

Business Item

Metropolitan Parks and Open Space Commission



Community Development Committee Meeting: November 18, 2024 **Metropolitan Council:** December 11, 2024

Business Item: 2024-221

Minnesota River Bluffs Regional Trail, Park Acquisition Opportunity Fund Award (CCRRA), Carver County

District(s), Member(s):	District B, Robert Moeller District 4, Deb Barber
Policy/Legal Reference:	Minn. Const. art. XI, sec. 15; Minn. Stat. § 473.315; 2040 <i>Regional Parks Policy Plan</i> , Chapter 4, Siting and Acquisition Policy- Strategy 1; Chapter 5, Planning Policy- Strategy 1; Chapter 8, Finance Policy- Strategy 7. FM 15-2 Grant/Loan Approval Policy, FM 14-2 Expenditures for the Procurement of Goods and Services Policy.
Staff Prepared/Presented:	Jessica Lee, Planning Analyst, 651-602-1621
Division/Department:	Community Development / Regional Planning

Proposed Action

That the Metropolitan Council:

1. Approve a grant of up to \$1,611,000 from the Park Acquisition Opportunity Fund to Carver County to acquire in easement approximately 5.2 acres of a former Carver County Regional Railroad Authority corridor located in Chaska, MN, for the Minnesota River Bluffs Regional Trail.
2. Authorize the Executive Director of Community Development to execute the grant agreement and restrictive covenant on behalf of the Council.

Background

Regional Park Implementing Agency and Project Request

Carver County requested a Park Acquisition Opportunity Fund (PAOF) grant on August 6, 2024, to fund the acquisition of approximately 5.2 acres for the Minnesota River Bluffs Regional Trail. A copy of the Agency's request is attached to this item as Exhibit 2 with application details in Exhibit 3. Over the next two years, Carver County will be acquiring in easement of approximately 12.5 acres, or 2 miles, of a former railroad corridor owned by the Carver County Regional Railroad Authority (CCRRA). The total cost of the corridor is \$4 million, which will be split into two separate PAOF requests to accommodate the agency funding limits. Figure 3 shows the approximate location of this corridor and Figure 4 shows all seven parcels of the total acquisition. This request is for phase one of the project, parcels two and seven.

Minnesota River Bluffs Regional Trail follows an old railroad route from Hopkins through

Mnnetonka and Eden Prairie in Hennepin County, and then into Carver County. The Carver County portion of the regional trail travels about 8.5 miles from the County's eastern border near Chanhassen southwest through Chaska and down to Carver where it meets the Minnesota River. It also connects to the Southwest Regional Trail (see Exhibit 1, Figures 1, 2 and 3). The CCRRA property is the last portion of the trail to be constructed.

Subject Property

The subject property is within the Council-approved boundary of the Minnesota River Bluffs Regional Trail and is a 2-mile gap in an otherwise built regional trail. The corridor travels through a mostly developed area with some woods at the margins of the property. There is one small creek, Chaska Creek, that passes through the corridor.

Park Acquisition Opportunity Fund (PAOF)

The Council's Park Acquisition Opportunity Fund (PAOF) Program provides funding to purchase property and easements via two state sources: the Parks and Trails Legacy Fund (PTLF) and the Environment and Natural Resources Trust Fund (ENRTF). The Council contributes by matching every \$3 in state funds with \$2 in Council funds. The \$3 to \$2 match is required at the program level, not the individual project level.

State and Council funds contribute up to 75% of the purchase price and eligible costs; the Regional Park Implementing Agency (Agency) contributes the remaining 25% as local match.

Project Budget

The appraised value of the subject property is \$2,135,500. CCRRA is contributing in-kind match of \$533,875, or 25% of the purchase price. The total project cost is \$2,148,000 as shown in Table 1 below.

Table 1. Project Budget

Budget item	Requested amount
Purchase price	\$2,135,500
Appraisal	\$12,500
Total Costs	\$2,148,000
Grant structure	
Grant amount	\$1,611,000
Local match	\$537,000

Acquisition Details

Carver County will acquire this corridor through easement. As part of the easement agreement, CCRRA will maintain rights for future transportation development, so long as that development does not interfere with the regional trail.

Rationale

Council staff conduct the review of each PAOF request on a first-come-first-served basis under the following standards:

- the proposed acquisition complies with state statute and Council policy
- all necessary documentation for the acquisition is in place
- the appraisal is reasonable and appropriate

This acquisition is consistent with:

- The Parks and Trails Legacy Fund
- The *2040 Regional Parks Policy Plan*
 - Planning Policy Strategy 1 requires that before an Agency can receive a grant for



acquisition, the proposed project must be consistent with a Council-approved long-range plan. The Council approved an amendment for the Minnesota River Bluffs Regional Trail long-range plan in 2023 ([Business Item 2023-9](#)). The proposed acquisition is within the boundaries of the approved long-range plan.

- Siting and Acquisition Strategy 1 prioritizes the acquisition of lands with natural resource features, access to water, and/or restoration potential for the Regional Parks System. The Minnesota River Bluffs Regional Trail provides connections to the Minnesota River.
- Finance Strategy 7 authorizes the use of PAOF as the funding mechanism for the acquisition of Regional Park and Trail lands and matching every \$3 in state funds with \$2 in Council bonds.

Thrive Lens Analysis

This request is consistent with *Thrive MSP 2040's* Livability and Stewardship outcomes. The Council's investment in the Minnesota River Bluffs Regional Trail will provide additional access to the outdoors and enhance quality of life.

Funding

The Council will fund the 75% share with Parks and Trails Legacy Fund and Council funds. The PAOF program has available funds in the Council's Authorized Capital Program.

CCRRA will provide in-kind match of \$533,875. Carver County will provide the remaining \$3,125.

Exhibit List

- Exhibit 1: Images
- Exhibit 2: Grant request letter
- Exhibit 3: Grant application
- Exhibit 4: Appraisal excerpt
- Exhibit 5: Board approval to purchase property
- Exhibit 6: Settlement agreement



Exhibit 1 – Images

Figure 1. Map of the Regional Parks System and the Minnesota River Bluffs Regional Trail (circled in red).

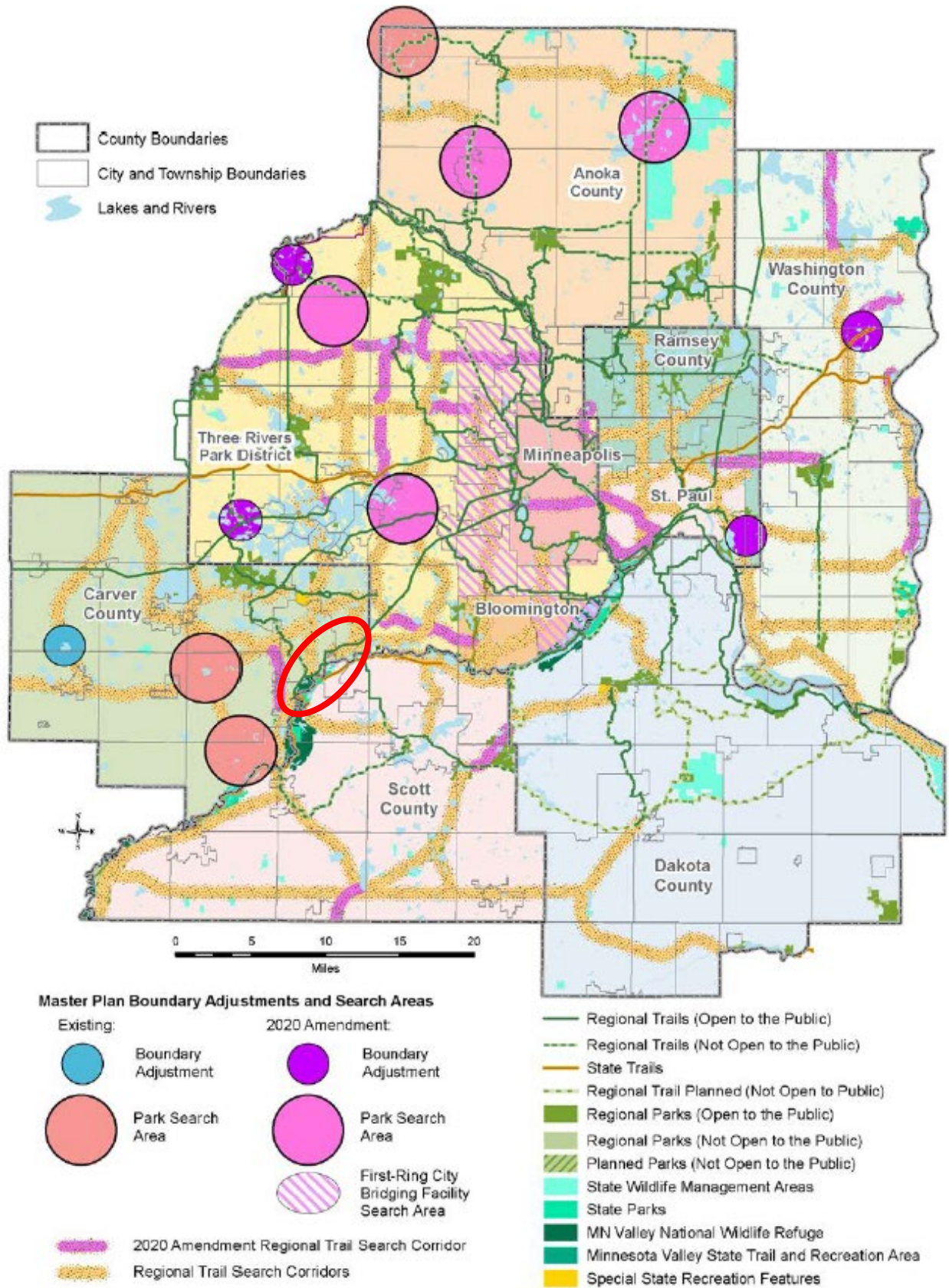


Figure 2. Map of the Carver County and the Regional Parks and Trails System. The Minnesota River Bluffs Regional Trail is circled in red.

