

**AGREEMENT BETWEEN  
GRAND RAPIDS PUBLIC UTILITIES COMMISSION  
AND CITY OF LAPRAIRIE  
FOR UTILITY BILLING SERVICES  
January 1, 2021- December 31, 2022**

**THIS AGREEMENT** is entered into this 16<sup>TH</sup> day of DECEMBER, 2020, by **Grand Rapids Public Utilities Commission** ("GRPUC") and **City of LaPrairie** ("LaPrairie").

**RECITALS**

**WHEREAS**, LaPrairie desires to contract with GRPUC for utility billing services; and

**WHEREAS**, GRPUC desires to assist LaPrairie and has the ability to provide services to the extent and on terms provided for herein; and

**WHEREAS**, both entities possess the authority to enter into a cooperative agreement for this purpose;

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

1. **SCOPE OF SERVICES**: GRPUC will provide the utility billing services described on **Exhibit "A"** attached hereto.
2. **CONSIDERATION**: In consideration of the services provided by GRPUC to LaPrairie pursuant to this Agreement, LaPrairie shall pay to GRPUC the following cost of services and monthly charges:

**Monthly Charges**: GRPUC shall invoice, and LaPrairie shall pay, a monthly fee of \$1.44 per customer meter read, a monthly fee of \$2.16 per customer invoice mailed and a monthly fee of \$0.72 per customer meter read where GRPUC provides the sewer collection service and LaPrairie provides the water service. This monthly charge shall be subject to annual review and adjustment due to increases in GRPUC costs.

**Other Charges**: The services referenced in **Exhibit "A"**, paragraphs 17 and 18, shall be provided at no cost by GRPUC to LaPrairie.

Any additional services requested by LaPrairie and provided or arranged by GRPUC, shall be on a time and material basis, based upon current rates charged by GRPUC or at GRPUC's actual cost if services are provided by a third party.

3. **DESIGNATED REPRESENTATIVE**: The only designated representatives of LaPrairie authorized to request the performance of services under this Agreement are the Mayor of LaPrairie or Mayor Pro Tem.
4. **TERM AND TERMINATION**: This Agreement shall remain in effect for two (2) years from the signature date. However, upon 120 days' notice to the other party, either party may, without

penalty or cause, cancel the contract. Upon issuance of the cancellation notice, or no later than 120 days prior to the end of the Agreement, LaPrairie and GRPUC agree to meet and discuss continuation of the Agreement.

5. **PROPERTY**: No fixed assets or personal or real property will be jointly or cooperatively held, acquired, or disposed of pursuant to this Agreement.
6. **NON-EXCLUSIVITY**: This Agreement is non-exclusive between the parties. GRPUC and LaPrairie have the right to enter into similar agreements with other entities.
7. **INDEMNIFICATION**: Each party agrees to and shall defend, indemnify and hold harmless the other party, its officials, officers, agents and employees from and against any and all claims, losses, damages, judgments or liabilities of whatever nature, including any portion thereof, arising from or related to the indemnifying party's acts, omissions or performance under this Agreement. It is the intent of the parties that each party be responsible for its own actions occurring under this agreement. This section shall survive termination of this Agreement.
8. **DISPUTE RESOLUTION**: Any differences, claims, or matters in dispute arising between or among the parties out of or in connection with this Agreement shall be determined under Minnesota law and shall be submitted to arbitration by a single Arbitrator mutually selected by the parties. If an Arbitrator cannot be agreed upon, the dispute shall be submitted by the parties to arbitration by Cooperative Solutions, Inc. or its successor. The determination of the Arbitrator shall be final and absolute. The Arbitrator shall be governed by the subject matter of this Agreement and the pertinent provisions of the laws of the State of Minnesota relating to arbitration. The decision of the Arbitrator may be entered as a judgment in any court of the State of Minnesota or elsewhere. Except as otherwise determined by the Arbitrator for the convenience of the Arbitrator, all arbitration proceedings shall be held in Itasca County, Minnesota.
9. **AMENDMENTS**: The parties may mutually waive, amend or modify parts of this Agreement, but such amendments, modifications, changes or waivers shall not be binding unless they are in writing and signed by personnel authorized to bind the parties. Waiver of breach of any term of this Agreement shall not be considered a waiver of any prior or subsequent breach.
10. **VENUE**: This Agreement will be governed by the laws of the State of Minnesota, both as to interpretation and performance. Any actions at law, suit in equity, or other judicial proceeding for the enforcement of this Agreement may be instituted only in a court of competent jurisdiction in the State of Minnesota, County of Itasca.
11. **SEVERABILITY**: In the event any term or condition of this Agreement or application thereof to any person or circumstance is held invalid, such invalidity shall not affect other terms, condition or application of this Agreement which can be given effect without the invalid term, condition or application. To this end the terms and conditions of this Agreement are declared severable.
12. **INTEGRATION CLAUSE**: This document embodies the entire agreement of the parties. There are no promises, terms, conditions or obligations other than those contained in this Agreement. This Agreement supersedes all previous communications, representations

or agreements, whether oral or written, between the parties.

