

AMENDED AGREEMENT FOR EASEMENTS AND ORDERLY ANNEXATION

This agreement is an amendment of that agreement made and entered into on January 5, 1988 by and between the City of Center City, MN, a municipal corporation under the laws of the State of Minnesota, hereinafter CITY; and the Town of Chisago Lake, a municipal corporation under the laws of the State of Minnesota, hereinafter TOWN:

RECITALS

1. The boundary between the CITY and the TOWN is shown on Ex. A attached hereto.

2. The CITY recently annexed that portion shown on Ex. A designated "annexed-1987".

3. The CITY has constructed and installed municipal water and sewer utility lines in that portion of Nelson Court shown on Ex. A lying south of the CITY-TOWN boundary.

4. It is the intent and desire of the CITY to extend said municipal water and sewer utility lines northerly of the existing north boundary of the CITY in that street known as Nelson Court to serve the area designated "annexed-1987" and to serve any other areas annexed to the CITY which abut Nelson Court.

5. The lots in the plat of Cedar Point lying northerly of the north CITY boundary have been developed for residential purposes, this area being urban in nature.

The legal description of the plat of Cedar Point as originally recorded in May of 1952 read as follows:

Beginning at a point on the north line of said Gov. Lot 3, said point being 1105 feet west of the northeast corner thereof; thence South 22°29' East for 1706 feet; thence South 0°04' West for 243.5 feet; thence South 27°32' East for 71 feet; thence South 58° West for 108 feet, more or less, to the shore of North Center Lake; thence in a northwesterly direction along said lake shoreline to its intersection with said north line of Gov. Lot 3; thence East along said north line of Lot 3 for 291.6 feet, more or less, to the point of beginning and including all riparian rights. Also a strip of land 60 feet wide to be used as a roadway lying contiguous to and skirting the entire easterly side of described tract.

The plat of Cedar Point is torrens property; a survey completed in October of 1988 found the original legal description to be defective. It is anticipated in the immediate future that the court will approve a correction of said plat, said description thereafter reading as follows:

That part of Government Lots 2 and 3, Section 27, Township 34 North, Range 20 West, Chisago County, MN described as follows:

Commencing at the northeast corner of Government Lot 4 of said Section 27; thence South $87^{\circ}42'15''$ West, assumed bearing along the north line of Government Lots 4 and 3, a distance of 2378.67 feet; thence North $22^{\circ}29'$ West, a distance of 97.30 feet to the point of beginning; thence South $22^{\circ}29'$ East a distance of 1706 feet; thence South $0^{\circ}04'$ West a distance of 243.5 feet; thence South $27^{\circ}32'$ East a distance of 71 feet; thence South 58° West a distance of 110 feet, more or less, to the shoreline of North Center Lake; thence northwesterly along said shoreline to its intersection with a line that bears North 90° West from the point of beginning; thence North 90° East a distance of 200 feet, more or less, to the point of beginning. Also a strip of land 60 feet wide to be used as a roadway lying contiguous to and skirting the entire easterly side of the above described parcel.

That portion of the plat of Cedar Point which is subject to this agreement for orderly annexation is that part thereof lying northerly of the northerly city boundary shown on Ex. A attached hereto, being the northerly portion of Lot 19 and all of Lots 1 thru 18, inclusive.

6. It is the intent and desire of the TOWN that if city water and sewer utilities are constructed and installed in Nelson Court, the owners of those lots in Cedar Point which are located in the TOWN be permitted, at their discretion, to connect to the CITY's water and sewer utility lines upon reasonable conditions.

7. The CITY and the TOWN concur that this arrangement can best be accommodated by an orderly annexation agreement.

NOW THEREFORE, in consideration of the above Recitals and the covenants, obligations, duties and benefits set forth below, the CITY and the TOWN agree that that portion of the plat of Cedar Point located in the TOWN shall be subject to this orderly annexation agreement upon the following terms and conditions:

1. The TOWN hereby grants an easement to the CITY for the installation of municipal utilities, including water and sewer, over, across and under that street designated upon and dedicated by the plat of Cedar Point as that plat has been recorded in the office of the County Recorder of Chisago County.

