

**JOINT POWERS AGREEMENT
FOR THE RECONSTRUCTION OF IMPROVEMENTS
RELATED TO THE RIVERDALE PROJECT**

This Agreement is made and entered into this 20th day of December, 1988, by and between the County of Anoka, a political subdivision of the State of Minnesota, 325 East Main Street, Anoka, Minnesota, hereinafter referred to as the "COUNTY", and the City of Coon Rapids, 1313 Coon Rapids Boulevard, Coon Rapids, Minnesota 55433, hereinafter referred to as the "CITY".

WITNESSETH:

WHEREAS, the City is considering entering into a development agreement with Homart, Inc., for the development of a regional shopping center (hereinafter referred to as "Riverdale") at the intersection of County State Aid Highway No. 9 (Round Lake Boulevard) and County State Aid Highway No. 14 (Main Street), which project would require the major reconstruction and expansion of both County and State highways, as well as construction and extension of utilities to serve Riverdale and surrounding areas; and,

WHEREAS, the City does not have sufficient funds available to pay for the cost of the improvements necessary for the development of Riverdale; and,

WHEREAS, the City has proposed to use tax increment funds generated by Riverdale within TIF Districts No. 2-1 and No. 2-2, which are created or will be created to encompass Riverdale and the surrounding properties, which TIF funds, together with funds to be contributed by the County as hereinafter set forth, and other funds of and available to the City, will be used to pay for said improvements; and,

WHEREAS, the parties hereto have agreed in principal as to the nature and extent of the improvements to be made, which improvements are described in Exhibit A, which is attached hereto and incorporated herein by reference and which are hereinafter collectively referred to as the "IMPROVEMENTS"; and,

WHEREAS, the parties hereto agree that the cost of certain of the improvements be shared by the parties; and,

WHEREAS, the parties have agreed that it is in their best interest that the City undertake the construction of the improvements on behalf of both parties, except as provided herein; and,

WHEREAS, Minn. Stat. §471.59 authorizes political subdivisions of the State to enter into joint powers agreements for the joint exercise power;

NOW, THEREFORE, it is mutually stipulated and agreed as follows:

1. PURPOSE.

The parties have joined together for the purpose of constructing and/or reconstructing the roadways, bridges, drainage, sidewalk, traffic control systems, as well as other utilities on a portion of County State Aid Highway No. 9 (Round Lake Boulevard) and County State Aid Highway No. 14 (Main Street) and other improvements as described in Exhibit A and to share in the cost of certain of said improvements, as provided hereinafter.

2. METHOD

A. The City shall provide all engineering services and shall cause the construction of the improvements referred to in Exhibit A in conformance with plans and specifications to be prepared by the City and approved by the County as to the improvements to be made to the County highway system, except as hereinafter provided. The letting of bids and acceptance of all bid proposals shall be done by the City, except as hereinafter provided.

B. Notwithstanding the provisions of paragraph 2.A. above, the County shall have the right to undertake the construction engineering of any of the projects described in Exhibit A, which are made to the County highway system. To exercise the right to undertake and to cause the construction engineering of any of said projects, the County shall give the City written notice of its intention to claim a project not later than March 31st of the year of the scheduled construction of the project.

3. COSTS

A. The contract cost of the work, or if the work is not contracted, the cost of all labor, materials, normal engineering costs, equipment rental required to do the work and right-of-way acquisition costs, shall constitute the actual "construction costs" and shall be so referred to herein. Construction costs shall not include the cost of right-of-way adjacent to and part of the former "Federal Hoffman property". Total Construction Costs shall include construction costs and administrative costs such as bonding expenses, legal expenses and engineering fees, provided however, that said administrative costs shall not exceed twenty six percent of the construction costs. "Estimated total construction costs" are good faith projections of costs which will be incurred for the projects.

