEBSTER COUNTY, ss:

On this \_\_\_\_ day of \_\_\_\_\_, 2015, before me, the undersigned, a Notary Public in and for said State, personally appeared Matt Bemrich and Jeff Nemmers to me personally known, who being by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of said corporation; that the seal affixed thereto is the seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its City Council; and that the said Mayor and City Clerk as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

\_\_\_\_\_  
Notary Public in and for said State of Iowa

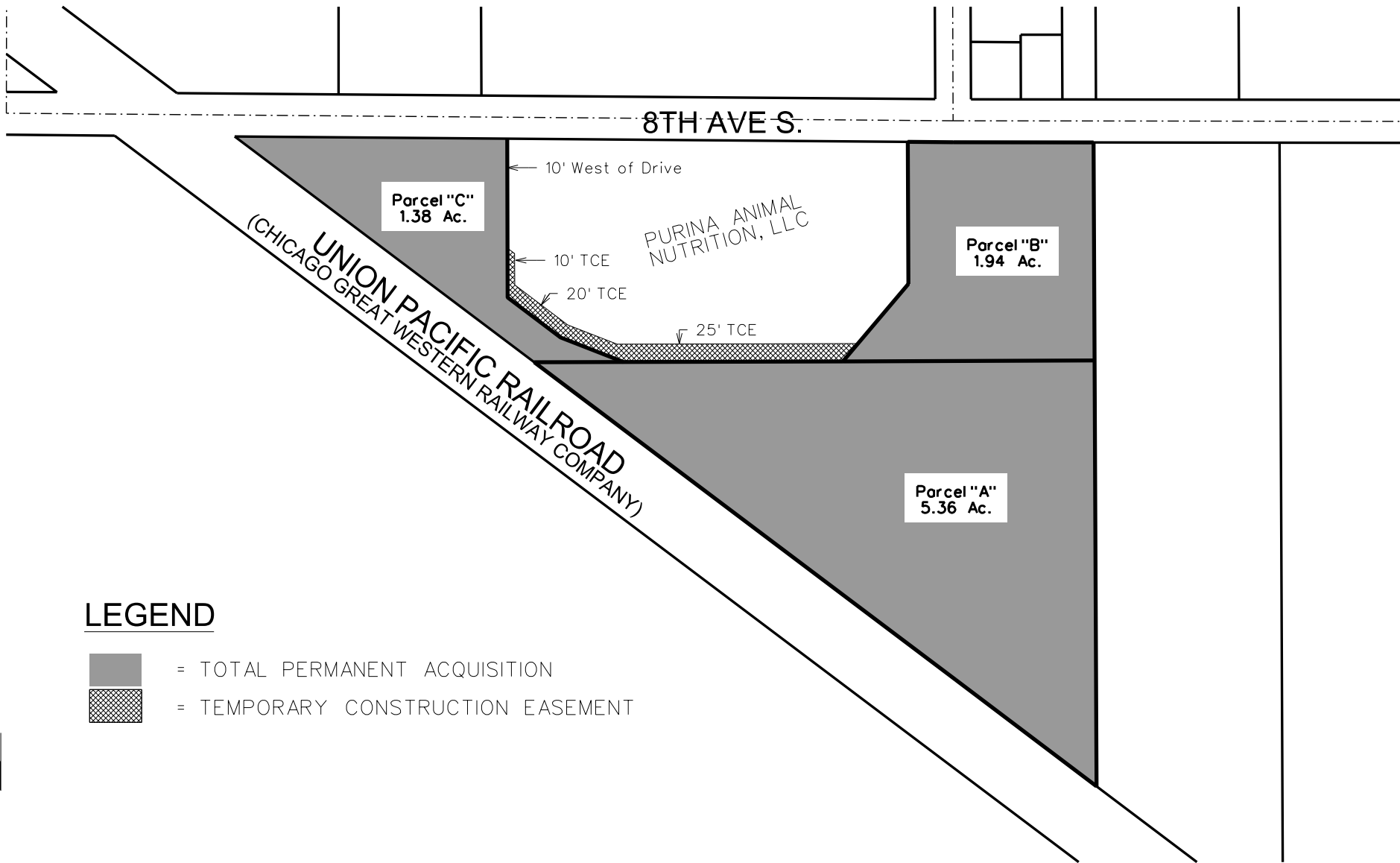
PURINA ANIMAL NUTRITION, LLC

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


STATE OF \_\_\_\_\_, \_\_\_\_\_ COUNTY, ss:

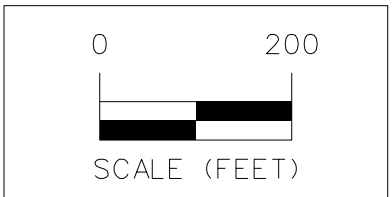
On this \_\_\_\_ day of \_\_\_\_\_, 2015, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, to me personally known, who being by me duly sworn, did say that he is the \_\_\_\_\_, of said corporation; that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and that the said \_\_\_\_\_ as such officer, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

\_\_\_\_\_  
Notary Public in and for said State of Iowa



**LEGEND**

-  = TOTAL PERMANENT ACQUISITION
-  = TEMPORARY CONSTRUCTION EASEMENT



<b>FORT DODGE EAST REGION STORM SEWER PHASE 1C</b>		SHEET 1 OF 1
<b>PURINA ANIMAL NUTRITION, LLC</b>		PN: 1120558
 <b>SNYDER &amp; ASSOCIATES, INC.</b> Engineers and Planners		SCALE: 1"=200'
		DATE: 3-17-2015
		TECH: JDP
2727 S.W. SNYDER BLVD. ANKENY, IA 50023 (515) 964-2020		