13. **ASSIGNMENT:** GRPUC reserves the right, subject only to La Prairie's approval, to assign any or all of this Agreement to a third party or parties.
14. **NOTICES:** All Notices hereunder may be delivered or mailed. If mailed, they shall be sent to the following person designated on behalf of each entity at their respective address:

**Grand Rapids Public Utilities Commission**  
**ATTN: Julie Kennedy**  
**500 SE 4<sup>th</sup> Street**  
**Grand Rapids, MN 55744**

**City of LaPrairie**  
**ATTN: Lisa Mrnak**  
**15 Park Drive**  
**LaPrairie, MN 55744**

15. **Previous Agreements:** This Agreement shall become effective and be in full force and effect following agreement to and adoption by the Grand Rapids Public Utilities Commission and City of La Prairie, and shall rescind any prior Agreements to the extent that they are inconsistent herewith relative to this Agreement.

GRAND RAPIDS PUBLIC  
UTILITIES COMMISSION

BY: Thomas G. Skowron  
Its President

ATTEST:

BY: [Signature]  
Its Secretary

CITY OF LAPRAIRIE

BY: [Signature]  
Its Mayor

By: [Signature]  
Its City Clerk

## **EXHIBIT "A"**

### **BILLING SERVICES**

1. GRPUC shall indicate the amounts due for water, sewage and street light services as applicable separately on each customer invoice.
2. GRPUC shall invoice customers based upon the rate schedule set by LaPrairie. GRPUC will update LaPrairie's customer rates upon request. LaPrairie will have the option to participate in GRPUC's water and sewer rate studies at a pro-rated share of the study cost.
3. Customers shall be invoiced monthly. Invoices shall be of the form of Exhibit "A-1".
  - a) GRPUC will read all water meters remotely on a monthly basis. Water meters must be equipped with a GRPUC-specified node to be read electronically. Estimated bills may be utilized if for some reason meter readings are not available.
4. Customer account changes shall be handled through GRPUC.
5. Customer billing estimates, questions and complaints related to the billing process will be handled directly by GRPUC. Questions and complaints relating to issues other than the billing process will be directed to LaPrairie.
6. GRPUC shall collect payments from LaPrairie's customers and shall remit revenues received to LaPrairie within thirty days of receipt.
7. GRPUC will send a Delinquent notice to LaPrairie's customers. The Delinquent notice outlines the disconnection policies and is in the form of Exhibit "A-2". GRPUC will send a list of delinquent water and sewer accounts to LaPrairie. GRPUC shall not pursue credit and collection activity against LaPrairie's customers, beyond sending the above Delinquent notice to customers. GRPUC will provide LaPrairie a list of uncollectible accounts so that LaPrairie can pursue collection activities.
8. GRPUC shall provide LaPrairie with a monthly revenue report in the form of Exhibit "A-3".
9. GRPUC shall provide LaPrairie with a customer and address report when requested by LaPrairie.
10. GRPUC will comply with all Cold Weather Shutoff Rule requirements.
11. GRPUC shall process all changes for accounts as directed by the customer and shall reflect such changes on the next invoice submitted to the customer.
12. GRPUC will provide and mail to each customer the annual Drinking Water Quality Report.
13. GRPUC shall provide a budget payment plan for those customers that wish to be on a budget.

14. GRPUC shall provide LaPrairie with a monthly report of the water usage billed for each customer, including the total usage billed for all customers.
15. All requests for construction of new services (hookup fees, etc.), maintenance, emergency services, etc. shall be handled by GRPUC and billed to LaPrairie on a monthly basis.
16. All state sales taxes, and any other applicable taxes collected through the billing services, will be remitted and reported to the appropriate agency by GRPUC
17. GRPUC shall provide customers of LaPrairie the option to make utility payments in the following ways:
  - a) Automatically withdrawn from their checking or savings accounts;
  - b) In person at the GRPUC office by cash, check or money order;
  - c) At the drive-thru drop box located outside the GRPUC office;
  - d) By mail - allow 5 days for mail delivery and payment processing.
18. GRPUC shall provide customers of LaPrairie with online services:
  - a) To review their utility account history;
  - b) To pay utility bills;
  - c) To request changes in utility services;
  - d) To enroll in e-billing and have their utility bills sent to an email account.

