



City Council Regular Meeting Agenda

August 18, 2025 at 6:30 PM

Pipestone City Hall- 119 2nd Ave SW #9, Pipestone, MN 56164

- 1. Call to Order and Roll Call**
- 2. Pledge of Allegiance**
- 3. Approve Agenda – Additions, Changes, Or Deletions**
- 4. Consent Agenda**

All items listed with asterisks () are considered routine and non-controversial by the Council and will be approved by one motion. There will be no separate discussion of these items unless a Council member, City staff or citizen so requests in which case, the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

5. **Approval of Minutes

- A. August 4 2025 Special Meeting Minutes
- B. August 4 2025 Regular Meeting Minutes
- C. August 11 2025 Special Meeting Minutes

6. Community Concerns (Maximum 3 Minutes Per Person)

7. Public Hearings, Petitions, and Bid Openings

8. Legal

- A. Introduction of Ordinance No. 168, Fourth Series: An Ordinance of the City of Pipestone Repealing and Replacing Section 153.32 of the Pipestone City Code with Regard to Signs

9. Engineering

10. **Financial

- A. Payment of Claims-Listing of Bills
- B. July 2025 Financial Report

11. Old Business

12. New Business

- A. Resolution 2025-49: Resolution of the City of Pipestone, Minnesota in Support of the U.S. Economic Development Administration FY2025 Disaster Supplemental Grant Program and Pledging a Local Match to Expand Infrastructure Along 11th Street Northwest for the Development of an Industrial Park
- B. Resolution 2025-50: Safe Routes to School Program Grant Agreement
- C. Resolution 2025-51: Resolution Accepting Donations
- D. Resolution 2025-52: A Resolution Accepting Bid
- E. Accept 2024 Audit Report and Posted Journal Entries
- F. Appointment of New City Firefighter
- G. Approve Utility Easements
- H. Approve Storm Water Agreement(s)
- I. Approve Full-Time Status for Accounts Payable Position
- J. Approve Full-Time Status for Administrative Assistant Position
- K. Food Truck Parking Location
- L. Review of Purdue Pharma Settlement Communications

13. Closing Comments

14. Executive/Closed Session

15. Adjournment

Pipestone, Minnesota
August 4, 2025

Pursuant to due call and notice thereof, a Special Meeting of the Pipestone City Council was duly held in the city council chambers at Pipestone City Hall at 5:30 p.m. on the 4th day of August 2025. Mayor Dan Delaney called the meeting to order. Members present: Dan Delaney, Danielle Thompson, Rodger Smidt, and Verdeen Colbeck. Others present: Kyle Kuphal, City Treasurer Jodie Jensen, City Engineer Travis Winter, Public Access Coordinator Steve Moffitt, Assistant City Administrator-Clerk Stephanie LaBrune, and City Administrator Deb Nelson.

Mayor Delaney called the meeting to order and stated the purpose of the special meeting was to hold a work session to discuss the 2026 budget.

Administrator Nelson then provided a PowerPoint presentation with highlights from the draft 2026 budget. She started her presentation by explained to the council that the budget numbers are very, very preliminary. She stated that she, Mayor Dan Delaney, and city finance staff met with department heads in July to develop capital outlay schedules and budget proposals. She shared that the preliminary figures showed a potential 10 percent levy increase. Nelson said the preliminary budget includes a 5 percent cost of living increase for city employees, which could be lowered, and a 3 percent increase in both city attorney's fees. She also shared that the city is expected to receive \$2,759,371 in local government aid in 2026, which amounts to an increase of \$7,218 from what was received in 2025. It was also noted that the city's debt service amount will be reduced by \$31,801.

Nelson also presented information about big ticket items that have been proposed and noted that not all of them were included in the draft budget. Two options for a splash pad were presented. With proposed costs varying from \$270,000 to \$467,000. Delaney said, the city certainly is not proposing that the whole dollar amount be paid for entirely by the budget. He added that the project will be partially funded with grants and donations. Potential locations for the future splash pad were also discussed.

Nelson also alerted the council of a large projected expense relating to the airport fuel tank replacement project at the Pipestone Municipal Airport. She said the current below ground fuel tanks are a safety issue because of water infiltration issues. She also shared that there are grant funds available for the estimated 1-million-dollar project and said that the city's share of the project would be approximately \$400,000. She said that cost is not included in the budget. Delaney suggested the city also look into selling bonds to spread the cost out over a longer period.

A new recreation center was also discussed and Nelson said there is a \$50,000 transfer from the liquor store fund to a new recreation center/city building fund so there is a fund available where the city could set aside funds for the project each year and the fund could also be used to store donations, such as the funds that were raised by the #LiveLikeJoe golf tournament.

In addition, the law enforcement contract amount was discussed and Delaney said the city is hoping to be able to negotiate the contract following new information that was discovered pertaining to dispatch responsibilities back in January.

Finally, the council came to a consensus that they would like to review the final draft budget figures during a special meeting on September 2nd with plans to adopt a preliminary levy before the end of September, which is the deadline to approve the preliminary levy.

ADJOURNMENT

Motion made by Colbeck, seconded by Thompson and unanimously carried to adjourn the meeting at 6:08 p.m.

Dan Delaney
Mayor

ATTEST:

Stephanie LaBrune
Assistant City Administrator - Clerk

Pipestone, Minnesota
August 4, 2025

Pursuant to due call and notice thereof, a regular meeting of the Pipestone City Council was duly held in-person and via Zoom in the Municipal Building at 6:30 p.m. on the 4th day of August 2025. Mayor Dan Delaney called the meeting to order. Roll call was taken and a quorum was declared. Members present: Dan Delaney, Rodger Smidt, Scott Swanson, Verdeen Colbeck and Danielle Thompson. Absent: None. Others present: Kyle Kuphal, City Engineer Travis Winter, City Attorney Jason Hill via Zoom, Cable Access Coordinator Steve Moffitt, Assistant City Administrator-Clerk Stephanie LaBrune, and City Administrator Deb Nelson.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

APPROVE AGENDA – ADDITIONS, CHANGES OR DELETIONS

Motion was made by Colbeck, seconded by Thompson and unanimously carried to approve the agenda with the addition of item E. Schedule a Special Meeting for the Approval of the 2024 Financial Audit under New Business.

CONSENT AGENDA

Mayor Delaney stated the consent agenda contains the July 21, 2025 Regular Meeting Minutes and Payment of Claims-Listing of Bills and asked if there was any discussion regarding these items.

Motion was made by Swanson, seconded by Thompson and unanimously carried to approve the consent agenda which consisted of the July 21, 2025 Regular Meeting Minutes and Payment of Claims-Listing of Bills in the amount of \$1,578,530.71 for warrants #075418 to #075519.

COMMUNITY CONCERNS

None.

PUBLIC HEARINGS, PETITIONS, AND BID OPENINGS

Safe Routes to School Bid Opening

Engineer Winter stated that online bidding was closed at 6:30 p.m. and two bids were received. The first bid received was from Duininck, Inc. in the amount of \$1,131,948.25 and the second bid was from Hulstein Excavating in the amount of \$856,946.15. Winter shared that the engineer’s estimate was \$835,000 and announced that he would review the bids and make a recommendation for awarding the bid at the next city council meeting.

NEW BUSINESS

Resolution 2025-46

Mayor Delaney stated staff has been discussion with the National Park Service on the development of a trail that would lead from the intersection of Hiawatha Ave. and Reservation Ave. to the Pipestone National Monument’s walking trail. The Utility Commission and Hiawatha Pageant Park Commission have been presented the information and this resolution is needed to continue

the pursuit of Federal Land Access Program Funding to support the Hiawatha Pageant Park Trail Project.

Motion was made by Colbeck, seconded by Thompson and unanimously carried to approve Resolution 2025-46: A Resolution Authorizing the Pursuit of Federal Land Access Program Funding to Support the Hiawatha Pageant Park Trail Project.

Resolution 2025-47

Mayor Delaney shared that on July 15th a Variance was held by the Board of Adjustments and Appeals and it is being recommended by the board to approve the variance which would allow the city to construct a municipal storage building that exceeds the total maximum height requirement of fifteen feet within a highway business district. The building will be approximately 27 feet in height and located at 413 2nd St NE.

Motion was made by Swanson, seconded by Smidt, and unanimously carried to approve Resolution 2025-47: Resolution Granting a Variance to Construct an Accessory Structure that Exceeds the Applicable Height Limitation at 413 2nd Street NE in the City of Pipestone.

Resolution 2025-48

Mayor Delaney said this resolution if approved will allow the city to enter into a Minnesota Clean Water Partnership Loan agreement for the purpose of implementing the second part of the city's sanitary sewer service improvement loan program. In addition, the resolution will authorize Deb Nelson to administer and execute the agreement and loan disbursement requests.

Motion was made by Thompson, seconded by Smidt, and unanimously carried to approve Resolution 2025-48: A Resolution Authorizing the City of Pipestone to Enter into the Minnesota Clean Water Partnership Loan Agreement Along with the Minnesota Pollution Control Agency to Conduct the Pipestone Sanitary Sewer Service Improvement Project Part 2 and to provide sanitary sewer loans to qualifying property owners with the repayment terms of 0% interest for 7 years.

Schedule Truth In Taxation Public Meeting

Mayor Delaney stated staff is proposing to schedule the Truth in Taxation public hearing for December 1, 2025 at 6:30 p.m. and asked for council confirmation so staff can verify the date with the County Auditor's office.

Motion was made by Thompson, seconded by Colbeck, and unanimously carried to approve the Truth in Taxation Public Meeting date of December 1, 2025 at approximately 6:30p.m. in the council chambers at city hall.

Schedule Special Meeting to Approve the 2024 Financial Audit

Mayor Delaney stated that due to the deadline to submit the 2024 audit report approaching, staff is requesting to hold a special meeting on August 11th at noon to hear a report from the city auditor and approve the audit report.

Motion was made by Swanson, seconded by Thompson, and unanimously carried to approve holding a special meeting on August 11, 2025 at noon for the purpose of hearing a presentation from the city auditor and approving the 2024 financial audit.

COUNCIL LIAISON REPORTS

Heritage Preservation Commission – Delaney reported stating that the commission met on July 3rd to review 2 sign permits and also held a discussion on the Carnegie library building.

Hiawatha Pageant Park Commission – Colbeck was not able to attend the most recent meeting so Nelson reported that the commission discussed the FLAP grant trail project and Delaney also reported items that were brought up which included the upcoming fishing derby, lights at the lodge, and the commission’s 5-year plan.

Community Improvement Commission – Swanson was not able to attend the most recent meeting so Delaney reported that there was discussion about the flower planters and artwork which included discussion of painting the pillars of the railroad bridge.

Human Rights Commission – Delaney said there was a meeting on the 15th where there was discussion around donations and a human rights commission handbook amongst other things.

Law Enforcement Liaison Committee – Colbeck share that there was a meeting on the 14th and the two big items of discussion were Jake Braking and E-Bikes.

Utility Commission – A meeting was held on the 9th. Swanson said there will be a new location for the city’s tree dump soon. Delaney talked about adding a roll over curb to the SRTS project for farm access along the route.

CLOSING COMMENTS

Colbeck – Mentioned there is a car show coming up at Dahl Motors and said proceeds will go to support the new veteran’s memorial.

Delaney – Acknowledged the veteran’s, including Colbeck, who were featured in the Special Edition to the County Star’s paper.

Swanson – Reminded residents to set their recycling totes out at 10 pm tonight due to VanDyke Sanitation having a schedule change.

ADJOURNMENT

Motion was made by Swanson, seconded by Thompson, and carried unanimously to adjourn the meeting at 6:58 p.m.

Dan Delaney
Mayor

ATTEST:

Stephanie LaBrune
Assistant City Administrator - Clerk

Pipestone, Minnesota
August 11, 2025

Pursuant to due call and notice thereof, a Special Meeting of the Pipestone City Council was duly held in the city council chambers at Pipestone City Hall at 12:00 p.m. on the 11th day of August 2025. Mayor Dan Delaney called the meeting to order. Members present: Dan Delaney, Danielle Thompson, Rodger Smidt, and Verdeen Colbeck. Others present: Kyle Kuphal, City Treasurer Jodie Jensen, Public Access Coordinator Steve Moffitt, Assistant City Administrator-Clerk Stephanie LaBrune, and City Administrator Deb Nelson.

Mayor Delaney called the meeting to order and stated the purpose of the special meeting was to review and consider approval of the 2024 Financial Audit. Delaney then invited auditor Matt Taubert with Meulebroeck, Taubert & Co. PLLP to give a presentation.

Taubert started off by stating that his firm gave an unqualified opinion on the city’s 2024 financial audit sharing that it is the highest opinion rendered on financial statements. He then provided an in-depth review of his audit findings which included budget versus actual information as well as year end fund balance information. He also mentioned to council that there are a few capital projects remaining open and suggested that fund transfers be processed prior to the end of the year to close out the projects.

Delaney questioned Nelson if the 2024 audit numbers were reflected in the 2026 budget? Nelson replied that they were. He also asked both Nelson and Jensen about the large budget versus actual difference in the miscellaneous professional services account? Taubert replied by stating that there was engineering, and legal expenses for projects and funds were also used to pay the city’s financial advisor for the city rate study that was done.

Lastly, Taubert noted that there was one audit finding related to a deficiency in collateral and three pages of journal entries that will need to be done as a result of the audit.

ADJOURNMENT

Motion made by Colbeck, seconded by Thompson and unanimously carried to adjourn the meeting at 1:04 p.m.

Dan Delaney
Mayor

ATTEST:

Stephanie LaBrune
Assistant City Administrator - Clerk

CITY OF PIPESTONE
ORDINANCE NO. 168, FOURTH SERIES

AN ORDINANCE OF THE CITY OF PIPESTONE REPEALING AND REPLACING
SECTION 153.32 OF THE PIPESTONE CITY CODE WITH REGARD TO SIGNS

THE CITY OF PIPESTONE ORDAINS:

Article I. Pipestone City Code, Section 153.32 is hereby repealed and replaced with the following language:

§ 153.32 SIGNS.

(A) *Purpose and intent.* The purpose and intent of this Ordinance is to:

(1) Regulate the number, location, size, type, illumination and other physical characteristics of signs within the City in order to promote the public health, safety and welfare.

(2) Maintain, enhance and improve the aesthetic environment of the City by preventing visual clutter that is harmful to the appearance of the community.

(3) Improve the visual appearance of the City while providing for effective means of communication, consistent with constitutional guarantees and the City’s goals of public safety and aesthetics.

(4) Provide for fair and consistent enforcement of the sign regulations set for herein under the zoning authority of the City.

It is not the purpose or intent of this section to regulate the message displayed on any sign; nor is it the purpose or intent of this section to regulate any building design or any display not defined as a sign, or any sign that cannot be viewed from outside a building.

(B) *Scope and applicability.* The requirements, conditions, prohibitions, and exceptions specified in this Ordinance apply to all signs and sign structures in all zoning districts within the City. No sign or sign structure, or part thereof, may be constructed, erected, converted, enlarged, extended, expanded, reconstructed, or relocated except in conformity with the regulations of this Ordinance.

(C) *Substitution.* The owner of any sign that is otherwise allowed by this Ordinance may substitute noncommercial speech in lieu of any other commercial speech or noncommercial speech. This substitution of copy may be made without any additional approval or permitting. The purpose of this “Substitution” provision is to prevent any inadvertent favoring of commercial speech over noncommercial speech, or favoring of any particular noncommercial speech over any other noncommercial speech. This provision prevails over any more specific provision to the contrary.

(D) *Definitions.* The definitions of this Section apply in administering and interpreting the sign regulations of this Ordinance. These definitions are in addition to those set forth in Section 153.03 of the City Code, except that in the event of a conflict between the sections, the definitions in this Section shall apply:

ABANDONED SIGN. Any sign and/or its supporting sign structure that remains without a message, is illegible or whose display surface remains blank for a period of one year or more, or any sign that pertains to a time, event or purpose that no longer applies. Signs applicable to a business temporarily suspended because of a change in ownership or management of such business is not deemed abandoned unless the property remains vacant for a period of one year or more. Any sign remaining after demolition of a principal structure is also deemed to be abandoned. Signs that are present because of being established nonconforming signs or signs which have required a conditional use permit or a variance are also subject to the definition of "abandoned sign."

AREA (of a sign). See "sign area".

AWNING. A roof-like cover, often of fabric, plastic, metal or glass designed and intended for protection from the weather or as a decorative embellishment, and that projects from a wall or roof of a structure primarily over a window, walk, or the like. Any part of an awning that also projects over a door is counted as an awning.

AWNING SIGN. A building sign or graphic printed on or in some fashion attached directly to the awning material.

BILLBOARD. An outdoor, off-premises sign on which lettered, figured or pictorial matter is displayed that has an area greater than 150 square feet.

BUILDING SIGN. Any sign attached or supported by any building.

CANOPY. A roof-like cover, often of fabric, plastic, metal, or glass on a support, that provides shelter over a doorway.

CANOPY SIGN. Any sign that is part of or attached to a canopy, made of fabric, plastic, or structural protective cover over a door or entrance. A canopy sign is not a marquee and is different from service area canopy signs.

CHANGEABLE COPY SIGN. A sign or portion thereof with characters, letters, or illustrations that can be changed or rearranged without altering the face or the surface of the sign. Changeable copy signs do not include signs upon which characters, letters or illustrations change or rearrange only once in a 24-hour period.

COMMERCIAL SPEECH. Any sign text, wording, logo, or other representation that directs attention to a business, profession, commodity, service, or entertainment for business purposes.

