

**CITY OF PINE ISLAND
250 SOUTH MAIN STREET
PINE ISLAND, MN 55963**

**SPECIAL CITY COUNCIL MEETING
Monday, July 10th, 2023
City Hall- 250 South Main Street
8:15 AM**

- I. CALL TO ORDER
- II. PLEDGE OF ALLEGIANCE
- III. ADMINISTRATION
 - A. Approve North Zumbro Sanitary Sewer District Joint Powers Agreement
 - B. Approve Purchase Agreement for 520 3rd Ave NW (PID#68.760.0130)
- IV. CLOSED SESSION

Pursuant to Minnesota Statutes, Section 13D.05, subdivision 3(c)(3), the meeting will be closed to discuss offers or counteroffers for the purchase or sale of real property by the City and comprised of approximately 80 acres adjoining or near to the Hwy 52 overpass. That land consists of excess right-of-way obtained for the overpass project. A complete listing of the PIDs can be obtained from the City upon request.

 - A. Discuss and Approve Updated MNDOT Co-Op Agreement
- XI. ADJOURN

Pine Island City Council Agenda is available online:

City Council agendas and support documents available in electronic form and are posted on the Pine Island City Web Site www.pineislandmn.com under [City Hall/City Council Agendas TAB](#) in .pdf file format.



MEMORANDUM

DATE: July 10th, 2023

AGENDA ITEM: Administration – A

SUBJECT: North Zumbro Sanitary Sewer District Joint Powers Agreement

ORIGINATING DEPT: Administration

PREPARED BY: Steven Scheevel, Deputy City Administrator

REQUEST FOR ACTION: Vote Approval of Joint Powers Agreement

SEE ATTACHED

JOINT POWERS AGREEMENT

NORTH ZUMBRO SANITARY SEWER REGIONAL FACILITY

The parties to this joint powers agreement (“Agreement”) are the following governmental units of the State of Minnesota: City of Goodhue, City of Pine Island, City of Wanamingo and City of Zumbrota (“Party” or “Parties” as the context requires). This Agreement is made and entered into pursuant to Minnesota Statutes, Section 471.59.

RECITALS

1. Pursuant to applicable law including, but not limited to, Minnesota Statutes, Section 444.075, the Parties have authority to build, construct, reconstruct, repair, enlarge, improve, or in any other manner obtain sanitary sewer systems, including sewage treatment works, disposal systems, and other facilities for disposing of sewage, industrial waste, or other wastes, and maintain and operate such facilities inside or outside their corporate limits, and acquire by gift, purchase, lease, condemnation, or otherwise any and all land and easements required for this purpose.
2. The Parties have been authorized by law Laws of Minnesota 2023, Chapter 72, Article 2, Section 10, Subd. 10 to enter this Agreement to administer and expend a \$10,000,000 grant to acquire property for and predesign a new state-of-the-art regional wastewater treatment facility located in Goodhue County (“Facility”) to serve the Parties and land owned by the Prairie Island Indian Community (“PIIC”) in Pine Island (“PIIC Land”).
3. It is anticipated that additional grant funds or appropriations will be requested from the Legislature or other governmental bodies for the Facility. It is additionally anticipated that the North Zumbro Sanitary Sewer District (the “District”) will be subsequently formed pursuant to Minnesota Statutes, Chapter 442A.
4. Prior to receipt of additional funds and formation of the District, the Parties are authorized to and intend to conduct studies, make purchases, contracts and expenditures, and begin to make capital improvements in furtherance of construction of the Facility including the making of connections from the Facility to the Parties’ communities and PIIC Land.

ARTICLE 1. PURPOSE

The purpose of this Agreement is to create a joint powers organization by which the Parties may jointly and cooperatively begin study, investigation, and planning, engineering, land acquisition, and development of plans for construction of the Facility. It is intended that the Facility will ultimately be owned and operated by the District and that the District will provide sanitary sewer services to the Parties and the PIIC (“Sanitary Sewer Services”) and the institutions, businesses, and residences in these communities.

