

Vendor # 103933

**WATER MAIN AND SANITARY SEWER
COST CONTRIBUTION/REIMBURSEMENT AGREEMENT**

THIS WATER MAIN AND SANITARY SEWER AGREEMENT (this "Agreement") is made and entered into effective as of the 22nd day of March, 2006, by and between the **City of Ramsey**, a Minnesota municipality organized under the laws of the State of Minnesota (the "**City**"), and **Oakwood Land Development, Inc.**, a corporation duly organized and existing under the laws of the State of Minnesota ("**Oakwood**").

THE PARTIES RECITE AND DECLARE THE FOLLOWING:

- A. The City desires to install (i) a municipal water main extension for the Northwest and Northeast Service Area, and (ii) a municipal sanitary sewer extension for the Northwest Service Area, as set forth in those certain Feasibility Studies (the "Feasibility Studies") for the Northwest and Northeast Sanitary Sewer and Water Main Extension dated the 9th day of March, 2004 (hereinafter referred to as the "Project"); and
- B. The municipal water main extension for the Northwest and Northeast Service Area, and the municipal sanitary sewer extension for the Northwest Service Area are shown on the map attached hereto as Exhibit A; and
- C. It is presently anticipated that the cost of the installation of the hereinabove described municipal water main extension and municipal sanitary sewer extension as identified in the Feasibility Studies will be Ten Million and 00/100ths Dollars (\$10,000,000.00) and if the cost exceeds \$10,000,000.00 the City, may not want to proceed with the Project; and
- D. Oakwood currently owns, or has a substantial legal interest in, certain real property lying and located in the City of Ramsey, County of Anoka, State of Minnesota, which properties are commonly referred to as the Brookfield, Harmony Farms and St. Anthony Gun Club Properties, which properties are more particularly described in Exhibit B attached hereto (hereinafter collectively referred to as the "Oakwood Properties"); and
- E. The Oakwood Properties will be benefited by the extension of the municipal water main and municipal sanitary sewer; and
- F. Oakwood has offered, subject to its right of reimbursement, to contribute the sum of Six Million and 00/100ths Dollars (\$6,000,000.00) towards the total Project costs as hereinafter set forth.

NOW, THEREFORE, in consideration of the hereinabove recitals, and the amounts to be paid, and of the mutual promises, representations, warranties, covenants and agreements hereinafter stated, and upon the terms and subject to the conditions hereinafter set forth, THE PARTIES AGREE AS FOLLOWS:

ARTICLE 1
CONSTRUCTION OF PROJECT

Section 1.01 Plans and Specifications. The City shall be solely responsible for the preparation of the plans and specifications for the construction of the Project.

Section 1.02 Bidding. The City shall be solely responsible for advertising for bids, and letting the contract for the Project to the selected contractor.

Section 1.03 Bids Exceed \$10,000,000.00. The City, in its sole discretion, may elect to not proceed with the Project if the lowest responsible bid for the Project exceeds \$10,000,000.00. In the event the City elects not to proceed with the Project, this Agreement shall be null and void.

Section 1.04 Construction. The City shall be solely responsible for the construction and installation of the Project.

Section 1.05 Construction Observation. The City shall be solely responsible for all construction observation. The observation work for this Project shall be performed by the City Engineer or other appointed representative of the City.

ARTICLE 2
OAKWOOD CONTRIBUTION

Section 2.01 Contribution. Oakwood shall contribute, subject to its reimbursement right described below, the sum of Six Million and 00/100ths Dollars (\$6,000,000.00) towards the total costs of the Project (herein referred to as the "Oakwood Contribution").

Section 2.02 Letter of Credit. The Oakwood Contribution will be made pursuant to a letter of credit issued by a lending institution within thirty (30) days of City approval of this Agreement. The lender issuing the letter of credit, the form and content of letter of credit are all subject to approval by the City. The letter of credit, amongst other terms, shall provide that the City may draw against it to pay a proportionate amount of each draw by the project contractor in proportion to the Oakwood Contribution and the total cost of the Project. For example, if the total Project costs are \$10,000,000.00, the City may draw upon the letter of credit, six tenths (.6) [$\$6,000,000.00 \div \$10,000,000.00$] of each draw by the contractor.