# Regular Services provided by GRPUC Water/Sewer & Electric Crews

Aug-22

Vendor #126901

Date	Work Performed	Water Hours @ \$80.68/Hr	Water OT Hrs @ \$121.02	Sewer Hours @ \$80.68/Hr	Elec Hours @ \$94.50/Hr	Elec OT Hrs @ \$141.75	Office @ \$70.14/Hr	Fees/ Materials
8/5/22	Lift Station Inspection			2				
8/12/22	Lift Station Inspection			2				
8/19/22	Lift Station Inspection			2				
8/26/22	Lift Station Inspection			2				
7/15	Service order 191345			1				
	<b>TOTAL HOURS</b>	0	0	9	0	0	0	
	<b>TOTAL DOLLARS</b>	\$0.00	\$0.00	\$726.12	\$0.00	\$0.00	\$0.00	\$0.00

**Total Amount Due**

**\$726.12**

\* provided service at  
1200 Lorane Dr  
Jeffrey & Linda Niemala

## DISTRIBUTION

Account	Distributi on Type	Debit	Credit
01-143-0000	RECV	\$726.12	
40-415-3000	SALES		\$645.44
60-415-3000	SALES		\$80.68
		\$726.12	\$726.12

Lift Station  
Crew Hours

Billing period 8/4/2022 -- 9/7/2022

Rate Schedule	Rate Description	No of Connections	Consumption /Usage	Revenue
LP-WCF	Water Connect/test fee	220	0	\$ 178.64
LP-WTRCOM	Water Commercial - LP	34	109	\$ 1,039.45
LP-WTRRES	Water Residential - LP	188	625	\$ 5,320.20
			0	\$ -
LP-SW.75"	Sewer LP - .75" Service	6	19	\$ 147.24
LP-SW20UNIT	Sewer Only LP - 16 unit	0	0	\$ -
LP-SWR1"	Sewer LP - 1" Service	3	12	\$ 110.12
LP-SWR1.5"	Sewer LP -1.5" Service	1	0	\$ 12.24
LP-SWR2"	Sewer LP - 2" Service	3	23	\$ 203.41
LP-SWR3APT	Sewer LP - 3 Apt	1	0	\$ 92.49
LP-SWRCOM	Sewer Commercial - LP standard	9	28	\$ 215.44
LP-SWRDUPLEX	Sewer - LP - Duplex	1	0	\$ 61.66
LP-SWRMTRDWELL	Sewer LP Metered on well	3	16	\$ 126.72
LP-SWRRES	Sewer Residential - LP standard	183	616	\$ 4,929.95
LP-SWRWELL	Well Sewer Mo. Chg -no well mtr	14	0	\$ 440.30
LP-STLT	Street Light Fee - LP	238		\$ 946.58
Totals from statistics				\$ 13,824.44
Final Bills:				
Less uncollectibles				
			Sub Total	\$ 13,824.44
			CK AMT	\$ 13,824.44
Sales Tax for June 2022				\$35.60



500 SE Fourth Street • Grand Rapids, Minnesota 55744

September 14, 2022

The Honorable Mayor Jonathan Bolen  
City of LaPrairie  
15 Park Drive  
LaPrairie, MN 55744

RE: Wastewater Treatment Plant – Capital Expenditure

Dear Mayor Bolen:

This letter is to inform you that the Grand Rapids Public Utilities Commission will be constructing improvements to the Secondary Wastewater Treatment Plant in 2023. The improvements will include rebuilding one of the sixteen mixers of the aeration basins for control and permit compliance purposes, replacing two bleach tanks and adding a septic dump station. The estimated cost for the project is near to \$575,000 of which the domestic portion would approximately be \$172,500.

Under the terms of the Cooperative Sewage Facility Agreement the City of LaPrairie agrees to pay 4.52% of the capital expenditures as they relate to the treatment process. The estimated cost to the City of LaPrairie for these improvements is \$7,797 and is payable upon completion of the project. Plans and specifications are available for your review upon request.

We realize that this will impact your budget and the GRPUC is willing to discuss alternatives for reimbursement. Also, the capital budget will not be officially approved by the GRPU Commission until December of this year.

Respectfully,

Steve R. Mattson  
Water and Wastewater Manager

CC: Julie Kennedy, General Manager  
Lisa Mrnak, Clerk  
Cooperative Sewage Agreement - LaPrairie



## COOPERATIVE SEWAGE FACILITY AGREEMENT

THIS AGREEMENT, made and entered into this 8th day of November, 1978, by and between the CITY OF GRAND RAPIDS, a Municipal Corporation, of the County of Itasca and State of Minnesota, party of the first part, hereinafter referred to as "Grand Rapids", and the CITY OF LaPRAIRIE, a Municipal Corporation, of the County of Itasca and State of Minnesota, party of the second part, hereinafter referred to as "LaPrairie", WITNESSETH:

WHEREAS, Grand Rapids is the owner and operator of a sanitary sewage disposal system within the geographical boundaries of the city; and,

WHEREAS, LaPrairie does not own nor operate nor is it connected with any sanitary sewer disposal system at the present time; and,

WHEREAS, Grand Rapids has completed an expansion of its sewage disposal plant and such expansion contemplated the accommodation of present LaPrairie needs in the use of said plant; and,

WHEREAS, LaPrairie believes it can properly and permanently be adequately served by joining Grand Rapids in the use of the present sewage disposal system by construction of an interceptor across the Mississippi River; and,

WHEREAS, Section 444.075, Subdivision 5, of Minnesota Statutes permits two or more governmental units to enter into a contract for the joint or cooperative obtainment or use of sewage facilities without limitation of time; and,

