

Exhibit 1

EASEMENT AGREEMENT

This EASEMENT AGREEMENT (this “Agreement”) is made by and between the City of Duluth, a municipal corporation created and existing under the laws of the State of Minnesota (“City”) and Holly L. Hansen, a single person (“Grantee”).

RECITALS

A. City owns the real property in St. Louis County, Minnesota legally described as follows (the “City Property”):

The Easterly 14 feet of Lot 14 and all of Lots 11, 12 and 13, Block 104, LONDON ADDITION TO DULUTH.

B. Grantee owns the real property in St. Louis County, Minnesota legally described as follows (the “Grantee Property”):

Lots 14, 15 and 16, Block 104, LONDON ADDITION TO DULUTH, EXCEPT the Northerly 16 feet and the Southerly 70 feet of said Lots 14, 15 and 16 and EXCEPT the Easterly 14 feet of said Lot 14.

C. Grantee wishes to install and maintain a gravity groundwater drain-tile sewer line within that portion of the City Property described as follows (the “Easement Area”):

Commencing at the Southwest corner of Lot 16, Block 104, LONDON ADDITION TO DULUTH; thence northerly along the west line of said Lot 16 a distance of 70.00 feet; thence easterly on a line parallel to and offset 70.00 feet to the North of the southerly line of said Block 104 for a distance of 136.00 feet to the Point of Beginning of the parcel to be described; thence continued easterly on a line parallel to the southerly line of said Block 104 a distance of 150.00 feet; thence northerly at right angles a distance of 15.00 feet; thence westerly at right angles a distance of 150.00 feet; thence southerly at right angles a distance of 15.00 feet, more or less, to the Point of Beginning.

D. City wishes to grant Grantee an easement over the Easement Area for the purposes set forth in this Agreement.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged:

1. City grants, sells, bargains and conveys to Grantee a perpetual, non-exclusive easement over, under and across the Easement Area (the "Easement") to construct, maintain, inspect, operate, protect, repair, replace, and/or remove a gravity groundwater drain-tile sewer line serving the Grantee Property and draining into the existing storm water pond located on the City Property (the "Sewer Line"). Notwithstanding anything in this Agreement to the contrary, the Sewer Line constructed or maintained by Grantee within the Easement Area must be located underground to the fullest extent practically permitted and may only service the Grantee Property. City grants to Grantee the right of ingress to and egress from the Easement Area across the City Property by means of any existing roads and lanes on the City Property.

2. Grantee must provide City with no fewer than 120 days' written notice prior to replacing or relocating the Sewer Line. Within 90 days of replacing or relocating the Sewer Line within the Easement Area, Grantee shall provide City with an as-built survey of the Easement Area depicting the location of the Sewer Line in its as-built location. This obligation shall continue for as long as the Sewer Line remains in the Easement Area.

3. Grantee shall not interfere with or endanger existing utility lines or other improvements on the City Property. Grantee shall promptly backfill any trench made by it within the Easement Area and shall restore the surface area to the previously existing grade elevation. Grantee shall repair any damage or disturbance to the City Property caused by Grantee's accessing and using the Easement Area or exercising their rights under this Agreement. Grantee shall be responsible for all costs of installation of the Sewer Line and for all necessary maintenance, repairs, replacements, and/or removal of the Sewer Line. The Sewer Line shall be and remain the property of Grantee.

4. City reserves the right to use the Easement Area for purposes that will not interfere with Grantee's full enjoyment of the rights granted by this Agreement. The rights reserved include the right to construct, reconstruct, maintain and improve any storm water ponds, storm water piping, utilities, gardens, landscaping, roadway, parking lot, curbs, gutters and sidewalks as City may decide; provided that City shall not erect or construct any building within the Easement Area or carry on any excavation, installation, construction or other activity over, within or under the Easement Area such as to interfere with the rights granted to Grantee without the prior written consent of Grantee.

5. The Easement shall extend to and bind the heirs, successors and assigns of City and Grantee and shall run with the land. The Easement shall burden the City Property and benefit the Grantee Property. The grant of the Easement is a private grant and is not a public dedication of the Easement Area. This Agreement shall be governed by the laws of the State of Minnesota, and all terms, conditions, and covenants herein shall be interpreted in accordance therewith.

6. Grantee shall indemnify and hold City harmless from and against any and all loss and damage that shall be caused by any construction, operation, use, maintenance, repair, leakage

or replacement of the Sewer Line and through any negligent act or omission of Grantee or of their agents.

7. In the event the Sewer Line is removed from the City Property and is not replaced for a period of 14 continuous days, the Easement shall automatically terminate and this Agreement shall no longer burden the City Property.

[Remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, City and Grantee have caused this Agreement to be executed effective as of _____, 20____.

Holly L. Hansen

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this this _____ day of _____, 20____ by Holly L. Hansen, a single person.

Notary Public

CITY OF DULUTH:

By: _____
Mayor

By: _____
City Clerk

STATE OF MINNESOTA)
) SS
COUNTY OF ST. LOUIS)

This instrument was acknowledged before me on _____, 20____, by Emily Larson and Chelsea Helmer, Mayor and City Clerk, respectively, of the City of Duluth, a municipal corporation organized and existing under the laws of the State of Minnesota.

Notary Public

This instrument was drafted by:
Office of the City Attorney
Room 440 City Hall
411 West 1st Street
Duluth, MN 55802-1198