

IN THE MATTER OF THE JOINT RESOLUTION OF THE TOWN OF PAYNESVILLE AND THE CITY OF PAYNESVILLE DESIGNATING AN UNINCORPORATED AREA WITHIN PAYNESVILLE TOWNSHIP AS IN NEED OF IMMEDIATE ORDERLY ANNEXATION AND CONFERRING JURISDICTION OVER SAID AREA TO THE OFFICE OF ADMINISTRATIVE HEARINGS, MUNICIPAL BOUNDARY ADJUSTMENTS BOARD, PURSUANT TO M.S.A. 414.0325.

JOINT RESOLUTION 2009-35 FOR ORDERLY ANNEXATION

1. The following described area in Paynesville Township is subject to orderly annexation pursuant to Minnesota Statute §414.0325, and the parties hereto designate the area for immediate orderly annexation, which area is legally described as follows, to-wit:

The East 200 feet of the North 343 feet of the Northeast Quarter of the Northeast Quarter of Section 16, Township 122, Range 32, Stearns County, Minnesota. Said lands containing 1.4 acres, more or less.

2. That the Township of Paynesville does, upon the passage of this Resolution and its adoption by the City Council of the City of Paynesville, Minnesota, and upon acceptance by the Office of Administrative Hearings, confer jurisdiction on the Office of Administrative Hearing, Municipal Boundary Adjustments Board, over the various provisions contained in this agreement.

3. That the property described in Paragraph 1 above abuts the City of Paynesville and is presently urban or suburban in nature or is about to become so. Further, the City of Paynesville is capable of providing services to this area within a reasonable time after annexation and annexation would be in the best interest of the area proposed to be annexed. Specifically, annexation is appropriate because the property owners have requested access to City sewer and water, and the City is capable of providing these services and intends to extend City sewer and water services to the above-described property as part of its 2010 Street Improvement Project. Therefore, this property should be annexed to the City of Paynesville. The current population residing within the property described above is two (2).

4. The effect of annexation on population shall be that the population of the area annexed pursuant to this Resolution shall be treated for all purposes as part of the population of the City of

Paynesville immediately upon approval of annexation by the Office of Administrative Hearings, Municipal Boundary Adjustments Board.

5. The taxes due and or/delinquent on the date of annexation with regard to the above property remain the property of Paynesville Township. All taxes and assessments accrued after the date of annexation are the property of the City of Paynesville, subject only to the provisions of Paragraph 7 below. The City of Paynesville, upon annexation, becomes the owner or beneficiary of all roads, easements and rights of way, or other interests in property within the annexed area previously held by Paynesville Township and shall bear the responsibility associated with those rights.

6. Any persons with an ownership interest in the land described in Paragraph 1 above shall have the following rights with regard to the payment of assessment and hook-up charges on projects previously completed by the City which have been assessed against said annexed property:

- a) Hook-up charges shall be payable upon hook-up to municipal services.
- b) Hook-up charges will be based on costs to the City determined by the City Council from time to time.
- c) Any assessment for existing improvements benefiting annexed properties shall be payable over the same number of years and at the same interest rate as the original project provided for.

7. As to those lands which are annexed to the City pursuant to this agreement, of the base tax payable to the Township at the time of annexation, the following shall occur:

The Township shall receive 100% of the base tax until the annexed property has been serviced by municipal services, including City sewer and water, for up to a maximum of eight (8) years. If City services are installed on the annexed property after annexation, but prior to the expiration of the eight (8) year time period, then after the installation of City services, the Township shall receive 50% of base tax in

each year after the city services have been installed, through and including the eighth year after annexation. Thereafter, all taxes collected, if any, shall belong to the City of Paynesville.

It is anticipated by all parties that services here will be provided in 2010.

8. The parties hereto acknowledge that this Joint Resolution for Orderly Annexation has been triggered by the request of 100% of the owners of the parcels of property included in the above description, which complies with the prior agreement entered into by and between the City of Paynesville and Paynesville Township and the City Council has agreed that annexation is desirable and that the City can provide the required services within two (2) years after the date of annexation.

9. No consideration by the Office of Administrative Hearings, Municipal Boundary Adjustments Board is necessary. The Board may review and comment, but shall, within thirty (30) days, order the annexation in accordance with the terms of this Resolution. No alteration of the stated boundaries is appropriate.

10. Any alterations, variations, modifications or waivers of the provisions of this Joint Resolution for Orderly Annexation shall only be valid if they have been reduced to writing and signed by authorized representatives of the parties.

11. The provisions of this Joint Resolution for Orderly Annexation shall be deemed to be severable. If any part of this contract is rendered void, invalid, or unenforceable, such rendering shall not affect the validity and enforceability of the remainder of the contract unless the part or parts which are void, invalid or otherwise unenforceable shall substantially impair the value of the entire contract with respect to either party.

The parties further agree to substitute for any invalid provision a valid provision that most closely approximates the economic effect and intent of the invalid provision.

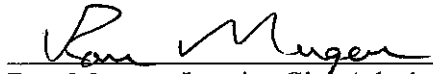
12. This Joint Resolution for Orderly Annexation is the final expression of the agreement of the parties and the complete and exclusive statement of the terms agreed upon and shall supersede all prior negotiations, understandings and agreement. There are no representations, warranties or stipulations, either oral or written, not herein contained.

