

City of Sauk Rapids Resolution No. 202454
Town of Minden Resolution No. 12/92024-A

**JOINT RESOLUTION FOR ORDERLY ANNEXATION BY AND BETWEEN THE
CITY OF SAUK RAPIDS AND THE TOWN OF MINDEN**

WHEREAS, the City of Sauk Rapids (“City”) and the Town of Minden (“Town”) desire to continue to provide for the orderly development and extension of services to areas of the Town that are or are about to become urban or suburban in character; and

WHEREAS, the City and the Town wish to encourage development and extension of services to properties in an orderly manner; and

WHEREAS, the City and the Town entered into an orderly annexation agreement in 2002, which was filed with the state on June 6, 2002 (OA-845) (“**2002 OAA**”), to designate certain land within the Town for orderly annexation; and

WHEREAS, the 2002 OAA, by its terms, expires on December 31st, 2025; and

WHEREAS, the City and the Town desire to enter into the following new Orderly Annexation Agreement (“**Agreement**”) to replace the 2002 OAA prior to its termination date.

NOW, THEREFORE, BE IT RESOLVED, BY THE COUNCIL OF THE CITY OF SAUK RAPIDS AND THE BOARD OF SUPERVISORS OF THE TOWN OF MINDEN AS FOLLOWS:

1. **Repealer**. The parties agree the 2002 OAA is repealed and superseded by this Agreement.
2. **Description of Designated Area**. The parties hereby designate the following described areas within the Town for orderly annexation pursuant to Minnesota Statutes § 414.0325 and the terms and conditions of this Agreement (“**Designated Area**”):

That area shown as Areas A, B, C and D on the map attached as **Exhibit 1**. The legal descriptions for the entire area as well as the legal description for the sub-parts A, B, C and D are attached as **Exhibit 2**.

3. **Office of Administrative Hearings**. Upon approval of this joint resolution by the parties and submission to the Municipal Boundary Adjustment Unit, this Agreement shall confer jurisdiction upon the Chief Administrative Law Judge (“**Chief Judge**”) of the Office of Administrative Hearings pursuant to Minn. Stat. § 414.0325 to accomplish said orderly annexation in accordance with the terms of this Agreement.
4. **No Alterations of Boundaries**. The City and the Town mutually state and agree that no alteration by the Chief Judge of the boundaries of the Designated Area is appropriate.
5. **Conditions for Annexation**. The City and the Town mutually state that this

Agreement sets forth all of the conditions for annexation of the Designated Area and that no consideration by the Chief Judge is necessary. The Chief Judge may review and comment, but shall, within thirty (30) days, order the annexation, provided it complies with the provisions of this Agreement.

6. **Approval Process.** The City and the Town mutually state that properties in the areas designated A, B, C and D as shown on **Exhibit 1** and legally described on **Exhibit 2**, or a portion thereof, shall be annexed to the City upon receipt of the City's resolution in accord with the terms of this Agreement.
 - (a) **Approval Process.** For properties located within area A, at anytime, and within areas B, C, and D in accord with paragraph (b) of this Section 7, the City may adopt its resolution not sooner than 45 days after submitting a copy of an annexation petition to the Town when any of the following are met:
 - (1) **Agricultural and/or Undeveloped Land.** (i) Petition requesting annexation signed by owners of 100% of individual parcels of record for agricultural and/or undeveloped properties in an area proposed for annexation; or (ii) agreement of both the City Council and the Town Board.
 - (2) **Developed Property.** (i) Fifty-one percent (51%) of the owners of individual parcels of record for developed property in an area proposed for annexation sign a petition requesting annexation; or (ii) agreement of both the City Council and the Town Board. When a petition for annexation of developed lands involves more than one property, all such properties must be contiguous to each other. All of the properties considered to be developed are described in **Exhibit 3**. Residential subdivisions of land resulting in a lot(s) of 10 acres or less that are approved subsequent to the effective date of this Agreement will be considered developed. Any property utilized for commercial or industrial purposes is considered developed.
 - (3) **Surrounded Properties.** Any property, whether in Area A, B, C, or D, which is less than 40 acres in size and that is entirely surrounded by the City may be annexed by the City anytime ten (10) years after the date on which it becomes surrounded by the City. Surrounded properties also include those properties which abut the City of St. Cloud on one or more sides. Roadways will be ignored when considering whether a property is surrounded.
 - (b) **Areas B, C, and D.** Parcels of land in Areas B, C, and D will only be considered for annexation if they are contiguous to the City, unless (i) both the City and Town agree to the annexation, (ii) the property is owned by the City for public purposes (i.e. parks or public works facilities), or (iii) one of the following applies:
 - (1) After 70% of Area A is annexed into the City, annexations may occur anywhere within Area B;

- (2) After 85% of Area B is annexed to the City, annexations may occur anywhere within Area C; and
- (3) After 85% of Area C is annexed to the City, annexations may occur anywhere within Area D.
- (c) All Annexations are Subject to this Agreement. Annexation of any land within Area A, B, C, or D shall only occur in accordance with the terms of this Agreement.

