

**CITY OF BAXTER, MINNESOTA
RESOLUTION NO. 2026-047**

**A RESOLUTION APPROVING A COMPROMISE AGREEMENT AND A
SETTLEMENT STIPULATION BETWEEN MILLS PROPERTY INVESTMENTS, LLC
AND THE CITY OF BAXTER RELATING TO THE 2025 DESIGN ROAD & TH 371
STORMWATER IMPROVEMENTS PROJECT, MUNICIPAL PROJECT NO. 4135**

WHEREAS, Mills Property Investments, LLC (the “Property Owner”) owns a parcel of real property in the City, identified by parcel identification number 40050719 (the “Property”); and

WHEREAS, on October 7, 2025, the City levied a special assessment against the Property owned by the Property Owner for the 2025 Design Road & TH 371 Stormwater Improvements Project, Municipal Project No. 4135, payable in equal installments extending over a period of 12 years beginning in 2026 and bearing interest at the rate of 5.05% per year; and

WHEREAS, the special assessment amount levied against the Property was in the amount of \$236,672.52, comprised of an assessed amount of \$233,921.54 plus \$2,750.98 in interest, identified as the Assessment Levy Amount; and

WHEREAS, the Property Owner appealed the October 7, 2025, special assessment by filing a special assessment appeal action as Crow Wing County District Court File No. 18-CV-25-4198; and

WHEREAS, the Property Owner and the City have prepared a proposed Compromise Agreement intended to resolve the assessment appeal filed as Crow Wing County District Court File No. 18-CV-25-4198; and

WHEREAS, the salient terms of the Compromise Agreement between Property Owner and the City are as follows:

- The City agrees to reduce the Assessment Levy Amount against the Property to a total amount of \$140,000.00 plus any accrued interest due and payable.
- The Compromise Agreement is intended to resolve the dispute between the parties arising from the Project and the Property Owner’s filing of Crow Wing County District Court File No. 18-CV-25-4198.

NOW, THEREFORE, be it resolved by the City Council of the City of Baxter, as follows:

1. The Council hereby approves the attached Compromise Agreement Pursuant to Minnesota Rules of Evidence Rule 408, for Dismissal of Assessment Appeal.
2. The Council also approves the attached Settlement Stipulation, Order and Judgment in connection with the special assessment appeal in Crow Wing County District Court File No. 18-CV-25-4198.

3. The Mayor and City Clerk are authorized to execute the Compromise Agreement.
4. The City Attorney is authorized to execute and file the attached Settlement Stipulation, Order and Judgment.
5. The City Clerk, Finance Director and City Attorney are authorized to implement the provisions in the attached Compromise Agreement and to finalize the settlement and dismissal of the special assessment appeal in Crow Wing County District Court File No. 18-CV-25-4198.

Enacted by the City Council of the City of Baxter, Minnesota this 16th day of June, 2026.

CITY OF BAXTER

Darrel Olson
Mayor

ATTEST:

Kelly Steele
Assistant City Administrator/City Clerk