WHEREAS, it is the intent of the parties that the entire cost of design, construction and maintenance of the LaPrairie collection system shall be borne by the City of LaPrairie, and that this contract, among other things, deals with the cost and operation of the Grand Rapids Disposal System and the rights and responsibilities of LaPrairie to that portion of the capacity of said disposal plant that it reserves for its present and future use; and

WHEREAS, the present Grand Rapids system is already subject to an agreement between the City of Grand Rapids and Blandin Paper Company (Blandin Paper Company already has contract rights in a substantial portion of said plant capacity); that for that reason, the capacity of the plant as referred to in this agreement shall, for the purposes hereof, deal only with that portion of the disposal system reserved to Grand Rapids, excluding that portion reserved to Blandin Paper Company. Percentages used herein refer to percentages of the present Grand Rapids

reserved capacity of approximately 1,500,000 g/p/d.

WHEREAS, the parties hereto desire to enter into contractual relations relative to a sewage facility to perpetually serve both Grand Rapids and LaPrairie as hereinafter provided;

NOW, THEREFORE, in consideration of the premises and the mutual covenants of the parties hereto, it is hereby agreed as follows:

#### I. GENERAL PURPOSE

The general purpose of this agreement is to provide LaPrairie with sewage facilities through cooperation with Grand Rapids, which now owns and operates an existing sewage disposal facility in the County of Itasca and State of Minnesota, and this cooperative understanding is entered into under authority of Section 444.075, Subdivision 5 of Minnesota Statutes.

#### II. GRAND RAPIDS DISPOSAL SYSTEM REQUIREMENTS

1. Plant Capacity. The Grand Rapids sewer disposal plant was designed to accommodate future expansion by service to LaPrairie. Grand Rapids agrees to accommodate flow from LaPrairie to the extent of the limits provided in this agreement.
2. Capacity Trunk. That certain trunk sewer, running from the Grand Rapids sewage plant to LaPrairie village limits, via the Mississippi River, and serving LaPrairie only, shall be designed for a flow of 71,000 gallons per day.
3. Grand Rapids Responsibility Limited. Grand Rapids will in no event be under obligation to accommodate user flow from LaPrairie in the disposal facility greater than 71,000 gallons per day or such additional amounts as may be agreed to under this Agreement. No party hereto assumes any obligation hereunder for any construction, repair, reconstruction replacement or improvement not necessary to maintain the designed flow or capacity as provided for herein, and each party remains free to negotiate at will the terms governing any expansion, improvement or replacement of the joint facility in excess of that contemplated herein, subject to the terms hereof.
4. Trunk Sewer Defined. At any place herein where reference is made to "trunk sewer" or "trunk sewers", the term includes all sewer line facilities required for the continuous transmission of sewage from one terminus thereof to the other unless the context indicates clearly otherwise.

### III. SYSTEM CONSTRUCTION REQUIREMENTS

The requirements for sewage system expansion or improvement plans, specifications, contracts and supervision of contracts shall be as follows:

1. Plan Approval Required. All plans and specifications for the construction, expansion, or extension of the trunk sewers within Grand Rapids or LaPrairie, which effect only LaPrairie's use of the Grand Rapids sewage disposal facilities, shall be prepared by proper engineers engaged by LaPrairie. When such plans have been completed, they shall be submitted to the city council of each of the city parties hereto and approved by the Grand Rapids council and the LaPrairie council, and in addition they shall be submitted by LaPrairie to the State Water Pollution Control Commission for its approval.

2. Letting of Contracts. After the approval of the plans and specifications by the Water Pollution Control Commission as required above, LaPrairie may proceed to exercise construction contracts to the lowest responsible bidder after public advertisement for bids and to proceed with the construction of the trunk sewer expansion in accordance with the plans and specifications as soon as the council of LaPrairie shall deem practical. It is understood and agreed that LaPrairie reserves the right to let bids for construction of the trunk sewer and disposal plan work and other projects not comprehended by this Agreement at the same time as work is to be done hereunder, within the City of LaPrairie, or, within the City of Grand Rapids as it effects a trunk sewer line and metering station, however, that the cost of such other projects shall not be included in the contract for the work herein provided for.

3. Inspection by Grand Rapids. The engineers of Grand Rapids may supervise all construction of the sanitary sewer force main and metering station within Grand Rapids. However, LaPrairie through its authorized agents is entitled to inspect all construction work being performed on its collection system which is subject to this Agreement either in Grand Rapids or in LaPrairie at all reasonable time. The City of Grand Rapids shall not exercise any control over the contractors performing work on this project within Grand Rapids. Should an inspection disclose a deviation from the plans or specifications, such deviations shall be brought to the attention of LaPrairie forthwith.

4. Ownership and Control. That part of the LaPrairie sewage collection system within the geographical limits of Grand Rapids including the sanitary sewer force main and

metering station, are and shall continue to be owned and controlled by LaPrairie, subject only to the right of Grand Rapids to inspect or monitor in according to the terms and conditions of this Agreement.

LaPrairie shall have no right to sell excess capacity in the sanitary sewer force main except to Grand Rapids.