ARTICLE 2. MEMBERSHIP

Section 1. As of the date of this Agreement, the members are the City of Goodhue, City of Pine Island, City of Wanamingo, and City of Zumbrota. The PIIC and any other governmental unit seeking to receive Sanitary Sewer Services is eligible to become a member.

Section 2. A governmental unit desiring to become a member may do so upon approval by the Executive Committee and execution by the Parties, and the new member, of an amendment to this Agreement adding such new member. The Executive Committee may impose reasonable conditions on the admission of new members and shall determine any initial financial contribution of a new member at the time that membership is approved.

ARTICLE 3. EXECUTIVE COMMITTEE

Section 1. The governing body for this joint powers body is the Executive Committee. The governing body of each Party shall appoint one director to the Executive Committee who shall be a member of that Party's governing body or the head administrative officer/employee. Each Party may appoint an alternate director subject to the same qualification requirements.

Section 2. The PIIC may appoint an ex officio, non-voting director to the Executive Committee. Additionally, the consultant engineers of the Parties shall be ex officio, non-voting directors.

Section 3. Each director has one vote. Alternate directors may attend meetings of the Executive Committee and vote in the absence of a Party's director. Directors may not vote by proxy.

Section 4. The affirmative vote of the majority of Directors present at a meeting convened with a quorum shall constitute action by the Executive Committee.

Section 5. Directors shall serve for an indefinite term until a successor is appointed and qualified. A director may be removed at any time by the governing body of the appointing Party upon notice to the Executive Committee.

ARTICLE 4. MEETINGS

Section 1. For purposes of transacting any business at a meeting, the presence of a majority of the voting directors shall constitute a quorum. Notwithstanding, the directors present at any meeting may adjourn the meeting to another date despite the absence of a quorum.

Section 2. All meetings of the Executive Committee shall be conducted in compliance with the Minnesota Open Meetings Law, Minnesota Statutes, Chapter 13D.

ARTICLE 5. FUNCTIONING OF EXECUTIVE COMMITTEE

Section 1. The Executive Committee shall elect a chair and secretary/treasurer who shall serve for indefinite terms at the pleasure of the Committee.

Section 2. The chair shall call meetings, preside at meetings, and be responsible for and authorized to take such other actions as is customary for the chief executive of a governmental unit. The chair is responsible for such matters as may be delegated by the Executive Committee. The chair must sign any request to the financial agent for disbursement of funds. The secretary/treasurer shall act as the chair in the chair's absence.

Section 3. The secretary/treasurer shall be responsible for the records of proceedings of the Executive Committee, and for the Committee's funds and financial records. The secretary/treasurer must co-sign any request for disbursement of funds.

Section 4. Contracts shall be executed on behalf of the joint powers organization by both the chair and the secretary/treasurer, and only pursuant to authority from the Executive Committee.

ARTICLE 6. POWERS AND DUTIES

Section 1. The Executive Committee may take such actions as it deems necessary and convenient to accomplish the purposes of this Agreement.

Section 2. The Executive Committee shall plan, develop, and provide for financing, construction and operation and management of the Facility to the extent permitted by law and as provided in the Recitals above. The Executive Committee shall consider the results of any studies or analysis received by the Committee and provide recommendations to the Parties or, as appropriate, take independent actions based on such results.

Section 3. The Executive Committee may:

- a. Enter into contracts to carry out its powers and duties and hire employees, agents, or consultants, provided that unanimous consent from all Parties is obtained before any financial obligations are incurred in excess of the funds available to the Committee;
- b. Contract with a Party to serve as fiscal agent to hold, administer and disburse funds including specifically grant funds referenced in the Recitals above and any similar grants, appropriations or other fundings sources subsequently obtained;
- c. Accept gifts, apply for and use grants or loans of money or other property from other governmental units or private organizations, and enter into agreements in connection therewith, and hold or expend such money or property in accordance with the terms of the gift, grant, loan or agreement relating thereto;
- d. Purchase public liability insurance and such other insurance as it may deem necessary;