B. Total construction costs of the Improvements described in Exhibit A range between \$22,223,000 and \$23,923,000 depending on the final design of grades, etc. The Project costs shall be paid for by special assessments in the estimated amount of \$3,949,000; TIF funds; and County contributions as hereinafter provided. The projects in which the costs are to be shared by the County and the City, the estimated total cost of each project and the maximum County participation in each project, is listed below:

PROJECT	ESTIMATED TOTAL COST	MAXIMUM COUNTY PARTICIPATION	
C.S.A.H. #14 (Main Street)	\$4,000,000.00	\$2,700,000.00	2.6
C.S.A.H. #9 (Round Lk. Blvd. and Round Lake Blvd Interchange)	\$5,760,000.00	\$2,800,000.00	2.9
Burlington Northern Railroad Overpass	\$3,670,000.00	\$1,000,000.00	1.00
Maximum Total County Participation (Basic Funds)		\$6,500,000.00	

Handwritten calculations:

2548000
3148000
1000000
4148000

2352000
3060000
2046000

C. The County has included in its Capital Improvement Program funding for part of the cost of the reconstruction and improvement of Foley Blvd. and the Bridge over Highway No. 10 through the anticipated issuance of County bonds in 1992. The estimated cost of said improvements is \$3,200,000.00, of which the County's share is \$1,700,000.00. Pursuant to the City's request, the County agrees to reallocate up to \$1,700,000.00 of its share of the cost of the Foley Blvd. Bridge Project to the Burlington Northern Railroad Overpass Project, said sum to be a part of the Basic Fund as indicated in Paragraph 3.B., and said reallocation to be subject to the terms and conditions hereinafter set forth.

The City and County are currently negotiating with MNDOT to pay for the cost of the County's share of the Foley Bridge Project in conjunction with MNDOT's anticipated improvement to Highway No. 10. If MNDOT does not agree to pay for the County's share of the cost, or agrees to pay for only a portion thereof, of the Foley Blvd. Bridge Project as part of its improvements to Highway No. 10, the City shall pay to the County, by not later than December 31, 1992, the difference between the amount of County funds reallocated from the Foley Blvd. Bridge Project which is paid to the City pursuant to this Agreement and the amount that MNDOT pays for the County's share of said project, as specified in paragraph 3.C. above.

4. LIMITATION ON COUNTY BONDING

The County intends to issue bonds to cover part its share of the cost of construction of the projects listed in Paragraph 3.B. As of the date of this Agreement, the County cannot issue bonds to cover its portion of the costs of the projects because the County's current outstanding bonds equal or exceed the County's current legal debt limit under Minnesota Law. It is anticipated, however, that the 1989 Minnesota Legislature may enact legislation which could increase the County's legal debt limit. Provided that the Minnesota Legislature enacts legislation in 1989 that would increase the County's legal debt limit to an amount that would be, in the sole discretion of the County, sufficient to meet the County's Capital Improvement Program and/or other needs, the County shall issue bonds and/or use other funds to pay for its portion of the costs described in Paragraph 3.B. herein (hereinafter referred to as "Basic Funds"). If the Minnesota Legislature does not enact legislation in the 1989 Session that increases the County's net legal debt limit to an amount that would be, in the sole discretion of the County, sufficient to meet the County's Capital

Improvement Program and/or other needs, the County's Basic Fund obligation shall be determined as provided in Paragraph 5. below.

5. ALTERNATIVE COUNTY CONTRIBUTION IF NO BONDING

A. If the Minnesota Legislature does not enact legislation in the 1989 Session that increases the County's net legal debt limit to an amount that would be, in the sole discretion of the County, sufficient to meet the County's Capital Improvement Program and/or other needs, the City and County agree that the total costs of the Improvements described in Exhibit A will be reduced approximately \$3,500,000.00 by eliminating the Burlington Northern Railroad Overpass project and that the projects for which the costs would be shared by the County and the City, the estimated total cost of each project and the maximum County participation in each project, shall be as listed below:

PROJECT	ESTIMATED TOTAL COST	MAXIMUM COUNTY PARTICIPATION
C.S.A.H. #14 (Main Street)Funds to be diverted from East River Road Project	\$4,000,000.00	\$1,000,000.00
C.S.A.H. #9 (Round Lk. Blvd. Interchange)Bridge Bonds	\$3,760,000.00	\$2,000,000.00
Maximum Total County Participation (Basic Funds)		\$3,000,000.00

