



Board of County Commissioners Agenda Request

2T

Agenda Item #

Requested Meeting Date: 4-28-26

Title of Item: DNR Lease No. LMIS010809

<input type="checkbox"/> REGULAR AGENDA <input checked="" type="checkbox"/> CONSENT AGENDA	Action Requested: <input type="checkbox"/> Approve/Deny Motion <input checked="" type="checkbox"/> Adopt Resolution (attach draft) <input type="checkbox"/> Hold Public Hearing <i>*provide copy of hearing notice that was published</i>	<input type="checkbox"/> Direction Requested <input type="checkbox"/> Discussion Item <input type="checkbox"/> Information Only
Submitted by: John Welle		Department: Highway Department
Presenter (Name and Title): NA		Estimated Time Needed: NA
Summary of Issue: Due to a lack of aggregate pits available to the Highway Department in the Big Sandy Lake area, various sites are being considered as potential new pit sites. One of those sites is on DNR managed land in Section 10 of Shamrock Township. Attached is an exploration lease to allow exploration and sampling of aggregates on this property.		
Alternatives, Options, Effects on Others/Comments: 		
Recommended Action/Motion: Approve attached resolution.		
Financial Impact: <i>Is there a cost associated with this request?</i> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>What is the total cost, with tax and shipping? \$</i> <i>Is this budgeted?</i> <input type="checkbox"/> Yes <input type="checkbox"/> No <i>Please Explain:</i>		

Lease Number LMIS010809
Field Unit Region 2 - Aitkin Forestry (Area 232)

MISCELLANEOUS LEASE

This lease, executed in duplicate by and between the State of Minnesota, under the authority and subject to the provisions of Minn. Stat. § 92.50, acting by and through its Commissioner of Natural Resources, hereinafter called LANDLORD and the TENANT as named below.

TENANT Aitkin County Highway Department		
TENANT Address (No. & Street, RFD, Box No., City, State, Zip) 1211 Air Park Drive, Aitkin, MN 56431		
Lease Fee \$200.00	Fee Payment Schedule \$200.00 Due upon execution for the duration of this lease	
Term One (1) Year	Effective Date March 1, 2026	Termination Date December 31, 2026
Purpose of Lease Earth Materials Exploration		County Aitkin

IT IS AGREED AS FOLLOWS:

BASIC TERMS:

1. **PREMISES.** The LANDLORD in consideration of the terms, conditions and agreements contained herein, and the payment of the Lease Fee to be paid by the TENANT, hereby leases to the TENANT, subject at all times to sale, lease and use for mineral or other purposes the following described premises:

Part of the Northeast Quarter of the Southwest Quarter,
Northwest Quarter of the Southwest Quarter,
Southwest Quarter of the Southwest Quarter, and
Southeast Quarter of the Southwest Quarter
in Section 10, Township 49 North, Range 23 West,

Aitkin County,

and as approximately shown on the attached maps in Exhibit A, which is made a part of this lease and herein referred to as the "Premises".

2. **TERMS.** The terms LANDLORD, TENANT, TENANT ADDRESS, LEASE FEE, FEE PAYMENT SCHEDULE, TERM, EFFECTIVE DATE, TERMINATION DATE, PURPOSE OF LEASE AND STATUTORY AUTHORITY, used herein are described above and are incorporated herein.
3. **LEASE PERIOD.** This lease will be in effect for the TERM, beginning on the EFFECTIVE DATE and ending on the TERMINATION DATE, unless terminated earlier under provisions of this lease.

4. USE OF PREMISES. TENANT will use the Premises only for PURPOSE OF LEASE.
5. "AS IS." TENANT is taking the Premises in its "as is" condition, and LANDLORD is under no obligation to make any alterations or modifications to accommodate TENANT's use.

