

**Bridgewater Township Board of Supervisors**  
**County of Rice, State of Minnesota**  
**February 25, 2023, 9:00a.m.**  
**Official Minutes**

Call to order

Pledge of Allegiance

Roll Call: Kathleen Kopseng, Thomas Hart, Andrew Ebling, Glen Castore, Lori Noreen, Guests:  
Peter Tiede, Cindy Nash, Jessica Green

**Approval of Agenda:** Andrew Ebling made a motion to approve the Agenda, Thomas Hart seconded, all approved.

1. Brief Description of RLS Structure and Objectives

- a. Glen Castore explained that RLS Logistics is the Operating Company that will be established in the Rural Industrial Area. It is a cold storage facility. Their interest in the location they have selected in BWT's Rural Industrial Zone is the possibly access to rail to lower their transportation costs. RLS Partners are a bit cautious as there is no infrastructure established yet, but are optimistic as the business opportunity is immediate and significant. The Twin Cities and much of Minnesota is underserved for cold storage so the opportunity to establish a location in the area is appealing.
- b. Glen provided a sheet to better explain the connections within RLS.
  - i. RLS Partners is an investment company that was formed approximately 3 years ago by the owners of RLS to finance its expansion. RLS Partners has raised \$300M in Capital for acquisitions.
  - ii. RLS Great Lakes is an operating company which would run the facility to be located in the Township.
  - iii. Primus which will be the design-build engineering group. It is based out of Atlanta and will be the general contractor for the facility and be responsible for the design.
  - iv. Cooper Engineering could be the Civil Engineering group. Primus has requested that Stantec be used instead of Cooper for this. There was discussion regarding the possible conflict of interest as BWT is using Stantec as well.
  - v. Avison Young will be used for assistance in Development Subsidies. They are speaking with Rice County about tax abatement, and working with them regarding deed funds.
- c. Castore that the County Assessor estimates the total investment for RLS will be approximately \$65M. Of that \$25M would be the estimated market value of the building and what RLS will be taxed on. This would generate approximately \$188K in tax revenue for the County in 2025 and approximately \$44K for Bridgewater Township.
- d. It was noted that RLS has applied monies from MNDOT for the rail siding construction.

2. Brief Description of Organizations Bridgewater is working with
  - a. Glen Castore provided a sheet to better explain Bridgewater Township's connections.
    - i. Steele Waseca. The area where RLS is looking to construct their facility is currently located in Xcel territory. Both RLS and BWT would prefer to utilize Steele Waseca as it is able to provide backup for the project. There would be access to USDA funds in the amount of up to \$350K in grant money and \$200K in interest free loans. It was discussed that a petition would be submitted to the Public Utilities Commission to obtain Steele Waseca as the utilities provider to RLS. The Township and RLS would tentatively share the cost of the petition. This process can take up to 6-12 months.
    - ii. Northland Securities. Jessica Green was present at the meeting. Bridgewater Township has engaged Northland Securities to provide financial planning services for the project. They can provide a view on what the financial outcome will look like in 10-15 years.
    - iii. Frandsen Bank. Bridgewater Township has engaged in discussion with Frandsen Bank & Trust for a possibly financing for the project.
    - iv. Stantec Consulting Services. Stantec has been tasked with completing an Environmental Assessment Worksheet for Bridgewater Township which is in progress. BWT will also utilize their engineering services for Sewer & Water, 140<sup>th</sup> St, and the rail siding.
    - v. DEED. There is a special fund for Townships for road improvements as it would pertain to infrastructure. The legislature does not have the funds yet available.
    - vi. Rice County. BWT will work with Rice County to obtain DEED applications, possibly tax abatements, and rail authority. Dennis Luebbe, the Highway Engineer for Rice County offered to vet plans for Bridgewater Township. There was mention of possibly turning 140<sup>th</sup> St over to the County during construction and then the County would turn it back over to BWT after completion to aid in DEED monies that cannot go directly to the Township.
3. Open Issues
  - a. Glen Castore provided a sheet to better explain the current open issues regarding the RLS Project.
    - i. Escrow Agreement. There is a draft of the Escrow Agreement but RLS asked to strike certain wording pertaining to how the monies would be spent. After some discussion on the topic, it was decided that further work will be done to determine what "soft" costs will be and whom will cover such "soft" costs. The draft will be revised and brought to the March 8th Board of Supervisors meeting for approval. The initial escrow amount will be \$75K which will explicitly cover EAW, Variance, CUP and building permits.
    - ii. Development Agreement. At this time the Township's obligations are sewer & water service, road improvements and fiber optic connection. RLS obligations are yet to be determined. It was discussed that a

determination is needed as to who will own what before the agreement can be in place.

- iii. Height Variance. The process for the variance cannot begin until the EAW is completed.
  - iv. EAW. The Environmental Assessment Worksheet is in process. It is estimated to be complete by June or July 2023.
  - v. Rail Siding. The Board approved for Stantec to engage in a study to identify a conceptual rail layout for RLS that allows future expansion across the Rural Industrial Zone for other potential Companies.
4. Motion to Approve contract with Stantec on design of rail siding.
- a. Glen Castore made a motion to approve the contract with Stantec, Andrew Ebling seconded the motion. All approved.
5. Septic Inspector Update
- a. The Clerk informed the Board that there was an error in the fee from Inspectron. Inspectron's Septic Inspection fee is \$456.00 not \$465.00 as previously stated. This fee is for all Septic Types. Bridgewater Township residents currently pay \$551.00 for a septic inspection. That will stay the same. The current fee schedule will need to be updated as to how the resident will pay the fee.
  - b. The Clerk will reach out to Inspectron to confirm that the Township will be utilizing their services for Septic Inspections beginning April 1<sup>st</sup>. The Clerk will also work with Inspectron as to how payment will be processed.
  - c. The Clerk will send a letter to the current Septic Inspector, Darrel Gilmer thanking him for his services as the Septic Inspector for the Township and let him know that the Township has decided to use Inspectron beginning April 1<sup>st</sup> for is septic inspections, as Darrel has noted he is looking to retire.

Adjourn

Chair	
Clerk	