7. Provision of Municipal Utility Service.

- (a) Extension of Services. Extension of sanitary sewer service to annexed properties requesting sewer service will be a high priority of the City.
- (b) Assessment Rates. Assessment or connection charges to annexed properties will be at the City's customary rates for improvements of a similar type at the time of benefit and/or connection to said service.
- (c) Timeline for Connection. Annexed properties must connect to municipal services on the earlier of one of the following:
 - (1) The property owner petitions for service;
 - (2) The property is sold or otherwise transferred for purposes other than agricultural;
 - (3) Construction of new non-agricultural buildings or expansion of existing non-agricultural buildings occurs on the property;
 - (4) The property's septic system is failing;
 - (5) State or Federal law requires connection; or
 - (6) Three years from readily available (installed abutting or directly adjacent to the property) sanitary sewer and/or water services.
- (d) No Assessments Prior to Annexation. The City shall make no assessments or charges to properties for any improvements prior to its annexation.

8. Provision of Other Municipal Services. The City shall be responsible for the provision of all normal and customary municipal services to annexed properties.

9. Tax Reimbursement. The parties agree the City will reimburse to the Town a portion of the taxes levied on annexed properties for a 10-year period following annexation as provided in this section.

- (a) All Properties. For all properties (whether commercial, industrial, residential,

agricultural, developed, or undeveloped), the amount of taxes to be reimbursed and paid to the Town will be calculated by multiplying the assessor's market value for the annexed property in the year of annexation by the tax capacity rate of the Town in the year of annexation. It is the intent of the parties that the payment will be calculated based upon values and the tax rate for taxes payable in the year of annexation (based upon the date the City Council passes its resolution calling for the annexation). The City will then pay the Town that fixed amount each year during the above referenced ten (10) year term.

- (b) Payment. The City shall make its payment to the Town once each year, prior to December 31st of each year, based on the monies the City has collected.

10. **Tax Reimbursement for Developed Commercial/Industrial Properties.** In addition to the tax reimbursement payment provided for above, the City's reimbursement of taxes collected on commercial and industrial properties which were developed prior to annexation will continue for an additional 10 years (after the 10 years provided for above) at a rate of 20% of the fixed amount paid during the initial 10-year reimbursement term as provided for above.

11. **Outstanding Assessments and Debt.** To the extent applicable, the City shall collect and pay to the Town any outstanding assessments for public improvements or services imposed by the Town under Minnesota Statutes, chapters 429, 365A, or other law on property annexed by the City. The City shall pay such amounts over to the Town within 30 days of each tax distribution containing the assessed amounts until the assessment, including applicable interest, imposed on the property is paid in full.

12. **Tax Step-Up for Platted Developed Residential Property.** For platted, residentially developed, properties existing in the Town on the effective date of this Agreement, the tax rate of the City imposed on the annexed properties shall be increased in substantially equal proportions over a six-year period to equality with the tax rate on the property already within the City.

13. **Annexation Outside of Designated Area.**

- (a) Other Annexations Limited. The City will not initiate any annexation action for property outside of the Designated Area except by agreement with the Town Board. However, in the event an incorporation proceeding is initiated by any party for any part of the Town, the City then has the right to initiate an annexation action for any part of Minden Township, provided that right is available to it under law at the time of the action. The Town agrees not to enter into an orderly annexation agreement or support any annexation petitions to other cities for property located in the Town lying North of State Trunk Highway 23.
- (b) Property Owners Rights. Property owners continue to maintain those options available by law at the time of their action to pursue municipal boundary adjustment outside of the Designated Area. Until such time as 70% of Area A and 85% of areas B, C, and D

are annexed, the City will not support any property owner-initiated annexation petition for areas proposed for residential development that are located outside of the Designated Area. The City will not support any property owner-initiated petition for annexation of land proposed for non-residential development for a period of 60 days starting from the date of the City's submission of a copy of such a petition to the Town Board for its consideration. The Town and the City mutually agree to meet to consider the appropriateness for the requested annexation and approval of an amendment to this Agreement to provide for the proposed annexation.

