

LEASE AGREEMENT

between

THE BOARD OF WATER COMMISSIONERS OF THE CITY OF SAINT PAUL

and

THE CITY OF SAINT PAUL

THIS LEASE AGREEMENT (“Lease”), is made and entered into this 9th day of March, 2021 by and between the **BOARD OF WATER COMMISSIONERS OF THE CITY OF SAINT PAUL**, a municipal corporation under the laws of the State of Minnesota (the “Board”), and the **CITY OF SAINT PAUL, MINNESOTA**, a home rule charter city under the laws of the State of Minnesota (the “City”).

WHEREAS, the Board is owner of certain real property situated in the southwest corner of 750 Snelling Avenue South in the City of Saint Paul, County of Ramsey, State of Minnesota, commonly referred to as Highland Reservoir No. 1, described and depicted in Exhibit “A”, attached hereto and incorporated herein (the “Property”); and

WHEREAS, the Board has abandoned its active use of Highland Reservoir No. 1 and plans to demolish the structure; and

WHEREAS, the City desires to lease the Property from the Board following demolition of the existing structure and to thereupon construct, maintain, and operate recreational facilities through its Department of Parks and Recreation; and

WHEREAS, the Board is willing to enter into a lease agreement with the City for said public purposes, consistent with the requirements of safety of the water works system, and consistent with the requirements and safety of Board employees and property, now or in the future.

NOW, THEREFORE, IT IS MUTUALLY AGREED by and between the parties hereto as follows:

That, in consideration of the mutual promises and agreements of the parties hereto, the Board hereby grants to the City permission to enter upon certain portions of the Property and to use the same to construct, maintain, and operate public recreational facilities (the “Facilities”) subject to the following terms and conditions:

1. Leased Premises

The Board does hereby lease to the City, and the City does hereby lease from the Board, that certain tract of land situated in the City of Saint Paul, County of Ramsey, as more fully described and depicted in Exhibit “B” (the “Leased Premises”).

2. Term of Lease

- a. The initial term of this Lease will commence on the date first written above and will terminate on December 31, 2050.
- b. This lease will automatically be renewed for an unlimited number of additional five (5) year terms (each a “Renewal Term”), unless the City is in default beyond applicable notice and cure periods of any of the terms or conditions of this Lease, or unless either party notifies the other six (6) months prior to commencement of the succeeding Renewal Term of its intention to not renew the Lease.

3. Rent

The City does hereby covenant and agree to pay the Board as and for rent of the Leased Premises the sum of One Dollar (\$1.00) per annum.

4. City’s Use of Leased Premises

- a. The City will be allowed to construct, operate, and maintain the Facilities and all other appurtenant facilities as may be approved by the Board in the future. Such approvals will take the form of addenda to this Lease and will be held to the same terms and conditions herein. Each such addendum will be reviewed and approved by the General Manager or their designated representative on behalf of the Board. Construction of such appurtenant facilities may not commence until acknowledgment of such approval is received.
- b. The City will use the Leased Premises only in accordance with good engineering practices and in compliance with all applicable federal, state, and local rules, laws, and regulations. This Lease is contingent upon the City receiving all permits, licenses, or approvals from all local, state, or federal land use jurisdictions or agencies for the City’s permitted use of the Leased Premises. The City will at its sole cost and expense, obtain all such necessary permits, licenses, or approvals, and the Board agrees to cooperate with the City in its pursuits thereof.
- c. The use of explosives of any kind or for any purpose whatsoever within the Leased Premises, including ammunition in hand-held impact-driven type tools, is expressly prohibited.

5. City’s Use to be Exclusive

- a. The City will enjoy exclusive use of the Leased Premises, subject to the terms and conditions of this Lease.

- b. The Board will not lease any portion of the Leased Premises to another party, except with the consent of the City.

6. Planned Improvements

- a. The existing finished water reservoir within the Leased Premises will be demolished in such a manner as determined by the Board. All costs for such demolition will be borne by the Board.
- b. The City will provide plans and specifications for the construction of the Facilities, subject to written approval by the Board's Chief Engineer, which approval must be obtained prior to award of any construction contract.
- c. The City will not make any changes or additions to the Facilities, except with the consent of the Board.

