

**CITY OF MORA
ARTHUR TOWNSHIP
KANABEC COUNTY, MINNESOTA**

CITY RESOLUTION NO. 2007-422

**JOINT RESOLUTION FOR ORDERLY ANNEXATION BY AND
BETWEEN ARTHUR TOWNSHIP AND THE CITY OF MORA**

WHEREAS the City of Mora and Arthur Township have previously adopted a Joint Resolution for orderly annexation of certain areas located within Arthur Township pursuant to Minnesota Statutes, §414.0325 (Resolution No. 2000-907) (Exhibit A, attached hereto), and;

WHEREAS that Joint Resolution has been reviewed and approved by the State of Minnesota (OA-709), also as required by law, and;

WHEREAS the Joint Resolution, in particular Section 2, provides for the annexation of land within the designated area seven and one half (7.5) years from the date of substantial completion of certain sanitary sewer improvements to serve the designated area, and;

WHEREAS Section 23 of the Joint Resolution allows for the modification or amendment by subsequent 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 State as required by law, and;

WHEREAS the City of Mora and Arthur Township have determined that it is in the best interest of the City and Township to provide for the earlier annexation of the designated area into the City, and;

WHEREAS the owners and township have been notified as required by law that the annexation of the property will not result in a change of electrical service, and;

WHEREAS the City and Township held a joint informational meeting on April 30, 2007, upon due notice and in accordance with the requirements of Minnesota Statutes §414.0325;

NOW, THEREFORE BE IT RESOLVED that the City of Mora and Arthur Township, that

1. The City and Township hereby jointly request the State of Minnesota, Office of Administrative Hearings, Municipal Boundary Adjustments, without hearing or modification of the boundaries, to order the annexation of the property described in Exhibit B, attached hereto, and shown on the map attached hereto as Exhibit C to the City of Mora, effective June 30, 2007 or as soon thereafter as possible, and that following annexation the property shall immediately become subject to City planning, zoning and other official controls and ordinances.

2. Pursuant to Minnesota Statutes, § 414.0325 the City and Town agree that no alteration of the stated boundaries as described in this Joint Resolution for orderly annexation is appropriate, that no consideration by the Office of Administrative Hearings, Municipal Boundary Adjustments Unit is necessary, and that all terms and conditions and that all terms and conditions for annexation are provided for in this Joint Resolution. Upon receipt of this Joint Resolution the Office of Administrative Hearings, Municipal Boundary Adjustments Unit may review and comment, but shall within thirty (30) days of receipt, order the annexation in accordance with the terms and conditions of this Joint Resolution.
3. The City and Town request that the order not provide differential taxation under Minnesota Statutes §414.0325 and, if it does not, the City hereby agrees that upon annexation of the properties in the designated area, the City will establish a rural taxing district pursuant to Minnesota Statutes 272.67 for those properties annexed to the City and that the tax capacity rate for the annexed properties in the designated area will be the same as the town's tax capacity rate for taxes payable 2008, 2009, 2010 and 2011, and that thereafter for taxes payable 2012 and years subsequent the rural taxing district would be repealed and the properties would be taxed at the city tax capacity rate.
4. The City and Town request that the order specify that the City will pay to the Town, by December 31 of the year payable, the city taxes collected from the designated area for the years 2008, 2009, 2010, 2011.
5. The City and Town request that the order specify that the City will pay to the town, by December 31 of the year payable, 90% of the payable 2011 taxes in 2012; 75% of the payable 2011 taxes in 2013; 60% of the payable 2011 taxes in 2014; 45% of the payable 2011 taxes in 2015; 30% of the payable 2011 taxes in 2016; 15% of the payable 2011 taxes in 2017.
6. The City hereby agrees that it will not make any improvements that would be assessable to property owners until after June 30, 2011, unless 100% of the benefiting property owners petition for an improvement.
7. The City hereby agrees that it will provide services to the designated area on the same basis as to the rest of the city generally upon annexation.
8. The City and Township hereby agree that all other terms of the original resolution for orderly annexation shall remain in force unless made redundant or inapplicable by this early annexation and that in the event there are any errors, omissions or any other problems or irregularities with the legal description or mapping provided in the attached exhibits the parties agree to make such corrections and file any additional including a new exhibit making the corrections requested or required by the Office of Administrative Hearings, Boundary Adjustments as necessary to make effective the annexation of said area in accordance with the terms of this Joint Resolution, without the necessity of re-adopting this Joint Resolution.

Passed, adopted, and approved by the Township Board of Supervisors of Arthur Township, Kanabec County, Minnesota, this 30th day of April, 2007.

Arthur Township

By: 

Fred Sawatzky, Chair

ATTEST:



Kay Pierson, Town Clerk

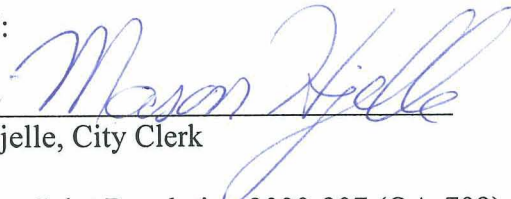
Passed, adopted and approved by the City Council of the City of Mora, Kanabec County, Minnesota this 30th day of April, 2007.

City of Mora

By: 

Greg Ardner, Mayor

ATTEST:



Mason Hjelle, City Clerk

Exhibit A - Joint Resolution 2000-907 (OA-709)

Exhibit B-Legal Description of Designated Area to be Annexed

Exhibit C- Map of Designated Area to be Annexed

Exhibit B

Description of Designated Area

The Northeast Quarter of the Northwest Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota, lying east of the following described line:

Beginning at the northeast corner of Block 2, LITTLE RANCHES 1ST ADDITION, according to the recorded plat thereof, Kanabec County, Minnesota; thence southerly along the easterly line of said Block 2 to the southeast corner thereof; thence westerly along the south line of said Block 2, to a the southwest corner of the east 180.00 feet of said Block 2; thence southerly along the southerly extension of west line of the east 180.00 feet of said Block 2 to a point of intersection with the south line of the north 610.00 feet of said Northwest Quarter of Section 23; thence easterly along said south line of the north 610.00 feet of said Northwest Quarter of Section 23 to a point of intersection with the west line of the east 643.00 feet of the Northeast Quarter of the Northwest Quarter of Section 23 lying west of the west right of way line of Highway No. 65; thence southerly along said west line to the south line of said Northeast Quarter of the Northwest Quarter of Section 23 and said line there terminating.

And

The north half of the Southeast Quarter of the Northwest Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota, Except the west 320.00 feet of said north half of the Southeast Quarter of the Northwest Quarter of Section 23 lying south of the north 195.00 feet thereof.