2. The easement granted in the next preceding paragraph shall be effective only to those portions of Nelson Court as abut property which has been annexed to the CITY at present and as hereafter annexed from time to time.

3. Upon the request of the owner of any lot contained within the plat of Cedar Point lying in the TOWN, which lot abuts a portion of Nelson Court containing municipal utilities, the CITY agrees to permit any such owner to connect to the municipal utilities of the CITY lying in Nelson Court upon the same terms and conditions and at the same rates as the CITY furnishes said utilities to its residents at the time of such request.

4. The CITY and town agree that the cost of providing such utility services is not fully recaptured by user fees and connection fees; that the residents of the TOWN connecting to said CITY services will thus receive preferential treatment under this arrangement.

5. So that the TOWN residents will know the conditions under which they utilize CITY services and so that the CITY will have assurance that such preferential treatment will not continue indefinitely, the CITY and the TOWN agree that any residential lot which connects to the CITY water and/or sewer utilities will be annexed to the CITY seven (7) years from the date of this agreement.

The CITY and the TOWN understand and agree that this arrangement may result in the annexation of random or single or separated lots in the plat of Cedar Point and hereby verify that this result is acceptable to each of them.

The CITY and the TOWN further understand and agree that as to any lot annexed to the CITY under this provision, that portion of Nelson Court abutting said lot, lying between the easterly extensions of the north and south boundaries of each said lot, shall also be annexed to the CITY. In the event of such annexations, the CITY and the TOWN shall share equally in the maintenance and repair of that portion of Nelson Court lying southerly of the northerly boundary of the most northerly lot annexed to the CITY from time to time unless the CITY and the TOWN agree otherwise in writing. The CITY and TOWN shall likewise share equally in all questions of liability relating to that portion of Nelson Court jointly maintained unless otherwise agreed in writing.

6. The CITY and the TOWN acknowledge that under present Minnesota law regarding annexation, the CITY may annex by ordinance any lands completely surrounded by lands of the CITY and that under this agreement, it is possible, if not likely, that the annexation of lots required under this agreement may result in that condition. The CITY hereby agrees that in the event any land located in the TOWN is completely surrounded by lands annexed to the CITY as the result of this agreement, the CITY will not initiate any proceeding to annex such completely surrounded land.

7. This agreement shall not be construed to prevent the annexation of the lands affected hereby to the CITY by the petition of the property owners or as otherwise provided under the law.

8. Any lots located in that portion of Cedar Point lying in the TOWN which connect to the CITY water and sewer utilities after the 7-year period provided above shall immediately or at such later time as the CITY in its discretion permits be annexed to the CITY.

9. As to any lots annexed pursuant to this agreement, no consideration by the Minnesota Municipal Board or its equivalent shall be necessary; the Board may review and comment but shall within 30 days order the annexation in accordance with the terms of any resolution by the City Council of the CITY.

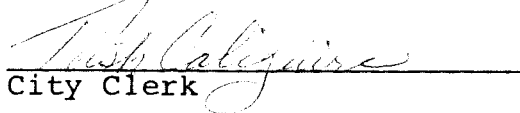
10. The CITY and the TOWN hereby verify that they have received a copy of this agreement, understand its terms, that they have relied upon no representations other than those stated herein and that they are mutually bound by same.

IN WITNESS WHEREOF the parties hereto have set their hands this 15th day of November, 1988.

CITY OF CENTER CITY, MN


Mayor

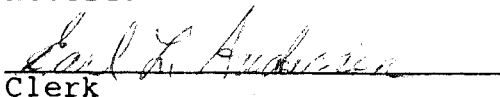
Attest:


City Clerk

TOWN OF CHISAGO LAKE


Chairman

Attest:


Clerk

NOV 08 1988

STATE OF MINNESOTA)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before
me this _____ day of _____, 19____ by _____
_____, Mayor and
City Clerk respectively of the City of Center City, MN,
a municipal corporation, on behalf of said city.

