SERVICES AGREEMENT

This SERVICES AGREEMENT ("Agreement") is made by and between **THE CITY OF BAXTER, MINNESOTA ("the City")** with its principal office located at 13190 Memorywood Dr. Baxter, Minnesota 56425 ("THE CITY"), and **THE CONSERVATION FUND**, **A NONPROFIT CORPORATION**, a Maryland nonstock corporation with its principal office located at 1655 North Fort Myer Drive, Suite 1300, Arlington, Virginia 22209 ("TCF"). The "**Effective Date**" of this Agreement shall be the last date signed by either party.

RECITALS

A. The City and TCF have been working and continue to work on land protection opportunities related to the Camp Ripley ACUB effort. TCF has assisted the City on multiple fee title land transactions in 2020 to protect 638 acres. TCF is well-suited to continue this partnership, given the history with the City and Camp Ripley.
B. The City Baxter has an interest in pursuing six parcels to connect trails along the Mississippi.
C. Based on their prior working success, the City and TCF wish to continue that working relationship so that TCF may assist the City in the acquisition of these parcels. NOW,

NOW THEREFORE, for good and valuable consideration the receipt and adequacy of which are hereby acknowledged, each to the other, and being fully acknowledged by the parties hereto, the parties agree as follows:

I. General:

The parties to this Agreement agree that TCF will assist the City by evaluating and acquiring fee or other real property interest in up to 6 (six) projects identified for their land protection and public access benefits listed on **Exhibit A** and shown on **Exhibit B** attached hereto and made a part hereof (each, a "Candidate Property") (the "Services"). TCF agrees to perform the Services as set forth in this Agreement.

II. Services:

As requested by the City and agreed to by TCF, TCF will provide the Services as follows (with deliverables set out on **Exhibit C** attached hereto and made a part hereof):

A. Due Diligence. Upon written request from the City, TCF shall conduct each due diligence investigation ("Due Diligence Investigation") in accordance with TCF's internal criteria of each Candidate Property. Each Due Diligence Investigation may include, without limitation, inspection of the Candidate Property by TCF staff and consultants; securing of an appraisal to "Yellow Book" standards, a Phase I environmental site assessment, preliminary title work, a title commitment, and a land survey; and engaging outside legal and/or consulting/technical assistance. TCF shall in its reasonable discretion determine the adequacy of due diligence items for purposes of acquisition by the City.

B. Acquisition of Candidate Properties. TCF shall use commercially-reasonable efforts to negotiate and secure purchase and sale agreement ("Purchase Agreement") directly with the landowners to acquire, in TCF's name and then assign such Purchase Agreement to the City, one or more Candidate Property, at a purchase price reasonably approved in writing by the City. The terms of the Purchase Agreements shall be on terms and conditions determined by TCF in its reasonable business discretion. A Purchase Agreement may comprise, in TCF's reasonable business discretion, an option agreement, a contingent contract of sale, an extension agreement on an existing option, a contract of purchase and sale, and/or any other similar agreement, without limitation as to duration, except that terms of the Purchase Agreement must require that the purchase be consummated within the Term (as defined below). If, after such written request from the City, TCF enters into a Purchase Agreement for a Candidate Property, at a purchase price approved by the City, and the City has determined that the Due Diligence Investigation with regard to the Candidate Property is acceptable, TCF shall assign its Purchase Agreement to the City so that the City takes title to the Candidate Property directly, or TCF may direct that the deed to the Candidate Property be to the City at the closing under the Purchase Agreement. It is the intention of the parties that TCF will not enter into direct chain of title for any Candidate Property.

C. Disposition of Candidate Properties. If, for any reason other than a breach of this Agreement by TCF, any Candidate Property is not transferred to the City on or before the date that is one (1) year after TCF enters into a Purchase Agreement for a Candidate Property, then TCF shall have the right to terminate such Purchase Agreement and recover all expenses incurred by TCF for due diligence review.

III. Compensation/Funding and Billing:

As further represented on Exhibit C attached hereto an made a part hereof, the City shall pay TCF for the Services a total of up to $120,000.00, as follows.

A. Due Diligence and Pre-Closing Costs. The City shall pay all out-of-pocket costs incurred by TCF in connection with each Due Diligence Investigation. In addition to Due Diligence Investigation cost reimbursement, the City shall pay one hundred percent (100%) of all out-of-pocket costs associated with the negotiation of the Purchase Agreement, as well as costs for good faith earnest money deposits, consideration for options, and other costs associated with securing the Purchase Agreement. Such costs plus the costs of completing the Due Diligence Investigation are collectively referred to as "Pre-Closing Costs".

Pre-Closing Costs reimbursement for allowable expenses shall not exceed Sixty Thousand and 00/100 Dollars ($60,000.00) and reimbursement for staff time shall be capped at Sixty Thousand and 00/100 Dollars ($60,000.00) for a total of One Hundred Twenty Thousand and 00/100 ($120,000.00). ("TCF Reimbursement Cap").