14. **Joint Powers Board.** The parties agree that the zoning for the Designated Area shall be administered by a Joint Planning Board as provided in this section and as the parties may agree to as part of a joint powers agreement.

- (a) Joint Planning Board Continued. The Joint Planning Board the parties established pursuant to Minn. Stat. § 471.59 as provided in the 2002 OAA to exercise planning and land use control over the Designated Area is hereby reaffirmed and continued.
- (b) Make-up of Board. The Joint Planning Board shall continue to be made up of two representatives from the Town appointed by the Town Board on an annual basis and two representatives of the City appointed by the City Council on an annual basis. Appointees will serve until their replacement is appointed. The Chair of the Joint Planning Board will be rotated between City and Town appointees.
- (c) Zoning & Subdivision Ordinances. The Joint Planning Board has adopted its own zoning regulations for the Designated Area. For those areas within the Designated Area that are zoned Industrial, the City's Industrial 1 Ordinance shall apply until such time as the Joint Planning Board chooses to adopt its own Industrial Ordinance. The Joint Planning Board may adopt alternative ordinances and amendments by the unanimous vote of all Joint Planning Board Members. The Joint Planning Board, or its staff, shall notify the Town before issuing any permits or approvals to undertake any project that may result in disturbing one or more acres of land so the Town can determine compliance with its stormwater regulations. The Joint Planning Board shall serve as the Board of Appeals and Adjustments and it shall adopt such revisions to its ordinance as may be needed to make clear that it serves in that capacity.
- (d) Permit Fees and Distributions. The Permit fees shall be those of the City unless amended by the unanimous agreement of the Joint Powers Board. Upon dissolution of the Joint Planning Board, any property acquired as the result of the exercise of its powers shall be returned to the City and the Town in equal shares, except to the extent a contribution of property was unequal then that property shall be distributed in proportion to the contributions made.
- (e) Staff. The Joint Planning Board duties will be administered by the staff of the City at no charge to the Town. The City will be entitled to retain permit fees to cover the cost of administration.

(f) Special Provisions with Joint Planning Area. The following provisions will apply within the Designated Area:

- (1) Continuation of Farming Operations. Any farm land that is in existence at the time of the execution of the 2002 OAA may continue to be farmed and developed as a farming enterprise including the construction of agricultural buildings, the maintenance of livestock, the employment of manure storage facilities and any and *all* agricultural practices that are employed by the land owner or their successors or assigns subsequent to the execution of this Agreement, provided, that such activities are in accord with federal and state laws and the rules and regulations adopted by the Joint Planning Board.
- (2) Setbacks from Farm Operations. The Joint Planning Board will adopt measures to ensure that no new residential homes are constructed within 500 feet of structures (used to house animals or which are considered feedlots according to Minnesota Rules) located on land employed and engaged in agricultural business endeavors. This provision is not intended to apply to new residential structures constructed on the same parcel as the agricultural structures. The exact details of any additional restrictions in this area will be established by the Joint Planning Board as part of a Zoning Ordinance to be adopted.
- (3) Development. It is the directive to the Joint Planning Board to ensure that regulations adopted by the Joint Planning Board permit existing businesses and farms located within the orderly annexation area to expand as necessary in accord with federal, state and local laws. It is also the directive to the Joint Planning Board that with the exception of expansions of existing facilities and expansion of agricultural operations the Board will limit new residential, commercial and industrial development within the orderly annexation area prior to annexation of the property into the City and the provision of municipal sewer and water services.
- (4) Development of Annexed Properties. The Joint Planning Board, the City, and the Town shall all adopt and maintain a policy which requires that Developers seeking to develop land within the Designated Area provide notice to potential builders and homeowners that their land is located in an agricultural area and as such is subject to sounds and smells associated with agricultural production. In addition, where applicable, notifications will be made regarding noise from Golden Spike Speedway and the use of property in Section 19 of the Town by the Central Minnesota Retriever Club. These policies will require that this notification be incorporated into each party's developer's agreements and recorded with the plat. All notifications must be approved by the Joint Planning Board. Until the Central Minnesota Retriever Club discontinues its use of its property located in Section 19 the City will:
 - (i) Provide examples of easements used by the Central Minnesota Retriever

