

City of South St. Paul

Housing and Redevelopment Authority Agenda

Special Meeting

Tuesday, January 22, 2019
2nd Floor Conference Room
6:30 P.M.

1. CALL TO ORDER:

2. ROLL CALL:

3. AGENDA:

- A. *Approval of Agenda*
- Action – Motion to Approve*
- Action – Motion to Approve as Amended*

4. PUBLIC HEARINGS:

- A. Transfer of HRA Properties to the South St. Paul Economic Development Authority – Resolution No. 19-3324
- B. Transfer of HRA Properties to the City of South St. Paul – Resolution No. 19-3325

5. CONSENT AGENDA:

All items listed on the Consent Agenda are items, which are considered to be routine by the Economic Development Authority and will be approved by one motion. There will be no separate discussion of these items unless a Commissioner or citizen so requests, in which event the item will be removed from the consent agenda and considered at the end of the Consent Agenda.

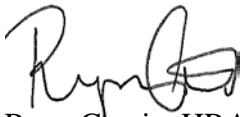
- A. Approval of Minutes – Special Meeting – October 8, 2018

6. GENERAL BUSINESS:

- A. Approval of Bid and Award Contract for Elevator Project at the John Carroll Highrise

7. ADJOURNMENT:

Respectfully Submitted,



Ryan Garcia, HRA Executive Director



HRA Agenda Report

Date: January 22, 2019

HRA Executive Director: _____

rg

4-A

4-B

Agenda Item: Transfer of HRA Properties to the South St. Paul Economic Development Authority – Resolution No. 19-3324 (4-A) and Transfer of HRA Properties to the City of South St. Paul – Resolution No. 19-3325 (4-B)

Action to be considered: Following Public Hearings, Motion to adopt Resolutions 19-3324 and 19-3325 approving the transfer of HRA properties.

Overview:

On January 1, 2016, the City of South St. Paul assumed responsibility for the various programs and projects of the HRA through its creation of the South St. Paul Economic Development Authority (EDA).

In order to provide program efficiency, the HRA has been transferring properties with reasonable development potential to the EDA and has transferred undevelopable properties to the City. Several of these properties were encumbered with significant title issues that have required additional time and research to correct. Those properties are identified in Resolutions 19-3324 and 19-3325.

Source of Funds: Survey, title and recording costs are borne by the Concord Street Tax Increment Finance District as a qualified Land cost.

The Housing and Redevelopment Authority in and for the City of South St. Paul
Dakota County, Minnesota

RESOLUTION NO. 19-3324

RESOLUTION AUTHORIZING SALE OF LAND
TO THE SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY

WHEREAS, the Housing and Redevelopment Authority in and for the City of South St. Paul, Minnesota (“HRA”) in connection with HRA programs and projects (“Programs”) purchased certain properties legally described in Exhibit A (“Project Properties”), which are currently held in title by the HRA; and

WHEREAS, the City Council transferred all administration of its Programs to the South St. Paul Economic Development Authority (“EDA”) by City Council Resolution 2015-197; and

WHEREAS, the HRA desires to transfer title of the Project Properties to the EDA in order to provide Program efficiency; and

WHEREAS, the HRA published in the South-West Review, a local newspaper of general circulation notice of availability of a public hearing to be held on January 22, 2019 at 6:30 p.m. for the conveyance of the Project Properties to the EDA;

NOW, THEREFORE, BE IT RESOLVED by the Housing and Redevelopment Authority in and for the City of South St. Paul, Minnesota that the required officers of the HRA are authorized to execute the necessary documents to transfer and convey title of the Project Properties listed on Exhibit A to the South St. Paul Economic Development Authority and record deeds accordingly.

Moved by: Commissioner _____

Seconded by: Commissioner _____

January 22, 2019

_____Ayes _____Nays

Resolution No. 2019-3324

January 22, 2019

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Exhibit A

Real property in Dakota County, Minnesota described as follows:

PID: 36-72850-05-041

PID: 36-18600-02-042

PID: 36-15051-01-010

PID: 36-72850-06-142 (part)

PID: 36-72850-08-120 (part)

The Housing and Redevelopment Authority in and for the City of South St. Paul
Dakota County, Minnesota

RESOLUTION NO. 19-3325

RESOLUTION AUTHORIZING SALE OF LAND
TO THE CITY OF SOUTH ST. PAUL

WHEREAS, the Housing and Redevelopment Authority in and for the City of South St. Paul, Minnesota (“HRA”) in connection with HRA programs and projects (“Programs”) purchased certain properties legally described in Exhibit A (“Project Properties”), which are currently held in title by the HRA; and

WHEREAS, the City Council transferred all administration of its Programs to the South St. Paul Economic Development Authority (“EDA”) by City Council Resolution 2015-197; and

WHEREAS, the HRA desires to transfer title of the Project Properties to the City of South St. Paul in order to provide Program efficiency; and

WHEREAS, the HRA published in the South-West Review, a local newspaper of general circulation notice of availability of a public hearing to be held on January 22, 2019 at 6:30 p.m. for the conveyance of the Project Properties to the City of South St. Paul;

NOW, THEREFORE, BE IT RESOLVED by the Housing and Redevelopment Authority in and for the City of South St. Paul, Minnesota that the required officers of the HRA are authorized to execute the necessary documents to transfer and convey title of the Project Properties listed on Exhibit A to the City of South St. Paul and record deeds accordingly.