B. The County plans to construct certain improvements on East River Road in the City from Trunk Highway 610 to the Coon Rapids "Y" in 1990, for which the County's portion of the estimated cost is \$1,300,000.00. Pursuant to the City's request, the County may transfer up to \$1,000,000 of the County's estimated cost of the East River Road Project and allocate said sum to

the CSAH No. 14 (Main Street) project, said sum being part of the Basic Funds as indicated in Paragraph 5.A. It is understood and agreed that as a result of the transfer of said County funds the beforementioned improvements to East River Road shall be delayed until other funds can be obtained to replace the County money transferred to the CSAH No. 14 (Main Street) project.

6. ADDITIONAL FUNDS

In addition to the Basic Funds provided for in Paragraphs 3. or 5., the County agrees to pay to the City for the Burlington Northern Railroad Overpass improvements an additional sum (hereinafter referred to as "Additional Funds") equal to the amount that the County receives from the MNDOT program for funding railroad grade separations, provided however, that the additional funds shall be payable only upon the condition that the County receives such additional funds from MNDOT.

7. OTHER FUNDS

The City and County are negotiating with MNDOT to determine if MNDOT would pay for a portion of the costs of the improvement of the Highway No. 10 and Main Street interchange and, Highway No. 10 and Round Lake Blvd. interchange, the estimated cost of which is \$2,837,000.00 and \$3,760,000.00, respectively. Funds directly allocated and received by the County from MNDOT for the improvement of said interchanges shall hereinafter be referred to as "Other Funds".

A. If the County provides Basic Funds pursuant to paragraph 3. and receives other funds from MNDOT, the County agrees to pay to the City one-half of the other funds received from

MNDOT and the remaining one-half shall be used for the Highway No. 10 and Main Street interchange and the Highway No. 10 and Round Lake Blvd. interchange; provided that the County's Basic Fund contribution for the Main Street project shall be reduced by one-half of the other funds received from MNDOT; provided further that as a condition of receiving other funds from the County, the City shall take under its jurisdiction that part of Northdale Blvd. from Hanson Blvd. to Crooked Lake Blvd.

B. If the County provides Basic Funds pursuant to paragraph 5., receives other and additional funds from MNDOT, and the sum of the other funds and additional funds is sufficient to pay for the cost of the Burlington Northern Railroad Overpass improvement, the Burlington Northern Railroad Overpass improvement shall be included in the projects to be constructed and the County shall pay to the City the entire amount of other funds received from MNDOT for said improvement. If the sum of the other funds and additional funds is not sufficient to pay for the cost of the Burlington Northern Railroad Overpass, the other funds that the County receives from MNDOT shall be divided pursuant to paragraph 7.A., provided that as a condition of receiving other funds from the County under either of the conditions of this subparagraph, the City shall take under its jurisdiction that part of Northdale Blvd. from Hanson Blvd. to Crooked Lake Blvd.

8. COUNTY SHARE OF COST

The County's actual share of the costs (Basic Fund) shall be a sum equal to the actual total construction cost of the projects in paragraph 3. or 5., whichever is applicable, multiplied a fraction, where the numerator of the fraction is the maximum total County participation for the projects as specified in paragraph 3. or 5., whichever is applicable, and the denominator of the

fraction is the estimated total construction cost of the projects as stated in paragraph 3. or 5., whichever is applicable, provided however, that said sum shall not be greater than the amount of the maximum total County participation as indicated in said paragraphs.

9. DISBURSEMENT OF FUNDS

The County shall pay to the City the County's portion of the actual construction costs of each project (1) within 30 days after receipt of the proceeds from the bonds issued for the specified project and/or from other funding sources, or (2) within thirty days of receipt of a voucher, containing such information as the County may require, representing that payments have been made by the City on a contract or contracts for the construction of the projects for which the funds are to be used, whichever of (1) or (2) occurs later. The City shall not be entitled to any interest on funding to be provided by the County.