Club and suggest (but not mandate) that developers in areas near the Central Minnesota Retriever Club property (located in Section 19) consider signing a similar easement; and

- (ii) The City will use good faith efforts to provide notice to the Central Minnesota Retriever Club of public hearings on preliminary plats for properties located within areas A and B. Such notices will be mailed to P.O. Box 484, St. Cloud, MN 56302.
- (5) Existing Rural Uses. The parties acknowledge that certain uses exist within the orderly annexation area that may lead to conflict as residential properties are developed adjacent to these uses including the Golden Spike Speedway and the Central Minnesota Retriever Club. The City and the Town acknowledge that Minnesota Statutes § 462.357, subd. 1c provides that a municipality must not enact, amend, or enforce an ordinance providing for the elimination or termination of a use by amortization which use was lawful at the time of its inception. In addition, the City and Town agree to work in good faith to address issues that may arise as anticipated property use conflicts arise.
- (6) Drainage Plans. For all plats of property annexed to the City from the Town, drainage and grading plans will be presented to the Joint Planning Board and Town for review and comment regarding the potential for impacts on other property located within the Town. The City will use good faith efforts to eliminate problems caused in the Town by the drainage and grading completed as a result of such drainage and/or grading plans. The City will also use good faith efforts to address concerns raised by the Joint Planning Board and/or the Town by either making changes to the drainage and grading plans for the plat or by providing written responses to the Joint Planning Board's and/or Town's concerns and agreeing to meet with either the Joint Planning Board or the Town upon the request of either of them to discuss their concerns.

15. Town Roads.

- (a) Existing Town Roads. The Town shall maintain Town roads in existence at the time of the execution of the Agreement until lands on both sides of said Town roads are annexed to the City.
- (b) Annexation of Abutting Property. If the City annexes property abutting a Town Road, but annexes on one side only of that Road, the Town shall have the option to require the City to maintain both sides of the road abutting the annexed property.
- (c) Undue Burden on Town Roads. The Town and City recognize that there may be instances where it is appropriate for the City to assume responsibility to maintain additional portions of Town roads because City development imposes an undue burden on Town roads that serve the annexed property. The Joint Planning Board

will cooperate to ensure the City accepts its reasonable responsibilities. If the City and Town do not agree on maintenance, the Town may submit the issue to the Joint Planning Board for a decision. In the event that the Joint Planning Board determines that the City should accept responsibility for a Town road under these circumstances, the City agrees to abide by the decision of the Joint Planning Board.


- (d) Subdivisions on 25th Ave. NE. In addition to the above language, when a residential subdivision is approved by the City that is directly accessed from 25th Ave NE, said road shall become a City street for those portions of 25th Ave. NE between Goldenspike Road and County State Aid Highway 15 with the City assuming all maintenance responsibilities for said portion of 25th Ave NE.

16. **Binding Agreement.** Pursuant to Minnesota Statutes § 414.0325, subd. 6, and by agreement of the parties, this Agreement is a binding agreement on the parties and its terms are not preempted by the provisions of Minnesota Statutes, chapter 414 or other law as it may now exist or may later be adopted or amended. The parties intend this Agreement to set out exclusive procedures for annexing property within the Designated Area. The City agrees to oppose any effort to annex property within the Designated Area that does not comply with the terms of this Agreement.
17. **Costs Associated with this Agreement.** Each party shall pay its own costs incurred in the negotiation, development and implementation of this Agreement. The City shall be responsible for paying the costs of filing this Agreement with the Boundary Adjustments Unit and for making any corrections to the maps or legal descriptions as may be required.
18. **Dispute Resolution.** The parties agree to mediate any disputes concerning the interpretation of this Agreement by filing a request for mediation with the Bureau of Mediation Services within 30 days after one party notifies the other party of existence of a dispute under this Agreement.
19. **Venue.** The venue for all actions concerning this Agreement shall be Benton County, Minnesota.
20. **Authorization.** The appropriate officers of the City and the Town are hereby authorized to carry the terms of this Agreement into effect.
21. **Severability and Repealer.** All prior resolutions and ordinances of the Town and City, or portions of resolutions and ordinances in conflict herewith, are hereby repealed. Should any section of this Agreement be held by a court of competent jurisdiction to be unconstitutional or void, the remaining provisions will remain in full force and effect. In the event of litigation, neither the City nor the Town will seek to have any provision of this Agreement declared null and void. If a court issues an order declaring a portion of this Agreement unconstitutional or void, the parties mutually agree to request of that court reformation of the contract and/or of the legislature, special legislation, both actions being for the purpose of reinstating the original intent

of this Agreement.