Moved by: Commissioner _____

Seconded by: Commissioner _____

January 22, 2019

_____Ayes _____Nays

Resolution No. 19-3325

January 22, 2019

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Exhibit A

Real property in Dakota County, Minnesota described as follows:

PID: 36-72850-02-285 (part)

PID: 36-72850-05-162 (part)

PID: 36-72850-06-142 (part)

PID: 36-72850-08-120 (part)

HOUSING AND REDEVELOPMENT AUTHORITY
OF THE CITY OF SOUTH ST. PAUL

BOARD OF COMMISSIONERS
MINUTES
SPECIAL MEETING
OCTOBER 8, 2018

The Special Meeting of the Housing and Redevelopment Authority of the City of South St. Paul was held on October 8, 2018 in the South St. Paul City Hall Training Room. Chairperson Hansen called the meeting to order at 6:30 P.M.

The following Commissioners were present: Bill Flatley, Tom Seaberg, Marilyn Rothecker, Joe Forester, Jimmy Francis and Todd Podgorski. Staff was represented by Ryan Garcia, Joel Hansen, Michelle Pietrick. Legal Counsel, Aaron Price.

Others present: Dan Dege, Finn Daniels Architects and Nan McKay resident Edward Schultz.

APPROVAL OF AGENDA

It was moved by Commissioner Seaberg and seconded by Commissioner Rothecker to approve the agenda as presented.

Motion carried 7 ayes / 0 Nays

PUBLIC HEARING

A. Approval of 2019 Annual Plan and Revised 5-Year Capital Fund Plan – Resolution No. 18-3322

Chair Hansen entertained a motion to open the public hearing. It was moved by Commissioner Francis and seconded by Commissioner Rothecker to open the public hearing.

Mr. Garcia reported the agency plan is a HUD requirement and has been out for public comment for the required 45-day period with no comments received during that time. For 2018, Capital Funding increased \$143,741 which allowed revision of the 2018 projects. Proposed projects for 2019 include:

- Repair of HVAC Systems – Nan McKay and John Carroll
- Replacement of Light Fixtures – Nan McKay
- Replacement of Unit Electrical Panels – John Carroll

Adjustments to 2019 projects may be required once final Capital Fund awards are determined.

Moved by Commissioner Francis and seconded by Commissioner Flatley to close the public hearing.

It was moved by Commissioner Seaberg and seconded by Commissioner Francis to adopt Resolution No. 18-3322 approving the 2019 Agency Plan and Revised 5-Year Capital Fund Plan.

Motion carried 7 ayes / 0 Nays

The above resolution is attached and made part of these minutes.
Correspondence re above is recorded as Document No. 6642.

CONSENT

It was moved by Commissioner Rothecker and seconded by Commissioner Forester to approve the consent agenda as follows:

- A. Approval of Special Meeting Minutes – June 25, 2018

Motion carried 7 ayes / 0 Nays

GENERAL BUSINESS

- A. Approval of Bid and Award Contract for Sprinkler Head Project at Highrises

Mr. Garcia reported discussed the bidding process for the sprinkler head replacement project at the Nan McKay and John Carroll building. Dynamic Fire Protection (DFP) submitted the only bid in the amount of \$192,000 with a deduction of \$56,875.00 for removing the atrium work in the John Carroll building. Mr. Garcia explained the bidder is a new fire protection contractor; however, the owners have experience working in the fire protection industry.

Dan Dege, Finn Daniels Architects briefed the Commissioners on the May 8, 2018 bid opening which resulted in rejection of both bids due to bidding errors. Mr. Dege stated DFP submitted a complete bid package. Additionally, the contractor was interviewed and reference checks were conducted.

Discussion ensued regarding the lack of bidders, whether the previous two bidders were contacted regarding rebid and the scope of work in the Request for Proposal. It was the consensus to obtain an assessment from the South Metro Fire Department and the City Building Official as to whether the John Carroll atrium sprinkler heads are necessary from a public safety standpoint.

After discussion it was moved by Commissioner Francis and seconded by Commissioner Seaberg to reject the bid from Dynamic Fire Protection due to lack of market competition.