COMMERCIAL ZONING DISTRICT. B-1, B-2 and B-3 zoning districts

DRIVE-THROUGH SIGN. A sign located on the site of an allowed drive-through use.

DRIVEWAY SIGN. A sign located near a driveway entrance from a street or near an internal site driveway or drive aisle.

DIRECTIONAL SIGN. A sign which serves solely to designate the direction of any place or area and is located on the same lot as said place or area. Examples include "entrance" and "exit" signs.

DWELL TIME. The duration or interval of time during that each individual advertisement or message is displayed on any dynamic sign.

DYNAMIC SIGN. An sign, portion of a sign or characteristics of a sign that appears to have movement or that appears to change and which is caused by any method other than physically removing and replacing the sign or its components, whether the apparent movement or change is in the display, the sign structure itself, or any other component of the sign. This includes a display that incorporates a technology or method allowing the sign face to change the image without having to physically or mechanically replace the sign face or its components. This also includes any rotating, revolving, moving, waving, flashing, blinking, or animated display; or structural element and any display that incorporates rotating panels, LED lights manipulated through digital input, "digital ink", incandescent bulbs, or any other method or technology that allows a sign face, or any other device, to present a series of images or displays.

ELECTRIC SIGN. Signs and displays using electrical power.

ELEVATION. The view of the side, front, or rear of a given structure.

ELEVATION AREA. The area of all walls that face any lot line.

ERECT. Activity of constructing, building, raising, assembling, placing, affixing, attaching, creating, painting, drawing or any other way of bringing into being or establishing.

FLAG. Any fabric or similar lightweight material attached at one end of the material, usually to a staff or pole, so as to allow movement of the material by atmospheric changes and that contains distinctive colors, patterns, symbols, emblems, insignia, or other symbolic devices.

FLASHING SIGN. A directly or indirectly illuminated sign that exhibits changing light or color effect by any means, so as to provide intermittent illumination that includes the illusion of intermittent flashing light by means of animation. The term "flashing sign" also means mode of lighting that resembles zooming, twinkling, or sparkling.

FREESTANDING SIGN. Any sign that has supporting framework that is placed on, or anchored in, the ground and that is independent from any building or other structure.

GRADE. The final ground elevation after construction. Earth mounding for landscaping and screening is not part of the final grade for sign height computation.

HEIGHT (of sign). The vertical distance measured from the base of the sign at grade to the top of the highest attached component of the sign.

ILLUMINATED SIGN. Any sign that contains an element designed to emanate artificial light internally or externally.

INDUSTRIAL ZONING DISTRICT. I-1 and I-2 zoning districts.

INTERIOR SIGN. A sign that is located within the interior of any building, or within an enclosed lobby or court of any building, and a sign for and located within the inner or outer body, court or entrance of any theater.

MARQUEE. Any permanent roof-like structure projecting beyond a theater building or extending along and projecting beyond the wall of that building, generally designed and constructed to provide protection from the weather.

MARQUEE SIGN. Any building sign painted, mounted, constructed or attached in any manner, on a marquee.

MONUMENT SIGN. Any freestanding sign with its sign face mounted on the ground or mounted on a base at least as wide as the sign.

MULTIPLE TENANT SITE. Any site that has more than one tenant, each of which (tenant) has a separate ground level exterior public entrance.

NONCOMMERCIAL SPEECH. Dissemination of messages not classified as commercial speech, that includes, but are not limited to, messages concerning political, religious, social, ideological, public service and informational topics.

NONCONFORMING SIGN. Any sign and its support structure that was lawfully erected prior to the effective date of the regulations of this Ordinance that fails to conform to the requirements of this Ordinance. A sign that was erected in accordance with a variance granted before the adoption of the ordinance from which this chapter is derived and that does not comply with this code is deemed to be a nonconforming sign. A sign that was unlawfully erected is deemed to be an illegal sign.

OFF-PREMISES SIGNS. A commercial speech sign that directs the attention of the public to a business, activity conducted, or product sold or offered at a location not on the same lot where such sign is located. For the purposes of this Ordinance, easements and other accessory are considered to be outside such lot and any sign located or proposed to be located in an easement or other accessory is deemed an off-premises sign.

ON-PREMISES MESSAGES. Messages that identify or advertise an establishment, person, activity, goods, products or services located on the premises where the sign is installed.

OWNER (of a lot). The legal owner of the lot as officially recorded by the County, and including fee owners, contract for deed purchasers and ground lessees.

OWNER (of a sign). The owner of the sign, including any lessees.

POLE SIGN. See Pylon Sign.

PORTABLE SIGN. Any sign that is manifestly designed to be transported, including by trailer or on its own wheels, even though the wheels of such sign may be removed and the remaining chassis or support is converted to another sign or attached temporarily or permanently to the ground since this characteristic is based on the design of such a sign.

PROJECTING SIGN. Any sign that is affixed to a building or wall in such a manner that its leading edge extends more than one foot beyond the surface or such building or wall face.

PUBLIC NOTICES. Official notices posted by public officers, employees or their agents in the performance of their duties, or as directed by such officers, employees or agents.

PUBLIC STREET RIGHT-OF-WAY. The entire right-of-way of any public street.

PYLON SIGN. Any freestanding sign that has its supportive structures anchored in the ground and that has a sign face elevated above ground level by poles or beams and with the area below the sign face open.

RESIDENTIAL ZONING DISTRICT. R-1, R-2 and R-3 zoning districts.

ROOF. The exterior surface and its supporting structure on the top of a building or structure. The structural make-up of that conforms to the roof structures, roof construction and roof covering sections of the Uniform Building Code.

ROOF LINE. The upper-most edge of the roof or in the case of an extended facade or parapet, the upper-most height of the facade.

ROOF SIGN. Any sign erected and constructed wholly on and above the roof of a building, supported by the roof structure, and extending vertically above the highest portion of the roof. (47)

ROOF SIGN, INTEGRAL. Any building sign erected or constructed as an integral or essentially integral part of a normal roof structure of any design, so that no part of the sign extends vertically above the highest portion of the roof and so that no part of the sign is separated from the rest of the roof by a space of more than 6 inches.

ROTATING SIGN. A sign or portion of a sign that turns about on an axis.

SHIMMERING SIGNS. A sign that reflects an oscillating sometimes distorted visual image.

SIGN. Any letter, word or symbol, poster, picture, statuary, reading matter or representation in the nature of advertisement, announcement, message or visual communication, whether painted, posted, printed, affixed or constructed, including all associated brackets, braces, supports, wires and structures, that is displayed for informational or communicative purposes.

SIGN AREA. A measurement of the area (size/square footage) within the frame of the sign, excluding any structural elements outside the limits of such sign and not forming an integral part of the display. When letters or graphics are mounted directly on a wall, canopy, or awning without a frame, the calculation of the sign's area shall be the smallest rectangle which encloses the sign message or logo. Each surface utilized to display a message or to attract attention must be measured as a separate sign. Symbols, flags, pictures, wording, figures or other forms of graphics painted on or attached to windows, walls, awnings, free-standing structures, suspended by balloons, or kites or on persons, animals, or vehicles are considered a sign and are included in calculating total sign area.

SIGN FACE. The surface of the sign upon, against, or through which the message of the sign is exhibited.

SIGN STRUCTURE. Any structure including the supports, uprights, bracing and framework that supports or is capable of supporting any sign.

SITE. A lot or combination of contiguous lots that are intended, designated, and/or approved to function as an integrated unit.

TOTAL SITE SIGNAGE. The combined area of all freestanding and wall identification signs on a specific property.

VISIBLE. Capable of being seen by a person of normal visual acuity (whether legible or not) without visual aid

WALL. Any structure that defines the exterior boundaries or courts of a building or structure and that has a slope of 60 degrees or greater with the horizontal plane.

WALL SIGN. Any building sign attached parallel to, but within 2 feet of a wall, painted on the wall surface of, or erected and confined within the limits of an outside wall of any building or structure, that is supported by such wall or building, and that displays only one sign surface.

WALKWAY SIGN. A sign located near an internal site sidewalk circulation network that provides a permanent pathway for pedestrians between public streets and building entrances.

WINDOW SIGN. Any building sign, pictures, symbol, or combination thereof, designed to communicate information about an activity, business, commodity, event, sale, or service, that is placed inside a window or upon the window panes or glass and is visible from the exterior of the window.

(E) *Permits.*

(1) *Required.* Except as expressly stated in Section 153.32(E)(3), no sign may be erected, altered, reconstructed, maintained or moved without first securing a permit from the City. The content of the message or speech displayed on the sign may not be reviewed or considered in determining whether to approve or deny a sign permit. Permit applications must be submitted to

the Zoning Administrator and include at least the following:

- (a) The applicable application/permit fee;
- (b) Name and address of the applicant, and the owners of the sign and the subject lot;
- (c) The address at which any signs are to be erected;
- (d) A complete set of plans showing the necessary elevations, distances, size and details to fully and clearly represent the construction and placement of the sign;
- (e) Type of sign (i.e., wall sign, monument sign, etc.);
- (f) Certification by the applicant indicating the application complies with all requirements of this Ordinance; and
- (g) If the proposed sign is along state trunk highway, the application must be accompanied by proof that the applicant has obtained a permit from the State of Minnesota.

(2) *Processing.* The Zoning Administrator must act to approve or deny the sign permit in an expedited manner no later than 60 days from the receipt of the complete application. If the permit is denied, the Zoning Administrator must provide a written notice of denial describing the applicant's appeal rights under Section 153.27 of the City Code, and send such notice to the applicant by mail.

(3) *Exemptions.* The following signs do not require a permit. These exemptions, however, are not to be construed as relieving the owner of the sign from the responsibility of compliance with the provisions of the City Code or any other law or ordinance regulating signs in the City.

- (1) The changing of the display surface on a painted or printed sign. This exemption applies only to poster replacement and/or on-site changes involving sign painting elsewhere than directly on a building.
- (2) Signs 6 square feet or less in size.
- (3) Flags.
 - Up to three (3) noncommercial flags per lot or site.
 - Up to two (2) commercial flags per site, provided that each flag must not exceed 25 square feet in area.

(4) Election Period Exemption. Notwithstanding any provision of this Ordinance, noncommercial signs of any size in any number may be placed as follows:

- For years other than state general election years in which elections (including any primaries or votes on ballot questions) are scheduled, beginning August 1 until ten days following the election date.
- For years other than state general election years in which elections (including any primaries or votes on ballot questions) are scheduled, beginning 46 days prior to the election, until ten days following the election date.

(F) *Prohibited signs.* The following signs are prohibited in all zoning districts:

- (1) Any sign, signal, marking or device that purports to be or is an imitation of or resembles any official traffic control device or railroad sign or signal, or emergency vehicle signs, or which attempts to direct the movement of traffic or which hides from view or interferes with the effectiveness of any official traffic control device or any railroad sign or signal;
- (2) Signs over 150 square feet in area, excluding signs in industrial zoning districts;
- (3) Flashing signs;
- (4) Inflatable signs;
- (5) Portable signs;
- (6) Changeable copy signs;
- (7) Roof signs;
- (8) Rotating signs;
- (9) Shimmering signs;
- (10) Signs painted on, attached to or in any other manner affixed to trees or similar natural surfaces, or attached to utility poles, bridges, towers, transit shelters, benches or similar public structures, except for official signs; and
- (11) Signs containing content classified as “obscene” as defined by Minnesota Statutes, section 617.241.

(G) *General Provisions.*

- (1) Signs allowed by zoning district.

Types of Signs allowed by district:

Type	Zoning District								
	I-1	I-2	B-1	B-2	B-3	R-1	R-2	R-3	C-1
Awning	P	P	P	P	P	N	N	N	P
Billboard	N	N	N	N	P	N	N	N	N
Canopy	P	P	P	P	P	N	N	N	P
Changeable Copy	P	P	P	P	P	N	N	N	P
Driveway/Walkway	P	P	P	P	P	N	N	N	P
Drive-thru	P	P	P	P	P	N	N	N	P
Directional	A	A	A	A	A	N	N	N	A
Electric	P	P	P	P	P	N	N	N	P
Dynamic	P	P	P	P	P	N	N	N	P
Freestanding	P	P	P	P	P	N	N	N	P
Marquee	P	P	P	P	P	N	N	N	P
Monument	P	P	P	P	P	P	P	P	P
Projecting	P	P	P	P	P	N	N	N	P
Sidewalk	A	A	A	A	A	A	A	A	A
Temporary	P	P	P	P	P	P	P	P	P
Wall	P	P	P	P	P	N	N	N	P
Window	P	P	P	P	P	N	N	N	P

A = Allowed without permit

P = Permit required

CUP = Conditional use permit required

N = Not allowed

(2) *Illumination.* External illumination for signs must be constructed and maintained so that the source of light is not visible from the public right-of-way or property used or zoned for residential purpose.

(3) *Electric signs.*

- (a) Electric signs must be installed in accordance with the current electrical code and a separate permit from the Building Official must be obtained before placement of such a sign.
- (b) No more than one electric sign shall be attached to each face of the building for any one occupant thereof.
- (c) The leading edge of any electric sign must be located at least 100 feet from any parcel that is both residentially zoned and residentially used.

(4) *Vertical clearance.* All signs mounted above sidewalks and other pedestrian walking surfaces must be mounted to ensure at least 8 feet vertical clearance above the walking surface directly below.

(5) *Sign placement.* Signs mounted on buildings may not block or obstruct design details, windows or cornices of the building to which they are attached. Signs are prohibited within the public street right-of-way and may not be placed in a manner that creates a distraction or a hazard to the public health, safety or welfare.

(6) *Freestanding signs.*

- (a) *Number.* A maximum of one freestanding sign is allowed per lot except that lots with more than 300 feet of street frontage are allowed one additional freestanding sign.
- (b) *Illumination.* Freestanding signs, if illuminated, may use only indirect light, with the light source fully diffused and aimed toward the ground.
- (c) *Decorative base.* All permanent monument signs must have a base made of decorative materials compatible with the exterior materials of the principal building on site. The width of the decorative sign base must be least 50% of the greatest width of the sign face.

(7) *Window signs.* Permanent window signs must be on the inside of the window. Temporary or permanent window signs are limited to 33% of the surface area of the window to which they are affixed. Such signs are not counted against the maximum sign area limits.

(8) *Sign setbacks.* In addition to additional setback requirements in this Ordinance, freestanding signs must be setback five (5) feet from lot lines.

(9) *Sign Height.*

- (a) *Wall signs.* The top of any wall sign, including any superstructure, may not extend higher than the roof of the building to which such sign is attached.
- (b) *Freestanding signs.* Freestanding signs may not exceed the following heights:
 - (i) Residential districts (R-1, R-2 and R-3): 4 feet
 - (ii) Commercial districts (B-1, B-2 and B-3): 25 feet
 - (iii) Industrial districts (I-1 and I-2): 25 feet
 - (iv) Conservation district (C-1): 8 feet
- (c) *Billboard.* Billboards may not exceed 25 feet in height.

(10) *Maximum sign area.*

- (i) Residential districts (R-1, R-2 and R-3): 12 square feet
- (ii) Commercial districts (B-1, B-2 and B-3): 150 square feet
- (iii) Industrial districts (I-1 and I-2): 300 square feet
- (iv) Conservation district (C-1): 8 square feet

(11) *Federal and State Regulations.* All signs, including billboards, in the right-of-way for state or federal highways and roads must comply with all applicable federal and state signage requirements.

(H) *Sign Specific Standards.*

(1) *Driveway and walkway signs.* One driveway sign may be installed at each vehicle entrance and exit to any lot occupied by an allowed nonresidential use or multi-unit residential building. Such signs must be located within 10 feet of the intersection of the driveway and the street right-of-way. Driveway signs may be illuminated but may not exceed 4 square feet in area or 3 feet in height.

(2) *Canopies, marquees and awnings.* Canopies, marquees and fixed awnings are considered an integral part of the structure to which they are attached. They are allowed in Commercial zoning districts, subject to compliance with the applicable sign area limitations and the following regulations:

- (a) Awnings, canopies or marquees may not project into the public right-of-way closer than 3 feet to the street curb or curb line.
- (b) Awnings, canopies or marquees may have no part of the structure, other than supports, nearer the ground surface than 7 feet.
- (c) The architectural style of the awning, canopy or marquee must be consistent with the building being served.
- (d) Load capacity shall be so designed as to safely sustain a load of at least 40 pounds per superficial foot of its upper surface.
- (e) Construction, anchors, support, and materials used shall be approved by the Building Official before a permit is issued.
- (f) *Minimum clearance.* Projecting and suspended signs must have a minimum clearance of eight feet above any sidewalk.

(3) *Sidewalk signs.* Sidewalk signs are allowed in Commercial zoning districts without a sign permit. Such signs are not counted against the maximum sign area limits established in this Ordinance. Sidewalk signs are subject to the following regulations:

- (a) Signs shall be limited to 2 feet in width and 3 feet in height, including support members.
- (b) No sign shall have more than 2 faces.
- (c) Signs may not limit the normal pedestrian use of the sidewalk, and a minimum passable contiguous space of 3 feet must be maintained at all times.
- (d) One sign is permitted for each building adjacent to the public right-of-way. For buildings with multiple occupants, additional sidewalk signs are allowed only if such signs are spaced at least 30 feet apart.
- (e) All sidewalk signs must be removed from the sidewalk at the end of each business day.
- (f) No sidewalk may be internally or externally illuminated.

(4) *Projecting signs.* Projecting signs are allowed in Commercial zoning districts, subject to compliance with the regulations of this section. Such signs are not counted against the maximum sign area limits established in this Ordinance.