TENANT'S RESPONSIBILITIES:

6. LEASE PAYMENTS. The TENANT will pay to the LANDLORD the LEASE FEE, which is due and payable according to the FEE PAYMENT SCHEDULE. The LANDLORD may assess interest pursuant to Minn. Stat. § 270C.40, subd. 5 on any payments over thirty (30) days past due.
7. MAINTENANCE. The TENANT will maintain the Premises in good repair, keeping them safe and clean, removing all refuse and debris that may accumulate. No timber shall be cut, used, removed or destroyed by the TENANT without first obtaining written permission from the LANDLORD.
8. INVASIVE SPECIES. The TENANT is responsible for controlling invasive species on the Premises. (See the attached Exhibit C, which is made a part of this lease, for additional terms and conditions on the control of invasive species.)
9. UTILITIES. TENANT will pay for all utilities furnished on the Premises for the term of this lease, including electric, gas, oil, water, sewer and telephone.
10. ALTERATIONS AND MECHANIC'S LIENS. The TENANT may not make changes, alterations or improvements to the Premises or to any structure thereon without the prior written consent of the LANDLORD. Any changes, alterations or improvements in or to the Premises will be at TENANT's sole expense. TENANT has no right to subject the interest of LANDLORD in the Premises to any mechanic's liens, material liens or other liens of any nature, and TENANT must have any such lien discharged within 10 days after the recording of the lien. TENANT will be liable to LANDLORD for LANDLORD's costs and attorneys' fees incurred relating to mechanic's liens and other liens.
11. TAXES. The TENANT will pay, when due, all taxes assessed against or levied upon the Premises or upon the fixtures, improvements, furnishings, equipment and other personal property of the TENANT located on the Premises during the TERM of this lease. NOTE: Due to the lease, the county may assess property taxes against the property based on its market value, and TENANT is required to pay the property taxes.
12. COMPLIANCE WITH LAWS. TENANT must comply with all applicable municipal, county and state laws, ordinances and regulations, and obtain and pay for all licenses and permits as may be required by its use of the Premises.
13. ENVIRONMENTAL. TENANT will not use in any way, or permit the use of the Premises, or any part thereof, to either directly or indirectly produce, manufacture, refine, transport, store, dispose of, or process any Hazardous Substance (as defined below), unless it has received the prior written consent of LANDLORD. "Hazardous Substance" means any pollutant, contaminant, toxic or hazardous waste, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, PCBs, or any other substance the removal of which is required, or the production, manufacture, maintenance, refining, transport, storage, disposal, processing, or ownership of which is restricted or prohibited by federal, state, or county or municipal statutes or laws now or any time hereafter in effect, including but not limited to, the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. § 9601, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. § 5101, et seq.), the Resource Conservation and Recovery Act (42 U.S.C. § 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. § 1251 et seq.), the Clean Air Act (42 U.S.C. § 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. § 2601 et seq.), and the Occupational Safety

and Health Act (29 U.S.C. § 651 et seq.) as these laws have been amended or supplemented. TENANT agrees to hold harmless and indemnify LANDLORD from any and all damages, costs, fines and expenses that might arise as a result of TENANT's violation of this provision. This provision will survive the termination of this Lease.

PUBLIC ACCESS:

14. LANDLORD'S ACCESS. LANDLORD, acting through its designated agents or employees, has the right to enter the Premises at all reasonable times.
15. PUBLIC RECREATION USE. The TENANT agrees and understands that the public land leased herein shall be open to public recreational uses, as defined by Minn. Stat. § 604A.21, not inconsistent with the purposes of this lease. The TENANT shall not unreasonably refuse permission to any person to enter upon the lands leased herein for reasonable public recreational use without first obtaining the written permission of the LANDLORD. If the LANDLORD authorizes the prohibition of any public recreational uses, the prohibition shall apply to all persons including the TENANT.

TERMINATION AND ASSIGNMENT:

16. TERMINATION. This lease may be terminated at any time by mutual agreement. A lease entered pursuant to Minn. Stat. § 92.50 may be canceled for just cause at any time by LANDLORD upon six months written notice.