- e. Conduct research on sanitary sewer issues and plan for construction of the Facility;
- f. Lobby, seek legislation, request regulatory reform or action or otherwise seek to further the interests of the Parties;
- g. Take such actions as may be necessary to form the District,
- h. Construct and operate the Facility to provide Sanitary Sewer Services until such time as the District is formed;
- i. Upon unanimous consent of the Parties, acquire, own, hold, use, improve, operate, maintain, lease, exchange, transfer, sell, or otherwise dispose of real property or property rights necessary to carry out the purposes herein;
- k. Assist with financing of the Facility, and;
- l. Prosecute, defend, or participate in any legal actions.

Section 4. In addition to the foregoing, each Party may issue bonds or obligations on behalf of some or all of the Parties, under any law by which any Party may independently issue bonds or obligations, including but not limited to Minnesota Statutes, Chapter 475 or any other law that allows a Party or the Parties to finance the Facility, and use the proceeds of the bonds or obligations to carry out the purposes of the law under which the bonds or obligations are issued, including but not limited to loaning the proceeds thereof to the Executive Committee to finance a portion of the cost of the acquisition and construction of the Facility; provided that such bonds or obligations shall be issued only with the express consent of the governing body of any Party that issues such obligation and all other Parties.

ARTICLE 7. FINANCIAL AND INSURANCE MATTERS

Section 1. The Executive Committee shall designate a Party to be the fiscal agent for the Executive Committee. The fiscal agent shall receive and disburse funds at the direction of the Committee. The fiscal agent must establish a separate account in which Executive Committee funds are segregated from the Party's funds, and shall provide reports of account activities upon request of the Executive Committee or any Party.

Section 2. In the event Parties make contributions to the further purposes of this Agreement, the Parties' contribution amounts and percentage of overall contributions shall be recorded and kept as shown in the table attached hereto as Exhibit A. Parties subsequently admitted to this Agreement shall make an initial contribution as may be fixed by the Executive Committee.

Section 3. Exhibit A shall be periodically updated to accurately reflect the contributions made by Parties.

ARTICLE 8. WITHDRAWAL

Section 1. A Party may withdraw from this Agreement by giving at least one hundred and twenty (120) days' notice to the chair. The withdrawal is effective on the date after the notice period as is specified in the notice of withdrawal. Notwithstanding the foregoing, if a Party chooses to withdraw from the District, the Party must pay its portion of any bonds or other financial obligations the Party is responsible for before withdrawing from the District.

Section 2. No refund of any portion of a Party's contribution shall be paid to a withdrawing Party. A withdrawing Party shall be obligated to reimburse the Executive Committee for any costs or fees incurred as a result of the withdrawal.

Section 3. Notwithstanding anything to the contrary herein, withdrawal shall not relieve, impair, or affect in any way the obligations of the with withdrawing Party under any contract to which such Party is a party that (a) was entered into prior to the effective date of the withdrawal, and (b) (i) was entered based on the exercise by the Executive Committee of its powers and purposes under this Agreement, or (ii) was entered in connection with financing of the Facility.

ARTICLE 9. TERMINATION

Section 1. This Agreement may be terminated by the affirmative vote of the Executive Committee or by the unanimous approval of the Parties.

Section 2. In the event of termination, the Executive Committee must determine the measures necessary to effect the termination and provide for taking such measures promptly, subject to the provisions of this Agreement and applicable law.

Section 3. In the event of termination, following the payment of all outstanding obligations, remaining assets will be distributed among the then-existing Parties in proportion to their cumulative contributions, if any. If the outstanding obligations exceed the assets, the net deficit will be charged to and paid by the then-existing Parties equally.

Section 4. Notwithstanding anything to the contrary herein, termination shall not relieve, impair, or affect in any way the obligations of any Party under any contract to which the Party is a party.

ARTICLE 10. INDEMNIFICATION.

