

RESOLUTION #04-590-2023
FOR PURCHASE OF WETLAND BANKING CREDITS
BY THE CITY OF KARLSTAD

WHEREAS, the City Council for the City of Karlstad has previously determined that it is in the best interests of the public good that a new airport be built to service the City, its residents and businesses, and the surrounding area; and,

WHEREAS, the Minnesota Legislature through a grant administered by MNDOT has approved this project and funded planning, land purchase and initial construction efforts; and,

WHEREAS, the City has been informed by its wetland consultant, Anez Consulting, Inc, that the grading area will consume 20.3836 acres of wetland, and that in order to be granted a permit for construction, those wetlands so impacted will have to be replaced. The City has been informed by its wetland consultant that impacted wetlands will need to be replaced at a rate of 2 to 1, for a total of 40.7672 acres of new wetlands to be created or the purchase of 40.7672 state and federally approved wetland banking credits; and,

WHEREAS, to expedite the construction schedule, the City of Karlstad has elected to purchase wetland replacement credits instead of creating replacement wetlands because purchasing credits is the quickest and most certain method of achieving approved wetland mitigation. Wetland credit purchase appears to be the clearly better option because: 1) creating replacement wetlands requires monitoring and maintenance for 5 years thereafter; 2) replacement wetland credits are already approved by the applicable SWCD, by the Board of Water & Soil Resources, and by the U.S. Corps of Engineers; 3) the cost of purchasing replacement credits is known; and 4) purchasing replacement credits involves no long-term monitoring or remediation and those associated costs; and,

WHEREAS, the City of Karlstad has secured, with the assistance of Anez Consulting, Inc., replacement wetland credits, which credits can be purchased in lieu of creating new replacement wetlands; and,

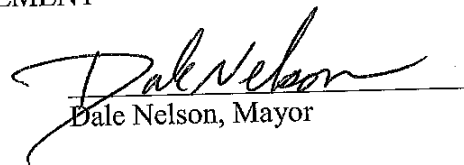
WHEREAS, the wetland consultant solicited quotes from three wetland bankers and recommended to the City the Seller that had an adequate number of credits for sale and had the lowest cost per credit, and the Seller of the replacement credits is asking a total price of

\$713,426, plus a \$29,556.22 Withdrawal Fee and \$12,311.69 Stewardship fee required by the Board of Water & Soil Resources for a total of **\$755,293.91** for the 40.76 credits needed; and,

WHEREAS, the current funds available for the project in the initial funding allocation are sufficient to pay this cost, and construction cannot proceed until the replacement wetlands are either purchased or approved;

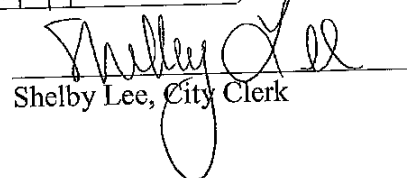
DN. ^{Stutter, LLC} ~~John Erickson~~ THEREFORE, BE IT RESOLVED that the City of Karlstad enter into a Purchase Agreement with ~~John Erickson~~ for the purchase of 40.76 wetland credits for the sum of **\$755,293.91** as indicated on the attached Purchase Agreement, and that the Mayor and the Clerk are hereby authorized to sign all documents required to effectuate said purchase, and that upon approval of this Resolution the City of Karlstad should apply to MNDOT for the transfer of said funds to the City for closing with the Seller.

SEE ATTACHED PURCHASE AGREEMENT


Dale Nelson, Mayor

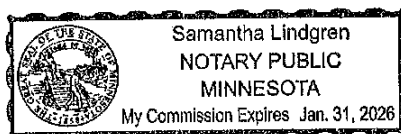
CERTIFICATION

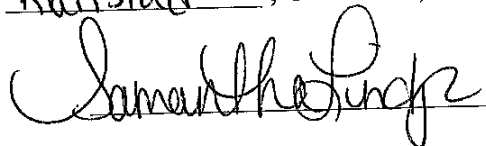
I certify that the above Resolution was approved by a vote of 4 by the Karlstad City Council at its regular meeting on 4-17, 2023.


Shelby Lee, City Clerk

STATE OF MINNESOTA)
) SS
COUNTY OF KITTSON)

Under penalty of perjury I declare that Dale Nelson did personally appear before me on the 17th day of April, 2023, in Karlstad, Minnesota, and execute this Certified Resolution.

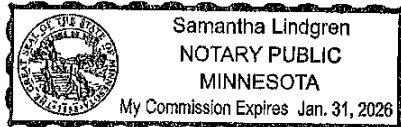




STATE OF MINNESOTA)

COUNTY OF KITTSOON) SS
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Under penalty of perjury I declare that Shelby Lee did personally appear before me on the 17th day of April, 2023, in Karlstad, Minnesota, and execute this Certified Resolution.



Samantha Lindgren
Notary