And

The south half of the Southeast Quarter of the Northwest Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota, lying east of the west 400 feet thereof, and the west 75 feet of the south 150 feet of said south half of the Southeast Quarter of the Northwest Quarter lying north of Trunk Highway No. 23 right-of-way, and that part of Trunk Highway No. 23 right-of-way as shown on MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY PLAT NO. 33-2, according to the recorded plat thereof, lying within the west 400 feet of said south half of the Southeast Quarter of the Northwest Quarter;

And

The Northeast Quarter of the Southwest Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota, lying east of the west 660 feet thereof, and that part of Trunk Highway No. 23 right-of-way as shown on MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY PLAT NO. 33-2, according to the recorded plat thereof, lying within the west 660 feet of said Northeast Quarter of the Southwest Quarter;

And

The Northwest Quarter of the Northeast Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota;

And

The Southwest Quarter of the Northeast Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota, except the south 600 feet of the north 725 feet of the east 320 feet thereof;

And

The north 125 feet of the Southeast Quarter of the Northeast Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota, except the east 297 feet thereof;

And

The Southeast Quarter of the Northeast Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec, County, Minnesota, except the north 427 feet lying east of the center line of the River, and except the north 725 feet lying west of the center line of the River;

And

The Northeast Quarter of the Southeast Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota;

And

The Northwest Quarter of the Southeast Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota, except the south 637.5 feet thereof lying east of the west 700 feet thereof;

And

The Southwest Quarter of the Southeast Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota, described as follows:

Beginning at the northwest corner of said Southwest Quarter of the Southeast Quarter; thence east along the north line of said Southwest Quarter of the Southeast Quarter to the east right-of-way line of Trunk Highway No. 65; thence continuing east along said north line 674 feet; thence southeasterly at a 15 degree angle a distance of 209 feet; thence west parallel with said north line of the Southwest Quarter of the Southeast Quarter to the east line of the west 250 feet of said Southwest Quarter of the Southeast Quarter lying east of said Trunk Highway No.65 right-of-way; thence southerly along said east line to the south line of the north 380 feet of said Southwest Quarter of the Southeast Quarter; thence westerly along said south line to the east right-of-way line of said Trunk Highway No. 65; thence northerly along said east right-of-way line to the south line of the north 300 feet of the Southwest Quarter of the Southeast Quarter; thence westerly along said south line to the west line of said Southwest Quarter of the Southeast Quarter; thence northerly along said west line to the point of beginning.

EXHIBIT A

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A-6170 Mora/Arthur Township

STATE OF MINNESOTA

OFFICE OF STRATEGIC AND LONG-RANGE PLANNING

IN THE MATTER OF THE PETITION FOR)
THE ANNEXATION OF CERTAIN LAND) **JOINT RESOLUTION**
TO THE CITY OF MORA PURSUANT TO)
MINNESOTA STATUTES, SECTION 414.031)

RESOLUTION NO. 2000-907

JOINT RESOLUTION FOR ORDERLY ANNEXATION
BY AND BETWEEN ARTHUR TOWNSHIP AND
THE CITY OF MORA IN SETTLEMENT OF MINNESOTA
PLANNING FILE NO. A-6170 MORA/ARTHUR TOWNSHIP

WHEREAS, the City of Mora filed an annexation petition (City of Mora Resolution No. 99-1002), dated October 11, 1999, with the Minnesota Planning Municipal Boundary Adjustments Office (File No. A-6170 Mora/Arthur Township) seeking annexation of certain areas located within Arthur Township pursuant to Minnesota Statutes, Section 414.031; and

WHEREAS, Arthur Township and the City of Mora have been working toward settlement of their boundary dispute and have reached a settlement that both communities believe is in their best interests; and

WHEREAS, Arthur Township and the City of Mora agree that orderly annexation and extension of municipal sanitary sewer service is in the best interests of both communities in order to meet the current need of commercial and residential properties located in the area legally described in this Joint Resolution for municipal sanitary sewer service as a result of non-compliant or possibly failed individual septic systems; and

WHEREAS, Arthur Township and the City of Mora agree that orderly annexation and extension of municipal sanitary sewer service will promote the public health, safety, and welfare of both communities; and

WHEREAS, Arthur Township and the City of Mora desire to accomplish the orderly annexation and extension of municipal sanitary sewer service to the area legally described in this Joint Resolution in a mutually acceptable manner without the need for a hearing before Minnesota Planning or its successor agency, or otherwise.

NOW, THEREFORE, BE IT RESOLVED by the City of Mora (City), Kanabec County, Minnesota and Arthur Township (Township), Kanabec County, Minnesota as follows;

1. Designation of area. The City proposes that the area of Section 23 of the Township, shown in Exhibit No. 1 and legally described in Exhibit No. 2, and generally located south of the City along Highway 65 is designated as in need of immediate sanitary sewer service extension from the City and future orderly annexation to the City in accordance with the terms and conditions contained in this Joint Resolution.

For ease of reference, the area legally described in Exhibit No. 2, which is attached hereto and incorporated herein by reference, is shown on the map attached hereto and incorporated herein by reference as Exhibit No. 1 and shall be hereinafter referred to as the "Designated Area".

2. Timing of sewer service delivery to and orderly annexation of Designated Area. The Designated Area is designated for sanitary sewer service extension from the City and orderly annexation in accordance with the terms and conditions contained in this Joint Resolution.

The City shall provide sanitary sewer service within the Designated Area and without annexation for a period ending seven and one half (7.5) years from the date certified by the City Engineer as the date of substantial completion of the sewer project within the Designated Area. Thereafter, the Designated Area shall be annexed by the City. The terms and conditions for provision of sanitary sewer service within the Designated Area of the Township prior to annexation are contained in this Joint Resolution and addendum to this Joint Resolution which is attached hereto as Exhibit No. 3 and incorporated herein by reference.

For purposes of this Joint Resolution and any attachments or exhibits made part of this Joint Resolution, the City and Township agree that "substantial completion of the sewer project within the Designated Area" means the date of the City Engineer's written certification that the sanitary sewer project located within the Designated Area is available to transport wastewater and is connection ready for the first available sewer connection to the sewer system by any property located within the Designated Area. The City and Township agree that the sanitary sewer project located within the Designated Area shall be certified by the City Engineer as substantially complete at such time as the City has installed a sanitary sewer trunk line extending south of the current City corporate limits line, as such line exists on the date of execution of this Joint Resolution, generally parallel to Highway 65 for a distance and to a point terminating approximately at the intersection of Highway 65 and Norcon Lane. The exact location of the sewer trunk line shall be determined upon development of plans and specifications, but shall generally correspond with the above description.

The City shall provide a copy of the City Engineer's written certification of substantial completion of the sewer project to the Township clerk. The City Engineer's certification

shall be mailed by certified mail or hand delivered to the Township clerk and shall contain the date of substantial completion of the sewer project within the Designated Area. The City and Township agree that construction of a sanitary sewer project within the Designated Area that can only serve one or a small number of users located within the Designated Area shall not constitute substantial completion of the sewer project and shall not trigger the timelines for substantial completion. The Township shall not object to or challenge the certified date of substantial completion of the sewer project within the Designated Area provided such certification is made in accordance with the terms and conditions contained in this Joint Resolution.