Except as may be otherwise provided in this Agreement, the Executive Committee shall defend and indemnify the Parties, and their officers, elected officials, employees, and volunteers, from and against all claims, damages, losses, and expenses, including attorney fees, arising out of the acts or omissions of the Executive Committee in carrying out the terms of this Agreement or acts or omissions otherwise occurring in the course of carrying out the same. This Agreement does not constitute a waiver on the limitations of liability set forth in Minnesota Statutes, Section 466.04. Nothing herein shall be construed to provide insurance coverage or indemnification to an

officer, employee, or volunteer of any party for any act or omission for which the officer, employee, or volunteer is guilty of malfeasance in office, willful neglect of duty, or bad faith.

To the fullest extent permitted by law, actions by the Parties to this Agreement are intended to be and shall be construed as a “cooperative activity” and it is the intent of the Parties that they, acting via the Executive Committee, shall be deemed a “single governmental unit” for the purposes of liability, as set forth in Minnesota Statutes, Section 471.59, subd. 1a(a), provided further that for purposes of that statute, each Party expressly declines responsibility for the acts or omissions of another Party. The Parties are not liable for the acts or omissions of another Party except to the extent they have agreed in writing to be responsible for such acts or omissions of such other Parties.

ARTICLE 11. EFFECTIVE DATE; DURATION

Section 1. This Agreement continues in effect indefinitely unless terminated in accordance with its terms.

Section 2. This Agreement may be amended by written agreement and approval of the governing bodies of all Parties.

Section 3. This Agreement shall be dated as of the date of execution by the last Party. Each Party shall provide the name of its initially-appointed director along with the executed copy of this Agreement.

Dated: July ___, 2023 [to be entered upon execution by all Members]

IN WITNESS WHEREOF, the Members have caused this Agreement to be executed in its name as of the date first above written.

Date: July ___, 2023.

CITY OF GOODHUE

By: _____
Ellen Anderson Buck
Its: Mayor

By: _____
Jill Buxengard
Its: Clerk-Treasurer

Signature page to Joint Powers Agreement

IN WITNESS WHEREOF, the Members have caused this Agreement to be executed in its name as of the date first above written.

Date: July _____, 2023.

CITY OF PINE ISLAND

By: _____
David Friese
Its: Mayor

By: _____
Elizabeth Howard
Its: City Administrator

Signature page to Joint Powers Agreement

IN WITNESS WHEREOF, the Members have caused this Agreement to be executed in its name as of the date first above written.

Date: July _____, 2023.

CITY OF WANAMINGO

By: _____
Ryan Holmes
Its: Mayor

By: _____
Michael Boulton
Its: City Administrator

Signature page to Joint Powers Agreement

IN WITNESS WHEREOF, the Members have caused this Agreement to be executed in its name as of the date first above written.

Date: July _____, 2023.

CITY OF ZUMBROTA

By: _____
Todd Hammel
Its: Mayor

By: _____
Brian Grudem
Its: City Administrator

Signature page to Joint Powers Agreement

EXHIBIT A

| Member | Member Share (%) | Initial Contribution |
|---------------------|-------------------------|-----------------------------|
| City of Goodhue | 25 % | |
| City of Pine Island | 25 % | |
| City of Wanamingo | 25 % | |
| City of Zumbrota | 25 % | |
| Total | 100% | |



MEMORANDUM

DATE: July 10th, 2023

AGENDA ITEM: Administration – B

SUBJECT: 520 3rd Ave NW (PID# 68.760.01300)

ORIGINATING DEPT: Administration

PREPARED BY: Steven Scheevel, Deputy City Administrator

REQUEST FOR ACTION: Vote Approval of Purchase Agreement for 520 3rd Ave NW

SEE ATTACHED

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (the "Agreement") is made as of this ____ day of _____, 2023, by and between the City of Pine Island, a Minnesota municipal corporation (the "Buyer" or the "City") and Frandsen Bank & Trust, a Minnesota state chartered bank (the "Seller").