TENANT will, on the TERMINATION DATE, or earlier as provided for in this lease, peacefully and quietly surrender the Premises to the LANDLORD in as good condition and repair as on the EFFECTIVE DATE. If the TENANT fails to surrender the Premises on the termination of this lease, the LANDLORD may eject or remove the TENANT from the Premises and TENANT will indemnify the LANDLORD for all expenses incurred by the LANDLORD. In addition, TENANT will remove all TENANT's property from the Premises upon termination and any property remaining will be considered abandoned and disposed of by the LANDLORD according to law. Upon demand, TENANT will pay to LANDLORD all of LANDLORD's expenses incurred in connection with LANDLORD's disposition of TENANT's personal property. TENANT's obligations under this paragraph will survive termination of the Lease.

If this lease is terminated prior to the TERMINATION DATE, the TENANT will not be relieved of any obligation incurred prior to termination.

17. HOLDOVER. TENANT will pay to the LANDLORD a sum equal to the rent plus fifty (50) percent of the rent for each rental period that TENANT holds the Premises after termination of this lease without authorization by LANDLORD. This sum will be liquidated damages for the wrongful holding over. TENANT acquires no additional rights by holding the Premises after termination and will be subject to legal action for removal.
18. TRANSFERS. This lease will extend to, and bind the successors, heirs, legal representative and assigns of the LANDLORD and TENANT. In addition, the TENANT may not without the LANDLORD's prior written consent: a) assign, convey, mortgage, pledge, encumber or otherwise transfer this lease or any interest under it; b) allow any transfer or any lien upon the TENANT's interest by operation of law; c) sublet the Premises or any part thereof; d) permit the use or occupancy of the Premises or any part thereof by anyone other than the TENANT.

DEFAULT:

19. DEFAULT BY TENANT. If TENANT defaults in any of its promises or covenants under the Lease and fails to cure the same within thirty (30) days after receipt of written notice of default from LANDLORD, LANDLORD may exercise one or more of the following remedies, or any other remedy available at law or in equity:
- a. Terminate the Lease and recover from TENANT all damages it has incurred by reason of such breach;
 - b. Re-enter the Premises and remove all persons and property from the Premises, without terminating the Lease or releasing TENANT from its obligations under the Lease; or
 - c. Re-let the Premises without terminating the Lease. If the amount received from re-letting in any month is less than the amount of rent to be paid by TENANT, TENANT will pay any such deficiency to LANDLORD upon demand.
20. SELF-HELP RIGHT. If TENANT defaults in the performance of any term of this Lease, LANDLORD, in addition to any other rights and remedies it has under this Lease and without waiving such default, may perform the same for the account of and at the expense of TENANT (but shall not be obligated to do so), without notice in a case of emergency and in any other case if such default continues after five (5) days from the date that LANDLORD gives written notice to TENANT of its intention to do so. TENANT must pay upon demand bills for all amounts paid by LANDLORD and all losses, costs and expenses incurred by LANDLORD, in connection with any such performance by LANDLORD pursuant to this section, including, without limitation, all amounts paid and costs and expenses incurred by LANDLORD for any property, material, labor or services provided by LANDLORD to TENANT.

LIABILITY:

21. LIABILITY. This lease will not be construed as imposing any liability on the LANDLORD for injury or damage to the person or property of the TENANT or to any other persons or property, arising out of any use of the Premises, or under any other easement, right-of-way, license, lease or other encumbrance now in effect. The TENANT will indemnify and hold harmless the LANDLORD from all claims arising out of the use of the Premises whether such claims are asserted by civil action or otherwise.
22. PERSONAL PROPERTY RISK. All personal property on the Premises belonging to TENANT or its occupants or visitors shall be there at the sole risk of TENANT or such other person only, and LANDLORD will not be liable for theft or misappropriation of such property, nor for any loss or damage to such property, including destruction by fire.

