

EXHIBIT 1

EASEMENT AGREEMENT

THIS EASEMENT AGREEMENT (this “**Easement Agreement**”) is made and entered into as of the date last signed by both of the parties (the “Effective Date”) by and between Qwest Corporation, a Colorado corporation, formerly known as U.S. West Communications, Inc., formerly known as The Mountain States Telephone and Telegraph Company, successor by merger to Northwestern Bell Telephone, an Iowa corporation (“**Grantor**”), and the City of Duluth, a municipal corporation and political subdivision under the laws of the State of Minnesota (“**Grantee**”). Grantor and Grantee will sometimes be referred to in this Easement Agreement collectively as the “parties.”

WHEREAS, Grantor is the owner of the real property located at 322 W. 1st Street in the City of Duluth, St. Louis County, Minnesota, which is legally described on the attached Exhibit A (the “**Premises**”); and

WHEREAS, Grantor receives hot water service (the “**Hot Water Service**”) from Grantee’s district heating system (the “**District Energy System**”) for heating and other purposes at the building located on the Premises (the “**Building**”) pursuant to an unrecorded Hot Water Service Agreement dated July 13, 2018 (the “**Service Agreement**”); and

WHEREAS, Grantee has installed certain piping, equipment and other appurtenances thereto owned by Grantee (collectively, the “**District Energy System Equipment**”) to enable the Building’s heating system (the “**Premises Heating System**”) owned by Grantor and located at the Premises to be connected to the District Energy System; and

WHEREAS, Grantee desires to install additional District Energy System Equipment on and within the Premises in order to extend its equipment through and outside of the Premises, allowing Grantee the ability to connect additional properties to the District Energy System; and

WHEREAS, the parties recognize that a permanent easement in favor of Grantee in, under, and through the Premises for the construction, installation, inspection, maintenance, repair, replacement, reconstruction, and improvement of the District Energy System Equipment shall allow Grantee to deliver the Hot Water Service to the Premises and install additional District Energy System Equipment on and within the Premises in order to extend its equipment through and outside of the Premises, allowing Grantee the ability to connect additional properties to the District Energy System; and

WHEREAS, Grantor is willing to grant the easement rights set forth in this Easement Agreement.

NOW, THEREFORE, in consideration of the foregoing and the representations, covenants, and agreements of the parties set forth herein and other good and valuable consideration, the receipt and sufficiency of which each party acknowledges, Grantor and Grantee hereby represent, covenant, and agree as follows:

1. Grant of Easement. Grantor does hereby grant and convey to Grantee, its successors and assigns, a permanent nonexclusive easement (the “**Easement**”) in, under and through the Premises solely for the construction, installation, inspection (including reading of meters), operation, maintenance, repair, replacement, reconstruction, or improvement of the District Energy System Equipment, to be located subsurface and/or within the basement of the building or buildings located at the Premises, including the right to enter onto the Premises for the foregoing purposes, but only after meeting Grantor’s access requirements set forth below. The Easement expressly includes the right of Grantee to extend the District Energy System Equipment through and outside of the Premises in order to connect to and serve other properties on the District Energy System. Further, Grantee understands and agrees, for itself, its agents, employees, contractors, invitees or representatives, that by Grantor’s grant of the Easement, Grantor is not representing nor warranting as to any matter or condition (express or implied) and Grantor specifically negates and disclaims any representations and warranties, including, without limitation, any representations and warranties with respect to the adequacy or sufficiency of the Easement, Premises or otherwise, and the grant of the Easement is and shall be “**AS IS, WHERE IS, WITH ALL FAULTS**” with no representation or warranty. The Easement is subject to all matters of record affecting the Premises or access to same as of the Effective Date. Grantee’s use of the Premises and activities and actions in connection therewith and the exercise of its rights under this Easement Agreement shall be in compliance with all present and future ordinances, standards, codes, laws, regulations, rules, restrictions, covenants, requirements and orders of all federal, state, county and municipal governments or quasi-governmental entities or agencies. Grantee shall not construct or install any additional District Energy System Equipment within the Premises without first submitting to Grantor full and complete plans for such construction and installation and receiving Grantor’s prior written approval, which approval shall not be unreasonably withheld. Notwithstanding the prior sentence, Grantor shall not prevent Grantee from installing such equipment as may be necessary or desirable, in Grantee’s sole reasonable discretion, to improve the capacity, safety and/or efficiency of the District Energy System. Grantee shall not block or impede any access to the Premises while performing any construction, maintenance, repair or operation within the Premises or at any other time. Nothing contained herein shall grant or be construed to grant to Grantee the right to use the Easement for purposes other than the purposes expressly set forth in this Easement Agreement.

2. Access Rights. Except in the event of an emergency, Grantee shall provide Grantor with notice by telephone at least 48 hours prior to Grantee’s entrance into the Building so that Grantor can, at its option, have a representative present during Grantee’s time inside the Building. In the event of an emergency (such as broken or malfunctioning equipment or flooding on the Premises or another property served by the District Energy System), Grantee may enter the Building without advance notice to Grantor, and shall thereafter promptly notify Grantor of any such entry.

3. Insurance. Grantee is self-insured and shall not carry insurance in relation to Grantee’s use of the Premises.

4. Hazardous Materials. Any hazardous material generated, produced, brought upon, used, stored, treated, released or disposed of, in, on or about the Premises by Grantee shall be done so in compliance with all applicable laws and regulations

5. Maintenance. Grantor is responsible at its sole expense for maintaining the Premises Heating System unless otherwise assigned to Grantee in the Service Agreement. Grantee is responsible at its sole expense for maintaining the District Energy System Equipment located within the Premises.