Carver County

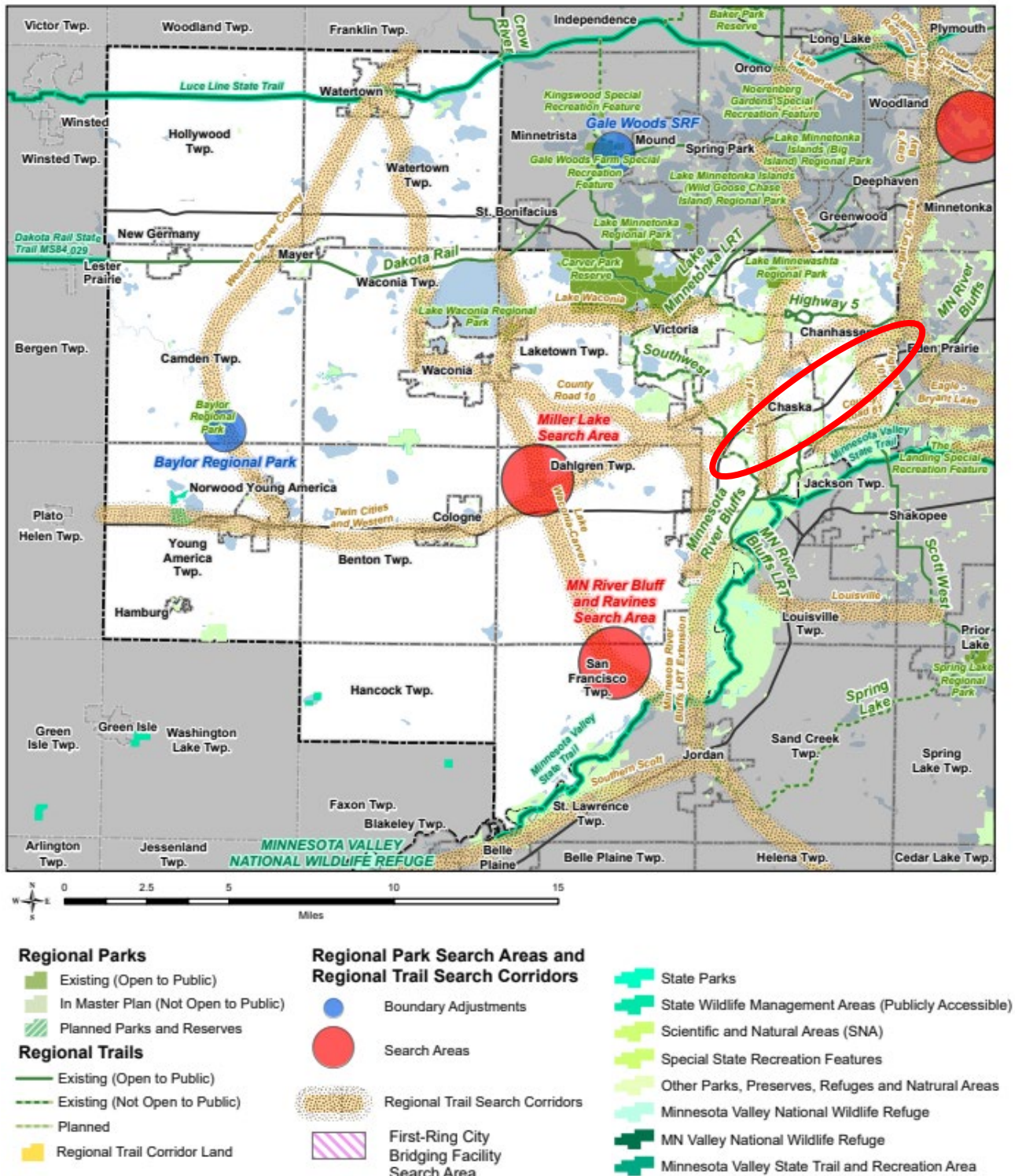
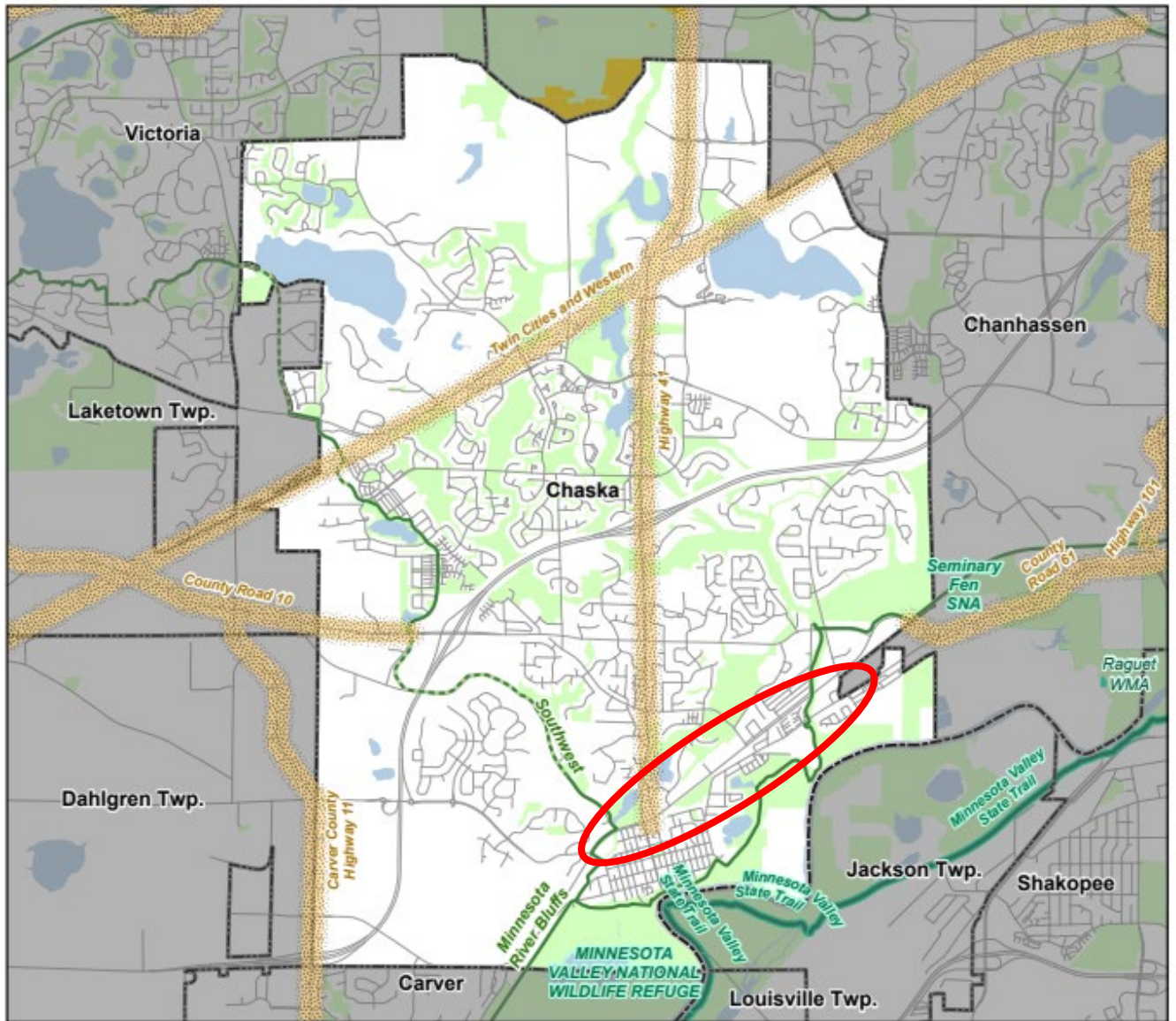


Figure 3. Map of the City of Chaska and the regional parks and trails system. The approximate CCRRA corridor property is circled in red.



