

To: HONORABLE MAYOR AND CITY COUNCIL.

FROM: Dave Maroney, Director of Economic Development and Planning.

SUBJECT: Encroachment Agreement – Allied Valve Expansion.

DATE: October 15, 2014.

BACKGROUND.

Stalland Holdings, LLC (Owner) proposes to construct a 7,560 square foot office-warehouse addition to Allied Valve located at 6291 318th Street Way. To facilitate construction of the addition, the Owner is seeking approval by the City Council of the accompanying *Encroachment Agreement*. Some parts of the paved parking lot, driveway access and infiltration ponding area encroaches on dedicated public easements that are located along the north and west sides of the property.

REQUESTED COUNCIL ACTION.

The City Engineer and I have reviewed the site plan and find no reason to deny the request and recommend that the *Encroachment Agreement* be approved.

(reserved for recording information)

ENCROACHMENT AGREEMENT

AGREEMENT made this _____ day of _____, 2014, by and between the **CITY OF CANNON FALLS**, a Minnesota municipal corporation ("City"), and **STALLAND HOLDINGS, LLC**, a Minnesota limited liability company ("Owner").

1. BACKGROUND. Owner is the fee owner of certain property located within the City of Cannon Falls, County of Goodhue, State of Minnesota, legally described as Lot 8 Block 2, Cannon South, according to the recorded plat thereof, Goodhue County, Minnesota, except Parcel 5 of Minnesota Department of Transportation Right of Way Plat No. 25-73, having a street address of 6291 318th Street Way, Cannon Falls, Minnesota (the "subject property"). The City owns an easement for drainage and utility purposes over part of the subject property. Owner intends to construct a paved parking lot, driveway access and infiltration area which encroaches into the City's easement ("encroachment").

2. ENCROACHMENT AUTHORIZATION. The City hereby approves the encroachment on its easement, subject to the conditions set forth in this Agreement.

4. HOLD HARMLESS AND INDEMNITY. In consideration of being allowed to encroach on the City's easement, Owner, its successors and assigns, hereby agrees to indemnify and hold the City harmless from all costs and expenses, claims and liability, including attorney's fees, relating to or arising out

of this grant to Owner of permission for the subject property to encroach on the City's easement. Owner further agrees to indemnify and hold the City harmless from any damage caused to the subject property, including the encroachment, caused in whole or in part by the encroachment into the City's easement and the City's use of its easement.

5. TERMINATION. If the encroachment interferes with the use, maintenance, or repair of utilities or drainage within the City's drainage and utility easement, the Owner shall remove the interference, including the entire encroachment if necessary, at its sole expense. If the Owner fails to remove any interference as provided in this paragraph, then the City may, at its sole discretion, terminate this Agreement at any time by giving the Owner thirty (30) days advance written notice. The Owner shall remove the encroachment on or before the effective date of the City's termination of this Agreement. If the Owner fails to do so, the City may remove the encroachment and charge the cost of the removal to the Owner or have it assessed against the subject property.

6. RECORDING. This Agreement shall be recorded against the title to the subject property and shall be binding upon the Owner, its assigns and successors in interest.

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CITY OF CANNON FALLS

(SEAL)

BY: _____
Lyman M. Robinson, Mayor

AND _____
Ronald S. Johnson, City Administrator

STATE OF MINNESOTA)
)ss.
COUNTY OF GOODHUE)

The foregoing instrument was acknowledged before me this _____ day of _____, 2014, by Lyman M. Robinson and by Ronald S. Johnson, respectively the Mayor and City Administrator of the City of Cannon Falls, a Minnesota municipal corporation, on behalf of the corporation and pursuant to the authority granted by its City Council.

NOTARY PUBLIC

STALLAND HOLDINGS, LLC

BY: _____

Its Chief Manager

STATE OF MINNESOTA)
)ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2014, by _____ the Chief Manager of Stalland Holdings, LLC, a Minnesota limited liability company, on behalf of said company.

NOTARY PUBLIC

THIS INSTRUMENT DRAFTED BY:
CAMPBELL KNUTSON
Professional Association
1380 Corporate Center Curve, Suite #317
Eagan, Minnesota 55121
Telephone: 651-452-5000
RNK/cjh