

**CITY OF RICHFIELD, MINNESOTA
MONDAY, APRIL 18, 2011**

**SPECIAL RICHFIELD HOUSING AND REDEVELOPMENT AUTHORITY
WORKSESSION**

**RICHFIELD CITY HALL COUNCIL CHAMBERS
6700 PORTLAND AVENUE**

6:30 P.M.

AGENDA

Call to order

Roll call

1. Discussion with Wellington Management, Inc. regarding preliminary proposal for redevelopment of former Kmart site, 66th Street and Lyndale Avenue

Notes: _____

Adjournment

REGULAR HOUSING AND REDEVELOPMENT AUTHORITY MEETING

**RICHFIELD CITY HALL COUNCIL CHAMBERS
6700 PORTLAND AVENUE**

7:00 P.M.

AGENDA

Call to order

Roll call

1. Approval of minutes of (1) Special HRA/City Council/Planning Commission Worksession of March 21, 2011 and (2) Regular HRA Meeting of March 21, 2011
2. HRA approval of agenda
3. Consideration of contract for demolition with S.R. Stevens Excavating for demolition at 7537 Dupont Avenue, 7220 Russell Avenue, 6345 Bloomington Avenue, 6616 Second Avenue and authorizing staff to contract for any uncovered abatement costs

Staff Report No. 15

Notes: _____

4. HRA Discussion Items

Notes: _____

5. Executive Director report

Notes:

6. Claims and payroll

Adjournment

Auxiliary aids for individuals with disabilities are available upon request. Requests must be made at least 96 hours in advance to the City Clerk at 612-861-9738.

City of Richfield Calendar

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April 2011

Monday		Tuesday	Wednesday	Thursday	Friday	
28	Mar	29	30	31	1	Apr
7 PM Planning Commission						
4		5	6	7	8	
		11:30a Richfield Tourism Promotion Board @ 6601 Lyndale Avenue, Suite 106 7:00p Human Rights Commission @ Community Center	7PM Transportation Commission Meeting CANCELED	7:00p Arts Commission @ 7000 Nicollet Avenue		
11		12	13	14	15	
		5:30 PM Special City Council Worksession 7 PM Regular City Council Meeting				
18		19	20	21	22	
6:00p Advisory Board of Health 6:30 PM Special HRA Worksession 7 PM Regular HRA Meeting		7 PM Community Services Commission Meeting @ Community Center		7:00p Friendship City Commission		
25		26	27	28	29	
5:30p Human Services Planning Council 6 PM Special Planning Commission Worksession 7PM Regular Planning Commission CANCELED		5:30 P.M. Special City Council Worksession 7 PM City Council Meeting				

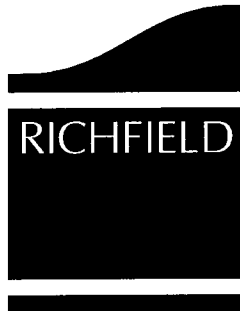
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**SPECIAL HOUSING AND REDEVELOPMENT
AUTHORITY/CITY COUNCIL/PLANNING
COMMISSION WORKSESSION MINUTES**
Richfield, Minnesota

March 21, 2011

CALL TO ORDER

The meeting was called to order by Chair Sandahl at 5:45 p.m.

ROLL CALL

HRA Members Present: Sue Sandahl, Chair; Joan Helmberger, Debbie Goettel, Doris Rubenstein (arrived at 6:40 p.m.) and Steven Quam

Council Members Present: Debbie Goettel, Mayor; Fred Wroge, Tom Fitzhenry, and Sue Sandahl

Council Members Absent: Pat Elliott

Planning Commission Members Present: Maureen Scaglia, Tom Rublein, Rick Jabs, Joshua Root, Robert Hall, Dennis Schuller, Daniel Kitzberger

Planning Commission Members Absent: Gordon Vizecky

Staff Present: Steve Devich, Executive Director; John Stark, Community Development Director; Bill Fillmore, Municipal Liquor Operations Director; Christine Costello, Community Development Coordinator; and Nancy Gibbs, City Clerk.

The City Council unanimously agreed to excuse Council Member Elliott.

Item #1	DISCUSSION REGARDING THE CORNERSTONE GROUP PROPOSAL FOR LYNDALE GARDEN CENTER SITE
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Colleen Carey, President of The Cornerstone Group and Beth Pfeifer, Director of Development, discussed their proposal for the Lyndale Garden Center site.

Chair of HRA/Council Member Sandahl thanked The Cornerstone Group and stated her support for the project.

HRA Commissioner Member Quam stated he is very supportive of the project at this point.

Item #2	DISCUSSION REGARDING 301 WEST 77TH STREET – VACANT CANDLEWOOD PARCEL
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Tom Woods, owner of Richfield Bloomington Honda, Tim Carter, General Manager of Richfield Bloomington Honda and Mark Balay, architect from Balay Architects, discussed proposed plans for the Candlewood parcel.

George Sherman, owner of Sherman Associates, Ryan Sailer, Development and Project Manager, and Collin Kaas, architect from Kaas Wilson Architects, presented their proposed plans for the Candlewood parcel.