22. **Effective Date.** This Agreement is effective upon its adoption by the respective governing bodies of the Town and the City and approval of by the Chief Administrative Law Judge, as provided by law.
23. **Amendments.** Any amendments to this Joint Resolution and Agreement will require adoption and approval by both the City Council and Town Board. A public hearing must be held if the amendment proposes to expand the Designated Area as provided in Minn. Stat. § 414.0325, subd. 1b.
24. **Termination of OA Agreement.** The parties agree that they will, at a minimum, either meet or request the Joint Planning Board to consider potential changes and adjustments to this Agreement every 5 years beginning in January of 2030. Unless the parties have agreed to an extension, this Agreement shall terminate on December 31, 2050. Notwithstanding the termination of this Agreement, the provisions of sections 8 (Utilities Services), 9 (Other Municipal Services), 10 (Tax Reimbursement), 11 (Comm/Ind Tax Reimbursement), 12 (Tax Step-Up), and 15 (Town Roads) of this Agreement shall remain binding after the termination of the Agreement for all properties annexed under the terms of this Agreement prior to its termination.

Adoption by the Board of Supervisors for the Town of Minden the 10th day of December, 2024.


Chairperson

Attest: 
Clerk

Adoption by the City Council for the City of Sauk Rapids the 16th day of December, 2024.







Mayor

Attest: 
Clerk

EXHIBIT 1
(Map of Designated Area)



0 1,000 2,000 4,000 Feet

-  Proposed Annexation Area A
-  Proposed Annexation Area B
-  Proposed Annexation Area C
-  Proposed Annexation Area D
-  To be Annexed