MISCELLANEOUS:

23. LEGAL OBLIGATIONS. This lease is not to be construed to relieve the TENANT of any obligations imposed by law.
24. ENCUMBRANCE. This lease is subject to all existing easements, right-of-ways, licenses, leases and other encumbrance upon the Premises and LANDLORD will not be liable to TENANT for any damages resulting from any action taken by a holder of an interest pursuant to the rights of that holder thereunder.

25. NO WAIVER. No delay on the part of the LANDLORD in enforcing any conditions in this lease, including termination for violation of the terms of this lease, shall operate as a waiver of any of the rights of the LANDLORD.
26. NOTICES. Any notice given under this lease shall be in writing and served upon the other party either personally or by depositing such notice in the United States mail with the proper first class postage and address. Service shall be effective upon the depositing of the notice in the United States mails. The proper mailing address for the purposes of serving notice on the LANDLORD shall be the Commissioner, Department of Natural Resources, 500 Lafayette Road, St. Paul, Minnesota 55155-4045, and on the TENANT it shall be as stated in the TENANT'S ADDRESS.
27. CONSTRUCTION OF LEASE. If any clause or provision of this lease is or becomes illegal, invalid or unenforceable because of present or future laws or any rule or regulation of any governmental body, the intentions of the LANDLORD and TENANT here is that the remaining parts of this lease shall not be affected thereby.
28. AUDIT. LANDLORD is a State of Minnesota entity. The books, records, documents and accounting procedures and practices of the TENANT (whether in hard copy or electronic format) regarding this Lease shall be subject to reasonable examination by the STATE and/or the State Auditor or Legislative Auditor, as appropriate, during the term of the Lease and for a minimum of six (6) years after the Lease's expiration or termination.
29. BOND FINANCED PROPERTY. If LANDLORD used General Obligation bonds to purchase, construct, or improve the Premises, TENANT agrees to comply with all requirements imposed by the Commissioner of Management and Budget, up to and including furnishing any documents as the Commissioner determines to be necessary, to ensure that interest paid on the General Obligation bonds, if any, used to purchase, construct or improve the Premises is exempt from federal taxation.
30. ADDITIONAL TERMS. See the attached Exhibit A (Map), Exhibit B (Additional Terms), and Exhibit C (Invasive Species), which are made a part of this lease.

IN WITNESS WHEREOF, the parties have set their hands.

**STATE OF MINNESOTA
DEPARTMENT OF NATURAL RESOURCES
Joey A. Rokala, Regional Manager**

By	Date
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TENANT (Individual's Name or Name of Entity) Aitkin County Highway Department	
Authorized Signature & Title (If an Entity)	Date

Authorized Signature & Title (If an Entity)	Date
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Exhibit A
Map
Miscellaneous Lease LMIS010809

