

# Special School Board Meeting

Tuesday, June 13, 2023 6:00 PM

District Office Board Room, Teleconference, URL:, Shakopee, MN 55379

1. **CALL TO ORDER SCHOOL BOARD SPECIAL MEETING AND  
ROLL CALL - CHAIR PETERSON**

2. **PLEDGE OF ALLEGIANCE**

3. **CONSIDERATION OF AGENDA AS PRESENTED**

4. **ACTION ITEMS**

4.1. Updated Purchase Agreement -- Sale of Central  
Building

**Presenter:** Bill  
Menozzi, Director of  
Finance & Operations

4.2. Bid Approval -- Environmental Abatement

**Presenter:** Bill  
Menozzi, Director of  
Finance & Operations;  
; Ben Beery, Wold  
Architects &  
Engineers; Ed Zeimet,  
Building and Grounds  
Manager

4.3. Bid Approval -- Demolition

**Presenter:** Bill  
Menozzi, Director of  
Finance & Operations;  
; Ben Beery, Wold  
Architects &  
Engineers; Ed Zeimet,  
Building and Grounds  
Manager

5. **ADJOURNMENT**



**SCOTT COUNTY COMMUNITY DEVELOPMENT AGENCY**

**RESOLUTION NO. 12-23: AUTHORIZING AMENDMENT FOR DEMOLITION /  
REMEDICATION COSTS FOR REAL PROPERTY WITH A STREET ADDRESS  
OF 505 HOLMES STREET SOUTH, SHAOPEE, MN**

**WHEREAS**, Scott County Community Development Agency wishes to acquire a clean site with a property address of 505 Holmes Steet South, and Real Property Address Located on Exhibit A of the Purchase Agreement.

**WHEREAS**, in order to carry out the purpose of building an independent living 55+ project as well as an office building for Agency operations, the Agency desires to acquire said real property; and

**WHEREAS**, Staff has been intently working with The Shakopee School District , and their broker for quite some time to determine terms and conditions;

**WHEREAS**, the Purchaser has agreed to pay \$1,200,000 (One Million Two Hundred Thousand Dollars and No Cents) along with \$300,000 (Three hundred Thousand Dollars and No Cents) to assist with remediation of the site.

**WHEREAS**, Seller has agreed to share any and all geographical reports to the Agency and will sign over same; and

**WHEREAS**, the earnest money to be posted in an escrow account of \$50,000 (Fifty Thousand Dollars and No Cents); and

**WHEREAS**, bid results have been received from for demolition and remediation of the site. These costs exceed the expected bid amount of \$900,000, the "cost cap"; therefore the School District will split the costs for a total of \$52,143 for the additional CDA costs; and

**WHEREAS** any contingencies listed in this purchase agreement mut be satisfied for the successful outcome of this purchase agreement and project;

**THEREFORE, BE IT RESOLVED** that the Board of Commissioners authorize the this amendment to purchase of 505 Holmes Street South, Shakopee, MN, with the terms and conditions as listed on the Purchase Agreement; and


**BE IT FURTHER RESOLVED** that the Scott County Community Development Agency Board of Commissioners hereby authorizes the Executive Director and/or Board Chair to execute any documents necessary for the implementation of this Resolution.

Adopted this 13<sup>th</sup> day of June 2023

M/ Gade

S/ Stock

  
DeAnn Croatt, Chair

  
Terri Gulsad, Secretary



Croatt yes  
Gulstad yes  
Gade yes  
Choudek yes  
Stock yes

## REAL ESTATE PURCHASE AND SALE AGREEMENT

**THIS REAL ESTATE PURCHASE AND SALE AGREEMENT (“Agreement”)** is made as of \_\_\_\_\_, 2023 (“**Effective Date**”), by and between Independent School District No. 720, a Minnesota public school corporation (“**Seller**”), and **Scott County Community Development Agency**, a public body politic and corporate organized under the laws of the State of Minnesota (“**Purchaser**”).

### RECITALS

A. Seller is the owner of approximately 1.95 acres of real property located at 505 Holmes Street, Shakopee, Scott County, Minnesota, as more particularly described on **Exhibit A**, attached hereto and incorporated by reference, including a building consisting of approximately 70,000 sq. ft. located thereon (the “**Real Property**”). Seller has agreed to convey the Property (as hereinafter defined) to Purchaser and Purchaser is desirous of purchasing the same.

B. Purchaser and Seller agree that the Property (defined below) that is being purchased at the Closing (as defined below) will, in accord with the terms and conditions below, be cleared of improvements, including all buildings, parking lots, and utilities, including water and sewer lines, and the site remediated of all known Hazardous Substances (as defined below) prior to the Closing.

C. Seller desires to sell and Purchaser desires to purchase the Property pursuant to the terms and conditions set forth herein.

### AGREEMENT

**NOW, THEREFORE**, in consideration of the mutual covenants and conditions hereinafter expressed, and other good and valuable consideration, the receipt, sufficiency and mutuality of which are hereby acknowledged, Purchaser and Seller agree as follows:

1. Property To Be Purchased. Subject to compliance with the terms and conditions of this Agreement, Seller shall sell to Purchaser and Purchaser shall purchase from Seller the following (collectively, the “**Property**”):
  - (a) The Real Property cleared of all buildings, utilities, and improvements in accordance with the terms set forth herein; and
  - (b) All rights, privileges, easements and appurtenances pertaining to the Real Property, including any right, title and interest of Seller in and to adjacent streets, alleys, or rights-of-way; and
  - (c) All assignable licenses, permits, and approvals, relating to the Real Property; and
2. Purchase Price and Earnest Money. The purchase price to be paid by Purchaser for the purchase of the Property shall be One Million Five Hundred Thousand and No/100 Dollars

(\$1,500,000.00) (the “**Purchase Price**”), of which \$1,200,000.00 shall be allocated for purchase of the Property and \$300,000 shall be allocated for demolition of improvements to the Property. Within two (2) days after execution of this Agreement, Purchaser shall deposit with Scott County Abstract and Title, Inc. (“**Title Company**”) the amount of Fifty Thousand and No/100 Dollars (\$50,000.00) as earnest money (“**Earnest Money**”) to be held in accordance with an escrow agreement in the form attached hereto as **Exhibit B**, which Earnest Money and accrued interest shall be applied to the Purchase Price at Closing. The balance of the Purchase Price, plus or minus pro-rations and adjustments as set forth herein, will be paid in cash or by a wire transfer of funds to Seller at Closing.