- (a) Projecting signs may not exceed 12 square feet in area or 3 feet in width.
- (b) Projecting signs may not project more than 2 feet from the surface of the wall to which they are attached and no closer than 12 inches from the curbline.
- (c) Proof of liability insurance and a hold harmless agreement indemnifying the City must be provided to the Zoning Administrator before the issuance of any permit for sign projecting into the public right-of-way.

(5) *Drive-through signs.* Drive-through signs are permitted in conjunction with drive-through uses, in accordance with the following regulations.

- (a) *Location.* Drive-through signs must be located within 10 feet of a drive-through lane.
- (b) *Number and dimensions.* One primary drive-through sign not to exceed 36 square feet in area or 8 feet in height is allowed per order station up to a maximum of 2 primary drive-through signs per lot. One secondary drive-through sign not to exceed 15 square feet in area or 6 feet in height is allowed per lot.

- (c) *Residential separation.* Drive-through signs must be set back at least 50 feet from Residential zoning districts.
 - (d) *Visibility.* Drive-through signs must be oriented to be visible by motorists in allowed drive-through lanes.
- (6) *Dynamic signs.* All dynamic signs are subject to all regulations of this section.
- (a) *Residential zoning districts.* Dynamic signs may be approved in Residential zoning districts through the conditional use permit process on any lot occupied by a public, civic, or institutional use, provided that such signs will be located along a principal arterial, minor reliever or major collector road as designated in the Comprehensive Plan.
 - (b) *Commercial and Industrial zoning districts.* Dynamic signs are prohibited in Industrial zoning districts. Dynamic signs may be located on properties within Commercial zoning districts, provided the proposed dynamic sign will be located along a principal arterial or minor reliever road as designated in the Comprehensive Plan. Dynamic signs Commercial zoning districts are permitted as of right, except that conditional use permit approval is required for any dynamic sign located on a property abutting a Residential zoning district or a lot occupied by a residential use.
 - (c) *Location.* Dynamic signs must be located on the site of the use identified or advertised by the sign.
 - (d) *Orientation.* Dynamic signs must be positioned so as to limit their impact on adjacent residential uses. At a minimum, such signs must be positioned perpendicular to the adjacent public right-of-way.
 - (e) *Type of sign.* Dynamic signs are limited to freestanding signs only.
 - (f) *Mode.* Dynamic signs may only operate in a static mode. Animation, motion or video displays are prohibited. Any change from one static display to another must be instantaneous and may not include any distracting effects, such as dissolving, spinning or fading. The images and messages displayed must be complete in and of themselves, without continuation in content to the next image or message or to any other sign.
 - (g) *Size and number of displays.* The dynamic portion of any sign may not exceed 80% of the total allowable area of the subject sign. The remaining 20% of the allowable sign area may not include dynamic capabilities even if it is not used. Each site can have only one dynamic sign and such dynamic signs may include only one dynamic display.

- (h) *Minimum display time.* The images and messages displayed on a dynamic sign must have a minimum dwell time of at least 1 minute, except for time, date and temperature signs. Time, date and temperature information must have a dwell time of at least 2 seconds, provided that the display of this information remains for at least 1 minute before changing to another display.
 - (i) *Brightness.* Dynamic signs may not exceed a maximum illumination of 5,000 nits during daylight hours and a maximum illumination of 500 nits between dusk to dawn as measured from the sign's face at maximum brightness. All dynamic sign applications shall include certification from the sign manufacturer that the sign has been preset to conform to the luminance levels noted above and these settings are protected from end users' manipulation by password protected software.
 - (j) *Color.* Dynamic signs may use multiple colors within the display but the use of color must not create distraction or a hazard to the public health, safety or welfare. No portion of the display may change in color or color intensity in any manner. Each line of text in any direction must be uniform in color.
 - (k) *Operation.* All dynamic signs must be equipped with a means to immediately discontinue the display if it malfunctions. The owner of a dynamic sign must immediately cease operation of their sign when notified by the City that it fails to comply with the regulations of this Section. The dynamic sign must remain inoperable until such time that the owner demonstrates to the City that the device is in satisfactory working condition and conforms to the regulations of this Section. The City's decision regarding the operation of a dynamic sign may be appealed in accordance with the appeal procedures of Section 153.27 of the City Code.
 - (l) *Application to existing signs.* The dynamic sign standards of this Section apply to all existing and future dynamic signs, unless otherwise determined by the City that an existing sign qualifies as a nonconforming use under state statute or the City Code.
- (7) *Temporary signs.*
- (a) *Permits.* Applications for on-premises temporary sign permits are subject to the sign permit provisions of this Ordinance. Temporary signs are not counted against the maximum sign area limits set forth in this Ordinance.
 - (b) *Number and duration of permit.* Each property is allowed a maximum of one temporary sign permit at any one time. Permits for temporary signs may be issued a maximum of 6 times per year for no more than 14 days per permit. Permits may run consecutively. Businesses open to customers on an intermittent basis may assign the 14-day permits to the days such businesses are actually open to customers.

- (c) *Location and exceptions.* Temporary signs are allowed in all zoning districts.
- (d) *Type, size and placement.* Temporary signs may not exceed 32 square feet in area, and may not be placed in such a way as to effect public safety or necessary ingress or egress of a building.

(I) *Signs in heritage preservation sites and within Historic Districts.*

- (1) *Permit.* All signage to be installed on buildings within the Historic District or on buildings designated as heritage preservation sites must be reviewed and approved by the Heritage Preservation Commission (“HPC”). A special HPC permit application shall be submitted in order for signage to be considered, and a detailed drawing of the proposed signage will be an integral part of each permit. All proposed signage shall comply with all conditions of this Ordinance regarding signage as well as the additional conditions set forth in this Section.
- (2) *Guidelines.* The HPC reviews each sign request on a case-by-case basis and reserves the right to deviate from any specific guideline if it determines that an application of the guideline would adversely affect a historic property or to make exception to these guidelines in the cases of non-contributing historic buildings if the exception would not adversely affect other adjacent historic properties.
- (3) *Existing historic signs.* Maintenance or restoration of existing historical signs shall be mandatory.
- (4) *Signs not permitted.* Signs advertising products or businesses not located in the building or on the lot on which the sign is displayed are prohibited.
- (5) *Number of signs.* Signs will be limited to one sign per building. If a building has more than one tenant, the sign may display the name and address of the building and a directory of tenants. If a property is occupied by more than one tenant and list separate ground level entries for each tenant, the HPC may grant permission for additional signage. Corner properties will be allowed a sign on each street face.
- (6) *Design criteria.* Lettering and numbering style for signs or identification will be of a contemporary period to the structure on which it is to be attached. Sign colors shall be limited to four per sign with at least three being the same hue, saturation, or brightness. Sign colors must be compatible with the colors of the building and its surroundings. Signs may list the building name and address. Advertising and tenant identification may be incorporated. Signs may display information such as the name of the firm or logo.
- (7) *Removal of sign.* Signage must be removed from buildings within 90 days from the date of vacancy if the tenant’s business closes or relocates.

(J) *Billboards.*

- (1) *Billboard prohibition.* Billboards are prohibited in all zoning districts except the Highway Business District (B-3).
- (2) *Mounting.* Billboards must be erected on single poles and maintained as required.
- (3) *Signs per face.* No billboard structure may contain more than two signs per face.
- (4) *Animations.* No billboard shall contain animations.
- (5) *Setbacks.* In addition to setbacks set forth in Section 153.32 (G)(8), the following setbacks shall apply to billboards:
 - (1) The minimum distance between billboards shall be 1,100 feet; and
 - (2) The minimum distance from a residential district boundary, park, playground, school or church shall be 200 feet.
- (6) *Maximum length.* The length of any billboard, including trim and extensions, must not exceed (25) feet.
- (7) *Maximum copy area.* The copy area for each billboard face is limited to 80% of the total billboard face with no copy, projection, or extension to the top, sides, or bottom.
- (8) *Maximum height.* No portion of any billboard, including the face, trim, or extensions, may exceed 25 feet above grade.
- (9) *Roof-mounting.* No billboard shall be erected on or above the roof of any building.
- (10) *Rotation.* No billboard or portion thereof may turn on an axis, rotate, revolve, or otherwise physically move.
- (11) *Electronic display techniques.* Any billboard utilizing electronic display techniques, in whole or in part, must meet the following operational regulations:
 - (a) *Dwell time.* The full billboard image or any portion thereof must have a static display as follows: Electronic changeable copy signs with ten words or less must have a static display for a minimum of eight seconds. Electronic changeable copy signs with 11 words or more or electronic graphic display signs must have a static display for a minimum of 20 seconds.
- (12) *Transition.* Where the full billboard image or any portion thereof changes, the

change sequence must be accomplished by means of instantaneous re-pixelization.

- (13) *Brightness.* Billboards signs may not exceed a maximum illumination of 5,000 nits during daylight hours and a maximum illumination of 500 nits between dusk to dawn as measured from the sign's face at maximum brightness. All billboard applications shall include certification from the sign manufacturer that the sign has been preset to conform to the luminance levels noted above and these settings are protected from end users' manipulation by password protected software.
- (14) *Dimmer Control.* All billboards with an electronic or dynamic display by means other than natural light must be equipped with an automatic dimmer control or other mechanism that automatically controls the sign's brightness to comply with this Ordinance.
- (15) *Audio or pyrotechnic or flashings.* Audio or any form of pyrotechnics and flashing are prohibited as part of a billboard.
- (16) *Video display.* No portion of any billboard may display the characteristics of a video sign.
- (17) *Digital Conversion.* a legally established nonconforming billboard may be converted from a non-digital to digital display, provided the billboard is in compliance with this section. A sign permit is required for the conversion.

(K) *Nonconforming signs.* It is recognized that signs exist within the City that were lawful before these sign regulations were adopted but are prohibited under the regulations of this Ordinance. Such nonconforming signs are allowed to continue as nonconforming signs provided that such signs are safe, are maintained so as not to be unsightly, and have not been abandoned or removed. Nonconforming signs are subject to compliance with the following provisions:

- (1) Nonconforming signs may not be enlarged or altered in a way that increases the sign's nonconformity.
- (2) If the use of the nonconforming sign or sign structure is discontinued for a period of one year, the sign or sign structure may not be reconstructed or used except in compliance with the provisions of this Ordinance.
- (3) Should a nonconforming sign or sign structure be damaged or structure be destroyed by any means to an extent greater than 50% of its market value and all required permits for its reconstruction have not been applied for within 180 days of when the sign or sign structure was damaged, it may not be reconstructed or used except in compliance with the provisions of this Ordinance.
- (4) If a nonconforming sign or sign structure is moved for any reason for any distance whatsoever, it must thereafter comply with the regulations of this Ordinance.

- (5) Existing signs on the site of a use that is not permitted in the zone in which the use is located may not be enlarged, expanded or moved except in changing the sign to a sign permitted in the subject zone.
- (6) When a building loses its nonconforming status, all signs devoted to the building must be removed and all signs painted directly on the building must be repainted in a neutral color or a color that matches the building.

Article II. Severability. Should any section or part of this ordinance be declared by a court of competent jurisdiction to be invalid, such decision will not affect the validity of the ordinance as a whole or any part other than the part declared invalid.

Article III. Effective Date. This ordinance shall become effective the day after its legal publication.

Adopted this 2nd day of September 2025.

Dan Delaney, Mayor

ATTEST: _____
Deb Nelson, City Administrator

Date of Publication September 3, 2025
Effective Date September 4, 2025

RESOLUTION 2025-49

RESOLUTION OF THE CITY OF PIPESTONE, MINNESOTA IN SUPPORT OF THE U.S. ECONOMIC DEVELOPMENT ADMINISTRATION FY2025 DISASTER SUPPLEMENTAL GRANT PROGRAM AND PLEDGING A LOCAL MATCH TO EXPAND INFRASTRUCTURE ALONG 11TH STREET NORTHWEST FOR THE DEVELOPMENT OF AN INDUSTRIAL PARK

WHEREAS, the City of Pipestone recognizes the need for economic diversification, job creation, and infrastructure expansion to support long-term regional resiliency and recovery from economic disruptions and natural disaster; and

WHEREAS, the U.S. Department of Commerce, Economic Development Administration (EDA) has made available the FY2025 Disaster Supplemental Grant Program to support communities in their economic recovery and infrastructure resilience efforts; and

WHEREAS, the City of Pipestone has identified the expansion of infrastructure along 11th Street Northwest as a critical component for developing a new industrial park to attract businesses, support local employment, and enhance the city’s tax base; and

WHEREAS, the proposed project aligns with local and regional economic development priorities and is consistent with the goals of the EDA Disaster Supplemental Grant Program; and

WHEREAS, The City of Pipestone is committed to leveraging federal investment through a local match and demonstrates strong public-private collaboration to ensure project success and sustainability;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pipestone, Minnesota, as follows:

- 1. Support for Grant Application:** The City Council hereby supports the submission of an application to the U.S. Economic Development Administration for the FY 2025 Disaster Supplemental Grant Program to fund infrastructure improvements along 11th Street Northwest for the development of an industrial park.
- 2. Local Match Commitment:** The City of Pipestone commits to providing a local funding match for the proposed project, to be derived from local funds, in-kind contributions, and/or other eligible sources as permitted by the grant program guidelines.
- 3. Public Benefit:** The City affirms that the proposed infrastructure expansion will serve a clear public purpose by creating conditions for business development, workforce growth, and increased economic resilience for the region.
- 4. Authorization to Proceed:** The City Administrator, or their designee, is authorized to take all actions necessary to prepare and submit the application, including executing

any agreements, certifications, or other documents required by the EDA for consideration of the grant request.

PASSED AND ADOPTED this 18th day of August, 2025, by the City Council of the City of Pipestone, Minnesota.

Dan Delaney
Mayor

ATTEST:

Deb Nelson
City Administrator

RESOLUTION 2025-50

SAFE ROUTES TO SCHOOLS PROGRAM GRANT AGREEMENT

Grant Terms and Conditions
SAP 059-591-006
August 18, 2025

WHEREAS, the City of Pipestone has applied to the Commissioner of Transportation for a grant from the Safe Routes to Schools Account; and

WHEREAS, the Commissioner of Transportation has given notice that funding for this project is available; and

WHEREAS, the amount of the grant has been determined to be \$806,920.00 by reason of the lowest responsible bid;

NOW THEREFORE, be it resolved that the City of Pipestone does hereby agree to the terms and conditions of the grant consistent with Minnesota Statutes, section 174.40, and will pay any additional amount by which the cost exceeds the estimate and will return to the Safe Routes to Schools Account any amount appropriated for the project but not required. The proper City officers are authorized to execute a grant agreement and any amendments thereto with the Commissioner of Transportation concerning the above-referenced grant.

PASSED AND ADOPTED this 18th day of August, 2025, by the City Council of the City of Pipestone, Minnesota.

Dan Delaney
Mayor

ATTEST:

Deb Nelson
City Administrator

RESOLUTION 2025-51

RESOLUTION ACCEPTING DONATIONS

WHEREAS, the City of Pipestone is generally authorized to accept donations of real and personal property with monetary value pursuant to Minnesota Statutes Section 465.03 for the benefit of its citizens; and

WHEREAS, the following entities and/or individuals have offered to contribute the cash amounts and/or tangible items as set below to the City of Pipestone:

<u>Name of Donor(s)</u>	<u>Amount</u>
• Buckwheat LLLP	\$1,000 Donation to the Farmer’s Market Senior’s Pops program

WHEREAS, such donations have been contributed to assist the city as allowed by law; and

WHEREAS, the City Council finds that it is appropriate to accept the donations offered.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF PIPESTONE, MINNESOTA, AS FOLLOWS:

1. The donations described above are accepted.
2. The City Clerk is hereby directed to issue a receipt to the donors acknowledging the City’s receipt of the donors’ donations.

Passed and adopted by the City Council of the City of Pipestone this 18th day of August 2025.

Dan Delaney
Mayor

ATTEST:

Deb Nelson
City Administrator

RESOLUTION 2025-52

A RESOLUTION ACCEPTING BID

WHEREAS, pursuant to an advertisement for bids for the 2025 Safe Routes to School Construction Project, bids were received, opened and tabulated according to the law, and the following bids were received complying with the advertisement:

BIDDERS	TOTAL AMOUNT BID
Duininck Inc.	\$1,131,948.25
Hulstein Excavating Inc.	\$856,946.15
<i>Engineer's Estimate</i>	<i>\$835,000.00</i>

AND WHEREAS, it appears that Hulstein Excavating Inc. of Edgerton, Minnesota is the lowest responsible bidder.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Pipestone, Minnesota:

1. The Mayor and City Administrator are hereby authorized and directed to enter into a contract with Hulstein Excavating Inc. of Edgerton, Minnesota for the 2025 Safe Routes to School Construction Project according to the plans and specifications therefor approved by the City Council and on file in the office of the City Administrator.
2. The City Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposits of the successful bidder and the next lowest bidder shall be retained until a contract has been signed.

Passed and adopted by the City Council of the City of Pipestone this 18th day of August 2025.

Dan Delaney
Mayor

ATTEST:

Deb Nelson
City Administrator

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WITH THE FIRM

Kirk W. Morgan, CPA

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

June 16, 2025

Honorable Mayor and Members of
The City Council and Management
Pipestone, Minnesota 56164

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pipestone, Pipestone, Minnesota, for the year ended December 31, 2024. Professional standards require that we provide you with the following information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letters to you dated December 3, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Pipestone are described in Note 1 to the financial statements. We noted no transactions entered into by the City of Pipestone during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

City of Pipestone
Pipestone, Minnesota
Page 2

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City’s financial statements were:

Management’s estimates of depreciation expense are based on estimated useful lives. We evaluated the key factors and assumptions used to develop the depreciation and determined that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 16, 2025.

