

EXHIBIT 1

RECREATIONAL TRAIL AND UTILITY EASEMENT AGREEMENT

THIS RECREATIONAL TRAIL AND UTILITY EASEMENT AGREEMENT (this "Agreement") is entered into as of April 10, 2017 by and among INDUSTRIAL WELDERS & MACHINISTS, INC., a Minnesota corporation ("Grantor"), the CITY OF DULUTH, a municipal corporation created and existing under the laws of the State of Minnesota ("City"), and R & D DEVELOPMENT, LLC, a/k/a D & R Development, Inc., a Minnesota limited liability company ("R & D") (see Affidavit of Name Change regarding R & D recorded in the office of the St. Louis County Recorder on September 19, 2001 as Document No. 829383).

WHEREAS, on September 29, 2000, R & D, as grantor, and the Duluth Economic Development Authority ("DEDA"), as grantee, entered into a Recreational Trail and Utility Easement (the "2000 Agreement"), which was recorded in the office of the St. Louis County Recorder on October 3, 2000 as Document No. 797554; and

WHEREAS, the 2000 Agreement purported to grant DEDA a recreational trail and utility easement over and across the Easement Area legally described below; and

WHEREAS, on June 25, 2014, DEDA quitclaimed to City its interests in the recreational trail and utility easements created by the 2000 Agreement, as evidenced by

a quitclaim deed that was recorded in the office of the St. Louis County Recorder on June 26, 2014 as Document No. 1240289; and

WHEREAS, while R & D and Grantor are related entities in that they each have the same or similar members/shareholders, R & D did not own the Easement Area at the time it entered into the 2000 Agreement, and it does not now own the Easement Area; and

WHEREAS, Grantor is the fee owner of the Easement Area, and the parties are entering into this Agreement in replacement of the 2000 Agreement so as to create an easement in favor of City on the terms set forth in this Agreement.

NOW THEREFORE, Grantor, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does grant to City, its successors and assigns, a perpetual, non-exclusive easement (the "Easement") for public recreational, walkway, and trail purposes and for utility purposes, over, under and across property in the County of St. Louis, State of Minnesota, legally described as follows (the "Easement Area"):

The northwesterly 20 feet of Lots 1, 2, 3, 4, 5, 6, 7 and 8, Block 15, HARRINGTON'S ADDITION TO DULUTH; and

The northwesterly 20 feet of Lots 1, 2, 3 and 4, BOSTON PIER, ONEOTA.

The Easement Area is depicted on the attached Exhibit A.

The Easement includes the right of the City, its contractors, agents, and employees to enter the Easement Area at all reasonable times for the purposes of locating, constructing, operating, installing, maintaining and repairing, utilities, a multi-use recreational trail and other improvements within the Easement Area. City, its contractors, agents and employees may add, remove, cut, trim, or remove from the

Easement Area bituminous material, bark, sand, stones, boards, grass, trees, shrubs, other vegetation, or other landscaping in City's discretion. City, its contractors, agents and employees may construct erosion control structures necessary to maintain a clear, dry passage through the Easement Area, including the right to install, maintain, repair and replace waterbars, steps, and other trail surface structures, as well as culverts as necessary to traverse surface waters within the Easement Area.

Grantor shall have no obligation or duty to maintain, repair, or replace any improvements or vegetation in the Easement Area.

As partial consideration for the Easement, City agrees to expand and improve the parking lot located adjacent to and southeasterly of the Easement Area by adding 12 feet of class 5 gravel along the southeasterly edge of the parking lot, a portion of which is owned by Grantor and a portion of which is owned by R & D. City shall have no further responsibility to improve or maintain said parking lot.

This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota. This Agreement may be amended only in writing, signed by both of the parties hereto and recorded in the real estate records in St. Louis County, Minnesota. This Agreement and each and every covenant, agreement, and other provision hereof shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. The Easement shall be perpetual and the Easement and all other rights granted in this Agreement shall run with the land.

CITY OF DULUTH

By: _____
Emily Larson, Mayor

Attest: _____
Jeffrey Cox, City Clerk

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

The foregoing instrument was subscribed and sworn before me this _____ day of _____, 2017, by Emily Larson and Jeffrey Cox, Mayor and City Clerk, respectively, of the City of Duluth, a municipal corporation organized and existing under the laws of the State of Minnesota, on behalf of the City.

Notary Public

R & D:

R & D DEVELOPMENT, LLC

By: Randall & Abernethy

Its: Managing Partner

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

This instrument was acknowledged before me this 20th day of April, 2017 by Randall Abernethy the President of R & D DEVELOPMENT, LLC, a Minnesota limited liability company.

