



CITY OF SOUTH ST. PAUL SPECIAL MEETING AGENDA

ECONOMIC DEVELOPMENT AUTHORITY

Council Chambers
125 3rd Avenue North
South St. Paul, MN 55075

Monday, December 2, 2024

IMMEDIATELY FOLLOWING THE CONCLUSION OF THE 7:00 P.M. MEETING OF THE
CITY COUNCIL

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF AGENDA

4. CONSENT AGENDA:

All items listed on the Consent Agenda are items, which are considered routine by the City Council and will be approved by one motion. There will be no separate discussion of these items unless a Council member or citizens requests, in which case the item will be removed from the consent agenda and considered at the end of the Consent Agenda.

A. Property Maintenance Agreement - North Ridge Outdoor Services

B. 11/4/2024 EDA Minutes

C. Termination of Purchase Agreement

5. GENERAL BUSINESS:

6. ITEMS FOR FUTURE FOLLOW-UP:

General communications of the President and Commissioners are provided and may be considered for inclusion on a future agenda. There will be no discussion or decisions made related to these items at this meeting.

7. ADJOURNMENT



ECONOMIC DEVELOPMENT AUTHORITY AGENDA REPORT

DATE: December 2, 2024
DEPARTMENT: Economic Development
PREPARED BY: Ryan Garcia
AGENDA ITEM NUMBER: 4.A.

MEETING TYPE

Regular Meeting

AGENDA ITEM

ACTION TO BE CONSIDERED OR DESIRED OUTCOME

Through Consent, motion to approve a Property Maintenance Agreement with North Ridge Outdoor Services

OVERVIEW

The EDA owns several vacant properties that are abutted by public sidewalks. While the City provides snow removal services along Concord Street, several EDA-owned parcels are not within that service area and sidewalk snow and ice removal services have been provided for through a third party contract. The EDA's long-time contractor for these services, Schmitt's, notified staff last spring that the business would be ceasing operations as the owner moved into retirement. After soliciting proposals for this service commensurate with the purchasing policy, Staff is recommending approval of a property maintenance agreement with North Ridge Outdoor Services through June 1, 2027. North Ridge backed-up Schmitt's in 2023 - 2024 and was found to be responsive, efficient, and cost-effective.

SOURCE OF FUNDS

Property Maintenance is budgeted for in the EDA's annual budget.

ATTACHMENTS

1. Snow Removal Contract-EDA Lots

AGREEMENT FOR SERVICES

THIS AGREEMENT (“Agreement”) is made and executed this 2nd day of December, 2024, by and between the South St. Paul Economic Development Authority, 125 3rd Avenue North, South St. Paul, Minnesota 55075 (“EDA”) and North Ridge Outdoor Services, LLC., 10982 Clark Road Suite D, Inver Grove Heights, MN 55077 (“Contractor”).

WHEREAS, the EDA has accepted the proposal of the Contractor for certain snow removal services; and

WHEREAS, Contractor desires to provide the snow removal services for the City under the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the mutual consideration contained herein, it is hereby agreed as follows:

1. SERVICES.

- a. EDA agrees to engage Contractor as an independent contractor for the purpose of performing certain Services (“Services”), as defined below:
 - i. The removal of any accumulation of snow, sleet, and/or ice from all public sidewalks abutting properties identified in Section 1.a.iii of this agreement, all within the City of South St. Paul, within 24 hours of a precipitation event that results in said accumulation.
 - ii. Upon request of the EDA, removal of rubbish, trash, and other debris from the properties identified in Section 1.a.iii of this agreement and other EDA-owned properties upon request by the Executive Director of the EDA or his or her assignee. EDA may request debris removal services via email or telephone, and Contractor agrees to perform debris removal services within 96 hours of EDA’s request.
 - iii. The Services defined hereunder shall be provided at all of the following properties:
 1. 125 Grand Avenue East
 2. 130 Grand Avenue East
 3. 450 Hardman Avenue South
 4. 151 Concord Exchange South
 5. 400 – 438 Concord Exchange South
 6. Vacant Lot Between 1128 – 1210 Concord Street South
 7. Vacant Lot Between 1622 – 1628 Concord Street South

- b. Contractor covenants and agrees to provide Services to the satisfaction of the EDA in a timely fashion, as set forth in the Exhibits, subject to Section 7 of this Agreement.

2. PAYMENT.

- a. EDA agrees to pay and Contractor agrees to receive and accept payment for Services as set forth in the Exhibits.
- b. Any changes in the scope of the work of the Services that may result in an increase to the compensation due the Contractor shall require prior written approval by the authorized representative of the EDA. The EDA will not pay additional compensation for Services that do not have prior written authorization.
- c. Contractor shall submit itemized bills for Services provided to the EDA on a monthly basis. Bills submitted shall be paid in the same manner as other claims made to the EDA.

