

East Grand Forks Water & Light Department

Business Office • PO Box 322
600 Demers Ave. NW • East Grand Forks, MN 56721

Your Hometown Utility Since 1909

February 3, 2017

Mr. Daniel Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

Re: Electric Utility Service Territory Settlement Agreement


Dear Mr. Wolf:

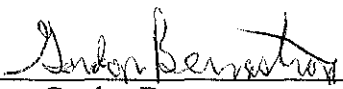
Enclosed herewith and submitted for Commission approval is an updated agreement between PKM Electric Cooperative, Inc. and the Water, Light Power and Building Commission of and for the City of East Grand Forks (City). This agreement provides in part that the City will acquire from PKM Electric Cooperative, Inc. certain electric service territory previously assigned to PKM Electric Cooperative, Inc. The agreement further provides for the revision of the electric service area boundaries as reflected in the agreement and exhibits thereto. Copies of the City Ordinance Series enacting the annexations and other pertinent correspondence regarding the annexations are included as attachments to the Agreement. A revised Service Territory map with the annexation areas marked is also attached.

The undersigned parties hereby agree that the electric service territory boundaries as set forth in this agreement will accurately reflect the location of their service territories in this area and respectfully petition the Commission to accept and file this Settlement Agreement and provide due acknowledgment thereof.

ATTEST:

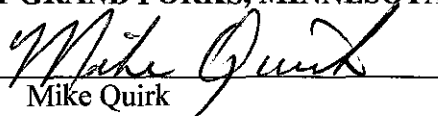
PKM ELECTRIC COOPERATIVE, INC.

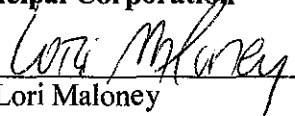
By: 
Tom Woinarowicz
President

By: 
Gordon Bernstrom
Secretary-Treasurer

ATTEST:

**WATER, LIGHT, POWER AND BUILDING COMMISSION OF AND FOR THE CITY OF
EAST GRAND FORKS, MINNESOTA, A Minnesota Municipal Corporation**

By: 
Mike Quirk
President

By: 
Lori Maloney
Secretary

General
Manager
Dan Boyce
218-773-1163

Secretary of
Commission
Lori Maloney
218-773-1163

Distribution
Superintendent
Jeff Olson
218-773-0515

Water Plant
Superintendent
Randall Rapacz
218-773-1511

SETTLEMENT AGREEMENT

REALIGNMENT AND CONFIRMATION OF ELECTRIC SERVICE TERRITORY

THIS SETTLEMENT AGREEMENT is hereby entered into on this 7th day of March, 2017 by and between the City of East Grand Forks, a municipal corporation duly organized and existing under the laws of the State of Minnesota, acting by and through its Water, Light Power, and Building Commission under the 1977 City Charter ('City') and the P.K.M. Electric Cooperative, Inc., a rural electric utility association organized and existing under the laws of the State of Minnesota ('Cooperative').

OVERVIEW

This Agreement between the City and the Cooperative is for the purpose of continuing a method of orderly transference of and compensation for ownership of electric plant, customers receiving electric service from the Cooperative, and electric service territory from the Cooperative to the City under the provisions of applicable Minnesota State Law and such other provisions as are mutually agreed to by the City and the Cooperative.

The intention of the City and the Cooperative, in entering into this Agreement, is to provide a defined method for the transfer of electric plant, electric customers, and service territory to give both the City and the Cooperative the longest possible planning horizon by using this Agreement as an efficient method for planning for future change, planning for plant construction requirements, long range financial forecasting, future borrowing requirements, and customer relations.

The City and the Cooperative recognize that a good working relationship between the two utilities has a high value to both parties. This Agreement represents one method of maintaining that relationship through the changes that both utilities will experience in the future. Establishing a fair and workable Agreement regarding territory transfer and compensation is important to encourage and promote general growth and development within this region of Minnesota.

The City and the Cooperative acknowledge that this Agreement and its terms have been the result of negotiation, taking into consideration the costs of litigation and the risks of litigation otherwise required to settle the matters addressed in this Agreement and they do not necessarily reflect the position of the City or the Cooperative as to the appropriate application of the law determining rights and obligations of the parties or compensation and service territory matters and shall not be offered by the City or the Cooperative as evidence in any other proceeding related to service territory matters.

Article I

Transfer of Service Territory,

Customers, and

Facilities

1.1 On the effective date of this Agreement, the City shall acquire the following service territory from the Cooperative:

(a) That portion of Cooperative service territory located within the City Limits of the City of East Grand Forks as annexed into the City of East Grand Forks in ordinance # 302 – Third Series. This territory consists of the easterly 65

feet of the Northeast Quarter of the Southeast Quarter of Section 27, Township 152 North, Range 50 West of the 5th principal Meridian, Polk County, Minnesota, containing 1.97 acres or 85,955 square feet more or less. The annexed area consists exclusively of the West Half of the road right of way of Polk County Highway 64 which becomes part of the extension of River Road NW within the city limits. The said proposed territory acquisition is as described by the attached map and legal description identified and Exhibit A-1.

b) That portion of Cooperative service territory located within the City limits of the City of East Grand Forks as annexed into the City of East Grand Forks in Ordinance # 15 – Fourth Series as Amended and Corrected. The said proposed territory acquisition is a described in the attached map and legal description identified and Exhibit A-2.

1.2 Attached to the agreement and incorporated herein as Exhibit B is a map showing the service territories of the City and the Cooperative as they appeared upon the effective date of this Agreement together with a legal description of the territory boundary line(s), after adjustments for the acquisitions as provided in Section 1.1. In case of an inconsistency between the descriptions of the transferred service territory set forth in Section 1.1 and the map and legal

description identified as Exhibit B, the map and legal description identified as Exhibit B shall govern and establish the respective service territories of the parties. Where boundary lines are adjacent to streets, section lines or city limit boundaries, the actual street center line and/or section line or city limit boundary is the territory boundary.

1.3 The effective date of this Agreement shall be the date of the execution of the Agreement by the parties. Except as specifically provided in Articles II and III, each party shall have the exclusive right to provide electric service to every present and future customer located in its respective service territory from and after the effective date of this Agreement.

1.4 This Agreement shall be effective until December 31, 2027 and for such successive periods as the parties may agree upon after the initial term. The parties shall conduct negotiations for future service territory agreements beginning after the 8th anniversary of this Agreement.

Article II

Annexations

2.1 From time to time hereafter, areas may be added to the City boundaries by way of annexation, consolidation, merger or other lawful addition. If these additional areas include any of the service territory of the Cooperative, the

parties shall jointly file a petition with the Minnesota Public Utilities Commission (MPUC) requesting the transfer of the Cooperative's service territory to the City. While the petition is pending before the MPUC, the Cooperative shall not extend electric service to any new customers located in the area annexed, consolidated, merged or otherwise lawfully added, and the Cooperative consents

(1) to the City serving such customers; and

(2) to the entry of an order by the MPUC to permit the City's provision of interim service to any new customers during the pendency of the petition to transfer the Cooperative's annexed service territory to the City. A transfer of the service territory of the Cooperative shall become effective upon the date of the MPUC order in response to the joint petition of the parties.

