

RECEIVED

By: OAH on April 15, 2025



City of New Ulm

Community Development Department

100 North Broadway

New Ulm, Minnesota 56073

Telephone: (507) 359-8245

Email: davids@newulmmn.gov

Web Site: www.newulmmn.gov

April 10, 2025

Ms. Star Holman
Office of Administrative Hearings
State of Minnesota
P.O. Box 64620
St. Paul, Minnesota 55164-0620

Dear Ms. Holman:

Enclosed is a copy of an Orderly Annexation Agreement (OAA) between Cottonwood Township and the City of New Ulm dated February 28, 2025. The new agreement will replace OA-1260 between the same two parties. The previous agreement expired on January 1, 2025.

The size of the agreement area is 1680 acres. The fee based on the size of this OAA area will be \$200. A check for this amount is enclosed.

Thank you for your assistance in this matter. If you have any further questions on this situation, please contact me.

Yours very truly,

CITY OF NEW ULM, MINNESOTA

David Schnobrich
Community Development Director

DS/bfw
Enclosure

IN THE MATTER OF THE JOINT
RESOLUTION OF THE CITY OF
NEW ULM AND COTTONWOOD TOWNSHIP
DESIGNATING CERTAIN AREAS AS IN
NEED OF ORDERLY ANNEXATION
PURSUANT TO MINN. STAT. §414.0325

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JOINT RESOLUTION FOR ORDERLY ANNEXATION

WHEREAS, the City of New. Ulm (hereinafter "City") and Cottonwood Township (hereinafter "Township") deem it necessary and appropriate that they work together to develop and implement a process for the orderly and controlled growth of the City and Township; and

WHEREAS, the City and Township agree that municipal government most efficiently provides governmental services in areas which are developed for residential, commercial, industrial and governmental purposes, and that Township government most efficiently provides governmental services in areas used or developed for agricultural, open space and rural residential purposes; and

WHEREAS, the City and Township agree that given the potential public health threat from individual sewage treatment systems in certain areas designated herein, there is a need for municipal sanitary sewer service; and

WHEREAS, the City and Township agree that orderly annexation and extension of municipal sanitary sewer service to areas needing such service would benefit the public health, safety, and welfare of the entire community; and

WHEREAS, the .City and Township agree that orderly urban development using municipal services in a responsible, controlled, and environmentally sound manner is in the best interests of the entire community; and

WHEREAS, the City and Township agree that orderly annexation and orderly development of the areas designated herein is one way to promote the public health, safety, and welfare of the entire community by providing for the logical development of the community and the extension of municipal services as urban development occurs; and

WHEREAS, pursuant to its CITY OF NEW ULM EXTRATERRITORIAL SUBDIVISION REGULATION RESOLUTION OF 2003, the City has determined that the extension of its subdivision regulations pursuant to Minnesota. Statutes Section 462.358, Subd. 1 to

include the areas defined in the attached Exhibits 1 and 2, is in the best interest of the City; and has identified those areas as ones of potential future growth of the City; and

WHEREAS, for the area designated herein, the City and the Township desire to accomplish the orderly annexation of said areas in a mutually acceptable and beneficial manner without the need for a hearing before the Minnesota Municipal Board as urban development occurs.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of New Ulm and the Town Board of Supervisors of Cottonwood Township as follows:

1. Designation of Orderly Annexation Areas. The City and Township hereby designate the following areas as in need of orderly annexation pursuant to Minnesota Statutes, Section 414.0325:
 - a. "Orderly Annexation Area". The "Orderly Annexation Area," hereinafter referred to as the "Area", is that portion of Cottonwood Township as legally described in Exhibit 1 attached hereto and incorporated herein by reference. For ease of reference, the Area is shown on the map attached hereto as Exhibit 2 and is generally an area of the Township that is or is about to become urban or suburban in character, and in the foreseeable future will have need of municipal sanitary sewer service.
2. Definitions. For purposes of this Joint Resolution, the terms defined in this paragraph have the meanings given them:
 - a. "Abutting" shall have the meaning contained in the 2003 Minnesota Statute 414.011, Subdivision 6.
 - b. "Agricultural development" means improvements, buildings, structures, or fixtures, existing or proposed, suitable for use in farming located on ten (10) or more acres of agricultural land, including one single-family dwelling located on ten (10) or more acres of agricultural land that is or will be occupied by a farmer and structures attached to or incidental to the use of the dwelling.
 - c. "Agricultural land" means land used or to be used in farming.