City of Pipestone
Pipestone, Minnesota
Page 3

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City of Pipestone's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis (MD&A), which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual fund financial statements and schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.


We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

City of Pipestone
Pipestone, Minnesota
Page 4

Restriction on Use

This information is intended solely for the use of the City Council and management of the City of Pipestone, Pipestone, Minnesota and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,


Meulebroeck, Taubert & Co., PLLP
Certified Public Accountants
Pipestone, Minnesota

MEULEBROECK, TAUBERT & CO., PLLP
CERTIFIED PUBLIC ACCOUNTANTS

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Kirk W. Morgan, CPA

MANAGEMENT LETTER

Honorable Mayor and Members of
the City Council and Management
Pipestone, MN 56164

In planning and performing our audit of the financial statements of the City of Pipestone, Pipestone, Minnesota, for the year ended December 31, 2024, we considered its compliance with applicable laws and regulations for the purpose of expressing our opinion on the financial statements. In addition, during the process of planning and performing our audit of the financial statements other areas of comment came to our attention, which will be discussed below:

Fund Balances

The Office of the State Auditor recommends that at year-end local governments maintain an unreserved fund balance in their general fund and special revenue funds of approximately 35-50 percent of fund operating revenues or no less than five months of operating expenditures, which should provide the local government with adequate funds until the next property tax revenue collection cycle. Currently, the following special revenue funds are not within the state auditor's recommendations:

Fund	12/31/24 Fund Balance	5 months of 2024 expenditures	Shortfall
Farmers Market	1,775	5,018	3,243
Municipal Building	36,074	37,240	1,166
Cable Access	19,340	21,457	2,117

It is recommended that the city review the funds listed above to determine if an explanation exists for the shortfall or if further action is needed to comply with the State Auditor's recommendations relating to appropriate fund balance levels.

Capital Projects Funds

The 2022 Street Improvement Capital Project fund has a year-end deficit fund balance. This fund should be reviewed as whether all activity is completed, and if it has the Council should authorize a transfer to eliminate the deficit and close out the fund.

City of Pipestone
Pipestone, Minnesota
Page 2

Profitability of Enterprise Funds

Generally, fees and service charges should cover the cost of an enterprise fund activity (see attached Statement of Position on Enterprise Fund Accounting). The information below shows the overall net income (loss) for all five enterprise funds.

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Operating Income (Loss)						
Water	3,262	(41,747)	(69,690)	108,356	184,030	565,156
Sewer	(87,443)	(234,189)	30,934	124,364	148,748	249,797
Garbage	205,575	118,350	66,990	109,773	65,713	32,024
Liquor	205,137	232,360	171,218	207,362	248,077	205,748
Prairie Winds				(20,245)	3,551	23,329

The water fund has had interfund loan due to negative cash since 2010 and the sewer fund has an interfund loan due to negative cash and an equipment purchase since 2014. The Due to Other Fund balance at December 31, 2024 for the water fund is \$486,920 and the sewer fund is \$898.102. Both balances have decreased significantly during 2024.


It is recommended that the City evaluate its enterprise operations and monitor them on an ongoing basis in order to eliminate the losses that have been occurring. A line-by-line evaluation of the fund revenues and expenses to uncover areas where revenues could be increased and/or expenses reduced should be undertaken in order to increase profitability.

Recommended Adjusting Journal Entries

Attached to this letter is a copy of the recommended year-end adjusting journal entries. Please review these entries. These are the adjustments required to be made in order for your accounting system to be in agreement with the year-end audit. If the adjustments meet with your approval, please instruct your City Treasurer to enter them for the year ended December 31, 2024.

We feel that these comments and observations deserve the attention of the City Council. We would be willing to discuss any of these comments with you at any time. We appreciate the opportunity to provide auditing services to the City of Pipestone.

Sincerely,


Meulebroeck, Taubert & Co., PLLP
Certified Public Accountants
Pipestone, Minnesota

June 16, 2025

CITY OF PIPESTONE
Adjusting Journal Entries
January 1, 2024 - December 31, 2024

Section 12, Item E.

Date	Reference	Account	Description	Debit	Credit
Adjusting Journal Entries					
12/31/24	1		HPI GRANT ADJUSTMENT		35,809.63
		101-11159-0000	HISTORIC GRANT PORTION	35,809.63	
		101-22223-0000	DEFERRED REVENUE		475.00
		354-47000-6611	BOND INTEREST	475.00	
		354-47000-6621	FISCAL AGENT FEES		
12/31/24	2		DEBT ADJUSTMENTS	2,553.75	
		349-47102-6611	BOND INTEREST		2,553.75
		349-47101-6611	BOND INTEREST		
12/31/24	3		TO RECORD ADDITONAL A/P @ 12/31/24	244.25	
		244-47000-5531	CAPITAL OUTLAY-IMPROVEMENT	10,650.00	
		244-47000-5531	CAPITAL OUTLAY-IMPROVEMENT		10,894.25
		244-22021-0000	ACCOUNTS PAYABLE	14,400.90	
		341-47310-5531	TIF 13 REIMBURSEMENT - 50%		14,400.90
		341-22021-0000	ACCOUNTS PAYABLE	9,177.00	
		409-47110-3303	ENGINEER FEES	37,462.50	
		409-47110-3303	ENGINEER FEES		46,639.50
		409-22021-0000	ACCOUNTS PAYABLE	1,624.09	
		101-45200-2236	BOOK PURCHASES	192.40	
		101-45200-3313	MISC PROFESSIONAL SERVICES		1,816.49
		101-22021-0000	ACCOUNTS PAYABLE		
12/31/24	4		TO RECLASSIFY SALES TAX LIABILITY FROM A/P		11.85
		101-22022-0000	SALES TAX PAYABLE	11.85	
		101-22021-0000	ACCOUNTS PAYABLE		827.12
		225-22022-0000	SALES TAX PAYABLE	827.12	
		225-22021-0000	ACCOUNTS PAYABLE		1,749.74
		601-22022-0000	SALES TAX PAYABLE		44.15
		601-22022-0000	SALES TAX PAYABLE		314.70
		601-22022-0000	SALES TAX PAYABLE	2,108.59	
		601-22021-0000	ACCOUNTS PAYABLE		12,274.35
		615-22022-0000	SALES TAX PAYABLE		42.00
		615-22022-0000	SALES TAX PAYABLE	12,316.35	
		615-22021-0000	ACCOUNTS PAYABLE		4,390.00
		615-22022-0000	SALES TAX PAYABLE	4,390.00	
		615-22021-0000	ACCOUNTS PAYABLE		2,890.24
		610-22022-0000	SALES TAX PAYABLE		256.76
		610-22022-0000	SALES TAX PAYABLE		1,739.00
		610-22022-0000	SALES TAX PAYABLE		198.00
		610-22022-0000	SALES TAX PAYABLE	5,084.00	
		610-22021-0000	ACCOUNTS PAYABLE		31.09
		235-22022-0000	SALES TAX PAYABLE	31.09	
		235-22021-0000	ACCOUNTS PAYABLE		
12/31/24	5		TO RECLASSIFY		10,165.00
		225-45122-2221	REPAIR & MAINTENANCE		34,687.00
		225-45122-2221	REPAIR & MAINTENANCE	44,852.00	
		225-45123-5531	CAPITAL OUTLAY-IMPROVEMENT		52,650.00
		601-49440-2221	REPAIR & MAINTENANCE	52,650.00	
		601-12631-0000	IMPROVEMENTS		45,129.83
		244-47000-5531	CAPITAL OUTLAY-IMPROVEMENT	45,129.83	
		244-49300-9722	TRANSFER OUT		45,129.83
		601-39200-0000	TRANSFER IN	45,129.83	
		601-12631-0000	IMPROVEMENTS		

CITY OF PIPESTONE
Adjusting Journal Entries
January 1, 2024 - December 31, 2024

Section 12, Item E.

Date	Reference	Account	Description	Debit	Credit
12/31/24	6	998-00101-1400	TO ADD FIXED ASSETS	524,520.00	
		998-00101-1500	General - Improvments	115,000.00	
		998-00101-1999	General - Land		182,135.36
		998-00220-1200	General - A/D	38,606.82	
		998-00220-1300	Airport - Bldg Improvements	109,362.75	
		998-00220-1400	Airport - Equipment	297,763.89	
		998-00220-1600	Airport - Improvements		10,000.00
		998-00220-1999	Airport - Vehicles		218,179.92
		998-00225-1200	Airport - A/D	70,022.00	
		998-00225-1400	Rec - Bldg Improvements	120,153.72	
		998-00225-1999	Rec - Improvements		156,306.41
		998-00235-1100	Rec - A/D	2,412,104.23	
		998-00235-1999	Street - Infrastructure		1,317,130.54
		998-00240-1999	Street - A/D		5,319.90
		998-00270-1300	Mun Bldg - A/D	14,823.50	
		998-00270-1999	Cable Access - Equipment		3,705.85
		998-20000-0000	Cable Access - A/D		1,809,578.93
			Investment in Gen Fixed Assets		
12/31/24	7	601-21500-0000	ACCRUED INTEREST		15,468.38
		601-49440-6650	ACCRUED INTEREST PAYABLE	15,468.38	
		605-21500-0000	BOND INTEREST ACCRUED		78,172.16
		605-49490-6650	ACCRUED INTEREST PAYABLE	78,172.16	
			BOND INTEREST ACCRUED		
12/31/24	8	220-33416-0000	TO RECLASSIFY F-1B		26,851.52
		220-49815-5531	FEDERAL GRANT	26,851.52	
			CAPITAL OUTLAY-IMPROVEMENT		
12/31/24	9	220-11151-0000	TO RECORD ADD'L A/R F-4C	8,500.98	
		220-33417-0000	ACCOUNTS RECEIVABLE		8,500.98
			STATE GRANT		
12/31/24	10	601-33416-0000	TO RECLASSIFY STATE REV F-1A		25,168.48
		601-33417-0000	FEDERAL GRANT	25,168.48	
			STATE GRANT		
12/31/24	11	220-11151-0000	TO RECORD ADD'L A/R F-4D	10,825.00	
		220-33417-0000	ACCOUNTS RECEIVABLE		10,825.00
		220-11151-0000	STATE GRANT	117,238.45	
		220-33417-0000	ACCOUNTS RECEIVABLE		8,635.45
		220-33416-0000	STATE GRANT		108,603.00
		220-11151-0000	FEDERAL GRANT	80,625.00	
		220-33416-0000	ACCOUNTS RECEIVABLE		80,625.00
			FEDERAL GRANT		
12/31/24	12	409-11011-0000	TO RECORD 12/31/24 BALANCES	139,527.78	
		409-24201-0000	CLAIM ON CASH		1,287,975.45
		409-47110-3303	FUND BALANCE	468,314.65	
		409-47110-3439	ENGINEER FEES	72.66	
		409-47110-5531	MISC	704,928.36	
		409-22021-0000	CAPITAL OUTLAY-IMPROVEMENT		24,868.00
			ACCOUNTS PAYABLE		
12/31/24	13	251-11011-0000	TO RECORD CLIENT ENTRY #1328. ONLY		52,560.00
		251-49300-9722	THE 251 FUND	52,560.00	
			CLAIM ON CASH		
			TRANSFER OUT		

CITY OF PIPESTONE
Adjusting Journal Entries
January 1, 2024 - December 31, 2024

Section 12, Item E.

Date	Reference	Account	Description	Debit	Credit
12/31/24	14	220-49815-3440	TO RECORD CLIENT ENTRY #1329 VISA/MC CHARGES	4,099.73	4,099.73
		220-34105-0000	AVIATION FUEL SALES		
12/31/24	15	101-11011-0000	TO RECORD IFL TIF 13-GENERAL AD-1 CLAIM ON CASH	54,315.85	54,315.85
		341-11011-0000	CLAIM ON CASH	313,841.86	313,841.86
		101-11312-0000	INTERFUND LOAN		
		341-22071-0000	INTERFUND LOAN	12,701.83	12,701.83
		341-47309-6612	INTEREST IFL		
		101-36210-0000	INTERFUND LOAN INTEREST	354,938.38	354,938.38
		341-49300-9722	TRANSFER OUT		
		101-39200-0000	TRANSFER IN	517.50	517.50
		341-49300-9722	TRANSFER OUT		
		101-39200-0000	TRANSFER IN		
12/31/24	16	101-41950-3412	TO RECORD CLIENT ENTRY #1330 BUILDING RENT	40,500.00	40,500.00
		101-11011-0000	CLAIM ON CASH	40,500.00	40,500.00
		240-11011-0000	CLAIM ON CASH		
		240-34101-0000	MUNICIPAL BUILDING RENT	10,000.00	10,000.00
		101-49300-9722	TRANSFER OUT		
		101-11011-0000	CLAIM ON CASH	10,000.00	10,000.00
		280-11011-0000	CLAIM ON CASH		
		280-39200-0000	TRANSFER IN		
12/31/24	17	601-23600-0000	TO RECORD CLIENT ENTRY #1331 NET PENSION LIABILITY	31,255.00	12,545.00
		601-15100-0000	DEFERRED OUTFLOW		11,153.00
		601-23710-0000	DEFERRED INFLOW		7,557.00
		601-49440-1139	PENSION EXPENSE	37,507.00	
		605-23600-0000	NET PENSION LIABILITY		15,054.00
		605-15100-0000	DEFERRED OUTFLOW		13,384.00
		605-23710-0000	DEFERRED INFLOW		9,069.00
		605-49490-1139	PENSION EXPENSE	31,255.00	
		610-23600-0000	NET PENSION LIABILITY		12,545.00
		610-15100-0000	DEFERRED OUTFLOW		11,153.00
		610-23710-0000	DEFERRED INFLOW		7,557.00
		610-49520-1139	PENSION EXPENSE	25,004.00	
		615-23600-0000	NET PENSION LIABILITY		10,036.00
		615-15100-0000	DEFERRED OUTFLOW		8,923.00
		615-23710-0000	DEFERRED INFLOW		6,045.00
		615-49750-1139	PENSION EXPENSE		
12/31/24	18	101-22021-0000	TO RECORD ADDITIONAL PAYABLE TO RELIEF ASSN BB-1D		46,871.88
		101-22021-0000	ACCOUNTS PAYABLE	9,181.67	9,181.67
		101-42295-1124	FIREMANS RELIEF	46,871.88	
		101-42295-1124	FIREMANS RELIEF		
Totals for Adjusting Journal Entries				<u>6,778,220.21</u>	<u>6,778,220.21</u>
Report Totals				<u>6,778,220.21</u>	<u>6,778,220.21</u>

Journal Entry count = 18

UTILITY EASEMENT

THIS INSTRUMENT is made by Nutrien Ag Solutions, Inc., a Delaware corporation, (“**Grantor**”) in favor of the City of Pipestone, a Minnesota municipal corporation, Grantee (“**City**”).

Recitals

- A. Grantor is the fee owner of the certain real property located at 817 4th Street NE in the City of Pipestone, Pipestone County, Minnesota, (PID 18.007.2200) legally described in the attached Exhibit A (“**Property**”).
- B. Grantor desires to grant to the City a perpetual, non-exclusive utility easement, in accordance with the terms and conditions contained herein.

Terms of Easement

- 1. Incorporation. The recitals above and Exhibits attached hereto are hereby incorporated herein and made part of this Instrument.
- 2. Grant of Easement. For good and valuable consideration, receipt of which is acknowledged by Grantor, Grantor grants and conveys to the City a non-exclusive, perpetual utility easement which is legally described in the attached Exhibit B and depicted on the map attached as Exhibit C (the “Easement Area”).
- 3. Scope of Easement. The perpetual non-exclusive utility easement granted herein includes the rights of the City, its contractors, agents, and employees to enter the Easement Area at all reasonable times for the purposes of locating, placing, constructing, reconstructing, inspecting, operating, altering, improving, repairing, maintaining, replacing and removing public utilities within the Easement Area, and to perform all other work as may be needed in order to construct the utility improvements within the Easement Area.

The easement granted herein also includes the right to cut, trim, or remove from the Easement Area such improvements, trees, shrubs, or other vegetation, and to prohibit obstructions and grading alterations as in the City’s judgment unreasonably interfere with the easement or the function of the culvert or culverts located thereon.

4. Warranty of Title. Grantor warrants that it is the fee owners of the Property and that it has the right, title, and capacity to convey the easement herein to the City.

5. Environmental Matters. The City shall not be responsible for any costs, expenses, damages, demands, obligations, including penalties and reasonable attorneys' fees, or losses resulting from any claims, actions, suits, or proceedings based upon a release or threat of release of any hazardous substances, pollutants, or contaminants that may have existed on, or that relate to, the Easement Area or the Property prior to the date of this instrument.

6. Binding Effect. The terms and conditions of this instrument shall run with the land and be binding on Grantor, and its successors and assigns.

STATE DEED TAX DUE HEREON: NONE

[Signatures follow on next page]

Dated this ____ day of _____, 2025.

GRANTORS

By: _____

Its: _____

[illegible]

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by _____, the _____ of Nutrien Ag Solutions, Inc., a Delaware corporation, on behalf of the corporation as Grantor.

