



HRA CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Monday, August 29, 2022
Category:	NEW BUSINESS
Type:	ACTION
Subject:	Helena Agri-Enterprises, LLC – Addendum to Purchase Agreement
Background Information:	<p>The City of Marshall and Helena Agri-Enterprises, LLC have previously entered into a purchase agreement wherein the City of Marshall will acquire Helena property located adjacent to State Highway 19 on the Westerly property limits of the City of Marshall. Closing on the acquisition of property has not occurred, because Helena Agri-Enterprises, LLC is presently working on remediation of agricultural chemical issues located on the property.</p> <p>There have been recent discussions concerning additional testing and remediation of agricultural chemicals located in, around and under the dry fertilizer Quonset presently in a state of disrepair on the property. Discussions between staff and elected officials have resulted in an agreement with Helena to equally split the costs for the demolition and removal of the dry fertilizer Quonset building. That additional testing and remediation can proceed. Proposal for demolition and removal of the building, and asbestos abatement on site has resulted in a bid of \$128,800.00. The City has agreed to pay one-half of that amount being \$64,400.00.</p> <p>Attached is an Addendum to the Purchase Agreement obligating both parties to pay according to the agreement. Helena Agri-Enterprises, LLC has signed the agreement. It is recommended that the HRA also approve the addendum.</p> <p>City staff has had discussions with MnDOT Aeronautics regarding a future grant proposal which would authorize payment of land acquisition and demolition costs associated with this property. City staff is hopeful that the grant solicitation will be submitted from the state within the next two months so that the City may obtain grant funds for the acquisition and demolition costs incurred with this project.</p>
Fiscal Impact:	Up to \$64,400.00 of demolition removal and asbestos abatement costs.
Alternative/ Variations:	None.
Recommendations:	Approve Addendum to Purchase Agreement.