- d. "Any adjacent, necessary land" means any unincorporated land lying between the City and the area proposed for annexation or used or proposed for urban, non-farm development that, in the determination of the City and Township, is necessary to maintain the symmetry of its corporate boundaries along recognizable physical features; or any unincorporated land adjacent to the City lying between the City and the area proposed for annexation or used or proposed for urban, non-farm development that, in the determination of the City and Township, is necessary to effectively provide municipal services to said unincorporated area.
- e. "Dwelling" means any building or place used or intended to be used by human occupants.
- f. "Farming" means the cultivation of land for the production of agricultural crops, the raising of poultry, the production of eggs, the production of milk, the production of fruit or other horticultural crops, grazing, the production of livestock, aquacultural, hydroponics, or the production of forest products.
- g. "Individual Sewage Treatment System" means a sewage treatment system, or part thereof, serving a dwelling, or other establishments, which uses subsurface soils treatment and disposal. Individual sewage treatment system includes holding tanks and privies.
- h. "Licensed inspector" means a person who is licensed pursuant to Minnesota Statutes or Rules to conduct inspections to determine compliance of individual sewage treatment systems with local ordinances or the minimum standards as set forth in Minnesota Rules Chapter 7080 or other similar state statutes or rules.
- i. "Lot of Record" means an existing lot within an existing subdivision, in which property has been platted and subdivided into lots and blocks, and said subdivision has been recorded in the office of the Brown County Recorder prior to the date of the adoption of this Joint Resolution.
- j. "MPCA" means. the Minnesota Pollution Control Agency.

- k. "OAH-MBAU" means the Minnesota Office of Administrative Hearings, Municipal Boundary Adjustments Unit.
 - l. "Notice of Imminent Public Threat" means a notice given and signed by licensed inspector under Minnesota Rules, Chapter 7080 or other similar state statute or rule, that an individual sewage treatment system presents an imminent threat to the public health or safety because said systems have failed or are failing as defined by Minnesota Rules, Chapter 7080.
 - m. "Other establishment" means any public or private structure other than a dwelling which generates sewage.
 - n. "Professional installer" means a person who designs, installs, alters, repairs, maintains, pumps or inspects individual sewage treatment systems pursuant to the minimum standards as set forth in Minnesota Rules, Chapter 7080 or other similar state statutes or rules.
 - o. "State" means the State of Minnesota.
 - p. "Urban, non-farm development" means any. development, existing or proposed, which is not defined as agricultural development.
3. In addition to the other terms of this Joint Resolution the following agreements apply to the area:
- a. Acreage of the Area. The City and Township agree that the Area is designated as in need of orderly annexation and contains approximately 1680 acres.
 - b. No Hearing Required. The City and Township agree that the annexation of the Area may be initiated upon the occurrence of any of the following:
 - i. The City is required to provide municipal water service to a designated area within the Area by order of an agency of the State;
 - ii. Individual sewage treatment systems located in the Area are found by the MPCA or any other State agency to be failing and in need of

municipal sanitary sewer service pursuant to Minnesota Statutes § 115.49 or other similar state statutes;

- iii. Over fifty percent (50%) of the area contained in the Area has been annexed; or
- iv. The City receives a petition for annexation from 100% of the property owners of an individual parcel of land;
- v. The area is completely surrounded. by the City;
- vi. The City or property owner(s) is ordered by the State Pollution Control Agency or Department of Health to provide sewer or water service to a portion of the Township for the protection of the public health and safety and/or because of immediate environmental concerns;
- vii. The City decides to add an arterial or collector road to its Municipal State Aid street system, but only to the extent of the right-of-way needed for the road, and provided;
- viii. The City determines by resolution that land, right-of-way or easements are needed for a public works improvement project designed to provide sanitary sewer pumping and conveyance facilities, water supply, water storage or water conveyance facilities, stormwater retention, stormwater detention or stormwater conveyance facilities, but only to the extent needed for said facilities. The City's statutory condemnation authority shall not otherwise be limited by this provision;
- ix. The City receives a petition from a majority of property owners, either in a given area or block in a platted residential subdivision or from the entire subdivision, for annexation and/or provision of sewer or water services. The defined area or block must consist of contiguous parcels, including those adjacent to and preceding the last parcel requesting annexation. Such an area shall be annexed together with any adjacent, necessary land such that the annexation shall not create an island of Township property once petitioned properties are annexed.
- x. A licensed inspector determines that at least 35% of the individual sewage treatment systems or individual wells within a platted residential subdivision or neighborhood in such a subdivision are failing or are not meeting state drinking water standards; or
- xi. The City and Township otherwise jointly agree in writing.