Motion carried 7 Ayes / 0 Nays

Correspondence re above is recorded as Document No. 6643.

B. Approval of 2019 Public Housing Budget – Resolution No. 18-3323

Mr. Garcia reviewed the public housing budget for 2019 and reported projected revenues exceeded expected expenses for the coming year. Discussion ensued regarding contact costs and the transition of public housing management to CommonBond.

Motion by Commissioner Francis and seconded by Commissioner Podgorski to adopt Resolution No. 18-3323 approving the Public Housing Budget for 2019.

Motion carried 7 Ayes / 0 Nays

The above resolution is attached and made part of these minutes.
Correspondence re above is recorded as Document No. 6644.

ADJOURNMENT

Moved by Commissioner Seaberg and seconded by Commissioner Forester to adjourn. Chair Hansen declared the meeting adjourned at 7:24 P.M.

Respectfully submitted,

William Flatley, Secretary

Lori Hansen, Chairperson

Dated: January 22, 2019



HRA Agenda Report

Date: January 22, 2019

HRA Executive Director: _____

rg

6-A

Agenda Item: Approval of Bid and Award Contract for Elevator Modernization Project at John Carroll Apartments (300 Grand Avenue West)

Action to be considered: Motion to accept the low bid for the elevator modernization project and award contract to Larson Elevator for the Elevator Modernization Project at the John Carroll Highrise.

Overview:

An advertisement for bids to repair and upgrade two elevators serving the John Carroll Highrise was published in November of this year, and we received four qualified bids. Bids were opened and read publicly on December 19, 2018 and the low bid of \$363,083 was received from Larson Elevator.

We have worked with our architect to conduct reference checks, interviews, and site visits on Larson Elevator, and have reviewed their capacity to complete the project. The enclosed bid recommendation letter proposes awarding the bid to Larson.

Following award, we will proceed to close financing with Minnesota Housing Finance Agency (MHFA), and anticipate beginning the project in the Spring. Upon notice to proceed, the Contractor has to complete the project within no more than 210 days, however they anticipate completion within 10 -12 weeks of notice to proceed.

Source of Funds:

The project will be funded using a Minnesota Housing Finance Agency (MHFA) POHP forgivable construction loan, leveraged at 15% with 2017 and 2018 HUD Capital Funds.

Attachments:

Bid recommendation materials from Finn-Daniels Architects

Bid Recommendation



12-31-18

To: South St Paul Housing and Redevelopment Authority
125 Third Ave North
South St Paul, MN 55075

2145 Ford Parkway, Suite 301
Saint Paul, Minnesota 55116

Tel: 651.690.5525

Fax: 651.690.5545

Attn: Ryan Garcia
Executive Director

www.finn-daniels.com

Re: Elevator Repair and Upgrade Project
John Carroll Apartments
South St Paul, MN

On November 26th, 2018 plans and specifications were completed and distributed for bids for the project listed above. An Advertisement for Bids was published in the local paper twice, and plans were posted on various construction bidding networks. Additionally, all known local and capable elevator contractors were contacted to give them a "heads up" that plans were coming out for bids. On November 29th, 2018 a Mandatory Prebid Meeting was held at the John Carroll Apartments. There were 16 contractors at the Prebid Meeting, which represented 6 Prime Elevator Contractors, and several residual work Subcontractors.

On December 19th, 2018 bids were received consistent with the procurement policy of the South St Paul HRA for the renovation work described in plans and specifications (Architects Project #17049). The HRA received 4 sealed bids from Prime Elevator Contractors (see attached Bid Tabulation). Larson Elevator Company out of Grand Rapids, MN was the low-bid contractor at \$363,083. This amount is lower than the Independent Cost Estimate, and also lower than the amount of funding agreed to by MHFA under the POHP program.

The apparent low-bid contractor has provided a list of references which the Architect has contacted, all of which gave positive reviews of Larson Elevators work. Also, the Contractor has completed and submitted all required paperwork with their bid as required by HUD (such as Non-Collusive Affidavit, Section 3 information etc.).

On 12-21-18 Dan Dege AIA from Finn-Daniels Architects along with Kathy Markwell from Elevator Advisory Group (the elevator consultant on the project) conducted an interview with Tony Larson of Larson Elevator. Per the interview, Larson Elevator would be the Prime Contractor on this project and complete the elevator work with primarily their own work forces without hiring new employees for this job, as they have service personnel located in the twin cities. Residual work necessary will be done by TCS Construction Services as a Subcontractor to Larson Elevator. At the time of the interview, Tony Larson felt comfortable with his bid, had no questions or concerns relating to the plans and specifications, and was excited to work on the project with the Housing Authority. Larson Elevators has been in business only since 2015 however, Tony Larson has 11 years of experience working for Otis Elevator prior to launching his own business. Larson has completed both larger and smaller elevator projects, and has done work for several HRA's around the state – see attached experience and reference list. Also, for all the work they have done, they also maintain the service contract for the elevators which they installed in all cases except one. HRA directors have attested to having very positive service experiences with Larson Elevator service personnel.