2.2 The date of a City Annexation shall be the effective date of the Annexation as provided by law.

2.3 Each party may examine the other party's books and records, upon reasonable notice and during normal business hours, for the purpose of verifying any obligation under this Agreement.

Article III

Compensation for Existing Customers

and Facilities

The City shall pay compensation to the Cooperative as follows:

3.1 For existing Cooperative customers located in the Cooperative's service territory that will be transferred to the City, a lump sum payment of 2.5 times the annual gross revenue billed to those customers, based on an average of the preceding three year period. This compensation provision is commonly known as two and one half times average annual gross electric revenue.

The existing Cooperative retail customers for whom compensation is payable under this Agreement are set forth in Exhibit C.

3.2 For existing Cooperative utility facilities located in the Cooperative's service territory that will be transferred to the City, a lump sum payment of the original installed cost of such utility facilities less accumulated depreciation, as reflected on the books and records of the Cooperative at the most recent calendar year end, exclusive of any facilities which the Cooperative chooses to remove and salvage. The Cooperative shall coordinate with the City regarding removal of those items it chooses to salvage. The Cooperative shall deliver to the City a Bill of Sale for the facilities purchased, free and clear of all liens and encumbrances. The Cooperative shall also assign to the City all easements, permits, licenses and rights of way held by the Cooperative pursuant to the facilities sold to the City. The Cooperative shall disconnect its utility facilities at the point of transfer and

coordinate with the City to insure an orderly and prompt transfer of service to the customer.

3.3 The City will pay the Cooperative for all reasonable re-integration costs contemplated by this agreement including all necessary tie lines to provide a source of power or to maintain loops as determined to be necessary by P.K.M. and shall include the cost of all new easements and engineering. This includes such items as:

(a) New tie lines to provide a source of power or to maintain loops. The parties agree that the new tie lines may be of underground, overhead, or a combination of underground and overhead lines as appropriate to best meet the needs of the parties. For construction of new tie lines, the Cooperative will prepare a not-to-exceed cost estimate. Upon completion of the work the City will then be billed the lesser of the actual work order cost or the original not-to-exceed cost estimate.

(b) Minor work such as removing facilities, transferring jumpers, installing dead- ends and pole anchors, changing padlocks on equipment, final meter reading, and other similar activities. The Cooperative will bill the City actual cost for this type of work since it is more difficult to estimate and depends on coordination with the City's line crew.

Should a disagreement arise over the re-integration expenses or the reasonableness of the re-integration plan, the engineer for the City of East Grand Forks and the engineer for P.K.M. would meet to resolve the disagreement. If the agreement can not be resolved by the engineers then the issue would be submitted to a single arbitrator agreeable to both parties to resolve the dispute. Costs of said arbitration would be shared equally by the parties and will be controlled by the Minnesota Uniform Arbitration Act.

3.4 The lump sum payments provided for herein shall be made no later than 30 days after the work is completed and the bill presented to the City.

Article IV

Compensation for Acquisitions and Future Customers

4.1 The City agrees that it shall pay compensation to the Cooperative for acquisitions of the Cooperative's Service Territory which are annexed and transferred to the City. For each future customer locating in areas transferred to the City, the City will make a payment of \$0.00600 (6.00 mils) per KWH for all electricity sold to said customer for a ten year compensation period commencing with the first electricity sale to that customer no matter when that customer first receives service from the City.

For example, a lot within territory acquired under this agreement is not developed and served until forty (40) years after the date of the territory transfer. The City will pay compensation of \$0.00600 (6.00 mils) per KWH for ten (10) years for that specific customer.

4.2 For purposes of this Agreement, a "future customer" shall mean a person, firm, corporation, or other entity contracting for the purchase of electricity from the City after the effective date of this Agreement. A future customer shall also mean service to a separate structure of an existing City customer, located in the Cooperative's service territory which is transferred to the City, which separate structure is constructed after the effective date of this Agreement and which is provided electric service through a separate electric meter. If such a separate structure is constructed and electricity served through the existing meter of the customer, the City will pay compensation until a total of ten years compensation have been paid on the electricity metered and sold through the existing meter.

A customer locating in a re-platted or redeveloped portion of territory transferred by this agreement and upon which compensation has already been paid for a full ten years according to the agreed formula shall not be considered a "future customer" unless there had not been a structure previously constructed on the re-platted parcel.

In accordance with Minn. Stat. section 216 B.42, Subd. 2, the City may provide service to its own electric utility property and facilities.

4.3 The annual compensation from the City to the Cooperative shall be calculated as follows. For each future customer, the City shall calculate the product of \$0.00600 (6.00 mils) multiplied by the KWH amount used in the previous billing year for each customer's electrical consumption. Payments for any specific customer shall no longer be due and shall cease after the City has paid the Cooperative for a total of ten years compensation for that customer. The City shall calculate the sum of the annual amounts due for all future customers and shall make payment of that amount to the Cooperative on or before March 15th of each year.

4.4 For future acquisitions of the Cooperative's service territory which are annexed and transferred to the City as provided in Article II, the City shall pay compensation to the Cooperative in accordance with Article III and/or Article IV as the case may be.

Article V

Extension of Facilities

5.1 The parties acknowledge and agree that it is now and may be necessary in the future to extend transmission and distribution lines and other

Article VII

Limited Scope of Agreement

7.1 The parties acknowledge that this Agreement has been the result of negotiations. The terms of the Agreement do not reflect the positions of the parties as to the appropriate application of the law determining the electric service rights and obligations of the parties or compensation in such matters. The parties agree that the terms of this Agreement are not and shall not be offered or construed as precedent in support or opposition for any claims of electric service rights, including compensation in service territory matters, and shall not be offered by any of the parties as evidence in any other proceedings related to service territory or compensation matters.

Article VIII

Petition for Approval

8.1 As soon as possible after execution of this Agreement, the parties shall file it with the MPUC for approval. It is agreed that each provision of this Agreement shall be considered to be inseparable and not severable from all other provisions. In the event that any provision of this Agreement is not approved by the MPUC or is determined to be void, invalid, or otherwise not enforceable, by a

court of law or otherwise, in that event, the entire Agreement shall be rendered null and void, unless the parties agree otherwise.

8.2 If for any reason the MPUC refuses to approve this Agreement or the Service Territory Map and legal descriptions attached thereto, any settlement payments made by the City to the Cooperative shall be repaid by the Cooperative to the City, upon demand by the City.

Article IX

General Terms and Conditions

9.1 The parties acknowledge that the terms of this Agreement are unique in that neither party will have an adequate remedy at law, if the other party fails to perform any of its obligations hereunder. In such event either party shall have the right, in addition to any other rights it may have, to petition for and obtain specific performance of the terms of this Agreement in the courts.

9.2 Any notice permitted or required by this Agreement shall be made in writing and personally served or mailed (postage paid, return receipt requested) and shall be effective upon the date of personal service, or if by mail, upon the date of receipt.