3. Closing Date. The closing of the purchase and sale contemplated by this Agreement (the “**Closing**”) shall occur within ten (10) days of satisfying or waiving the Post-Demolition Contingencies (as hereinafter defined), but not later than November 30, 2023 (the “**Closing Date**”) or such other date as may be agreed upon by the parties. The Closing shall take place at the office of the Title Company, or at such other place as the parties shall mutually agree upon. Seller agrees to deliver possession of the Property to Purchaser on the Closing Date.
4. Evidence of Title. As soon as practicable but no later than ten (10) days after the Effective Date of this Agreement, Seller shall order at Seller’s sole cost and expense, a commitment from the Title Company to issue an ALTA Owner’s Policy of Title Insurance (“**Title Policy**”), in the amount of the Purchase Price, to insure Purchaser’s title to the Property, including copies of documents referenced in Schedule B thereof (collectively, the “**Title Commitment**”). The Title Commitment shall have an effective date of no earlier than the date of this Agreement. The Title Commitment shall obligate the Title Company to delete standard exceptions from the Title Commitment and the title policy upon the Title Company’s receipt of a satisfactory Survey of the Property (if required by the Title Company) and a Seller’s affidavit.

As soon as reasonably possible but no later than ten (10) days after the Effective Date of this Agreement, Purchaser shall order at Purchaser’s expense, a current survey of the Property prepared by a surveyor registered under the laws of Minnesota (the “**Survey**”). The Survey shall be prepared in accordance with “Minimum Standard Detail Requirements” for ALTA Land Title surveys. The Survey shall be certified to Purchaser, Purchaser’s lender (if any) and Title Company, and the Survey and the certification language shall be reasonably acceptable to Purchaser. The Title Commitment and the Survey are collectively referred to as the “**Title Evidence**”.

5. Purchaser’s Intended Use. It is understood and agreed that Purchaser’s purposes in entering into this Agreement is to develop and construct a senior apartment building that will include Purchaser’s administrative offices (“**Purchaser’s Intended Use**”).
6. Purchaser’s Objections to Title. Within ten (10) days after receiving each item of Title Evidence, Purchaser shall make written objections (“**Objections**”) to the content of the Title Evidence. Any matter disclosed by the Title Evidence and not objected to by Purchaser shall be a “**Permitted Exception**.” Seller shall use its best efforts to attempt to

cure the Objections within thirty (30) days after receipt of the Objections, during which period the Closing will be postponed as necessary. If Seller fails to cure the Objections within such thirty (30) day period, Purchaser will have the option to (a) terminate this Agreement and receive a refund of all Earnest Money (without either party being deemed at fault) or (b) waive the Objections and proceed to Closing (and all uncured Objections shall be deemed Permitted Exceptions). Purchaser shall exercise its option to terminate under this Section 6 by delivering written notice to Seller within five (5) days after the expiration of the 30-day period. If Purchaser fails to deliver notice of termination, Purchaser shall be deemed to have waived the Objections. Purchaser agrees that Seller need not remove liens, mortgages, deeds of trust, trust deeds, security interests or contract interests affecting the Property constituting Objections prior to Closing, provided that Title Company shall, at Closing, be directed to disburse funds constituting the Purchase Price to liquidate the indebtedness secured or evidenced by such liens, mortgages, deeds of trust, security interests or contract interests, if any.

7. Environmental Reports. Within five (5) business days following execution of this Agreement, Seller shall provide Purchaser with copies of all environmental studies, and reports in Seller's possession (collectively the "**Reports**"). Purchaser shall have determined, on or before the expiration of the Due Diligence Period that it is satisfied, in its sole discretion, with its review and analysis of the Reports.
8. Cost Cap Contingency. Seller's bid packages and quotations received for the work to remediate the environmental conditions found on the Real Property and to demolish the site in accordance with this Agreement shall not, in the aggregate, exceed Nine Hundred Thousand Dollars (\$900,000) (the "Cost Cap Contingency"). In the event the lowest responsible bids and quotations received exceed the Cost Cap Contingency, Seller will so notify Purchaser and Purchaser shall have until 5:00 PM on June 14, 2023 (the "Contingency Date") to consider whether to increase the Purchase Price and provide Seller with an amendment to this Agreement signed by an authorized representative of Purchaser providing for such increase. Seller may, within a reasonable time after the Contingency Date, and in its sole discretion, either terminate this Agreement by notice to Purchaser or waive the Cost Cap Contingency. Upon Seller's termination of this Agreement for failure to satisfy the Cost Cap Contingency, the Earnest Money, including any accrued interest thereon, shall be released to Purchaser and neither party will have any further rights or obligations regarding this Agreement or the Property.
9. Pre-Demolition Contingencies. In addition to satisfying the Cost Cap Contingency, the obligation of Seller to commence the demolition of the Real Property is also contingent upon each of the following (the "Pre-Demolition Contingencies"):
  - a. Title. Title to the Real Property shall have been found acceptable, or been made acceptable, in accordance with the requirements and terms of Section 6, above.
  - b. Document Review. Purchaser shall have determined, on or before the expiration of the Due Diligence Period (as defined below), that it is satisfied with its review and

analysis of the Reports described in Section 7 hereof, and the records and diligence materials listed on Exhibit C attached hereto.