Regional Parks

- Existing (Open to Public)
- In Master Plan (Not Open to Public)
- Planned Parks and Reserves

Regional Trails

- Existing (Open to Public)
- Existing (Not Open to Public)
- Planned
- Regional Trail Corridor Land

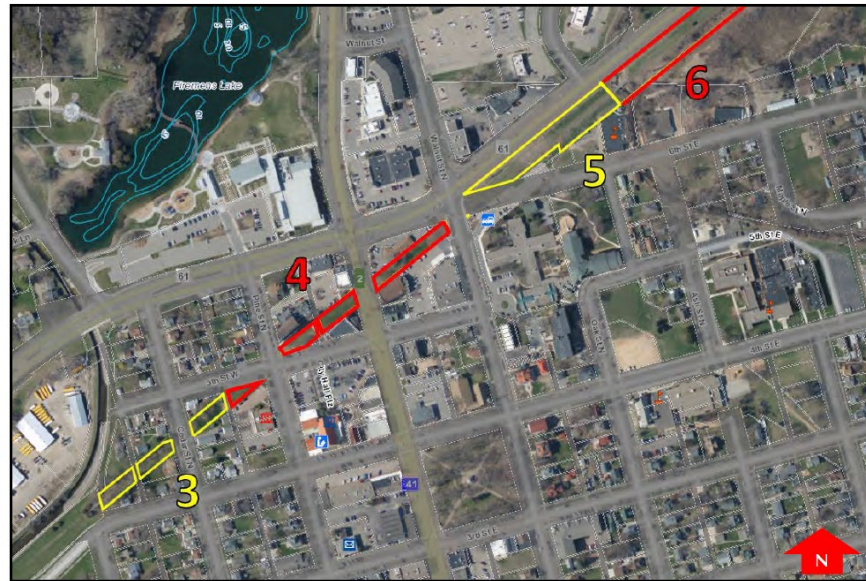
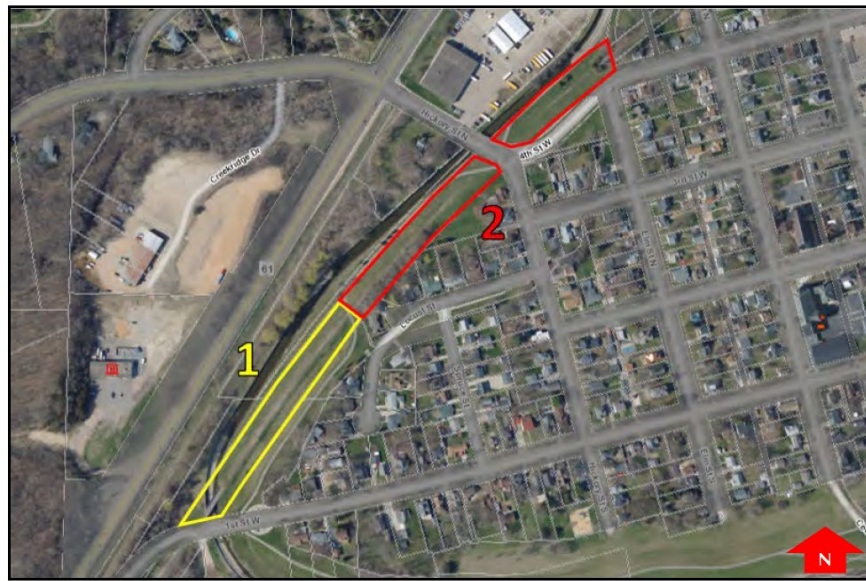
Regional Park Search Areas and Regional Trail Search Corridors

- Boundary Adjustments
- Search Areas
- Regional Trail Search Corridors
- First-Ring City Bridging Facility Search Area

State Parks

- State Parks
- State Wildlife Management Areas (Publicly Accessible)
- Scientific and Natural Areas (SNA)
- Special State Recreation Features
- Other Parks, Preserves, Refuges and Natural Areas
- Minnesota Valley National Wildlife Refuge
- MN Valley National Wildlife Refuge
- Minnesota Valley State Trail and Recreation Area
- Road Centerlines

Figure 4. Aerial images of the 7 CCRRA parcels for the Minnesota River Bluffs Regional Trail. This proposal is for parcels 2 and 7.



Metropolitan Council

Exhibit 2: Grant request letter



**Carver
County
Parks**

11360 Highway 212 West, Suite 2
Cologne, MN 55322

August 6, 2024
Emmett Mullin
Regional Parks and Natural Resources Manager
390 Robert Street North
St. Paul, MN 55101

Dear Mr. Mullen,

Carver County would like to request Park Acquisition Opportunity Funding to acquire a Permanent Transportation Easement (PTE) over property owned by the Carver County Regional Railroad Authority (CCRRA). This property is planned for a segment of the Minnesota River Bluffs Regional Trail. Carver County is to acquire a PTE over approximately 2 miles of CCRRA property. This area is within the geographical boundary of Carver County and in the City of Chaska.

The total appraised PTE value is \$3,960,000.

The acquisition of the PTE will occur in two phases due to the value of the easement exceeding what the County can claim in a grant request from Parks and Trails Legacy Funds. This letter requests funding for Phase 1 acquisition.

Carver County and CCRRA entered into a Stipulation and Settlement Agreement for Phase 1 purchase of the PTE August 6, 2024. However, both Phase 1 and Phase 2 acquisitions are described below.

Phase 1 Acquisition involves the County's acquiring a PTE over parcels identified in the appraisal as Parcels 2 and 7. The appraised fair market value of the PTE over Parcels 2 and 7 is \$2,135,500.

During state fiscal year 2025, the County will seek a PAOF grant from Met. Council for 75% of the fair market value of the PTE over Parcels 2 and 7, which equals a value of \$1,601,625.

To satisfy the 25% local match requirement, the CCRRA will make an in-kind donation to the County for 25% of the fair market value of the PTE over Parcels 2 and 7, which equals a value of \$533,875.

Phase 2 Acquisition involves the County's acquisition of the PTE over parcels identified in the appraisal as Parcels 1, 3, 4, 5 and 6. The appraised fair market value of the PTE over Parcels 1, 3, 4, 5 and 6 equals \$1,824,500.

During the state fiscal year 2026, the County will seek a PAOF grant from the Met. Council for 75% of the appraised fair market value of the PTE over Parcels 1, 3, 4, 5 and 6, which equals a value of \$1,368,375.

To satisfy the 25% local match requirement, the CCRRA will make an in-kind donation to the County of 25% the fair market value of the PTE over Parcels 1,3,4,5, and 6, which equals \$456,125.

CARVER COUNTY

Phase 1 Funding Request

Item	Eligible Expenses	PAOF Request
Appraised Value Phase 1 Easement Over Parcels 2 &7	\$2,135,500	\$1,601,625
Appraisal	\$12,500	\$9,375
Total	\$2,148,000	\$1,611,000

Carver County respectfully requests \$1,611,000 of Park Acquisition Opportunity Funding from the FY 2024 appropriation. Please contact me with any questions you may have.

Sincerely,



Martin Walsh
Parks and Recreation Director



CARVER COUNTY



Menu | Hel | tu c

Back | Print | Add | Delete | Edit | Save

Appli ation

Instructi ns c

Print to PDF will convert the application plus any PDF attachments into a single PDF file. **Release for Review** will change the status of the application to Under Review and move it on to the evaluation process. **Negotiation** will allow you to unlock one or more sections of the application and route the application back to the applicant for further editing. **Annotations** allow internal staff to add notes that are visible to internal staff only and possibly also reviewers if they have a special security privilege. The applicant cannot see these notes. **Versions** will display all component versions that were created as a result of the negotiation process. **Feedback** allows staff to enter feedback about the application to the applicaat. The feedback text will appear at the bottom of the application and will be visible to anyone who has access to the application. **Withdraw** changes the status of the application to Withdrawn and removes the app from the evaluation process.

A licati n Details

Ma | Print t PDF | Ne tiati n | Ann tati ns(0) | Versi ns | Feedback | Withdraw

21274 - FY2025 Park A quisition Opportunity Fund Program - Final Appli ation

22004 - Acquisti n f Carver C unty Re i nal Railr ad Pr erty by Carver C unty f r the MN River Bluffs RT
Parks Grants Acquisiti n c

Status: c Approved c

Submitted Date: c 08/06/2024 3:11 c Submitted By: c Marty J Walsh c

Appli ant Information

Primary C nтакт:

c

Feel free to edit your profile any time your information changes. Create your own personal alerts using My Alerts.

Name:* c	Mr. c <small>Pronouns c</small>	Marty c <small>First Name c</small>	J c <small>Middle Name c</small>	Walsh <small>Last Name</small>
Title:* c	Parks Director			
De artment: c	Parks			
Email:* c	mwalsh@c .carver.mn.us			
Address:* c	11360 Hwy 212			

c

* c	Cologne c <small>City c</small>	Minnesota c <small>State/Province c</small>	55322 <small>Postal Code/Zip</small>
Ph ne:* c	952-466-5252 c <small>Phone c</small>		Ext.

Fax: c 952-466-5223

What Grant Pr rams are y u most c interested in?* Regional Parks Bonding Grants c

anizati n Inf rmati n

Name:* c CARVER COUNTY

Jurisdicti nal A œncy (if different):

anizati n Ty e: c County Government

anizati n Website: c

Address:* c PARKS
11360 HWY 212 W #2

c

* c	COLOGNE c <small>City c</small>	Minnesota c <small>State/Province c</small>	55322-0300 <small>Postal Code/Zip</small>
-----	------------------------------------	--	--

C unty:* c Carver

Or

Phone:* 6 6 00 u

Ext.

Fax: u

PeopleSoft Vendor Number u 00000 6 90A 5

Project description

PAOF grants are limited to a single park or trail. Do not mix properties from more than one park or trail on a single request.

Park or trail name Minnesota River Bluffs RT Carver County

Master plan

An acquisition request will not be considered complete until the property is included in a Council-approved master plan.

Is the project consistent with a Council-approved master plan? Yes

If yes, name of master plan and date of Council approval u Southwest Regional Trail and Minnesota River Bluff 0 / 5/ 0 3

Name of master plan

Council approval date Format: mmddyyyy (Do not enter any punctuation.)

If no, has a master plan amendment been submitted to the Council for review and approval? u

Acquisition method

Acquisition method u Easement

If the acquisition method is anything other than routine, provide more detail.

This question seeks a general description of the acquisition method - is this a routine purchase, or does it involve a land donation, park dedication fees, condemnation, or some combination? Please use this space to describe the overall acquisition **project**.

Carver County will obtain a permanent transportation easement from the Carver County Regional Railroad Authority (CCRRA) over approximately miles of former Railroad corridor with Park Acquisition Opportunity Funding for construction and ongoing operations and maintenance of trail. The acquisition will occur in two phases due to the value of the easement being obtained.