5. Construction Cost Defined. At any place herein where reference is made to "cost of construction" or "construction cost", the term shall be deemed to include all costs or expenses for labor, construction or contractor services, materials, engineering services, legal services, administrative services and other expenses and costs incidental thereto; provided, in any construction involving a federal grant, construction costs shall not exceed the total construction costs certified for participation by the federal government.

#### IV. GRAND RAPIDS SYSTEM REPAIR REQUIREMENTS

1. Major Repairs. In the event of the necessity of major repair, or reconstruction of the disposal facility servicing Grand Rapids and LaPrairie, Grand Rapids before engaging upon the project shall notify LaPrairie in writing of the necessity therefor, the nature and extent of the proposed construction or repair, and the proposed time for the performance of the work. The engineer for Grand Rapids, or other persons authorized by Grand Rapids, shall prepare all necessary plans and specifications in accordance with the requirements of this Agreement. The plans and specifications shall be submitted to LaPrairie and it shall have the right to confer with Grand Rapids prior to contracts being let, if it notifies Grand Rapids of its desire in writing within 20 days after receipt of said plans. Upon completion of the project in accordance with the plans and specifications and in accordance with this Agreement, Grand Rapids shall submit to LaPrairie detailed costs hereof, and LaPrairie shall then pay its share of the costs as provided in Section VII (3) hereof.

2. Emergency Repairs. In the event of injury or damage to the sewage disposal facility, or in the event of an emergency resulting in sewage damaging property in Grand Rapids or in the event that continued operation of any joint facility is in imminent peril of causing damage to property in Grand Rapids, or where operation of the joint facility is interrupted or is in imminent peril of interruption by reason of an emergency breakdown or damage to the system, Grand Rapids may make such repairs as are required without notice to LaPrairie and without

compliance with notice requirements hereof. Grand Rapids shall submit to LaPrairie detailed report and costs thereof, and LaPrairie shall then pay its share of the costs as provided in Section VII (3) hereof.

3. Repairs Defined. Any restoration, replacement or reconstruction of the system or any part thereof which will cost LaPrairie in excess of \$1,000.00 shall be regarded as a major repair. In the event that the cost to LaPrairie of such repair is \$1,000.00 or less, the same shall be considered a maintenance expense, and Grand Rapids shall not be under obligation to notify or advise LaPrairie of the anticipated work, and LaPrairie shall not be obligated to pay for such maintenance except as such costs may result in increased cost of treatment, as provided herein. 22,150.00

4. Temporary Interruptions. This Agreement shall not be deemed breached by Grand Rapids by reason of temporary reduction in capacity due to necessary joint facilities repair.

#### V. LaPRAIRIE SYSTEM CONSTRUCTION REQUIREMENTS

The requirements relative to construction or reconstruction by LaPrairie of laterals or trunk sewers or any sewage facility servicing LaPrairie which is or shall be directly or indirectly connected with the Grand Rapids sanitary system shall be as follows:

1. Plan Approval Required. All plans and specifications for construction or reconstruction of any laterals, trunk sewers or any sewage facility designed to be directly or indirectly connected with the Grand Rapids sanitary sewer system shall be submitted to Grand Rapids for its consideration and approval. Grand Rapids shall approve the same or object thereto on the grounds that the plans do not conform to the engineering standards of Grand Rapids, or are harmful to the Grand Rapids sewer lines or disposal system, or exceed the designed capacity of the disposal facility as established herein. After approval, two copies of the plans and specifications shall be furnished to Grand Rapids without cost.

2. Notification of Construction. LaPrairie shall send a written notice to Grand Rapids of the commencement of any construction project affecting the joint sewage facility specifying the plans and specifications being followed, and any duly authorized representative of Grand Rapids shall have the right to inspect the construction thereof at such time or times as he or they shall deem necessary. If upon such inspection, deviations from the plans or specifications are noted, Grand Rapids shall forthwith notify LaPrairie in writing of the nature and extent of

such deviations, together with recommendations for the correction thereof.

3. Control of Construction. The engineers of LaPrairie shall supervise all construction of trunk or sewage facilities owned by LaPrairie, and Grand Rapids shall only have the right of approval of plans and specifications, and the right of inspection as hereinabove provided. LaPrairie shall have the right to join such sewage system to that of Grand Rapids so as to effect a cooperative sewage facility as limited by this Agreement. Grand Rapids shall have the right to prevent connection with its sewage system, directly or indirectly, if flow limits are exceeded or as otherwise provided herein, or in the event of a failure of LaPrairie to control the nature of materials contained therein.

4. Care During Construction. LaPrairie will exercise special care to prevent introduction of gravel, sand, dirt, or other heavy material during construction, reconstruction, repair or operation. Only sanitary sewers will be connected and no rain, subsurface, or surface waters will be introduced into any part of the system of LaPrairie which directly or indirectly discharges in the system of Grand Rapids.

5. Ownership and Control. That part of the system within the geographical limits of LaPrairie or installed by LaPrairie within the easement granted to LaPrairie by Grand Rapids, shall be exclusively owned, controlled, and maintained by LaPrairie, without cost to Grand Rapids.

