

JOINT POWERS AGREEMENT TO REGULATE UTILITY RATES

AGREEMENT made this ____ day of _____, 2023, by and between Harris Township, Blackberry Township and the City of Grand Rapids, collectively known as the “Cities.”

RECITALS

A. Grand Rapids has passed an ordinance granting to Gorhams’, Inc., a Minnesota corporation (d/b/a Northwest Natural Gas), a non-exclusive right for a period of 22 (twenty-two) years to erect and maintain a gas system (the “Gas system”) to distribute and sell natural gas in the Grand Rapids. Harris and Blackberry Townships will likewise be entering into an agreement with Gorhams’, Inc. to provide the same service in Harris and Blackberry Townships.

B. There has previously been filed with the Public Utilities Commission a resolution exempting Northwest Natural Gas from the regulatory provisions of *Minnesota Statute Sec. 216B*. Accordingly, Harris Township, Blackberry Township and the City of Grand Rapids have the authority under Minnesota Law to set the rate that Gorhams's Inc. is allowed to charge its customers in the territorial boundaries of all three entities.

C. The Harris Township, Blackberry Township and Grand Rapids believe it is in their best interest that they act in concert and unity regarding their regulation of the rates and other activities of Northwest Natural Gas and the Gas System. By establishing a joint board, the entities believe that this will yield a consistent rate within all three jurisdictions whose residents will share in the benefits of this utility.

TERMS

NOW, THEREFORE, in consideration of the promises, covenants and agreements herein contained, the parties agree as follows:

1. Purpose. The purpose of this Agreement is to establish a Joint Powers Gas Board (the “Board”) that has the exclusive right and power to regulate the rate that Gorhams’, Inc, pursuant to state law, be allowed to charge its' customers. All three entities will act in accordance with *Minnesota Statute 216B.02, subd.4, et. al*, as they may be modified from time to time.

2. The Board. There is hereby established a Board to act as the governing body to enforce the terms of this Agreement. The Board shall consist of five (7) members. Harris Township, Blackberry Township and Grand Rapids shall each be represented by two (2)

members on the Board, with the members appointed by the Township Boards and the City Council respectively. The seventh Board Member will serve a one-year term and in 2023 be the Harris Township Board Supervisor, in 2024 it shall be the Blackberry Board Supervisor, in 2025 be the Mayor of Grand Rapids, and then alternative in the same manner for the duration of this agreement. A majority of the members shall constitute a quorum for the transaction of business. No member of the Board shall be eligible to vote on any matter brought before the Board if the entity which he or she represents shall be in default on any financial payment required to be paid under the terms of this Agreement. A vacancy on the Board shall be filled by the applicable governing body.

3. Execution of Agreement. Grand Rapids, Harris and Blackberry Townships shall approve this Agreement by the adoption of an appropriate resolution by its governing body. Certified copies of the resolution shall be filed with each entity. Appropriate officials from each of the entity shall execute this Agreement on behalf of their respective governmental unit.

4. Meeting and Election of Officers. The business of the Board shall be conducted in accordance with Robert's Rules of Order, as well as, in accordance with the Minnesota Open Meeting Law. A Chairperson and a Secretary shall be elected annually by the Board from among its members.

The Board shall meet at least annually and more often as required to conduct business. Special meetings may be called by any two Board members. Notice of all meetings shall be sent to all members of the Board by the Secretary at least three (3) days prior to the meeting.

5. Powers and Duties of the Board.

a. Harris Township, Blackberry Township and the City of Grand Rapids hereby appoints the Board as its exclusive agent to deal with Gorhams' Inc. regarding the regulation and operation of the Gas System, as it pertains to the setting of rates pursuant to *Minnesota Statute 216B.02, subd.4, et. al*, as may be modified, and agree to follow the orders of the Board regarding the setting of appropriate rates.

c. The Board shall have not have a specified budget. If monetary compensation is requested from either Harris Township, Blackberry Township or Grand Rapids, the same must meet with majority approval of all three entities.

6. Distribution of Assets. Cash assets, if any, held by the Board shall be divided and distributed to both entities in proportion to the contributions of the entities at the time of the termination of this Agreement or earlier if the purpose of this Agreement has been completed.

7. Duration and Termination. This Agreement shall become effective upon execution of this Agreement by Harris Township, Blackberry Township and Grand Rapids and shall remain effective until terminated. Termination become effective upon one party providing the other party 30 (thirty) days written notice to the other of their desire to terminate said Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement the date and year set forth below.

Agreed to by the Town Board of Supervisors for the Town of Harris the _____ day of _____, 2023.

ATTEST HARRIS TOWNSHIP:

Harris Town Clerk

Harris Chairman

Approved as to form:

Harris Town Board Member

Harris Town Attorney

Harris Town Board Member

ATTEST BLACKBERRY TOWNSHIP:

Blackberry Town Clerk

Blackberry Chairman

Approved as to form:

Blackberry Town Board Member

Blackberry Town Attorney

Blackberry Town Board Member

Agreed to by the City Council for the City of Grand Rapids the ____ day of _____, 2023.

Grand Rapids City Attorney

Mayor

City Administrator