- c. Approving Resolution. On or before May 31, 2023, Purchaser's governing board shall adopt a resolution authorizing Purchaser to acquire the Property pursuant to this Agreement. In the event Purchaser does not adopt the authorizing resolution described herein in accordance with this paragraph, the Seller may, as its sole option, terminate this Agreement by notice to Purchaser.

The "Due Diligence Period" shall commence on the Effective Date and expire at 5:00 o'clock p.m. on the thirtieth (30th) day thereafter, unless otherwise extended by mutual agreement of the parties. If any of the Pre-Demolition Contingencies in Sections 9a and 9b have not been satisfied or waived during the Due Diligence Period, then this Agreement may be terminated by notice from Purchaser to Seller, which notice shall be given not later than the expiration the Due Diligence Period. If the Pre-Demolition Contingency in Section 9c has not been satisfied during the Due Diligence Period, then this Agreement may be terminated by notice from Seller to Purchaser, which notice shall be given not later than the expiration the Due Diligence Period. Upon a termination of this Agreement for failure to satisfy a contingency prior to the end of the Due Diligence Period, the Earnest Money, including any accrued interest thereon, shall be released to Purchaser and neither party will have any further rights or obligations regarding this Agreement or the Property, except that Purchaser shall remain liable for any damage for inspection activities arising under Section 12, hereof. The Pre-Demolition Contingencies in Sections 9a and 9b hereof are for the benefit of Purchaser, and Purchaser shall have the right to waive any of those contingencies. If Purchaser does not elect to terminate the Agreement by the expiration of the Due Diligence Period, the Pre-Demolition Contingencies in Sections 9a and 9b will be deemed for all purposes to be satisfied.

10. Remediation and Demolition. Within a commercially reasonable time following the satisfaction or waiver of the Pre-Demolition Contingencies and the satisfaction or waiver of the Cost Cap Contingency by Seller, Seller will, at its expense:
  - a. Commence and complete the environmental remediation of asbestos containing materials on the Real Property in accordance with and as required by applicable environmental laws;
  - b. Commence and complete the removal of any underground storage tank found on the Real Property and, in the event evidence of a fuel leak from any such storage tank is found, Seller will remediate the leak in accordance with and as required by applicable environmental laws;
  - c. Commence and complete the demolition of the Real Property, including demolition of all existing buildings and parking lots, as well as the removal of existing playground equipment. Seller will also remove underground utilities located on the Real Property, including existing water and sewer lines, to the extent permitted and approved by applicable governmental authorities;

- d. Commence and complete the environmental remediation of any Hazardous Substance discovered during the demolition of the site that is not addressed in either Sections 10a or 10b above, in accordance with and as required by applicable environmental laws;
- e. Remove and dispose of all debris related to such demolition and grade the site in accordance with applicable law and the requirements of governmental authorities; and
- f. Seller will contemporaneously provide Purchaser copies of all completed environmental reports and summaries, and available notes of field conditions generated by the environmental consultant engaged by Seller and the contractors who performed the remediation and demolition work described herein, as well as copies of filings with any public agencies relating to the environmental investigation or remediation of the Property, as these documents are received by Seller. Seller makes no representation or warranty as to the accuracy or completeness of the records and documents provided to Purchaser.

It is hereby agreed that Seller may select the most cost-effective remedial alternative that meets the requirements of this Agreement, applicable environmental laws, and those of governmental authorities.

11. Post-Demolition Contingencies. The Closing contemplated by this Agreement and the obligations of Purchaser to purchase the Property shall be subject to the following conditions (the “Post-Demolition Contingencies”):

- a. Purchaser shall have determined, on or before the expiration of the Post-Demolition Due Diligence Period (defined below), that it is reasonably satisfied that the post-demolition condition of the Real Property conforms to the requirements of this Agreement. Seller shall allow Purchaser, and Purchaser’s agents, access to the Real Property without charge and at reasonable times during normal business hours for the purpose of Purchaser’s inspections and tests of the Real Property. Seller shall have the right to have a representative observe any testing activities and to request and receive split samples of any materials collected for analysis by or for Purchaser. Purchaser shall not perform any invasive testing on the Real Property without the consent of Seller. Purchaser shall pay all costs and expenses of such inspections and testing. If pursuant to its inspections and testing, Purchaser reasonably believes that a Hazardous Substance is present on the Real Property which has not been remediated in accordance with and as required by applicable law, Purchaser shall notify Seller of any purported deficiency by not later than the expiration of the Post-Demolition Inspection Period. In such event, the Post-Demolition Inspection Period shall be extended for a time period not to exceed ninety (90) days in order for Seller to investigate Purchaser’s finding and to complete the remediation, if necessary. If following Seller’s supplemental investigation, and remediation measures, if any, Purchaser reasonably and in good faith believes, based upon

objective evidence, that an unremediated Hazardous Substance remains on the Real Property, Purchaser may terminate this Agreement upon notice to Seller, but Seller shall retain the Earnest Money, including any interest thereon. If Purchaser does not elect to terminate the Agreement by the expiration of the Post-Demolition Inspection Period, the post-demolition condition of the Real Property shall be deemed satisfactory to Purchaser.

- b. Representations and Warranties. The representations and warranties in this Agreement shall be true at the time of Closing as though such representations and warranties were made at such time.
- c. Alley. Seller shall cause the alley located on the Property to be vacated by the Closing Date. Seller and Purchaser shall cooperate to complete the vacation of the alley located on the Property. Seller shall be responsible for the costs associated with the vacation.