The City and Township agree that timely construction of a sewer project making sewer service available to substantially all existing property owners within the Designated Area is a material provision of this Joint Resolution. Toward this end, the City agrees that it shall, at a minimum, approve plans and specifications for the sanitary sewer project, order the sanitary sewer project, and advertise, accept and award bids for construction of the sanitary sewer system and commence construction of the of the sanitary sewer system within the Designated Area of the Township within the next three construction seasons, commencing April 1, 2001 and ending September 1, 2003. In the event that the City fails to award the bid and commence construction of a sanitary sewer system within the Designated Area of the Township within the next three construction seasons, this Joint Resolution shall be null and void.

In the event of unforeseen circumstances or circumstances beyond the control of the City and Township that frustrates performance as required in this paragraph, the Township and City may amend this Joint Resolution by extending the period for compliance beyond three construction seasons, and in such event, this Joint Resolution shall remain in full force and effect.

The City and Township agree that on or after the date 7.5 years after the City Engineer's written certification of substantial completion of the sewer project within the Designated Area, the Designated Area shall be annexed by the City. The Designated Area shall be annexed in accordance with the terms and conditions of this Joint Resolution. The City and Township agree that no alteration of the stated boundaries is appropriate, that no consideration by Minnesota Planning, or its successor, is necessary, and that all terms and conditions for annexation of the Designated Area are provided for in this Joint Resolution. Pursuant to Minnesota Statutes, section 414.0325, upon receipt of a resolution of the City providing for annexation of the Designated Area, filed on or after the date 7.5 years after the City Engineer certifies in writing substantial completion of the sewer project within the Designated Area, Minnesota Planning, or its successor, may review and comment, but shall within thirty (30) days of receipt of said resolution, order the annexation of the Designated Area in accordance with the terms and conditions contained in this Joint Resolution. The Township agrees not to object to or oppose any annexation undertaken pursuant to the terms and conditions contained in this Joint Resolution.

The City and Township agree that sanitary sewer service is being provided in the Designated Area contingent upon future annexation of the Designated Area in accordance with the terms and conditions contained in this Joint Resolution. Annexation of the Designated Area is a material provision of this Agreement. In the event that annexation of the Designated Area does not occur, for any reason, the City shall have exclusive authority to terminate sewer service to the Designated Area at the point of interconnection to the City sewer system. Prior to terminating service, the City shall provide 60 days written notice to the Township clerk and all property owners within the Designated Area receiving sewer service of the City's intent to terminate service.

3. Provision of sewer service. Upon execution of this Joint Resolution, the City shall exercise best efforts to move forward with installing sewer service, in the first construction season when such extension is practicable, consistent with the requirements contained in Paragraph 2, and make available such sewer service to existing properties within the Designated Area for connection to the sewer system.

The Township shall, by adoption of an ordinance executed as soon as practicable after the execution of this Joint Resolution, require existing properties located within the Designated Area, for which the City has determined that connection is appropriate, to connect to the sanitary sewer system to be installed by the City within the Designated Area. The Township ordinance shall require property owners that the City determines are in need of and may be feasibly provided City sewer service and that are within the Designated Area to connect to the sewer system installed by the City within two years of substantial completion of the sewer project within the Designated Area. The City shall provide sewer service to substantially all of the existing properties within the Designated Area. The City may exclude a limited number of properties if it determines that delivery of service to those properties is either not needed or not feasible, or both. However, as set forth in Paragraph 2 of this Joint Resolution, delivery of sewer service to substantially all properties within the Designated Area is a material provision. While the City is provided reasonable discretion in determining the need or feasibility of certain properties not being served, exclusion of properties to the extent that less than the vast majority are being served shall be a material breach of this Agreement.

The City shall have exclusive control over the nature and extent of the installation of municipal sanitary sewer service within the Designated Area and the determination of those properties that may connect to that system. This includes the design, construction, operation and maintenance of any municipal sanitary sewer system serving the Designated Area while this Agreement is in effect.

4. Point of interconnection and limit of sewer service. Prior to annexation of the Designated Area, there shall be a single point of interconnection from the sewer system located within the Designated Area to the City sewer system. The designated point of interconnection shall be determined by the City.

The City and Township agree that, unless otherwise expressly agreed in writing, sewer service shall be limited to the Designated Area and that sewer service is being extended to the Designated Area contingent upon future annexation of the Designated Area. There shall be no additional points of interconnection to the sewer system from within or outside the Designated Area, unless expressly agreed to in writing by the City. The Township agrees that it shall, by adoption of ordinances or employment of other suitable methods or such other actions as are necessary, not extend or allow any extension or interconnection with the sewer system located within the Designated Area from within or outside the Designated Area that have not been authorized and agreed to in writing by the City.

5. Payment for construction of sewer and/or water facilities within City limits. The City shall pay for the costs of installing a sewer and/or water trunk line within current City limits to the point of interconnection with the Designated Area of the Township. The City shall have sole discretion regarding the timing of construction of a water line within City limits consistent with Paragraph 15 of this Joint Resolution containing circumstances for the provision of water service within the Designated Area.
6. Reimbursement for City costs/connection agreements. The City shall reimburse itself for the costs of installing municipal sewer or water service within the Designated Area by entering into connection agreements with individual property owners located within the Designated Area. The City and Township recognize that the connection agreements will require payments to the City by the property owners located within the Designated Area of the City's costs of installing service within the Designated Area, continuing operation and maintenance of the system, availability of service, and user charges and fees. In the event that connection agreements are entered into by the City and individual property owners, the City may reimburse itself for the costs of installing service only within the Designated Area through the terms and conditions of this Agreement and those contained in the individual connection agreements with individual property owners.

In the event that the City is unable to reach connection agreements with individual property owners within the Designated Area and the City must reimburse itself for costs of installation of municipal sewer and/or water service within the Designated Area by assessments or charges as provided herein, costs for construction of the sewer and/or water system within current City limits as provided in Paragraph 5 shall be paid by all users of the system so that monthly individual service charges, availability, connection or access charges and monthly per gallon user charges are the same as paid by City residents at the time the charge is made. Costs related to construction and installation of services within the Designated Area may be assessed or charged against affected properties in accordance with State law and the terms and conditions contained in this Joint Resolution.

The City and Township agree that if said payments or charges are unpaid by a property owner or owners, the amount of said payments or charges may be appropriately levied as unpaid charges pursuant to Minnesota Statutes, Chapters 429 and 444. The City shall

furnish to the Township prior to November 15 of each appropriate year a list of those properties subject to connection agreements and the amount of unpaid charges to be collected from each property. The City shall also provide a list of those properties for which delinquent sewer or water bills are outstanding. The Township agrees to certify, on behalf of the City, those amounts to the Kanabec County Auditor for inclusion in the Real Property Tax Statement due and payable in the following calendar year. The certification shall direct the Kanabec County Auditor to collect and disburse the amounts directly to the City. In the event the Kanabec County Auditor does not disburse these funds to the City, for any reason, the Township shall remit these funds to the City within 30 days of receipt of the funds from the County. The City shall assume the responsibility for certification of unpaid charges upon annexation of the properties located within the Designated Area into the City.

