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The Christmas City
Minden NEBRASKA

Minutes of Council Meeting
City of Minden, Nebraska
January 11, 2023

The City Council of the City of Minden, Nebraska, met on this day at 4:30 p.m. in special session in the Council Chambers, pursuant to advance notice of said meeting simultaneously transmitted to all members of the Council and to the public as shown by the copy thereof posted in the Minden City Hall, Outside the Minden City Hall, First Bank & Trust Co., Minden Exchange Bank & Trust Co., and the Post Office. A copy of the notice is on file in the office of the City Clerk.

Mayor Evans called the meeting to order at 4:30 p.m. The following City Council members were present: Jarvis Kring, Teresa Sumstine, Jack Yant and Alyssa Schneider. Vacancy: City Administrator.

All proceedings hereinafter were taken while the convened meeting was open to the attendance of the public.

After roll was called, Evans led those in attendance in the Pledge of Allegiance.

Then Evans made the following statement:

> "Pursuant to the Open Meetings Act and Public Records Law Requirements a current copy of the Open Meetings Act is posted for public inspection on the east wall of the Council Chambers. In addition, for public inspection, there is located on the table to the south of the chairs in the Council Chambers, a copy of the Council packet that was distributed to the members of the Council prior to this meeting.
>
> The City Council will take public comments on an agenda item, if it is deemed necessary. Please state your name and address prior to commenting."

Agenda Item #3, Council Announcements. Evans reminded everyone that the next regular meeting will be on Tuesday and not Monday.

Agenda item #4, The following items were listed under the agenda item "**consent agenda**" for this meeting:

a. Consider Approval of Minutes of Previous City Council Meetings
b. Consider Acceptance of Excused Absence of Mayor or Council Member(s)

Yant motioned to approve the consent agenda and Sumstine seconded. On roll call, the following voted aye: Kring, Sumstine, Yant and Schneider. Motion carried.

Agenda Item #5, Public Forum

No action taken.

Agenda Item #6, Consider Approval for purchase of a 2015 Pierce Pumper for $139,500 and payment of $139,500 to Brindlee Mountain Fire Apparatus.

Fire Chief, Tom Brown, stated that this is a used truck and it will complete the fleet. He stated that it will mainly be used for rural use and a backup for inside the City for fires. Yant clarified that this was a previously budgeted item.

Kring motioned to approve the purchase of a 2015 Pierce Pumper and payment to Brindlee Mountain Fire Apparatus and Sumstine seconded. On roll call, the following voted aye: Kring, Sumstine, Yant and Schneider. Motion carried.

Agenda Item #7, Consider Approval for Written Consent to transfer the Development Agreement with CN Minden LLC to Foundry DM LLC.

Attorney David Bracht, is speaking on behalf of Compute North. Bracht gave a brief history of this project. He explained that Compute North is a data processing company. The buildings they put up look like shipping containers with electricity and computers; and fans to keep the computers cool. The Kearney project started around 2018 with 10 megawatts and currently is just under 100 megawatts of power. Currently they are almost at the maximum electric capacity for Kearney and that is what brought them to the Minden area. He explained the sound studies that were completed were done in calmer months as a base for future testing. Schneider asked how long it will take for construction. Bracht stated his understanding that it takes a couple of months as most of it is pre-fabricated.

Bracht stated that Compute North was a quickly growing company and during expansions they ran into supply chain problems. On September 22, Compute North filed for bankruptcy. Foundry Digital is currently in the process of purchasing CN Minden through the bankruptcy proceedings. Foundry mainly focuses on crypto currency and bitcoin. He explained that with the sale and purchase of this project through the bankruptcy proceedings, any existing contract agreed upon will then transfer to Foundry.

Kearney's Mayor, Stan Clouse with NPPD, stated that via State Statute, NPPD and SPD can offer a lower Economic Development rate for electricity for a project that is approved by the Nebraska Department of Economic Development. Clouse stated that there was a grant that helped put in a road and water lines for the Kearney Compute North project. He stated that it was important that Foundry apply and get approved for the NDED grant in order to get the lower electricity rate.

Kelly Gewecke with the Nebraska Department of Economic Development spoke and explained the ED Rate. She stated that Foundry will have to submit their own application for the grant. She stated that they have turned in the initial application. The grant is a reimbursement grant only. If the application is approved, then there is a process to be done with the City of Minden as the applicant. Foundry will then turn in documentation to the City and the City will receive the grant funds to reimburse Foundry. Sumstine added that other NDED grants for the Hospital and Royal Composites have gone through the City.

Bracht explained that the amount of the grant does not matter to Foundry, but to qualify under State Statue for the Economic Development Rate, Foundry will have to be awarded the Nebraska State Building Development Fund grant.

Jordan stated the City's legal counsel with Fraser Stryker have conferred that the City does have rights under the contract, but do not have the right to deny assigning the contract to Foundry. It is in the City's best interests to continue the agreement. Fraser Stryker does recommend approving the contract assignment as the Council's rubberstamp of approval.

The sound requirements of the current Development Agreement was discussed. A sound study was conducted prior to construction to determine a base level. After it's operational, the study will be conducted again. Once a year, if a complaint is received, a sound study will be conducted. If above the set levels, there are steps to be taken to lower it in the agreement.

Olson asked what would happen if the grant is not awarded. Gewecke replied the grant is for reimbursement only, so if not completed, then no receipts would be submitted to NDED for reimbursement.

Kring asked about the increase of the sound with this project. Bracht reviewed the sound study including the end result that the sound wouldn't increase more than 3 decibels. The human ear cannot discern changes of 3 decibels or less. Foundry must stay within those limits. Sumstine stated that any property's trees will assist in keeping the added sound out.

Steve Petersen was concerned as himself and the other neighbors didn't get much notice concerning the bankruptcy proceedings. Bracht reiterated the bankruptcy sale is in progress and any agreements currently in place with Compute North will be binding with

Foundry. Brian Petersen shared concerns about the electric company shutting down irrigation in the summer during times of high-power needs. Clouse highly doubts irrigation needs would be stopped.

Yant motioned to approve the development agreement dated July 21, 2022, between the City of Minden and CN Minden LLC and to assign CN Minden LLC's interest in said agreement to Foundry DM LLC in its exact form and function subject to all terms and conditions in said agreement. Sumstine seconded. On roll call, the following voted aye: Kring, Sumstine, Yant and Schneider. Motion carried.

Agenda Item #8, Adjournment

Yant motioned to adjourn at 6:09 pm and Kring seconded. On roll call, the following voted aye: Kring, Sumstine, Yant and Schneider. Motion carried.

/s/ Larry Evans
Larry Evans, Mayor

Attest:

/s/ Abbey Jordan
Abbey Jordan, City Clerk

(SEAL)