Phase 1 Acquisition involves the County's acquisition of the PTE over parcels identified in the appraisal as Parcels and . The appraised fair market value of the PTE over Parcels and is \$, 35,500.

Carver County will seek a PAOF grant from Met. Council for 5% of the fair market value of the PTE over Parcels and , which equals \$,60 ,6 5 .

To satisfy the 5% local match requirement, the CCRRA plans to make an in kind donation to the County for 5% of the fair market value of the PTE over Parcels and , which equals \$533,8 5.

This trail segment completes a gap in the regional trail system.

Does this acquisition involve eminent domain? u No

Eminent domain

If eminent domain is being used:

(1) you must upload a copy of the notice your Agency provided to the Council that the petition to the Court was filed.

(2) Include documentation of your governing body's authorization (on the Other Acquisition Attachments web page).

When was the Council notified of your intention to use eminent domain?

Date the petition was filed.

Settlement date u

Public domain

Note that ENRTF funding cannot be used for acquisitions of property already in the public domain unless a minimum of 12 LCCMR commissioners approve the transaction. If this is a public domain acquisition and if you propose using ENRTF, be sure your closing schedule accommodates planning to be included on a future LCCMR agenda.

Is any portion of the property currently in the public domain? u Yes

If yes, describe/name the entity and the portion of the property it owns, as well as why this public-to-public transfer is necessary.

Carver County Regional Railroad owns an approximately mile segment of former railroad property within the city limits of Chaska. The railroad corridor is no longer being used for rail transportation. Carver County is an implementing regional park and trail agency, constructs, operates and

maintains li t ails cqui ing and as ment ov th 2-mil s gment of t ail fo th const uction and op ation of a d stination gional t ail is b tt align d with County Pa Syst m s Pa s Op n Spac and T ails Syst m Plan and th County Pa s D pa tment s mission

Th County R gional Rail oad utho ity do s not op at t ails and has a diff nt mission Th public is b tt s v d by liminating th gap in th t ail syst m and placing th const uction and op ations of this n w 2-mil s gment of t ail squa ly with th sponsibilit s of th County Pa s D pa tment Th public is b tt s v d th ough th ffici nci s of th County with its sou c s fo Pa s and T ail, to d liv ff ctiv s vic s

Closing date

The Council will process all acquisition requests expeditiously, but we do not guarantee that the approval process will be completed to meet your requested closing date. This date will be considered an **estimate** only. However, the acquisition must be completed during the standard one-year grant term unless prior approval is obtained from the Council or the grant term is amended.

Estimated closing date ' 08/20/2024
Fo mat: mmdyyyy (Do not nt any punctuation) '

Type of agreement ' Stipulation fo S ttl ment g ment
i , pu chas ag ment, off l tt , tc

Date agreement expires ' 07/22/2025
Fo mat: mmdyyyy (Do not nt any punctuation)

Relocation costs

Payment of relocation costs is required by both state and federal law, unless the seller waives those rights. Please consult with Agency attorneys to determine applicability for this acquisition. If the seller has waived relocation rights, you must upload an executed copy of the waiver.

Does the requested grant amount include relocation costs? ' No

Appraisal

The appraisal must have an effective date within one year of the date the purchase agreement is signed. The appraisal **MUST** list the Metropolitan Council as an intended user, and the intended use must include "negotiation and grant reimbursement."

Appraisal effective date ' 07/13/2022

Appraised value \$2,135,500 00

Amount being offered the seller ' \$1,601,625 00 ' 75 0%
(net of closing and other costs) ' % of app ais d valu

Who performed the appraisal? Patchin Messn Valuation Couns lo s

Who contracted for the appraisal (i.e., was it done at arms' length)? Ca v County

Survey

Was a survey done? ' Y s

Quality of natural resources - is the property... '

...undeveloped? Y s
Fully ' Pa tially

...wooded? ' Y s
Fully ' Pa tially

...shoreline? ' Pa tially
Fully Pa tially

Describe the existing natural resources it contains '

Th fo me ail co ido contains littl natu al sou c s Wood d o fo st d condition xist at th ma gins of th p op ty Th is on small st am, Chas a C , that pass s th ough th co ido

Known opposition

Is the Agency aware of any opposition to this acquisition? No

If yes, explain:

Encumbrances

To your knowledge, are there any current or anticipated assessments or liens on property? No

If yes, describe. '

N

Are there easements or other encumbrances a part of the property?

If yes, describe

There are a number of license agreements, permits and easements primarily for utility crossings of the former rail corridor.

Clear title

Do you acknowledge, does the current owner have clear title to the property? Yes

If not, what steps be done to clear the title, and when will that be completed?

Suggested funding source

For guidance, see the PAOF rules in the 2040 Regional Parks Policy Plan at http://metro council.org/Parks/Publications-And-Resources/POLICY-PLANS/2040-Regional-Parks-Policy-Plan.aspx; for ENRTF fee title acquisition project requirements, see http://www.lccmr.leg.mn/pm_info/enrtf_fee-title-acquisition-project-requirements.pdf

The Council will review your project specifics and work with you to determine the optimal funding source(s).

Anticipated funding source: PTLF Legacy / Council match (Select as many as apply)

Funding sources, if desired

Parks and Trails Legacy Funds are most appropriate given the limited natural resources associated with the former rail corridor.

Structurally sound property

Does the property contain ANY structural issues? Yes

If yes, are there any habitable structural issues? No

Does the property structurally contain any revenue-generating facilities? No

If yes, what is the plan for the structure(s)? No

If there are habitable structures, would they be related? If yes, how? If not, why not? No

If the property contains habitable structures or revenue-generating facilities, describe:

NA

For ENRTF funding only

If this will use ENRTF funding, LCCMR requires that you describe the selected project and identify these proposed parcels.

NOTICE: ENRTF funding has specific requirements for disseminating information to the public when property is purchased through the Trust Fund. It is the agency's responsibility to meet those requirements and to provide documentation to the Council BEFORE payment will be made.

NA

Stewardship and minimal access

Describe the stewardship plan.

The Carver County Parks Department will provide stewardship of the corridor to maintain the grounds and when constructed, the planned trail. Stewardship includes providing routine maintenance such as mowing and other vegetation management practices. The County will also provide financial resources to respond to capital investment needs to develop a trail and after construction, keep in a state of good repair.

Within the 2 22 te /Long-R nge Pl n fo the Southwe t/ RMe Bluff Region IT il The pi yle nt of tew hip inclu e n ecologic l t tegy de ling with u ing n tu l pp o ch to to tew n ge nt, e ing n tu l in fil t ion to n ge to tew oci ted with the develop nt of the t il. Fu the the pl n efe ence the u e of Be t n ge nt e ctice nd the t il Long- nge pl n i uppo ted by the t opolit n Council' del Sto tew n ge nt e din nce. The p ovi ion of the delo din nce will be pplied to the develop nt of m t il in the co ido pplic ble.

It i envi ioned th t ddition l tee nd h ub pl nting will be dded to the t il co ido fo e thetic well ceening nd buffe ing ne by ho ad bu ine e when the t il i con tucted. m

How will the stewardship implementation be funded?

Stew d hip will be funded p t of the County' P k nd T il Sy te nnu l budget which i co i ed of fee fo e vice , t x levy, nd g nt funding. m

Are you requesting funds to provide minimal access to the property (prior to m No it being open to the public) as part of this grant request?

If yes, how will those funds be used? m NA

Site Description

m
Land Use History
Current land uses m Indu ti l
Previous land uses Indunt i l
Adjacent landuses m Re identi l
Inspection
Does the property contain any of the m Powe rnd/o utility line following? m

Sellers and parcels

Table with columns: Seller name, Parcel address, PIDm, Acres (SF for m easements), Date PA m signed m, Habitable m structures?, MN House m district, City m, County, Met Council district, MPOSC, Latitude, Longitude. Includes entries for C ve County Region I R il o d St. Ch k and C ve County Region I R il o d Fi e Ln Yo k St.

Local match

m
Source of local match m
The C ve County Region I R il o d will p ovide n the loc l tching unt of l nd vmlue.

Grant agreement signatories

Full name m Title If this is an attorney, is the signature 'for form only'?
G yle Degle m Bo nd Ctmi m

Patrick o A i t a t u tyAtt r y III o
David H m z C o u tyAdmi i trat r o

Y

Acquisiti n 6 sts o

Table with columns: Cost Items o, Amount o, State fundsoo, Metro fundsoo, Match fundsoo. Rows include Purchase price, Appraisal expenses, Environmental expenses, Holding expenses, and Totals o.

Total Estimated Acquisiti n 6 sts o

Summary table with columns: Totals o, Total acquisition o cost o, Total paid with state o fundsoo, Total paid with metro o fundsoo, Total paid by agency o, Total grant amount o.

Required Attachments -Acquisiti n

Table with columns: Attachment o, Description o, File Name o, Type o, File Size. Includes items like 1.0 Grant application (REQD) and 2.0 Master plan (REQD).