ARTICLE 3
OAKWOOD REIMBURSEMENT

The City shall reimburse Oakwood, or its successors or assigns, for the Oakwood Contribution as hereinafter set forth.

Section 3.01 Oakwood Lots. Oakwood anticipates developing the following number of lots on the Oakwood Properties (hereinafter referred to as the "Oakwood Lots"):

Brookfield Property -	238 Lots
Gun Club Property -	159 Lots
Harmony Farm Property -	<u>60 Lots</u>
Total Number of Lots -	457 Lots

Section 3.02 Oakwood Lots Reimbursement. The 2006 water trunk fee charged by the City is One Thousand Nine Hundred Twenty Five and 00/100ths Dollars (\$1,925.00) per lot (the "Water Trunk Fee(s)"), and the 2006 sanitary sewer trunk fee is One Thousand One Hundred Thirty Seven and 00/100ths Dollars (\$1,137.00) per lot. The sanitary sewer trunk fee and the Water Trunk Fee are hereinafter collectively referred to as the "Trunk Fee(s)."

As partial reimbursement of the Oakwood Contribution, the City agrees not to collect Trunk Fees from Oakwood for the Oakwood Lots, which partial reimbursement to Oakwood totals One Million Three Hundred Ninety Nine Thousand Three Hundred Thirty Four and 00/100ths Dollars (\$1,399,334.00), (the "Oakwood Lots Reimbursement") calculated as follows: \$1,925.00 (Water Trunk Fees) + \$1,137.00 (sanitary sewer trunk fee) x 457 lots. The Oakwood Lots Reimbursement shall be considered a payment of the Trunk Fees for the Oakwood Lots.

It is further agreed between the parties that if Oakwood is unable to develop the full number of lots as herein set forth, the Oakwood Lots Reimbursement shall be reduced to the number of Oakwood Lots that Oakwood actually develops. For example, if Oakwood is only able to develop 400 Lots, then the Oakwood Lot Reimbursement shall be \$1,224,800.00 [calculated as follows: \$1,925.00 + \$1,137.00 x 400 lots].

Section 3.03 Additional Oakwood Reimbursement. The remaining balance of the Oakwood Contribution, after deduction of the Oakwood Lots Reimbursement, is Four Million Six Hundred Sixty Thousand Six Hundred Sixty Six and 00/100ths Dollars (\$4,600,666.00) (the "Additional Oakwood Reimbursement"). The Additional Oakwood Reimbursement is calculated as follows: \$6,000,000.00 (Oakwood Contribution) - \$1,399,334.00 (Oakwood Lots Reimbursement) = \$4,600,666.00 (Additional Oakwood Reimbursement). The Additional Oakwood Reimbursement shall be reimbursed to Oakwood by payment of one hundred percent (100%) of the Water Trunk Fee paid by the first 2,390 lots [calculated as follows: \$4,600,666.00 ÷ \$1,925.00] hooked-up to water in the Northwest Service Area and Northeast Service Area and the Additional Oakwood Reimbursement Area which area is legally described on attached Exhibit C (the "Additional Oakwood Reimbursement Area").

Oakwood shall receive one hundred percent (100%) of the Water Trunk Fee for each of the 2,390 lots even if the Water Trunk Fee at the time is in excess of the current One Thousand Nine Hundred Twenty-five and 00/100ths Dollars (\$1,925.00) per lot.