ADJOURNMENT

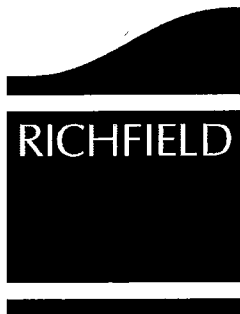
The meeting was adjourned by unanimous consent at 6:57 p.m.

Date Approved: April 18, 2011

Suzanne M. Sandahl
Chair

Nancy Gibbs
City Clerk

Steven L. Devich
Executive Director



HOUSING AND REDEVELOPMENT AUTHORITY MEETING MINUTES

Richfield, Minnesota

Regular Meeting

March 21, 2011

CALL TO ORDER

The meeting was called to order by Chair Sandahl at 7:01 p.m.

ROLL CALL

*HRA Members
Present:*

Sue Sandahl, Chair; Joan Helmberger, Debbie Goettel, Doris Rubenstein and Steven Quam.

Staff Present:

Steve Devich, Executive Director; John Stark, Community Development Director; and Nancy Gibbs, City Clerk.

Item #1

APPROVAL OF MINUTES OF SPECIAL HRA MEETING OF FEBRUARY 22, 2011

M/Quam, S/Goettel to approve the minutes of the February 22, 2011 Special HRA Meeting.

Motion carried 5-0.

Item #2

HRA APPROVAL OF AGENDA

M/Goettel, S/Quam to approve the agenda.

Motion carried 5-0.

Item #3

PRESENTATION OF PENN CENTRAL ANNUAL REPORT

David Gepner, 6845 Penn Avenue, presented Penn Central Annual Report.

Item #4

CONSIDERATION OF REQUEST FOR SUBORDINATION OF HRA FIRST TIME ADVANTAGE HOME LOAN AT 6400 PORTLAND AVENUE (STAFF REPORT NO. 11)

Community Development Director Stark presented Staff Report No. 11.

M/Quam, S/Goettel to approve a request for subordination of HRA First Time Advantage Home Loan at 6400 Portland Avenue.

Motion carried 5-0.

Item #5	CONSIDERATION OF REQUEST FOR SUBORDINATION OF HRA FIRST TIME ADVANTAGE HOME LOAN 7536 FREMONT AVENUE (STAFF REPORT NO. 12)
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Community Development Director Stark presented Staff Report No. 12.

M/Goettel, S/Rubenstein to approve a request for subordination of HRA First Time Advantage Home Loan at 7536 Fremont Avenue.

Motion carried 5-0.

Item #6	CONSIDERATION OF PRELIMINARY AGREEMENT WITH RON CLARK CONSTRUCTION AND DESIGN COMPANY FOR EXPLORING FEASIBILITY OF REDEVELOPMENT OF 3.5 ACRE AREA AT FORMER SITE OF RICHFIELD PUBLIC WOKS MAINTENANCE FACILITY AND ADJACENT PROPERTIES; AND RIGHT-OF-ENTRY AGREEMENT FOR USE OF 211 76TH STREET WEST AND 7608 PILLSBURY AVENUE BY RON CLARK CONSTRUCTION AND DESIGN COMPANY (STAFF REPORT NO. 13)
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Community Development Director Stark presented Staff Report No. 13.

Commission Member Quam stated he is concerned about this project due to the length of time the property would be tied up, at this point it would be from fifteen to twenty-one months. He also stated he would like the HRA to study what the goals are for housing in Richfield.

M/Sandhal, S/Goettel to approve a preliminary agreement with Ron Clark Construction and Design Company for exploring feasibility of redevelopment of 3.5 acre area at former site of Richfield Public Works Maintenance Facility and adjacent properties; and right-of-entry agreement for use of 211 76th Street West and 7608 Pillsbury Avenue by Ron Clark Construction and Design Company.

Motion carried 4-1. Commission Member Quam opposed.

Item #7	CONSIDERATION OF AMENDMENT TO CONTRACT WITH ARTEKA COMPANIES, LLC FOR STREETScape IMPROVEMENTS AT 6401 AND 6444 PENN AVENUE (STAFF REPORT NO. 14)
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City Manager/Executive Director Devich presented Staff Report No. 14.

M/Goettel, S/Sandahl to amend a contract with Arteka Companies, LLC for streetscape improvements at 6401 and 6444 Penn Avenue.

Motion carried 5-0.

Item #8	HRA DISCUSSION ITEMS
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Commission Member Goettel suggested having a worksession to discuss goals on the types of housing the HRA is looking for and the locations of different types of housing.

Item #9	EXECUTIVE DIRECTOR REPORT • May 16 Regular HRA Meeting
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Executive Director Devich suggested canceling the May HRA meeting due to the move into the new Municipal Center.

M/Sandahl, S/Goettel to cancel the Regular HRA Meeting of May 16, 2011.

Motion carried 5-0.

Item #10	CLAIMS AND PAYROLL
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M/Quam, S/Rubenstein that the following claims and payrolls be approved:

U.S BANK	03/21/2011
Section 8 Checks: 120214-120337	\$ 160,014.40
HRA Checks: 31151-31174	\$ 37,583.49
TOTAL	\$ 197,597.89

Motion carried 5-0.