9.3 This Agreement constitutes the full and entire agreement of the parties and incorporates all agreements and understandings, oral and written,

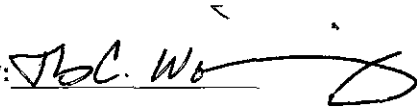
between the parties with respect to this Agreement. It applies to any and all service territory transferred from P.K.M. to the City occurring during the term of this agreement which is effective until December 31, 2027 unless successive periods are agreed upon by the parties after the initial term.

9.4 This Agreement shall inure to the benefit of the parties and shall be binding on them, their legal representatives, successors and assigns. Neither party may assign any of its rights herein to any person without the prior written consent of the other party.

The City and the Cooperative do hereby adopt the foregoing Agreement .

ATTEST:

PKM ELECTRIC COOPERATIVE, INC.

By: 

Tom Woinarowicz

President

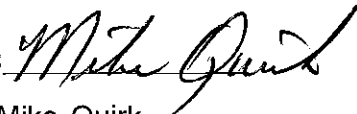
By: 

Gordon Bernstrom

Secretary/Treasurer

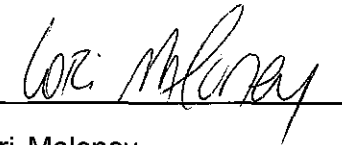
ATTEST:

WATER, LIGHT, POWER AND BUILDING COMMISSION
OF AND FOR THE CITY OF EAST GRAND FORKS, MINNESOTA
A Minnesota Municipal Corporation

By: 

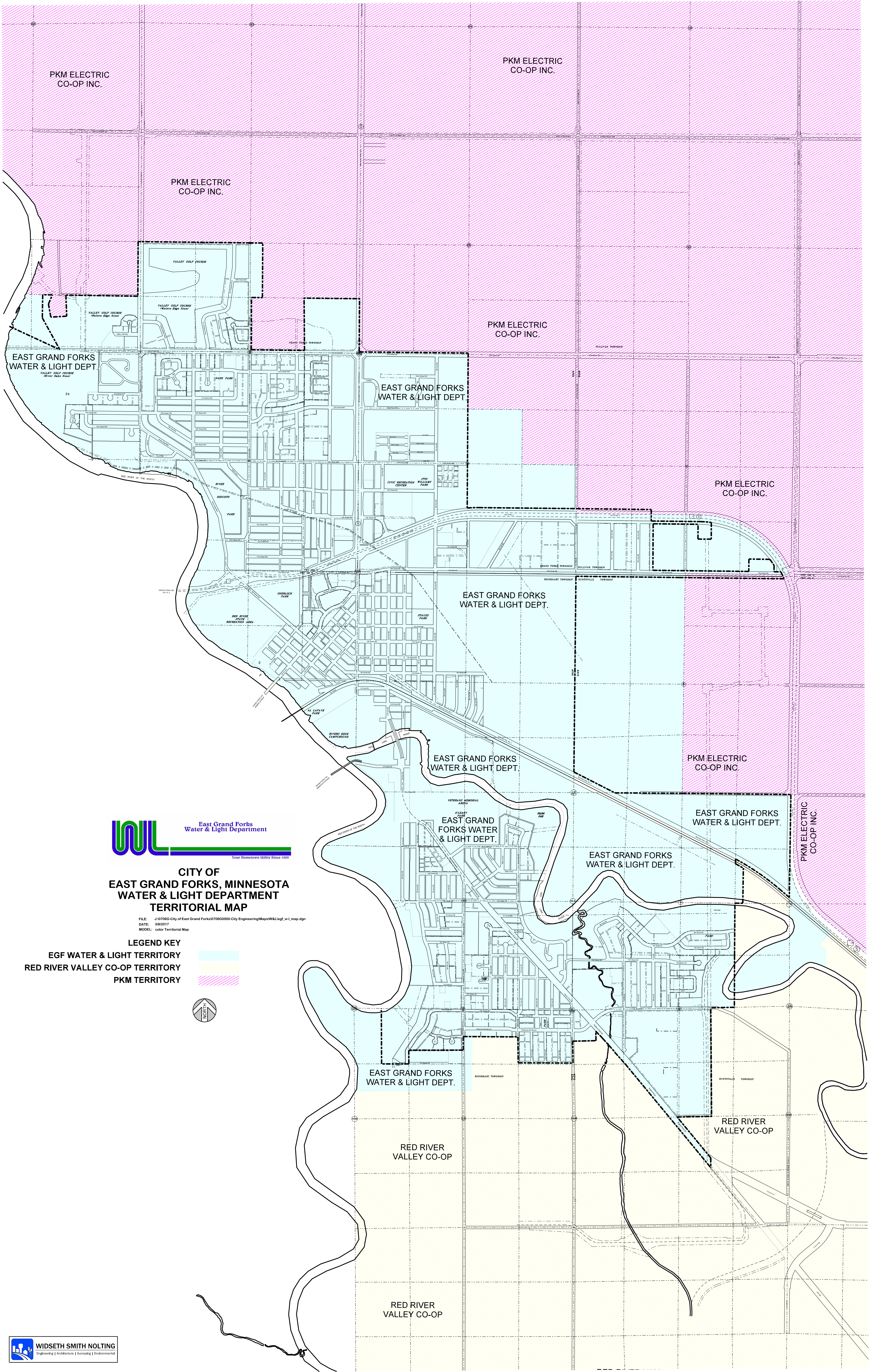
Mike Quirk

President

By: 

Lori Maloney

Secretary to Commission



PKM ELECTRIC
CO-OP INC.

PKM ELECTRIC
CO-OP INC.

PKM ELECTRIC
CO-OP INC.

PKM ELECTRIC
CO-OP INC.

EAST GRAND FORKS
WATER & LIGHT DEPT.

EAST GRAND FORKS
WATER & LIGHT DEPT.

PKM ELECTRIC
CO-OP INC.

EAST GRAND FORKS
WATER & LIGHT DEPT.

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EAST GRAND FORKS
WATER & LIGHT DEPT.

RED RIVER
VALLEY CO-OP

RED RIVER
VALLEY CO-OP

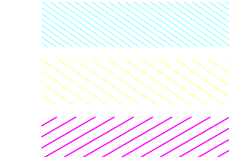
RED RIVER
VALLEY CO-OP



**CITY OF
EAST GRAND FORKS, MINNESOTA
WATER & LIGHT DEPARTMENT
TERRITORIAL MAP**

FILE: J:\07060-City of East Grand Forks\07060000-City Engineering\Maps\W&L\terf_wl_map.dgn
DATE: 3/8/2017
MODEL: color Territorial Map

- LEGEND KEY**
- EGF WATER & LIGHT TERRITORY
 - RED RIVER VALLEY CO-OP TERRITORY
 - PKM TERRITORY



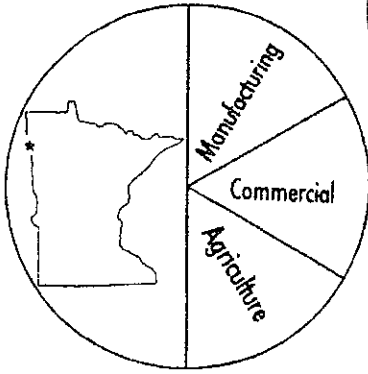
REC'D FEB 05 2008 643734

1087

City of East Grand Forks

"Center of the Rich Red River Valley"