All annexations contemplated by this Joint Resolution shall not require a hearing or any consideration by OAH-MBAU, or its successor agency. The City and Township agree that, upon the occurrence of any of the above events triggering annexation as provided herein for any land located within the Area, the City shall provide written notice of such occurrence to the Township, and upon receipt of a resolution of the City (referred to as the "Annexation Resolution") describing such area along with a copy of this Joint Resolution, the OAH-MBAU or its successor agency, may review and comment, but shall within thirty (30) days of receipt of the Annexation Resolution and a copy of this Joint Resolution, order the annexation of the area designated in the Annexation Resolution in accordance with the terms and conditions of this Joint Resolution. The City and Township agree that no alteration of the stated boundaries as described in the Annexation Resolution is appropriate, that no consideration OAH-MBAU, or its successor agency, is necessary, and that all terms and conditions for annexation are provided for in this Joint Resolution. Provided that the requisite terms and conditions have been met as contained in this Joint Resolution, the Township shall not object to an annexation initiated by the City filing an Annexation Resolution with the OAH-MBAU, or its successor agency. As of the effective date of this Joint Resolution, there is no election requirement in the law to effect or accomplish an annexation. No such election shall be required or apply to any annexation provided herein either now or during any period during which this Joint Resolution is in effect.

- c. No Urban Non-Farm Development. The City and Township agree that all new urban, non-farm development within the Area is prohibited, unless the property proposed for such development and any adjacent, necessary land, is first annexed to the City pursuant to the terms and conditions of this Joint Resolution.
- d. Exceptions. The City and Township agree that the following development may occur within the Area without having to be first annexed prior to development thereof:
 - i. Agricultural development as defined in Paragraph 2(b); or
 - ii. Repair, improvement, or limited expansion of structures currently used for urban, non-farm development in existence on the effective date of this Joint Resolution; or
 - (a) For purposes of this Paragraph, for existing residential uses, repair, improvement, or limited expansion of structures currently used for urban, non-farm development in existence

on the effective date of this Joint Resolution shall not exceed a cumulative fifty percent (50%) increase in square footage of each existing structure proposed for repair, improvement, or limited expansion over a five (5) year period.

(b) For purposes of this Paragraph, for existing commercial or industrial uses, repair, improvement, or limited expansion of structures currently used for urban, non-farm development in existence on the effective date of this Joint Resolution shall not exceed a cumulative ten percent (10%) increase in square footage of each existing structure proposed for repair, improvement, or limited expansion over a five (5) year period.

(c) Should such proposed repair, improvement, or limited expansion exceed the square footage provided for in this Paragraph, such urban, non-farm development shall be subject to annexation under the terms of this Joint Resolution.

iii. In residential zoning districts, the construction of a new single-family dwelling and accessory buildings may be permitted on a lot of record that is part of a residential subdivision in existence on the date of the execution of this Joint Resolution; or

iv. Urban, non-farm development which is first approved in writing by both the City and Township.

e. Provision of Municipal Services. The City and Township agree that after annexation of the Area pursuant to the terms of this Joint Resolution, the City shall be responsible for providing municipal governmental services thereto.

4. Building Permits Review. The City and Township agree that the City shall be responsible, as of the date of execution of this Joint Resolution, for the issuance of all building permits for urban, non-farm development, dwellings and associated structures within the Orderly Annexation Area in accordance with this Joint Resolution and applicable City ordinances.