ADJOURNMENT

The meeting was adjourned by unanimous consent at 8:15 p.m.

Date Approved: April 18, 2011

Suzanne M. Sandahl
Chair

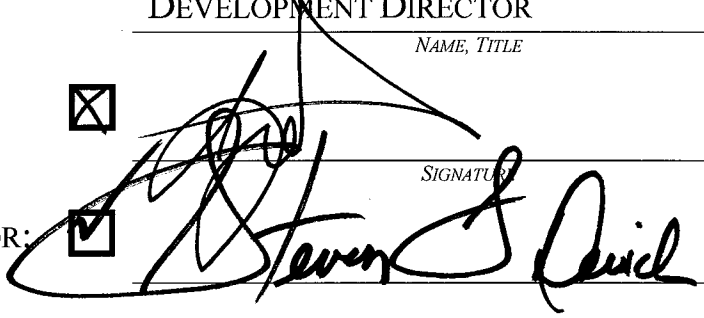
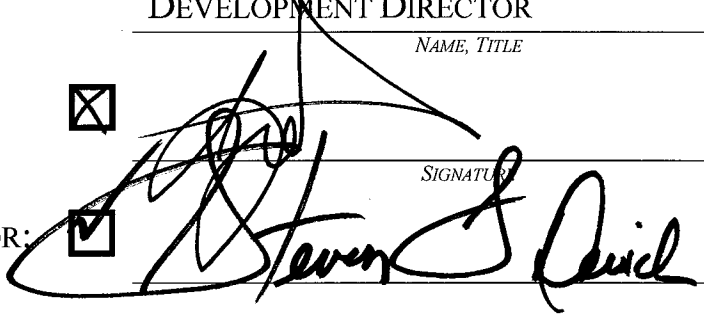
Nancy Gibbs
City Clerk

Steve Devich
Executive Director



STAFF REPORT

HOUSING AND REDEVELOPMENT AUTHORITY MEETING AUGUST 16, 2010

REPORT PREPARED BY:	JULIE URBAN, HOUSING SPECIALIST <small>NAME, TITLE</small>
REPORT PRESENTER:	KAREN BARTON, ASSISTANT COMMUNITY DEVELOPMENT DIRECTOR <small>NAME, TITLE</small>
DEPARTMENT DIRECTOR REVIEW:	<input checked="" type="checkbox"/>  <small>SIGNATURE</small>
REVIEWED BY EXECUTIVE DIRECTOR:	<input checked="" type="checkbox"/> 

ITEM FOR HRA CONSIDERATION:
Consideration of a contract with S.R. Stevens Excavating, Inc. for demolition at 7537 Dupont Avenue, 7220 Russell Avenue, 6345 Bloomington Avenue, 6616 2nd Avenue and authorize staff to contract for any uncovered abatement costs.

I. RECOMMENDED ACTION:
By Motion:
1) Approve the attached Contract for Demolition with S.R. Stevens Excavating for demolition at 7537 Dupont Avenue, 7220 Russell Avenue, 6345 Bloomington Avenue, 6616 2nd Avenue; and
2) Authorize staff to contract for any uncovered abatement costs.

II. BACKGROUND
In 2010 the Housing and Redevelopment Authority (HRA) acquired properties at 7537 Dupont Avenue, 7220 Russell Avenue, 6345 Bloomington Avenue, and 6616 2nd Avenue. The HRA plans to demolish the existing substandard structures and make the lots at 7537 Dupont Avenue, 7720 Russell Avenue and 6616 2nd Avenue available for new home construction through the Richfield Rediscovered Program and develop a new affordable home on the lot at 6616 2nd Avenue through the New Home program.

HRA staff solicited bids for demolition of the houses and garages from seven companies: S.R. Stevens Excavating, Inc.; Frattalone Companies; VEIT & Company; Semple Excavating & Trucking, Inc.; Demo, Dig & Haul, Inc.; Doboszinski & Sons; and K.A. Kamish Excavation, Inc. Four companies responded to the request, submitting the following estimates:

- S.R. Stevens Excavating, Inc. \$29,600
- K.A. Kamish Excavation, Inc. \$35,670
- Frattalone Companies \$37,978
- Semple Excavating & Trucking, Inc. \$42,890

Staff recommends that the HRA approve a contract with S.R. Stevens Excavating, Inc. (S.R. Stevens) for the demolition work to be completed by June 30, 2011.

As part of the contract, S.R. Stevens will survey properties for asbestos and other hazardous materials; the cost for removal is not covered by the contract but will be subcontracted for as necessary. The contract also requires the contractor to grade and seed each property.

III. BASIS OF RECOMMENDATION

A. POLICY

- The HRA has demonstrated success through its Richfield Rediscovered and New Home Programs in removing obsolete housing in poor condition and developing new housing that meets the needs of today's households.
- Historically, the HRA has demolished existing homes prior to selling the properties.

B. CRITICAL TIMING ISSUES

- The houses are currently vacant. To reduce potential risks, holding costs, and negative impacts to the surrounding neighborhood, the houses should be demolished as soon as possible.
- If the contract is approved, demolition will be completed by June 30, 2011.