EAST GRAND FORKS, MINNESOTA 56721



January 24, 2008

RONALD I. GALSTAD
 City Attorney
 P.O. Box 386
 East Grand Forks, MN 56721
 Phone: 218-773-9729
 Fax: 218-773-8950

EXHIBIT A-1

Michelle M. Cote
 Polk County Recorder
 612 North Broadway, Suite 213
 P.O. Box 397
 Crookston, MN 56716-0397

RE: **City Ordinance No. 302 3rd Series**

Dear Michelle:

Enclosed please find a certified copy of City of East Grand Forks Ordinance No. 302 3rd Series annexing into the City a portion of the NE1/4 of the SE1/4 of Section 27, Township 152 North of Range 50 West of the 5th Principal Meridian in Grand Forks Township, Polk County, Minnesota more specifically described as follows:

31-123 The easterly 65 feet of the Northeast Quarter of the Southeast Quarter of Section 27, Township 152 North, Range 50 West of the 5th principal Meridian, Polk County, Minnesota, containing 1.97 acres or 85,955 square feet more or less.

I am also enclosing my firm's check in the amount of \$46.00 to cover the recording fee.

A000643734

POLK COUNTY RECORDER
 POLK COUNTY, MINNESOTA

CERTIFIED, FILED, AND
 RECORDED ON

01/31/2008 09:00AM

PAGES: 7

REC FEES: \$46.00

MICHELLE M. COTE
 POLK COUNTY RECORDER

By *[Signature]* Deputy

Galstad # 12771 416-



2067

643734

MINNESOTA OFFICE OF ADMINISTRATIVE HEARINGS

600 North Robert Street
Saint Paul, Minnesota 55101

Mailing Address:
P.O. Box 64620
St. Paul, Minnesota 55164-0620

Voice: (651) 361-7900
TTY: (651) 361-7878
Fax: (651) 361-7936

December 20, 2007

REC'D DEC 31 2007

Robert Brooks
City Administrator/Clerk
East Grand Forks City Hall
600 Demers Avenue N.W.
P.O. Box 373
East Grand Forks, MN 56721-0373

Docket Number: A-7579

City of East Grand Forks
M.S. 414.033, Subd. 2(3)
Ordinance No. 302

Dear Mr. Brooks:

On December 20, 2007, the Office of Administrative Hearings approved the above ordinance in accordance with Minnesota Statutes, Chapter 414, and the Rules of Procedure. The annexation is final upon the date the ordinance is approved.

Pursuant to Minn. Stat. 414.036, reimbursement to the Town of Grand Forks is in accordance with the provision in the above-referenced ordinance.

The law requires that a copy of the annexation ordinance must be delivered immediately by the governing body of the municipality to the appropriate county auditor or auditors, and filed with the township. We recommend that you also file the annexation ordinance with the County Recorder. *This office will file a copy of the ordinance with the Secretary of State.* However, you must now complete the election precinct boundary change process in coordination with the Office of the Secretary of State.

41061

ORDINANCE NO.302 3RD SERIES

AN ORDINANCE OF THE CITY OF EAST GRAND FORKS, MINNESOTA, ANNEXING A PORTION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER (NE1/4SE1/4) OF SECTION TWENTY-SEVEN (27), TOWNSHIP ONE HUNDRED FIFTY-TWO (152), NORTH OF RANGE FIFTY (50), WEST OF THE FIFTH PRINCIPAL MERIDIAN, POLK COUNTY, MINNESOTA.

THE CITY OF EAST GRAND FORKS ORDAINS:

Section 1. This annexation is being passed and adopted pursuant to the provisions of Minnesota Statute § 414.033 subd. 2 clause 3.

Section 2. The City of East Grand Forks, Minnesota (hereinafter referred to the "City") was petitioned by the land owners Scott Wurden, Valerie Wurden, and Susan Wagner (hereinafter "Wurdens") along with Grand Forks Township by and through the Township Board of Commissioners, (hereinafter "Township")

Section 3. The land abuts the City of East Grand Forks and the area to be annexed is 60 acres or less and the area to be annexed is not presently served by public sewer facilities or public sewer facilities are not otherwise available.

Section 4. That the Notice requirement for the Public hearing of Minnesota Statute § 414.033 subd. 2b has been met or waived as all interested parties that were required to receive notice are the petitioners and the City of East Grand Forks. Further, the Public hearing required under Minnesota Statute § 414.033 subd. 2b has been held.

Section 5. That Minnesota Statute § 414.033 subd. 3 does not apply because it is appropriate for annexation under Minnesota Statute § 414.033 subd. 2, clause 3.

Section 6. That the area to be annexed is unplatted and unpopulated property.

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Section 12. City Code Chapter 10 entitled Definitions and General Provisions Applicable to the Entire City Code Including Penalty for violation" is hereby adopted in its entirety, by reference, as repeated verbatim herein.

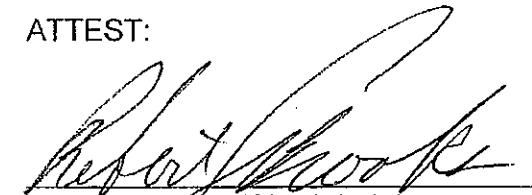
Section 13. This ordinance shall take effect and be in force from and after its passage and publication and be given number 302, 3rd series, and after its approval by the Minnesota Municipal Board.

VOTING AYE: Vetter, Grassel, Buckalew, Tweten, Gregoire, Gauder, & Leigh
VOTING NAY: None
ABSENT: None

The President declared the Ordinance passed.

ATTEST:

PASSED: August 21, 2007


Clerk-Treasurer/City Administrator


President of Council

I hereby approve the foregoing Ordinance this 21st day of August, 2007.

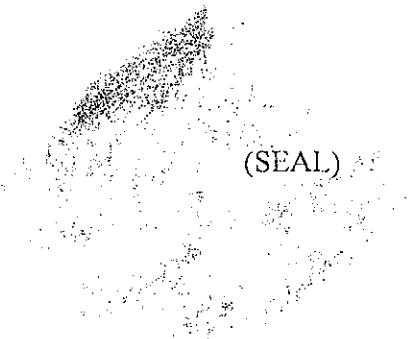

Mayor

7087

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STATE OF MINNESOTA)
)
COUNTY OF POLK) SS.
)
CITY OF EAST GRAND FORKS)

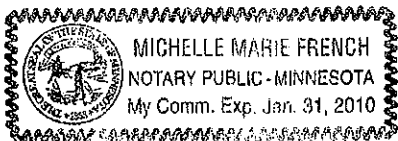
I hereby certify that the foregoing Ordinance No. 302 3rd Series is a true and correct copy of the Ordinance presented to and adopted by the City of East Grand Forks at a duly authorized meeting thereof held on the 21st day of August, 2007 as shown by the minutes of said meeting in my possession.



Jerry D. Skyberg
Jerry D. Skyberg
Interim City Administrator-Clerk-Treasurer
East Grand Forks, Minnesota

STATE OF MINNESOTA)
)
COUNTY OF POLK) SS
)
CITY OF EAST GRAND FORKS)

The foregoing instrument was acknowledged before me this 30th day of January, 2008, by Jerry D. Skyberg.