If Oakwood is unable to receive preliminary plat approval from the City for the full number of Oakwood Lots then the Additional Oakwood Reimbursement will be increased by increasing the number of lots available for reimbursement within the Northwest Service Area, the Northeast Service Area and the Additional Oakwood Reimbursement Area. The increase in lots shall be based on the number of Oakwood Lots that Oakwood does not develop. For example, if Oakwood only develops 400 lots, then the number of lots that Oakwood shall receive 100% of the Water Trunk Fees shall be increased by 57 lots [calculated as follows: 457 Oakwood Lots anticipated to be developed – 400 Oakwood Lots actually developed].

It is agreed that Oakwood will not receive a proportion of any Water Trunk Fee if the City does not receive a Water Trunk Fee as a result of an agreement with any other developer that provides for the developer to pay the cost of the extension of the water main to such developer's property which is considered a payment of the Water Trunk Fees for the lots to be developed by such developer.

3.04 Additional Oakwood Lots. If Oakwood develops any lots in addition to the Oakwood Lots within the Northwest Service Area, Northeast Service Area and/or the Additional Oakwood Reimbursement Area, Oakwood shall not be required to pay any Water Trunk Fees for such additional lots, and the then current City Trunk Fees shall be credited against the balance of the Additional Oakwood Reimbursement.

3.05 Additional Developer. Nothing in this Agreement shall preclude the City from entering into development agreements with other developers for development of any of the lots served by the Project.

3.06 Assignment by Oakwood. In the event a lending institution, in order to issue the \$6,000,000.00 letter of credit referenced in Section 2.02 herein, requires an assignment of Oakwood's rights to receive the additional Oakwood Reimbursement as defined in Section 3.03 herein, Oakwood may assign its said rights to the lending institution.

Upon receipt by the City of written notification from both Oakwood and the lending institution referenced above, the City shall not credit Oakwood for the Water Trunk Fees for the Additional Oakwood Lots as defined in Section 3.04 herein.

Upon receipt of the assignment notification referenced above, Oakwood shall be required to pay to the City the Trunk Fees for lots it then develops and the City will reimburse Oakwood and the lending institution the Water Trunk Fees for such lots as provided in Sections 3.03 and 5.01 herein.

3.07 Maximum \$6,000,000.00 Reimbursement. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, IN NO EVENT SHALL OAKWOOD BE REIMBURSED MORE THAN THE \$6,000,000.00 OAKWOOD CONTRIBUTION.

ARTICLE 4 **TERM**

This Agreement shall expire fifteen (15) years from the date the water main and sanitary sewer extensions within the Northwest and Northeast Service Areas are certified as complete by the City Engineer, and the City shall provide Oakwood with a copy of such date. Upon expiration of the said fifteen (15) year term, Oakwood shall receive no further Water Trunk Fees,

NOTWITHSTANDING THAT THE OAKWOOD CONTRIBUTION MAY NOT BE PAID IN FULL AS OF SAID EXPIRATION DATE.

Notwithstanding the preceding provision, if there is a moratorium on the issuance of building permits within the City, during the period of such moratorium, the agreement between the City and Oakwood shall be suspended so that Oakwood will receive a full fifteen (15) years in which to be reimbursed the Oakwood Contribution.

**ARTICLE 5
OTHER PROVISIONS**

Section 5.01 Reimbursement Schedule. Cash Reimbursement by the City to Oakwood either for the Oakwood Lots Reimbursement or the Additional Oakwood Reimbursement, shall be made on a quarterly basis. Each such cash reimbursement payment shall be made within thirty days of the end of a calendar year quarter.

Section 5.02 Entire Agreement. This Agreement, any attached exhibits and any addenda or amendments signed by the parties, shall constitute the entire agreement between the City and Oakwood, and supersedes any other written or oral agreements between the City and Oakwood. This Agreement can be modified only in writing signed by the City and Oakwood.