3. TERM. The term of this Agreement shall be for the period of December 2, 2024 – June 1, 2027. This Agreement may be extended upon the written mutual consent of the parties for such additional period as they deem appropriate, and upon the same terms and conditions as herein stated.

4. TERMINATION.

- a. Termination by Either Party. This Agreement may be terminated by either party upon 30 days' written notice delivered to the other party to the addresses listed in Section 13 of this Agreement. Upon termination under this provision, if there is no default by the Contractor, Contractor shall be paid for Services rendered and reimbursable expenses until the effective date of termination.
- b. Termination due to Default. This Agreement may be terminated by either party upon written notice in the event of substantial failure by the other party to perform in accordance with the terms of this Agreement. The non-performing party shall have fifteen (15) calendar days from the date of the termination notice to cure or submit a plan for cure that is acceptable to the other party.

5. SUBCONTRACTORS. Contractor shall not enter into subcontracts for any of the Services provided for in this Agreement without the express written consent of the EDA, unless specifically provided for in the Exhibits. The Contractor shall pay any subcontractor

involved in the performance of this Agreement within ten (10) days of the Contractor's receipt of payment by the EDA for undisputed services provided by the subcontractor.

6. STANDARD OF CARE. In performing its Services, Contractor will use that degree of care and skill ordinarily exercised, under similar circumstances, by reputable members of its profession in the same locality at the time the Services are provided. No warranty, express or implied, is made or intended by Contractor's undertaking herein or its performance of Services.
7. DELAY IN PERFORMANCE. Neither EDA nor Contractor shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of nonperforming party. For purposes of this Agreement, such circumstances include, but are not limited to, abnormal weather conditions; floods; earthquakes; fire; epidemics and pandemics; war, riots, and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances; sabotage; judicial restraint; and inability to procure permits, licenses, or authorizations from any local, state, or federal agency for any of the supplies, materials, accesses, or services required to be provided by either EDA or Contractor under this Agreement. If such circumstances occur, the nonperforming party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement. Contractor will be entitled to payment for its reasonable additional charges, if any, due to the delay.
8. EDA'S REPRESENTATIVE. The EDA has designated North Ridge Outdoor Services to act as the EDA's representative with respect to the Services to be performed under this Agreement. He or she shall have complete authority to transmit instructions, receive information, interpret, and define the City's policy and decisions with respect to the Services covered by this Agreement.
9. PROJECT MANAGER AND STAFFING. The Contractor has designated Brandon Reitberger and Nick Reitberger to be the primary contacts for the EDA in the performance of the Services. They shall be assisted by other staff members as necessary to facilitate the completion of the Services in accordance with the terms established herein. Contractor may not remove or replace these designated staff without the approval of the EDA.
10. INDEMNIFICATION.
 - a. Contractor and EDA each agree to defend, indemnify, and hold harmless each other, its agents and employees, from and against any legal liability for all claims, losses,

damages, and expenses to the extent such claims, losses, damages, or expenses are caused by its negligent acts, errors, or omissions. In the event claims, losses, damages, or expenses are caused by the joint or concurrent negligence of Contractor and EDA, they shall be borne by each party in proportion to its own negligence.

- b. Contractor shall indemnify EDA against legal liability for damages arising out of claims by Contractor's employees. EDA shall indemnify Contractor against legal liability for damages arising out of claims by EDA's employees.

11. INSURANCE. During the performance of the Services under this Agreement, Contractor shall maintain the following insurance:

- a. Commercial General Liability Insurance, with a limit of \$2,000,000 for any number of claims arising out of a single occurrence, pursuant to Minnesota Statutes, Section 466.04, or as may be amended;
- b. Workers' Compensation Insurance in accordance with statutory requirements;
- c. Automobile Liability Insurance, with a combined single limit of \$1,000,000 for each person and \$1,000,000 for each accident.

12. NOTICES. Notices shall be communicated to the following addresses:

If to EDA: South St. Paul EDA
 125 Third Avenue North
 South St. Paul, MN 55075
 Attention: Executive Director
 rgarcia@southstpaul.org

If to Contractor: North Ridge Outdoor Services, LLC
 10982 Clark Road Suite D
 Inver Grove Heights, MN 55077
 Attention: Brandon Reitberger
 brandon@northridgeoutdoor.com

13. INDEPENDENT CONTRACTOR STATUS. All services provided by Contractor, its officers, agents, and employees pursuant to this Agreement shall be provided as employees of Contractor or independent contractors of Contractor and not as employees of the EDA or City of South St. Paul for any purpose.