5. Zoning, Subdivision, and Building Permit Application Procedure. The City and Township agree that:

- a. Whenever any person(s) or business entity makes application ("Land Use Application") to have any parcel of land located within the Orderly Annexation Area subdivided, re-subdivided, platted, re-platted, zoned or rezoned, or whenever application is made for a building permit for the construction, repair or improvement of a building within the Orderly Annexation Area, or whenever application is made for a conditional use permit in the Area, such application shall be submitted to the City for review.
- b. Should the City, during its review of a Land Use Application under subparagraph 5.a. above, determine that the Land Use Application qualifies as urban, non-farm development for which an exception is not listed under the terms of this Joint Resolution, the City shall provide notice to the Township and the property owner, within thirty (30) days of receipt, that the property and any adjacent necessary land are subject to annexation and extension of services by the City in accordance with the terms of this Joint Resolution. The City shall in the notice state whether the City intends to annex the property and any adjacent necessary land. The City shall state in the notice that the property owner, in the event of annexation, may be responsible for all or part of the costs associated with the service extension.
- c. The City and Township, thereafter, within sixty (60) days of such notice, shall each consider and either approve or deny the annexation. If either the City or Township determines that such annexation is not appropriate or is premature, the City shall deny the Land Use Application.
- d. If the City and Township both approve the annexation per Subpart (5)(c) above, the City and Township agree that the City may submit a resolution for annexation of the area proposed for urban, non-farm development in accordance with paragraph 3.b. of this Joint Resolution. The City and Township may also designate any adjacent, necessary land as also in need of orderly annexation and annex it in accordance with paragraph 3.b. of this Joint Resolution.
- e. After annexation of an area as provided for in this paragraph, the City shall be responsible for providing municipal governmental services to the area annexed. This Paragraph 5 shall not limit or prohibit an annexation meeting any condition under Paragraph 3 above.

6. City Property. The City may at any time annex any property owned by the City in accordance with paragraph 3.b. of this Joint Resolution.
7. Tax Reimbursement. For all property annexed pursuant to this Joint Resolution, the City shall remit to the Township, property taxes as follows:
 - a. Property taxes payable on the annexed area for the year in which the annexation becomes effective shall be paid to the Township. Thereafter, property taxes shall be paid to the City but shall be apportioned as listed below, and the City shall make a cash payment to the Township yearly in the following amounts:
 - i. In the first year following the year in which the land was annexed, 90% of the property taxes paid to the Township in the year the land was annexed;
 - ii. In the second year following the year in which the land was annexed, 70% of the property taxes paid to the Township in the year the land was annexed;
 - iii. In the third year following the year in which the land was annexed, 50% of the property taxes paid to the Township in the year the land was annexed;
 - iv. In the fourth year following the year in which the land was annexed, 30% of the property taxes paid to the Township in the year the land was annexed;
 - v. In the fifth year following the year in which the land was annexed, 10% of the property taxes paid to the Township in the year the land was annexed.
 - b. Thereafter all property taxes from the described property shall be paid to the City.

- c. At the option of the City, the City may pay to the Township the total sum due under Paragraph 7, in a lump sum, or prepay any remaining amount due, at any time.
8. Additional Annexations. In addition to annexations pursuant to this Joint Resolution, property within the Orderly Annexation Area may also be annexed to the City by ordinance provided for in Minnesota Statutes Sections 414.033 and 414.0335 (or any amendment or replacement of the same) including property owner initiated annexations, annexations of City owned lands, annexations of completely surrounded areas, and annexations of ordered service extension areas.
9. Line Roads. For any Township roads that become the boundary line for the City and Township as a result of an annexation, the City shall assume responsibility for road maintenance and improvement for the entire section of the Township road that becomes the boundary line adjacent to the City.
10. The City and Township to Adopt and Enforce Regulations. The City and Township agree to enact, adopt, and strictly enforce all such resolutions, ordinances, or regulations, as may be or shall be necessary to give full effect to the stipulations contained in this Joint Resolution.
11. Assessments. The assessment policy of the City of New Ulm, as it applies now or as it may be amended from time to time, shall be incorporated by reference into this agreement.
12. Governing Law. This Joint Resolution is made pursuant to, and shall be construed in accordance with the laws of the State of Minnesota.
13. Modification/Amendment. The Joint Resolution shall not be modified, amended, or altered except upon the written joint resolution of the City and the Township duly executed and adopted by the City Council and the Township Board of Supervisors and filed with the OAH-MBAU or its successor agency.
14. Term. This Joint Resolution shall be in full force and effect until January 1, 2035, unless otherwise terminated earlier by mutual written joint resolution of the City and Township or should the remaining unincorporated areas of the Township merge with the City, whichever comes first.