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Fee Owner:	Carver County Regional Rail Authority
Location:	1.5-mile former railroad corridor segment from 1st Street West to York Street in Chaska, Minnesota.
PIDs:	That part of Parcel 30.9990600 lying northeast of 1st Street West and all of Parcel 30.9990500
Date of Inspections:	May 17, 2023 and subsequent dates
Date of Valuation:	June 10, 2024
Property Appraised:	Real Property
Rights & Interests Appraised:	Fee Simple Market Value
Zoning:	The subject corridor appraised herein is proximate to several zoning districts including Open Development, Flood, R2 – Medium Density Residence, Industrial, Public Buildings, Downtown Historic District, and Planned Multi-Use Districts 9 and 17.
Guiding:	Further, the subject corridor is proximate to several planned land uses in 2040 Comprehensive Plan which include Medium Density Residential, Open Space, Parks/Recreation, Public/Semi-Public, and Commercial.
Site Description:	The subject corridor comprises approximately 546,541 SF, or 12.55 acres, of land net of right-of-way. The previous railroad bed has been removed and the corridor primarily consists of grassland or naturally occurring vegetation. The corridor traverses both upland and wetland/floodplain areas. The topography is generally level to gently sloping with some areas in the corridor being more steeply sloping.
Current Use:	Vacant land
Highest and Best Use:	Utility or public recreation corridor
Proposed Acquisition:	
Permanent Transportation Easement	A permanent transportation easement is proposed over, under, across, and upon the entirety of the subject to facilitate construction of trail improvements.

Value Conclusions:

Market Value Before the Acquisition	\$5,279,000
Market Value After the Acquisition	<u>\$1,319,000</u>
Difference in Value	\$3,960,000

FINAL SUMMATION

Based on the preceding data and analysis, the change in value to the subject property, as of June 10, 2024, is presented as follows:

Market Value Before the Acquisition	\$5,279,000
Market Value After the Acquisition	<u>\$1,319,000</u>
Difference in Value	\$3,960,000

Tract #	Before Value	After Value	Difference
Tract 1 (Rec./OS)	\$ 13,000	\$ 3,000	\$ 10,000
Tract 2 (SFR/MDR)	\$ 1,542,500	\$ 386,000	\$ 1,156,500
Tract 3 (SFR/MDR)	\$ 313,500	\$ 78,000	\$ 235,500
Tract 4 (DT Commercial)	\$ 764,500	\$ 191,000	\$ 573,500
Tract 5 (DT Commercial)	\$ 1,319,000	\$ 330,000	\$ 989,000
Tract 6 (Rec./OS)	\$ 21,500	\$ 5,000	\$ 16,500
Tract 7 (SFR/MDR)	\$ 1,305,000	\$ 326,000	\$ 979,000
Total	\$ 5,279,000	\$ 1,319,000	\$ 3,960,000

Exhibit 5: Board approval to purchase property



Carver County Board of Commissioners
August 6, 2024
Board Meeting

The County Board Room is open to the public

The Regular Session portion of the meeting will be webcast live at:
https://youtube.com/@CarverCountyMN

- 9:00 a.m. 1. a) CONVENE
b) Pledge of allegiance
c) Public comments

Public comments that relate to an item on the agenda may be heard when that agenda item is discussed. Please limit your comments to five minutes or less.

Individuals unable to attend in person can provide public comments by e-mail at admin-contact@carvercountymn.gov.

- 2. Agenda review and adoption
3. Approve minutes of July 16, 2024, Regular Session 1-2
4. Community Announcements

9:20 a.m. 5. CONSENT AGENDA

Communities: Create and maintain safe, healthy, and livable communities

- 5.1 Final Payment and Contract Amendment For Paradise Commons..... 3-4
5.2 Stipulation for Settlement Agreement Between CCRRA and Carver County 5-8
5.3 UAS Unmanned Aerial System Purchase..... 9
5.3.1 Budget Amendment 10
5.4 Professional Services Agreement with BOLTON AND MENK INC for GAZER software application update..... 11
5.5 Professional Services Agreement with Bolton Menk for Design and Construction Administration Services 12
5.6 Special Event Use Permit Request: ISD 108 Central Schools 2024 HS Cross County Race Events 13-14
5.7 Special Event Use Permit Issuance: St. Johns Lutheran - MS Cross Country Race 15

Culture: Provide organizational culture fostering accountability to achieve goals and sustain trust/confidence in County government

- 5.8 Approval of Settlement Agreement to Resolve Bankruptcy Litigation with MENd Correctional Care 16-18

5.9	Phased Retirement Option for Peter Bendzick in Public Works	19
	5.9.1 Budget Amendment	20

Growth: Manage the challenges and opportunities resulting from growth and development

5.10	Acceptance of Watershed-Based Implementation Funding Grant	21
	5.10.1 Budget Amendment	22
5.11	Freshwater Church - Outdoor Service and Celebration (Annual Special Event)	23-30
5.12	Anna Tyler - Carver County Recovery Fest (One-Time Special Event)	31-40
5.13	Emanuel Lutheran Church - Large Scale Activity – Church Childcare Facility (CUP)	41-45
5.14	Award Contract to New Look Construction for Highway 17/West 78th Street Intersection Project	46-49
5.15	Settlement Agreements for Right of Way Acquisitions for the Highway 10/41 Project	50-53

Finances: Improve the County's financial health and economic profile

5.16	Review Health & Human Services and Commissioner Warrants	NO ATT
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9:30 a.m.	6. COMMUNITIES: Create and maintain safe, healthy, and livable communities	
	6.1 2024-25 Strategic Plan	54-73
9:50 a.m.	7. CONNECTIONS: Develop strong public partnerships and connect people to services and information	
	7.1 Legislative Update	74
10:20 a.m.	8. CULTURE: Provide organizational culture fostering accountability to achieve goals and sustain trust/confidence in County government	
	8.1 PEER Award Recognition	75
10:35 a.m.	9. CUSTOMER SERVICE: Continue the County's delivery of high value, timely service and support	
	9.1 Sheriff's Office Table of Organization Adjustment	76-77
10:45 a.m.	10. GROWTH: Manage the challenges and opportunities resulting from growth and development	
10:45 a.m.	10.1 B.H. Aggregate - Request to Mine Aggregate for road project (IUP).	78-85
10:50 a.m.	10.2 Ordinance No. 107-2024 Moratorium on cannabis business activity in the unincorporated area of Carver County (Zoning Standards)	86-92
11:20 a.m.	RECESS AS COUNTY BOARD AND CONVENE AS CARVER COUNTY REGIONAL RAIL AUTHORITY	
11:20 a.m.	11. COMMUNITIES: Create and maintain safe, healthy, and livable communities	
	11.1 Stipulation for Settlement Agreement Between CCRRA and Carver County	93-94
11:30 a.m.	ADJOURN AS CARVER COUNTY REGIONAL RAIL AUTHORITY AND RECONVENE AS COUNTY BOARD	
11:30 a.m.	12. County Administrator Report	
11:35 a.m.	ADJOURN REGULAR SESSION	

Carver County Board of Commissioners Request for Board Action



Agenda Item:
Stipulation for Settlement Agreement Between CCRRA and Carver County

Primary Originating Division/Dept: <input type="text" value="Public Works - Parks"/>	Meeting Date: 8/6/2024
Contact: Martin Walsh Title: <input type="text" value="Parks and Recreation Director"/>	Item Type: <input type="text" value="Consent"/>
Amount of Time Requested: <input type="text"/> minutes	Attachments: <input checked="" type="radio"/> Yes <input type="radio"/> No
Presenter: <input type="text"/> Title: <input type="text"/>	
Strategic Initiative: <input type="text" value="Communities: Create and maintain safe, healthy, and livable communities"/>	

BACKGROUND/JUSTIFICATION:

Previous actions taken by the Board include: 1) June 18, 2024, approval of a Joint Powers Agreement between CCRRA and Chaska; and 2) July 9, 2024, approval of a Permanent Transportation Easement Agreement between CCRRA and the County.

The County now seeks Board approval to enter the Stipulation for Settlement Agreement (SA) between CCRRA and the County. The SA sets the amount of compensation that the County will pay to CCRRA for the County's acquisition of a permanent transportation easement from CCRRA (PTE) for the Project.

The County is eligible to apply for a PAOF grant from Met. Council for the County's acquisition costs of the PTE for the Project.

The entire easement tract on CCRRA property extends over a portion of parcel identified by Tax Parcel Identification Number 30.9990600 lying northeast of 1st Street West and all of the parcel identified by Tax Parcel Identification Number 30.9990500 (Tract). The appraisal for the Tract divided it into seven smaller parcels based upon the distinct land uses of the adjoining lands, and appraised each of those seven parcels separately. The total appraised fair market value of the PTE over the Tract or all of those seven parcels is \$3,960,000.

To maximize the amount of the PAOF grant that the County can receive from Met. Council for the County's acquisition of the PTE from CCRRA, the CCRRA plans to convey the PTE to the County in two separate transactions or conveyances. Each transaction or conveyance will occur in a different state fiscal year, and each will encumber a different set of the seven parcels identified in the appraisal. Collectively and at the end of the Phase 2 Acquisition described below, the entire Tract will be encumbered by the PTE.

Phase 1 Acquisition involves the County's acquisition of the PTE over parcels identified in the appraisal as Parcels 2 and 7. The appraised fair market value of the PTE over Parcels 2 and 7 is \$2,135,500.

During state fiscal year 2025, the County will seek a PAOF grant from Met. Council for 75% of the fair market value of the PTE over Parcels 2 and 7, which equals \$1,601,625 .

To satisfy the 25% local match requirement, the CCRRA plans to make an in-kind donation to the County for 25% of the fair market value of the PTE over Parcels 2 and 7, which equals \$533,875.

Phase 2 Acquisition involves the County's acquisition of the PTE over parcels identified in the appraisal as Parcels 1, 3, 4, 5 and 6. The appraised fair market value of the PTE over Parcels 1, 3, 4, 5 and 6 equals \$1,824,500.

During the state fiscal year 2026, the County will seek a PAOF grant from the Met. Council for 75% of the appraised fair market value of the PTE over Parcels 1, 3, 4, 5 and 6, which equals \$1,368,375.

To satisfy the 25% local match requirement, the CCRRA will make an in-kind donation to the County of 25% the fair market value of the PTE over Parcels 1,3,4,5, and 6, which equals \$456,125.