The “Post-Demolition Due Diligence Period” shall commence the day Seller provides written notice to Purchaser that the demolition and remediation activities described in Section 10 hereof have been substantially completed and shall expire at 5:00 o’clock p.m. on the thirtieth (30th) day thereafter, unless otherwise extended by mutual agreement of the parties.

- 12. Indemnification and Inspections. Purchaser hereby agrees to indemnify, defend and hold Seller harmless from and against any and all losses, claims, causes of action, liabilities and costs of defense (including reasonable attorney’s fees) incurred by Seller arising out of the actions of Purchaser, its agents, employees, contractors or invites in the performance of any inspection to the Property and during any access to the Property. Purchaser and its agents shall comply with all applicable laws and regulations with respect to the inspection and access and shall refrain from interfering with Seller’s use of the Property. Purchaser shall assume all liability for any damages to Property or injury to persons resulting from, arising out of or incurred in connection with any inspection or access to the Property by Purchaser or its agents.

- 13. Representations and Warranties.

A. Seller makes the following representations and warranties to Purchaser:

- (i) The individuals executing this Agreement on behalf of Seller have the requisite authority to execute this Agreement and such other documents as are contemplated or to be delivered by Seller herein, and to bind Seller thereto; and Seller has the full and complete authority to sell the Property.
- (ii) Seller is not a foreign person, foreign partnership, foreign trust or foreign estate as those terms are defined in Section 1445 of the Internal Revenue Code.

- (iii) There have been no bankruptcy or dissolution proceedings involving Seller during the time Seller has had any interest in the Property, there are no unsatisfied judgments or state or federal tax liens of record against Seller, and there have been no labor or materials furnished to the Property for which payment has not been paid.
- (iv) To Seller's knowledge, without conducting any investigation, there are no unrecorded mortgages, contracts, purchase agreements, options, leases, easements or other agreements or interest relating to the Property.
- (v) There are no persons in possession of the Property other than Seller.
- (vi) Seller has not received notice of any new public improvement project(s), the cost of which a governmental entity may assess against the Property.
- (vii) To Seller's knowledge, without conducting any investigation, the Property is not in violation of any statute, law, ordinance or regulation, and there is no action, litigation, governmental investigation, condemnation or administrative proceeding of any kind pending or, to Seller's knowledge, threatened, against or involving any portion of the Property.
- (viii) To Seller's knowledge, without conducting any investigation, Seller is not in default in the performance of any of Seller's obligations under any easement agreement, covenant, condition, restriction, or other instrument or agreement relating to the Property.
- (ix) To Seller's knowledge, without conducting any investigation, there are no wells (as referenced in Minn. Stat. § 1031) or individual on-site sewage treatment systems (as referenced in Minn. Stat. § 115.55) on the Property. To Seller's knowledge, certifies that sewage generated on the Property goes to a facility permitted by the Minnesota Pollution Control Agency.
- (x) There are not now, nor to Seller's knowledge have there ever been underground or above ground storage tanks of any size or type located on the Property nor any Hazardous Substances (defined below), except for those previously disclosed to Purchaser, or disclosed to Purchaser in the course of Seller's demolition of the Property, located on the Property in violation of applicable governmental requirements, and the Property has not been used in connection with the generation, disposal, storage, treatment or transportation of Hazardous Substances in violation of applicable governmental requirements. To Seller's knowledge, without conducting any investigation, no activity has been undertaken on the Property that would cause or contribute to the discharge of Hazardous Substances or of fluids into any water source or system, the dredging or filling of any waters or the discharge into the air of any emissions that would require a permit under any federal or state law or local ordinance.

For purposes of this Agreement, the term “**Hazardous Substances**” includes but is not limited to substances defined as “hazardous substances,” “toxic substances,” “hazardous wastes” “pollutants” or contaminants” under federal or Minnesota law. The term “hazardous substance” shall also include asbestos, polychlorinated biphenyls, petroleum, including crude oil or any fraction thereof, petroleum products, heating oil, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas useable for fuel (or mixtures of natural gas and synthetic gas).

- (xi) For the purposes of satisfying any applicable requirements of Minn. Stat. § 152.0275, Seller discloses and certifies that, to its knowledge, methamphetamine production has not occurred on the Property.

The foregoing representations and warranties shall be accurate on the date hereof and on the date of Closing.

Except as expressly set forth in this Agreement, Seller makes no warranty or representations whatsoever, express or implied, regarding the condition, merchantability, habitability, environmental condition, or the fitness for any particular purpose or use, of the Property purchased and sold hereunder. Purchaser is purchasing the Property “AS-IS, WHERE-IS, AND WITH ALL FAULTS.” Purchaser acknowledges and agrees that it has had ample opportunity to investigate the Property to its satisfaction.

B. Purchaser makes the following representations and warranties to Seller:

- (i) The individuals executing this Agreement on behalf of Purchaser have the requisite authority to execute and deliver this Agreement and such other documents as are contemplated or to be delivered by Purchaser herein, and to bind Purchaser thereto; and Purchaser has the full and complete authority to purchase the Property.
- (ii) Purchaser shall promptly pay when due any and all charges for engineering, surveying or other studies, reports, assessments or investigations which are commissioned or requested by Purchaser and not the responsibility of Seller under this Agreement. Upon any termination of this Agreement, Purchaser shall provide to Seller, without costs, copies of all reports, assessments or investigations, surveys, title evidence, plans, governmental submissions, applications and approvals, and other documented due diligence related to the Property in the possession or control of Purchaser, all within five (5) days after termination.
- (iii) Purchaser shall not change the zoning, subdivide the Property, or complete any other administrative or physical change to the Property prior to Closing.

