

(this space reserved for recording purposes) _____

**AGREEMENT REGARDING PAYMENT FOR POTENTIAL
HENTGES WAY REPAIR EXPENSES**

This Agreement is entered into between SOUTHWEST LOGISTICS CENTER, LLC, a Delaware limited liability company (“Owner”) and the City of Shakopee, a Minnesota municipal corporation (“City”) as of _April ___, 2021.

RECITALS

- A. Owner is the fee owner of Lot 1, Block 1, Hentges Industrial Park, according to the recorded plat on file with Scott County (“Property”).
- B. Magellan Pipe Line Company, LP (“Magellan”) is the owner of certain pipelines, pipeline facilities and appurtenances (“Magellan Facilities”) and easement rights (“Magellan Easement”) across a portion of the Property.
- C. The Final Plat of Hentges Industrial Park dedicates the right of way for Hentges Way, which abuts the Property and provides public street access for the Property.
- D. Hentges Way encroaches into a portion of the Magellan Easement. The City will therefore be entering into an Encroachment Agreement (“City Encroachment Agreement”) with Magellan allowing the City to construct the portion of Hentges Way that encroaches into the Magellan Easement.
- E. As part of the City Encroachment Agreement, the City will be incurring certain obligations, including the obligation to repair or reconstruct at its own expense any damage to Hentges Way that might be caused by Magellan or its contractors performing work on the Magellan Facilities or work in the Magellan Easement (“City Repair Expenses”).

- F. The Owner is willing to pay for any City Repair Expenses up to a maximum amount of \$50,000.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, the City and Owner agree as follows:

1. Owner agrees to pay the City for 100% of the City Repair Expenses up to the maximum amount of \$50,000 within 30 days after the City incurs those expenses and provides an invoice for the same to Owner.
2. If Owner does not pay its share of the City Repair Expenses when it becomes due, Owner agrees that the City may, pursuant to Minnesota Statutes Chapter 429, levy a special assessment on the Property for the amount due, not to exceed \$50,000.
3. Owner agrees not to challenge, contest, or dispute in any manner the special assessment levied against the Property or any portion of the Property in accordance with the terms of this Agreement. Owner specifically waives notice of hearing and waives the right to the hearing required by Minnesota Statutes Section 429.031 on the amount of the special assessment to be levied on the Property in accordance with this Agreement.
4. Owner waives any and all rights to appeal or otherwise contest or challenge the levying of the special assessment against the Property. Owner further agrees that any requirements of Minnesota Statutes Chapter 429 with respect to the adoption or levying of the special assessment are waived to the extent that those requirements are not met by the City.
5. The Recitals set forth above are made part of this Agreement.
6. The covenants, waivers and obligations contained in this Agreement shall run with the Property and shall bind Owner's successors and assigns. It is the intent of the City and Owner that this Agreement be recorded as a part of the land records of Scott County, Minnesota at the time that the Property is platted. Owner agrees that this Agreement may be recorded against the Property at that time.
7. The terms and conditions set forth in this Agreement shall terminate upon payment in full of all special assessments levied against the Property. The City shall execute and deliver such documents, in recordable form, as are necessary to terminate this Agreement of record.
8. Owner agrees to pay the City all costs and expenses, including reasonable attorneys' fees, incurred by the City in enforcing this Agreement.

IN WITNESS WHEREOF, the parties have set their hands the day and year first above written.

SOUTHWEST LOGISTICS CENTER, LLC,
a Delaware limited liability company

By: _____

Its: _____

CITY OF SHAKOPEE

By: _____

Its: Mayor

By: _____

Its: City Administrator

[illegible]

The foregoing instrument was acknowledged before me this ____day of April, 2021
by_____, the _____ of Southwest Logistics Center, LLC, a
Delaware limited liability company, on behalf of the company.

Notary Public

[illegible]

The foregoing instrument was acknowledged before me this ___ day of _____, 2021 by William P. Mars and William Reynolds, the Mayor and City Administrator, respectively, of the City of Shakopee, Minnesota, on behalf of the City.

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

Kennedy & Graven, Chartered (JJT)
Fifth Street Towers
150 South Fifth Street, Suite 700
Minneapolis, MN 55402