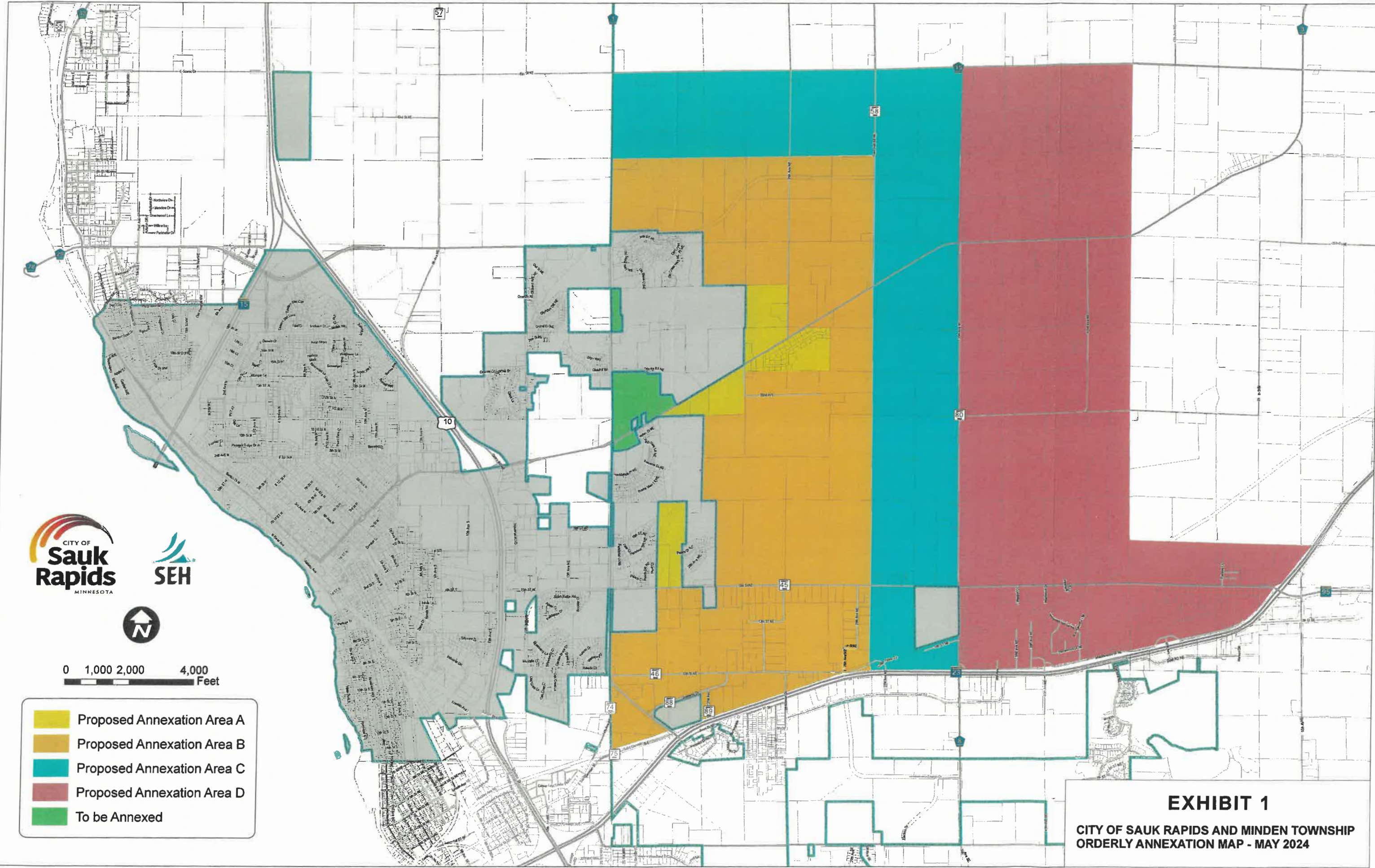


EXHIBIT 1
CITY OF SAUK RAPIDS AND MINDEN TOWNSHIP
ORDERLY ANNEXATION MAP - MAY 2024

EXHIBIT 1 ACREAGES

<u>Zone</u>	Color	Acres
A	Yellow	219.109
B	Orange	2105.776
C	Blue	1578.923
D	Pink	2576.072
F	Green	78.642

EXHIBIT 2
(Legal Descriptions of Designated Area)

ANNEXATION AREA A

That part of the Northwest Quarter of the Southwest Quarter of Section 17, Township 36 North, Range 30 West, Benton County, Minnesota, lying Southeasterly of the plat of GOLDEN SPIKE PARK, according to the recorded plat thereof, said Benton County.

AND

That part of the Northeast Quarter of the Southeast Quarter of Section 18, Township 36 North, Range 30 West, Benton County, Minnesota, lying Northerly and Westerly of the plat of GOLDEN SPIKE PARK, according to the recorded plat thereof, said Benton County.

AND

The East 48.00 feet of the West Half of Southeast Quarter of Section 18, Township 36 North, Range 30 West, which lies North of the centerline of Golden Spike Road Northeast (Benton County State Aid Road No. 3).

AND

The plat of GOLDEN SPIKE PARK, according to the recorded plat thereof, Benton County, Minnesota.

AND

The Southeast Quarter of the Northeast Quarter of Section 18, Township 36 North, Range 30 West, Benton County, Minnesota.

AND

That part of the Southwest Quarter of the Southeast Quarter of Section 18, Township 36 North, Range 30 West, Benton County, Minnesota, lying Southeasterly of the centerline of Golden Spike Road Northeast (Benton County State Aid Road No. 3).

AND

That part of the Northwest Quarter of the Southeast Quarter of Section 18, Township 36 North, Range 30 West, Benton County, Minnesota, lying Southeasterly of the centerline of Golden Spike Road Northeast (Benton County State Aid Road No. 3).

AND

That part of the Southeast Quarter of the Southwest Quarter of Section 18, Township 36 North, Range 30 West, Benton County, Minnesota, lying Southeasterly of the centerline of Golden Spike Road Northeast (Benton County State Aid Road No. 3).

AND

That part of the East Half of the Southwest Quarter of Section 19, Township 36 North, Range 30 West, Benton County, Minnesota, less and except the plat of SCENIC ACRES, according to the recorded plat thereof, said Benton County.

ANNEXATION AREA B

The South Half of Section 7, Township 36 North, Range 30 West;

LESS AND EXCEPT

The plat of THE VILLAGES OF CREEKSIDE, according to the recorded plat thereof, Benton County, Minnesota.

AND

The Southwest Quarter of Section 8, Township 36 North, Range 30 West, Benton County, Minnesota.

AND

The Northwest Quarter of Section 17, Township 36 North, Range 30 West;

AND

The South Half of the Southwest Quarter of Section 17, Township 36 North, Range 30 West, Benton County, Minnesota.

AND

The Northeast Quarter of the Southwest Quarter of Section 17, Township 36 North, Range 30 West, Benton County, Minnesota.

AND

All that part of the Northwest Quarter of the Southwest Quarter of Section 17, Township 36 North, Range 30 West, Benton County, Minnesota, lying northwesterly of the centerline of Golden Spike Road Northeast (Benton County Road 3).