Section 5.03 Assignment. Oakwood may transfer its interest in all or any portion of the Oakwood Lots to third parties without the consent of the City. If Oakwood transfers its interest in any of the Oakwood Lots to third parties such third parties shall be entitled to credit for the prepayment of the Trunk Fees for said transferred lots pursuant to Section 3.02 herein, the same as if Oakwood still owned the subject lots. Oakwood shall provide notice to the City of such transfer, and the number of lots which shall be entitled to credit for the prepayment of the Trunk Fees. Notwithstanding the transfer of any of the Oakwood Lots, such transfer shall not

affect the right of Oakwood to be reimbursed for the Oakwood Contribution as provided in this Agreement.

Section 5.04 Governing Law. This Agreement shall be governed and interpreted according to the laws of the **State of Minnesota**. The City and Oakwood further irrevocably consent to the service of any complaint, summons, notice or other process relating to any such action or proceeding by delivery thereof to it by hand or by mail in the manner provided for in **Section 5.07** hereof.

Section 5.05 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable under any applicable law or rule in the **State of Minnesota**, such provision shall be ineffective only to the extent of such invalidity, illegality, or unenforceability in such jurisdiction, without invalidating the remainder of this Agreement in such jurisdiction or any provision hereof in any other jurisdiction, and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby.

Section 5.06 Counterparts. This Agreement may be executed simultaneously in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

Section 5.07 Notices. Any notice required or permitted to be given by any party shall be in writing and shall be deemed to have been duly given (i) if by personal delivery or facsimile, notice shall be effective upon such delivery or transmission, provided that any notice transmitted by facsimile shall be followed by mailed notice as herein provided, or (ii) if mailed by certified or registered mail, with postage prepaid, return receipt requested, addressed to the

parties at their last known address or such other address as they shall designate to the other party in writing, notice shall be effective three (3) business days after the date of mailing, or (iii) if delivered by overnight courier or messenger service which provides receipts of delivery, the notice shall be effective upon delivery. All notices shall be properly addressed as follows:

- If to the City: City of Ramsey
15153 Nowthen Blvd. NW
Ramsey, Minnesota 55303
763-427-1410
Attention:
- With a copy to: William K. Goodrich
Randall, Goodrich & Fitzpatrick, P.L.C.
2140 Fourth Avenue North
Anoka, Minnesota 55303
763-421-5424
763-421-4213 [Facsimile]
bgood@rdglaw.com
- If to Oakwood: John R. Peterson
Oakwood Land Development, Inc.
1611 Highway 10 NE
Spring Lake Park, Minnesota 55432
763-780-4996
oakwood@ens.net
- With a copy to: Mark A. Tebelius
Sjoberg & Tebelius, P.A.
Woodhill Office Park
2145 Woodlane Drive, Suite 101
Woodbury, Minnesota 55125
651-738-3433
651-738-0020 [Facsimile]
mark@stlawfirm.com

Any party may change its address for the service of notice by giving written notice of such change to either party, in any manner above specified, ten (10) days prior to the effective date of such change.

Section 5.08 Parties and Interest. All the terms and provisions of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the successors in interest of the respective parties hereto.

Section 5.09 Further Instrument. Each of the parties hereto will as the other party may request, without the cost or expense to the party so requesting, execute and deliver or cause to be executed and delivered to such other party, such further instruments and will take such other action as may be reasonably required to more effectively consummate the transactions contemplated by this Agreement.

Section 5.10 Captions. The captions appearing at the commencement of the articles and sections hereof, are inserted for convenience of reference only and shall not constitute a part of this Agreement.

Section 5.11 Exhibits. The following exhibits and their complete text are by this reference incorporated herein and made a part of this Agreement:

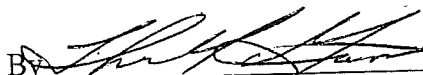
Exhibit A: Northwest and Northeast Service Area Map

Exhibit B: Legal Description – Oakwood Properties

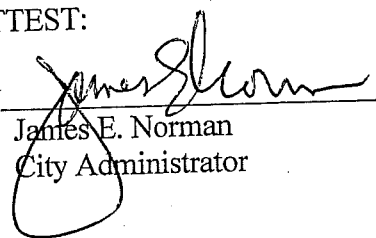
Exhibit C: Legal Description – Additional Oakwood Reimbursement Area

IN WITNESS WHEREOF, the City of Ramsey and Oakwood Land Development, Inc. have caused this Agreement to be duly executed on the day and year first above written.

