

Council Agenda Item 25-006-O



MEETING DATE: April 28, 2025

SUBJECT/TITLE: AN ORDINANCE AUTHORIZING AN ELECTRIC LINE EASEMENT TO MINNESOTA POWER, A DIVISION OF ALLETE, INC. UPON, OVER, UNDER AND ACROSS REAL PROPERTY IN THE KENWOOD NEIGHBORHOOD FOR NOMINAL CONSIDERATION.

SUBMITTED BY: Danielle Erjavec, Senior Property Services Specialist

RECOMMENDATION: Approve.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION: N/A

PREVIOUS COUNCIL ACTION: N/A

BACKGROUND: This ordinance authorizes an electrical line easement to Minnesota Power, a division of ALLETE, Inc., a Minnesota corporation ("MP"), for the installation, construction, operation, maintenance, inspection, repair, replacement, reconductoring, removal and relocation of electric power lines or cables, together with all structures, poles, towers, structures, crossarms, cables, braces, guy wires, supports, conduits, counterpoises, fixtures, equipment, devices and any other utility related improvements, upon, over, under and across the real property in the Kenwood neighborhood, for nominal consideration.

MP has an existing easement for the same purposes over a 130-foot-wide corridor on certain City-owned property. The existing easement area is approximately .81 acres. MP desires to expand the existing corridor by 30 feet, for a total width of 160 feet, which equates to adding .11 acres to the existing easement area.

MP desires to expand the existing easement to accommodate the Duluth Loop Reliability Project, which will convert its existing transmission line from a single line corridor to a double line corridor (the "Project"). MP already has the Certificate of Need and Route Permit from the Public Utilities Commission to complete the Project and is acquiring all of the necessary and associated real estate interests from the affected property owners.

The easement authorized by this ordinance will terminate the existing 130-foot-wide easement and grant a new easement over a 160-foot-wide corridor. The easement area is near the intersection of Rice Lake Rd. and Arrowhead Rd. The City is granting the easement for nominal consideration because of the public benefit of the Project. This ordinance is one of three for the Project on City-owned property, and one of two in this vicinity on City-owned property.

BUDGET/FISCAL IMPACT: There is no fiscal impact by the granting of this ordinance.



OPTIONS: Authorize the ordinance or forego authorization and Minnesota Power will be unable to obtain an easement to complete the above-described project. If this ordinance is not authorized, Minnesota Power will most likely complete the project under the Franchise Agreement or may have eminent domain powers to condemn the easement.

NECESSARY ACTION: Authorize the ordinance

ATTACHMENTS: Easement Agreement (Exhibit 1) and Map Depicting Aerial View (Exhibit 2)