14. Real Estate Taxes and Special Assessments. The Seller and Purchaser shall pay the real estate taxes and special assessments as follows:
- (a) At or before Closing, Seller shall pay all real estate taxes, and special assessments payable therewith and any penalties and interest thereon due and payable with respect to the Property in all years prior to the year of Closing, including all deferred taxes attributable to years prior to the year of Closing. To the extent permitted by law, Seller agrees to defend, indemnify and otherwise hold Purchaser harmless from claims or causes of action involving Purchaser or the Property which occur as a result of Seller's failure to satisfy any such taxes or assessments or any materialmen's, laborer's or mechanic's lien on the Property resulting from work done or material delivered prior to Closing.
  - (b) Purchaser and Seller shall prorate the real estate taxes due and payable in the year of Closing, on a per diem basis using a calendar year, to the date of the Closing. Seller shall pay the balance of all special assessments levied, pending, certified or deferred as of the Effective Date of this Agreement.
  - (c) General real estate taxes due and payable, and any installments of special assessments levied, pending, or constituting a lien against the Property due and payable in calendar years following the calendar year of Closing and thereafter shall be assumed and paid by Purchaser. Purchaser shall be responsible for all sewer availability charges, all water availability charges, and all other development fees incurred in connection with Purchaser's Intended Use.
  - (d) Other Costs. Any others costs of the Property shall be allocated between Seller and Purchaser as of the Closing Date, so that Seller pays that part of costs relating to the period before the Closing Date, and Purchaser pays that part of costs relating to the period from and after the Closing Date.
15. Closing Documents. At or prior to Closing, the parties shall execute and deliver the following:
- (a) Limited Warranty Deed conveying title to Purchaser;
  - (b) Assignment of all Licenses and Permits needed to operate the Property, if any;
  - (c) Assignment of all Contracts and Warranties, if any;
  - (d) Any documents reasonably required by the Title Company;
  - (e) Affidavit Regarding Seller (MN Uniform Conveyancing Blank Form);
  - (f) FIRPTA Affidavit. A non-foreign affidavit, properly executed, containing such information as is required by Internal Revenue Code, Section 1445 (b)(2) and its regulations;

- (g) Well Certificate. A certificate (or statutory statement on the deed) signed by Seller warranting that there are no “Wells” on the Property within the meaning of Minnesota Statutes, Chapter 103I, or if there are “Wells”, a Well Certificate in the form required by law;
  - (h) Storage Tanks. If the Property contains or contained a storage tank, an affidavit with respect thereto, if required by Minn. Stat. Sec. 116.48; and
  - (i) A pro forma Title Policy or marked up Title Commitment obligating the Title Company to issue the Title Policy to Purchaser in the form required by this Agreement.
16. Closing Costs. The following costs and expenses shall be paid in connection with the Closing:
- (a) Seller shall pay the cost of:
    - (i) All fees associated with the issuance of the Owner’s Title Insurance Commitment, including State and Federal Tax Liens, judgment and bankruptcy searches;
    - (ii) All State Deed Taxes and/or transfer taxes on deeds;
    - (iii) All expenses to correct any title Objections that Seller elects to undertake pursuant to Section 6.0 above;
    - (iv) One-half of the Title Company’s Closing fee;
    - (v) Proration as of the Closing Date of all utilities and operating expenses;
    - (vi) Proration as of the Closing Date of real property taxes and installments of special assessments, if applicable, as specified in Section 10.0 above; and
    - (vii) All attorneys’ fees and expenses incurred by Seller.
    - (viii) Cost of any Surveys or Survey updates;
  - (b) Purchaser shall pay the cost of:
    - (i) Title Insurance Premiums, including endorsements;
    - (ii) UCC searches;
    - (iii) Any additional soil reports or inspection reports and all environmental reports and assessments required by Purchaser;
    - (iv) Recording fees for recording the deed;

- (v) One-half of the Title Company's Closing fee;
  - (vi) Proration as of the Closing Date of real property taxes and installments of special assessments, if applicable, as provided in Section 10.0 above;
  - (vii) Proration as of the Closing Date of all utilities and operating expenses as provided herein; and
  - (x) All attorneys' fees and expenses incurred by Purchaser.
17. Title To Be Delivered. Seller agrees to convey marketable fee simple title in the Property to Purchaser at Closing subject to:
- (a) Covenants, conditions, restrictions, declarations and easements of record, if any, without effective forfeiture provisions and which do not interfere with present improvements;
  - (b) Utility and drainage easements;
  - (c) Reservations of minerals or mineral rights by the State of Minnesota, if any;
  - (d) Building, zoning and subdivision laws, ordinances and State and Federal regulations which do not interfere with present improvements; and,
  - (e) Any "Permitted Exceptions" as defined in Section 6.0 hereof.
18. Commission. Seller and Purchaser represent and warrant to each other that they have not engaged the services of any broker in connection with the sale and purchase contemplated by this Agreement other than Seller's engagement of Corey Whitbeck and TaTonka Real Estate Advisors. Seller agrees to pay Corey Whitbeck and TaTonka Real Estate Advisors for its services rendered in this transaction. Seller and Purchaser each hereby agree, to the extent permitted by law, to indemnify and hold the other harmless of any claim made by any broker or sales agent or similar party for a commission due or alleged to be due under the terms of any brokerage agreement entered into by said party.
19. Condemnation. If, prior to the Closing Date, a public or private entity with the power of eminent domain commences condemnation proceedings against all or any part of the Property, Seller will promptly notify Purchaser, and Purchaser may, at Purchaser's sole option, terminate this Agreement. Notwithstanding the foregoing, Purchaser will have no right to terminate this Agreement if the condemnation is for a right-of-way or utility easement and such condemnation does not materially and adversely affect Purchaser's intended use of the Property. Purchaser will have until the date twenty (20) days from Purchaser's receipt of Seller's notice to Purchaser to exercise Purchaser's termination right. If Purchaser does not terminate this Agreement pursuant to this Section 17, the parties will fully perform their obligations under this Agreement, with no reduction in the Purchase Price, and Seller will assign to Purchaser, on the Closing Date, all of Seller's right, title and interest in any award made or to be made in the condemnation proceedings.