C. FINANCIAL

- S.R. Stevens submitted the lowest bid at \$29,600.
- Any abatement costs will be considered above and beyond the demolition costs.
- There are funds available for the demolition and any necessary abatement in the 2011 budget.

D. LEGAL

- Legal counsel drafted the Contract for Demolition.

IV. ALTERNATIVE RECOMMENDATION(S)

- Do not approve the Contract for Demolition.
- Award contract to another bidder.

V. ATTACHMENTS

- Contract for Demolition.

VI. PRINCIPAL PARTIES EXPECTED AT MEETING

- N/A

**CONTRACT FOR DEMOLITION OF
7537 DUPONT AVENUE SOUTH
7220 RUSSELL AVENUE SOUTH
6616 2ND AVENUE SOUTH
6345 BLOOMINGTON AVENUE SOUTH**

THIS CONTRACT is made and entered into this ___ day of _____, 2011, by and between **S.R. Stevens Excavating, Inc.** (the “**Contractor**”) and the **Housing and Redevelopment Authority in and for the City of Richfield, State of Minnesota** (the “**HRA**”) (collectively, the “**Parties**”), for the demolition of buildings and abatement of hazardous substances and materials of the property located at 7537 Dupont Avenue South, 7220 Russell Avenue South, 6616 2nd Avenue South, and 6345 Bloomington Avenue South, Richfield, MN 55423.

RECITALS

WHEREAS, the HRA requires the demolition of buildings at 7537 Dupont Avenue South, 7220 Russell Avenue South, 6616 2nd Avenue South, and 6345 Bloomington Avenue South, Richfield, MN 55423 including among other items, the testing for hazardous substances and materials (the “**Work**”).

WHEREAS, the HRA has awarded the Work to the Contractor;

WHEREAS, the Contractor represents that it has the necessary personnel, experience, competence, and legal right to perform the Work;

NOW, THEREFORE, in consideration of the mutual obligations of the Parties hereto, each of them does hereby covenant and agree as follows:

Section 1. Definitions

“Asbestos” means any material containing more than one percent asbestos, which is friable, releasing asbestos fibers into the air, above current levels established by the United States Occupational Safety and Health Administration.

“Contract” or “Agreement” means this agreement between the HRA and Contractor for the performance of the Work, together with all exhibits, amendments, or modifications to the Contract.

“Destructive Report” means a hazardous materials abatement inventory prepared to assist in establishing the scope of the Work.

“Final Completion” means all items of the Work, “punch list items” and site work are completed and Contractor is eligible for Final Payment.

“Hazardous Materials” means asbestos, PCBs, petroleum hazardous waste, radioactive material, or any other hazardous materials or hazardous wastes within the meaning of City, State of Minnesota, or Federal definitions of hazardous materials or hazardous waste.

“Owner” means the Housing and Redevelopment Authority in and for the City of Richfield, Minnesota.

“Property” means 7537 Dupont Avenue South, 7220 Russell Avenue South, 6616 2nd Avenue South, and 6345 Bloomington Avenue South, Richfield, MN 55423.

“Substantial Completion” means the time at which the HRA determines that the Work has progressed to a point where it is sufficiently complete, leaving only minor “punch list” and close out items and other minor site work required to be completed for full payment of the contract price.

“Work” means the entire completed demolition, testing for hazardous materials, and all other activities to be performed by Contractor on the Property as provided for in the Contract.

Section 2. General Requirements

2.1. Rights of the HRA. The HRA and the City reserve the right to reject any or all proposals or parts of proposals, to accept part or all of proposals on the basis of considerations other than lowest cost, and to create a project of lesser or greater expense and reimbursement than described in this Contract. The HRA also reserves the right to cancel the Contract without penalty, if circumstances arise which prevent the HRA from completing the project. In the event of any conflict between the General Conditions and this Contract, this Contract shall control.

2.2. Interest of Members of City or HRA. The Contractor agrees that no member of the governing body, officer, employee, or agent of the City or the HRA shall have any interest, financial or otherwise, direct or indirect, in the Contract.

2.3. Equal Opportunity Statement. Contractor agrees to comply with the provisions of all applicable federal, state, and City of Richfield statutes, ordinances, and regulations pertaining to civil rights and nondiscrimination including without limitation Minnesota Statutes, Section 181.59 as amended, incorporated herein by reference.

2.4. Transfer of Interest. The Contractor shall not assign any interest in the Contract, and shall not transfer any interest in the same either by assignment or novation, without the prior written approval of the HRA, provided, however, that claims for money due or to income due to the Contractor may be assigned to a bank, trust company, or other financial institution, or to a Trustee in Bankruptcy without such approval. Notice of any such assignment or transfer shall be furnished to the HRA. Notwithstanding the foregoing, Contractor shall be entitled to use subcontractors to perform the Work.

2.5. Independent Contractor. Nothing contained in this agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Contractor shall at all times remain an independent contractor with respect to the services to be performed under this agreement. The HRA shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers Compensation Insurance as the Contractor is an independent contractor.