7. City's Obligations and Responsibilities

- a. With relation to the design, installation, construction, maintenance, repair, modification, or operation of the Facilities, or portion thereof, located within the Leased Premises, anything not herein explicitly provided to be furnished, done, or paid for by the Board will be furnished, done, and paid for by the City.
- b. The City will be responsible for the actions of its staff, agents, and employees during their operation of the Facilities.
- c. The City will at all times keep the Leased Premises free from litter or graffiti; keep all components located within the Leased Premises clean and in good condition and state of repair; and will not allow any condition to exist that would create a nuisance or hazard.
- d. The City will not unnecessarily create, cause, or allow any nuisance or hazard to persons or property within or adjacent to the Leased Premises by reason of construction, operation, or maintenance of the Facilities, or permit its employees, agents, engineers, or contractors to do so.
- e. The City will accept sole responsibility for maintenance of the Leased Premises, including but not limited to surface stability, snow removal, trash hauling, normal lawn care, tree-trimming, and other maintenance as may be required.
- f. The City agrees to promptly pay all costs in any way caused by, related to, or arising out of, or resulting from its Facilities, except as may arise out of the negligence of the Board, and Board will not be liable for any expense whatsoever, either directly or indirectly, in connection with maintenance or other operation of the Facilities.
- g. The City will pay a portion of all special assessments levied against the Property in the percentage of the quotient of Leased Premises area divided by Property area.

8. Board's Rights

- a. The Board reserves all rights in the Leased Premises not herein or hereby expressly granted to the City, including but not necessarily limited to: the right to install any facilities Board might deem desirable or necessary; the right to alter, extend, relocate, or remove its facilities or portions thereof, now or in the future, as are located within the Leased Premises.
- b. At all times during the term of this Lease, the Board will have the right, by itself, through its agents, and employees, to enter the Leased Premises during reasonable business hours to examine and inspect the same.

9. No Liability on the Board

- a. The Board will be under no obligation or responsibility to act as engineering consultant to the City in any matter related to construction of the Facilities or any future City improvements as may be permitted.
- b. It is understood and agreed by and between the parties hereto that any plan or data supplied by the Board regarding the Leased Premises are approximations only and that the Board explicitly does not guarantee such plans or data to be either complete or correct.
- c. The Board will have no obligation to repair or maintain any improvement, personal property, or equipment brought into the Leased Premises or installed therein by the City for the City's purposes. The City will be permitted to remove said personal property of the City upon the termination of this Lease. The City will, at its own expense, repair any damage to the Property caused or created by the installation or removal of said personal property.
- d. Except due to the Board's willful misconduct or gross negligence, the Board will not be liable for any damage to the Leased Premises or Facilities, and the Board will not be liable for vandalism or malicious mischief caused by third parties, known or unknown, to the Leased Premises or Facilities, nor will the Board be liable for any lost revenue, business, or profits of the City.

10. Notices

- a. All notices herein provided to be given, or that may be given by either party to the other, will be deemed to have been fully given when served personally on the Board or the City, or when made in writing and deposited in the United States Mail, certified and postage prepaid, and addressed to the Board or the City at the addresses below:

If to the Board: Board of Water Commissioners
Attn: General Manager, Saint Paul Regional Water Services
1900 Rice Street
Saint Paul, MN 55113

If to the City: City of Saint Paul
 Attn: Director, Department of Parks and Recreation
 City Hall Annex, Suite 300
 25 Fourth St W
 Saint Paul, MN 55102

- b. The address to which notices will be mailed may be changed by written notice given by either party to the other.

11. Each Party Liable for its Own Acts; No Waiver of Immunity

Each of the parties will be responsible for its own acts and for those of its agents, officers and employees, and for any liability, damages or consequences resulting therefrom. Each party reserves and expressly does not waive any immunities or defenses available under Minn. Stat. Chapter 466, et.al, or any other law related thereto.

12. Insurance

The Board and the City each individually certify and agree that each is a duly authorized self-insured entity in accordance with Minnesota State law for purposes of general liability, property damage, and workers compensation claims; and furthermore, the Board and the City each affirm and reserve entitlement to all available immunities, defenses, and protections to the fullest extent provided by law.

13. Assignment and Subletting

The City will not assign, sublet, or transfer this Lease, or assign operation or management of the Facilities, without consent of the Board, which consent must be obtained prior to the execution of any agreement to sublease the Leased Premises.

14. Termination

- a. If for cause, the Board or the City will provide the other party with sixty (60) days written notice of intent to terminate this Lease. If the notified party fails to cure the stated cause within sixty (60) days of receipt of notice, the Lease will be terminated, with no compensation for damages owed to the notified party.
- b. If the lease terminates via non-renewal, pursuant to Section 2.b. of this Lease, no damages will be owed or due either party.

15. Ownership of City Improvements Following Termination of Lease

Upon termination of this Lease under Section 14 City improvements will become the property of the Board. The City will be allowed to purchase from the Board any and all

City improvements it chooses, with purchase price to be 100% of the depreciated value of said City improvements.