The Township agrees to cooperate with the City, where necessary, to accomplish the financing of the installation of sewer and/or water service within the Designated Area in accordance with the terms contained in this Joint Resolution. The Township agrees to take those actions deemed necessary by the City pursuant to Chapters 429 and 444 for the City to reimburse itself for the City's costs of installing services within the Designated Area. The City reserves the right to make supplemental assessments if deemed necessary.

The City shall make its best efforts to have individual property owners sign connection agreements with the City prior to construction of the sewer and/or water project. In the event that the City obtains connection agreements with not all, but more than fifty percent (50%) of the property owners to be served prior to construction of the sewer and/or water project, the City shall provide all information necessary for the Township to assess or charge the remaining property owners through the existing Township Subordinate Service District. The Township shall proceed to assess or charge those property owners not signing connection agreements using information supplied by the City and at no expense to the Township and shall reimburse the City for the City's costs of installing sewer and/or water systems in the Designated Area as payment is received by the Township. In the event that the City, using best efforts, is unable to obtain connection agreements from 50% or more of the affected property owners within the Designated Area, the Township shall either assess the benefited property owners or charge them through the existing Township Subordinate Service District and shall reimburse the City for the City's costs of installing sewer and/or water systems in the Designated Area only.

In the event that the Township is required to make charges or assessments to reimburse the City for the costs of the sewer and/or water project within the Designated Area, the Township agrees to certify, on behalf of the City, those amounts to the Kanabec County Auditor for inclusion in the Real Property Tax Statement due and payable in the following calendar year. The certification shall direct the Kanabec County Auditor to collect and disburse the amounts directly to the City. In the event the Kanabec County Auditor does not disburse these funds to the City, for any reason, the Township shall remit these funds to the City within 30 days of receipt of the funds from the County. The

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City shall assume the responsibility for certification upon annexation of the properties located within the Designated Area into the City.

In the event that the Township is required to make charges or assessments to reimburse the City for the costs of the sewer and/or water project within the Designated Area, said charges shall be made at the direction of the City and at no expense to the Township, and all documents, notices, reports, or expertise necessary to effectuate the charge, subject to approval by the City, shall be provided and paid for by the City. The City shall approve whether the Township assesses property owners or charges property owners through the existing Township Subordinate Service District in the event that action to assess or charge property owners by the Township becomes necessary under the terms of this Joint Resolution.

The City agrees to indemnify and hold harmless the Township for any legal claims, causes of action or appeals made against the Township related to any Township actions undertaken at the direction of the City related to reimbursing the City for the costs of the sewer and/or water project, including costs, disbursements, attorney's fees and damages, unless the same shall be due to the negligence of the Township, its agents or employees. The City shall consult with the Township and approve all actions to be undertaken by the Township that may result in the City being required to indemnify the Township for any loss, expenses, disbursements, fees, costs or damages.

Prior to connection to any sewer and/or water system within the Designated Area, individual property owners within the Designated Area desiring to connect to the sewer and/or water system shall be required by the City to execute connection agreements with the City authorizing the connections.

7. Authorization to construct and maintain sewer and/or water facilities. The Township, by this Joint Resolution, does hereby authorize the City to enter upon the Township roads, streets and public rights-of-way for purposes of constructing, installing, operating and maintaining any and all municipal sewer and water facilities installed by the City and located within the Designated Area, without the need for any further authorization, permit or easement. The City shall provide reasonable notification to the Township of the commencement of any work upon, over or under the Township roads, streets and public rights-of-way. Procurement of any additional easements for construction of municipal sewer and water shall be done by the City at its sole expense.
8. New urban, non-farm development within Designated Area. The City and Township agree that new urban, non-farm development within the Designated Area is prohibited unless 1) the proposed new development is first provided City sewer or water service, or 2) the proposed new development is otherwise approved in writing by the Township and City. For purposes of this Joint Resolution, "urban, non-farm development" means a residential, commercial, industrial or governmental use, or any mixture thereof, on land which is platted or subdivided or proposed to be platted or subdivided for development at a density of more than one (1) unit per twenty (20) acres. Notwithstanding the foregoing,

the Township can permit urban, non-farm development within the Designated Area provided the proposed use consists of a storage type facility or similar use that does not require or need any type of sewage treatment or water service, whether municipal or individual, and the use is permitted under current Township zoning. In such event, the Township shall notify the City of the development proposal and give the City reasonable time to comment thereon prior to approval.

9. Zoning, subdivision regulations, and planning. The City and Township agree that they shall meet to review and discuss zoning and planning issues and work cooperatively on zoning, subdivision regulations and planning within the Designated Area. The Township will also meet with the City to discuss future growth and services issues within the remainder of Section 23 outside the Designated Area. The Township agrees not to rezone the Designated Area unless the Township and City jointly approve the rezoning, conditional use permit or variance.
10. Infrastructure maintenance. The Township agrees that it shall be responsible for normal and regular maintenance of all roads, streets, bridges, drainage facilities and other public rights-of-way within the Designated Area prior to annexation of the Designated Area into the City. Maintenance of infrastructure within the Designated Area by the Township shall be consistent with other standard maintenance practices employed by the Township elsewhere in the Township.
11. Reimbursement of Township costs related to Township Subordinate Service District and wastewater treatment system. The City agrees to pay the Township a total amount of 75% of the Township's costs related to establishment of the Township Subordinate Service District, not to exceed a total of \$45,000. The costs reimbursed shall include engineering, consulting, legal and administrative costs incurred by the Township prior to October 11, 1999 (the date the City adopted its annexation petition seeking to annex the Designated Area). The City agrees to make payment, without interest, in equal proportions over seven and one half (7.5) years. The first payment to the Township shall occur at the end of the first year following certification by the City Engineer that the sewer project within the Designated Area has been substantially completed. The last payment shall occur at the end of the year in which the Designated Area is annexed by the City.

As soon as practicable after the execution of this Joint Resolution, the Township shall provide the City an itemized list of its expenditures, including costs, date incurred and supporting documentation for work related to establishment of the Township Subordinate Service District and wastewater treatment system including engineering, consulting, legal and administrative costs incurred prior to October 11, 1999 for which it seeks reimbursement. The Township shall submit its itemization and supporting documentation containing the total amount of costs sought for reimbursement for review by the City and the City shall have a reasonable period of time to review the submitted costs and supporting documentation. The City and Township agree that reimbursement of costs, as contemplated herein, is a material provision of this Agreement. The City and

Township also agree that the City shall not make any payment to the Township as contemplated herein, unless and until sanitary sewer service is installed by the City within the Designated Area and is certified substantially complete by the City Engineer.