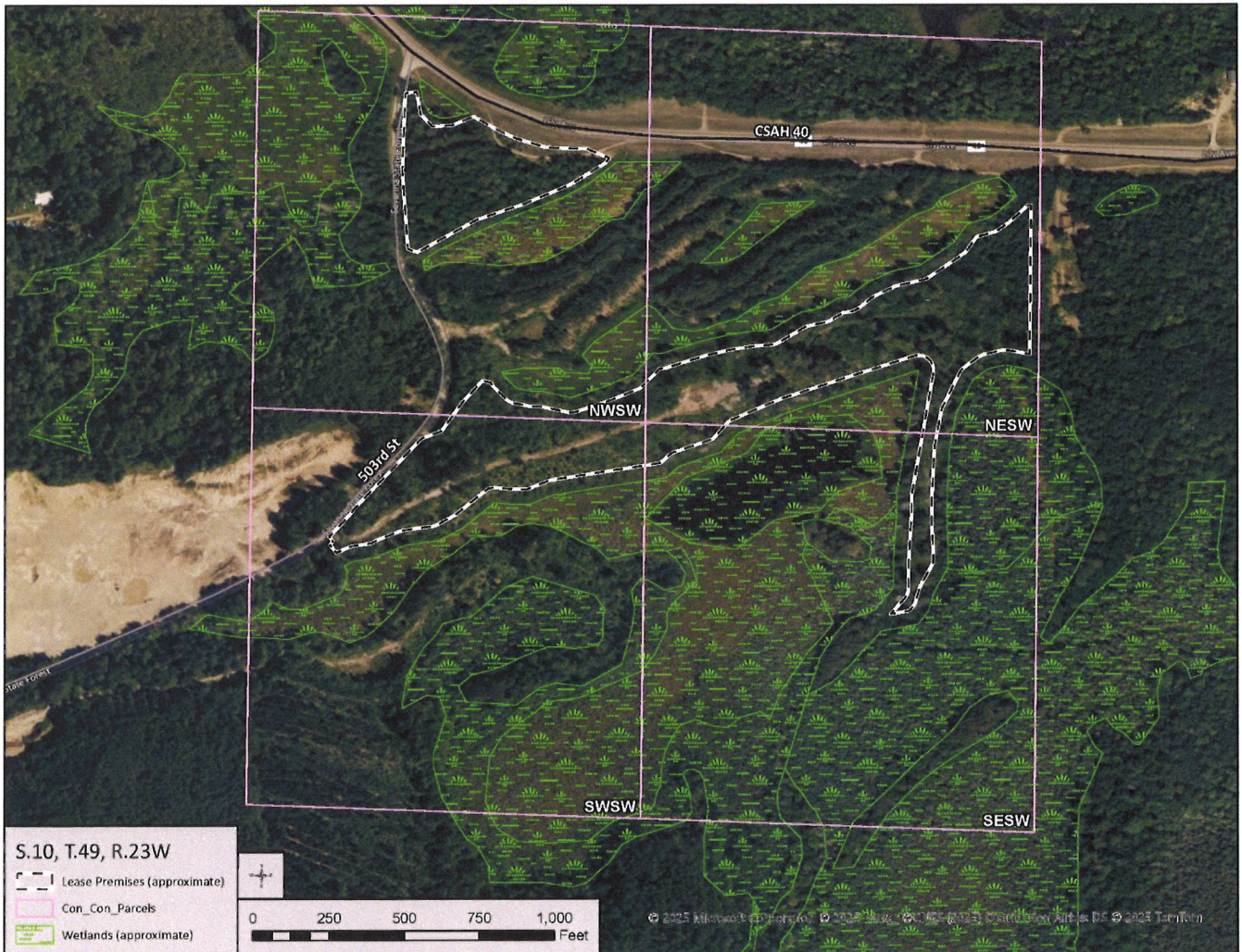


Exhibit B
Additional Terms
Miscellaneous Lease LMIS010809

Terms and Conditions which Apply:

1. TENANT shall email the Department of Natural Resources Aggregate Specialist, Nicholas Borchardt, nicholas.borchardt@state.mn.us, and Forestry Specialist, Brian Leitinger, brian.leitinger@state.mn.us at least seven (7) days prior to any activities on the Premises. TENANT shall coordinate with the Aggregate Specialist to allow for monitoring of TENANT activities on the Premises by the Department of Natural Resources Aggregate Specialist or Division of Forestry staff.
2. This lease grants TENANT only a limited duration of use within the TERM. Although the TERM is 12 (twelve) months, TENANT is authorized to be on the Premises for only a maximum of ten (10) consecutive business days during the TERM.
3. Total disturbance area on the Premises by the TENANT shall be less than 1 acre.
4. All activities by the TENANT shall be at least 75 feet from all public waters.
5. The TENANT shall avoid and must not disturb or impact wetlands. TENANT must keep all heavy equipment, digging, and excavation operations restricted to areas that are not designated wetlands. There is a wetland type Freshwater Shrub within this site. Reference the associated wetlands map for areas to avoid.
6. The TENANT shall minimize rutting to protect productivity, protect hydrologic function, protect water quality, reduce erosion, and minimize impacts to flora and fauna. The TENANT shall avoid repeated and excessive rutting.