15. Severability. In the event that any provision of this Joint Resolution is determined and adjudged to be unconstitutional, invalid, illegal or unenforceable by a court of competent jurisdiction, the remaining provisions of this Joint Resolution shall remain in full force and effect, and the parties hereto shall negotiate in good faith and agree to such amendments or modifications to this Joint Resolution or other appropriate actions as shall, to the maximum extent practicable in light of such determination, implement and give effect to the intentions of the parties hereto.
16. Headings and Captions. Headings and captions are for convenience only and are not intended to alter any of the provisions of this Joint Resolution.
17. Attachments. All attachments referred to in this Joint Resolution are hereby made apart hereof and incorporated herein by reference as fully and as completely as if set forth herein verbatim.
18. Entire Agreement. The terms, covenants, conditions, and provisions of this Joint Resolution, including the present and all future attachments, shall constitute the entire agreement between the parties hereto, superseding all prior agreements and negotiations. This Joint Resolution shall be binding upon and inure to the benefit of the respective successors and assigns of the City and Township.
19. Disputes and Remedies. The City and Township agree as follows:
- a. Negotiation. When a disagreement over interpretation of any provision of this Joint Resolution shall arise, the respective City and Township will direct staff members as they deem appropriate to meet at least one (1) time at a mutually convenient time and place to attempt to resolve the dispute through negotiation.
 - b. Arbitration. When the parties to this Joint Resolution are unable to resolve disputes, claims or counterclaims, or are unable to negotiate an interpretation of any provision of this Joint Resolution, the parties may mutually agree in writing to seek relief by submitting their respective grievances to mediation or binding arbitration.
 - c. Adjudication. When the parties to this Joint Resolution are unable to resolve the disputes, claims, or counterclaims, or are unable to negotiate an interpretation of any provision of this Joint Resolution or are unable to agree

to submit their respective grievances to mediation or binding arbitration, either party may seek relief through initiation of an action in a court of competent jurisdiction. In addition to the remedies provided for in this Joint Resolution and any other available remedies at law or equity, in the case of a violation, default or breach of any provision of this Joint Resolution, the non-violating, non-defaulting, or non-breaching party may bring an action for specific performance to compel the performance of this Joint Resolution in accordance with its terms.

20. Notice. Any notices required under the provisions of this Joint Resolution shall be in writing and sufficiently given if delivered in person or sent by certified or registered mail, return receipt requested, postage prepaid, as follows:

If to the City: Chris Dalton, City Manager (or his successor)
City Hall
100 North Broadway
New Ulm, MN 56073

If to the Township: Lisa Leskey, Clerk (or her successor)
11562 County Road 24
New Ulm, MN 56073

Approved by the Cottonwood Township this 28 day of Feb, 2025.

COTTONWOOD TOWNSHIP



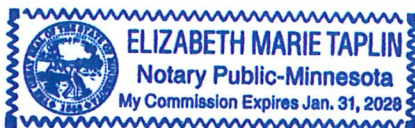
Darvin Turbes, Chairman



Lisa Leskey, Clerk


STATE OF MINNESOTA)
) ss.
COUNTY OF BROWN)

On this 28 day of Feb, 2025, before me, a notary public within and for said County, personally appeared Darvin Turbes and Lisa Leskey, to me personally known, who, being by me duly sworn did say that they are respectively the Chairman and the Clerk of Cottonwood Township named in the foregoing instrument, and that said instrument was signed in behalf of said Cottonwood Township by authority of the Board of Supervisors and said Darvin Turbes and Lisa Leskey acknowledged said instrument to be the free act and deed of said Township.

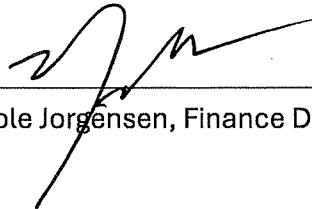


Approved by the City of New Ulm this 2nd day of April, 2025.