12. Tax reimbursement. Upon the annexation of Designated Area or any portion thereof, the City shall reimburse the Township for the loss of taxes from the property so annexed in accordance with the following schedule:

- a. In the first year following the year when the City could first levy on the annexed area, the City shall make a cash payment to the Township in an amount equal to ninety (90) percent of the property taxes distributed to the Township in regard to the annexed area in the last year that property taxes from the annexed area were payable to the Township;
- b. In the second year, an amount equal to seventy-five (75) percent;
- c. In the third year, an amount equal to sixty (60) percent;
- d. In the fourth year, an amount equal to forty-five (45) percent;
- e. In the fifth year, an amount equal to thirty (30) percent; and
- f. In the sixth year, an amount equal to fifteen (15) percent.

Thereafter, the City will no longer reimburse the Township. The City shall make payment as contemplated herein no later than December 31 of the first year following the year when the City could first levy on the annexed area and for any subsequent years.

13. Early annexation under limited circumstances. Notwithstanding the timeline for annexation of the Designated Area contained in this Joint Resolution, the Designated Area or portions thereof may be annexed by the City prior thereto upon adoption of a resolution following the procedures provided in Paragraph 14 and under the following limited circumstances:

- a. Petition of property owners. A super majority (66 %) of all the property owners within the Designated Area submit a petition to the City for annexation;
- b. Property owner petition for annexation. An individual property owner with property located within the Designated Area and abutting the City petitions the City for annexation; or
- c. City owned property or property which is completely surrounded. Land is owned by the City or is completely surrounded by land within City limits.

The City agrees that it shall provide notice to the Township in the event any of the above circumstances exist.

14. No hearing required. Pursuant to Minnesota Statutes, section 414.0325, the City and Township agree that upon the occurrence of any event triggering annexation provided in Paragraph 13 of this Joint Resolution, the City may initiate annexation of such land by filing a resolution so providing with Minnesota Planning, or its successor agency, and the Township. The resolution shall contain the boundary description of the area to be annexed. The City and Township agree that no alteration of the stated boundaries as described in the resolution for annexation is appropriate, that no consideration by Minnesota Planning is necessary, and that all terms and conditions for annexation are provided for in this Joint Resolution. Upon receipt of a resolution of the City so providing, Minnesota Planning may review and comment, but shall within thirty (30) days of receipt, order the annexation in accordance with the terms and conditions of this Joint Resolution. The Township agrees not object to or oppose any annexation undertaken pursuant to the terms and conditions contained in this Joint Resolution.
15. Provision of water service. After execution of this Joint Resolution, the City shall present, at a public meeting held for property owners located within the Designated Area, its cost estimates for immediate extension of water service to the Designated Area at the same time that sanitary sewer service is installed within the Designated Area. The City shall also present any information that the City has regarding future installation of water service at the time of annexation of the Designated Area. If a majority of property owners within the Designated Area determine that water service should be installed at the same time as installation of sewer service within the Designated Area, the City shall install water service within the Designated Area without annexation for the same period as sanitary sewer service as provided in Paragraph 2 of this Joint Resolution.

Notwithstanding the forgoing, the City may install water service within the Designated Area at any time during the term of this Agreement if it receives a petition requesting water services from a majority of property owners within the Designated Area. If substantial grant funding is received for a water project within the Designated Area and the majority of property owners agree, the City may install water service. The City may also, with notice to the Township, install water service at any time on its own initiative, cost, and in its discretion, but agrees not to force connection or seek reimbursement from individual property owners for the water system until after annexation occurs, unless an individual property owner within the Designated Area seeks to connect to the water system. In such event, individual property owners within the Designated Area may request connection and thereby receive water service contingent upon execution of a water connection agreement and payment of applicable installation costs, availability charges and user charges and fees.

The City shall have exclusive control over the nature and extent of the installation of municipal water service within the Designated Area. This includes the design,

construction, operation and maintenance of any municipal water system serving the Designated Area or any portion thereof.

In the event water service is provided to the Designated Area by the City prior to annexation, the City shall reimburse itself for the costs of installing municipal water service within the Designated Area by entering into connection agreements with individual property owners located within the Designated Area as provided in Paragraph 6 of this Joint Resolution. In the City's discretion, connection agreements with property owners pursuant to Paragraph 6 may be a combined connection agreement for both sewer and water service or may be separate sewer and water service agreements. In the event water service is installed within the Designated Area prior to annexation, the same terms, conditions, requirements, limitations and restrictions contained in this Joint Resolution that apply to the provision of sanitary sewer service within the Designated Area, if applicable, also apply to the provision of water service by the City within the Designated Area.

16. Grant Funding. For purposes of financing the project costs for provision of sewer or water service to the Designated Area, the City agrees to make best efforts to seek grant funding from the United States Department of Agriculture (USDA) or other sources deemed appropriate by the City. The Township shall cooperate in securing such grant funding.
17. Withdrawal of City annexation petition. The City agrees to withdraw its annexation petition, Resolution No. 99-1002, dated October 11, 1999, as soon as practicable after execution and filing of this Joint Resolution with Minnesota Planning and agrees not to seek annexation of any portion of the Designated Area prior to the occurrence of an event triggering annexation as provided for in this Joint Resolution.
18. Withdrawal of petition for contested-case hearing. The City agrees to withdraw its petition for a contested-case hearing before the Minnesota Pollution Control Agency, dated October 4, 1999, as soon as practicable after execution and filing of this Joint Resolution with Minnesota Planning.
19. Withdrawal of Township permit request. The Township agrees to withdraw its request for a State Disposal System Permit from the Minnesota Pollution Control Agency (Permit No. MN 0064572) for a separate wastewater treatment system as soon as practicable after execution and filing of this Joint Resolution with Minnesota Planning, and agrees not to seek a similar permit for a separate wastewater treatment system within the Designated Area, unless this Agreement becomes null and void as a result of the City not providing sewer service in a timely manner as contemplated herein.
20. Township Hall. The City agrees that the existing Township Hall located at 1899 Frontage Road, Mora, MN 55051, shall remain the sole property of the Township after annexation.

21. Adopt and Enforce Regulations. The Township agrees to adopt, as soon as practicable after the execution of this Joint Resolution, and enforce the same as the City, the City's sewer ordinance, or those applicable portions as determined as are needed by the City to effectuate the terms and conditions of this Joint Resolution, as such ordinance or portion thereof now exists or as such ordinance or portion thereof may from time to time be amended by the City Council. Since municipal water service will be installed by the City in the Designated Area either commensurate with sewer service installation, during the contract period, or after annexation, the Township agrees to meet, confer and agree to adopt appropriate regulations as soon as practicable after the execution of this Joint Resolution, regarding the construction of new, replacement, and existing individual wells within the Designated Area. The Township agrees to adopt, as soon as practicable if water service will be extended to the Designated Area, and enforce the same as the City, the City's water ordinance, or those applicable portions as determined as are needed by the City to effectuate the terms and conditions of this Joint Resolution, as such ordinance or portion thereof now exists or as such ordinance or portion thereof may from time to time be amended by the City Council. The City and Township agree to enact, adopt, and enforce all resolutions, ordinances, or regulations, as may be or shall be necessary to give full effect to the stipulations contained in this Joint Resolution.
22. Governing law. This Joint Resolution is made pursuant to, and shall be construed in accordance with the laws of the State of Minnesota.
23. Modification/Amendment. This 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 Minnesota Planning or its successor.
24. Term/Termination. This Joint Resolution shall be in full force and effect for a term of twelve (12) years from the date of execution by the parties, unless otherwise terminated earlier by mutual written joint resolution of the City and Township, upon the annexation of the Designated Area and conclusion of the terms for annexation contained in this Joint Resolution, or unless this Agreement becomes null and void as a result of the City not providing sewer service in a timely manner as contemplated herein. This Joint Resolution shall be filed by the City with the Minnesota Planning Municipal Boundary Adjustments Office after adoption by the parties.
25. 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 of or 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.