Michelle Marie French
Notary Public
My Commission Expires: Jan. 31, 2010

CITY OF EAST GRAND FORKS

ORDINANCE NO. 302

ORDINANCE NO. 302 3RD SERIES

AN ORDINANCE OF THE CITY OF EAST GRAND FORKS, MINNESOTA, ANNEXING A PORTION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER (NE1/4SE1/4) OF SECTION TWENTY-SEVEN (27), TOWNSHIP ONE HUNDRED FIFTY-TWO (152), NORTH OF RANGE FIFTY (50), WEST OF THE FIFTH PRINCIPAL MERIDIAN, POLK COUNTY, MINNESOTA.

THE CITY OF EAST GRAND FORKS ORDAINS.

Section 1. This annexation is being passed and adopted pursuant to the provisions of Minnesota Statute § 414.033 subd. 2 clause 3.

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Section 3. The land abuts the City of East Grand Forks and the area to be annexed is 60 acres or less and the area to be annexed is not presently served by public sewer facilities or public sewer facilities are not otherwise available.

Section 4. That the Notice requirement for the Public hearing of Minnesota Statute § 414.033 subd. 2b has been met or waived as all interested parties that were required to receive notice are the petitioners and the City of East Grand Forks. Further, the Public hearing required under Minnesota Statute § 414.033 subd. 2b has been held.

Section 5. That Minnesota Statute § 414.033 subd. 3 does not apply because it is appropriate for annexation under Minnesota Statute § 414.033 subd. 2, clause 3.

Section 6. That the area to be annexed is unplatted and unpopulated property.

Section 7. That the petitioners waived the 30 day notice required by Minnesota Statute § 414.033 subd. 13 that the cost of electric utility service to the Petitioners may change if the subject real property is annexed into the City.

Section 8. The City hereby annexes real property situated in the County of Polk, State of Minnesota, legally described as follows: to wit:

The easterly 65 feet of the Northeast Quarter of the Southeast Quarter of Section 27, Township 152 North, Range 50 West of the 5th principal Meridian, Polk County, Minnesota, containing 1.97 acres or 85,955 square feet more or less.

Section 9. The City Administrator/Clerk-Treasurer is hereby directed to file certified copies of this ordinance with the Minnesota Municipal Board, Grand Forks Township, Polk county Auditor, and the Minnesota Secretary of State.

Section 10. City Code Chapter 10 entitled "Definitions and General Provisions Applicable to the Entire City Code Including Penalty for violation" is hereby adopted in its entirety, by reference, as repeated verbatim herein.

Section 11. This ordinance shall take effect and be in force from and after its passage and publication and be given number 302 3rd series, and after its approval by the Minnesota Municipal Board.

Adopted this 21st day of August, 2007 and effective on August 29, 2007.

Robert L. Brooks
City Administrator/Clerk-Treasurer
City of East Grand Forks, Minnesota
(August 29, 2007)

STATE OF MINNESOTA
County of Polk

Affidavit of Publication

ollin Bergman, being duly sworn on oath says that he is the publisher e newspaper known at the THE EXPONENT, and has full knowledge e facts which are stated below:

) The newspaper has complied with all of the requirements constitut- qualification as a qualified newspaper, as provided by Minnesota e 331A.02, 331A.07, and other applicable laws as amended.

) The printed notice which is attached was cut from the columns of newspaper, and was printed and published on August 29, 2007. d below is a copy of the lower case alphabet from A to Z, both inclu- which is hereby acknowledged as being the size and kind of type used composition and publication of the notice

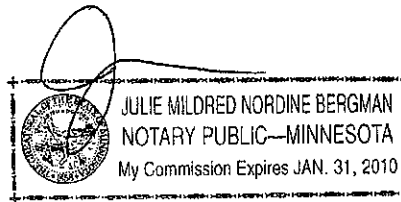
abcdefghijklmnopqrstu vwxyz

Melissa Thompson
Missy Thompson

TLE: _____
Manager

cribed and sworn to before me on this day of August, 2007.

otary Public:

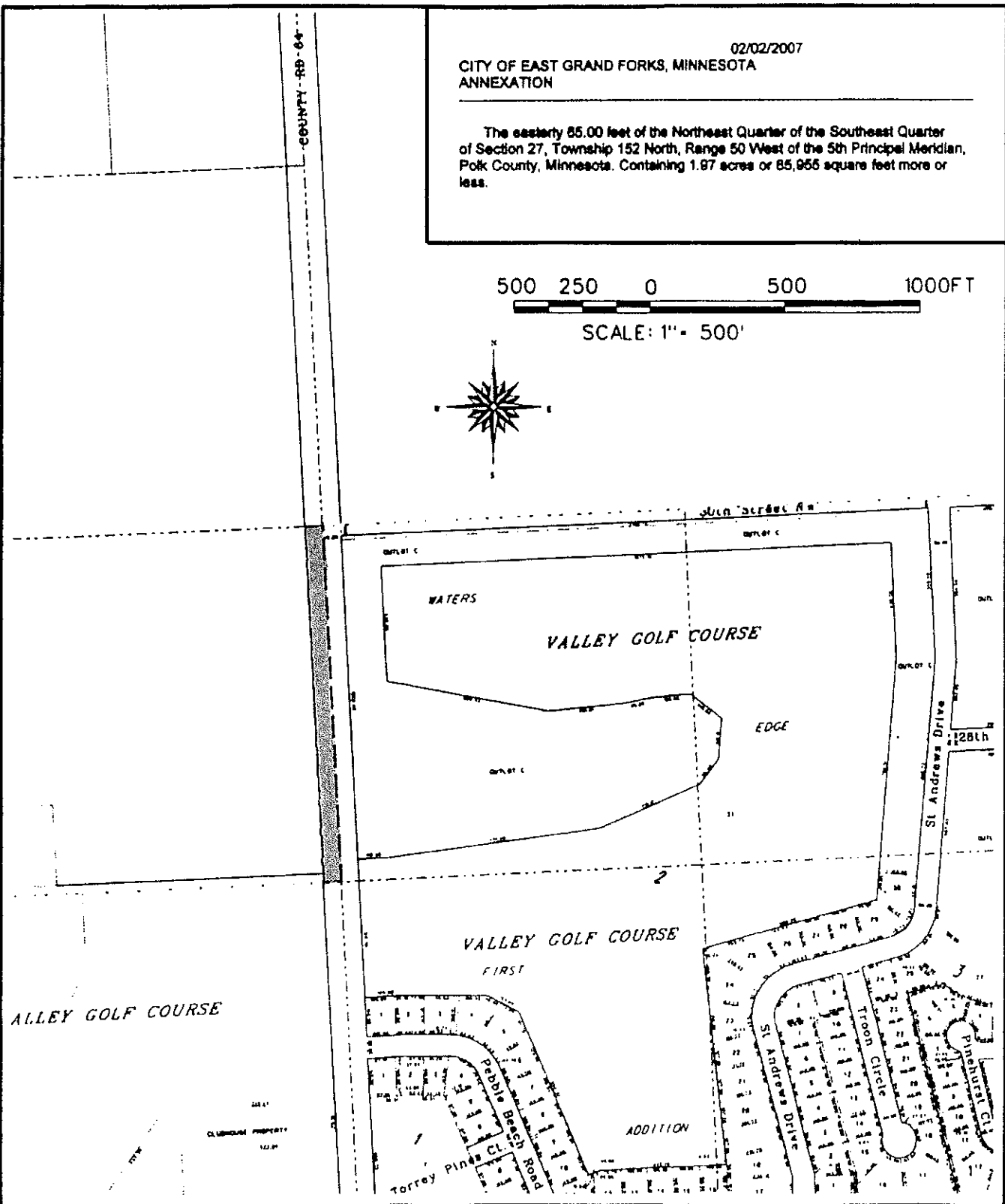
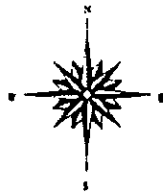
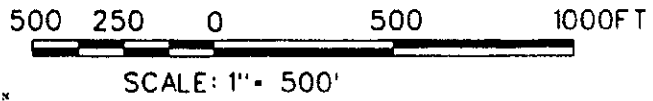