## VI. SYSTEM OPERATING REQUIREMENTS

1. LaPrairie Flow Limitations. The LaPrairie trunk sewers contemplated by this Agreement shall accommodate the flow from LaPrairie provided in Paragraph II hereof, and no more unless LaPrairie elects to reserve 100,000 g/p/d capacity in writing within 90 days hereof in which case the \$45,000.00 charge set out in VII 1(a) shall be proportionately increased or modified as otherwise provided in Agreement. LaPrairie shall so limit its rate of flow as not to exceed the capacity of the system as provided in Paragraph II hereof. In the event LaPrairie exceeds the flow limitations specified, Grand Rapids may accept and process any excess for brief or extended periods, or for intermittent or continuous periods; and its act in so doing shall not constitute a waiver of its right at any time to require LaPrairie by notice in writing to reduce the flow to the designed capacity as provided in Paragraph II hereof. The failure to limit the flow to the designed capacity as provided in Paragraph II hereof shall be deemed a breach of this Agreement.

2. Trunk Sewer Meters. LaPrairie shall construct at the point of its sewer entrance to the City of Grand Rapids' system, a metering station, together with connection to a sewage flow meter, which meter shall be approved by Grand Rapids in writing and the totalizing display output of meter shall be furnished, installed and maintained by LaPrairie in the Grand Rapids control panel. LaPrairie shall maintain the said meter in good condition at all times. Any duly authorized representative of Grand Rapids shall at all times be entitled to access to said meter to inspect the same, or to verify the records thereof. LaPrairie shall and Grand Rapids may maintain complete and accurate records of the sewage flow according to said meter. The cost for the construction of the metering station and meter shall be borne by LaPrairie.

3. Connection Permits Required. LaPrairie shall require all persons desiring to effect a connection with its sewage collection system to obtain a permit therefor. Grand Rapids shall be notified every six months of the number of permits issued by LaPrairie.

4. Individual Billings. LaPrairie agrees to bill individual users in LaPrairie and to collect charges for such use.

5. Foreign Matter Restriction. LaPrairie shall take all reasonable action possible to prevent the discharge of certain materials into the Grand Rapids disposal system including the adoption of necessary ordinances and shall be responsible to see that the discharges into the Grand Rapids disposal system are limited as follows:

- (1) 5 day biological oxygen demand shall not exceed 300 ppm by weight.
- (2) Total suspended solids shall not exceed 300 ppm.
- (3) Only domestic sewage shall be permitted to system.
- (4) No liquid or vapor having a temperature in excess of 150 degrees Fahrenheit shall be permitted.
- (5) No gasoline, benzine, naphtha, fuel oil, or other flammable or explosive liquid, solid or gas shall be permitted.
- (6) No garbage that is not properly shredded shall be permitted.
- (7) No ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastics, wood, manure, grit, brick, cement, onyx, carbide, or other matter that may interfere with the proper operation of the sewers or sewage treatment plant shall be permitted.
- (8) No water or waste having a pH lower than  $5\frac{1}{2}$  or higher than 9 or having any other corrosive property capable of causing damage or hazard to structures, equipment, or personnel of the sewage works shall be permitted.

- (9) No water or waste containing a toxic or poisonous substance in sufficient quantities to constitute a hazard to humans or animals, or which may injure or interfere with sewage treatment, or create any hazard in the receiving waters of the sewage treatment plant shall be permitted.
- (10) No noxious or malodorous gas or substance capable of creating a public nuisance shall be permitted.
- (11) No surface water shall be permitted.

Any violation of this provision shall be a breach of this Agreement.

6. Noxious Odor Restrictions. LaPrairie shall not knowingly permit any substance to be discharged into the system in LaPrairie, which shall produce or does produce unusual and obnoxious odors or gases within Grand Rapids. If any such substance is introduced into said system in LaPrairie, LaPrairie shall immediately take such steps as may be necessary to stop the introduction of such substance into the Grand Rapids system. The failure to take such steps as may be required, and the failure to stop the introduction of such substance into the Grand Rapids system shall be deemed a breach of this Agreement by LaPrairie.

## VII. FINANCIAL REQUIREMENTS

1. LaPrairie System Investment. As consideration for its reserved capacity of the sewage disposal system constructed by Grand Rapids, LaPrairie agrees to pay to Grand Rapids the following:

- (a) Plant Capacity Investment. Based upon an estimated use of capacity by LaPrairie of 4.52% of plant capacity, i.e. a 71,000 gallon flow per day, LaPrairie shall pay:

The sum of \$45,000.00 as and for 4.52% of capital expenditures by Grand Rapids on the primary and secondary sewage disposal plant.

- (b) Trunk Sewer Investment. LaPrairie shall pay the cost of construction and maintenance of the sewer system with LaPrairie and upon its installations located on the easement granted to it by Grand Rapids.

- (c) Investment Payments. The sum required by Section 1 (a) shall be payable before connection is to be made to the Grand Rapids sewage treatment facility.