2.6. Hold Harmless. The Contractor agrees to defend, indemnify and hold harmless the HRA and the City, its officers and employees, from any liabilities, claims, damages, costs, judgments, and expenses, including attorney's fees, resulting directly or indirectly from an act or omission of the contractor, its employees, its agents, or employees of subcontractors, in the performance of the services provided by this contract or by reason of the failure of the contractor to fully perform, in any respect, all of its obligations under this Contract.

2.7. Accounting Standards. The Contractor agrees to maintain the necessary source documentation and enforce sufficient internal controls as dictated by normally accepted accounting practices to properly account for expenses incurred under this contract.

2.8. Retention of Records. The Contractor shall retain all records pertinent to expenditures incurred under this Contract for a period of three years after the resolution of all audit findings. Records for non-expendable property acquired with funds under this contract shall be retained for three years after final disposition of such property.

2.9. Disclosure. The Contractor agrees to comply with the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13, and all other applicable state and federal laws relating to data privacy or confidentiality, as those laws may be amended. The Contractor shall immediately report to the HRA any requests from third parties for information relating to this agreement. All data created, collected, received, stored, used, maintained, or disseminated by the Contractor in performing its obligations is subject to the requirements of the Act, and the Contractor must comply with those requirements as if it were a government entity. The HRA agrees to promptly respond to inquiries from the Contractor concerning data requests. The Contractor agrees to hold the City and the HRA, its officers, department heads and employees harmless from any claims resulting from the Contractor's failure to disclose data maintained by the Contractor and authorized for release by the HRA, and from Contractor's unlawful disclosure or use of data protected under state and federal laws.

Section 3. Contract Price

3.1. Upon compliance with all the requirements of this Contract, Contractor shall be paid the Contract Price of \$29,600, pursuant to Section 28 of this Contract. Any cost to remove asbestos and other hazardous materials as identified in the Destructive Materials Report and as authorized by the HRA will be paid separately from the Contract Price.

Section 4. Project Schedule

4.1. Contractor shall commence the Work on or after contract execution and Substantial Completion of the Work shall be achieved no later than June 30, 2011.

Section 5. Local Permit Requirements and Related Submittals

5.1. Contractor shall obtain permits required by the City of Richfield, including a plumbing permit (for water & sanitary sewer disconnects) and a demolition permit. Questions about these permits, permit fees, and the scheduling process for the required inspections should be directed to the Building Inspections Department at Richfield City Hall (612-861-9816). Contractor has not been provided a copy of an abatement hazardous materials inventory ("Destructive Report"). As part of the Work, the Contractor will arrange for a Destructive Report to be prepared on the properties.

5.2. No less than 2 days prior to beginning the Work, the Contractor shall provide:

- Description of proposed dust and noise control measures for the Property.

5.3. Upon completion of the Work, Contractor shall provide:

- Copies of any permits required by government agencies other than the City of Richfield, such as transport or disposal permits.
- Copies of any test results required by government agencies other than the City of Richfield, including but not limited to testing required as part of the asbestos abatement process.
- Copies of all landfill records indicating receipt and acceptance of hazardous wastes by a landfill licensed to accept hazardous wastes.

Section 6. Job Conditions - General

6.1. Contractor will disconnect and abandon utilities serving the Property, including water, sanitary sewer, electricity, gas and telecommunications; or arrange for disconnection and abandonment of same. Contractor shall not begin work before field-verifying that disconnection and abandonment has been completed.

6.2. Owner shall ensure that the buildings will be vacated and use of the property will be discontinued prior to start of work.

6.3. Owner assumes no responsibility for actual condition of structures to be demolished. Conditions existing at time of inspection for bidding purposes will be maintained by Owner to the extent practicable. Contractor may salvage any and all materials and equipment from the Property. Variations within structures may occur due to removal and salvage operations prior to the start of demolition work.

6.4. This is a lump sum contract. Contractor must immediately contact Owner prior to exceeding the Contract Price set out in Section 3.1. Change orders for additional payment will not be granted due to the Contractor underestimating quantities of material(s).

6.5. Contractor shall provide all labor, materials, equipment, employee training, compliance with all regulations, permits, notifications, licenses and agreement necessary to perform the work described in this Contract.

6.6. All materials from undertaking the Work shall become the property and responsibility of the Contractor.

6.7. Contractor may choose to salvage materials and equipment. Any salvaged items must be removed from the Property in a timely manner as they are salvaged. On site storage or sale of salvaged items is prohibited.

6.8. The use of explosives and on site burning by the Contractor are prohibited.

6.9. Contractor shall provide water, electricity, communications and toilet facilities on site as necessary to complete the work.

6.10. Contractor shall provide and maintain uninterrupted vehicular access to the Property, including temporary demolition facilities, storage and work areas, for not only persons and equipment involved in the project but also emergency vehicles.

6.11. Contractor shall keep fire hydrants and water control valves free from obstruction and accessible for use.

6.12. Contractor shall take all necessary safeguards to prevent damage or injury to neighboring property.

6.13. Prior to closing or rerouting existing traffic lanes or sidewalks in any public street easement or right-of-way adjacent to streets, the Contractor shall obtain written permission from the City Engineer. Expenses related to lane closures, including but not limited to traffic barriers, signs and similar equipment as well as traffic control personnel, shall be the responsibility of the Contractor.