26. Headings and Captions. Headings and captions are for convenience only and are not intended to alter any of the provisions of this Joint Resolution.
27. Entire Agreement. The terms, covenants, conditions and provisions of this Joint Resolution, including the present and all future attachments or exhibits, 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.
28. 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 City and the 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 binding arbitration.
 - c. Adjudication. When the parties to this Joint Resolution are unable to resolve disputes, claims or counterclaims, are unable to negotiate an interpretation of any provision of this Joint Resolution or are unable to agree to submit their respective grievances to 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.
29. 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 mail, postage prepaid, as follows:

If to the City:

Mr. Jim Elmquist, City Administrator (or his successor)
City of Mora
117 Railroad Avenue S.E.
Mora, MN 55051-1538

REC'D BY
MME

JUN 13 2007

If to the Township:

Ms. Lucille Schultz, Town Clerk (or her successor)
Arthur Township
1899 Frontage Road
Mora, MN 55051

Passed, adopted and approved by the Township Board of Supervisors of Arthur Township,
Kanabec County, Minnesota this ____ day of September, 2000.

Arthur Township


By: 
Charles McGovern, Chair

ATTEST:


Lucille Schultz, Town Clerk

Passed, adopted and approved by the City Council of the City of Mora, Kanabec County,
Minnesota this 14th day of September, 2000.

City of Mora

By: 
Mary Schwartz, Mayor

ATTEST:


Dorothea McCallum, City Clerk

Section 23, T. 39 N., R. 24 W.



REC'D BY
MMB JUN 13 2007

 Denotes Designated Area

CITY OF MORA

CITY OF MORA CORPORATE LIMITS
ARTHUR TOWNSHIP

Little Ranches Road

CITY OF MORA CORPORATE LIMITS
ARTHUR TOWNSHIP

Snake River

Snake River

Hwy. No. 65

Hwy. No. 23

Norton Lane

700

700

300



FILE NO.
AMORA00005.02
DATE:

Designated Area
Sec. 23, T 39 N, R 24 W

EXHIBIT
NO. 1

EXHIBIT NO. 2**Description of Designated Area**

The north half of the Northwest Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota, except Lots 1, 2 and 3, Block 2, and Outlot A, LITTLE RANCHES 1ST. ADDITION, according to the recorded plat thereof, Kanabec County, Minnesota;

and

The north half of the Southeast Quarter of the Northwest Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota, except the west 320 feet thereof lying south of the north 195 feet of said north half of the Southeast Quarter of the Northwest Quarter;

and

The south half of the Southeast Quarter of the Northwest Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota, lying east of the west 400 feet thereof, and the west 75 feet of the south 150 feet of said south half of the Southeast Quarter of the Northwest Quarter lying north of Trunk Highway No. 23 right-of-way, and that part of Trunk Highway No. 23 right-of-way as shown on MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY PLAT NO. 33-2, according to the recorded plat thereof, lying within the west 400 feet of said south half of the Southeast Quarter of the Northwest Quarter;

and

The Northeast Quarter of the Southwest Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota, lying east of the west 660 feet thereof;

and

The Northwest Quarter of the Northeast Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota;

and

The Southwest Quarter of the Northeast Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota, except the south 600 feet of the north 725 feet of the east 320 feet thereof;

and

The north 125 feet of the Southeast Quarter of the Northeast Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota, except the east 297 feet thereof;

and

The Southeast Quarter of the Northeast Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota, except the north 427 feet lying east of the center line of the River, and except the north 725 feet lying west of the center line of the River;

and

The Northeast Quarter of the Southeast Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota;

and

The Northwest Quarter of the Southeast Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota, except the south 637.5 feet thereof lying east of the west 700 feet thereof;

and

The Southwest Quarter of the Southeast Quarter of Section 23, Township 39 North, Range 24 West, Arthur Township, Kanabec County, Minnesota, described as follows:

Beginning at the northwest corner of said Southwest Quarter of the Southeast Quarter; thence east along the north line of said Southwest Quarter of the Southeast Quarter to the east right-of-way line of Trunk Highway No. 65; thence continuing east along said north line 674 feet; thence southeasterly at a 15 degree angle a distance of 209 feet; thence west to the east line of the west 700 feet of said Southwest Quarter of the Southeast Quarter; thence southerly along said east line to the south line of the north 300 feet of said Southwest Quarter of the Southeast Quarter; thence westerly along said south line to the east line of the west 250 feet of said Southwest Quarter of the Southeast Quarter lying east of said Trunk Highway No. 65 right-of-way; thence southerly along said east line to the south line of the north 380 feet of said Southwest Quarter of the Southeast Quarter; thence westerly along said south line to said east right-of-way line of Trunk Highway No. 65; thence northerly along said east right-of-way line to the aforesaid south line of the north 300 feet of the Southwest Quarter of the Southeast Quarter; thence westerly along said south line to the west line of said Southwest Quarter of the Southeast Quarter; thence northerly along said west line to the point of beginning.

EXHIBIT NO. 3

SANITARY SEWER INTERCONNECTION AGREEMENT BY AND BETWEEN THE CITY OF MORA AND ARTHUR TOWNSHIP

THIS AGREEMENT for sanitary sewer service is made this 14 day of September, 2000, by and between the City of Mora (City), a municipal corporation of Kanabec County, Minnesota, and Arthur Township, an unincorporated area of Kanabec County, Minnesota.