Rutting shall not exceed six inches in depth. If rutting exceeds six inches in depth, TENANT shall immediately cease operations at the impacted location, take appropriate measures to reduce rutting, repair ruts that are six inches deep or deeper, and may resume operations only when conditions are adequate to support the equipment.

The TENANT shall use mats as needed. The TENANT is not allowed to use foreign materials (such as gravel) to establish a stable base for mats and equipment pads. The TENANT must clean mats prior to coming onto state crossings. The TENANT must also clean mats during construction and maintenance activities to avoid the spread of invasive species. The TENANT shall clean mats in place during construction for equipment passage so that soils do not accumulate. The TENANT shall remove all mats on state lands at the earliest practical time after exploration and restoration activities.

7. Tree cutting is prohibited on the Premises unless the TENANT receives advanced written approval from the LANDLORD and makes advanced payment to the LANDLORD for the trees proposed for cutting.
8. TENANT must backfill all holes and grade to predisturbance condition.
9. TENANT's use is limited to existing open areas on the Premises adjacent to existing access routes.
10. TENANT must procure liability insurance, naming the State of Minnesota as additional insured in the amount of at least \$500,000 per individual and \$1,500,000 per occurrence from an insurance carrier licensed to do business in Minnesota. Upon execution of this lease, TENANT must provide Landlord with a certificate of insurance indicating the required coverage, and TENANT must periodically provide Landlord with evidence of insurance as Landlord may request. The policy must provide that Landlord be notified ten days prior to the cancellation or termination of the policy. TENANT must be required to maintain such insurance to the full extent of the amounts specified in Minn. Stat. §3.736 which amounts must be incorporated herein by reference. If those amounts are changed following execution of this

lease, TENANT must provide whatever amount of insurance is required by that change within 30 days after Landlord notifies TENANT of the change.

11. TENANT must provide the LANDLORD with earthen materials exploration results of exploration before the lease termination date. Earthen materials exploration results must be submitted in a format approved by the Landlord and include but not be limited to test hole locations and earthen materials identified.

