

FINAL
AGMT
9/26/25

MEDIATED SETTLEMENT AGREEMENT

This Mediated Settlement Agreement ("Agreement") is entered into on this 26th day of September, 2025, between Northland Grading and Excavating, LLC ("Northland") and Goodhue County ("Goodhue") relating to the claims, counterclaims, and defenses that were asserted, or that could have been asserted, in that action captioned *Northland Grading and Excavating, LLC v. Goodhue County, Minnesota*; Goodhue County District Court File No.: 25-CV-25-96 ("Lawsuit"). The Lawsuit involves, principally, payment and back charge disputes on a state aid road construction project contract dated April 20, 2021, between the County and Northland for CSAH 24 work, and other work, S.A.P. 025-624-0116 (collectively, "Project Payment/Back Charge Disputes"). At times in this Agreement, Northland and Goodhue may be collectively referred to as "the Parties."

MEDIATION AGREEMENT

The Parties acknowledge and agree that they have been advised by their counsel, and the mediator, that this is a binding agreement relating to settlement of claims asserted in the Lawsuit as reached through the process of mediation. The Parties further acknowledge that, pursuant to the requirements of the Minnesota Civil Mediation Act, they have been advised that:

- a. the mediator, Timothy C. Cook, has no duty to protect either of their interests or to provide them with any information about their legal rights;
- b. signing a mediated settlement agreement may adversely affect their legal rights;
- c. the Parties may, and in fact have, consulted with an attorney before signing this Agreement in order that they may be certain of their rights; and

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- d. this is a mediated settlement reached pursuant to the provisions and requirements of the Minnesota Civil Mediation Act and case law interpreting the same. The Parties understand and acknowledge that it is a binding and conclusive resolution of the Lawsuit pursuant to the terms of this Agreement. The Parties have mediated for a full session on September 26, 2025, and have reached final agreement with the assistance of the mediator.

Now, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the following terms and conditions of settlement of the Lawsuit:

1. **Settlement Agreement Contingent on Council Approval.** This Settlement Agreement is conditioned on approval of the same by the Goodhue County Board. Goodhue's legal counsel shall advise and confirm whether the settlement has been approved as soon as such knowledge is received, and not later than the close of business day on October 10, 2025. Goodhue's legal counsel shall recommend that the Goodhue County Board approve these settlement terms, with the understanding that the final decision to accept these terms is made by the board, and not by legal counsel.
2. **Final Project Pay Application and Final Payment.** In order to settle all claims and counterclaims in the Lawsuit, and all claims arising out of or relating to the Project Payment/Back Charge Disputes, Goodhue shall prepare and issue a final project payment application for Northland's review, possible revision as to form, but not amount, and final approval that will provide for a final project payment to Northland in the amount of \$167,000.00 ("Final Payment"). The process for the final project pay application, and for making the Final Payment, shall be as follows:

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- a. The application shall be in standard form, with a full and final net payout to Northland in the amount of \$167,000.00;
- b. If necessary, a final change order adjustment will be prepared showing any net deduct to reach the Final Payment amount. Such change order shall not specifically refer to assessment of liquidated damages, or include any agreement acknowledged as to the assessment of such damages;
- c. The Parties shall comply with all other final contract and project close-out requirements, including consent(s) of surety, IC-134 forms, and any other contractually required close-out documents;
- d. Goodhue shall prepare and process such applications, and the Parties shall cooperate with each other promptly and in good faith to achieve the making of the final project payment amount as soon as possible.

3. **Enforcement.** If either of the Parties has the need to enforce any of the terms, conditions, obligations, or releases under this Agreement, then it shall be done by motion to the court in the Lawsuit or, if necessary, by way of a separate action if the Lawsuit is already dismissed. In the event of any such enforcement action, the prevailing party shall be entitled to claim and recover their attorney's fees against the non-prevailing party as determined by the court.

4. **Mutual Releases.** Upon final acceptance of this Agreement by the Goodhue County Board, and except only for the Parties' right to enforce any right, term, condition, obligation, or defense under this Agreement, the Parties, on behalf of themselves, and on behalf of each and all of their respective past and present representatives, attorneys, officers, directors,



shareholders, members, agents, employees, insurers, heirs, successors, and assigns, shall and do hereby fully and finally release each other, and each and all of their respective past and present representatives, attorneys, officers, directors, shareholders, members, agents, employees, insurers, heirs, successors, and assigns, from all payment claims, claims for backcharges, including claims for assessment of liquidated damages, claims for delayed completion, claims for final payment, including retainage, claims for interest, costs, or attorneys' fees, and all other claims, counterclaims, , demands, damages, causes of action, defenses, or claims of whatever other kind or nature, whether sounding in contract, tort, or warranty, whether based in law or equity, that the Parties may have, or may claim to have, against each other that were asserted, or that could be asserted, in the Lawsuit and further including all claims that in any way arise out of or relate to the Project Payment/Back Charge Disputes. As of the date of this Agreement, Goodhue, through its County Engineer, represents that it is not presently aware of any conditions or defects on the project that would give rise to a project warranty claim.

5. **Dismissal of Lawsuit.** Upon the approval of the final pay application, and the making of final payment on such amount, the Parties authorize their counsel to electronically execute and file separate stipulation for dismissal and order for dismissal documents. Such documents shall be in the approximate forms provided by the mediator, final forms to be determined by counsel and the court. By this paragraph, all counsel authorize having their electronic signatures appended to the dismissal stipulation.

6. **No Admission of Liability.** Nothing in this Agreement, including the payment of the final pay application amount, shall constitute an admission of fault or responsibility by either of the Parties to the other. This settlement is made in compromise of disputed claims. The Parties expressly deny all liability for the other's claims. The Parties are settling their disputes to



avoid the time, uncertainty, and expense of litigation and to simply buy their peace with each other.

7. **Attorneys' Fees / Mediator's Fee.** The Parties shall each pay their own attorneys' fees and costs incurred in the Lawsuit. Northland and Goodhue shall each pay an equal one-half (1/2) share of the mediator's fee.

8. **Signatory Authority/Voluntary Execution.** Each of the signatories to this Agreement acknowledge that they are signing the same of their own free act and deed, after having had full benefit of legal counsel, and without being under any coercion, promise, or commitment, except as those expressly contained herein. Each of the signatories represent that they have secured the necessary authorizations or approvals of their respective owners, boards of directors, or agents to execute this Agreement on their behalf and to bind themselves, their company, and their clients. Signatures of counsel are as to approval of form only.

9. **Execution in Counterpart.** This Agreement may be signed in counterpart, meaning that not all signatures need appear on the same page of the Agreement for it to be effective. Electronic or facsimile signatures shall be deemed to operate as originals.

[SIGNATURES APPEAR ON SEPARATE PAGE]

Dated: _____

9/26/25

Timothy C. Cook, Mediator

**NORTHLAND GRADING AND EXCAVATING,
LLC**

Dated: _____

9/26/25

By: _____

Party Representative

Attorney-Alexander B. Athmann

GOODHUE COUNTY, MINNESOTA

Dated: _____

9/26/25

By: _____

Stephen O'Keefe, County Attorney

**(Subject to final confirmation and approval
by Goodhue County Board)**

Attorney-Jay T. Squires

SETTLEMENT AGREEMENT ACKNOWLEDGED AND FINALLY ACCEPTED:

**GOODHUE COUNTY, MINNESOTA BOARD OF
COMMISSIONERS**

Dated: October 7, 2025

By: 
Party Representative

Title: County Board Chair

