

Richland Wilkin Joint Powers Authority

Board Meeting

May 12, 2026 at 9:00 AM

Richland County Courthouse

Members Present: Eric Klindt, Jon Braton, Nathan Berseth, and Perry Miller

Members Absent: None

Also Present: Fred Strege, Amy Clark, Shawn Paczkowski, Nancy Kelly, Jason Semerad, Jessica Nelson

1. Review/Approve of April 14, 2026 Meeting Minutes: Klindt made a motion to approve the April 14, 2026 meeting minutes, and Miller seconded the motion. The motion carried.
2. Review/Approve of Sarah Erickson's April 30, 2026 Financial Reports: Braton made a motion to approve Sarah Erickson's April 30, 2026 financial reports, and Klindt seconded. The motion carried.
3. Old Business:
 - a. Updates:
 - i. Housing Program Updates.

Berseth gave an update about recent home sales. The JPA is closing today on the sale of a Burchill house located at 108 16th Street, Breckenridge, which leaves only one Burchill home remaining in Breckenridge. The JPA closed on one of the Silver Line homes in Colfax last week, and another Silver Line home in Colfax will close later this month. Thomsen Homes has sold two homes in Colfax, leaving only one remaining home available for sale.

Semerad gave an update about homes in Hankinson. 300 Prairie Drive had 3 showings in the last 2 weeks – there's been activity, but no one has pulled the trigger. There's been a little activity on 305 Prairie Drive. There's been no activity on the two Burchill homes. The main feedback has been related to price and interest rates. Semerad noted that \$325K-\$350K is the price range that many people are sitting at.

Berseth informed the Board that Bob Wurl has talked with Tracy Olson at the Ethanol plant about potentially buying the Hankinson homes.

Berseth stated that Bailey Hernandez and Carter Zettica are interested in a rent-to-own arrangement for the homes in Hankinson. They wish to rent the homes for 2 years, at \$2K per month, with \$800 per month being applied to the purchase price, and \$15,000.00 paid upfront. Strege said this would work, and it could be structured as a lease with an option to buy, with a nonrefundable option payment of \$15,000. Strege questioned whether these

would be triple net leases. Miller questioned whether pets would be allowed during the lease period. Berseth made a motion to give him negotiating authority to enter into leases with an option to buy, and Miller seconded. The motion carried.

ii. Other Project Updates.

Berseth informed the Board that the 8-Plex in Hankinson is full. The units are renting for \$1200-\$1400 per month. The Hankinson Housing Authority will move forward with more housing in Hankinson and intends to request a construction note from the JPA.

Berseth informed the Board that Cristaldo accepted an offer on the Rothsay home, and the Red House in Wahpeton is mostly sided.

4. New Business:

- a. Appointments to Debris Removal and Restoration Sub-Committee. The Board discussed potential appointments to the Debris Removal and Restoration Sub-Committee. Braton made a motion to appoint Riley Miller to represent Wilkin County, and to appoint Craig Hertsgaard to represent Richland County. Klindt seconded the motion, and the motion carried.
- b. Thor Buildings LLC. Clark informed the Board that Thor Buildings' lender (Northwestern Bank) asked to structure its financing to Thor Buildings LLC as two loans, not to exceed a total of \$575,000.00. An updated distribution agreement was provided to the Board that incorporates these changes. Miller made a motion to approve the updated distribution agreement, and Braton seconded. The motion carried.
- c. BoHo Moxie Hankinson Project – Revised Distribution Agreement Terms. Clark informed the Board that BoHo Moxie requested updates to its Distribution Agreement for the Hankinson cottage home project. Specifically, BoHo Moxie requested the following:
 - i. A loan increase from \$479,680.00 to \$503,664.00. This is a 5% increase due to expected cost increases from when the initial distribution agreement terms were approved.
 - ii. Modifying dates as follows: (I) 1% interest through 1/1/27, at which point interest increases to 4%; and (II) a balloon payment due on 1/1/28.