16. Miscellaneous.

- a. This Lease constitutes the entire agreement and understanding of the parties regarding the Property. Any modifications of, addenda to, or amendment to this Lease must be in writing and executed by both parties. No provision of this Lease will be deemed waived by either party unless expressly waived in writing by the waiving party. No waiver will be implied by delay or any other act or omission of either party. No waiver by either party of any provisions of this Lease will be deemed a waiver of such provision with respect to any subsequent matter relating to such provision.
- b. This Lease will be construed in accordance with the laws of the State of Minnesota. Any legal action may only be commenced and proceed in the relevant district court in Ramsey County, Saint Paul, Minnesota.
- c. If any term of this Lease is found to be void or invalid, such invalidity will not affect the remaining terms of this Lease, which will continue in full force and effect.
- d. Exhibits “A” and “B” listed below are hereby incorporated into this Lease by reference.

Exhibit “A” *Property*

Exhibit “B” *Leased Premises*

- e. The parties may sign this Lease Agreement in counterparts, each of which constitutes an original, but all of which together constitute one instrument.
- f. The parties agree that the electronic signature of a party to this Lease Agreement will be as valid as an original signature of such party and will be effective to bind such party to this Lease Agreement. The parties further agree that any document (including this Lease Agreement and any attachments or exhibits to this Lease Agreement containing, or to which there is affixed, an electronic signature will be deemed (i) to be “written” or “in writing,” (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. For purposes hereof, “electronic signature” also means a manually signed original signature that is then transmitted by any electronic means, including without limitation a faxed version of an original signature or an electronically scanned and transmitted version (e.g., via PDF) of an original signature. Any party’s failure to produce the

original signature of any electronically transmitted signature will not affect the enforceability of this Lease Agreement.

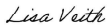
[the remainder of this page left intentionally blank]

**BOARD OF WATER COMMISSIONERS
OF THE CITY OF SAINT PAUL**

Approved:

By 
Patrick Shea, General Manager Saint
Paul Regional Water Services

By 
Mara Humphrey (Jul 13, 2021 14:31 CDT)
Mara Humphrey, President

By 
Lisa Veith
Assistant City Attorney

By 
Mollie Gagnelius, Secretary

CITY OF SAINT PAUL

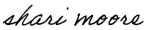
Approved:

By 
Sarah Sullivan (Jul 28, 2021 14:50 CDT)
Sarah Sullivan
Assistant City Attorney

By 
Jaime Rae Tincher (Jul 30, 2021 21:19 CDT)
Jamie Tincher, Deputy Mayor

By 
michael hahm (Jul 28, 2021 14:59 CDT)
Mike Hahm, Director
City of Saint Paul Parks & Recreation

By 
John McCarthy (Jul 23, 2021 14:56 CDT)
John McCarthy, Director
Office of Financial Service

By 
Shari Moore
City Clerk



Ramsey County Parcel Report

Parcel Report Created: Jan 28 2021 8:52

Parcel ID	152823220001
Address	750 SNELLING AVE S
City St ZIP	SAINT PAUL MN 55116
Tax Payer	BOARD OF WATER COMM ST PAUL
Tax Address	1900 RICE ST
Tax City St ZIP	MAPLEWOOD MN 55113-6810
Lot	No Data
Block	No Data
Plat Name	SECTION 15 TOWN 28 RANGE 23
Parcel Deed	37.3 acres
EMV Land	\$12,998,300.00
EMV Building	\$5,025,900.00
EMV Total	\$18,024,200.00
Total Tax	\$0.00
Special Assessment	\$0.00
Tax Exempt	Yes
Last Sale Date	No Data
Sale Price	\$NaN
Homestead	No
Use Type	EXEMPT PROP. REG WATER DISTRICT
Dwelling	No Data
Home Style	No Data
Structure	SKATING RINK
Living Area	No Data sq.ft.
Year Built	1972
Garage	No
Garage Area	No Data sq.ft.
Heating Type	No Data
School District	St. Paul School District
Watershed	CAPITAL REGION W/S
Business Name	Charles M Schulz Arena



- Personal Property
- Tax Parcels
- Cities
- ★ County Offices

1:9,600
 0 0.07 0.15 0.3 mi
 0 0.13 0.25 0.5 km

The user of this report acknowledges that the City/County shall not be liable for any damages, and expressly waives all claims, and agrees to defend, indemnify, and hold harmless the City/County from any and all claims brought by the User, its employees or agents, or third parties which arise out of the User's access or use of data provided. *Total Tax includes special assessment due if any.