CITY OF NEW ULM



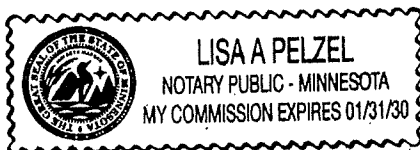
Chris Dalton, City Manager



Nicole Jorgensen, Finance Director

STATE OF MINNESOTA)
) ss.
COUNTY OF BROWN)

On this 2nd day of April, 2025, before me, a notary public within and for said County, personally appeared Chris Dalton and Nicole Jorgensen, to me personally known, who, being by me duly sworn did say that they are respectively the City Manager and the Finance Director of the City of New Ulm named in the foregoing instrument, and that said instrument was signed in behalf of said City of New Ulm by authority of the City Council and said Chris Dalton and Nicole Jorgensen acknowledged said instrument to be the free act and deed of said corporation.



Lisa A. Pelzel

EXHIBIT 1

COTTONWOOD TOWNSHIP ORDERLY ANNEXATION LEGAL DESCRIPTION

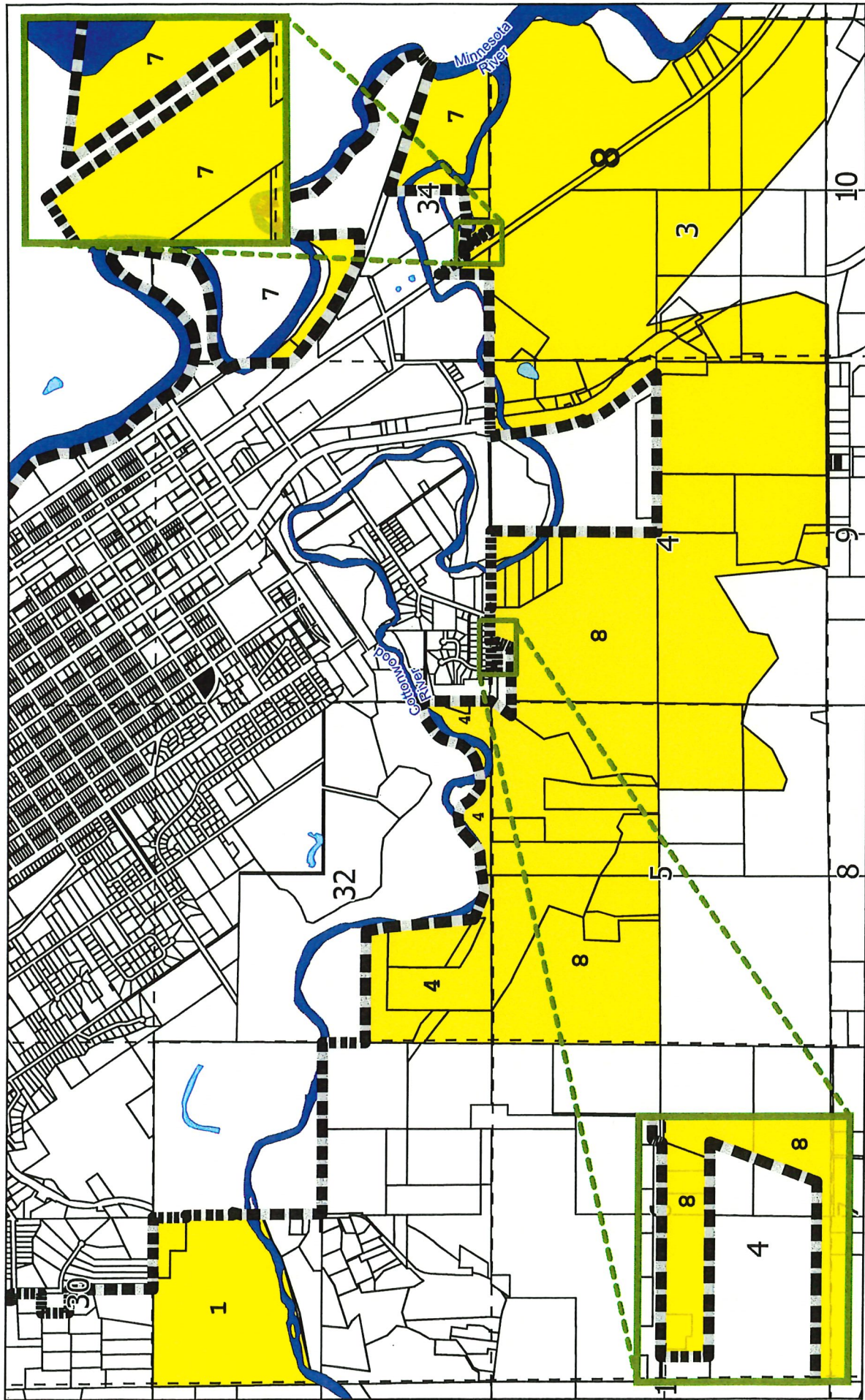
- 1) The Northwest Quarter of Section 31, Township 110 North, Range 30 West, Brown County, Minnesota,
- 2) Not included in this document, and;
- 3) Not included in this document, and;
- 4) Lot 1, Lot 2, Sublot A of Lot 4, Sublot B of Lot 4, Sublot A of Lot 5, Sublot B of Lot 5, Sublot C of Lot 5, all being in the Southwest Quarter, along with, Sublot 1 of Lot 3, Sublot 2 of Lot 3 and Sublot 3 of Lot 3 of the Southeast Quarter, all being in Section 32, Township 110 North, Range 30 West, Brown County, Minnesota, and;
- 5) not included in this document.
- 6) not included in this document.
- 7) Lot B of the Southeast Quarter of the Southwest Quarter, KUEHN'S 2ND SUBDIVISION, and that part of Government Lots 10 and 11 lying southwesterly of the current Canadian Pacific Railroad right of way, all in Section 34, Township 110 North, Range 30 West, Brown County, Minnesota.
- 8) Those parts of Sections 3, 4, and 5, Township 109 North, Range 30 West being westerly of the Minnesota river and Northerly of the following described line:
Beginning at the intersection of the east line of Section 3, Township 109 North, Range 30 West, with the centerline of the Minnesota River; thence southerly along said east line of Section 3, a distance of 1500 feet, more or less, to the Southeast Corner of said Section 3; thence westerly on the south line of said Section 3, a distance of 1530.00 feet; thence North 48 degrees 44 minutes 14 seconds West, 4222.90 feet; thence South 15 degrees 22 minutes 21 seconds East, 2366.06 feet; thence South 21 degrees 16 minutes 05 seconds West, 532 feet more or less to the south line of said Section 3; thence westerly on said south line of Section 3 and the south line of said Section 4, a distance of 4141 feet; thence North 0 degrees 08 minutes 26 seconds West, a distance of 1917.08 feet; thence South 58 degrees 30 minutes 21 seconds West, a distance of 989.43 feet; thence South 10 degrees 16 minutes 41 seconds West, a distance of 304.28 feet; thence South 67 degrees 29 minutes 40 seconds West, a distance of 388.22 feet; thence North 51 degrees 19 minutes 13 seconds West, a distance of 705.45 feet; thence North 75 degrees 23 minutes 23 seconds West, a distance of 475.87 feet; thence South 39 degrees 20 minutes 09 seconds West, a distance of 611.95 feet; thence South 63 degrees 54 minutes 22 seconds West, a distance of 521.73 feet; thence North 71 degrees 39 minutes 02 seconds West, a distance of 170 feet more or less to the west line of the Southeast Quarter of the Southeast Quarter of said Section 5; thence northerly on said west line to the northwest corner of said Southeast Quarter of the Southeast

Quarter of said Section 5; thence westerly along the north line of the South Half of said Southeast Quarter and the north line of the South Half of the Southwest Quarter of said Section 5, to the west line of said Section 5; and there terminating,

excepting therefrom RIVERVIEW ADDITION, GULDEN'S COTTONWOOD ADDITION, and the West 466.57 feet of Lot A of the Northwest Quarter of the Northwest Quarter of said Section 4, according to plats of record.

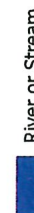
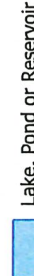
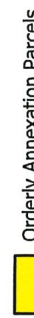
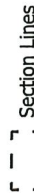
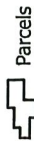
Prepared By: Bolton & Menk, Inc.
Sleepy Eye, MN.

Date: December 5, 2024



Source: Brown County, PHDOT, PHDNC

Legend



4 Orderly Annexation Areas in Exhibit 1

Cottonwood Orderly Annexation Agreement

December 2024