ACTION REQUESTED:

Motions:

- 1) Authorize the County to enter into the Stipulation for Settlement Agreement upon completion of the contract review process.
- 2) Authorize the County to apply for Park Acquisition Opportunity Funds from Met. Council for the County's acquisition costs of the Phase 1 Acquisition.
- 3) Authorize County resolution for acquisition of CCRRA property.

FISCAL IMPACT:

If "Other", specify:

FTE IMPACT:

FUNDING

County Dollars =

CCRRA	\$533,875.00
Metropolitan Council	\$1,601,625.00
Total	\$2,135,500.00

Insert additional funding source

Related Financial/FTE Comments:

CCRRA is providing an in-kind land value donation as a 25% match to the Metropolitan Council's 75% match for the acquisition of the permanent easement

Office use only:

RBA 2024 - 9972

Aggregate for road project (IUP). A public hearing was held on 6.16.24, planning commission voted unanimously to approve this request. Interim Use Permit for 85 acres and they will utilize just under 10 acres for the 212 Project. Motion to adopt the Findings of Fact and issue Order #PZ20240025 for the issuance of an Interim Use Permit.

Motion carried unanimously.

- 10.2 Jason Mielke, Land Use Manager discussed Ordinance No. 107-2024 Moratorium on cannabis business activity in the unincorporated area of Carver County (Zoning Standards). Continued request from 7.16.24 meeting, public hearing notification was made on 7.4.24 in the Patriot in addition to notifying townships and cities officials. A page is also set up specifically for public hearing information on cannabis moratorium on the Carver county website. Moratorium will give land management time to conduct research, study legislative language and develop zoning code language.

Udermann moved, Workman seconded to close public hearing, Motion carried unanimously.

Fahey moved, Lynch seconded, Motion to adopt Resolution 72-24 enacting an interim ordinance (Ordinance No. 107-2024), instituting an emergency moratorium on cannabis businesses in the unincorporated area of Carver County. Degler, Fahey, Lynch, Workman voted aye. Udermann nay. Motion carried 4 to 1.

- 10.3 Moved from consent agenda 5.5, Martin Walsh, Parks director clarified fees in the amount of \$17,006.05, associated with the Professional Services Agreement with Bolton and Menk for Design and Construction Administration Services.

Udermann moved, Workman seconded to approved PSA with Bolton & Menk upon the completion of the contract review process. Motion carried unanimously.

Commissioner Workman left the room at 11:26 a.m.

Lynch moved, Udermann seconded to Recess as County Board and convene as Carver County Regional Rail Authority. Degler, Fahey, Lynch, Udermann voted aye. Workman absent. Motion carried.

- 11.1 Martin Walsh, Parks Director spoke on the stipulation for Settlement Agreement Between CCRRA and Carver County.

Commissioner Workman returned to the room at 11:30 a.m.

Workman moved, Lynch seconded, to authorize CCRRA to enter the stipulation for settlement agreement upon completion of the contract review process and to authorize CCRRA to make an in-kind donation to the County of 25% the fair market value of the PTE over Parcels 2 & 7, provided the County receives grant funding of 75% of the fair market value of the Phases 1 acquisitions. Motion carried unanimously.

Exhibit 6: Settlement agreement

STIPULATION FOR SETTLEMENT AGREEMENT

Between the Carver County Regional Railroad Authority

And

the County of Carver

IN THE MATTER OF DIRECT PURCHASE OF PERMAENNT TRANSPORTATION EASEMENT FOR REGIONAL RECREATION OPEN SPACE DEVELOPMENT

THIS STIPULATION FOR SETTLEMENT AGREEMENT, ("Agreement"), is entered into between the Carver County Regional Railroad Authority, a governmental subdivision and municipal corporation organized and existing pursuant to Minnesota Statutes Chapter 398A and County Board Resolution # 79-87, "**CCRRA,**" and the County of Carver, a governmental subdivision and municipal corporation under the laws of the State of Minnesota, "**COUNTY.**" The CCRRA and the COUNTY each may be referred to separately hereinafter as a "**Party,**" and both may be referred collectively hereinafter as the "**Parties.**"

1. RECITALS

WHEREAS, the CCRRA is the owner pursuant to Minnesota Statute Chapter 398A, of two parcels of vacant real property comprising 1.5 miles of a former railroad corridor, extending from First Street West to York Street in Chaska, Carver County, Minnesota; comprising that part of the parcel identified by Tax Parcel Identification Number 30.9990600 lying northeast of 1st Street West and all of the parcel identified by Tax Parcel Identification Number 30.9990500; and which are depicted in Exhibit A, and legally described in Exhibit B, both exhibits attached hereto, and incorporated hereinafter, "**Property;** and

WHEREAS, the CCRRA, the COUNTY, and the City of Chaska, a governmental subdivision and municipal corporation under the laws of the State of Minnesota, “**CITY**,” collaborated to reconstruct, extend, and improve a segment of the Minnesota River Bluffs Regional Trail in Chaska, Carver County, Minnesota, on the Property as part of the CITY’s Downtown Highway 41 project, “**Project**”; and

WHEREAS, the COUNTY obtained an appraisal report from an independent licensed real estate appraiser to estimate the fair market value of a permanent transportation easement over, under, across, and upon the entirety of the Property, as of June 10, 2024, “**Appraisal**”; and

WHEREAS, the permanent transportation easement on the Property was appraised using the traditional method of appraising a railroad corridor, the Across the Fence method, “**ATF**”; and

WHEREAS, to apply the standard ATF method, the appraiser divided the Property into seven distinct tracts of land based upon their distinct land uses, appraised each of those distinct tracts, and combined those values”; and

WHEREAS, the COUNTY desires to acquire a permanent transportation easement over, under, across, and upon Tracts 2 and 7 of the Property, as identified in the Appraisal, and which are depicted in Exhibit C and legally described in Exhibit D, both exhibits attached hereto, and incorporated herein, for the Project, “**PTE for Tracts 2 and 7**”; and

WHEREAS, the PTE for Tracts 2 and 7, as set forth in Exhibit E, attached hereto and incorporated herein, was appraised to have a total collective fair market value of Two Million One Hundred Thirty-Five Thousand and Five Hundred Dollars and No Cents (**\$2,135,500.00**) as of June 10, 2024, “**Settlement Amount**”; and

WHEREAS, the COUNTY desires to acquire the PTE for Tracts 2 and 7 from the CCRRA for the Settlement Amount; and

WHEREAS, the COUNTY also desires to apply for grant funding from the Metropolitan Council, a political subdivision, and a public corporation under the Laws of the State of Minnesota, “**Met. Council**”, to cover seventy-five percent (75%) of the COUNTY’s acquisition costs of the PTE for Tracts 2 and 7 from the CCRRA, or seventy-five percent (75%) of Settlement Amount, “**Anticipated Met. Council Funding;**” and

WHEREAS, the CCRRA desires to convey the PTE for Tracts 2 and 7 to the COUNTY if, and only if, the COUNTY receives the Anticipated Met. Council Funding; and

WHEREAS, if the COUNTY does not receive the Anticipated Met. Council Funding, then the CCRRA shall not be required to convey the PTE for Tracts 2 and 7 to the COUNTY; and

WHEREAS, the Parties reached an agreement regarding the total actual amount which the COUNTY must pay to the CCRRA for the COUNTY’s acquisition of the PTE for Tracts 2 and 7 from the CCRRA, and for any and all other costs related to said acquisition, and hereby enter this Agreement to confirm the terms of their agreement.

2. AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and for other good and valuable consideration, the Parties hereby acknowledge, agree, and stipulate as follows:

- 2.1 **Recitals.** All of the recitals set forth above are true and accurate, and hereby are made part of this Agreement as if set forth herein in their entirety.
- 2.2 **Costs.** The following obligations of each Party to pay or donate the following amounts to the other Party are conditioned upon the COUNTY’s receipt of Anticipated Met. Council Funding, equal to seventy-five percent (75%) of the

Settlement Amount for the COUNTY's acquisition costs of the PTE for Tracts 2 and 7.

- A. The Settlement Amount equals Two Million and One Hundred Thirty-Five Thousand and Five Hundred Dollars and No Cents (**\$2,135,500.00**).
- B. The Anticipated Met. Council Funding, which the COUNTY shall use to pay seventy-five percent (75%) of the Settlement Amount if the COUNTY receives said funding, equals One Million and Six Hundred and One Thousand and Six Hundred Twenty-Five Dollars and No Cents (**\$1,601,625.00**).
- C. If the COUNTY receives the Anticipated Met. Council Funding, then the CCRRA shall donate twenty-five percent (25%) of the Settlement Amount, which equals Five Hundred Thirty-Three Thousand Eight Hundred Seventy-Five Dollars and No Cents (**\$533,875.00**), "**CCRRA's In-Kind Donation**" to the COUNTY.
- D. If the COUNTY receives the Anticipated Met. Council Funding, then the COUNTY shall use the CCRRA's In-Kind Donation to satisfy Met. Council's grant requirement that the COUNTY contribute twenty-five percent (25%) toward the COUNTY's acquisition costs of the PTE for Tracts 2 and 7 from the CCRRA, "**COUNTY's In-Kind Contribution.**"

- 2.3 **Settlement Amount.** The Parties agree that the Settlement Amount is the fair and equitable total collective fair market value for the COUNTY's acquisition of the PTE for Tracts 2 and 7 from the CCRRA for the Project, and for any and all related costs and claims.
- 2.4 **Payment.** The COUNTY shall pay the Settlement Amount, less the amount of the CCRRA's In-Kind Donation, to the CCRRA upon the approval of this Agreement by Resolution of the Carver County Board of Commissioners acting on behalf of the COUNTY; the approval of this Agreement by Resolution of the Carver County Board of Commissioners acting as the official governing body of the CCRRA; upon receipt by the COUNTY of Anticipated Met. Council Funding; and upon receipt from the CCRRA of the fully executed PTE for Tracts 2 and 7.
- 2.5 **CCRRA's Warranty.** The CCRRA warrants that the CCRRA shall execute and deliver to the COUNTY a standard conveyance document for the CCRRA's conveyance to the COUNTY of the PTE for Tracts 2 and 7 in the form of Exhibit C, attached hereto, and incorporated herein, and in a form acceptable to the County Attorney, upon the CCRRA's receipt of the full payment from the COUNTY of the full Settlement Amount, less the CCRRA's In-Kind Donation, as set forth in Section 2.2 above.