BoHo Moxie wants to ensure that the Board knows the cottage homes will be offered for sale or for rent. There is no JPA buyout on these homes. The JPA will be paid back on 1/1/28, at which point BoHo Moxie will have secured permanent financing if the homes haven't sold.

Miller made a motion to approve the requested updates, and Klindt seconded the motion. The motion carried.

- d. Options on Hankinson Housing. This topic pertains to the rent-to-own arrangement on the Hankinson homes, which was addressed above. No additional discussion occurred.
- e. Hohenstein Properties. Berseth and Clark gave the Board an update regarding the status of the Hohenstein twin homes. Berseth would like to negotiate a global resolution resulting in the JPA buying out the properties. This will require cooperation with the City of Wahpeton due to Wahpeton having an outstanding loan on the project. The Board gave its general consensus for Nathan to proceed with negotiations.
- f. Mooreton Development. Berseth informed the Board that the City of Mooreton is working to develop 7 lots in town and has received a \$400K catalyst grant. Mooreton is obtaining a loan through Bell Bank to pay the balance of the project costs. Bell has requested a guaranty from the JPA to buy a lot every year so that, if a lot doesn't sell, the JPA's lot purchase would be sufficient to pay the annual loan payment. The City owns the property now, it's platted (or about to be platted), and the project is ready to go to bid. Berseth stated that he is comfortable with the JPA purchasing a lot every 12 – 18 months if a lot doesn't sell so long as there's a set price. The City doesn't yet know what price the lots will be listed at. Berseth made a motion to grant Berseth negotiating authority with regard to (a) sale frequency and (b) lot price. Miller seconded the motion, and the motion carried.
- g. US Bank Building. Miller gave the Board an update regarding the US Bank Building, which the JPA recently purchased. John Anderson with Comstock Construction provided a bid to remove teller line cabinets, and the bid amount is roughly \$2K. Miller made a motion to accept the bid, Braton seconded the motion, and the motion carried pursuant to a unanimous roll call vote.
- h. Wolverton Application. Jessica Nelson appeared on behalf of the City of Wolverton regarding a request for funding to pay for electrical work on the City's campground. The written application provides that the cost is \$7,690.00, but this was an error, as the bid actually came in at \$9,475.00. Wilkin County approved the project, and Klindt stated that he would like to see the JPA cover the full bid amount. Braton made a motion to approve the distribution of \$9,475.00 to pay for the electrical work, Klindt seconded, and the motion carried pursuant to a unanimous roll call vote.
- i. Legacy Lakes. Berseth gave an update regarding the status of the Legacy Lakes project. The City wishes to purchase land for the SPARC. The purchase price has not been negotiated yet, and restrictive covenants will need to be drafted for it. Strege asked Clark to prepare covenants for the SPARC property and other commercial areas.

- j. Eagle Township. Strege updated the Board on recent concerns raised by Cash Aaland regarding Eagle Township. An agreement was reached between the Township and the Diversion to raise roads, but due to the Township not acquiring land rights, the Diversion hasn't been able to proceed with the project. Cash believes the Diversion is not honoring the agreement. Cash also brought up a cemetery concern. Because an Eagle Township cemetery signed a flowage easement, the Diversion has informed the cemetery that no additional work will be done. Cash asked for Strege's help in pressing both matters. Strege spoke with Shockley on Friday morning and it was a good discussion, and Shockley will scope out both concerns. In the meantime, Strege suggested to Cash that he cool his jets. Despite having these few discussions, Strege informed the Board that he doesn't want the JPA to get involved.
- 5. Misc.:
 - a. The Board discussed the status of the Breckenridge Legacy project. Klindt and Braton informed the Board that Wilkin County approved the project, but they were unable to recall the precise terms that were approved. Braton believed the Breckenridge Legacy group would submit its application to the JPA again for approval. Strege asked that the terms approved by Wilkin County be provided to Clark.
- 6. Approve Bills: The Board reviewed the current RWJPA bills. Klindt made a motion to approve and pay the bills, and Braton seconded. The motion carried by a unanimous roll call vote.

Thereafter the meeting adjourned.

Respectfully submitted,
Amy Clark