Regular Rates:
Classified Rate \$13.00
Display Rates \$6.00
Legal rate \$8.99

Discounted city rates for legal printing:
City Legal Rate \$6.47
City Legal Rate Proceedings \$2.75

02/02/2007
 CITY OF EAST GRAND FORKS, MINNESOTA
 ANNEXATION

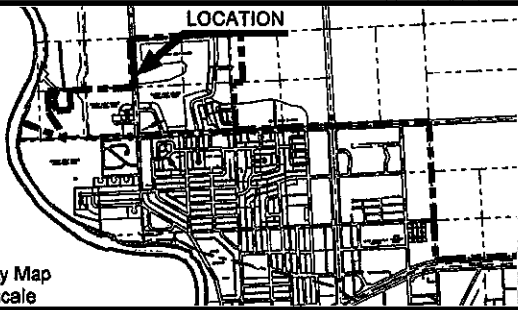
The easterly 85.00 feet of the Northeast Quarter of the Southeast Quarter of Section 27, Township 152 North, Range 50 West of the 5th Principal Meridian, Polk County, Minnesota. Containing 1.97 acres or 85,955 square feet more or less.



DRAWN BY: MBA
 DATE: 3/2/2007
 DGN: 07_annex_cr-64.dgn
 MODEL NAME: 07 annexation

PROJECT:
 2007 Annexation
 East Grand Forks, Minnesota
 County Road 64 (River Road)

SHEET:
 1 of 1



CITY OF EAST GRAND FORKS, MINNESOTA
 WATER & LIGHT DEPARTMENT
 SERVICE TERRITORY ACQUISITION

The easterly 65.00 feet of the Northeast Quarter of the Southeast Quarter of Section 27, Township 152 North, Range 50 West of the 5th Principal Meridian, Polk County, Minnesota. Containing 1.97 acres or 85,955 square feet more or less.

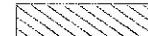


Scale in Feet



LEGEND

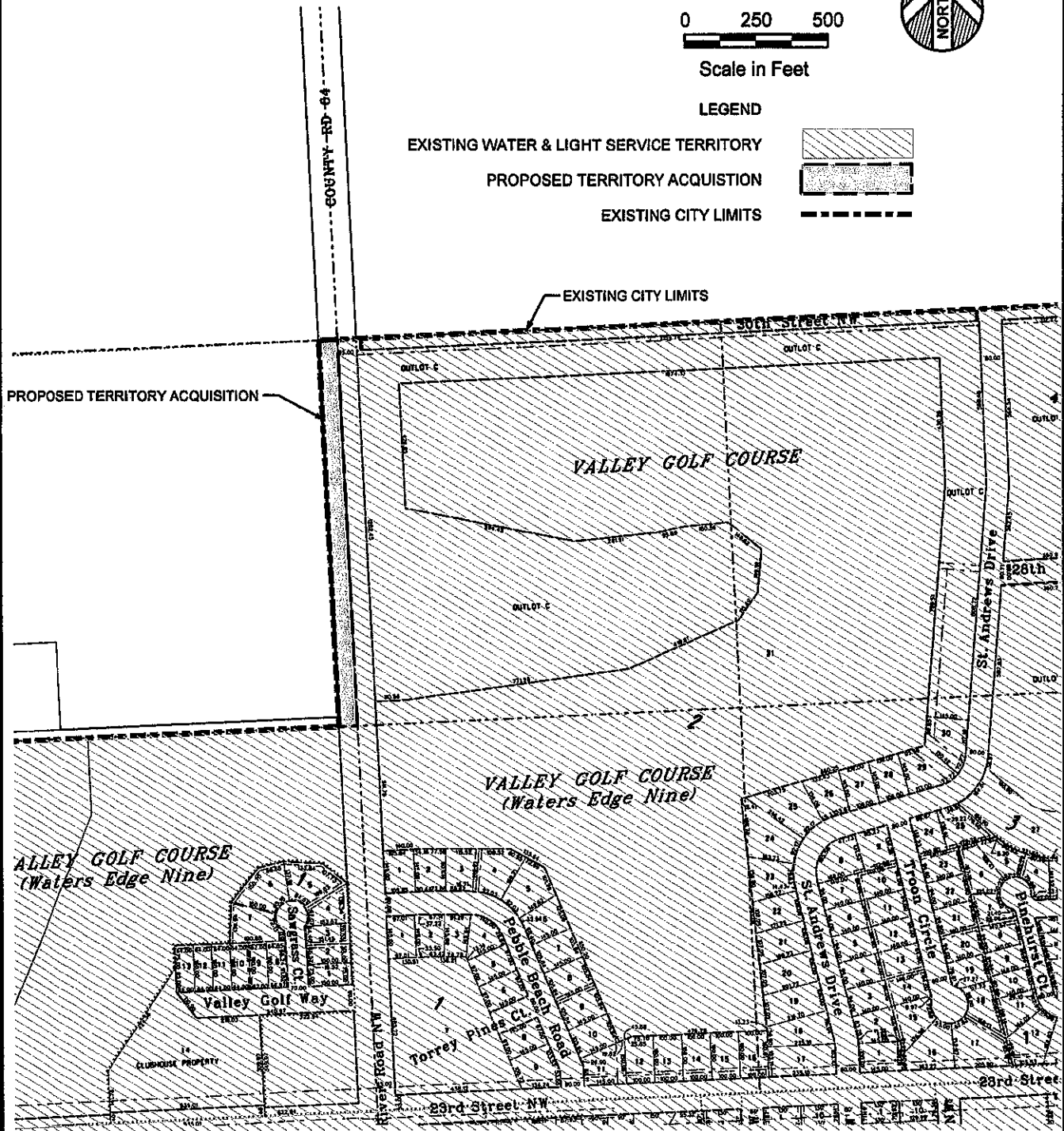
EXISTING WATER & LIGHT SERVICE TERRITORY



PROPOSED TERRITORY ACQUISITION



EXISTING CITY LIMITS



1/16/2017 12:07:46 PM City of East Grand Forks 07/02/2000 CH Enb... Minnesota



WIDSETH SMITH NOLTING
 Engineering | Architecture | Surveying | Environmental

DATE: 01/16/17
 SCALE: As Shown
 DRAWN BY: MBA
 CHECKED BY:
 JOB NUMBER: 0706g0000.000

Service Territory Acquisition
 East Grand Forks, Minnesota
 Water & Light Department

Acquisition Map - Ord. # 302 3rd Series

SHEET NO.
OR302.3

SHEET
 1 of 1

ORDINANCE NO. 15 4th SERIES – AMENDED - CORRECTED

AN ORDINANCE OF THE CITY OF EAST GRAND FORKS, MINNESOTA, ANNEXING SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER (SE1/4SE1/4), SECTION TWENTY-SIX (26), TOWNSHIP ONE HUNDRED FIFTY-TWO (152) NORTH, RANGE FIFTY (50) WEST OF THE FIFTH PRINCIPAL MERIDIAN, POLK COUNTY, MINNESOTA.