It should be noted that Larson is a smaller and independent elevator contractor, and they were also low bidder on 12-18-18 for the Two Harbors HRA on their elevator project. Larson maintains a service crew in Duluth as well, so these 2 projects would use different crews. When asked about work load, Tony indicated that they have 2 other elevator projects under contract, one in Duluth and one in the Twin Cities. He also indicated that he had no concerns about the work load he has, or the addition of potentially these 2 projects he was low bidder on.

At this point in time I see no reason why Larson Elevator of Grand Rapids, MN should not be awarded the contract (pursuant to MHFA – the lenders approval) for the project.

This report is respectfully submitted by,

A handwritten signature in black ink, appearing to read 'D. Dege', written in a cursive style.

Daniel Dege AIA, LEED AP, CEO
Finn Daniels Architects

Attachments: Bid Tabulation, Experience/Reference List

**South St. Paul HRA
Elevator Repair and Upgrade Project
John Carroll Building**

	MEI	SCHINDLER	LARSON
Bidder			
Acknowledge Addenda (1 & 2)	Only	✓	✓
Bid Signed	✓	✓	✓
Document 00 4313 Bid Bond	✓	✓	✓
Document 00 4519 Bidder's Affidavit of Non-Collusion	✓	✓	✓
Document 00 4525 Previous Experience Form	✓	✓	✓
Document 00 4549 - HUD-5369-A Representations, Certifications, and Other Statements of Bidders, Public and Indian Housing	✓	✓	✓
Document 00 4550 - Responsible Contractor Act Attachments "A" & "A1"	✓	✓	✓
Document 00 4553 - Completed Section 3 Forms	✓	✓	✓
Document 00 4560 Debarred Suspended, Excluded Statement	✓	✓	✓
Completed Sheets 5&7 from Elevator Maintenance Spec	✓	✓	✓
Base Bid - John Carroll Building	\$495,414	\$384,000	\$363,083
Alternate #1 For Elevator Maintenance Beyond the Warranty Period per Month/Year.	\$850/month	\$872/month	\$600/month

**South St. Paul HRA
Elevator Repair and Upgrade Project
John Carroll Building**

	THYSSENKrupp		
Bidder			
Acknowledge Addenda (1 & 2)	✓		
Bid Signed	✓		
Document 00 4313 Bid Bond	✓		
Document 00 4519 Bidder's Affidavit of Non-Collusion	✓		
Document 00 4525 Previous Experience Form	✓		
Document 00 4549 - HUD-5369-A Representations, Certifications, and Other Statements of Bidders, Public and Indian Housing	✓		
Document 00 4550 - Responsible Contractor Act Attachments "A" & "A1"	✓		
Document 00 4553 - Completed Section 3 Forms	✓		
Document 00 4560 Debarred Suspended, Excluded Statement	✓		
Completed Sheets 5&7 from Elevator Maintenance Spec	✓		
Base Bid - John Carroll Building	\$369,581		
<i>Alternate #1 For Elevator Maintenance Beyond the Warranty Period per Month/Year.</i>	\$600/month.		

Larson Elevator Company
28526 Norberg Drive
Grand Rapids, MN 55744
218-256-9030



December 18, 2018

South St. Paul HRA
125 Third Avenue North
South St. Paul, MN 55075

RE: PREVIOUS EXPERIENCE DOCUMENTATION

Completed Projects:

Hibbing HRA – 7th Avenue Apts: Elevator modernization and related work – performed work as prime
Cloquet HRA – Aspen Arms: Elevator modernization and related work – performed work as prime
Carlton HRA – Woodland Pines: Elevator modernization and related work – performed work as prime
Duluth HRA – Grand View Manor: Elevator modernization – performed work as subcontractor
Gateway Tower: Elevator modernization – performed work as subcontractor
Alice Nettell Tower: Elevator modernization and related work – performed work as prime
Bridge Square: Elevator modernization – performed work as prime
Clinton House Apartments: Elevator modernization and related work – performed work as prime

References:

Hibbing HRA – 7th Avenue Apts:
Jackie Prescott
Executive Director
218-312-9816

Cloquet HRA – Aspen Arms:
Debra Shaff
Executive Director
218-879-3353

Duluth HRA – Grand View Manor:
Greg Arseneau
Property Manager
218-529-6315

Kathy Markwell
Elevator Advisory Group - President
952-432-4443

Owners/Officers:

Anthony Larson