Section 7. Asbestos Abatement

7.1 Contractor shall remove and properly dispose of all friable and category 2 non-friable asbestos containing materials and complete asbestos abatement on the Property in accordance with Minnesota Pollution Control Agency regulations and the Destructive Report identified in Section 5.1 of this Contract.

7.2. Contractor shall decontaminate and encapsulate the work area prior to final clearance and air monitoring.

7.3. Contractor shall provide final cleanup and removal of all remaining temporary barriers, equipment and supplies.

7.4. Contractor shall provide all monitoring and analysis of air samples as required by state and federal regulations.

7.5. Contractor shall complete final clearance and air monitoring as required by state and federal regulations.

Section 8. Other Hazardous Materials Abatement

Pursuant to Minnesota Pollution Control Agency regulations (and the Destructive Report), Contractor shall remove and properly dispose of the following materials and items from the Property:

8.1. Mercury:

- a. Batteries: Smoke detectors, emergency lighting, exit signs, security systems and alarms.
- b. Lighting: Fluorescent lights and bulbs; high intensity discharge lights (metal halide, high pressure sodium, mercury vapor and neon); switches and controls for lighting.
- c. Heating, Ventilating and Air Conditioning Systems: controls, devices, thermostats, aquastats, pressurestats, firestats, manometers, thermometers.
- d. Boilers, Furnaces, Heaters and Tanks: Mercury flame sensors by pilot lights; manometers, thermometers, gauges, pressure-trol, float and level controls, space heater and unit ventilator controls.
- e. Electrical systems: Load meters and supply relays, phase splitters, microwave relays and mercury displacement relays.
- f. Miscellaneous: All vacuum, pressure, fluid level, temperature and flow rate control boxes and panels.
- g. Any electrical wiring from fixtures or equipment being removed for abatement shall be capped.

8.2. Poly-Chlorinated Biphenyls (PCBs): Transformers, transistors, capacitors, heat transfer equipment, light ballasts.

8.3. Chlorofluorocarbons (CFCs) and Hydrochlorofluorocarbons (HCFCs): Fire extinguishers, air conditioners, walk-in coolers and freezers, water fountains and dehumidifiers, refrigerators/freezers/chillers, and heat pumps.

8.4. Miscellaneous:

- a. Hazardous waste including general-purpose cleaners, paints and thinners.
- b. Oils including used oil and hydraulic oil in door closers.
- c. Water heaters.
- d. Space heaters.
- e. Air compressors and controls.
- f. Building unit ventilators.
- g. Radiators.
- h. Fuse boxes and electrical panels.
- i. Roof top exhaust vents with motors.
- j. Boiler chemicals.
- k. Heating fuel tank, including contents, if any.

Section 9. Demolition

9.1 Owner has not conducted any testing to determine the extent of lead based paint. Contractor shall conduct demolition in compliance with any state or federal regulations governing demolition of structures containing lead based paint.

9.2. Contractor shall use water sprinkling, temporary enclosures and other suitable methods to limit dust and dirt rising and scattering in air. Contractor shall comply with any and all governing regulations pertaining to environmental protection. Contractor shall not use water when it may create hazardous or objectionable conditions such as flooding or pollution.

9.3. Contractor shall clean adjacent structures and improvements of dust, dirt and debris caused by demolition operations and return adjacent areas to condition existing prior to start of work.

9.4. Contractor shall demolish buildings, other structures, improvements, and landscaping completely and remove all debris from the Property. Contractor may use such methods as required to complete the work subject to the limitations of governing regulations.

9.5. Contractor shall proceed with demolition in a systematic manner, from top of structures to ground, and will complete demolition work above each floor or tier before disturbing supports on lower levels.

9.6. Contractor shall locate demolition equipment throughout the building and remove materials so as to not impose excessive loads to supporting walls, floor or framing.

9.7. Contractor shall provide and maintain interior and exterior shoring, bracing or other structural support to preserve structural stability and prevent movement, settlement or collapse of the building.

9.8. Contractor shall break up any concrete slabs-on-grade and remove from the Property.

9.9. Contractor shall demolish footings, foundation walls, tunnels and other below-grade structures and remove from the Property.

9.10 Contractor shall provide certificate of well abandonment if required.

Section 10. Debris Control

10.1. Contractor shall maintain the Property free of extraneous debris.

10.2. Contractor shall prohibit overloading of trucks to prevent spillage on access and haul routes.

10.3. Contractor shall maintain a sweeping and clean-up program to prevent deposition, release and disbursal of soils and debris onto paved surfaces.

Section 11. Disposal

11.1. Contractor shall move from the Property all debris, rubbish and other materials resulting from demolition operations.

11.2. Contractor shall transport materials from the Property and legally dispose of them off-site in accordance with governing regulations.

Section 12. Earthwork

12.1. Contractor shall rough grade the Property using clean fill after completing all abatement and demolition activities; taper edges of all excavated areas to minimize slope of 2 to 1, keeping soil disturbance to a minimum.