In consideration of the mutual covenants and conditions contained herein, the parties hereto agree as follows:

1. Purpose. The City agrees to extend, construct, install, operate and maintain a sanitary sewer collection system located within the Designated Area of the Township and to permit the interconnection of that system with the City sewer system and to convey and treat the wastewater delivered to the City sewer system from the Designated Area on the terms and conditions established herein and contingent upon and in accordance with the terms of the Joint Resolution for Orderly Annexation by and between the City and Township to which this Agreement is attached as an addendum to and incorporated in by reference.
2. Designated Area. The area of the Township designated for provision of sanitary sewer service by the City shall be the same area as designated for orderly annexation as provided in the Joint Resolution for Orderly Annexation by and between the City and Township to which this Agreement is attached as an addendum to and incorporated in by reference. For ease of reference the sewer service area located within the Township shall hereinafter be referred to as the "Designated Area".
3. Period for connection without annexation. The period for providing sanitary sewer service to the Designated Area of the Township prior to annexation of the Designated Area shall be as specified in the Joint Resolution for Orderly Annexation by and between the City and Township to which this Agreement is attached to and incorporated in by reference.
4. Service fees and charges. The parties hereto agree that in consideration for transport and treatment of the wastewater of the Township discharged from the sanitary sewer system located in the Designated Area, prior to annexation, the City shall enter into connection agreements with individual property owners located within the Designated Area. Such connection agreements shall reimburse the City for its sewer installation costs. The City shall also collect user fees and service charges from property owners receiving sewer service in accordance with City ordinances and consistent with Minnesota Statutes, Chapters 429 and 444. The parties agree that the fee structure may be subject to adjustment from time to time by the City, in accordance with the fees paid by residents of the City, and that service installation is contingent upon the City receiving a sufficient number of connection agreements signed by property owners within the Designated Area to reimburse the City for the City's costs of service installation as provided for in the

Joint Resolution for Orderly Annexation by and between the City and Township to which this Agreement is attached to and incorporated in by reference.

5. Monitoring of sewer system. All sewage discharged into the sanitary sewer collection system located within the Designated Area of the Township shall be accurately monitored for strength and volume by acceptable metering and sampling equipment by the City at the point of interconnection. The Township agrees and authorizes the City to undertake such monitoring activities as the City deems necessary from time to time within the Designated Area.

The Township authorizes and shall allow, without further permit or easement, but with reasonable notice, the City to install, construct, operate, maintain, inspect and keep in repair the sanitary sewer collection system located within the Designated Area so that such facilities and all user connections thereto at all times strictly conform with all state and federal laws and regulations, applicable ordinances of the City, and the terms contained herein and the terms of the Joint Resolution to which this Agreement is attached.

All required flow metering and sampling equipment shall be operational on a continuous basis and wastewater flow shall be measured on a continuous basis, with volumes totalized and recorded continuously. The reading and recording of results and collection and analysis of wastewater samples from the sanitary sewer collection system located within the Designated Area of the Township shall be completed by the City. Analysis of pollutants may be conducted by the City at any time.

6. Inspection of sewer system. The City shall be permitted to inspect the sanitary sewer collection system and any connections thereto located within the Designated Area of the Township at any time prior to annexation for purposes of operating and maintaining said sewer collection system.
7. Quality of effluent delivered to sewer system. The quality of effluent to be delivered to the City sewer system from the sanitary sewer collection system located within the Designated Area, at the point of interconnection, shall be aerobic in character and the odor shall not be stronger than that associated with normal domestic strength wastewater effluent. The Township shall immediately notify the City of any potential, proposed or actual substantial change in the volume or strength characteristics of the wastewater effluent discharged at the point of interconnection with the City which the Township knows or has reason to believe will or is likely to have, either singly or by interaction with other wastes, a negative impact on the City sewer system or wastewater treatment plant. The City, in its judgment, may restrict the rate of flow at the point of interconnection to strictly conform with its NPDES permit, City ordinances and state and federal law.
8. Property owner discharge restrictions. The City and Township agree that the City may restrict the wastewater discharge from an individual property connected to the sewer

system located within the Designated Area of the Township should the City determine that such restriction or limitation is necessary in order to stop an actual or threatened discharge which presents or may present an imminent or substantial endangerment to human health or welfare, an endangerment to the environment, interference with the operation of the City wastewater treatment plant or sewer collection system, or which may cause the City to violate any condition of its NPDES permit.

The Township in cooperation with the City, when notified of a restriction or limitation on wastewater service, shall act with the City as soon as practicable after notification to take such actions as are necessary to cause those responsible users to cease or reduce such discharges. In the event of failure of a user to comply voluntarily with a restriction or limitation, the City in cooperation with the Township may take such actions as are necessary, including but not limited to, immediate suspension of sewer service or severance of the sewer connection, in order to ensure full compliance with all of the terms contained herein, the terms of the Joint Resolution to which this Agreement is attached, applicable ordinances, and state and federal law.

9. Discharge of certain materials prohibited. The Township, by adoption of ordinances and employment of suitable methods, shall prohibit users of the sanitary sewer collection system located within the Designated Area of the Township from discharging, either directly or indirectly, any of the following described substances, unless otherwise expressly agreed to in writing by the City:
 - a. All waste of any type generated from any source outside the Designated Area.
 - b. All waste generated from septic tank contents, privy vault contents, sewage holding tanks and the like generated from within the limits of the Designated Area.
 - c. Any wastes which may directly or indirectly impair the proper functioning of the City wastewater treatment plant or sewer collection system.
 - d. Any wastes the strength or pollution effects of which are not effectively altered by ordinary treatment processes, or the presence of which in the receiving stream would violate state or federal water quality standards, or any term or condition contained in the City's NPDES permit.
 - e. Any liquids, solids, or gases which by reason of their nature or quantity are, or may be, sufficient either alone or by interaction with other substances to cause fire or explosion or be injurious in any other way to the City sewer system or to the operation of the City sewer system.
10. Permit required. The Township agrees to require, by ordinance and employment of suitable methods, that any user of the sanitary sewer collection system located within the Designated Area of the Township contemplating to discharge waters, wastes or loadings

in excess of those limits established by the City or otherwise established, shall apply for and receive a written wastewater discharge permit between the user and the City. No discharges or loadings in excess of established limits shall be permitted until an approved wastewater discharge permit has been issued to the user by the City.

If any waters or wastes are discharged or are proposed to be discharged to the sewer system located within the Designated Area which contain substances or possess characteristics which in the judgment of the City may have a deleterious effect upon the City sewer collection system or wastewater treatment plant, processes, or equipment; the receiving waters, soil, vegetation, or groundwater; or which otherwise create a hazard to life or constitute a public nuisance, the City and Township agree that the City may take one or all of the following actions:

- a. Reject the wastes prior to or during their discharge to the City sewer system;
- b. Require pretreatment to an acceptable condition for discharge to the public sewers;
- c. Require such remedial steps, as are in the judgment of the City necessary to abate any further impairment, either direct or indirect, of the proper functioning of the City sewer system;
- d. Require control over the quantities and rates of discharge which may include the restriction, limitation or suspension thereof;
- e. Require payment to cover the added costs of handling, treating, and disposing of wastes not covered by existing user or sewer service charges. This includes, but is not limited to, reimbursement for any fines or penalties levied against the City for a violation of its NPDES permit or which otherwise have resulted from a discharge from the sewer system located within the Designated Area; or
- f. Require a wastewater discharge permit.

11. Industrial users/Permit/Pretreatment. The Township agrees to require, by ordinance and employment of suitable methods, that all industrial users of the sewer system located within the Designated Area of the Township, if any, adhere to and strictly comply with the wastewater discharge permit, monitoring and pretreatment requirements established by the City.