If the County claims a project as provided in paragraph 2.B., the City shall pay to the County the City's portion of the actual construction costs of the claimed project within forty-five days of receipt of a voucher, containing such information as the City may require, representing that payments have been made on a contract or contracts for the construction of the projects for which the funds are to be used.

10. CONTRACTOR INDEMNIFICATION AND INSURANCE.

The City shall include in all of its agreements with its contractors for the construction of the improvements described in Exhibit A which involve the County highway system provisions requiring that the contractor indemnify and hold harmless the County to the fullest extent

permissible by law, the wording of said provisions to be approved by the Anoka County Attorney's Office. The City's contracts shall also include a provision requiring the contractor to purchase and maintain during the duration of the contract a policy of comprehensive general liability insurance with the following limits:

A. Limits of Liability: The insurance required under this paragraph shall be written in the following limits of liability as a minimum:

Bodily Injury: \$500,000 each occurrence, \$500,000 aggregate products.

Property Damage: \$500,000 each occurrence

\$500,000 aggregate operations

\$500,000 aggregate protective

\$500,000 aggregate products

\$500,000 aggregate contractual

B. Comprehensive Automobile Liability Insurance Covering:

a. All owned, hired, or non-owned vehicles including the loading or unloading thereof.

b. Special Requirements: The insurance required under this paragraph shall specifically include the following special hazards:

1. "Occurrence" bodily injury in lieu of "caused by accident".

2. "Occurrence" property damage in lieu of "caused by accident".

c. Limits of Liability: The insurance under this paragraph shall be written in the following limits of liability as a minimum:

Automobile Bodily Injury

\$500,000 each person

\$500,000 each occurrence

Automobile Property Damage

\$500,000 each occurrence

C. Umbrella Clause: An umbrella clause shall be written in the amount of \$2,000,000 to implement the above prime coverages and shall specifically state that the policy is written on a "occurrence" basis.

D. All insurance required under this section shall list Anoka County as an additional insured.

11. TERMINATION OF AGREEMENT BY THE COUNTY

A. The County may terminate this Agreement if the City, and the Developer of Riverdale, do not enter into a development agreement on or before December 31, 1988, which agreement provides for the development of a Regional Shopping Mall. Regional Shopping Mall means a unified, enclosed, retail shopping mall initially containing at least the following characteristics, which shall be scheduled to open not later than fall of 1992::

- (1) 600,000 or more gross square feet of heated and air conditioned space; and
- (2) either (i) two Anchor Tenants, one occupying a minimum of 75,000 gross square feet of space and one occupying a minimum of 150,000 gross square feet of space; or (ii) three Anchor Tenants, each occupying a minimum of 75,000 gross square feet of space and together occupying a minimum of 275,000 gross square feet of space; and
- (3) area designated for expansion to include at least a third and fourth or fourth Anchor Tenant, as the case may be.

B. The City shall provide copies of all agreements with the Developer of Riverdale. The County may terminate this Agreement with the City if the City modifies, alters or changes any of the terms or conditions of its agreement with the Developer of Riverdale.

12. TERM

This Agreement shall continue until (1) it is terminated as provided herein, or (2) until the construction provided for herein is completed and payments provided for herein are made, whichever of (1) or (2) shall first occur.

13. DISBURSEMENT OF FUNDS

All funds disbursed by the County or City pursuant to this Agreement shall be disbursed by each entity pursuant to the method provided by law.

14. CONTRACTS AND PURCHASES

All contracts let and purchases made pursuant to this Agreement shall be made by the City or the County in conformance with State laws. In addition, all contracts shall incorporate the MNDOT Standard Specifications, 1988 Edition.

15. STRICT ACCOUNTABILITY

A strict accounting shall be made of all funds and a report of all receipts and disbursements shall be made upon request by either party.

16. SIGNALIZATION POWER

The City shall install or cause the installation of an adequate electrical power source to the service pads or poles, including any necessary extension of power lines, and upon completion of the necessary traffic control signal installations, the ongoing cost of electrical power to the signals shall be at the cost and expense of the City.