AND

The North Half of the Northeast Quarter of Section 18, Township 36 North, Range 30 West, Benton County, Minnesota.

AND

The Southeast Quarter of the Southeast Quarter of Section 18, Township 36 North, Range 30 West, Benton County, Minnesota.

AND

The East Half of Section 19, Township 36 North, Range 30 West, Benton County, Minnesota.

LESS AND EXCEPT

The plat of SCENIC ACRES, according to the recorded plat thereof, said Benton County.

AND

The West Half of Section 20, Township 36 North, Range 30 West, Benton County, Minnesota.

AND

That part of the West Half of Section 29, Township 36 North, Range 30 West, Benton County, Minnesota, lying northwesterly of the northwesterly right of way line of State Highway No. 23, as shown on MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY PLAT NO. 05-4. Less and Except the plat of SCHRAMMEL ADDITION, according to the recorded plat thereof, said Benton County.

AND

That part of the Northeast Quarter of Section 30, Township 36 North, Range 30 West, Benton County, Minnesota, Less and Except the following: MARCHIS ADDITION, MARCHIS FIRST ADDITION, MARCHIS SECOND ADDITION, MARCHIS THIRD ADDITION and MARCHIS FOURTH ADDITION, according to the recorded plats thereof, said Benton County. Also less and except that part of the Northwest Quarter of the Northeast Quarter of Section 30, Township 36 North, Range 30 West, Benton County, Minnesota, described as follows, to-wit: Beginning at a point on the North line of and 795.5 feet West of the Northeast corner of the Northwest Quarter of Northeast Quarter of said Section 30; thence South and parallel with the East line of Northwest Quarter of Northeast Quarter of said Section 30, a distance of 660.0 feet; thence West and parallel with North line of Section 30, a distance of 400.0 feet; thence North and parallel with East line of this tract, a distance of 660.0 feet to the North line of said Section 30; thence East along said North line of said Section 30, a distance of 400.0 feet to the point of beginning.

AND

The plats of SCHRAMMEL ADDITION, MARCHIS ADDITION, MARCHIS FIRST ADDITION, MARCHIS SECOND ADDITION, MARCHIS THIRD ADDITION and MARCHIS FOURTH ADDITION, according to the recorded plats thereof, Benton County, Minnesota.

AND

The Northeast Quarter of Northwest Quarter of Section 30, Township 36 North, Range 30 West, Benton County, Minnesota.

AND

The South Half of the Northwest Quarter of Section 30, Township 36 North, Range 30 West, Benton County, Minnesota.

AND

That part of the Southeast Quarter of Section 30, Township 36 North, Range 30 West, Benton County, Minnesota, lying northerly of the Northerly Right of Way line of State Highway No. 23, as shown on MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY PLAT NO. 05-3.

AND

That part of the Southwest Quarter of Section 30, Township 36 North, Range 30 West, Benton County, Minnesota, lying northerly of the Northerly Right of Way line of State Highway No. 23, as shown on MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY PLAT NO. 05-2. Also lying northerly of the Northerly right of way line of the Burlington Northern Railroad (FKA Great Northern Railway). Less and except, all that part of the Southwest Quarter of Section 30, Township 36 North, Range 30 West, Benton County, Minnesota described as follows: Beginning at an iron monument which is at the intersection of the East line of the Southwest Quarter and the Northerly line of the right-of-way of the Burlington Northern Railroad in Section 30; thence Southwesterly along the North right-of-way line of Burlington Northern Railroad to the point where the Northeasterly right-of-way line of County Road No. 1 intersects said north right-of-way line of Burlington Northern Railroad; thence Northwesterly along the East right-of-way of County State Aid Highway No. 1, a distance of 984.4 feet; thence Northeasterly and parallel with the Burlington Northern Railway a distance of 1712.00 feet more or less to the East line of the Southwest Quarter of Section 30; thence South along the East line of the Southwest Quarter of said Section 30 a distance of 833.10 feet to the point of beginning and there terminating.

ANNEXATION AREA C

The North Half of Section 7, Township 36 North, Range 30 West, Benton County, Minnesota.

AND

The North Half of Section 8, Township 36 North, Range 30 West, Benton County, Minnesota.

AND

The Southeast Quarter of Section 8, Township 36 North, Range 30 West, Benton County, Minnesota.

AND

The East Half of Section 17, Township 36 North, Range 30 West, Benton County, Minnesota.