CITY OF RAMSEY

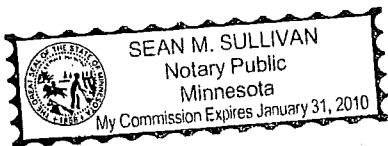
By 
Thomas G. Gamec
Mayor

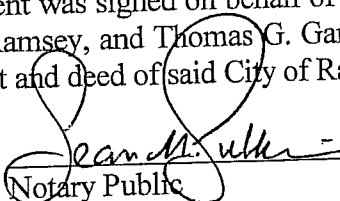
ATTEST:

By 
James E. Norman
City Administrator

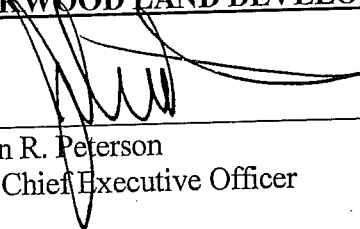
STATE OF MINNESOTA)
COUNTY OF ANOKA) ss.

On this 22nd day of March, 2006, before me, a Notary Public, personally appeared Thomas G. Gamec and James E. Norman, of the City of Ramsey, a Minnesota municipality within the State of Minnesota, and that said instrument was signed on behalf of the City of Ramsey by the authority of the City Council of the City of Ramsey, and Thomas G. Gamec and James E. Norman acknowledge said instrument to be the free act and deed of said City of Ramsey.



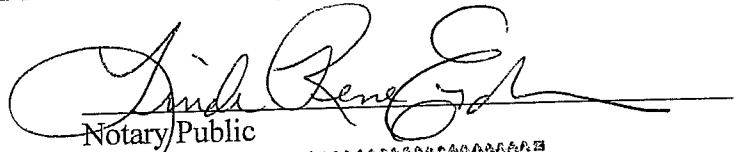

Notary Public

OAKWOOD LAND DEVELOPMENT, INC.

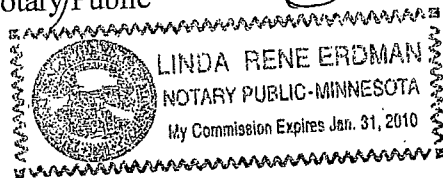
By 
John R. Peterson
Its: Chief Executive Officer

STATE OF MINNESOTA)
 Anoka) ss.
COUNTY OF HENNEPIN)

On this 22nd day of March, 2006, before me, a Notary Public, within and for said County and State, personally appeared John R. Peterson, to me personally known, who, being by me duly sworn did say that he is the Chief Executive Officer of Oakwood Land Development, Inc., and that said instrument was signed on behalf of Oakwood Land Development, Inc. by authority of its Board of Directors and said John R. Peterson acknowledged said instrument to be the free act and deed of said Corporation.


Notary Public

DRAFTED BY:
Mark A. Tebelius, Esq.
Sjoberg & Tebelius, P.A.
Woodhill Office Park
2145 Woodlane Drive, Suite 101
Woodbury, Minnesota 55125
(651) 738-3433



F:\Clients\3401\0510 - Agreement [City of Ramsey].doc

EXHIBIT A

NORTHWEST AND NORTHEAST SERVICE AREA MAP

EXHIBIT B

LEGAL DESCRIPTION – OAKWOOD PROPERTIES

Exhibit B pg 1 of 4

PARCEL 1:

The Northeast 1/4 of the Southeast 1/4 of Section 9, Township 32, Range 25, Anoka County, Minnesota;

and,

All that part of the West 1/2 of the Northwest 1/4 of Section 10, Township 32, Range 25, Anoka County, Minnesota, lying South of Trott Brook, so-called;

and,

That part of the Southwest 1/4 of Section 10, Township 32, Range 25, Anoka County, Minnesota, described as: beginning at the Northwest corner of said Southwest 1/4; thence running East on the Quarter line 9 rods; thence on a straight line Southwesterly to a point on the North and South section line between Sections 9 and 10, 9 rods South of the starting point; thence North on said line to the point of beginning;

and

The East 1/2 of the Northwest 1/4 of Section 10, Township 32, Range 25, Anoka County, Minnesota;

EXCEPT therefrom the following tract: Commencing at the Northwest corner of the Northeast 1/4 of the Northwest 1/4 of Section 10, Township 32, Range 25, thence running South 32 rods, thence running Easterly on a line which intersects at the Quarter section corner on the North side of said Section 10, thence West on section line 80 rods to the point of commencement; And further EXCEPT therefrom that part of the East 1/2 of the Northwest 1/4 of Section 10, Township 32, Range 25, lying Southerly of the following described line: Beginning at a point on the West line of said East 1/2 of the Northwest 1/4 distant 528.00 feet Southerly of the Northwest corner thereof; thence Northeasterly to the Northeast corner of said East 1/2 of the Northwest 1/4 and said line there terminating; and lying Northerly of a line running parallel with and distant 32.00 feet Northerly of, as measured perpendicular to, the following described line: Beginning at a point on the East line of said East 1/2 of the Northwest 1/4 distant 819.15 feet Southerly of the Northeast corner thereof; for the purposes of this description said East line is assumed to bear South 0 degrees 37 minutes 06 seconds East; thence South 75 degrees 32 minutes 52 seconds West a distance of 210.51 feet; thence South 87 degrees 49 minutes 14 seconds West a distance of 181.03 feet; thence South 59 degrees 39 minutes 07 seconds West a distance of 749.16 feet; thence South 53 degrees 56 minutes 47 seconds West a distance of 343.82 feet to the West line of said East 1/2 of the Northwest 1/4 and said line there terminating.

Exhibit B pg 2 of 4

PARCEL 2:

The Northwest Quarter of the Southwest Quarter of Section 10, Township 32, Range 25, Anoka County, Minnesota, except the two following described parcels:

Beginning at the northwest corner of said Northwest Quarter of the Southwest Quarter; thence east along the north line thereof, a distance of 148.50 feet; thence southwesterly to a point in the west line of said Northwest Quarter of the Southwest Quarter, distant 148.50 feet south of the northwest corner thereof; thence north along the west line of said Northwest Quarter of the Southwest Quarter to the point of beginning.

Beginning at the southeast corner of said Northwest Quarter of the Southwest Quarter; thence North 0 degrees 25 minutes 36 seconds West, assumed bearing, along the east line of said Northwest Quarter of the Southwest Quarter, a distance of 81.00 feet; thence South 81 degrees 24 minutes 29 seconds West a distance of 347.14 feet; thence South 0 degrees 25 minutes 36 seconds East, parallel with said east line, a distance of 28.50 feet to the south line of said Northwest Quarter of the Southwest Quarter; thence South 89 degrees 53 minutes 38 seconds East, along said south line, to the point of beginning.

PARCEL 3:

Lot 1, Block 3, Now and Then Estates, Anoka County, Minnesota.

PARCEL 4:

Lot 1, Block 1, Westby First Addition, Anoka County, Minnesota.

Abstract Property

Exhibit B pg 3 of 4

The Southwest Quarter of the Northeast Quarter, Section 16, Township 32, Range 25, Anoka County, Minnesota;

And

The Northwest Quarter of the Southeast Quarter, Section 16, Township 32, Range 25, Anoka County, Minnesota;

And

That part of the Northeast Quarter of the Southeast Quarter of Section 16, Township 32, Range 25 lying Southerly and Westerly of the North 780.07 feet of the East 526.49 feet of the Southeast Quarter of Section 16, township 32, Range 25, Anoka County, Minnesota.