- 2.6 **Record Conveyance Documents.** The COUNTY shall be entitled to record the PTE following delivery of the fully executed PTE for Tracts 2 and 7 to the COUNTY and following the COUNTY's full payment to the CCRRA of the Settlement Amount, less the amount of the CCRRA's In-Kind Donation to the COUNTY.

3. MISCELLANEOUS

- 3.1 **Effective Date.** This Agreement shall become effective upon execution by or on behalf of all Parties; delivery of the fully signed Agreement to both the CCRRA and the COUNTY; the approval of this Agreement by Resolution of the Carver County Board of Commissioners acting on behalf of the COUNTY; and the approval of this Agreement by Resolution of the Carver County Board of Commissioners acting as the official governing body of the CCRRA.
- 3.2 **Execution.** The Parties agree that this Agreement may be executed in separate counterparts which, taken together, shall be and comprise one agreement.
- 3.3 **Choice of Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.
- 3.4 **Court Retains Jurisdiction.** The Carver County District Court shall have jurisdiction to enforce this Agreement.
- 3.5 **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties.
- 3.6 **Binding Contract.** The terms of this Agreement shall constitute a binding contract.
- 3.7 **Modifications.** No modification or amendment to this Agreement shall be valid or binding unless contained in a written instrument which is signed by all Parties hereto and approved by the County Board of Commissioners acting independently on behalf of each Party.
- 3.8 **Authority.** The persons signing this Agreement in their representative capacities represent and warrant that by signing this Agreement that it is their intent to bind their respective principals to the terms and conditions set forth herein, that the persons signing in their representative capacity have been authorized to bind their respective principals to such terms, and that it is the respective principals' intent to be so bound.

IN WITNESS THEREOF, the undersigned have each executed this Agreement on the day and year set forth below.

**SIGNATURE PAGE FOR
CARVER COUNTY REGIONAL RAILROAD AUTHORITY**

**CARVER COUNTY
REGIONAL RAILROAD AUTHORITY**

Dated: _____, 2024

By: Gayle Degler
Gayle Degler (Oct 21, 2024 13:41 CDT)
Gayle Degler
Its: Chair of the Board of Commissioners

Dated: 10/21, 2024

By: David Hemze
David Hemze (Oct 21, 2024 15:12 CDT)
Dave Hemze
Its: County Administrator

**OFFICE OF THE
CARVER COUNTY ATTORNEY**

Dated: _____, 2024

By: Mary Shimshak
Mary Shimshak (Oct 21, 2024 14:09 CDT)
Mary E. Shimshak (No.: 0296958)
Assistant Carver County Attorney
Carver County Government Center
604 East Fourth Street
Chaska, MN 55318

(952) 361-1400
mshimshak@co.carver.mn.us

[REST OF PAGE INTENTIONALLY LEFT BLANK]

**SIGNATURE PAGE FOR
THE COUNTY OF CARVER**

COUNTY OF CARVER

Dated: _____, 2024

By: Gayle Degler
Gayle Degler (Oct 21, 2024 19:41 CDT)
Gayle Degler
Its: Chair of the Board of Commissioners

Dated: 10/21, 2024

By: David Hemze
David Hemze (Oct 21, 2024 15:12 CDT)
Dave Hemze
Its: County Administrator

**OFFICE OF THE
CARVER COUNTY ATTORNEY**

Dated: _____, 2024

By: Jennifer K. Tichey
Jennifer K. Tichey (Oct 21, 2024 14:51 CDT)
Jennifer Tichey (No.: 0279821)
Assistant Carver County Attorney
Carver County Government Center
604 East Fourth Street
Chaska, MN 55318

(952) 361-1400
jtichey@co.carver.mn.us

ATTORNEY FOR CARVER COUNTY

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EXHIBIT E
**(Permanent Transportation Easement Agreement
for Tracts 2 and 7)**

This Permanent Transportation Easement Agreement for Tracts 2 and 7, (“**Agreement**”), is entered between Carver County Regional Railroad Authority, a governmental subdivision and municipal corporation organized and existing pursuant to Minnesota Statutes Chapter 398A and County Board Resolution # 79-87, (“**CCRRA**”), and the County of Carver, a governmental subdivision and municipal corporation under the laws of the State of Minnesota, (“**CARVER COUNTY**”).

RECITALS

WHEREAS, CCRRA is the record owner pursuant to Minnesota Statute Chapter 398A of two parcels of vacant real property comprising 1.5 miles of a former railroad corridor, extending from 1st Street West to York Street in Chaska, Carver County, Minnesota; comprising that part of the parcel identified by Tax Parcel Identification Number 30.9990600 lying northeast of 1st Street West and all of the parcel identified by Tax Parcel Identification Number 30.9990500; and which is depicted in Exhibit A, and legally described in Exhibit B, both exhibits attached hereto and incorporated herein, “**Property**,” and

WHEREAS, the Property is encumbered, in part, by terms and conditions that run with the land, and which require the Property to be preserved for future transportation system purposes or uses, including but not limited to use as a bus transit system, freight rail, and a light rail transit system, and for the location of communication, storm sewer, sanitary sewer, and water facilities, ground surface drainage ways, and other public improvement utilities, “**Future Transportation Use**,” and which allow the Property to be used in the interim for a public recreational trail, including but are not limited to foot travel, bicycle travel, and inline skating, “**Interim Recreational Trail Use**,” and

WHEREAS, the Property is encumbered, in part, by legally binding agreements with public and private utilities, and licenses, which run with the land, and allow said utilities and licenses to cross over, under, upon and through the Property, “**Utility and Licenses**,” and

WHEREAS, the City of Chaska, a governmental subdivision and municipal corporation under the laws of the State of Minnesota, (“**CITY**”), and CARVER COUNTY collaborated to reconstruct, expand, and improve a portion of Minnesota State Highway 41, (“**TH41**”), and County State Aid Highway 61, (“**CSAH 61**”), as part of the first phase of the CITY’s Downtown Highway 41 Project, (“**Phase 1 Project**”); and

WHEREAS, CCRRA and the CITY entered into an Underpass and Recreational Trail Agreement dated March 21, 2023, (“**Phase 1 Trail Agreement**”), which allowed the CITY to construct a recreational trail, underpass, and make other related improvements according to the Phase 1 Plans, (“**Phase 1 Trail Improvements**”), as part of the Phase 1 Project; and

WHEREAS, CCRRA, CARVER COUNTY, and the CITY collaborated, in part, to reconstruct, extend, and improve a segment of the Minnesota River Bluffs Regional Trail located

in Chaska, Carver County, Minnesota (“**Phase 2 Project**”), which improvements are the referred to herein as the “**Phase 2 Trail Extension and Improvements**”; and

WHEREAS, the Phase 1 Trail Improvements and the Phase 2 Trail Extension and Improvements are, collectively, referred to herein as the “**Regional Trail Improvements**,” and

WHEREAS, the Regional Trail Improvements benefit CCRRA and CARVER COUNTY; and

WHEREAS, CCRRA and CARVER COUNTY desire to cooperate with one another regarding the Phase 2 Project, to ensure that the Phase 2 Trail Extension and Improvements on the Property do not interfere with any Future Transportation Use, any Utility and Licenses, or any other permitted uses of the Property; and

WHEREAS, CCRRA desires to convey a non-exclusive permanent transportation easement (“**PTE**”) to CARVER COUNTY to effectuate and facilitate the CITY’s initial construction of the improvements of the Phase 2 Project on designated portions of the Property, and to facilitate the performance of the ongoing maintenance, operation, repair, and use of the Regional Trail Improvements, subject to the terms and conditions of this Agreement; and

WHEREAS, for the purpose of this Agreement, “**CCRRA Improvements**” shall be those Regional Trail Improvements and any other improvements located on the Easement Tract, excluding the “**City Improvements**,” and

WHEREAS, for the purpose of this Agreement, “**City Improvements**” shall be Kiosks, associated waste/recycling receptacles, if any, and trail wayfinding signage, benches, bike racks, and decorative bollards/columns located on the Easement Tract; and

NOW THEREFORE, in consideration of the mutual promises and covenants of each to the other Party as contained herein, and for other good and valuable consideration, the receipt and sufficiency of which CCRRA and CARVER COUNTY hereby acknowledge, CCRRA and CARVER COUNTY hereby covenant and agree as follows.