14. GENERAL PROVISIONS.

- a. Assignment. This Agreement is not assignable without the mutual written agreement of the parties.
- b. Waiver. A waiver by either EDA or Contractor of any breach of this Agreement shall be in writing. Such a waiver shall not affect the waiving party's rights with respect to any further breach.
- c. Governing Law. This Agreement shall be construed in accordance with the laws of the State of Minnesota and any action must be venued in Dakota County District Court.
- d. Amendments. Any modification or amendment to this Agreement shall require a written agreement signed by both parties.
- e. Severability. If any term of this Agreement is found to be void or invalid, such invalidity shall not affect the remaining terms of this Agreement, which shall continue in full force and effect.
- f. Data Practices Compliance. All data collected by the EDA pursuant to this Agreement shall be subject to the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13.
- g. Entire Agreement. This Agreement constitutes the entire agreement of the parties and supersedes all prior communications, understandings and agreements relating to the subject matter hereof, whether oral or written.

SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY

By: _____
James P. Francis, President

Ryan Garcia, Executive Director

Date: _____

CONTRACTOR (NORTH RIDGE OUTDOOR SERVICES, LLC)

By: _____

Its: _____

Date: _____

EXHIBIT 1 – SNOW REMOVAL FEES

Ryan Garcia

From: Brandon Reitberger <brandon@northridgeoutdoor.com>
Sent: Tuesday, November 5, 2024 3:24 PM
To: Ryan Garcia
Subject: Re: South St. Paul - Snow removals

Yeah we can do them. Here is the pricing.

125 Grand Ave E \$75
130 Grand Ave E \$75
450 Hardman Ave S \$120
151 Concord Exchange \$75
400-438 Concord Exchange S \$120
Vacant Lot Between 1128-1210 Concord St S \$120
Empty Lot Between 1622-1628 Concord St S \$120

Thank You,

Brandon Reitberger



North Ridge
Outdoor Services

10982 Clark Road Suite D
Inver Grove Heights, MN 55077
651-231-4682

EXHIBIT 2 – OTHER SERVICES FEES



North Ridge

Outdoor Services, LLC

10892 Clark Road Suite D – Inver Grove Heights, MN 55076
651-245-2737 or 651-231-4682

Lawn maintenance

\$ 100 Per Man Hour

Trash pick up

\$100 Per Man Hour

Disposal Fee

\$125 Per Load

1 Ton Truck 9' Blade

\$ 135 per hour

Skid Loader/Bobcat with 101" bucket

\$ 145 per hour

Skid Loader/Bobcat with Blower or 8' Pusher

\$ 155 per hour

Front End Loader with 3 yd Bucket

\$ 215 per hour

Front End Loader with 16' Pusher

\$ 225 per hour

Bulk Salt Applied

\$ 285 per ton*

Sidewalk Shoveling/Snow Blower

\$ 115 per hour

Sidewalk Salt Applied

\$ 65 per bag*

***Based on current market rate. May change at any time if market changes**



ECONOMIC DEVELOPMENT AUTHORITY AGENDA REPORT

DATE: December 2, 2024
DEPARTMENT: City Clerk
PREPARED BY: Deanna Werner
AGENDA ITEM NUMBER: 4.B.

MEETING TYPE

Regular Meeting

AGENDA ITEM

ACTION TO BE CONSIDERED OR DESIRED OUTCOME

Approval of 11/4/2024, EDA Minutes as presented.

OVERVIEW

Approval of the 11-4-2024 EDA Minutes as presented.

SOURCE OF FUNDS

ATTACHMENTS

1. 11-4-2024, EDA Minutes



SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY MINUTES OF NOVEMBER 4, 2024

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF AGENDA

Moved by: Joe Kaliszewski / Matt Thompson

Moved: To Approve agenda as presented.

Vote: 7 ayes / 0 nays, motion Passed

4. CONSENT AGENDA:

All items listed on the Consent Agenda are items, which are considered routine by the City Council and will be approved by one motion. There will be no separate discussion of these items unless a Council member or citizens requests, in which case the item will be removed from the consent agenda and considered at the end of the Consent Agenda.

Moved by: Joe Kaliszewski / Matt Thompson

Moved: To approve the agenda as presented.

Vote: 7 ayes / 0 nays, motion Passed

A. EDA Meeting Minutes of October 7, 2024

B. Payoff of EDA Loan 2018-1, Resolution 2024 - 24

C. Accept and Authorize Execution of Professional Services Proposal - Tushie Montgomery Architects

5. GENERAL BUSINESS:

A. Tax Base Revitalization Account Investigation Grant Application, Resolution 2024 – 25

Moved by: Tom Seaberg / Pam Bakken

Moved: To Approve Resolution 2024-25, Tax Base revitalization Account Investigation Grant Application.