The City reserves the right to adopt, modify, or amend standards and regulations governing the contribution of wastes, pretreatment, and the contents and applicability of wastewater discharge permits as the same from time to time may be necessary or desirable.

12. Infiltration and inflow. The parties hereto agree that control and remediation of infiltration and inflow (I/I) is a priority. Therefore, for purposes of controlling I/I, the Township agrees to, by adoption of ordinances and employment of suitable methods, effectively exclude extraneous I/I to the sewer system located within the Designated Area of the Township, including but not limited to, storm water runoff from roofs, eaves, rainspouts, yards, lawns, foundation drains, parking lots, streets, alleys, and the like.

The Township shall exercise due care to preclude gravel, sand, dirt, grit or heavy substances of any kind from being washed or dumped into the sewer system located within the Designated Area. When expenses are incurred in cleaning the City sewers due to any such substance being carried into them from the sewer system located within the Designated Area of the Township, all such expenses attributable to the Township shall be paid for by the Township within thirty (30) days of receipt of an invoice from the City. The City shall provide an itemized accounting of the cleaning expenses incurred with the invoice provided to the Township.

13. Liability for negligence. The Township shall indemnify, save and hold harmless the City from any and all loss or damage to any property incurred by the City by reason of any act or omission of the Township, its agents or employees, in connection with the construction or operation and maintenance of the sanitary sewer system located within the Designated Area, unless the same shall be due to the negligence of the City, its agents or employees. The City shall indemnify, save and hold harmless the Township from any and all loss or damage to any property incurred by the Township by reason of any act or omission on the part of the City, its agents or employees, in connection with the construction or operation and maintenance of the City sanitary sewer collection system and wastewater treatment plant, unless the same shall be due to the negligence of the Township, its agents or employees.

14. Nonliability of City under certain changed circumstances. The City shall exercise diligence in operating and maintaining its sanitary sewer system, including its sewer collection system and wastewater treatment plant, and in the construction, operation and maintenance of the sanitary sewer collection system located within the Designated Area of the Township. If said systems are prevented from receiving and discharging sewage from the Designated Area in accordance with the terms contained herein or the terms of the Joint Resolution for Orderly Annexation by and between the City and Township to which these terms are attached, by any cause not reasonably within the control of the City, including but not limited to, acts of God (fire, explosion, flood, earthquake, tornado), strike, war, unavoidable accident, rupture of pipe resulting from temperature change or ground disturbances, or federal or state interference (governmental exercise of authority, court orders), the City agrees (except in the case of total destruction or near total destruction of its properties) to diligently put its treatment works in condition again, as soon as practicable, to dispose of sewage in the manner provided for herein and in accordance with the terms of the Joint Resolution to which these terms are attached. The Township shall hold, save and defend, the City harmless for any damage or loss resulting from such impossibility, frustration, interruption or suspension of performance.

15. Title to remain with City. It is agreed and understood by the parties hereto that the title to, and all incidents of ownership in, the City wastewater treatment plant and sewer collection system, any subsequent replacement or upgrades, improvements, or expansions thereof, and all the grounds upon which the same is located shall remain in the City and shall be the absolute property of the City. It is further agreed and understood that the operation of the City wastewater treatment plant and sewer collection system and employment of personnel therefore shall be in the full charge of the City.
16. Adopt and Enforce Regulations. The Township agrees to adopt and strictly enforce the City's sewer ordinance as such ordinance now exists or as such ordinance may from time to time be amended by the City Council. The City and Township agree to enact, adopt, and strictly enforce all resolutions, ordinances, or regulations, as may be or shall be necessary to give full effect to the stipulations contained in this Agreement.
17. Governing law. This Agreement is made pursuant to, and shall be construed in accordance with the laws of the State of Minnesota.
18. Modification/Amendment. This Agreement shall not be modified, amended, or altered except upon the written agreement of the City and the Township.
19. Term/Termination. The City shall provide sanitary sewer service within the Designated Area and without annexation for a period ending seven and one half (7.5) years after the date the City Engineer certifies the substantial completion of the sewer project within the Designated Area as provided for in the Joint Resolution for Orderly Annexation by and between the City and Township to which this Agreement is attached as an addendum to and incorporated in by reference. This Agreement shall be in full force and effect for the specified term, unless otherwise terminated earlier by mutual written agreement of the City and Township, the Joint Resolution becomes null and void pursuant to its terms, or upon the annexation of the Designated Area.
20. Severability. In the event that any provision of this Agreement is determined and adjudged to be unconstitutional, invalid, illegal or unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall remain in full force and effect, and the parties hereto shall negotiate in good faith and agree to such amendments or modifications of or to this Agreement 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.
21. Headings and Captions. Headings and captions are for convenience only and are not intended to alter any of the provisions of this Agreement.
22. Entire Agreement. The terms, covenants, conditions and provisions of this Agreement and the terms and conditions contained in the Joint Resolution for Orderly Annexation by and between the City and Township to which this Agreement is attached as an addendum to and incorporated in by reference including the present and all future attachments or

exhibits to that Joint Resolution shall constitute the entire Agreement between the parties hereto, superseding all prior agreements and negotiations. This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the City and Township.

23. Disputes and Remedies. The City and Township agree as follows:

- a. Negotiation. When a disagreement over interpretation of any provision of this Agreement shall arise, the City and the 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 Agreement are unable to resolve disputes, claims or counterclaims, or are unable to negotiate an interpretation of any provision of this Agreement, the parties may mutually agree in writing to seek relief by submitting their respective grievances to binding arbitration.
- c. Adjudication. When the parties to this Agreement are unable to resolve disputes, claims or counterclaims, are unable to negotiate an interpretation of any provision of this Agreement or are unable to agree to submit their respective grievances to binding arbitration, either party may seek relief through initiation of an action in a court of competent jurisdiction.

24. Notice. Any notices required under the provisions of this Agreement shall be in writing and sufficiently given if delivered in person or sent by mail, postage prepaid, as follows:

If to the City:

Mr. Jim Elmquist, City Administrator (or his successor)
City of Mora
117 Railroad Avenue S.E.
Mora, MN 55051-1538

If to the Township:

Ms. Lucille Schultz, Town Clerk (or her successor)
Arthur Township
1899 Frontage Road
Mora, MN 55051

REC'D BY
MMB

JUN 13 2007

FOR THE CITY OF MORA

FOR ARTHUR TOWNSHIP

Mary Schwartz
Mary Schwartz
Mayor

Charles McGovern
Charles McGovern
Chair

Dorothea McCallum
Dorothea McCallum
City Clerk

Lucille Schultz
Lucille Schultz
Town Clerk

Dated this 14th day of September, 2000.

Dated this 14 day of September 2000.



PHONE: (651) 490-2000
3535 VADNAIS CENTER DR.
ST. PAUL, MN 55110

MORA
MINNESOTA

ANNEXATION AREA
SEC. 23, T 39 N, R 24 W

FILE NO.
AMORAO202.01
DATE
4/9/07

FIGURE
1

