

WETLAND REPLACEMENT AGREEMENT

This Agreement is made as of the ___ day of _____, 2011, by and between the City of Ramsey, Minnesota, a Minnesota municipal corporation (the “City”), and the Lower Rum River Watershed Management Organization, a Minnesota watershed management organization and joint powers agreement (“LRRWMO”).

1. BACKGROUND

- 1.1. The City is the owner of the Ramsey Town Center development site (“RTC Property”) in the City of Ramsey.
- 1.2. A previous developer of the RTC Property secured approval of a wetland replacement plan for mitigation and replacement of wetlands that were to be impacted by development of the RTC Property. The developer of the RTC Property, or its agent, provided a performance bond from the Travelers Casualty & Surety Company of America (“Travelers”) to assure performance of the developer’s obligations under the approved wetland replacement plan.
- 1.3. The developer defaulted without completing its obligations under the wetland replacement plan and the City has taken title to the RTC Property.
- 1.4. The City wishes to make the RTC Property available for orderly development and has submitted to the LRRWMO an amended wetland replacement plan for the RTC Property entitled RAMSEY TOWN CENTER WETLAND MITIGATION PLAN (hereinafter the “Wetland Mitigation Plan”).
- 1.5. The City submitted the Wetland Mitigation Plan to the LRRWMO, which approved the Plan on September 18, 2010, as Permit No. 03-07.
- 1.6. The City is willing to assume responsibility for completion of the Wetland Mitigation Plan. Compliance with the Plan includes both purchase of wetland replacement credits (which the City has already completed at a cost of \$50,609.76) and the establishment of wetlands.
- 1.7. The City has negotiated with Travelers for payment on the original bond. Travelers is willing to pay to the LRRWMO a cash payment in the amount of \$59,000 (the “Bond Settlement”) in exchange for a release by the LRRWMO of all claims on the bond.
- 1.8. The City has requested the LRRWMO to make the proceeds of the Bond Settlement available to the City for the work of restoring and establishing wetlands in accordance with the Wetland Mitigation Plan. The LRRWMO is willing to make such funds available on the following terms.

2. AGREEMENT

- 2.1. The City will complete all work of the Wetland Mitigation Plan in compliance with all requirements of the Minnesota Wetland Conservation Act (Minn. Stat. §§ 103G.221 – 103G.2372).
- 2.2. Upon receipt from the City of documentation that is acceptable to the LRRWMO of money spent or obligations incurred by the City for the design, engineering, observation, construction and monitoring of the wetland work under the Wetland Mitigation Plan, and a request for reimbursement therefor, the LRRWMO will pay such amounts, as they are received, to the City, up to a total amount of \$59,000.
- 2.3. The City understands and agrees that it is obligated to complete the work under the Wetland Conservation Act and the Wetland Mitigation Plan on the RTC Property even if the cost of such work exceeds \$59,000.
- 2.4. Upon satisfactory completion of all obligations of the City under Wetland Mitigation Plan and the Wetland Conservation Act, including final monitoring and establishment of all wetlands, the LRRWMO will pay to the City any funds remaining of the \$59,000 Bond Settlement.

IN WITNESS WHEREOF, the parties hereto, by their authorized representatives, have set their hands as of the day and date first above written.

CITY OF RAMSEY

By: _____
Its Mayor

And by: _____
Its Clerk

LOWER RUM RIVER WATERSHED
MANAGEMENT ORGANIZATION

By: _____
Its Chair