1. PROPERTY. Seller is the fee owner of certain real property located at 520 3rd Ave NW, Pine Island, Goodhue County, Minnesota (PID No. 68.760.0130), legally described on the attached Exhibit A (the "Property").

2. OFFER/ACCEPTANCE. Seller agrees to sell the Property to the City and grant the City the exclusive right to purchase the Property, and the City agrees to purchase the Property according to the terms and conditions of this Agreement. The City acknowledges that no items of personal property are included in the sale of the Property.

3. PURCHASE PRICE AND TERMS.

A. Purchase Price. Buyer shall pay to Seller a price of \$90,000 (the "Purchase Price") to be paid by Buyer by check or electronic transfer of funds on the date of closing on the Property (the "Closing Date") according to the terms of this Agreement.

B. Deed/Marketable Title. Subject to performance by Buyer, Seller agrees to execute and deliver a Limited Warranty Deed in recordable form conveying marketable title to the Property to Buyer.

4. CONTINGENCIES. Buyer's obligation to purchase the Property is contingent upon its approval of: (a) approval of this Agreement by Buyer's governing body; (b) a title commitment covering the Property and all underlying exceptions; (c) Buyer's environmental review of the Property; and (d) Buyer's physical inspection of the Property. Buyer shall have the time described in Paragraph 5 below to complete its review. The contingencies are solely for the benefit of Buyer and, with the exception of contingency 4.(a), may be waived by Buyer. If Buyer gives written notice to Seller that the contingencies are duly satisfied or waived, Buyer and Seller shall proceed to close the transaction.

If any contingency is not satisfied or waived, this Agreement may be voided at the written option of Buyer. If any contingency is not satisfied or waived and Buyer does not send written notice of termination, this Agreement is deemed to have been terminated at the close of the Due Diligence period described in Paragraph 5.

5. DUE DILIGENCE. As soon as reasonably possible after execution of this Agreement by both parties, Seller shall obtain a commitment for an owner's policy of title insurance for the Property, naming Buyer as the proposed insured (the "Title Commitment"). Upon 24 hours' notice to Seller, Buyer, its agents and employees shall have the right to enter upon the Property at all reasonable hours and conduct environmental and physical inspection of the Property (the "Inspections"). The Inspections may include surveying, investigations, soil borings and

testing, and drilling, monitoring, sampling and testing of groundwater monitoring wells, and other inspections as Buyer may elect. All Inspections conducted by Buyer shall be at Buyer's expense. Buyer shall return any Property disturbed by its inspections to its original or similar condition at Buyer's expense. Buyer shall have 10 calendar days from the date it receives such title evidence to raise any written objections to the title commitment, or based upon its physical inspection or environmental review of the Property (the "Objections"). Objections not made within such time will be deemed waived. Seller may affect a cure satisfactory to Buyer or may give written notice to Buyer within 10 calendar days of receipt of the Objections that Seller elects not to cure. Buyer may then elect to close notwithstanding the uncured objections, or may declare this Agreement null and void pursuant to Paragraph 3.

6. CLOSING. The closing shall take place on July 31, 2023, or on such other date mutually agreed upon by the Parties. The closing shall take place at Pine Island City Hall, located at 250 South Main St., Pine Island, Minnesota, or such other location as mutually agreed upon by the Parties.

7. DOCUMENTS TO BE DELIVERED AT CLOSING BY SELLER. In addition to the Limited Warranty Deed required at Paragraph 3.B., Seller shall deliver to Buyer:

- (a) Standard form Affidavit of Seller.
- (b) ALTA Statement or other form of Settlement Statement prepared by the title company closing of the purchase and sale of the Property.
- (c) FIRPTA affidavit that Seller is not a "foreign person" as such term is defined within Section 1445 of the Internal Revenue Code.
- (c) A certificate in a form acceptable to Buyer certifying that the Sellers' representations and warranties as contained in this Agreement are true now and on the Closing Date as if made on the Closing Date (the "Bring-Down Certificate").
- (d) Well disclosure certification, if required.
- (e) Any other documents as may be reasonably required by the title insurance company in order to complete the transaction contemplated by this Agreement.