17. MAINTENANCE

Maintenance of the completed signals and signal equipment will be the sole obligation of the County. Upon completion of the improvements to the County highway system, the County shall be responsible for future maintenance of the roadways, provided however, that the City shall be responsible for the maintenance and repair of all utilities including, but not limited to, sewer, water and storm sewer.

18. NOTICE

For purposes of delivery of any notices herein, the notice shall be effective if delivered to the County Administrator of Anoka County, 325 East Main Street, Anoka, Minnesota, on behalf

of the County and the City Manager of Coon Rapids, 1313 Coon Rapids Boulevard, Coon Rapids, Minnesota 55433, on behalf of the City.

19. INDEMNIFICATION

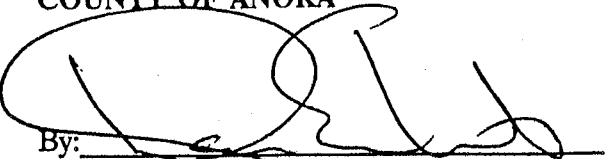
The City and the County mutually agree to indemnify and hold harmless each other from any claims, losses, costs, expenses, or damages resulting from the acts or omissions of their respective officers, agents, or employees relating to the activities conducted by either party under this Agreement.

20. ENTIRE AGREEMENT/REQUIREMENT OF A WRITING

It is understood and agreed that the entire agreement of the parties is contained herein and that this agreement supersedes all oral agreements and all negotiations between the parties relating to the subject matter thereof, as well as any previous agreements presently in effect between the parties relating to the subject matter thereof. Any alterations, variations, or modifications of the provisions of this Agreement shall be valid only when they have been reduced to writing and duly signed by the parties herein.

IN WITNESS WHEREOF, the parties to this agreement have hereunto set their hands on the dates written below:

COUNTY OF ANOKA

By: 
Dan Erhart, Chairman
Anoka County Board
of Commissioners

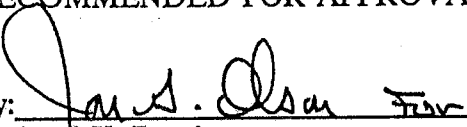
Dated: 12/20/88

ATTEST:

By: 
John "Jay" McLinden
Anoka County Administrator

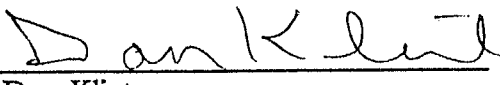
Dated: 12/20/88

RECOMMENDED FOR APPROVAL:

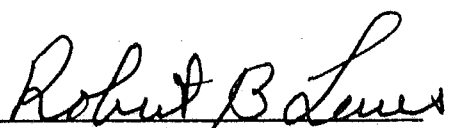
By: 
Paul K. Ruud
Anoka County Highway Engineer

Dated: 12/20/88

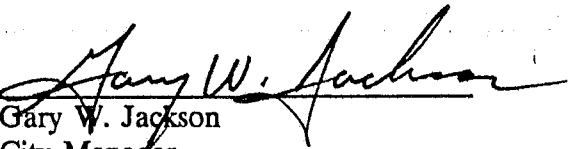
APPROVED AS TO FORM:

By: 
Dan Klint
Assistant Anoka County Attorney

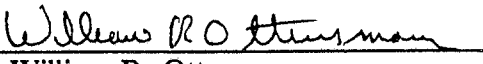
CITY OF COON RAPIDS

By: 
Robert D. Lewis, Mayor

Dated: 12/20/88

By: 
Gary W. Jackson
City Manager

Dated: 12/20/88

By: 
William R. Ottensmann
City Engineer

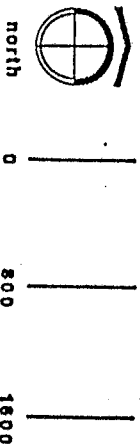
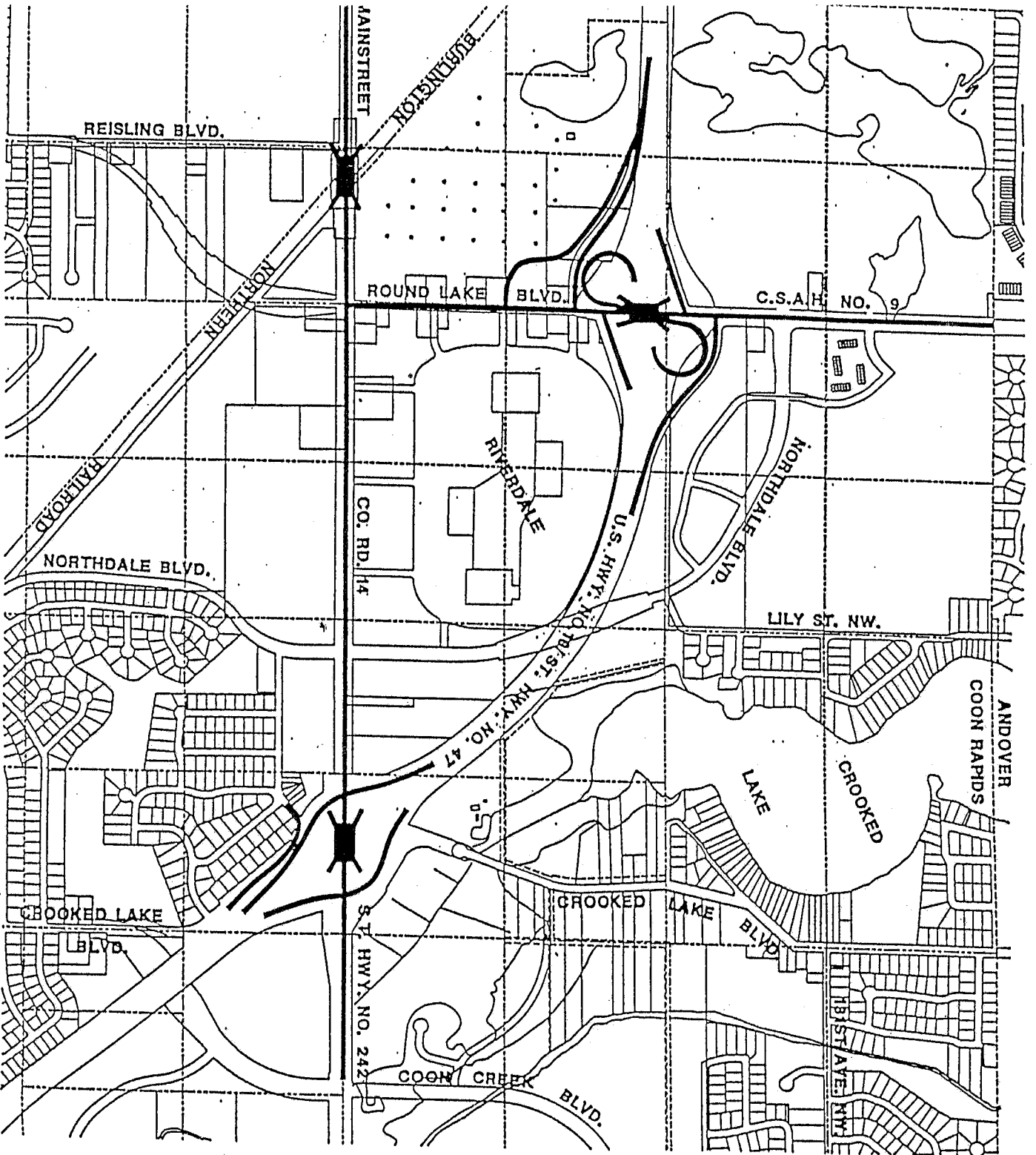
Dated: 12/20/88

APPROVED AS TO FORM:

By: 



JOINT POWERS ROADWAY IMPROVEMENT IMPROVEMENT PROJECT 87-3 RIVERDALE



BRV
Engineering
11000 Hennepin Ave. N.
Minneapolis, MN 55412
Telephone: 822-7170, 822-7171, 822-7172
Telex: 250000 BRV
December, 1988 18-8728

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EXHIBIT