

To: HONORABLE MAYOR AND CITY COUNCIL.

FROM: Dave Maroney, City Administrator.

SUBJECT: *Approve Contract with CEDA – Project #1.*

DATE: March 14, 2019.

BACKGROUND.

To continue moving forward with a number of economic development projects, I am seeking authorization to engage Community and Economic Development Associates (CEDA) to assist. The initial contract proposes CEDA assistance with work to facilitate demolition of the former Lee Chevrolet building (433 Mill Street) that is currently owned by the Economic Development Authority (EDA) – the EDA supports these actions. The costs incurred for this assistance will be paid from funds already budgeted and not yet allocated from the Economic Development Department fund.

REQUESTED COUNCIL ACTION.

The City Council is asked to approve the *Contract for Professional Services* with CEDA for Project #1 – Lee Chevrolet Demolition.

Contract for Professional Services

This contract is made and entered into by Community and Economic Development Associates, a Minnesota nonprofit corporation exempt from income tax as an organization operated for charitable purposes within the meaning of Internal Revenue Code section 501(c)(3), hereafter “CEDA”, and the City of Cannon Falls, an agency or affiliate of a political subdivision of the State of Minnesota, hereafter “the Authority”, to define the terms by which CEDA shall provide technical and management expertise services to the Authority.

I. Agreement scope and purpose. The Authority hereby retains CEDA to perform to its benefit the services described in paragraph II, to the end of the Authority more effectively accomplishing:

- * Prevention and/or combat of community and neighborhood deterioration and revitalization of deteriorated neighborhoods;
- * Attraction and/or retention of businesses that would not, but for the assistance provided, choose to locate/remain in the area;
- * The securing of businesses who will be required to provide jobs for unemployed and underemployed residents of the community; and
- * The expansion of business opportunities for minority entrepreneurs and other entrepreneurs that are viable business opportunities to enhance the well being of the community and/or for businesses who are unable to obtain financing from conventional sources

II. Services to be provided by CEDA. Staff’s services and associated materials, will be provided in order to facilitate and support the accomplishment of the Authority’s undertakings to the ends described in the preceding paragraph. CEDA agrees to provide technical and management expertise in the form of staff and materials to the Authority for project #1 – Lee Chevrolet Demolition. Project #1 consists of reviewing background information, conducting a site visit and complete initial communication with ATC and MPCA, prepare specifications for bids (quotes); prepare and administer demolition contract; assist with processing contractor payments; prepare final report (Memorandum). This work will begin April 15, 2019 and be completed by September 1, 2019 if not sooner.

Estimated timeline:

April 15 – April 22 - review background information, conduct a site visit, complete initial communication with Authority officials, ATC and MPCA and others as needed.

April 23 – May 3 – prepare specifications for bid document to be reviewed and approved by Authority officials and their representatives.

May 6 – May 22 – advertise for bids, prepare draft of demolition contract, other items as needed

May 23 – review bids

After May 23 – make recommendation to Council for action at their next meeting to award the project.

Demolition/project to be completed by August 1.

Final report submitted to Authority by August 30.

III. Obligations of the Authority.

- A. The Authority shall reimburse CEDA for staff time provided at the rate of \$62.00 per hour as directed by the Authority with a not to exceed provision of \$6,000.
- B. The Authority shall be responsible to provide payment to CEDA within 30 days of the submission of each invoice provided by CEDA.
- C. Projects and information from the Authority will be forwarded as projects are assigned.

IV. Obligations of CEDA.

A. CEDA is performing services as an independent contractor. Accordingly, the provision of staff by CEDA to provide technical and management expertise to the Authority under this Agreement neither creates a release of CEDA staff to employment at the Authority nor makes such staff subject to supervision by the Authority.

B. CEDA has no authority or right, express or implied, to assume or create any obligation or responsibility on behalf of the Authority or to bind the Authority in any manner. CEDA will not represent the contrary, either expressly or implicitly, to anyone.

C. CEDA is solely responsible for payroll tax responsibilities related to each of its staff persons whose time is provided under this Agreement and shall acquire and maintain necessary insurance related to their efforts under this Agreement, including carrying workers' compensation insurance coverage at all times. If requested, CEDA shall supply the Authority with certification of such coverage.

D. CEDA shall be responsible to invoice the Authority for staff time and materials provided under this Agreement on a periodic basis, no less frequently than quarterly. Invoicing will be kept separate for each project for tracking and billing purposes.

V. Period/Termination. The term of this Agreement is through December 31, 2019, or project completion, whichever is first, commencing upon full execution of this Agreement. The Agreement may be terminated earlier in its term upon 30 days' written notice by CEDA to the Authority or by the Authority to CEDA. Upon termination, the Authority shall be liable to pay CEDA for services performed at \$62.00 per hour, not to exceed \$6,000 and materials provided under this Agreement prior to and through the effective date of termination, unless otherwise specifically agreed by the parties in writing.

VI. Construction of Agreement. This Agreement is to be performed and construed under Minnesota law, and supersedes any and all prior agreements and contains the entire agreement of the parties.

CITY OF CANNON FALLS

By _____

Its _____

Date _____

By _____

Its _____

Date _____

COMMUNITY AND ECONOMIC DEVELOPMENT ASSOCIATES

By _____

Its _____

Date _____