8. DOCUMENTS TO BE DELIVERED AT CLOSING BY BUYER.

- (a) Any affidavits of Buyer, certificates of value, or other documents as may be reasonably required by the title company in order to complete the transaction contemplated by this Agreement.

9. SELLERS WARRANTIES. Seller represents and warrants to Buyer now and as of the Closing Date that:

- (a) Authority. Seller is the fee owner of the Property and has the requisition power and authority to enter into this Agreement, and the persons signing this Agreement and the Seller's closing documents on behalf of the Seller are authorized to do so. Seller will cause the Property to be released from any mortgages or other liens at or prior to the Closing Date.
- (b) Rights of Others to Purchase the Property. Seller has not entered into any other contracts for the sale of the Property, nor are there any rights of first refusal or options to purchase the Property or any other rights of others that might prevent the consummation of this Agreement.
- (c) Legal Proceedings. There is no action, litigation, investigation, condemnation, or proceeding of any kind pending, and Seller has no actual knowledge that any such action is contemplated.
- (d) Wells. Sellers do not know of any wells on the Property.
- (e) Underground Storage Tanks. There is an existing septic system which includes septic tanks.
- (f) Sewage Treatment Systems. There is an existing septic system which includes septic tanks and drain field.
- (g) No Planned Improvements. Seller has received no notices with respect to improvements planned which may result in special assessments being levied against the Property before the Closing Date.
- (h) Methamphetamine Production. To the best of Seller's knowledge, methamphetamine production has not occurred on the Property.
- (i) Foreign Status. Seller is not a "foreign person" as such term is defined in the Internal Revenue Code.
- (j) Tenants. Seller warrants that the Property is vacant and not now occupied by tenants.

10. BUYERS REPRESENTATIONS AND WARRANTIES. Buyer represents and warrants to Seller that:

- (a) Organization and Authority. Buyer has the requisite power and authority to enter into and perform this Agreement. The persons signing this Agreement and the Buyer's closing documents on behalf of the Buyer are authorized to do so.
- (b) Indemnification for the Buyer's Investigation. Buyer shall promptly pay when due any and all charges related to its Inspections.

11. “AS-IS” SALE. Buyer acknowledges that it has inspected or has had the opportunity to inspect the Property and agrees to accept the Property “AS IS” with no right of set off or reduction in the purchase price. Such sale shall be without representation of warranties, express or implied, either oral or written, made by Seller or any official, employee, contractor, or agent of Seller with respect to the physical condition of the Property, including but not limited to, the existence or absence of petroleum, hazardous substances, pollutants or contaminants in, on, or under, or affecting the Property or with respect to the compliance of the Property or its operation with any laws, ordinances, or regulations of any government or other body, except as stated above. Buyer acknowledges and agrees that Seller has not made and does not make any representations, warranties, or covenants of any kind or character whatsoever, whether expressed or implied, with respect to warranty of income potential, operating expenses, uses, habitability, tenant ability, or suitability for any purpose, merchantability, or fitness of the Property for a particular purpose, all of which warranties Seller hereby expressly disclaims, except as stated above.

12. CLOSING COSTS. Buyer will pay: (a) one-half of the closing fees charged by the title insurance or other closing agent, if any, utilized to close the transaction contemplated by this Agreement; (b) the premium for any policy of title insurance it elects to purchase and the cost of any endorsements; and (c) the recording fee for the deed transferring title to Buyer. Seller will pay (a) one-half of the closing fees charged by the title insurance or other closing agent, if any, utilized to close the transaction contemplated by this Agreement; (b) any transfer and deed taxes, conservation fees, and well disclosure fees required to enable Buyer to record the Limited Warranty Deed from Seller under this Agreement, and (c) fees and charges related to the filing of any instrument required to make title marketable. Each party shall pay its own legal fees.