AGREEMENT

1. CCRRA bargains, grants, and conveys a non-exclusive PTE unto CARVER COUNTY, over, under, across and upon across Tracts 2 and 7 of the Property, as depicted in Exhibit C and legally described in Exhibit D, both exhibits attached hereto and incorporated herein, “**Easement Tract**,” for the purposes of allowing CARVER COUNTY to:
 - A. Inspect the surface condition of the regional trail thereon;
 - B. Repair and replace the surface of the regional trail thereon, by crack sealing, patching, seal coating, applying an overlay, and reconstructing the surface to ensure a safe and usable condition;
 - C. Keep the CCRRA Improvements thereon clean and free of graffiti, and clean of garbage, trash, litter, and vegetation;

- D. Operate, modify, repair, and replace all of CCRRA Improvements thereon when reasonably necessary to ensure a safe and usable condition;
 - E. Inspect the condition of, maintain, and replace trees, shrubs, and other landscaping thereon used for screening purposes;
 - F. Sweep the surface of the regional trail thereon;
 - G. Inspect, repair, and replace all traffic control signage placed along the regional trail thereon, as needed, to ensure a safe and usable condition;
 - H. Inspect the sight line of the regional trail thereon, and perform site line trimming of overhanging trees and brushes thereon, as needed, to ensure a safe and usable condition;
 - I. Mow the Easement Tract one mower deck wide on each side of the regional trail;
 - J. Perform any other activity which is reasonably related and necessary to the construction, inspection, ongoing maintenance, repair, and operation obligations, and use of the Regional Trail Improvements thereon, as requested by CARVER COUNTY and as approved by CCRRA, both in writing;
 - K. Locate, construct, reconstruct, operate, maintain, inspect, alter, and repair within the Easement Tract, any public roadway, storm sewer, sanitary sewer, and water facilities; ground surface drainage ways, sidewalks, retaining walls as necessary to provide lateral support to adjacent public improvements, traffic signals and traffic signage, or other public facilities or improvements of any type that are not inconsistent with a Future Transportation Use; together with the right to place or store snow removed or plowed from the adjacent public street or trail; and also the right to cut, trim, or remove any trees, shrubs, or other vegetation from the Easement Tract that in the reasonable judgments of CARVER COUNTY and the CCRRA, does not unreasonably interfere with CARVER COUNTY's permitted uses of the Easement Tract or the Regional Trail Improvements thereon;
 - L. Authorize the CITY to construct the Phase 2 Trail Extension and Improvements thereon;
 - M. Authorize the CITY to perform the CITY's maintenance, operation, and repair obligations for the Regional Trail Improvements thereon; and
 - N. Authorize the CITY to perform any other activity or activities on the Easement Tract, which are reasonably related and necessary for the CITY to meet its obligations.
2. Subject to the terms and conditions of this Agreement, CARVER COUNTY, its officials, employees, contractors, and agents shall have the right under the PTE to:
- A. Enter onto, over, under, across and upon the Easement Tract to inspect, maintain, repair, operate, and use the Regional Trail Improvements; and
 - B. Enter onto, over, under, across and upon the Easement Tract to perform any other activity

which is reasonably related and necessary to the construction, inspection, ongoing maintenance, repair, and operation, and use of the Regional Trail Improvements, or as otherwise approved by the CCRRA in writing; and

- C. Enter onto, over, under, across and upon the Easement Tract to locate, construct, reconstruct, operate, maintain, inspect, alter, and repair within the Easement Tract, any public roadway, storm sewer, sanitary sewer, and water facilities; ground surface drainage ways, sidewalks, retaining walls as necessary to provide lateral support to adjacent public improvements, traffic signals and traffic signage, or other public facilities or improvements of any type that are not inconsistent with a Future Transportation Use; together with the right to place or store snow removed or plowed from the adjacent public street or trail; and also the right to cut, trim, or remove any trees, shrubs, or other vegetation from the Easement Tract that in the reasonable judgments of CARVER COUNTY and the CCRRA, unreasonably interferes with CARVER COUNTY'S permitted uses of the Easement Tract or facilities located with the Easement Tract; and
 - D. Authorize the CITY to enter onto, over, under, across and upon the Easement Tract to construct the Phase 2 Trail Extension and Improvements on, over, under and across the Easement Tract, according to the plans the CITY, CARVER COUNTY, and the CCRRA approved for the Phase 2 Trail Extension and Improvements, ("**Phase 2 Plans**"); and
 - E. Authorize the CITY to enter onto, over, under, across and upon the Easement Tract to inspect, maintain, and operate the City Improvements thereon.
3. Neither CARVER COUNTY nor any of CARVER COUNTY'S authorized invitees shall interfere with any Future Transportation Use of the Easement Tract.
 4. CARVER COUNTY and CARVER COUNTY'S authorized invitees on the Easement Tract shall properly locate and protect all such utilities on the Easement Tract prior to, and during any construction, modification, relocation, and use of the Regional Trail Improvements and neither CARVER COUNTY nor any of CARVER COUNTY'S authorized invitees shall not interfere with any such Utility and Licenses. CARVER COUNTY and CARVER COUNTY'S authorized invitees must protect all existing utilities, including fiber optics, waterways, and drainage lines on the Easement Tract.
 5. Any rights granted to CARVER COUNTY under this Agreement are subject to and subordinate to any existing rights of way, the Utility and Licenses, whether or not of record, for highway, roads, railroads, public and private utilities, pipelines, canals, laterals, ditches, fiber optics, electrical, or other transmission lines.
 6. CARVER COUNTY and CARVER COUNTY'S authorized invitees shall abide by all local, state, and federal ordinance, regulations, and laws in the exercise of any of the rights granted herein.
 7. CARVER COUNTY accepts the Easement Tract subject to any want or failure at any time of CCRRA'S title to the Easement Tract or any part thereof, and CARVER COUNTY shall

assume any damages sustained by CARVER COUNTY in connection therewith.

8. CARVER COUNTY accepts the Easement Tract subject to and subordinate to the rights of any party, including CCRRA, in and to any roadways, easements, licenses, leases, permits, whenever granted, except that any subsequent grant shall not unreasonably interfere with CARVER COUNTY's use of the Easement Tract pursuant to the terms of this Agreement.
9. CARVER COUNTY accepts the condition of the Easement Tract, including specifically without limitation, the environmental and geological condition of the Easement Tract, in an "AS-IS" and with "ALL FAULTS" condition.
10. CARVER COUNTY's execution of this Agreement shall represent CARVER COUNTY's acknowledgement and agreement that:
 - A. CCRRA has not made any written or oral representation or warranty of any kind with respect to the Property, and/or the Easement Tract, (including without limitation express or implied warranties of merchantability, or fitness for a particular purpose); and
 - B. CARVER COUNTY has not relied upon any written or oral representation made by CCRRA, its agents or employees, with respect to the condition of the Property and/or the Easement Tract; and
 - C. CARVER COUNTY had an adequate opportunity to inspect the condition of the Easement Tract, including without limitation any environmental testing, and to inspect documents applicable thereto, and CARVER COUNTY is relying solely on such inspection and testing, if any; and
 - D. The condition of the Easement Tract is fit for CARVER COUNTY's intended use and enjoyment.
11. By entering this Agreement, CARVER COUNTY accepts and acknowledges that CCRRA made no representation or warranty as to the condition of the Easement Tract or its suitability for the construction and placement of the Regional Trail Improvements, or for any other purposes allowed by this Agreement.
12. CCRRA reserves the right to use, encumber, and occupy the Easement Tract in the future, and the right to agree to other uses, encumbrances, and occupations of the Easement Tract, provided that any such use, encumbrance, and occupation of the Easement Tract does not unreasonably interfere with the rights and obligations granted under this Agreement, or any amendment thereto approved in writing by CCRRA and CARVER COUNTY.
13. CARVER COUNTY shall exercise its rights to the Easement Tract in such a manner as to facilitate and be compatible with CCRRA's use of the Easement Tract for Future Transportation Use.
14. In the event that any portion of the Easement Tract is needed in the future for any Future

Transportation Use that is inconsistent with the existence, location, or use of any of the Regional Trail Improvements, CCRRA shall not be responsible for the cost of any necessary modification or relocation of any of the Regional Trail Improvements.

15. CARVER COUNTY shall defend, indemnify, and hold harmless CCRRA, its officials, officers, agents, volunteers and employees from any liability, claims, causes of action, judgments, damages, losses, costs, or expenses, including reasonable attorney's fees, resulting directly or indirectly from any act or omission of CARVER COUNTY, a contractor, subcontractor, anyone directly or indirectly employed by them, and/or anyone for whose acts and/or omissions they may be legally responsible for in the exercise of the rights granted by this Agreement, and against all loss by reason of the failure of CCRRA to perform any obligation under this Agreement. CARVER COUNTY'S liability shall be governed and limited by Minnesota Statutes Chapter 466, and any other applicable laws.
16. Neither CCRRA nor CARVER COUNTY waives any immunities, defenses, or defenses on liability to the parties in law or equity. CCRRA and CARVER COUNTY expressly agree that the terms of this Agreement shall not be construed to affect any waiver, including those of protections set forth in Minnesota Statutes, Chapters 466.
17. CCRRA and CARVER COUNTY understand and agree that this instrument covers all of the agreements and stipulations between CCRRA and CARVER COUNTY, and that no other representation or statements, written or oral, have been made modifying, adding to, or changing the terms hereof.
18. CARVER COUNTY shall not assign or transfer this Agreement without the prior written consent of CCRRA, excepting CARVER COUNTY may allow the CITY to enjoy certain rights in accordance with the terms and conditions of this Agreement.
19. The rights granted herein may be exercised at any time subsequent to the full execution of this Agreement.
20. This Agreement shall run with the land and be binding upon the successors and assigns of CCRRA and CARVER COUNTY.

IN WITNESS WHEREOF, the CCRRA and CARVER COUNTY have caused this instrument to be executed the day and year written immediately below.

[REST OF PAGE LEFT BLANK INTENTIONALLY]