Section 13. Excusable Delays

13.1. The following circumstances, and only these circumstances, will, at the HRA's discretion, be considered legitimate cause for a change in the commencement and/or completion dates specified in Section 4 of this Agreement:

- a. Material delay -- material delays that are beyond the control of the Contractor, which can be shown to have directly caused the overall late completion.

- b. Adverse weather and emergency conditions -- weather or emergency conditions that directly affect the scheduling of exterior work over a significant portion of the term of this Agreement.
- c. Strikes -- Contractors who face union work stoppage in the case where they have to rely on such a work force in order to complete the Work.
- d. Amendments -- amendments in the original scope of work, which can be reasonably shown to require an extension of the time allowed for completion.
- e. Other delays -- act or neglect of the Owner, or of an employee of either, or of a separate contractor employed by the Owner, or by changes ordered in the Work or by unavoidable casualties or other causes beyond the Contractor's control.

Section 14. Change Order

14.1. The HRA shall have the right, within the general scope of the Work and without notice to any surety or sureties of the Contractor, if any, to make changes in the Work, either by altering the nature of the same or by adding to or deducting from it. All changes shall, except in the case of emergencies endangering the safety of persons or property, be made by written Change Order. The parties shall determine the effect of any Change Order on the Contract Price and project schedule by mutual agreement. The Contractor shall promptly comply with any and all written Change Orders. No such Change Order shall be deemed to invalidate the remaining terms and conditions contained in the Contract.

Section 15. Waiver of Liability

15.1 It is agreed that the Work is undertaken at the sole risk of the Contractor. The Contractor does expressly forever release the HRA and the City of Richfield from any claims, demands, injuries, damage actions, or causes of action whatsoever, arising out of or connected with the Work.

Section 16. Indemnification

16.1. Any and all claims that arise or may arise as a consequence of any act or omission on the part of the Contractor, its agents, servants, or employees while engaged in the performance of the Work shall in no way be the obligation or responsibility of the HRA or the City of Richfield. The Contractor shall indemnify, hold harmless, and defend the HRA and the City of Richfield, its commissioners, council members, officers, employees, successors, and assigns against any and all liability, loss, cost, damages, expenses, claims, or actions, including attorney's fees which the HRA and the City of Richfield, its commissioners, council members, officers, or employees may hereinafter incur or be required to pay on account of injury to or death of any person or persons or damage to

any property arising out of or by reason of any act or omission of the Contractor, its agents, servants, or employees in the execution, performance, or failure to adequately perform its obligations under this Agreement, whatever the cause of such injuries or damage.

Section 17. Insurance

17.1. The Contractor agrees that in order to protect itself, the HRA, and the City of Richfield under the indemnity provisions set forth in Section 16 of this Agreement, it will at all times during the term of this Agreement, maintain, at a minimum, the following insurance policies:

- a. Workers Compensation Insurance. The Contractor shall maintain worker's compensation insurance in compliance with all applicable statutes including Chapter 176 of the Minnesota Statutes. Such policy shall include Employer's Liability Coverage and at least such amount(s) as are customarily provided in worker's compensation policies issued in Minnesota. Contractor further agrees to require all subcontractors and independent contractors to maintain worker's compensation insurance in compliance with all applicable statutes and to monitor the compliance of such subcontractors and independent contractors with the applicable statutes.
- b. Commercial General Liability Insurance. The Contractor shall maintain Occurrence Based Commercial General Liability Insurance ("CGL"), providing coverage on an "occurrence", rather than on a "claims made" basis, which policy shall include coverage for the Completed Operations Hazard, and which shall also include a Broad Form General Liability Endorsement, ISO number GL 0404, or an equivalent form (or forms), so long as such an equivalent form (or forms) *affords* coverage which is in all material respects at least as broad. Any equivalent form (or forms) of coverage shall be approved by the HRA.

The Contractor agrees to maintain total liability policy limits of at least One Million Dollars (\$1,000,000), applying to liability for Bodily Injury, Personal Injury, and Property Damage, which total limits may be satisfied by the limits afforded under its Occurrence Based CGL policy as specified above, or by such policy in combination with the limits afforded by an Umbrella Liability Policy (or policies) provided, however, that the coverage afforded under any such Umbrella Liability Policy shall be at least as broad as that afforded by the underlying occurrence based CGL Policy as specified above.

- c. Automobile Liability Insurance. The Contractor shall maintain automobile liability insurance covering liability for Bodily Injury and Property Damage arising out of the ownership, use, maintenance, or operation of all

owned, non-owned, and hired automobiles and other motor vehicles. Such policy shall provide total liability limits for combined Bodily Injury and/or Property Damage in the amount of at least One Million Dollars (\$1,000,000) per accident, which total limits may be satisfied by the limits afforded under such policy, or by such policy in combination with the limits afforded by an Umbrella Liability Policy (or policies) provided, however, that the coverage afforded under any such Umbrella Liability Policy shall be at least as broad as that afforded by the underlying automobile liability insurance policy.