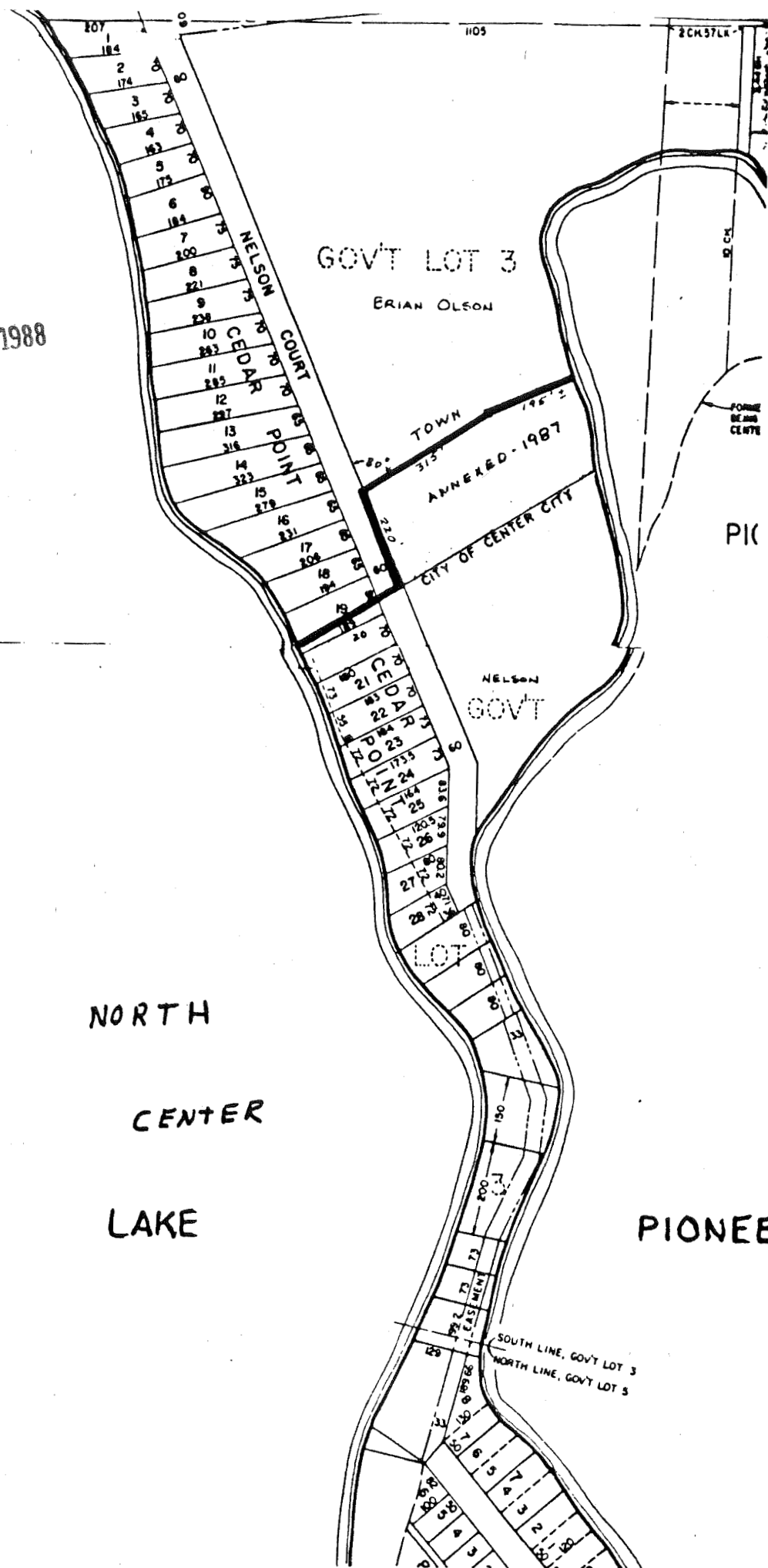
Notary Public

STATE OF MINNESOTA)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before
me this _____ day of _____, 19____ by _____
_____, the Chairman and
Clerk respectively of the Township of Chisago Lake, a
municipal corporation, on behalf of said town.

Notary Public

REC'D. BY
MMB NOV 08 1988



EX A