Notary Public

NOTARY STAMP OR SEAL

THIS INSTRUMENT DRAFTED BY:

Town Law Center PLLP (JMH)
1250 Wayzata Boulevard E, Unit #1065
Wayzata, MN 55391
(612) 361-7041

EXHIBIT A**Legal Description of the Property**

Tract 1: That part of the West Half (W 1/2) of the Northwest Quarter (NW 1/4) of Section Seven (7), Township One Hundred Six (106) North, Range forty Five (45)W of the 5th P.M., lying southeasterly of the Great Northern Railway Company's right of way, which lies northwesterly of a line parallel with and a distance of 75 feet northwesterly of the following described line: From a point on the west line of said Section 7, Township 106 North, Range 45 West, a distance of 2047.1 feet south of the northwest corner thereof; running northeasterly at an angle of 56 degrees 42 minutes with said west section line for 1,110.0 feet to the point of beginning of line to be described, thence continuing northeasterly along said above described course for 322.9 feet, County of Pipestone, State of Minnesota, hereafter the "Real Estate",

Also described as: That part of the West Half (W 1/2) of the Northwest Quarter (NW 1/4) of Section Seven (7), Township One Hundred Six (106) North, Range forty Five (45)W of the 5th P.M., lying southeasterly of the Great Northern Railway (now Burlington Northern Railway) Company's right of way, which lies northwesterly of a line running parallel with and a distance of 75 feet northwesterly of the following described line: From a point on the west line of said Section 7, Township 106 North, Range 45 West, a distance of 2,047.1 feet south of the northwest corner thereof; running northeasterly at an angle of 56 degrees 42 minutes with said west section line for 800 feet to the point of beginning of line to be described; thence continuing northeasterly along said above-described course for 632.9 feet; EXCEPTING THEREFROM the westerly 310 feet of said tract, County of Pipestone, State of Minnesota, hereafter the "Real Estate"

Tract 2: The West Three Hundred and Ten feet (W310') of the following described tract: West Half of the northwest Quarter (W 1/2 NW 1/4) of Section Seven (7), Township One Hundred Six (106) North, Range Forty-five (45) West, Pipestone County, Minnesota, lying southeasterly of the Great Northern Railway Company's right of way; which lies northwesterly of a line run parallel with and distant 75 feet northwesterly of the following described line: from a point on the west line of said Section Seven (7), distant 2047.1 feet south of the northwest corner thereof, run northeasterly at an angle of 56 degrees 42 minutes with said west section line for 800 feet to the point of beginning of line to be described; thence continue northeasterly along said above described course for 632.9 feet EXCEPT the East 322.9 feet thereof

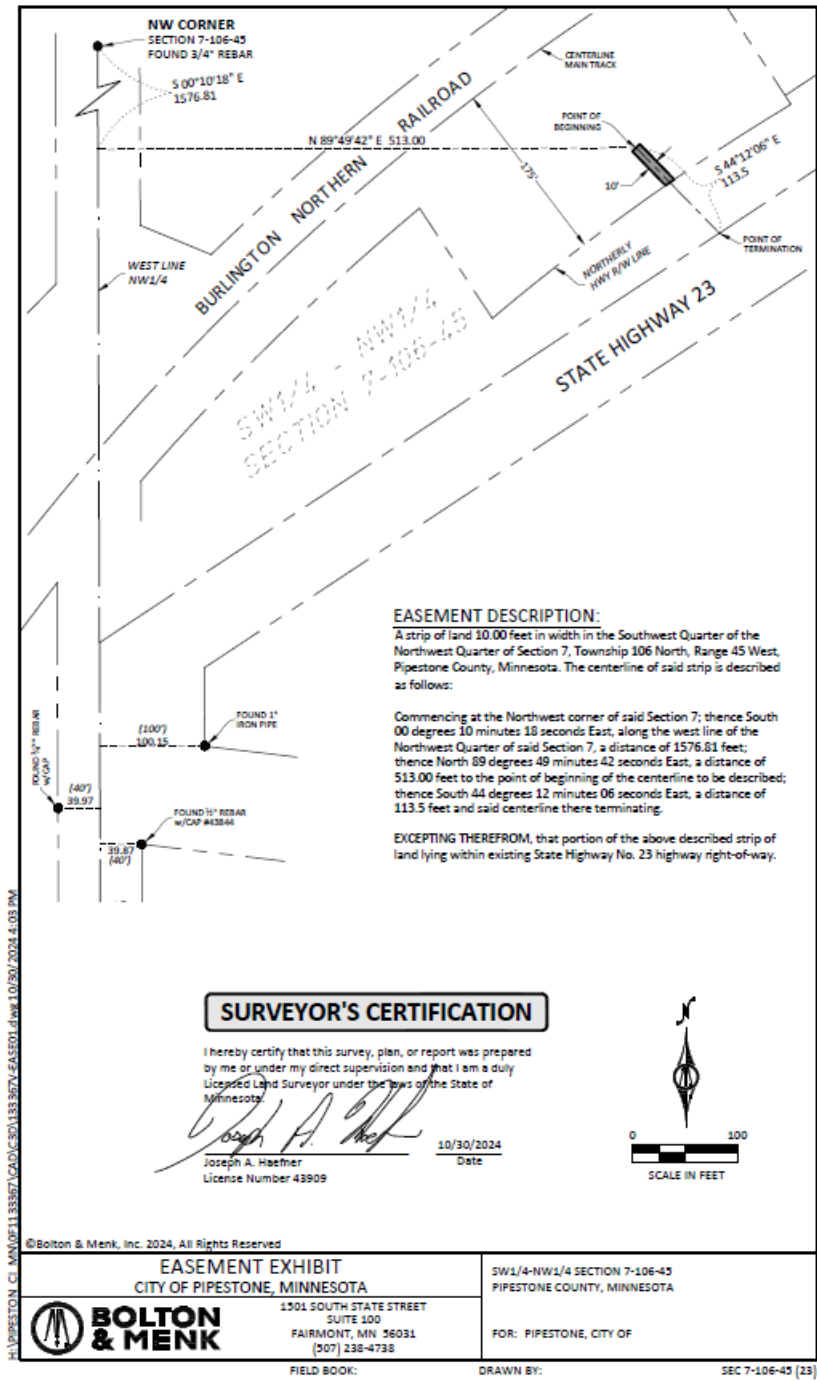
EXHIBIT BLegal Description of the Easement Area

A strip of land 10.00 feet in width in the Southwest Quarter of the Northwest Quarter of Section 7, Township 106 North, Range 45 West, Pipestone County, Minnesota. The centerline of said strip is described as follows:

Commencing at the Northwest corner of said Section 7; thence South 00 degrees 10 minutes 18 seconds East, along the west line of the Northwest Quarter of said Section 7, a distance of 1576.81 feet; thence North 89 degrees 49 minutes 42 seconds East, a distance of 513.00 feet to the point of beginning of the centerline to be described; thence South 44 degrees 12 minutes 06 seconds East, a distance of 113.5 feet and said centerline there terminating.

EXCEPTING THEREFROM, that portion of the above described strip of land lying within existing State Highway No. 23 highway right-of-way.

EXHIBIT C
Depiction of the Easement Area



UTILITY EASEMENT

THIS INSTRUMENT is made by Michael J. Crawford and Ladonna K. Crawford, a married couple, (“**Grantors**”) in favor of the City of Pipestone, a Minnesota municipal corporation, Grantee (“**City**”).

Recitals

- A. Grantors are the fee owners of the certain real property located at Lot 6 of Block 2 in the Plat of Crawford’s Addition in the City of Pipestone, Pipestone County, Minnesota, (PID 18.395.0800) legally described in the attached Exhibit A (“**Property**”).
- B. Grantors desire to grant to the City a perpetual, non-exclusive utility easement, in accordance with the terms and conditions contained herein.

Terms of Easement

- 1. Incorporation. The recitals above and Exhibits attached hereto are hereby incorporated herein and made part of this Instrument.
- 2. Grant of Easement. For good and valuable consideration, receipt of which is acknowledged by Grantors, Grantors grant and convey to the City a non-exclusive, perpetual utility easement which is legally described in the attached Exhibit B and depicted on the map attached as Exhibit C (the “Easement Area”).
- 3. Scope of Easement. The perpetual non-exclusive utility easement granted herein includes the rights of the City, its contractors, agents, and employees to enter the Easement Area at all reasonable times for the purposes of locating, placing, constructing, reconstructing, inspecting, operating, altering, improving, repairing, maintaining, replacing and removing public utilities within the Easement Area, and to perform all other work as may be needed in order to construct the utility improvements within the Easement Area.

The easement granted herein also includes the right to cut, trim, or remove from the Easement Area such improvements, trees, shrubs, or other vegetation, and to prohibit obstructions and grading alterations as in the City’s judgment unreasonably interfere with the easement or the function of the culvert or culverts located thereon.

4. Warranty of Title. Grantors warrant that they are the fee owners of the Property and that they have the right, title, and capacity to convey the easement herein to the City.

5. Environmental Matters. The City shall not be responsible for any costs, expenses, damages, demands, obligations, including penalties and reasonable attorneys' fees, or losses resulting from any claims, actions, suits, or proceedings based upon a release or threat of release of any hazardous substances, pollutants, or contaminants that may have existed on, or that relate to, the Easement Area or the Property prior to the date of this instrument.

6. Binding Effect. The terms and conditions of this instrument shall run with the land and be binding on Grantors, and their successors and assigns.

STATE DEED TAX DUE HEREON: NONE

[Signatures follow on next page]

Dated this ____ day of _____, 2025.

GRANTORS

Michael J. Crawford

Ladonna K. Crawford

STATE OF MINNESOTA)
) ss.
COUNTY OF PIPESTONE)

The foregoing instrument was acknowledged before me this ____ day of _____,
2025, by Michael J. Crawford and Ladonna K. Crawford, a married couple, as Grantors.

Notary Public

NOTARY STAMP OR SEAL

THIS INSTRUMENT DRAFTED BY:

Town Law Center PLLP (JMH)
1250 Wayzata Boulevard E, Unit #1065
Wayzata, MN 55391
(612) 361-7041

EXHIBIT A

Legal Description of the Property

Lot Two (2) in Block One (1); Lots Two (2), Three (3), Four (4), Five (5) and Six (6) in Block Two (2); the 16 foot parcel dedicated as a public alley lying between in Block One (1) and Block Two (2); and the East 40 feet of 8th Avenue, also known as U.S. Hwy. 75, lying west of and adjacent to Lot Two (2) in Block One (1), the property dedicated as a public alley and Lot Three (3) in Block Two (2); all in Crawford's Addition to the City of Pipestone, County of Pipestone, State of Minnesota, also described as:

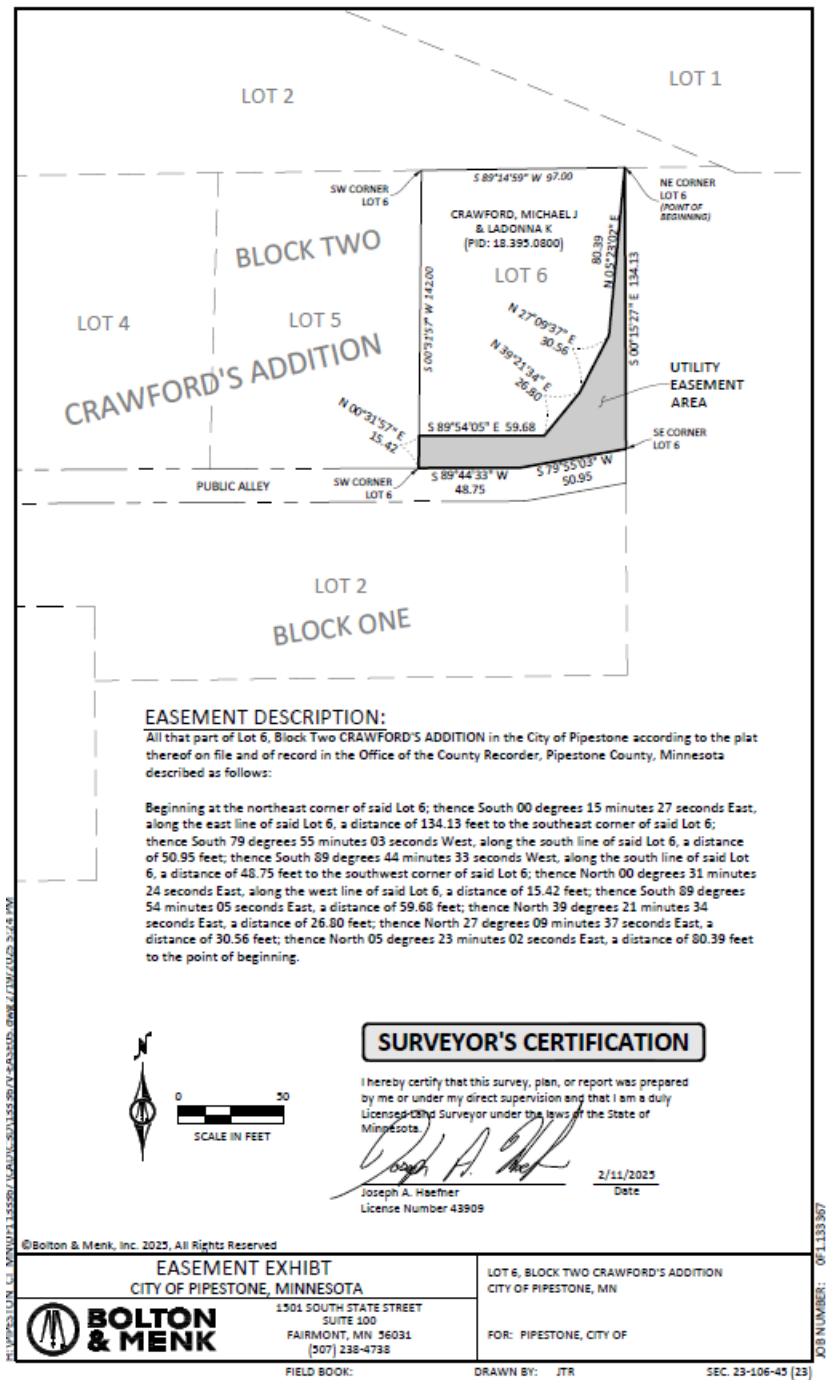
That part of Government Lots Two (2) and Three (3) in Section Seven (7), Township One Hundred Six (106) North, Range Forty-five (45) West of the 5th P.M.; City of Pipestone, County of Pipestone, State of Minnesota, described as follows: Beginning at the Northwest Corner of said Government Lot Three (3); thence South 00 Degree 15 minutes 27 seconds East, bearing based on Pipestone County Coordinate System, along the West line of said Government Lot Three (3) a distance of Two Hundred Sixty-one (261) feet to a point, thence continuing South along the West line of said Government Lot Three (3) to a point that is distant Three Hundred Twenty-five and 5/10 (325.5) feet, more or less, South of the Northwest Corner of Government Lot Three (3) and where the westerly extension of the North line of Lot One (1), Block One (1), Crawford's Addition, intersects the West line of said Government Lot Three (3); thence South 89 degrees 59 minutes 35 second East, to and then along the North line of Lot One (1), Block One (1), Crawford's Addition, a distance of One Hundred Ninety-five (195) feet to a point; thence South 00 degrees 15 minutes 27 seconds East, on a line running parallel to the West line of said Government Lot Three (3), a distance of Thirty-five and 51/100 (35.51) feet to a point on a line running parallel to and Three Hundred Sixty-three (363) feet South of and the North line of said Government Lot Three (3); thence South 89 degrees 22 minutes 55 seconds East, on a line running parallel to and Three Hundred Sixty-three (363) feet South of the North line of said Government Lot Three (3), a distance of Two Hundred Fifty-three and 71/100 (253.71) feet to a point; thence North 00 degrees 15 minutes 27 seconds West, on a line running parallel to the West line of said Government Lot Three (3); a distance of Two Hundred Forty-two and 1/100 (242.01) feet to a point on a line running parallel to and One Hundred Twenty-one (121) feet South of the North line of said Government Lot Three (3); thence North 89 degrees 22 minutes 55 seconds East, along a line running parallel to and One Hundred Twenty-one (121) feet South of the North line of said Government Lot Three (3), a distance of Forty-six and 24/100 (46.24) feet to a point on the southwesterly right of way line of the former Chicago, Milwaukee and St. Paul. Railway; thence northwesterly along the southwesterly right of way line of the former Chicago, Milwaukee and St. Paul Railway a distance of Four Hundred Eighty-seven and 88/100 (487.88) feet to a point on the easterly right of way of 8th Avenue, also known as U.S. Hwy. 75; thence South along the easterly right of way of 8th Avenue, also known as U.S. Hwy. 75, a distance of Fifty-eight and 29/100 (58.29) feet to a point on the North line of Government Lot Three (3); thence South 89 degrees 22 minutes 55 seconds West, along the North line of said Government Lot Three (3), a distance of Forty (40) feet to the point of beginning.

EXHIBIT BLegal Description of the Easement Area

All that part of Lot 6, Block Two CRAWFORD'S ADDITION in the City of Pipestone according to the plat thereof on file and of record in the Office of the County Recorder, Pipestone County, Minnesota described as follows:

Beginning at the northeast corner of said Lot 6; thence South 00 degrees 15 minutes 27 seconds East, along the east line of said Lot 6, a distance of 134.13 feet to the southeast corner of said Lot 6; thence South 79 degrees 55 minutes 03 seconds West, along the south line of said Lot 6, a distance of 50.95 feet; thence South 89 degrees 44 minutes 33 seconds West, along the south line of said Lot 6, a distance of 48.75 feet to the southwest corner of said Lot 6; thence North 00 degrees 31 minutes 24 seconds East, along the west line of said Lot 6, a distance of 15.42 feet; thence South 89 degrees 54 minutes 05 seconds East, a distance of 59.68 feet; thence North 39 degrees 21 minutes 34 seconds East, a distance of 26.80 feet; thence North 27 degrees 09 minutes 37 seconds East, a distance of 30.56 feet; thence North 05 degrees 23 minutes 02 seconds East, a distance of 80.39 feet to the point of beginning.