2. LaPrairie Service Charges. In consideration of Grand Rapids rendering sewage disposal service to LaPrairie and the inspection and maintenance by Grand Rapids of all facilities located in Grand Rapids, including disposal plant, but excluding the LaPrairie sewage main and meters in Grand Rapids and in consideration of Grand Rapids performing all disposal plant record keeping services for the cooperative sewage disposal system, LaPrairie



shall pay to Grand Rapids, upon being billed, the following service charges commencing from the time of connection of the LaPrairie system:

- (a) User Charge. LaPrairie shall pay to Grand Rapids the sum of 18½¢ per 1000 gallons of flow.
- (b) Payment of Penalties or Fines. In addition to any other charges provided under this Agreement, LaPrairie shall pay such fines or charges which may at any time be assessed against Grand Rapids, by any governmental agency having the power to assess such fines or charges, because of any unlawful discharge from the system into the Mississippi River, or because of any unlawful deposit of solids upon land, or because of any unlawful discharges in the air - where such unlawful discharges are occasioned because of wastes originating in the LaPrairie collection system.

If such fines or charges originate from joint discharges of Grand Rapids and LaPrairie, they shall be paid by the parties in proportion to the percentage of contribution to the unlawful discharges from each city, or in the proportions of costs established by this Agreement as determined by Grand Rapids.

- (c) Liquidated Damages. Grand Rapids shall have the right to assess and LaPrairie shall pay a penalty of \$500.00 per day for any breach of this Agreement, where the following conditions exist:
  - (1) LaPrairie is discharging unacceptable or toxic wastes into the Grand Rapids system.
  - (2) After due notice LaPrairie has failed to correct the nature of the discharges.
  - (3) The discharges are untreatable by the then existing plant or:
    - (a) Create the potential of damaging the ability of the plant to treat wastes;
    - (b) Create the potential of rendering the effluent of the Grand Rapids plant unacceptable to State or Federal controlling agencies.
    - (c) Exceed the volume, BOD, suspended solid or toxicity limitation established herein or by law.

Said penalties, if assessed, shall attach commencing on the date notice to LaPrairie is made in writing by Grand Rapids of the assessment of said penalty.

- (d) Review of Charges. Charges shall be reviewed at request of either party, but no more frequently than once a year, except that service charge may be increased upon 30 days written notice to LaPrairie based upon increased costs of operation or maintenance of the disposal plant.

3. Financing Major Repairs. LaPrairie shall henceforth pay 4.52% of major repairs, reconstruction or replacement cost for disposal plant work or as otherwise provided in this Agreement. All payments required hereunder shall be remitted to Grand Rapids by LaPrairie within thirty (30) days of billing; otherwise this Agreement shall be deemed breached.

4. Separate Accounts. Grand Rapids shall keep accounts for the projects and service charges to the City of LaPrairie contemplated by this Agreement separate from the other Grand Rapids accounts. All accounts shall be maintained according to the accepted governmental accounting practices. Any and all accounts shall be open to inspection and review by LaPrairie, its officers or duly authorized agents, at any reasonable time.

#### VIII. OTHER PROVISIONS

1. Impossible Performance. To the extent provided in this Agreement, Grand Rapids shall accept, receive and process sewage originating in LaPrairie as limited by this Agreement perpetually, and it shall provide in good workmanlike manner the maintenance and other services as required in this Agreement. However, the obligation of Grand Rapids to do so is contingent upon matters within its jurisdiction and control. Such service shall be deemed impossible of performance, in the event of strikes, unavoidable accidents, acts of God, or other matters beyond the control of Grand Rapids.

2. Responsibility for Claims. Neither party shall be responsible for any damage claim arising within the city limits of the other party except that LaPrairie shall be responsible for its proportionate share (i.e.) 4.52% of cost of claims assessed against Grand Rapids and not covered by insurance arising out of any suits or claims for damages based on improper or negligent operation of plants or for nuisance arising out of operation of plants, and Grand Rapids shall not be liable for any damages claimed arising out of the construction or use of the force main and meter station of LaPrairie located on Grand Rapids property.

3. Defense of Suits. In the event of any lawsuit, the city wherein such claim arises shall immediately intervene, defend and pay all the expenses thereof, and all damages resulting therefrom except where the claim is within the provisions of Section VIII (2) hereof.

4. Arbitration. In the event that there shall be a dispute between the parties concerning the meaning of this contract, or any part or parts of it, concerning an alleged breach thereof, and such dispute is not resolved within thirty (30) days, either party may, and the complaining party before taking any other action shall, submit the matter to arbitration. Each party shall within ten (10) days designate one arbitrator, and the two arbitrators so selected shall jointly within ten (10) days thereafter select a third; and if the arbitrators fail to select a third arbitrator within ten days after their appointment, either arbitrator may make application to any Judge of the District Court of Itasca County to appoint a third arbitrator, and such selection shall

be binding on the parties hereto, and within thirty (30) days arbitration shall be made; and the determination of the majority of the arbitrators so selected shall be binding upon the parties hereto. In the event the said arbitrators find that the contract has been violated, and the violator does not within five (5) days purge itself of such violation, then the other party may proceed to employ any and all remedies available to it, except that Grand Rapids may proceed directly to Court should any alleged breach arise which places the operation of the disposal plant in jeopardy.