THE CITY OF EAST GRAND FORKS ORDAINS:

Section 1. This annexation is being passed and adopted pursuant to the provisions of Minnesota Statute § 414.033 subd. 2 clause 3.

Section 2. Johnson Farms a North Dakota partnership petitioned the City requesting the City join in the request to annex the above described property into the City of East Grand Forks. Johnson Farms made said request as it has been approached by a developer that wants to build Multi-family housing units to accommodate the Northland Community and Technical College student population.

Section 3. The land abuts the City of East Grand Forks, is urban or suburban in character and is owned by the City and Johnson Farms.

Section 4. That the City Council has determined that it is the best interest of the City that said parcel is to be annexed into the City so that it can have access to all City utilities and services to the area for the multi-family housing development

Section 5. That the notice and public hearing requirements of Minnesota Statute § 414.033 subd. 2b have been provided and a public hearing was held on August 18, 2015.

Section 6. That Minnesota Statute § 414.033 subd. 3, does not control because it is appropriate for annexation under Minnesota Statute § 414.033 subd. 2, clause 3.

Section 7. That the area to be annexed is unplatted and unpopulated property.

Section 8. That electric utility service notice of Minnesota Statute § 414.033 subd. 13, is not applicable as there are no electrical services presently provided in the proposed area.

Section 9. The City hereby annexes the real property situated in the County of Polk, State of Minnesota, legally described as follows, to wit:

Southeast Quarter of the Southeast Quarter (SE1/4SE1/4), Section Twenty-six (26), Township One Hundred Fifty-two (152) North, Range Fifty (50) West of the Fifth Principal Meridian, Polk County, Minnesota containing approximately 40 acres.

Section 10. That said land is not in the floodplain or shoreland area.

Section 11. The City Administrator/Clerk Treasurer is hereby directed to file certified copies of this ordinance with the Chief Administrative law Judge, Municipal Boundary Adjustments Division of the state Office of Administrative Hearings (Minnesota Municipal Board), Grand Forks Township, Polk County Auditor, and the Minnesota Secretary of State. A copy of the annexation ordinance must be delivered immediately to the Polk County auditor upon approval of the chief administrative law judge.

Section 12. City Code Chapter 10 entitled Definitions and General Provisions Applicable to the Entire City Code Including Penalty for violation" is hereby adopted in its entirety, by reference, as repeated verbatim herein.

Section 13. This ordinance shall take effect and be in force from and after its passage and publication and be given number 15 4th Series, and after its approval by the Minnesota Municipal Board.

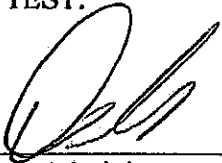
Voting Aye:

Voting Nay:

Absent:

The President declared the Ordinance passed.

ATTEST:



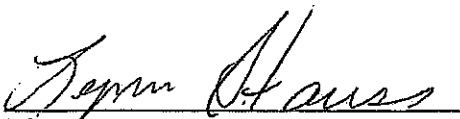
Clerk-Administrator

PASSED: April 19, 2016



President of Council

I hereby approve the foregoing Ordinance this 19th day of April, 2016.



Mayor

**SPECIAL ASSESSMENT PROPERTY TAX AGREEMENT BETWEEN THE CITY OF
EAST GRAND FORKS AND GRAND FORKS TOWNSHIP, MINNESOTA**

IN THE MATTER OF ANNEXATION OF LAND FROM GRAND FORKS TOWNSHIP TO THE CITY OF EAST GRAND FORKS, MINNESOTA PURSUANT TO MINNESOTA STATUTES § 414.033, SUBD. 2(3)

WHEREAS, Johnson Farms a North Dakota partnership petitioned the City requesting that the City join in the request to annex property located in Grand Forks Township into the City of East Grand Forks. Johnson Farms was approached by a developer to build multi-family housing units to accommodate the Northland Community and Technical College student population.

WHEREAS, the real property situated in Grand Forks Township, County of Polk, State of Minnesota, is legally described as follows:

Southeast Quarter of the Southeast Quarter (SE1/4SE1/4), Section Twenty-six (26), Township One Hundred Fifty-two (152) North, Range Fifty (50) West of the Fifth Principal Meridian, Polk County, Minnesota containing approximately 40 acres.

WHEREAS, the City Council determined that it was in the best interest of the City to annex the parcel into the City so that it can have access to all City utilities and services for the multi-family housing development;

WHEREAS, the notice and public hearing requirements of Minnesota Statute § 414.033 subd. 2b were provided to the Grand Forks Township and a public hearing was held on June 16, 2015;

WHEREAS, Grand Forks Township did not object to the proposed annexation;

WHEREAS, the City annexed the property into the city by ordinance pursuant to Minnesota Statute § 414.033 subd. 2(3);

WHEREAS, it is a requirement of Minnesota Statute § 414.036 that the City enter into an agreement to reimburse to the Township to annex taxable property;

WHEREAS, the City must provide reimbursement for all or part of the taxable property and shall pay the Township in substantially equal payments as property tax reimbursement over not less than two nor more than eight years from the time of annexation.

WHEREAS, the property taxes due to the Township for the entire Quarter section that contains the 40 acre parcel that was annexed is \$407.30 per year;

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

The City of East Grand Forks shall pay to Grand Forks Township as reimbursement of real estate property taxes the amount of \$407.30 per year for a total of \$814.60. Payment will be made by March 1 in each calendar year 2016 and 2017 for full, final and complete reimbursement of the City's obligation as set forth in Minn.Stat. § 414.036.

DATED 12-15-15

DATED 12-17-15

GRAND FORKS TOWNSHIP

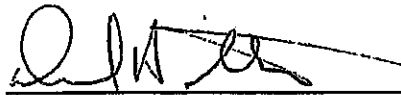
CITY OF EAST GRAND FORKS



Greg Stocker, Chairman



Lynri Stauss, Mayor



David Thompson, Clerk



David Murphy, City Administrator

CITY OF
EAST GRAND FORKS, MINNESOTA
PROPOSED ANNEXATION

EXISTING CITY LIMITS

APPROX 1845

APPROX 1850

GRAND FORK

9th Street NW

8th Ave NW

8th Street NW

22nd Street NW

Pioneer Ct NW

22nd Street NW

Central Avenue

College



0 250 500



Scale In Feet

SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER,
SECTION 26, TOWNSHIP 152 NORTH, RANGE 50 WEST
OF THE FIFTH PRINCIPAL MERIDIAN, POLK COUNTY,
MINNESOTA CONTAINING APPROXIMATELY 38.8 ACRES.