13. It is specifically acknowledged and understood that the parties are represented by and have available to them independent counsel. As a matter of convenience, one party to this agreement may have taken on the bulk of the task of drafting this agreement. This agreement shall not be construed against the drafting party merely because of its role in drafting this agreement.

CITY OF PAYNESVILLE

Passed and adopted by the City Council of the City of Paynesville this 28th day of October, 2009.

Attest:



Ron Mergen, Interim City Administrator


Jeff Thompson, Mayor


PAYNESVILLE TOWNSHIP

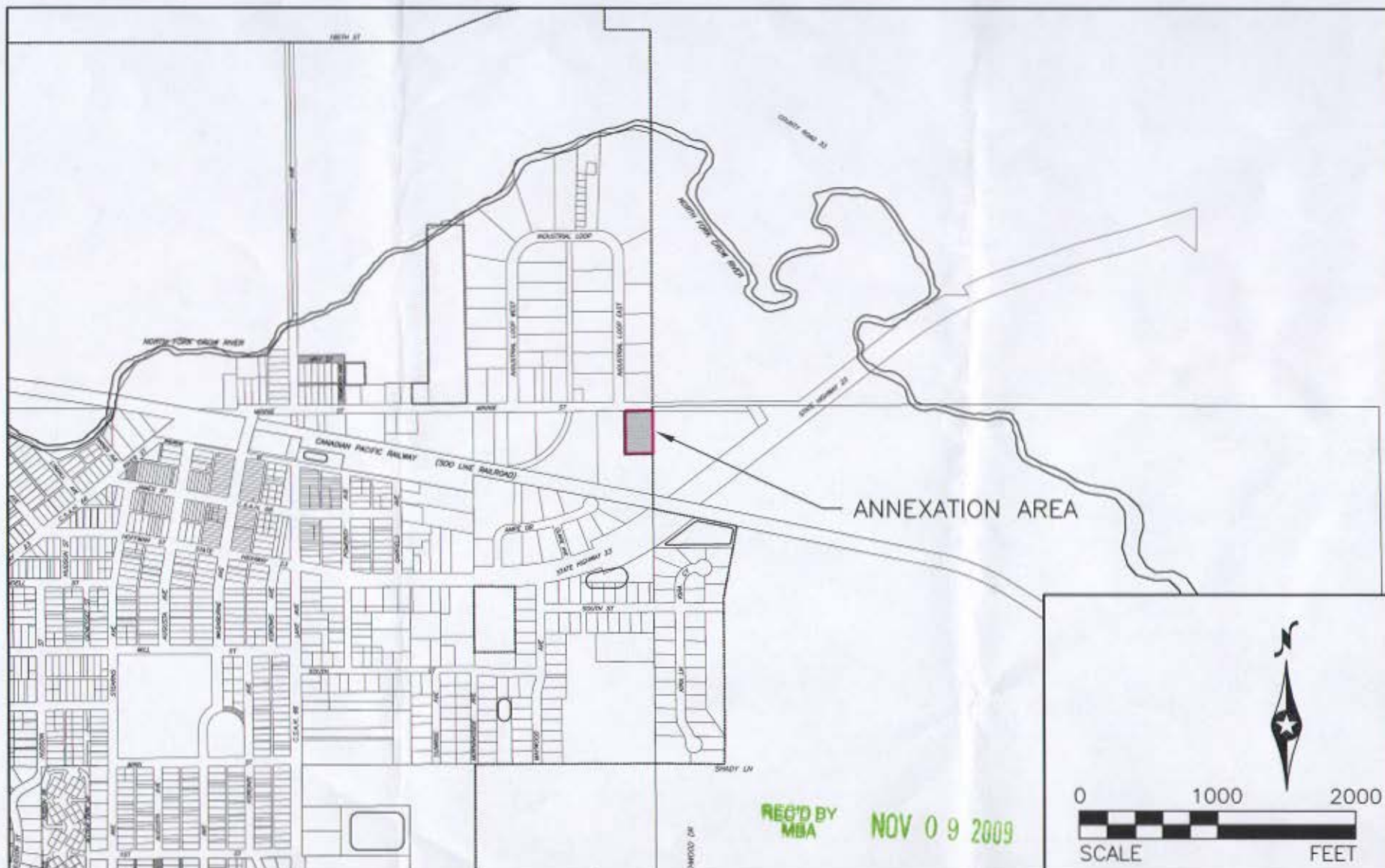
Passed and adopted by the Town Board of the Town of Paynesville this 26 day of October, 2009.

Attest:



Town Clerk


Chairman



REC'D BY
MBA

NOV 09 2009



BOLTON & MENK, INC.
Consulting Engineers & Surveyors

MANKATO, MN FAIRMONT, MN SLEEPY EYE, MN WILLMAR, MN
BURNSVILLE, MN CHASKA, MN RAMSEY, MN AMES, IA

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CITY OF PAYNESVILLE ANNEXATION FIGURE

OCTOBER, 2009

FIGURE NO. 1