EXHIBIT C
Depiction of the Easement Area



UTILITY EASEMENT

THIS INSTRUMENT is made by Chandler Feed Company, a Minnesota corporation, and K-Line Properties, LLC, a Minnesota limited liability company (collectively, the “**Grantor**”) in favor of the City of Pipestone, a Minnesota municipal corporation, Grantee (“**City**”).

Recitals

- A. Grantor is the fee owner of the certain parcels of real property located at or near 113 8th Avenue NE in the City of Pipestone, Pipestone County, Minnesota (PID’s 18.395.0300 and 18.007.1410) and legally described in the attached Exhibit A (“**Property**”).
- B. Grantor desires to grant to the City a perpetual, non-exclusive utility easement, in accordance with the terms and conditions contained herein.

Terms of Easement

- 1. Incorporation. The recitals above and Exhibits attached hereto are hereby incorporated herein and made part of this Instrument.
- 2. Grant of Easement. For good and valuable consideration, receipt of which is acknowledged by Grantor, Grantor grants and conveys to the City a non-exclusive, perpetual utility easement which is legally described in the attached Exhibit B and depicted on the map attached as Exhibit C (the “Easement Area”).
- 3. Scope of Easement. The perpetual non-exclusive utility easement granted herein includes the rights of the City, its contractors, agents, and employees to enter the Easement Area at all reasonable times for the purposes of locating, placing, constructing, reconstructing, inspecting, operating, altering, improving, repairing, maintaining, replacing and removing public utilities within the Easement Area, and to perform all other work as may be needed in order to construct the utility improvements within the Easement Area.

The easement granted herein also includes the right to cut, trim, or remove from the Easement Area such improvements, trees, shrubs, or other vegetation, and to prohibit obstructions and grading alterations as in the City’s judgment unreasonably interfere with the easement or the function of the culvert or culverts located thereon.

4. Warranty of Title. Grantor warrants that it is the fee owners of the Property and that it has the right, title, and capacity to convey the easement herein to the City.

5. Environmental Matters. The City shall not be responsible for any costs, expenses, damages, demands, obligations, including penalties and reasonable attorneys' fees, or losses resulting from any claims, actions, suits, or proceedings based upon a release or threat of release of any hazardous substances, pollutants, or contaminants that may have existed on, or that relate to, the Easement Area or the Property prior to the date of this instrument.

6. Binding Effect. The terms and conditions of this instrument shall run with the land and be binding on Grantor, and its successors and assigns.

STATE DEED TAX DUE HEREON: NONE

[Signatures follow on next page]

Dated this ____ day of _____, 2025.

**GRANTOR CHANDLER FEED
COMPANY**

By: _____

Its: _____

[illegible]

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by _____, the _____ of Chandler Feed Company, a Minnesota corporation, on behalf of the corporation as Grantor.

Notary Public

NOTARY STAMP OR SEAL

Dated this ____ day of _____, 2025.

GRANTOR K-LINE PROPERTIES, LLC

By: _____

Its: _____

[illegible]

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by _____, the _____ of K-Line Properties, LLC, a Minnesota limited liability company, on behalf of the company as Grantor.

Notary Public

NOTARY STAMP OR SEAL

THIS INSTRUMENT DRAFTED BY:

Town Law Center PLLP (JMH)
1250 Wayzata Boulevard E, Unit #1065
Wayzata, MN 55391
(612) 361-7041

EXHIBIT ALegal Description of the Property**PID 18.395.0300**

Lots 1 and 2 of Block 2 of Crawford's Addition to the City of Pipestone, Pipestone County, Minnesota,

TOGETHER WITH

All of Block 2 of Blom Addition to the City of Pipestone, and the Southwest Fractional Quarter and the Southwest Quarter of the Southeast Quarter of Section 7, Township 106 North, Range 45 West, Pipestone County, Minnesota, described as follows:

Commencing at the West Quarter corner of said Section 7;

thence on an assumed bearing of North 89 degrees 22 minutes 55 seconds East, along the north line of Government Lot 3 of said Section 7, a distance of 775.09 feet;

thence South 0 degrees 37 minutes 02 seconds East, a distance of 125.62 feet to the Southeast corner of Lot 1, Block 2 of Crawford's Addition to the City of Pipestone, according to the recorded plat thereof, said southeast corner being the point of beginning of the tract to be described;

thence southeasterly, along the northeasterly right of way line of the former Chicago, Rock Island and Pacific Railroad, along a non-tangential curve, concave to the southwest, having a radius of 1960.08 feet, a central angle of 0 degrees 56 minutes 55 seconds, a chord bearing of South 34 degrees 29 minutes 45 seconds East, a chord distance of 32.45 feet, an arc distance of 32.45 feet to an iron monument located on the northeasterly right of way line of the former Chicago, Milwaukee and St. Paul Railroad;

thence southeasterly, along said northeasterly right of way line, along a non-tangential curve, concave to the southwest, having a radius of 5779.81 feet, a central angle of 8 degrees 53 minutes 27 seconds, a chord bearing of South 59 degrees 19 minutes 10 seconds East, a chord distance of 895.97 feet, an arc distance of 896.87 feet to an iron monument;

thence South 54 degrees 52 minutes 08 seconds East, along said northeasterly right of way line, a distance of 3484.43 feet to the south line of said section;

thence South 89 degrees 26 minutes 41 seconds West, along said south line, a distance of 171.43 feet to the southwesterly right of way line of said former railroad;

thence North 54 degrees 52 minutes 08 seconds West, along said southwesterly right of way line, a distance of 2340.58 feet to an iron monument;

thence South 79 degrees 42 minutes 09 seconds West a distance of 900.60 feet to the northeast corner of a tract as recorded in Document No. 221118;

thence South 62 degrees 55 minutes 36 seconds West, along the north line of said tract, a distance of 100.01 feet to the northwest corner of said tract;

thence North 26 degrees 10 minutes 17 seconds West, along the southwesterly right of way line of the former Chicago, Rock Island and Pacific Railroad, a distance of 1168.79 feet to an iron monument;

thence northwesterly, along said southwesterly right of way line, along a tangential curve concave to the southwest, having a radius of 1860.08 feet, a central angle of 2 degrees 06 minutes 57 seconds, a chord bearing of North 27 degrees 17 minutes 24 seconds West, a chord distance of 68.68 feet, an arc distance of 68.69 feet to an iron monument;

thence South 89 degrees 53 minutes 43 seconds West a distance of 54.68 feet to the northeast corner of Block 2 of said Blom Addition;

thence South 0 degrees 00 minutes 43 seconds West, along the east line of said Block 2, a distance of 125.00 feet to the southeast corner of said Block 2;

thence South 89 degrees 54 minutes 59 seconds West, along the south line of said Block 2, a distance of 300.00 feet to the southwest corner of said Block 2;

thence North 0 degrees 05 minutes 35 seconds West, along the west line of said Block 2, a distance of 125.00 feet to the northwest corner of said Block 2;

thence South 89 degrees 21 minutes 11 seconds West a distance of 2.11 feet to the southeast corner of Lot 2 of Block one of said Crawford's Addition;

thence North 0 degrees 15 minutes 27 seconds West, along the east line of said Lot 2 and the east line of Lot 6 of Block 2 of said Crawford's Addition, a distance of 241.98 feet to the Northeast corner of said Lot 6 of Block 2 of Crawford's Addition;

thence North 89 degrees 22 minutes 55 seconds East, along the south line of said Lot 1 of Block 2 of Crawford's Addition, a distance of 46.24 feet to a bending point on said south line;

thence Southeasterly, along said south line, along a non-tangential curve, concave to the southwest, having a radius of 5679.65 feet, a central angle of 0 degrees 04 minutes 19 seconds, a chord bearing of South 66 degrees 33 minutes 35 seconds East, a chord distance of 7.12 feet, an arc distance of 7.12 feet to a bending point on said south line;

thence North 89 degrees 44 minutes 33 seconds East, along said south line, a distance of 274.50 feet to the point of beginning.

Said above described tract together with Lots 1 and 2 of Block 2 of said Crawford's Addition contains 34.38 acres, subject to easements now of record in said county and state.

EXCEPTING THEREFROM

That part of Government Lot 3 of Section 7, Township 106 North, Range 45 West, Pipestone County, Minnesota, described as follows:

Commencing at the South Quarter corner of said Section 7;

thence on an assumed bearing of South 89 degrees 29 minutes 41 seconds West, along the south line of

said section, a distance of 1202.97 feet to the northeasterly right of way line of the former Chicago, Rock Island and Pacific Railroad;

thence North 26 degrees 10 minutes 17 seconds West, along said northeasterly right of way line, a distance of 1285.51 feet to the northeast corner of a tract as recorded in Document No. 221118;

thence continuing North 26 degrees 10 minutes 17 seconds West, along said northeasterly right of way line, a distance of 856.57 feet to the northwest corner of a tract as recorded in Document No. 221116, said northwest corner being the point of beginning of the tract to be described;

thence continuing North 26 degrees 10 minutes 17 seconds West, along said northeasterly right of way line, a distance of 310.75 feet to an iron monument;

thence Northwesterly, along said northeasterly right of way line, along a tangential curve, concave to the southwest, having a radius of 1960.08 feet, a central angle of 2 degrees 14 minutes 08 seconds, a chord bearing of North 27 degrees 20 minutes 59 seconds West, a chord distance of 76.47 feet, an arc distance of 76.48 feet to an iron monument located at its intersection with the southwesterly right of way line of the former Chicago, Milwaukee and St. Paul Railroad;

thence Southeasterly, along said southwesterly right of way line, along a non-tangential curve, concave to the southwest, having a radius of 5679.81 feet, a central angle of 6 degrees 43 minutes 42 seconds, a chord bearing of South 58 degrees 46 minutes 40 seconds East, a chord distance of 666.59 feet, an arc distance of 666.98 feet to the easterly extension of the centerline of 2nd Street Southeast;

thence South 89 degrees 48 minutes 54 seconds West, along said easterly extension, a distance of 397.85 feet to the point of beginning, containing 1.68 acres, subject to easements now of record in said county and state.

PID 18.007.1410

DESCRIPTION

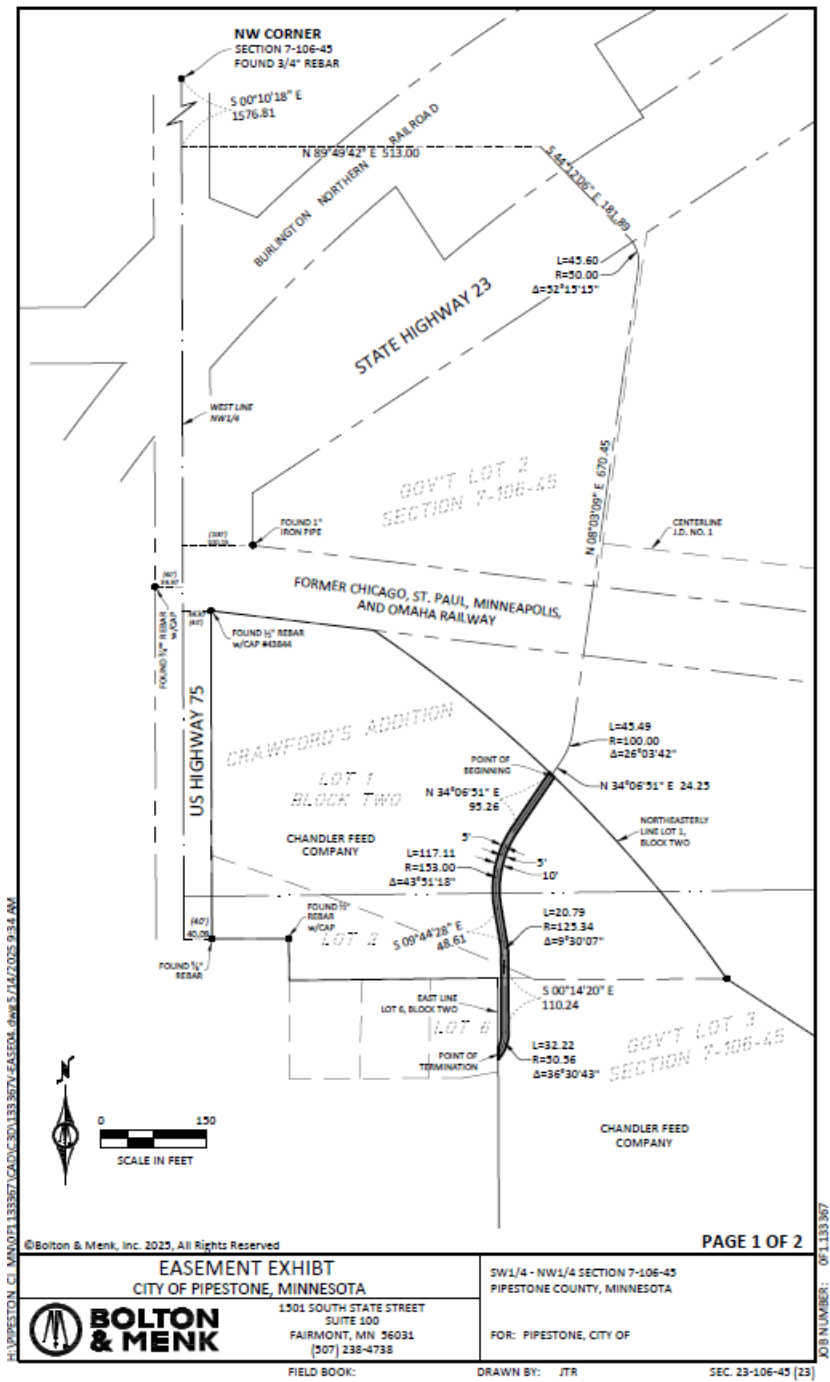
EXHIBIT BLegal Description of the Easement Area

A strip of land 10.00 feet in width in Lot 1 and Lot 2, Block Two, CRAWFORD'S ADDITION, Pipestone County, according to the plat thereof on file and of record in the Office of the County Recorder, and in Government Lot 3, Section 7, Township 106 North, Range 45 West, in Pipestone County, Minnesota. The centerline of said strip is described as follows:

Commencing at the Northwest corner said Section 7 Township 106 North, Range 45 West; thence South 00 degrees 10 minutes 18 seconds East, along the west line of the Northwest Quarter of said Section 7, a distance of 1576.81 feet; thence North 89 degrees 49 minutes 42 seconds East, a distance of 513.00 feet; thence South 44 degrees 12 minutes 06 seconds East, a distance of 181.89 feet; thence southerly, a distance of 45.60 feet along a tangential circular curve concave westerly having a radius of 50.00 feet and a central angle of 52 degrees 15 minutes 15 seconds; thence South 08 degrees 03 minutes 09 seconds West, tangent to said curve, a distance of 670.45 feet; thence southwesterly, a distance of 45.49 feet along a tangential circular curve concave westerly having a radius of 100.00 feet and a central angle of 26 degrees 03 minutes 42 seconds; thence South 34 degrees 06 minutes 51 seconds West, tangent to said curve, a distance of 24.25 feet to the northeasterly line of said Lot 1, Block Two and the point of beginning of the centerline to be described; thence continuing South 34 degrees 06 minutes 51 seconds West, a distance of 95.26 feet; thence southerly, a distance of 117.11 feet along a tangential circular curve concave easterly having a radius of 153.00 feet and a central angle of 43 degrees 51 minutes 18 seconds; thence South 09 degrees 44 minutes 28 seconds East, a distance of 48.61 feet; thence southerly, a distance of 20.79 feet along a tangential curve concave westerly having a radius of 125.34 feet and a central angle of 9 degrees 30 minutes 07 seconds; thence South 00 degrees 14 minutes 20 seconds East, tangent to said curve, a distance of 110.24 feet; thence southwesterly, a distance of 32.22 feet along a tangential curve concave to the west having a radius of 50.56 feet and a central angle of 36 degrees 30 minutes 43 seconds, to the east line of Lot 6, Block Two said CRAWFORD'S ADDITION and said centerline there terminating.

The sidelines of said easement shall terminate on the north at the northeasterly line of said Lot 1 and on the south at the east line of Lot 6, said Block Two.

EXHIBIT C
Depiction of the Easement Area



UTILITY EASEMENT

THIS INSTRUMENT is made by Danny R. Delaney and Linda R. Delaney, a married couple, (“**Grantors**”) in favor of the City of Pipestone, a Minnesota municipal corporation, Grantee (“**City**”).

Recitals

- A. Grantors are the fee owners of the certain real property located at or near the intersection of State Highway 23 and 8th Avenue NE in Gray Township, Pipestone County, Minnesota, (PID 08.007.0500) legally described in the attached Exhibit A (“**Property**”).
- B. Grantors desire to grant to the City a perpetual, non-exclusive utility easement, in accordance with the terms and conditions contained herein.

Terms of Easement

- 1. Incorporation. The recitals above and Exhibits attached hereto are hereby incorporated herein and made part of this Instrument.
- 2. Grant of Easement. For good and valuable consideration, receipt of which is acknowledged by Grantors, Grantors grant and convey to the City a non-exclusive, perpetual utility easement which is legally described in the attached Exhibit B and depicted on the map attached as Exhibit C (the “Easement Area”).
- 3. Scope of Easement. The perpetual non-exclusive utility easement granted herein includes the rights of the City, its contractors, agents, and employees to enter the Easement Area at all reasonable times for the purposes of locating, placing, constructing, reconstructing, inspecting, operating, altering, improving, repairing, maintaining, replacing and removing public utilities within the Easement Area, and to perform all other work as may be needed in order to construct the utility improvements within the Easement Area.

