

COUNCIL ACTION FORM

DATE: 9/14/26

AGENDA ITEM: Well Land

Background

The City currently owns approximately 38 acres of property adjacent to I-35. A little more than half of the property is currently enrolled in the Conservation Reserve Program (CRP) and will remain under contract for the next several years. The remaining acreage has continued to be utilized for agricultural purposes through a cash-rent arrangement.

For the foreseeable future, I anticipate continuing with this same approach. The portion that is currently farmed will remain available for cash rent, allowing the City to generate revenue from the property while preserving flexibility for future municipal needs. Once the CRP contract expires, we can evaluate whether to place that portion into agricultural production under a similar cash-rent arrangement.

At the same time, we will continue to preserve the City's ability to use the property for future infrastructure needs. If additional municipal wells are needed, we would retain the flexibility to remove the necessary acreage from agricultural use and incorporate it into those plans.

Overall, the intent is to keep the property productive and generating value for the City in the short term while maintaining the long-term flexibility to utilize the site for future water-system expansion or other municipal needs.

We have received three (3) bids:

1. Steve Owen: \$325/Acre
2. Travis Stensland: \$305/Acre
3. Jeff Longnecker: \$250/Acre

Staff recommendation:

1. Staff recommends approving option 1:

Therefore, the recommendation is that Council approve option 1.