AND

The East Half of Section 20, Township 36 North, Range 30 West, Benton County, Minnesota.

AND

That part of the Northeast Quarter of Section 29, Township 36 North, Range 30 West, Benton

County, Minnesota, lying northerly of the north right of way line of State Highway No. 23, as shown on MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY PLAT NO. 05-5.

LESS AND EXCEPT

All that part of the East Half of the Northeast Quarter of Section 29, Township 36 North, Range 30 West, lying Northerly of the Northerly line of the Burlington Northern and Santa Fe Railway Company right-of-way (now abandoned), Benton County, Minnesota.

ANNEXATION AREA D

All of Sections 9, 16, and 21, all in Township 36 North, Range 30 West, Benton County, Minnesota.

AND

That part of the South Half of the South Half of Section 22, Township 36 North, Range 30 West, Benton County, Minnesota, lying northwesterly of the northwesterly right of way line of State Highway No. 23, as shown on MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY PLAT NO. 05-9 and MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY PLAT NO. 05-10. Less and except the plat of DONA RAY, according to the recorded plat thereof, said Benton County.

AND

That part of the Southwest Quarter of the Southwest Quarter of Section 23, Township 36 North, Range 30 West, Benton County, Minnesota, lying northwesterly of the northwesterly right of way line of State Highway No. 23, as shown on MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY PLAT NO. 05-10, according to the recorded plat thereof, said Benton County.

AND

That part of the North Half of Section 27, Township 36 North, Range 30 West, Benton County, Minnesota, lying northwesterly of the northwesterly right of way line of State Highway No. 23, as shown on MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY PLAT NO. 05-8 and MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY PLAT NO. 05-9. Less and except the plat of MCGEES OAK TERRACE, according to the recorded plat thereof, said Benton County.

AND

That part of the North Half of Section 28, Township 36 North, Range 30 West, lying North of the northerly right of way line of State Highway No. 23, as shown on MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY PLAT NO. 05-6 and MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY PLAT NO. 05-7. Less and except of the plats of BRENNANS ADDITION, WAPICADA INDUSTRIAL PARK, ADAMS ACRES, WAPACADA VILLAGE, and WAPACADA ADDITION, according to the recorded plats thereof, Benton County, Minnesota.

AND

The plats of BRENNANS ADDITION, WAPICADA INDUSTRIAL PARK, WAPACADA ADDITION, and WAPACAD VILLAGE according to the recorded plats thereof, Benton County, Minnesota, lying northwesterly of the northerly right of way line of State Highway No. 23, as shown on MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY PLAT NO. 05-6 and MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY PLAT NO. 05-7.

AND

The plats of DONA RAY, MCGEES OAK TERRACE, and ADAMS ACRES, according to the recorded plats thereof, Benton County, Minnesota.

EXHIBIT 3

(Developed Properties)

All that part platted as Marchris First Addition, Marchris Second Addition and Marchris Third Addition, according to the plat and survey thereof on file and of record in the office of the County Recorder, Benton County, Minnesota, as located in the E1/2 of NE1/4 of Section 30, Township 36, Range 30.

AND

All that part platted as Adam's Acres, according to the plat and survey thereof on file and of record in the office of the County Recorder, Benton County, Minnesota, as located in the E1/2 of NW1/4 of Section 28, Township 36, Range 30;

AND

Tract A: The West 233.00 feet of the North 510.00 feet of the E1/2 of NW1/4 of Section 28, Township 36, Range 30;

Tract B: The East 233.00 feet of the West 466.00 feet of the North 510.00 feet of the E1/2 of NW1/4 of Section 28, Township 36, Range 30;

Tract C: The East 233.00 feet of the West 765.00 feet of the North 510.00 feet of the E1/2 of NW1/4 of Section 28, Township 36, Range 30;

Tract D: The East 233.00 feet of the West 998.00 feet of the North 510.00 feet of the E1/2 of NW1/4 of Section 28, Township 36, Range 30;

AND

All that part platted as Wapicada Village, according to the plat and survey thereof, on file and of record in the office of the County Recorder, Benton County, Minnesota, as located in the W1/2 of NE1/4 of Section 28, Township 36, Range 30;

AND

All that part platted as Dona-Ray, according to the plat and survey thereof on file and of record in the office of the County Recorder, Benton County, Minnesota, as located in the SW1/4 of SE1/4 of Section 22, Township 36, Range 30.