The easement granted herein also includes the right to cut, trim, or remove from the Easement Area such improvements, trees, shrubs, or other vegetation, and to prohibit obstructions and grading alterations as in the City’s judgment unreasonably interfere with the easement or the function of the culvert or culverts located thereon.

4. Warranty of Title. Grantors warrant that they are the fee owners of the Property and that they have the right, title, and capacity to convey the easement herein to the City.

5. Environmental Matters. The City shall not be responsible for any costs, expenses, damages, demands, obligations, including penalties and reasonable attorneys' fees, or losses resulting from any claims, actions, suits, or proceedings based upon a release or threat of release of any hazardous substances, pollutants, or contaminants that may have existed on, or that relate to, the Easement Area or the Property prior to the date of this instrument.

6. Binding Effect. The terms and conditions of this instrument shall run with the land and be binding on Grantors, and their successors and assigns.

STATE DEED TAX DUE HEREON: NONE

[Signatures follow on next page]

Dated this ____ day of _____, 2025.

GRANTORS

Danny R. Delaney

Linda R. Delaney

STATE OF MINNESOTA)
) ss.
COUNTY OF PIPESTONE)

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by Danny R. Delaney and Linda R. Delaney, a married couple, as Grantors.

Notary Public

NOTARY STAMP OR SEAL

THIS INSTRUMENT DRAFTED BY:

Town Law Center PLLP (JMH)
1250 Wayzata Boulevard E, Unit #1065
Wayzata, MN 55391
(612) 361-7041

EXHIBIT A

Legal Description of the Property

A tract of land in the Northwest Quarter (NW¼) of Section Seven (7), Township One Hundred Six (106) North, Range Forty-five (45) West, described as follows: Beginning at a point on the North right-of-way line of the C. St. P. M. & O. Ry. and 100 feet east of the west line of said Section 7; thence northerly and parallel to said west line of Section 7 to the south right of way line of Trunk Highway No. 23; thence northeasterly along said right of way line to Trunk Highway No. 23 for a distance of 676 feet; thence southerly for a distance of 515 feet to a point on the north line of the right-of-way of the C. St. P. M. & O. Ry. 592 feet east of the west line of said Section 7; thence westerly along said right-of-way for a distance of 492 feet to the point of beginning, containing an area of 3.3 acres, more or less, EXCEPT the following described property: That part of the Northwest Quarter (NW¼) of Section Seven (7), Township One Hundred Six (106) North, Range Forty-five (45) West of the Fifth P.M., Pipestone County, Minnesota, described as follows: Commencing at the Northwest corner of said Section 7; thence South (assumed bearing) along the West line of said Northwest Quarter a distance of 2046.37 feet to the centerline intersection of Trunk Highway No. 23 and the actual point of beginning of the tract of land to be herein described; thence continue South a distance of 87.30 feet to the northerly right-of-way line of the Chicago, St. Paul, Milwaukee and Omaha Railroad; thence South 83 degrees 01 minutes 45 seconds East along said northerly right-of-way line a distance of 350.74 feet; thence North a distance of 62 feet to the centerline of Pipestone County Judicial Ditch No. 1; thence westerly and northwesterly along said centerline a distance of 260 feet, more or less, to a point on the centerline of Trunk Highway No. 23, said point being distant 262.00 feet and on a line bearing North 56 degrees 47 minutes 20 seconds East from the actual point of beginning; thence South 56 degrees 47 minutes 20 seconds West a distance of 262.00 feet to the actual point of beginning; EXCEPT, the northwesterly 75 feet thereof for Trunk Highway No. 23; and EXCEPT, the Westerly 100 feet thereof for U.S. Highway No. 75. Subject to easements and restrictions of record. The above described tract contains 0.71 of an acre, more or less,

AND

A tract of land in the Northwest Quarter (NW¼) of Section Seven (7), Township One Hundred Six (106) North, Range Forty-five (45) West, described as follows: Beginning at a point on the north right-of-way line of the C. St. P. M. & O. Ry. 592 feet east of the west line of Section 7; thence easterly along said right-of-way line for a distance of 2668 feet to the north-south quarter line of said Section 7; thence northerly along said quarter line for a distance of 62 feet to the present center line of Judicial Ditch No. 1, Pipestone County, Minnesota; thence westerly along said center line of Judicial Ditch No. 1, for a distance of 2668 feet; thence southerly for a distance of 62 feet to the point of beginning, containing an area of 3.8 acres, more or less.

EXHIBIT BLegal Description of the Easement Area

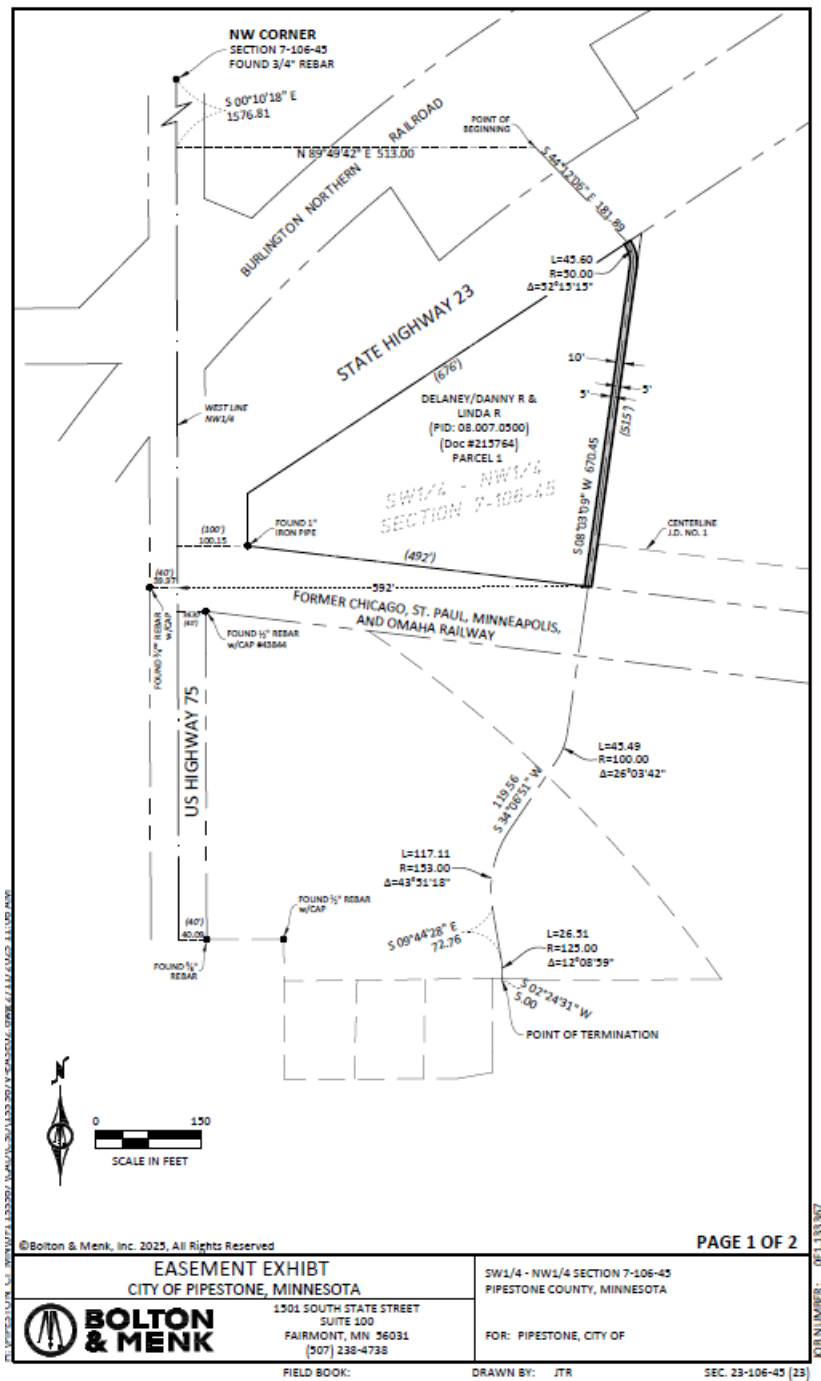
All that part of the following described tract of land:

A tract of land in the Northwest Quarter (NW1/4) of Section Seven (7), Township One Hundred Six (106) North, Range Forty-five (45) West, described as follows: Beginning at a point on the North right-of-way line of the C. St. P. M. & O. Ry. and 100 feet east of the west line of said Section 7; thence northerly and parallel to said west line of Section 7 to the south right of way line of Trunk Highway No. 23; thence northeasterly along said right of way line to Trunk Highway No. 23 for a distance of 676 feet; thence southerly for a distance of 515 feet to a point on the north line of the right-of-way of the C. St. P. M. & O. Ry. 592 feet east of the west line of said Section 7; thence westerly along said right-of-way for a distance of 492 feet to the point of beginning.

Which lies within 5.00 feet on both sides of the following described line:

Commencing at the Northwest corner said Section 7 Township 106 North, Range 45 West; thence South 00 degrees 10 minutes 18 seconds East, along the west line of the Northwest Quarter of said Section 7, a distance of 1576.81 feet; thence North 89 degrees 49 minutes 42 seconds East, a distance of 513.00 feet to the point of beginning of the line to be described; thence South 44 degrees 12 minutes 06 seconds East, a distance of 181.89 feet; thence southerly, a distance of 45.60 feet along a tangential circular curve concave westerly having a radius of 50.00 feet and a central angle of 52 degrees 15 minutes 15 seconds; thence South 08 degrees 03 minutes 09 seconds West, tangent to said curve, a distance of 670.45 feet; thence southwesterly, a distance of 45.49 feet along a tangential circular curve concave westerly having a radius of 100.00 feet and a central angle of 26 degrees 03 minutes 42 seconds; thence South 34 degrees 06 minutes 51 seconds West, tangent to said curve, a distance of 119.56 feet; thence southerly, a distance of 117.11 feet along a tangential circular curve concave easterly having a radius of 153.00 feet and a central angle of 43 degrees 51 minutes 18 seconds; thence South 09 degrees 44 minutes 28 seconds East, a distance of 72.76 feet; thence southerly, a distance of 26.51 feet along a tangential circular curve concave westerly having a radius of 125.00 feet and a central angle of 12 degrees 08 minutes 59 seconds; thence South 02 degrees 24 minutes 31 seconds West, tangent to said curve, a distance of 5.00 feet and said line there terminating.

EXHIBIT C
Depiction of the Easement Area



UTILITY EASEMENT

THIS INSTRUMENT is made by Carolyn M. Rasmussen, a single person, (“**Grantor**”) in favor of the City of Pipestone, a Minnesota municipal corporation, Grantee (“**City**”).

Recitals

- A. Grantor is the fee owner of the certain real property located at or near the intersection of State Highway 23 and 8th Avenue NE in Gray Township, Pipestone County, Minnesota, (PID 08.007.1300) legally described in the attached Exhibit A (“**Property**”).
- B. Grantor desires to grant to the City a perpetual, non-exclusive utility easement, in accordance with the terms and conditions contained herein.

Terms of Easement

- 1. Incorporation. The recitals above and Exhibits attached hereto are hereby incorporated herein and made part of this Instrument.
- 2. Grant of Easement. For good and valuable consideration, receipt of which is acknowledged by Grantor, Grantor grants and conveys to the City a non-exclusive, perpetual utility easement which is legally described in the attached Exhibit B and depicted on the map attached as Exhibit C (the “Easement Area”).
- 3. Scope of Easement. The perpetual non-exclusive utility easement granted herein includes the rights of the City, its contractors, agents, and employees to enter the Easement Area at all reasonable times for the purposes of locating, placing, constructing, reconstructing, inspecting, operating, altering, improving, repairing, maintaining, replacing and removing public utilities within the Easement Area, and to perform all other work as may be needed in order to construct the utility improvements within the Easement Area.

The easement granted herein also includes the right to cut, trim, or remove from the Easement Area such improvements, trees, shrubs, or other vegetation, and to prohibit obstructions and grading alterations as in the City’s judgment unreasonably interfere with the easement or the function of the culvert or culverts located thereon.

4. Warranty of Title. Grantor warrants that she is the fee owner of the Property and that she has the right, title, and capacity to convey the easement herein to the City.

5. Environmental Matters. The City shall not be responsible for any costs, expenses, damages, demands, obligations, including penalties and reasonable attorneys' fees, or losses resulting from any claims, actions, suits, or proceedings based upon a release or threat of release of any hazardous substances, pollutants, or contaminants that may have existed on, or that relate to, the Easement Area or the Property prior to the date of this instrument.

6. Binding Effect. The terms and conditions of this instrument shall run with the land and be binding on Grantor, and her successors and assigns.

STATE DEED TAX DUE HEREON: NONE

[Signatures follow on next page]

Dated this _____ day of _____, 2025.

GRANTOR

Carolyn M. Rasmussen

[illegible]

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by Carolyn M. Rasmussen, a single person, as Grantor.

Notary Public

NOTARY STAMP OR SEAL

THIS INSTRUMENT DRAFTED BY:

Town Law Center PLLP (JMH)
1250 Wayzata Boulevard E, Unit #1065
Wayzata, MN 55391
(612) 361-7041

EXHIBIT A

Legal Description of the Property

All that part of the South Half (S½) and all that part of the South Half of the Northwest Quarter (S½ NW¼) of Section Seven (7), Township One Hundred Six (106) North, Range Forty-five (45) West of the Fifth P.M., County of Pipestone, State of Minnesota; which lies south of the former right of way of the Chicago, St. Paul, Minneapolis and Omaha Railway Company and North and East of the former right of way of the Chicago, Milwaukee, St. Paul and Pacific Railway Company and North and East of the former right of way of the Chicago, Rock Island and Pacific Railway Company, TOGETHER WITH an easement for ingress and egress described in a Warranty Deed dated April 28, 2003, and filed for record July 11, 2003, as Document No. 190315 in the Office of the Pipestone County, Minnesota, Recorder,

EXCEPTING THEREFROM the right of way of the right of way of the Chicago, Milwaukee, St. Paul and Pacific Railway Company;

ALSO EXCEPTING THEREFROM all that part of said tract which lies East of the following described line, to-wit: Commencing at a point on the South line of Section Seven (7), Township One Hundred Six (106) North, Range Forty-five (45) West of the Fifth P.M., 1,690 feet West of the Southeast corner of said Section Seven (7), thence North and parallel with the East line of said Section Seven (7) to a point on the South line of the former right of way of the Chicago, St. Paul, Minneapolis and Omaha Railway Company and there terminating;

ALSO EXCEPTING THEREFROM that part of the South Half (S½) of Section Seven (7), Township One Hundred Six (106) North, Range Forty-five (45) West of the Fifth P.M., County of Pipestone, State of Minnesota, commencing at the South quarter corner of said Section 7; thence South 89 degrees 48 minutes 11 seconds East (assumed bearing) along the south line of the Southeast Quarter (SE¼) of Section 7, a distance of 958.68 feet; thence North 00 degrees 35 minutes 40 seconds East a distance of 159.62 feet to the point of beginning; thence North 54 degrees 20 minutes 53 seconds West, along the northeasterly right of way line of the Chicago, Milwaukee, St. Paul and Pacific Railroad, a distance of 1,087.04 feet to an iron stake with P.S. 22461 CAP; thence North 00 degrees 09 minutes 33 seconds East, along or near the center line of Pipestone County Judicial Ditch Number One (1), a distance of 1,860.37 feet to the South right of way line of the Chicago, St. Paul, Minneapolis and Omaha Railroad; thence South 85 degrees 55 minutes 34 seconds East along said south right of way a distance of 30.37 feet to an iron stake with P.S. 22461 CAP; thence continuing South 88 degrees 51 minutes 29 seconds East along said South right of way line a distance of 873.65 feet to an iron stake with P.S. 22461 CAP; thence South 00 degrees 35 minutes 40 seconds East a distance of 2,477.60 feet to the point of beginning;

ALSO EXCEPTING THEREFROM a tract of land in the Southwest Quarter (SW¼) of Section Seven (7), Township One Hundred Six (106) North, Range Forty-five (45) West of the Fifth P.M., County of Pipestone, State of Minnesota, described as follows: Beginning at the intersection of the East line of the Chicago, Rock Island and Pacific Railway right of way with the North line of the present laid out and constructed Trunk Highway No. 47 where said intersection occurs in said Southwest Quarter (SW¼); thence East along the North line of said Highway 375 feet; thence due North 200 feet; thence West parallel with the North line of said Highway to the intersection of the East line of said railway right of way; thence South and East along the East line of said right of way to the point of beginning (as described in a deed recorded June 17, 1940, in Book 127 of Deeds on Page 589);

ALSO EXCEPTING THEREFROM a tract of land in the Southwest Quarter (SW¼) of Section Seven (7), Township One Hundred Six (106) North, Range Forty-five (45) West of the Fifth P.M., County of Pipestone, State of Minnesota, described as follows: Commencing at a point on the North line of the present Trunk Highway No. 47, 375 feet East of the intersection of said north line with the East right of way line of the Chicago, Rock Island and Pacific Railway; thence due North 200 feet; thence East and parallel with the North line of said Highway No. 47, 217.8 feet; thence South 200 feet; thence West on said North line 217.8 feet to the point of beginning (as described in a deed recorded November 10, 1954, in Book 159 of Deeds on Page 442);