Seller will not designate counsel, appear or otherwise act with respect to any such condemnation proceedings without Purchaser's prior written consent unless Purchaser fails to respond within seven (7) days to a request for such written consent.

20. Operation Prior to Closing. Between the Effective Date and Closing Date, Seller shall execute no contracts, leases, or other agreements regarding the Property which extend beyond the Closing Date without the prior written consent of Purchaser, which consent may be withheld by Purchaser at its sole discretion. Seller shall not pledge or transfer any interest in or encumber or permit the encumbrance of the Property with any lien, easement, interest or agreement from and after the Effective Date without the prior written consent of Purchaser, which may be withheld in Purchaser's sole and absolute discretion.
21. Default.
  - (a) Seller's Default. In the event of a default or a breach of this Agreement by Seller which is not cured within ten (10) business days after Seller's receipt of Purchaser's written notice thereof (or such longer period of time up to fifteen (15) days as Purchaser may agree to in writing, at its reasonable discretion, if Seller demonstrates that it is actively pursuing remedy or cure but a longer period of time is needed), Purchaser may elect one of the following remedies: (i) terminate this Agreement, in which event Purchaser shall be entitled to return of the Earnest Money and any accrued interest thereon, and neither Seller nor Purchaser shall have any further obligations under this Agreement, except as to those matters expressly provided in this Agreement to survive termination; or (ii) purchase the Property notwithstanding such default, pursuant to the remaining terms of this Agreement thereby waiving any claim for default or any claim for reimbursement. Purchaser hereby waives and releases any right to (and hereby covenants that it shall not) sue Seller to recover damages, if any.
  - (b) Purchaser's Default. In the event of a default or breach of this Agreement by Purchaser and such default is not cured within ten (10) business days after Purchaser's receipt of written notice of such default, Seller (i) may terminate this Agreement, in which event Seller shall retain the Earnest Money and accrued interest thereon, and neither Seller nor Buyer shall have any further obligations under this Agreement, except as to those matters expressly provided in this Agreement to survive termination; or (ii) commence an action for specific performance.
22. Assignment. Either Seller or Purchaser may assign its interest in this Agreement with the prior written consent of the other Party, which consent shall not be unreasonably withheld. Upon such assignment, the assignee will have and be subject to all the rights, duties and obligations of the assignor. Any such assignment will not relieve the assigning party of any liability or obligation under this Agreement.
23. Miscellaneous. The following general provisions govern this Agreement:

- (a) Time of Essence. Time is of the essence of this Agreement.
- (b) Governing Law. This Agreement is made and executed under and in all respects to be governed by the laws of the State of Minnesota.
- (c) Entire Agreement. This Agreement (and Exhibits A-C, attached hereto) constitutes the sole and entire agreement between the parties. No representation, warranty, promise or inducement not included in this Agreement shall be binding upon any party.
- (d) Further Actions. Each party agrees that it will without further consideration execute and deliver such other documents and take such other action, whether prior or subsequent to Closing, as may be reasonably requested by the other party to consummate more effectively the purposes or subject matter of this Agreement. The provisions of this paragraph shall survive Closing.
- (e) Construction. All parties and their counsel have been involved in the drafting and negotiation of this Agreement and this Agreement will not be strictly construed against any party.
- (f) Notices. The mailing addresses of the Seller and Purchaser are as follows (or to such other respective addresses as may be designated by notice given in accordance with provisions of this section):

If to Seller: Independent School District No. 720  
Attn: Dr. Mike Redmond  
1200 Town Square  
Shakopee, MN 55379

And a copy to: Peter Martin  
Kennedy & Graven Chartered  
150 South 5th Street, Suite 700  
Minneapolis, MN 55402

If to Purchaser: Scott County Community Development Agency  
Julie Siegert  
323 Naumkeag Street South  
Shakopee, MN 55379

And a copy to: Tim Keane  
Kutak Rock LLP  
60 South Sixth Street, Suite 3400  
Minneapolis, MN 55402

Any notice, request, demand or other communication permitted or required hereunder shall be in writing and shall be deemed duly delivered when delivered personally or when deposited in the United States mails, First Class, postage prepaid or delivered to a reputable courier addressed to the party for whom it is intended at the address specified above or at such other address as either party shall notify the other of in writing as provided above, or by electronic mail, read receipt requested, without a bounce-back or out-of-office message.

- (g) Amendment. This Agreement shall be amended only by a written instrument signed by Seller and Purchaser.
- (h) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of each of the parties hereto.
- (i) Headings. The captions and headings of the various sections of this Agreement are for convenience only and are not to be construed as defining or as limiting in any way the scope or intent of the provisions hereof.
- (j) Invalidity. If for any reason any portion or paragraph of this Agreement shall be declared void or unenforceable by any court of law at equity it shall only affect such particular portion or paragraph of this Agreement and the balance of this Agreement shall remain in full force and effect and shall be binding upon the parties hereto.
- (k) Counterparts/Facsimile/E-Mail Signatures. This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original and all of which counterparts, taken together, shall constitute one and

the same Agreement. Facsimile signatures shall be binding on the transmitting party and shall have the same force and effect as if the original signature had been delivered.