Exhibit C
Invasive Species
 Miscellaneous Lease LMIS010809

Check all that apply	
<input checked="" type="checkbox"/>	Mandatory - (1) Before entering and leaving the site, check clothing, gear, vehicle and equipment (including timber mats) and remove caked mud, dirt clods, and reproductive plant parts (seeds, berries, fruit, cones, flowers or seed stalks, and roots). Using either a power washer or an air compressor is an effective means of cleaning equipment, but is not required unless stated below.
<input type="checkbox"/>	(2) This site is infested with <input type="checkbox"/> spongy moth, <input type="checkbox"/> emerald ash borer, <input type="checkbox"/> other invasive disease or insect _____. Obtain a compliance agreement from USDA APHIS or Minnesota Dept. of Agriculture prior to hauling wood or woody debris off this site. For more information visit http://www.mda.state.mn.us/plants-insects/pest-regulations
<input type="checkbox"/>	(3) This site is infested with <input type="checkbox"/> oak wilt, <input type="checkbox"/> Dutch elm disease, <input type="checkbox"/> sirex wood wasp, <input type="checkbox"/> other invasive plant disease or non-regulated insect _____. <input type="checkbox"/> Girdle the marked trees and leave them on site. <input type="checkbox"/> Do not haul infected trees between April 1st and Nov 1st. <input type="checkbox"/> Other _____.
<input type="checkbox"/>	(4a) This site is infested with <input type="checkbox"/> buckthorn, <input type="checkbox"/> garlic mustard, <input type="checkbox"/> other invasive plant, <input type="checkbox"/> exotic earthworms. Before starting work, review known infestations with the site administrator. Avoid traveling through or parking in infested areas. Time operations and organize routes of travel to avoid spreading weed seed or infested soil. If mowing hay, be aware of any chemical applications and honor wait times before mowing. Some herbicides are passed through manure into sensitive crop fields. See other restrictions below.
<input type="checkbox"/>	(4b) This site is infested with <input type="checkbox"/> buckthorn, <input type="checkbox"/> amur or Norway maple, <input type="checkbox"/> peashrub, <input type="checkbox"/> honeysuckle, <input type="checkbox"/> multiflora rose, <input type="checkbox"/> Russian olive, <input type="checkbox"/> other: _____. When cutting: <input type="checkbox"/> chip, <input type="checkbox"/> pile and burn rather than scattering the tops of invasive species.
<input type="checkbox"/>	(5) Using a power washer or air compressor, <input type="checkbox"/> daily, <input type="checkbox"/> weekly, <input type="checkbox"/> monthly; clean all vehicles, equipment and trailers taken on and off site during the snow-free season. Washing may be done at an approved location on site or off site at an appropriate cleaning facility. Avoid letting rinse water run into open bodies of water or native plant communities. Cleaning is not required during frozen conditions.
<input type="checkbox"/>	(6a) All materials (gravel, fill, mulch, chips, sand, etc.) brought to the site are to be weed and pest free. Sources are to be approved prior to purchase or acquisition.
<input type="checkbox"/>	(6b) Before utilizing the underlying gravel or other earth materials, scrape off the top 6-12" and segregate in an on-site location designated by the site administrator.
<input type="checkbox"/>	(7) Plant or reclaim site within: <input type="checkbox"/> one month, <input type="checkbox"/> three months, <input type="checkbox"/> six months of end of lease or project. Use weed and pest free native plant and seed mixes. Where available, use certified or local sources. Sources are to be approved prior to purchase and acquisition.
<input type="checkbox"/>	(8) Upon completion of the project or operation, close, obstruct or gate all access routes. If project is inactive for longer than <input type="checkbox"/> one month, <input type="checkbox"/> three months, <input type="checkbox"/> six months close, obstruct or gate all access routes until project resumes.
<input type="checkbox"/>	(9) When collecting field material (seed, I&D samples, berries, mushrooms, special wood products, etc.) use new clean bags or baskets.

<input type="checkbox"/>	(10) In the case invasive plants become an issue during operations (to be determined by the site administrator), the TENANT agrees to stop operations and gate or otherwise close the site until the infestation can be controlled.
<input type="checkbox"/>	(11) The TENANT is responsible for controlling noxious weeds on the site. Contact the site administrator and county agricultural inspector for details.
<input type="checkbox"/>	(12) Follow other actions as directed by the site administrator to minimize the introduction and/or spread of invasive species.
<input type="checkbox"/>	(13) Before starting work, review known infestations with site administrator(s). When traveling between multiple sites a day, be sure to start at the site with the fewest number of invasive plants, leaving the most heavily infested site to last. Time operations and site visits to avoid the spread of weed seed.

Last updated March 30, 2023

Resolution #20260428-xxx DNR Lease No. LMIS010809

WHEREAS, Aitkin County has requested a lease agreement to facilitate the exploration of aggregate on portions of the northeast quarter of the southwest quarter, northwest quarter of the southwest quarter, southwest quarter of the southwest quarter, southeast quarter of the southwest quarter, in Section 10 , Township 49 North, Range 23 West, Aitkin County.

THEREFORE, BE IT RESOLVED, that Aitkin County enter into Lease No. LMIS010809 with the Minnesota Department of Natural Resources.

BE IT FURTHER RESOLVED, that the Aitkin County Engineer is authorized to execute the Lease document and any amendments to the Lease.

Adopted this 28th Day of April, 2026 By The Aitkin County Board of Commissioners.

Attest:

J. Mark Wedel
County Board Chair

David J. Minke, County Administrator
Clerk to the County Board

**STATE OF MINNESOTA}
COUNTY OF AITKIN}**