13. REAL ESTATE TAXES AND SPECIAL ASSESSMENTS. Real estate taxes due and payable in the year of closing shall be prorated as of the Closing Date. Seller shall pay on or before the Closing Date all real estate taxes due and payable in all prior years including all penalties and interest. Seller shall pay on the Closing Date all special assessments levied or pending as of the Closing Date.

14. NOTICE. Any notice or other communication which may or must be given by the parties shall be deemed to have been given or rendered in writing, and delivered to either party personally; or if mailed by United States registered or certified mail to the addresses set forth below, return receipt requested, postage prepaid and addressed as follows:

BUYER: City of Pine Island
ATTN: City Administrator
250 South Main Street
PO Box 280
Pine Island, MN 55963

With Copy to: Kennedy & Graven, Chartered
ATTN: Robert Vose
150 South Fifth Street, Suite 700
Minneapolis, MN 55402

SELLER: Frandsen Bank & Trust
ATTN: _____

or such other address as either party may give to the other according to the notice provision of this Paragraph.

15. REMEDY; PROCEEDING TO CLOSE. In the event that any of Seller's representations, warranties or covenants set forth in this Agreement are not true and correct as of the Closing Date, the Buyer may, in addition to its other remedies, elect to close under this Agreement notwithstanding the failure of such representation or warranty.

16. SURVIVAL. The parties' obligations under this Agreement and their representations and warranties shall survive the Closing.

17. CONTROLLING LAW. This Agreement has been made under the substantive laws of the State of Minnesota which shall control its interpretation.

18. CONDEMNATION. If, prior to the Closing, eminent domain proceedings are commenced against the Property, Seller shall immediately give notice to Buyer of the proceedings and, at the Buyer's option (to be exercised within 14 calendar days after the date of Seller's notice), this Agreement shall terminate, in which event neither party will have further obligations under this Agreement. If Buyer does not terminate this Agreement according to this Paragraph, there shall be no reduction in the Purchase Price, and Seller shall assign to Buyer at the Closing Seller's right, title, and interest in and to any award made or to be made in the condemnation proceedings. Before the Closing Date, Seller shall not designate counsel, appear in, or otherwise act with respect to the condemnation proceedings without Buyer's prior written consent.

19. BROKER COMMISSIONS. Seller and Buyer represent and warrant to each other that they have not dealt with any brokers in connection with the transaction contemplated by this Agreement. Seller and Buyer each agree to indemnify and hold the other harmless from and against all liability, loss, cost, damage, or expense (including, but not limited to, reasonable attorneys' fees and costs of litigation) which the other party may incur because of any claim by a broker, agent, or finder claiming any compensation with respect to this Agreement and the sale and purchase of the Property. The foregoing indemnification shall survive Closing.

20. NO PARTNERSHIP OR JOINT VENTURE. Nothing in this Agreement shall be construed or interpreted as creating a partnership or joint venture between Seller and Buyer relative to the Property.

21. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which will be an original, and the counterparts together will constitute one and the same instrument.

22. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the parties and supersedes any agreements and understandings, either oral or written between the parties with respect to the Property.

23. AMENDMENT AND MODIFICATION. No amendment, modification or waiver of any condition, provision or term of this Agreement shall be valid or have any effect unless it is made in writing, and signed by the party to be bound.

24. SEVERABILITY. If any provision of this Agreement is found by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions of this Agreement shall remain in full force and effect and shall be interpreted, performed, and enforced as if the invalid or unenforceable provision did not appear herein.

25. BINDING EFFECT. This Agreement binds and benefits the parties and their successors and assigns.

IN WITNESS WHEREOF, the undersigned have executed this Agreement on the date and year above.

BUYER

City of Pine Island

By: _____
David Friese, Mayor

By: _____
Elizabeth Howard, City Administrator

SELLER

Frandsen Bank & Trust

By: _____

Its: _____

THIS INSTRUMENT DRAFTED BY:
Kennedy & Graven, Chartered
150 South Fifth Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

EXHIBIT A

Legal Description of the Property

[TO BE ADDED]