- (l) No Obligations to Third Parties. Purchaser and Seller acknowledge and agree that the terms, provisions and conditions of this Agreement are for the sole benefit of, and may be enforceable solely by, Purchaser and Seller, and none of such terms, provisions and conditions are for the benefit of or may be enforceable by any third party.
- (m) No Partnership or Joint Venture. The relationship of the parties hereto is that of Seller and Buyer, and this Agreement shall not be construed as creating a partnership, joint venture or other relationship by or between Seller and Purchaser.
- (n) Time References. Any references in this Agreement to time for performance of obligations or elapsed time shall mean consecutive calendar days, months, or years, as applicable, unless otherwise explicitly indicated herein. In the event that the day on which Purchaser or Seller is required to take any action under the terms of this Agreement is not a business day, such action shall be taken on the next succeeding business day. For purposes of this Agreement the term “business day” shall mean all calendar days except for Saturdays, Sundays and nationally observed holidays.

*End of Agreement; Remainder Intentionally Blank; Signature Page to Follow*

**SELLER:**  
**Independent School District No. 720**

**PURCHASER:**  
**Scott County Community  
Development Agency**

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: Board Chair \_\_\_\_\_

Its: \_\_\_\_\_

By: \_\_\_\_\_

Its: Clerk \_\_\_\_\_

*505 Holmes*

*Real Estate Purchase and Sale Agreement*

*Signature Page*

**EXHIBIT A  
LEGAL DESCRIPTION**

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10, all in Block 74, City of Shakopee, Scott County , Minnesota

**EXHIBIT B**  
**ESCROW AGREEMENT**

**Independent School District No. 720** (“Seller”), and **Scott County Community Development Agency** (“Purchaser”) are parties to the purchase and sale of the real estate described in the attached Real Estate Purchase Agreement, dated \_\_\_\_\_, 2023 (“Purchase Agreement”). As provided in Section 2 of the Purchase Agreement, Purchaser hereby deposits the sum of \$50,000.00 (the “Earnest Money”) with Scott County Abstract and Title, Inc. (the “Escrow Agent”).

Escrow Agent agrees to disburse the Earnest Money in accordance with the terms of the Purchase Agreement and disburse the same strictly in accordance with such terms. The Escrow Agent will hold the Earnest Money in an interest-bearing account, if such account is reasonably available, with an institution whose accounts are insured by a governmental agency or instrumentality. If interest accrues on the Earnest Money it will accrue to Purchaser unless Purchaser defaults under the terms of the Purchase Agreement and Seller elects to retain the Earnest Money as liquidated damages in which case Seller will be entitled to such interest, if any.

The Escrow Agent will have no responsibility for any decision concerning performance or effectiveness of the Purchase Agreement and will only be responsible to act pursuant to the procedures set forth above. Purchaser and Seller hereby agree to hold the Escrow Agent harmless from any claims or defenses arising out of this Escrow Agreement and, to the extent permitted by law, indemnify the Escrow Agent for all costs and expenses in connection with this escrow, including court costs, attorneys’ fees, except for claims arising out of the Escrow Agent’s failure to account for the funds held and costs and expenses incurred by the parties in connection with such a claim.

The Escrow Agent’s fee for acting as an Escrow Agent is \$ \_\_\_\_\_. Purchaser and Seller hereby agree to share such cost equally.

**SELLER:**  
**Independent School District No.720**

**PURCHASER:**  
**Scott County Community  
Development Agency**

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Taxpayer Identification Number:

Taxpayer Identification Number:

41-6003781

\_\_\_\_\_

The Escrow Agent hereby acknowledges receipt of this Agreement and the Earnest Money to hold the Earnest Money as above specified.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT C**  
**Section 9b Documents**

1. All Phase I and Phase II reports and other environmental reports, including operating and management plans pertaining to any environmental conditions.
2. Copies of other reports regarding hazardous substances located at the Real Property including but not limited to asbestos, formaldehyde, PCBs, oil or oil byproducts.
3. Any inspections, studies, reports or surveys regarding the physical condition of the Real Property.
4. Seller's existing Survey for the Property, if any.

May 30, 2023

Mr. Ed Zeimet  
Shakopee Public Schools  
1200 Town Square  
Shakopee, MN 55379



**RE: Bid Opening for Central Family Center, 2023 Asbestos Abatement  
IEA Project #202310337**

Dear Mr. Zeimet:

In review of the bids submitted on 5/25/2023, for the 2023 Asbestos Abatement project, the apparent low base bid was provided by Titan Environmental, Inc. A post-bid submittal package has been requested from Mr. Jim Moeller, Project Estimator.

The project objectives and the bid amount were reviewed with Mr. Moeller. Based on the scope of work and previous work experience of Titan Environmental on other similar projects, the Institute for Environmental Assessment (IEA, Inc.) recommends that Shakopee Public Schools award the above-referenced project to Titan Environmental.

It is my understanding that this bid will be reviewed and voted on at the next Board meeting in June. I will notify Titan Environmental that it is anticipated that the School Board for Shakopee Schools will accept their Base Bid 1, of \$256,000.00, to complete the primary asbestos work on the above-referenced project. Base Bid 2, and the Alternates 1 & 2 are not required at this time. The Unit Prices #1 – 4 are recommended for acceptance in the Contract.

If you have any questions or require additional information, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads 'Jim Lindahl'.