Allowable Pre-Closing Costs shall include, by way of example and not limitation, (i) TCF staff travel expenses associated with the negotiation of the Purchase Agreement and each Due Diligence Investigation; (ii) costs associated with due diligence materials such as an appraisal a Phase I environmental site assessment, preliminary title work, a title commitment, and a land survey; (iii) TCF staff rates, such rates to be reimbursed during the Term of this Agreement at an annually approved rate of One Hundred Fifty and 00/100 Dollars ($150) hourly and. All such Pre-Closing Costs shall be paid within thirty (30) days after TCF's delivery to the City of each invoice covering such costs, accompanied by reasonable documentation of the same, even if (without limitation) a Purchase Agreement is not secured and/or the Candidate Property is not acquired for any reason. Upon TCF's request, the City shall provide in advance to TCF funding for options, earnest money deposits and other similar payments. Funding for options, earnest money deposits and other similar payments for the benefit of the City shall not be deducted from the TCF Reimbursement Cap.

IV. Independent Contractor:

In performing the Services under this Agreement, TCF shall operate as and have the status of an independent contractor and shall not act as or be an agent, employee, joint venturer, or partner of the City. Both parties acknowledge that TCF is not an employee for state or federal tax purposes or for any other reason. All of TCF's activities will be at its own risk, and TCF shall not be entitled to worker's compensation or other employee benefits or other insurance protection provided by the City. As an independent contractor, TCF will be solely responsible for determining the means and methods for performing the Services. In keeping with TCF's role as an independent contractor, TCF has no authority to act, to enter into any contract, or to incur any liability on behalf of the City.

V. Standard of Performance:

TCF agrees to perform the Services with that standard of care, skill, and diligence normally provided by a professional person in the performance of similar services.

VI. Term and Termination:

A. Term. The term of this Agreement ("Term") will begin on the Effective Date and expire on the August 20, 2028, unless terminated earlier in accordance with this Agreement.

B. Termination. This Agreement and the Services to be performed hereunder may be terminated prior to the end of the Term (i) by either party at any time upon thirty (30) days' prior written notice to the other party; (ii) by either party upon a material breach of the Agreement by the other party, upon ten (10) days' written notice to the breaching party; and this Agreement and the Services shall be terminated upon completion of the Project.

C. Payments Upon Termination. If TCF provided any Services, upon any termination except a termination by the City based on a material breach of the Agreement by TCF then the City shall pay to TCF all costs associated with each Due Diligence Investigation requested by the City.

VII. Authority to Contract:

Each party to this Agreement represents and warrants to the other that each has the right to enter into this Agreement and that its execution and performance of this Agreement will not breach or cause a default under any other contract to which it is a party. TCF and the City each agree to indemnify, defend and hold harmless the other for all losses that arise as a result of any breach of its forgoing representations and warranties.

VIII. Miscellaneous:

A. No Assignment. Neither this Agreement nor any duties, obligations or rights under it may be assigned by either party without the other party's prior written consent. Any attempted assignment or delegation of this Agreement by a party without the express written consent of the other party will be void.

B. Notices. Any notices in connection with this Agreement may be given by either party to the other, in writing, via email or by personal delivery, by a nationally recognized overnight courier service, or by mail, registered or certified, postage prepaid with return receipt requested. Notices shall be addressed to the parties at the addresses appearing below, but each party may change the address by written notice to the other party. Notices will be deemed communicated as of emailing, depositing in the US Mail, or delivered to a courier service.

If to the City:	13190 Memorywood Dr. Baxter, MN 56425 Attn: Brad Chapulis Phone: (218) 454-5105 bchapulis@baxtermn.gov
If to TCF:	1655 N. Fort Myer Drive, Suite 1300 Arlington, Virginia 22209 Attn: Lily G. Engle Phone: (703) 525-6300 Email: lengle@conservationfund.org
Copy to:	Emilee Nelson Minnesota State Director The Conservation Fund enelson@conservationfund.org

C. Entire Agreement of the Parties. This Agreement, including any annexed Schedules, supersede any and all agreements, either oral or written, between the parties hereto with respect to the performance of Services by TCF for the City and contain all the covenants and agreements between the parties with respect to the performance of such Services. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not contained herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding. Any modification of this Agreement will be effective only if it is in writing signed by each party.

D. Headings. Headings of sections and subsections in this Agreement have been included solely for convenience and reference and are not a part of the Agreement.

E. Severability. If one or more of the provisions in this Agreement is deemed invalid, void or unenforceable by law, then the remaining provisions will continue in full force and effect. Moreover, if any one or more of the provisions contained in this Agreement shall be held to be excessively broad or partially invalid, illegal or unenforceable, it shall be construed by limiting and reducing it, so as to be enforceable to the extent compatible with the applicable law as it shall then appear.