Vote: 7 ayes / 0 nays, motion Passed

B. Preliminary Development Agreement - ZAS LLC (Hardman Triangle Phase 1)

Moved by: Pam Bakken / Lori Hansen

Moved: To Approve Preliminary Development Agreegment with ZAS LLC

Vote: 7 ayes / 0 nays, motion

6. ITEMS FOR FUTURE FOLLOW-UP:

General communications of the President and Commissioners are provided and may be considered for inclusion on a future agenda. There will be no discussion or decisions made related to these items at this meeting.

7. ADJOURNMENT

Moved by: Tom Seaberg / Joe Kaliszewski

Moved: To Adjourn

Vote: 7 ayes / 0 nays, motion Passed

/s/: Deanna Werner

City Clerk



ECONOMIC DEVELOPMENT AUTHORITY AGENDA REPORT

DATE: December 2, 2024
DEPARTMENT: Economic Development
PREPARED BY: Ryan Garcia
AGENDA ITEM NUMBER: 4.C.

MEETING TYPE

Regular Meeting

AGENDA ITEM

ACTION TO BE CONSIDERED OR DESIRED OUTCOME

Through Consent, motion to approve Termination of Purchase Agreement with Verdosa Industrial, LLC

OVERVIEW

Since 2018, Staff has doggedly pursued the realization of the "Wakota Crossing" industrial vision for an approximately 50-acre area lying between Hardman Avenue South and the Mississippi River just south of the I-494 Wakota Bridge. In September 2024, the EDA executed a Purchase Agreement with Interstate Development/Verdosa Industrial LLC (the developers of the "Bridgepoint" Business Park redevelopment of the southern portion of the South St. Paul Stockyards) as a first step in the potential 180,000 SF, build-to-suit office-warehouse development at the 15-acre EDA-owned site within the Wakota Crossing study area. As Interstate undertook additional due diligence on the feasibility of this project, they have unfortunately come to the conclusion that the site's underlying soil conditions - specifically the geotechnical suitability of the underlying fill and native soils - are prohibitive to an economically viable office-warehouse development. Staff has reviewed the developer's pro forma and budget and can confirm that these costs present a significant challenge, and unfortunately there are not currently public financing programs (such as grants, other assistance) for which payment for these costs would be eligible. While the EDA made significant efforts in utilizing the economic development financing tools we have at our disposal, ultimately the Developer is unable to make the project "pencil". As such, Staff suggests that it is appropriate to terminate the Purchase Agreement.

SOURCE OF FUNDS

N/A

ATTACHMENTS

1. Termination of Purchase Agreement

TERMINATION OF PURCHASE AGREEMENT
BY AND BETWEEN SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY,
AND VERDOSA INDUSTRIAL LLC

THIS TERMINATION OF PURCHASE AGREEMENT BY AND BETWEEN SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY, AND VERDOSA INDUSTRIAL LLC (this “Termination”) is entered into and made this 2nd day of December, 2024 (“Effective Date”), by and between South St. Paul Economic Development Authority, a Minnesota public body corporate and politic (“EDA”), and VERDOSA INDUSTRIAL LLC, a Minnesota limited liability company (“Buyer”).

WHEREAS, the EDA and Buyer entered into a Purchase Agreement dated September 16, 2024 (“Agreement”), for the purchase and sale of the Property identified in the Agreement; and

WHEREAS, Buyer no longer desires to purchase the Property; and

WHEREAS, the parties mutually desire to terminate the Agreement.

NOW, THEREFORE, in consideration of the above recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby declare that:

1. The Agreement is hereby terminated in its entirety effective as of the Effective Date of this Termination.
2. Governing Law. This Termination shall be construed in accordance with the laws of the State of Minnesota.
3. Severability. The invalidity of any covenant, restriction, condition, limitation, provision, paragraph or clause of this Termination, or any part of the same, or the inapplicability thereof to any person or circumstance, shall not impair or affect in any manner the validity, enforceability, or effect of the rest of this Termination, or the inapplicability of any such covenant, restriction, condition, limitation, provision, paragraph or clause to any other person or circumstance.
4. Binding Effect. This Termination shall run with the Property and is binding upon the heirs, successors, executors, administrators and assigns of the parties hereto.
5. Counterparts. This Termination may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

IN AGREEMENT, the parties hereto have hereunto set their hands as of the Effective Date.

**EDA:
SOUTH ST. PAUL ECONOMIC
DEVELOPMENT AUTHORITY**

By _____
James P. Francis
Its President

By _____
Ryan Garcia
Its Executive Director

BUYER:
VERDOSA INDUSTRIAL LLC

By: _____
Lonnie Provencher
Its President