Which lies southwesterly of the following described line:

Commencing at the northeast corner of said Northeast Quarter of the Southeast Quarter of Section 16, Township 32, Range 25, Anoka County, Minnesota; thence westerly, along the north line of said Northeast Quarter of the Southeast Quarter a distance of 1000.03 feet to the point of beginning of the line to be described; thence southeasterly, deflecting to the left 117 degrees 49 minutes 46 seconds, a distance of 1490.98 feet to the south line of said Northeast Quarter of the Southeast Quarter and there terminating.

And

That part of the following described property:

That part of the South 333.00 feet of the Southeast Quarter of the Northeast Quarter, Section 16, Township 32, Range 25, Anoka County, Minnesota, as measured at right angles to the south line of said Southeast Quarter of the Northeast Quarter which lies westerly of the following described line:

Commencing at the southeast corner of said Southeast Quarter of the Northeast Quarter; thence North 89 degrees 02 minutes 35 seconds West, assumed bearing, along the south line thereof 527.06 feet to the point of beginning of the line to be herein described; thence North 29 degrees 10 minutes 38 seconds West 358.04 feet to the north line of said South 333.00 feet and there terminating.

Which lies southwesterly of the following described line:

Commencing at the southeast corner of the Southeast Quarter of the Northeast Quarter of Section 16, Township 32, Range 25, Anoka County, Minnesota; thence westerly, along the south line of said Southeast Quarter of the Northeast Quarter a distance of 1000.03 feet to the point of beginning of the line to be described; thence northwesterly, deflecting to the right 62 degrees 10 minutes 14 seconds, a distance of 376.55 feet to the north line of the South 333.00 feet of said Southeast Quarter of the Northeast Quarter and there terminating.

Exhibit B pg 4 of 4

Lot 1, Block 1, Gebert's Addition, County of Anoka, State of Minnesota.

Lot 2, Block 1, Gebert's Addition, County of Anoka, State of Minnesota.

Lot 1, Block 1, Harmony Farms, County of Anoka, State of Minnesota.

Lot 3, Block 1, Harmony Farms, County of Anoka, State of Minnesota.

Outlots B and C, Harmony Farms, County of Anoka, State of Minnesota.

EXHIBIT C

ADDITIONAL OAKWOOD REIMBURSEMENT AREA

That part of the SW1/4, and the W1/2 of the SE1/4 of Section 2, Township 32, Range 25, the NE1/4 of the SW1/4 and the S1/2 of the SW1/4 and the SE1/4 of Section 3, Township 32, Range 25, the S1/2 of the SE1/4 of Section 4 Township 32, Range 25, the NE1/4, and the N1/2 of the SE1/4 of Section 9, Township 32, Range 25, the NW1/4 and the N1/2 of the NE1/4 of Section 10, Township 32, Range 25 described as follows:

Commencing at the northwest corner of the NE1/4 of said Section 9; thence southerly along the centerline of Variolite Street N.W. as traveled to the intersection of the Trott Brook (County Ditch 51) to the point of beginning of the land to be described; thence northeasterly and easterly along the centerline of the Trott Brook to the intersection of the centerline of State Highway No.47 (St. Francis Boulevard N.W.); thence northerly along the centerline of State Highway No. 47 to the intersection of the of the centerline of County Road No. 63 (Green Valley Road); thence northwesterly and westerly along the centerline of County Road No. 63 to the intersection of the centerline of County State Aid Highway No. 5 (Nowthen Boulevard NW); thence southeasterly along the centerline of County State Aid Highway No. 5 to the intersection of the centerline of County Road No. 63 (175th Avenue N.W.); thence westerly and southwesterly along the centerline of County Road No. 63 to the intersection of the centerline of Variolite Street N.W. as traveled; thence southerly along the centerline of Variolite Street N.W as traveled. to the point of beginning.

All the above legally described property lying within Anoka County, Minnesota, consisting of 690 acres more or less.