F. Expenses and Interpretation. Each party shall pay its own costs and expenses in relation to the negotiation, preparation, execution and carrying into effect of this Agreement. The parties hereto acknowledge that they have carefully reviewed this Agreement and have been advised by counsel of their choosing with respect thereto, and that they understand its contents and agree that this Agreement shall not be construed more strongly against any party, regardless of who is responsible for its preparation.

G. Waiver. No waiver by either party of any breach of this Agreement shall be a waiver of any preceding or succeeding breach. No waiver by either party of any right under this Agreement shall be construed as a waiver of any other right.

H. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the Commonwealth of Virginia without regard to its conflict of laws principles.

I. Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signatures to each counterpart were upon a single instrument, and all such counterparts together shall be deemed an original of this Agreement. Execution and delivery of this Agreement by exchange of facsimile or scanned copies bearing the facsimile or scanned signature of a party hereto shall constitute a valid and binding execution and delivery of this Agreement by such party. Such facsimile or scanned copies shall constitute enforceable original documents.

[SIGNATURES ON FOLLOWING PAGE.]

IN WITNESS WHEREOF, the parties have executed and delivered this Services Agreement as of the date last signed.

THE CITY OF BAXTER

BY: ______________________________ Date: _______________

ITS: ________________________________

THE CONSERVATION FUND, A NONPROFIT CORPORATION

BY: ______________________________ Date: _______________

ITS: ________________________________

Exhibit A: Candidate Properties

PROPERTY ACQUISITION (See Note 4)

FEE TITLE PURCHASE

- MUEHLER PARCEL #40240615 (See Note 1):
- MUEHLER PARCEL #40240616 (See Note 1):
- RENNEKE PARCEL #40240649 (See Note 1):
- RENNEKE PARCEL #40240655 (See Note 1):
- RENNEKE PARCEL #40240656 (See Note 1):
- LORD OF LIFE PARCEL #40240661 (See Note 1):
- GOOD SAMARITAN PARCEL #40240657 (See Note 2):
- BARRETT PARCEL #40240660 (See Note 1):
- HALL PARCEL #40230506 (See Note 3):

Exhibit B-Map of Candidate Properties

BOUNDARY SKETCH
PART OF SECTIONS 23 AND 24,
ALL IN TOWNSHIP 133, RANGE 29,
CROW WING COUNTY, MINNESOTA

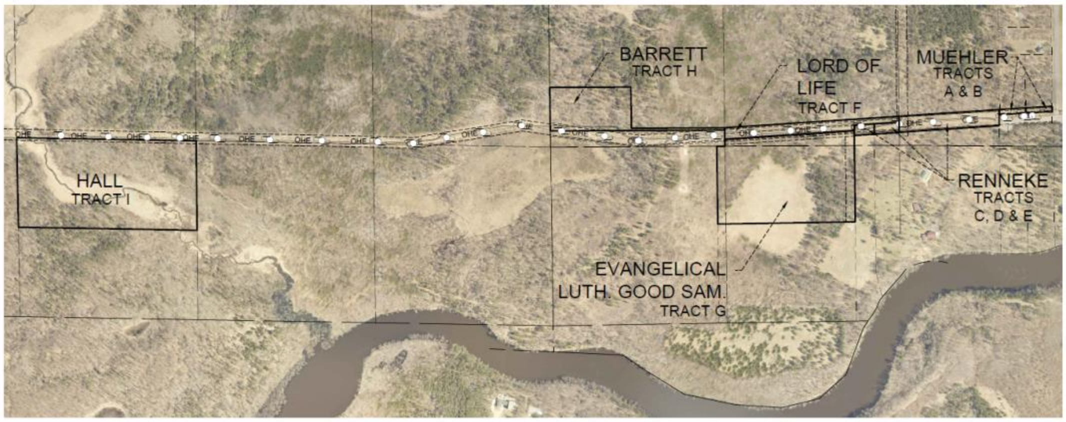

Exhibit C-Deliverables and Budget

Deliverable	**26 Q3**	**Q4**	**27 Q1**	**Q2**	**Q3**	**Q4**	**28 Q1**	**Q2**	**Q3**
Negotiations with willing sellers	X	X	X	X	X				
Complete due diligence (appraisal to Yellow Book standards, title search, Phase 1 ESA, survey, etc.)	X	X	X	X	X	X			
Assign Purchase Agreements to Baxter, Baxter acquires from willing sellers			X	X	X	X	X		

Budget

Item	**Amount**
Professional Services for Acquisition, payment to The Conservation Fund at $150 per hour for services to facilitate the acquisition transactions	$60,000
Due Diligence (appraisals, Phase 1 Environmental Site Assessments, title search, survey, recording fees)	$60,000
Total Services for Acquisition & Due Diligence Budget	$120,000