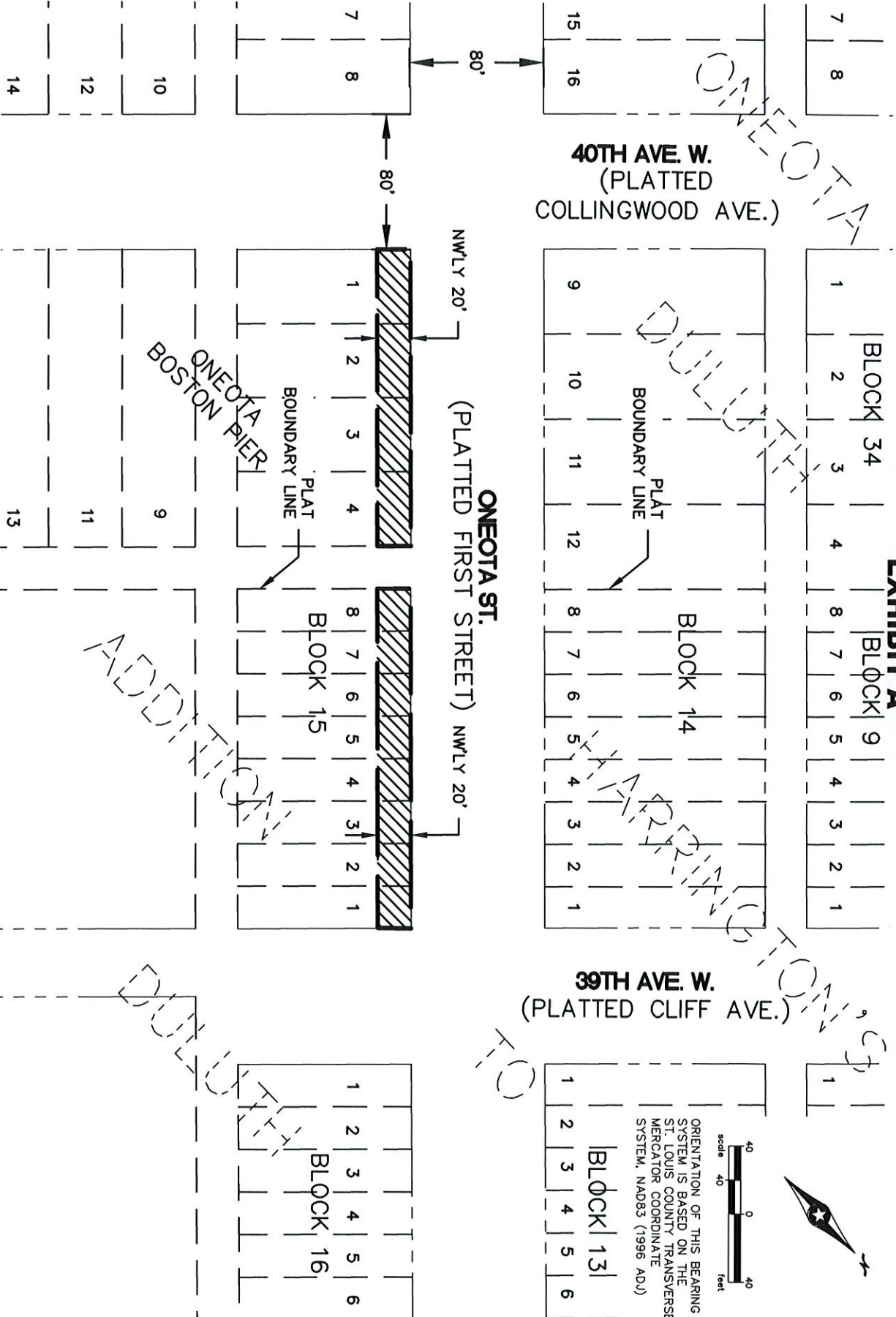


[Signature]
Notary Public

This instrument was drafted by:

Office of the City Attorney
Room 410 City Hall
411 West 1st Street
Duluth, MN 55802-1198

EXHIBIT A



DRAWN BY: ACO CHECKED BY: CAL SURVEYED BY: N/A	I hereby certify that this survey, plan, or report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the state of Minnesota. Signature: <i>Chris A. Larsen</i> Lic. No. 45848 Printed Name: CHRIS A. LARSEN Date: 4/20/17	PHONE: 218.279.3000 SITE: 200 SUPERIOR ST DULUTH, MN 55802-1512 www.sehinc.com	I hereby certify that this utility easement exhibit has been checked and approved this 28th day of April 2017. Signature: <i>Chris A. Larsen</i> City Engineer Printed Name: CHRIS A. LARSEN Date: 4-28-17	TRAIL AND UTILITY EASEMENT DULUTH, MN	FILE NO. DULUT 109680 DATE 4/20/17 SHEET 1 OF 1
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