The HRA and the City of Richfield shall be named as "additional insured" parties with respect to the insurance policies specified in (b) and (c) above. The Contractor shall not commence work until a Certificate of Insurance evidencing all of the insurance policies required above is approved and a written Notice to Proceed is issued by an authorized representative of the HRA. The HRA shall, at any time during the term of this agreement, have the right to require that the Contractor secure any additional insurance, or additional feature to existing insurance, as the HRA may reasonably require for the protection of its interests or those of the public. It is expressly understood that the HRA does not in any way represent that the minimum insurance coverage set forth in this paragraph is sufficient or adequate to protect the interest or liabilities of the Contractor.

Section 18. Bond

18.1. No payment or performance bonds for the Work shall be required pursuant to Minn. Stat. § 574.26.

Section 19. Lien Waiver

19.1. Neither the Contractor nor any subcontractor or other person or entity furnishing labor, equipment, or materials in connection with the Work shall file any mechanic's lien against the HRA's buildings, structures or land or any part thereof, provided that the HRA makes all payments due to Contractor under this Contract. The Contractor shall protect, defend, indemnify, and hold harmless the HRA and the City of Richfield from any and all claims, demands, or actions of whatever nature arising out of work, labor, equipment, or materials furnished by the Contractor or its subcontractors in connection with the Work, provided that the HRA makes all payments due to Contractor under this Contract. Payment of the Contract Price shall not be due until the Contractor has delivered to the HRA lien waivers acceptable to the HRA, which release the HRA from all liens that may arise in connection with the Work. The Contractor shall list on the attached Exhibit A the names of all suppliers and/or subcontractors that will provide materials, services, or labor in connection with the Work. The Contractor will notify the HRA of any changes in this list prior to the commencement of the Work.

Section 20. Subcontractors

- 20.1. Contractor agrees to bind every subcontractor by the terms, conditions, and provisions set forth in the Contract that are applicable to the subcontractor's work, unless otherwise specifically agreed otherwise in writing by the HRA.
- 20.2. Contractor agrees to pay every subcontractor within 10 days of receipt of payment from the HRA pursuant to Minn. Stat. § 471.425.

Section 21. Assignment

21.1. This Contract shall be binding upon the Contractor, its legal representatives, heirs, successors, and assigns. No assignment or attempted assignment of this Contract or any rights hereunder shall be effective unless the written consent of the HRA is first obtained. No such assignment, even if consented to by the HRA, shall relieve the Contractor from liability under this Contract for the performance and completion of the Work in accordance with the Contract. Notwithstanding the foregoing, Contractor shall be entitled to use subcontractors to perform the Work.

Section 22. Entire Agreement

22.1. The Contract contains all the terms, conditions, and provisions pertaining to the Work to be completed by the Contractor, there being no other understandings, agreements, or warranties, express or implied. All prior negotiations and dealings regarding the subject matter of the Agreement are superseded by and merged into the Contract.

Section 23. Applicable Law

23.1. This Contract shall be construed in accordance with and governed by the laws of the state of Minnesota.

Section 24. Amendment

24.1. This Contract may be modified or amended only with the written approval of the HRA and the Contractor.

Section 25. Construction

25.1. In the event that any one or more of the provisions of this Contract, or any application thereof, shall be found to be invalid, illegal, or otherwise unenforceable, the validity, legality, and enforceability of the remaining provisions or any application thereof shall not in any way be affected or impaired thereby.

Section 26. Authority

26.1. Each of the undersigned parties warrants that it has the full authority to execute this Contract, and each individual signing this Contract on behalf of a corporation hereby warrants that he or she has full authority to sign on behalf of the corporation and that he or she represents and binds such corporation thereby.

Section 27. Waiver

27.1. No failure by the HRA to insist upon the strict performance of any covenant, duty, agreement, or condition contained in this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or any other covenant, agreement, term, or condition, nor does it imply that such covenant, agreement, term, or condition may be waived again.

Section 28. Payments to Contractor and Completion

28.1. The Contractor shall be paid upon completion of the Work in accordance with the payment schedule of the HRA, if any, and this section.

28.2. Application for Payment. Prior to receiving payment for Substantial Completion of the Work, the Contractor shall in writing state that the respective portion of the Work has been substantially completed and is free and clear of all liens as provided in this Contract. Upon Substantial Completion and inspection and verification by the HRA, the payment for that portion of the Work shall be made. Final payment shall be made when Contractor certifies that Final Completion has been achieved and verified by the HRA.

IN WITNESS WHEREOF, the parties have caused this Contract to be duly executed in their names and behalves and on or as of the date and year first above written.

THE HOUSING AND REDEVELOPMENT
AUTHORITY IN AND FOR THE CITY OF
RICHFIELD

By _____
Suzanne M. Sandahl
Its Chair

By _____
Steven L. Devich
Its Executive Director

CONTRACTOR

By _____
Its _____

By _____
Its _____

THIS INSTRUMENT DRAFTED BY:

Housing & Redevelopment Authority
City of Richfield
6700 Portland Avenue South
Richfield, MN 55423
612-861-9760
314396-v1.DOC

EXHIBIT A
LIST OF SUPPLIERS AND SUBCONTRACTORS
