

AGREEMENT

THIS AGREEMENT is entered into this 8th day of May, 1991, and is by and between the Township of Kalmar, Township of Salem, and City of Byron, a Minnesota statutory city.

(1) City of Byron is the owner of real estate located within its corporate limits, legally described as Lots 3 and 4, Cheery Meadows Fourth Subdivision to the City of Byron, Olmsted County, Minnesota, having acquired ownership of said property through a tax forfeiture.

(2) Kalmar, Salem, and Byron desire to have a Fire Hall constructed on said premises, and it being the intention of the City of Byron to give authority to the Byron Economic Development Authority to issue a general obligation bond to finance the construction of said Fire Hall, but the parties hereto agreeing that each party shall be one-third (1/3) responsible for the payment of said general obligation bond, or any other expenses which may be incurred in the construction, repair, or maintenance of the above described real estate, or the Fire Hall to be constructed thereon.

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

(1) That each of the signatories hereto shall be one-third (1/3) responsible for the repayment of the bonds to be issued by the Byron Economic Development Authority, which bonds are being issued for the

purpose of construction of the Fire Hall on the above described premises. The parties agree that said payments shall be made on or before the date specified in said bonds for the annual payment, or more often should the payments be required more often than annually. The obligations contained in this Agreement shall, as respect to payments, survive until said bonds shall be retired and paid in full.

(2) The parties hereto agree that the plans and specifications for the Fire Hall shall be as agreed upon by the signatories hereto. In the event all three cannot agree on the specifics of the plans and specifications, then such disagreement shall be resolved as follows: majority of votes shall determine plans and specifications.

(3) The parties hereto further agree that each of them shall have an undivided one-third (1/3) interest in the premises described above, and each shall be co-equally responsible for payments and obligations, specifically including but not limited to payments associated with the bond issued by the Byron Economic Development Authority, and payments for repairs, maintenance, upkeep, insurance, and any other obligation or liability associated with the premises.

(4) The parties further agree that in the event any of them should fail to make payments as required under the bond or in terms of this Agreement, that either of the other parties hereto may make such payment, but the defaulting party shall, in any event, remain fully liable

to the paying party therefore. The parties further agree that so long as such obligation remains unpaid, their obligation to the paying party shall accrue interest at the bond rate percentage per annum from and after the date of payment.

(5) In the event any of the parties to this Agreement are required to resort to judicial process to enforce the terms of this Agreement or recover any sums paid which are more properly the responsibility of one of the other parties, then such defaulting party agrees to pay the reasonable attorney's fees of the party seeking enforcement of this Agreement, including any fees incurred as a result of any appeal from any Order of the Court.

(6) The parties further agree that the Fire Hall, as constructed, shall be overseen by a Fire Board consisting of one member from each of the signatories to this Agreement. It shall be the responsibility of each of the signatories to designate a member of their Council to sit on the Fire Board. It shall be the specific responsibility of the Fire Board to meet with representatives of the Fire Department to discuss the operation and needs of the Fire Hall and Fire Department. The Fire Board, upon recommendation from the Fire Chief or representative, may decide what improvements, purchases, repair, or maintenance are needed for the Fire Hall and its grounds and equipment and, in the event a majority of the members of the Fire Board agree that such purchase,

repair, maintenance, or construction is necessary, that they will bring it to the attention of the respective Town Boards and City. In the event two of the signatories to this Agreement concur in the purchase, construction, repair, or maintenance, then the Fire Board shall see that the same is undertaken and the signatories hereto agreeing that they shall be co-equally responsible for the payment of such purchases and/or work.

(7) The parties hereto further agree that the normal day-to-day operation and overseeing of the Fire Hall and its premises shall be undertaken by the Byron Volunteer Fire Department.

(8) The parties agree that this Agreement shall cover only the acquisition and operation of the Fire Hall and its premises and that the providing of fire protection by the City of Byron shall be negotiated separately, as provided by State law. However, in the event any of the signatories to this Agreement decide to obtain fire protection service from any other source, such decision, and its implementation, shall not affect the obligations of said entity under this Agreement to make the payments, or otherwise undertake the activities required herein.

(9) This Agreement shall remain in full force and effect until, by agreement of the signatories hereto, it may be rescinded or terminated. However, in no event shall this Agreement be terminated while there is still any outstanding obligation owed for the bond referred to herein; and, further, prior to requesting the termination, the party requesting the same

must be current in its obligations under this Agreement.

If this Agreement is terminated, then the property acquired shall be disposed of as follows:

If one of the parties hereto wishes to sell their interest in the Fire Hall, it is understood and agreed that the offer of sale may only be made to another political subdivision of the State of Minnesota. In the event another political subdivision does offer to purchase said share, then the part wishing to sell shall first offer to the other two signatories to this Agreement, on the same terms and conditions as received from the other political subdivision. The other signatories to this Agreement, or either of them, then shall have 60 days to decide whether to purchase the offering party's share of the offered terms and conditions. It is only after the lapse of said 60 day period that the offering party may make the sale to the other political subdivision.

If all three of the signatories agree to terminate this Agreement, then they shall dispose of the property as they decide.

Any surplus monies shall be returned to the signatories hereto in the proportion to the contributions of each such signatory.

IN WITNESS WHEREOF, the parties have signed this Agreement

this 8<sup>th</sup> day of May, 1991.

CITY OF BYRON

By [Signature] Mayor  
By [Signature] Clerk-adm

TOWNSHIP OF KALMAR

By [Signature] - Chairman  
By [Signature] Clerk

TOWNSHIP OF SALEM

By [Signature] - Chairman  
By [Signature] Clerk