5. Remedies for Breach. In the event of a breach of this Agreement by either party and the failure by the violator to comply within five (5) days with a determination of the board of arbitration, the injured party shall have the right to enjoin such breach, or to recover damages from the party within whose jurisdiction the violation occurs, or from the user committing the violation, and the injured party may pursue any and all remedies at law or equity or in any other manner available to it.

6. Termination by LaPrairie. LaPrairie shall have no right to terminate this Agreement until 20 years after the date of connection to the Grand Rapids sewer disposal system. Thereafter, LaPrairie shall have the right to terminate this Agreement upon sixty (60) days notice in writing to Grand Rapids. However, such termination shall not affect the liability of LaPrairie to pay its share of construction costs, service charges, repairs and replacement expenses incurred prior to the date of the termination, and LaPrairie by such termination shall not be relieved of any claim for damages accruing by reason of this Agreement.

7. Termination by Grand Rapids. Grand Rapids shall have no right to terminate this Agreement until 20 years after the date of connection to the Grand Rapids sewer disposal system. Thereafter, Grand Rapids shall have the right to terminate this Agreement upon sixty (60) days notice in writing to LaPrairie. However, such termination shall not affect the liability of Grand Rapids to pay its share of construction costs, service charges, repairs and replacement expenses incurred prior to the date of the termination, and Grand Rapids by such termination shall not be relieved of any claim for damages accruing by reason of this Agreement.

8. Modification of Terms. This Agreement may be modified by mutual consent at any time. It being the intention of the parties to enter into an agreement fair to the people

of both cities, it is also the intention of both parties that if circumstances in the future make any provision hereof operate unfairly, the then acting representatives of the parties in the exercise of their public trust will modify this agreement to prevent unfairness.

9. Additional Capacity. LaPrairie may at any time within 90 days after execution hereof, purchase by supplemental agreement additional sewage disposal capacity not to exceed 29,000 g/p/d or purchase such capacity at any later date if construction for the extra capacity is feasible. The cost of such additional capacity shall be based upon the cost as computed under the following formulas:

(a) \$633.80 per 1000 g/p/d additional capacity purchased up to 29,000 g/p/d if purchased within 90 days hereof.

(b) (1) The total cost of construction, including land acquisition of any new facility required to provide the capacity purchased. Grand Rapids shall select the engineering firm to design said expansion and shall approve all plans prior to construction thereof.

(2) If minimum sizing of any new facility required to provide the capacity requested by LaPrairie exceeds the capacity requested, the excess shall be reserved for LaPrairie if paid for by LaPrairie; provided that LaPrairie shall have the right to sell the surplus capacity thus created. If the sale of such surplus capacity is reasonably feasible and without cost to Grand Rapids. Grand Rapids has the exclusive right to purchase such surplus capacity if it notifies LaPrairie within 90 days of completion of the modification of its desire to exercise this right.

10. That LaPrairie will not permit the discharge of any wastes into the system other than that which would be considered "Normal domestic wastes" until and unless it has adopted an industrial waste ordinance, which ordinance must be approved in writing by the City of Grand Rapids prior to its adoption; which ordinance shall limit acceptable wastes to those capable of treatment and shall impose acceptable limitations upon the users together with imposing reasonable costs and responsibility upon LaPrairie, for the treatment so afforded.

11. LaPrairie agrees that it will by ordinance, in the future, regulate the nature of any discharges permitted into its collective system and/or its discharges to the Grand Rapids system so as to conform to requirements of State or Federal regulatory agency requirements as may from time to time be established and as they presently exist and will control the wastes it receives from its users, requiring pretreatment when necessary and/or will pretreat such sewage if necessary to permit the proper operation of the existing sewage treatment plant.

12. Duration. Except as otherwise provided herein, this Agreement shall be perpetual in duration, and it shall be binding upon the parties hereto, their successors and assigns.

IN WITNESS WHEREOF, the City of Grand Rapids has caused this agreement to be executed in its behalf by its proper officers thereunto duly authorized; pursuant to action of its City Council on November 8 1978; by Resolution No. 78-49, and the City of LaPrairie has caused this Agreement to be executed in its behalf by its proper officers thereunto duly authorized; pursuant to action of its City Council on November 8th, 1978, by Resolution No. 11-78-8, and they have caused their respective corporate seals to be hereunto affixed on the date first above written.

IN THE PRESENCE OF:

Karen M. Gale  
Susan J. Postle

Jaye Masteller  
Kent E. Nyby

CITY OF GRAND RAPIDS  
BY:

Robert K. Horn Mayor  
O.M. Hollom Clerk

CITY OF LAPRAIRIE  
BY:

Edward A. Brown Mayor  
Patricia Lomell Clerk