

BAY LAKE TOWNSHIP
SPECIAL BOARD MEETING
BORDEN, STEINBAUER, KRUEGER & KNUDSON P.A.
302 S 6th Street, Brainerd, MN 56401
REGARDING BREACH OF CONTRACT ALLEGATION
AUGUST 22, 2023

Present: Don Hales, John Enright, Carol Pundt

Absent: Justin Smith

Others Present: Virginia Knudsen

Don Hales called the meeting to order at 9:02am.

The Township received a Breach of Contract Notice regarding the sale of the Town Hall building on July 30, 2023 followed by a Conciliation Court Claim which was received by Carol Pundt on August 17, 2023. The Conciliation Court claim has not been filed.

In summary the Breach of Contract is in regards to Section 3 of the Terms Of Sale agreement which states the Town will disconnect all electrical, gas, and plumbing prior to the removal of the Building. Mike Bickford is stating the Town failed to complete its obligation to disconnect electrical, gas and plumbing prior to the removal of the building.

Mike Bickford is asking for \$7,391.00 which includes the \$25 (purchase of the building), \$5,000 deposit which was being held by the Janzen Auctioneers and would be returned to Mike Bickford as long as the building was removed from the property by July 31, 2023 (5pm). Along with other filing fees and costs.

Virginia Knudson asked John Enright to settle the bill for the auction with Janzen Auctioneers in order to know the final cost to the Township.

The Town Board took all steps to prepare the building to be moved. The final disconnects were done in less than 30 minutes. Because the building was not moved off the property by July 31, 2023 the Township has kept \$5,025 per the contract agreement. Also, the cost to demolish the building is now an extra cost to the Township in the amount of \$11,100.00.

A motion was made by Don Hales and seconded by John Enright to have Virginia Knudson draft a letter of rebuttal and a proposal to settle with a recommended offer of \$2,500 to Mike Bickford.

Meeting adjourned at 8:39 am.