Jim Lindahl  
Sr. Project Manager  
IEA, Inc.

cc. Jim Moeller, Titan Environmental  
Enc. Bid Tabulation Form

INSTITUTE FOR ENVIRONMENTAL ASSESSMENT, INC.  
[www.ieasafety.com](http://www.ieasafety.com)

BROOKLYN PARK  
9201 West Broadway, #600  
Brooklyn Park, MN 55445  
763-315-7900 / FAX 763-315-7920  
800-233-9513

MANKATO  
610 North Riverfront Drive  
Mankato, MN 56001  
507-345-8818 / FAX 507-345-5301  
800-233-9513

ROCHESTER  
210 Woodlake Drive SE  
Rochester, MN 55904  
507-281-6664 / FAX 507-281-6695  
800-233-9513

BRAINERD  
601 NW 5<sup>th</sup> Street, Ste. #4  
Brainerd, MN 56401  
218-454-0703 / FAX 218-454-0703  
800-233-9513

MARSHALL  
1420 East College Drive  
Marshall, MN 56258  
507-476-3599 / FAX 507-537-6985  
800-233-9513

VIRGINIA  
5525 Emerald Avenue  
Mountain Iron, MN 55768  
218-410-9521  
800-233-9513

**Central Family Center  
2023 Abatement for Demolition**

**BID OPENING**

IEA Project #202310337

May 5, 2023, at 1:00 p.m.

Contractor	Lump Sum Base Bid 1	Lump Sum Base Bid 2	Add Alternate 1	Add Alternate 2	Bid Bond	Construction Schedule	Responsible Contractor Documents
Envirobate	\$434,000	\$395,000	N/A	\$29,000	X	X	X
Environmental Plant Svcs	\$529,500	\$123,500	\$100,000	\$19,500	X	X	X
Mavo Systems	\$489,500	\$55,000	N/A	\$20,000	X	X	X
VCI Environmental	\$423,410	\$129,000	0	0	X	X	X
Titan Environmental	\$256,000	\$240,000	\$70,000	\$40,000	X	X	X
ECCO Midwest	\$322,269	\$135,555	0	\$22,255	X	X	X

Contractor	Unit Price #1	Unit Price #2	Unit Price #3	Unit Price #4
Envirobate	\$150	\$145	\$800	\$1,800
Environmental Plant Svcs	\$130	\$125	\$700	\$900
Mavo Systems	\$140	\$130	\$800	\$700
VCI Environmental	\$150	\$148	\$1,000	\$1,650
Titan Environmental	\$150	\$150	\$900	\$700
ECCO Midwest	\$135	\$130	\$500	\$950

It appears that Titan Environmental has submitted the lowest bid for acceptance upon approval by the Shakopee School Board.



May 31, 2023

**Ed Zeimet**  
Independent School District #720  
1200 Town Square  
Shakopee, Minnesota 55379

Re: Independent School District #720  
Central Building Demolition  
Commission No. 232041

Dear Ed:

We recommend the following be presented to the Board of Education.

On Tuesday, May 23, 2023, at 2:00 p.m., bids were received from nine (9) bidders for the Central Building Demolition. A bid tabulation is attached for your review. Rachel Construction from St. Michael, Minnesota submitted the low base bid in the amount of \$458,881. In addition, there is a bid alternate in the amount of \$34,800 to remove some asbestos caulking at the windows that is recommended for approval. These bid results are in line with what we were expecting and recommend approval.

We recommend awarding the contract to Rachel Construction as follows:

Base Bid	\$ 454,881
Alternate #1	\$ 34,800
<b>TOTAL CONTRACT</b>	<b>\$ 489,681</b>

Sincerely,

Wold Architects and Engineers

Ben Beery | AIA  
Associate

Enclosures

cc: Bill Menozzi, ISD #720  
Mike Redmond, ISD #720  
Douglas Kahl, Wold  
Contract File (letter only)

LW/S:/ISD\_720/DO\_Central/232041/\_Admin/Letters/2023.6.14 Letter to Ed Zeimet

**Wold Architects and Engineers**  
332 Minnesota Street, Suite W2000  
Saint Paul, MN 55101  
woldae.com | 651 227 7773

**PLANNERS  
ARCHITECTS  
ENGINEERS**



**Project Name:** Central Demolition Building

**BID TABULATION**

Commission No.: 232041  
 Date: May 23rd, 2023  
 Time: 2:00 PM

Wold Architects & Engineers  
 332 Minnesota Street, Suite W200  
 Saint Paul, Minnesota, 55101  
 651-227-7773

Bidders Name	Addendum Numbers	Bid Security (Y/N)	Base Bid	Alternate #1	Remarks
<b>Frattalone Companies inc.</b> 3205 Spruce Street Little Canade, Minnesota 55117	1,2	Y	\$659,900.00	\$75,000.00	
<b>Kevitt Excavating LLC</b> 3335 Pennsylvania Ave N Minneapolis, Minnesota 55427	1,2	Y	\$559,000.00	NA	
<b>LinnCo Inc.</b> 7616 Currel Boulevard suite 245 Woodbury, Minnesota 55125	1,2	Y	\$798,000.00	\$20,000.00	
<b>Lloyd's Construction Services Inc.</b> 6528 County Road 101 Shakopee, Minnesota 55379	1,2	Y	\$1,159,835.00	\$105,600.00	
<b>Rachel Construction</b> 4180 Napier Court NE St. Michael, Minnesota 55376	1,2	Y	\$458,881.00	\$34,800.00	
<b>Ramsey Companies</b> 8297 Brooklyn Boulevard Brooklyn Park, Minnesota 55428	1,2	Y	\$616,000.00	\$1,000.00	
<b>S M Hentges &amp; Sons Inc.</b> 650 Quaker Ave #200 Jordan, Minnesota 55352	1	Y	\$668,800.00	\$36,000.00	
<b>Urban Companies</b> 777 County Road D St Paul, Minnesota 55117	1,2	Y	\$1,750,000.00	\$200,000.00	
<b>Veit &amp; Company Inc.</b> 14000 Veit Place Rogers, Minnesota 55374	1,2	Y	\$727,340.00	\$35,000.00	