ALSO EXCEPTING THEREFROM a tract of land in the Southwest Quarter (SW¼) of Section Seven (7), Township One Hundred Six (106) North, Range Forty-five (45) West of the Fifth P.M., County of Pipestone, State of Minnesota, described as follows: Commencing at a point on the North line of the present Trunk Highway No. 47, 592.8 feet East of the intersection of said North line with the East right of way line of the Chicago, Rock Island and Pacific Railway; thence due North 200 feet; thence East and parallel with the North line of Highway No. 47, 217.8 feet; thence South 200 feet; thence West on said North line 217.8 feet to the point of beginning (as described in a deed recorded December 14, 1954, in Book 159 of Deeds on Page 463);

ALSO EXCEPTING THEREFROM: a tract of land in the Southeast Quarter of the Southwest Quarter (SE¼ SW¼) of Section Seven (7), Township One Hundred Six (106) North, Range Forty-five (45) West of the Fifth P.M., County of Pipestone, State of Minnesota, described as follows: Beginning at a point on the North right of way line of the present Trunk Highway No. 30 810.6 feet East of the East right of way line of the Chicago, Rock Island and Pacific Railway (now Burlington Northern Railway); thence North perpendicular to said North right of way line of Trunk Highway No. 30 for 200 feet; thence East and parallel with the North right of way line for 66 feet; thence South 200 feet to said North right of way line; thence West on said North right of way line 66 feet to the point of beginning (as described in a deed recorded April 24, 1974, in Book 215 of Deeds on Page 241);

ALSO EXCEPTING THEREFROM: a tract of land in the Southwest Quarter (SW¼) of Section Seven (7), Township One Hundred Six (106) North, Range Forty-five (45) West of the Fifth P.M., County of Pipestone, State of Minnesota, described as follows: Commencing at a point on the North line of the present Trunk Highway No. 47, 876.6 feet East of the East right of way line of the Chicago, Rock Island and Pacific Railway; thence due North 200 feet; thence East and parallel with the North line of said Trunk Highway No. 47 for 217.8 feet; thence South 200 feet; thence West on said North line 217.8 feet to the point of beginning (as described in a deed recorded April 9, 1956, in Book 167 of Deeds on Page 25);

ALSO EXCEPTING THEREFROM: a tract of land in the Southwest Quarter (SW¼) of Section Seven (7), Township One Hundred Six (106) North, Range Forty-five (45) West of the Fifth P.M., County of Pipestone, State of Minnesota, described as follows: Commencing at a point on the North line of the present Trunk Highway No. 47, 1,094.4 feet East of the intersection of said North line with the East right of way line of the Chicago, Rock Island and Pacific Railway; thence due North 200 feet; thence East and parallel with the North line of said Highway No. 47, 217.8 feet; thence South 200 feet to said North highway line; thence West on said North line 217.8 feet to the point of beginning (as described in a deed recorded February 9, 1956, in Book 159 of Deeds on Page 634);

ALSO EXCEPTING THEREFROM: a tract of land in the Southwest Quarter (SW¼) of Section Seven (7), Township One Hundred Six (106) North, Range Forty-five (45) West of the Fifth P.M., County of Pipestone, State of Minnesota, described as follows: Beginning at the intersection of the East line of the Chicago, Rock Island and Pacific Railway right of way with the North line of Trunk Highway No. 47 (currently Minn. Highway No. 30) as now laid out and constructed; thence East along the North line of said Highway No. 30 a distance of 1,312.2; thence North 100 feet; thence East and parallel with the North line of said Highway No. 30 for 60 feet; thence South 100 feet to the North line of said Highway No. 30; thence West 60 feet to the point of beginning (as described in a deed recorded August 26, 1971, in Book 207 of Deeds on Page 255);

ALSO EXCEPTING THEREFROM: a tract of land in the South Half (S½) of Section Seven (7), Township One Hundred Six (106) North, Range Forty-five (45) West of the Fifth P.M., County of Pipestone, State of Minnesota, described as follows: Beginning at the intersection of the East line of the Chicago, Rock Island and Pacific Railway (now Burlington Northern) with the North line of Trunk Highway No. 30 as now laid out and constructed; thence East along the North line of said Highway No. 30 a distance of 1,372.2 feet; thence North 100 feet; thence West 60 feet; thence North 100 feet; thence East 235 feet; thence South 200 feet to the North line of said Highway No. 30; thence West along said north line 175 feet to the point of beginning (as described in a deed recorded July 30, 1974, in Book 207 of Deeds on Page 525);

ALSO EXCEPTING THEREFROM: a tract of land in the South Half (S½) of Section Seven (7), Township One Hundred Six (106) North, Range Forty-five (45) West of the Fifth P.M., County of Pipestone, State of Minnesota, described as follows: Commencing at a point 200 feet North of the North line of Trunk Highway No. 30 (formerly Trunk Highway No. 47); and 375 feet east of the intersection of said North line with the East right of way line of the Chicago, Rock Island and Pacific Railway; thence North 200 feet; thence East and parallel with the North line of said Trunk Highway No. 30 to the West right of way line of the Chicago, Milwaukee, St. Paul & Pacific Railway; thence Southeasterly along said West right of way line to a point 200 feet North of said north right of way line of Trunk Highway No. 30, thence West to the point of beginning (as described in a deed recorded July 28, 1966, in Book 201 of Deeds on Page 103).

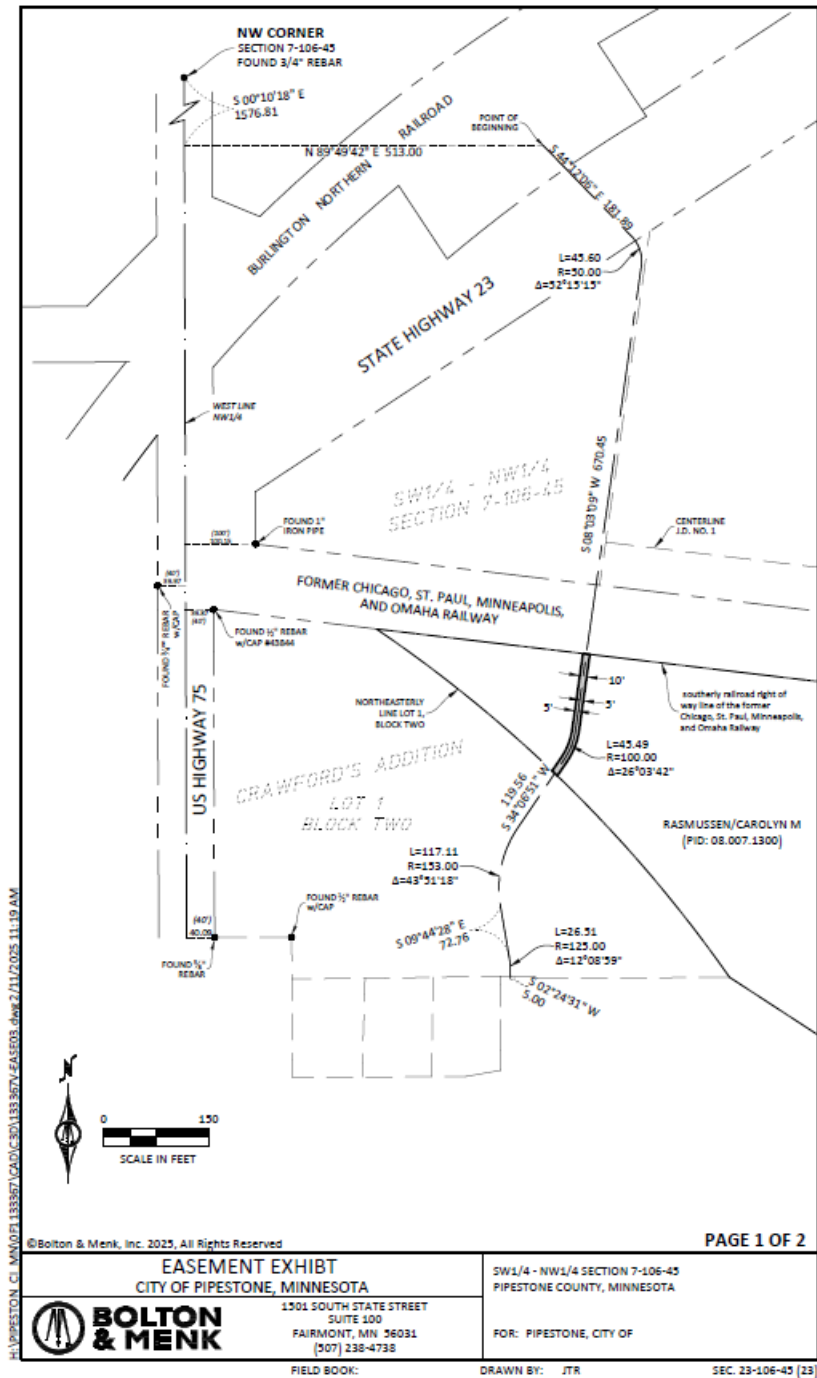
EXHIBIT BLegal Description of the Easement Area

A strip of land 10.00 feet in width in the Southwest Quarter of the Northwest Quarter of Section 7, Township 106 North, Range 45 West, Pipestone County, Minnesota. The centerline of said strip is described as follows:

Commencing at the Northwest corner said Section 7 Township 106 North, Range 45 West; thence South 00 degrees 10 minutes 18 seconds East, along the west line of the Northwest Quarter of said Section 7, a distance of 1576.81 feet; thence North 89 degrees 49 minutes 42 seconds East, a distance of 513.00 feet to the point of beginning of the line to be described; thence South 44 degrees 12 minutes 06 seconds East, a distance of 181.89 feet; thence southerly, a distance of 45.60 feet along a tangential circular curve concave westerly having a radius of 50.00 feet and a central angle of 52 degrees 15 minutes 15 seconds; thence South 08 degrees 03 minutes 09 seconds West, tangent to said curve, a distance of 670.45 feet; thence southwesterly, a distance of 45.49 feet along a tangential circular curve concave westerly having a radius of 100.00 feet and a central angle of 26 degrees 03 minutes 42 seconds; thence South 34 degrees 06 minutes 51 seconds West, tangent to said curve, a distance of 119.56 feet; thence southerly, a distance of 117.11 feet along a tangential circular curve concave easterly having a radius of 153.00 feet and a central angle of 43 degrees 51 minutes 18 seconds; thence South 09 degrees 44 minutes 28 seconds East, a distance of 72.76 feet; thence southerly, a distance of 26.51 feet along a tangential circular curve concave westerly having a radius of 125.00 feet and a central angle of 12 degrees 08 minutes 59 seconds; thence South 02 degrees 24 minutes 31 seconds West, tangent to said curve, a distance of 5.00 feet and said line there terminating.

The sidelines of said easement shall terminate on the north at the southerly railroad right of way line of the former Chicago, St. Paul, Minneapolis, and Omaha Railway and on the south at the northeasterly line of Lot 1, Block Two CRAWFORD'S ADDITION to the City of Pipestone according to the recorded plat on file and of record in the Office of the Pipestone County Recorder.

EXHIBIT C
Depiction of the Easement Area



Blue Cross and Blue Shield of Minnesota

P.O. Box 64560
 St. Paul, MN 55164-0560
 (651) 662-8000 / (800) 382-2000



August 5, 2025

Via United States Postal Service

City of Pipestone
 119 2ND AVE SW
 PIPESTONE, MN 56164

RE: PURDUE PHARMA BANKRUPTCY PLAN SETTLEMENT NOTICE

Dear City of Pipestone:

You are receiving this notice because, in 2020, Blue Cross and Blue Shield of Minnesota (“Blue Cross”) took steps within the Bankruptcy Court matter entitled *In re: Purdue Pharma L.P., et al.*, Case No. 19-bk-23649 (S.D.N.Y.) that preserved your ability to recover sums from Purdue Pharma L.P. (“Purdue”) to address financial harm you might have suffered due to Purdue and the opioid crisis. Purdue was owned and operated by the Sackler Families. Specifically, Blue Cross, through counsel, submitted a consolidated claim on behalf of its plan subsidiaries and certain self-funded groups, by what was called the General Bar Date. Entities needed to make or be included in submissions by the General Bar Date to share in future recoveries that might become available under Purdue’s Bankruptcy Plan.

On May 19, 2025, Purdue Pharma L.P. (“Purdue” or “Debtor”) filed its current Chapter 11 Bankruptcy Plan of Reorganization (the “Plan”) with the United States Bankruptcy Court for the Southern District of New York. The Plan will deliver more than \$7.4 billion to creditors, and third-party payer health plans (“TPPs”) that were included in claims filed by the General Bar Date are now eligible to recover sums under the Plan. Collectively, and in the aggregate, approximately \$389 million under the Plan is expected to be potentially distributed to TPPs. Blue Cross is providing this notice in accordance with the terms of that Plan and related filings.

A key element of the Plan is a Settlement with the Sackler Families. Members of the Sackler Families and related entities will pay up to \$7.0 billion in cash to the bankruptcy estate over a period of years in exchange for a release of potential claims of the Debtors’ Estates and of third parties against the Sackler Families and certain other entities (the “Third-Party Releases”). **Creditors, including Blue Cross and certain of its self-funded groups, will need to affirmatively opt in to the Third-Party Releases in order to be eligible to receive their full claim recovery under the Plan.**

In an effort to secure recovery for itself and certain self-funded groups included in the 2020 submission discussed above, **Blue Cross now intends to prepare and timely file a new proof of claim on those groups’ (including your) behalf, as required by the new Plan. Blue Cross also intends to vote to approve the Plan and grant the Third-Party Releases on behalf of itself and certain self-funded groups, including you.** If a recovery on your behalf is eventually secured, the appropriate portion of it will be remitted to you.

If you do not wish to participate in the Purdue Bankruptcy Plan and Settlement, you must notify Blue Cross by September 1, 2025, that you do not want Blue Cross to file a claim on your behalf. If Blue Cross

bluecrossmn.com

receives your notice declining participation in the Settlement in a timely manner, it will not file a claim on your behalf and will take no other action to secure any recovery on your behalf.

If you wish to participate in the Purdue Bankruptcy Plan and Settlement, you do not need to do anything further. Blue Cross, through counsel, will timely file the required proof of claim on your behalf.

ADDITIONAL FACTS REGARDING THE 2025 PURDUE PHARMA BANKRUPTCY PLAN

In a Chapter 11 bankruptcy, creditors can vote to accept or reject the debtor's plan, and the debtor must file a Disclosure Statement that contains adequate information about its finances to allow creditors to make an informed decision. On June 20, 2025, the Court overseeing the Purdue bankruptcy approved Purdue's Disclosure Statement. The Court-approved Purdue Disclosure Statement is available here:

- <https://restructuring.ra.kroll.com/purduepharma/Home-DocketInfo?DockRelatedSearchValue=4050-7609>
- <https://restructuring.ra.kroll.com/purduepharma/Home-DownloadPDF?id1=MzY3MjIyOQ==&id2=-1>

The Third-Party Release provisions in the Plan are described in detail in Section III.CC.3.ii of the Disclosure Statement.

Purdue creditors that submitted claims, or on whose behalf claims were submitted, by the General Bar Date are now eligible to vote to accept or reject the Plan. Along with recording their vote for acceptance or rejection, Purdue creditors must also elect whether to grant certain releases, including the Third-Party Releases. **The voting deadline is September 30, 2025.**

The Plan also provides an approved TPP claims methodology that will allow Blue Cross and other TPPs to assign monetary values to the claims included in their General Bar Date filings. TPPs will submit these claim amounts via TPP Trust Claim Forms due **September 5, 2025**. Blue Cross will again submit a consolidated claim on behalf of itself and eligible self-funded groups that are found to have relevant spend pursuant to the TPP claims methodology.

Blue Cross must submit all voting and release elections on behalf of itself and self-funded groups included in its consolidated claim in advance of the September 30, 2025 voting deadline. Blue Cross will record these elections on a single Master Ballot.

If a TPP complies with the requirements of the TPP Trust Claim Form and also grants the Third-Party Releases, the TPP's claim will be evaluated pursuant to the streamlined and expedited liquidation process established by the Plan and related TPP Trust procedures.

Any TPP that does not grant the Third-Party Releases will immediately forfeit 75% of its potential recovery and be subject to objection by the Debtors and other parties for the remaining 25%. If or once an objection was filed, the TPP would then be required to establish the Debtors' liability as if the TPP had filed an ordinary lawsuit and will be subject to the applicable, higher proof thresholds. The TPP would bear the burden of doing

so on its own. Blue Cross will not be attempting to establish as much or make any recovery on behalf of any self-funded group / TPP who does not grant the Third-Party Releases.

Blue Cross is represented by Rawlings & Associates in connection with this matter, and additional information regarding the Purdue Pharma Bankruptcy Plan, Settlement, and this Notice can be found at the following website that Rawlings & Associates maintains:

- <https://www.purduetppfaqs.com>

CONCLUSION

As stated above, Blue Cross intends to vote to approve the Plan, grant the Third-Party Releases, and seek related recovery, including by preparing a proof of claim, on behalf of itself and certain self-funded groups with eligible TPP Trust Claims.

If you wish to participate in the Purdue Bankruptcy Plan and Sackler Settlement by having Blue Cross take these actions on your behalf, you do not need to do anything further.

If you do not wish to grant the Third-Party Releases and would like to preserve your right to recover through traditional litigation, you must contact Blue Cross and provide Blue Cross with notice of your decision not to participate in the Purdue Bankruptcy Settlement by September 1, 2025.

Notice of any decision not to participate can be sent to Blue Cross via email to kayla.pollock@bluecrossmn.com or via mail to:

BCBSM, Inc. d/b/a/ Blue Cross and Blue Shield of Minnesota
c/o Legal Department, Attn: Kayla Pollock
3400 Yankee Drive, MS: P32
Eagan, MN 55121