6. Repair and Restoration; Compliance with Laws. Grantee shall repair or restore that part of the Premises disturbed by Grantee in the course of its activities under this Easement Agreement to its existing condition prior to Grantee's disturbance, reasonable and normal wear and tear excepted. Grantee activities on the Premises shall be performed in compliance with all laws, rules, regulations, orders and ordinances of the governmental authorities having jurisdiction.

7. Governing Law. This Easement Agreement is made under and shall be interpreted, governed by, and enforced pursuant to the laws of the State of Minnesota.

8. Inurement. This Easement Agreement and each and every covenant, agreement, and other provision hereof shall inure to the benefit of and be binding upon the each of parties hereto and their respective successors and assigns.

9. Title to the Premises. Grantor warrants that it is the owner in fee simple of the Premises and has good right to convey the Easement to Grantee.

10. Counterparts. This Easement Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

11. Notices. Except as otherwise specifically provided for in this Easement Agreement, all notices, demands and requests (collectively "Notice") required or permitted to be given under this Easement Agreement must be in writing and delivered to the below address via U.S. certified mail, postage prepaid, return receipt requested, or by nationally-recognized overnight delivery service, delivery charges prepaid, and Notice shall be deemed to have been given on the date shown on the return receipt if delivered via certified mail, or on the date shown on the confirmation form if delivered by nationally-recognized overnight delivery service.

If Notice to Grantor:

Qwest Corporation
c/o Lumen Technologies
931 14th Street
Denver, Colorado 80202
Attn: Vice President of Real Estate
Building ID M72180

With a copy at the same time via email in each instance to:

Qwest Corporation
c/o Lumen Technologies
Real Estate Lease Administration
leaseadmin@lumen.com
Building ID M72180

If Notice to Grantee: City of Duluth
411 W. First St.
Duluth, MN 55802
Attn: City Attorney

With a Copy to: Duluth Energy Systems
c/o Ever-Green Energy, Inc.
305 St. Peter Street
St. Paul, MN 55102
Attn: General Counsel

Rejection or refusal to accept or the inability to deliver because of a changed address of which no Notice was given shall be deemed to be receipt of Notice as of the date of rejection, refusal or inability to deliver. Either party may change its Notice address by giving Notice to the other party to any other address by giving Notice of address change in the manner for giving Notice set forth in this Section 11. If applicable, Notice shall be given to successors and assigns of the parties to the current record owner at the address stated for receipt of tax records as maintained by the St. Louis County Assessor's Office.

12. Grantor Use of Premises. Grantor reserves the right to use the Premises for purposes that shall not interfere with (i) Grantee's full enjoyment of the rights granted by this Easement Agreement; or (2) safe and efficient operation of the District Energy System Equipment and the District Energy System. Grantor shall not, without the prior written permission of Grantee, install, erect or construct any equipment, wall or other structures that would partially or completely obstruct Grantee's access to the District Energy System Equipment or the Premises.

13. Permanent Easement. The Easement shall be permanent and all rights granted in this Easement Agreement will run with the land and will be binding on the heirs, successors and assigns of the parties. This Easement Agreement and each and every covenant, agreement, and other provision hereof will inure to the benefit of and be binding upon the each of parties hereto and their respective successors and assigns.

14. Authority and Capacity. The individuals signing this Easement Agreement on behalf of Grantor warrant and represent that they have full and complete corporate authority to enter into this Easement Agreement on behalf of Grantor, full and complete capacity to bind Grantor to this Easement Agreement and full and complete capacity to read and understand the terms and conditions of this Easement Agreement.

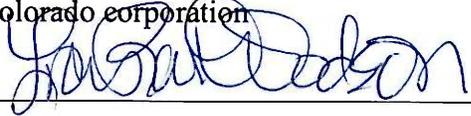
15. Recording. Grantee shall, at its sole cost and expense, record this Easement Agreement in the Office of the St. Louis County Recorder, and shall promptly thereafter provide a copy of this recorded Easement Agreement to Grantor.

[Reminder of page intentionally left blank; signature pages follow.]

IN WITNESS WHEREOF, the parties have each caused this Easement Agreement to be executed as of the Effective Date.

GRANTOR

Qwest Corporation,
a Colorado corporation

By 

Name: LaRae D. Dodson

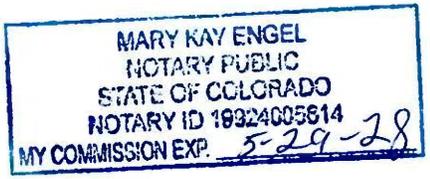
Its: VP of Real Estate and Fleet

State of Colorado)
) ss.
County of Adams)

This record was acknowledged before me on November 14, 2024, by LaRae D. Dodson, as VP of Real Estate and Fleet of Qwest Corporation, a Colorado corporation.


(Notary's Official signature)
(Title of Office) Notary Public

5/29/28
(Commission Expiration)



GRANTEE

CITY OF DULUTH

By: _____
Mayor

By: _____
City Clerk

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

The foregoing was acknowledged before me this ____ day of _____, 2024, by Roger J. Reinert, the Mayor of the City of Duluth, a municipal corporation and political subdivision under the laws of Minnesota.

Notary Public

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

The foregoing was acknowledged before me this ____ day of _____, 2024, by Ian Johnson, the City Clerk of the City of Duluth, a municipal corporation and political subdivision under the laws of Minnesota.

Notary Public

This instrument was drafted by:
City of Duluth
411 W. First St.
Duluth, MN 55802

EXHIBIT A
LEGAL DESCRIPTION OF PREMISES

Real property in the City of Duluth, County of St. Louis, State of Minnesota, described as follows:

Lots Sixty (60), Sixty-two (62) and Sixty-four (64), West First Street, DULUTH
PROPER FIRST DIVISION, according to the recorded plat thereof.