

SERVICES AGREEMENT

Services Agreement, entered into this _____ day of _____, 2014, by and between the City of Lake Elmo, a municipal corporation of the State of Minnesota (“City”) and Northeast Metro 916 Intermediate School District (“School”).

WHEREAS, School is the fee owner of a parcel legally described as Outlot A Eagle Point Business Park 7th Addition, Lake Elmo, Minnesota, (the “Property”), and intends to construct and operate a public school on the Property serving special needs students pursuant to its organizational charter (the “Activity”);

WHEREAS, School anticipates, based on its operation of similar schools, that the Activity will require public safety services provided by City (“Services”) at a level which exceeds those generally provided to other businesses or institutions in the City;

WHEREAS, City and School have agreed on a fixed rate of reimbursement to be paid to City by School for Services rendered to the Property, and such agreement is evidenced by this Services Agreement;

NOW, THEREFORE, in consideration of the mutual agreements contained herein, School and City hereby agree as follows:

1. **Services.** City agrees to provide the Services to the Property during the time that the Activity is conducted on the Property, without any charge, assessment or fee charged to School or assessment against the Property, other than the Payment described in Paragraph 2 below.

2. **Payment.** School agrees to make an annual payment (“Payment”) to City in consideration of City providing the Services. Each payment shall be payable on December 31, commencing December 31, 2017, and shall be attributable to Services rendered during the school year commencing September 1st (prior to the Payment date) and concluding August 31st (subsequent to the Payment date). The amount of the Payment due December 31, 2017 shall be \$31,500.00; the Payment amount in each subsequent year shall equal 1.02% of the previous year’s payment (a two percent annual increase).

3. **Term.** The term of this Agreement (“Term”) shall commence as of the date hereof, and shall terminate ten (10) years later; provided; however, that School’s obligation to make the Payments shall cease at such time prior to the end of the Term if it ceases to conduct the Activity on the Property. Six months prior to the end of the Term, City and School shall meet to consider a possible extension of the Term and any appropriate modifications to the Payment amount or other terms of this Agreement.

4. **Miscellaneous.** Any modifications to this Agreement must be in writing and signed by City and School. Both parties acknowledge that the extension and performance of this Agreement have been fully authorized and approved by their respective institutions. Any notices hereunder shall be sent in writing, by certified or registered U.S. Mail, return receipt requested, or by a national overnight mail service, to addresses listed below:

Ms. Kristine Carr
Director of Administrative Services
Northeast Metro 916
2540 County Road F East
White Bear Lake, MN 55110

Director of Finance
City of Lake Elmo
3800 Laverne Ave. N. Lake Elmo, MN 55449

IN WITNESS WHEREOF, the parties hereto have executed this Services Agreement as of the date first above written.

CITY OF LAKE ELMO:

NORTHEAST METRO 916
INTERMEDIATE SCHOOL DISTRICT

By: _____
Mike Pearson, Mayor

By: _____
Its: _____

By: _____
Dean Zuleger, City Manager

By: _____
Its: _____

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