A000702943

**OFFICE OF THE COUNTY RECORDER
POLK COUNTY, MINNESOTA
CERTIFIED, FILED, AND
RECORDED ON**

6/2/2016 1:31:36 PM

PAGES: 3

REC FEES: 46.00

**MICHELLE M COTE
POLK COUNTY RECORDER**

BY ALK Dep

WELL CERTIFICATE RECEIVED

TRANSFER ENTERED THIS 2nd
DAY OF June, 2016
Robertson
Polk County

ORDINANCE NO. 15 4TH SERIES - AMENDED - CORRECTED

This page was added by the Polk County Recorder for recording purposes and is now a permanent part of the recorded document.

Galstad Law – cash \$46.00

ORDINANCE NO. 15 4th SERIES – AMENDED - CORRECTED

AN ORDINANCE OF THE CITY OF EAST GRAND FORKS, MINNESOTA, ANNEXING SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER (SE1/4SE1/4), SECTION TWENTY-SIX (26), TOWNSHIP ONE HUNDRED FIFTY-TWO (152) NORTH, RANGE FIFTY (50) WEST OF THE FIFTH PRINCIPAL MERIDIAN, POLK COUNTY, MINNESOTA.

THE CITY OF EAST GRAND FORKS ORDAINS:

Section 1. This annexation is being passed and adopted pursuant to the provisions of Minnesota Statute § 414.033 subd. 2 clause 3.

Section 2. Johnson Farms a North Dakota partnership petitioned the City requesting the City join in the request to annex the above described property into the City of East Grand Forks. Johnson Farms made said request as it has been approached by a developer that wants to build Multi-family housing units to accommodate the Northland Community and Technical College student population.

Section 3. The land abuts the City of East Grand Forks, is urban or suburban in character and is owned by the City and Johnson Farms.

Section 4. That the City Council has determined that it is the best interest of the City that said parcel is to be annexed into the City so that it can have access to all City utilities and services to the area for the multi-family housing development

Section 5. That the notice and public hearing requirements of Minnesota Statute § 414.033 subd. 2b have been provided and a public hearing was held on August 18, 2015.

Section 6. That Minnesota Statute § 414.033 subd. 3, does not control because it is appropriate for annexation under Minnesota Statute § 414.033 subd. 2, clause 3.

Section 7. That the area to be annexed is unplatted and unpopulated property.

Section 8. That electric utility service notice of Minnesota Statute § 414.033 subd. 13, is not applicable as there are no electrical services presently provided in the proposed area.

Section 9. The City hereby annexes the real property situated in the County of Polk, State of Minnesota, legally described as follows, to wit:

Southeast Quarter of the Southeast Quarter (SE1/4SE1/4), Section Twenty-six (26), Township One Hundred Fifty-two (152) North, Range Fifty (50) West of the Fifth Principal Meridian, Polk County, Minnesota containing approximately 40 acres.

31.00110.01 split to 83.04457.00
31.00110.02 split to 83.04458.00

Tom Helstad
cash 46-

Section 10. That said land is not in the floodplain or shoreland area.

Section 11. The City Administrator/Clerk Treasurer is hereby directed to file certified copies of this ordinance with the Chief Administrative law Judge, Municipal Boundary Adjustments Division of the state Office of Administrative Hearings (Minnesota Municipal Board), Grand Forks Township, Polk County Auditor, and the Minnesota Secretary of State. A copy of the annexation ordinance must be delivered immediately to the Polk County auditor upon approval of the chief administrative law judge.

Section 12. City Code Chapter 10 entitled Definitions and General Provisions Applicable to the Entire City Code Including Penalty for violation" is hereby adopted in its entirety, by reference, as repeated verbatim herein.

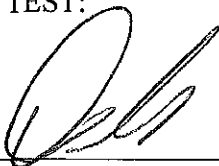
Section 13. This ordinance shall take effect and be in force from and after its passage and publication and be given number 15 4th Series, and after its approval by the Minnesota Municipal Board.

Voting Aye:
Voting Nay:
Absent:

The President declared the Ordinance passed.

ATTEST:

PASSED: April 19, 2016

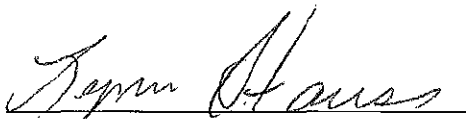


Clerk-Administrator



President of Council

I hereby approve the foregoing Ordinance this 19th day of April, 2016.



Mayor

STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS

In the Matter of the Annexation of
Certain Real Property to the City of
East Grand Forks from Grand Forks
Township (MBAU Docket A-7998)

**ORDER APPROVING
ANNEXATION ORDINANCE**

On April 19, 2016, the City of East Grand Forks (City) adopted Ordinance Number 15, 4th Series (Ordinance) annexing certain real property (Property) owned by Johnson Farms and the City legally described as follows:

Southeast Quarter of the Southeast Quarter (SE $\frac{1}{4}$ SE $\frac{1}{4}$), Section Twenty-six (26), Township One Hundred Fifty-two (152) North, Range Fifty (50) West of the Fifth Principal Meridian, Polk County, Minnesota containing approximately 40 acres.

Based upon a review of the Ordinance, the Chief Administrative Law Judge makes the following:

ORDER

1. Pursuant to Minn. Stat. § 414.033 (2014), the Ordinance is deemed adequate in all legal respects and properly supports this Order.

2. Pursuant to the terms of the Ordinance and this Order, the Property is **ANNEXED** to the City.

3. Pursuant to agreement by the City and Grand Forks Township (Township), and as allowed by Minn. Stat. § 414.036 (2014), the City will reimburse the Township \$407.30 in 2016 and 2017 as stated in the Special Assessment Property Tax Agreement signed by the City on December 17, 2015, and the Township on December 15, 2015.

Dated: May 12, 2016



TAMMY L. PUST
Chief Administrative Law Judge

NOTICE

This Order is the final administrative order in this case under Minn. Stat. §§ 414.033, .07, .09, .12 (2014). Minn. Stat. § 414.033, subd. 7 requires that a copy of the annexation ordinance be filed with the township, the appropriate county auditor(s), and the Secretary of State.

Pursuant to Minn. Stat. § 414.07, subd. 2, any person aggrieved by this Order may appeal to Polk County District Court by filing an Application for Review with the Court Administrator within 30 days of this Order. An appeal does not stay the effect of this Order.

Any party may submit a written request for an amendment of this Order within seven days from the date of the mailing of the Order pursuant to Minn. R. 6000.3100 (2015). However, no request for amendment shall extend the time of appeal from this Order.

For questions concerning this Order, please contact Star Holman at the Office of Administrative Hearings at star.holman@state.mn.us or 651-361-7909.