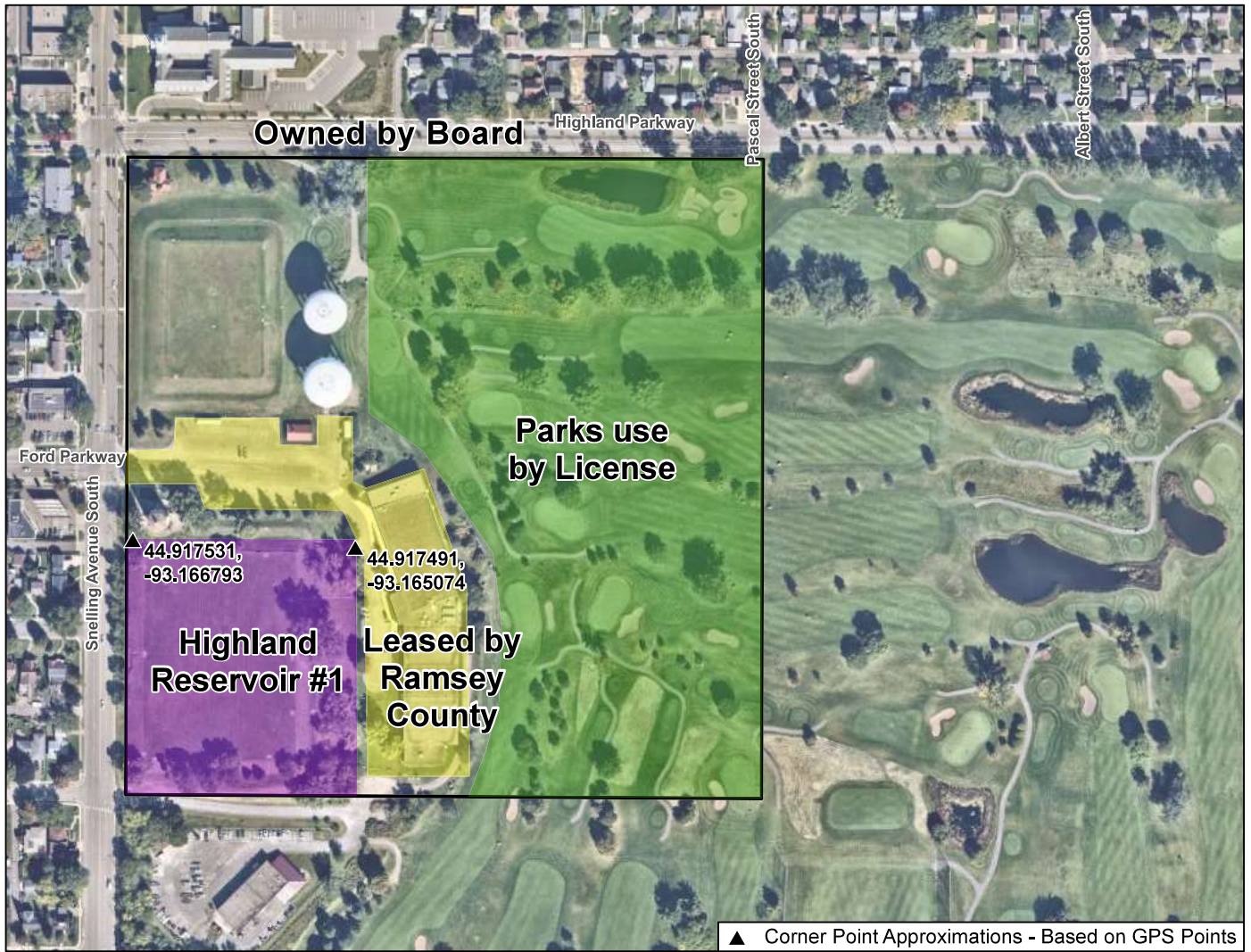


EXHIBIT B



City of Saint Paul

Signature Copy

Resolution: RES 21-339

City Hall and Court
House
15 West Kellogg
Boulevard
Phone: 651-266-8560

File Number: RES 21-339

Pertaining to a Lease Agreement with the City of Saint Paul to lease a portion of Board-owned property at 750 Snelling Avenue South for use by the City's Parks and Recreation Department.

WHEREAS, the Board of Water Commissioners is owner of certain real property situated in the southwest corner of 750 Snelling Avenue South in the City of Saint Paul, County of Ramsey, State of Minnesota, commonly referred to as Highland Reservoir No. 1 (the "Highland Reservoir No. 1 Property"); and

WHEREAS, the Board has abandoned its active use of its Highland Reservoir No. 1 and plans to demolish the structure; and

WHEREAS, the City desires to lease the Highland Reservoir No. 1 Property from the Board following demolition of the existing structure and to thereupon construct, maintain, and operate recreational facilities through its Department of Parks and Recreation; and

WHEREAS, the Board is willing to enter into a lease agreement with the City for said public purposes, consistent with the requirements of safety of the water works system, and consistent with the current and future requirements for the safety of Board employees and property; now, therefore be it

RESOLVED, that the Lease Agreement between the City of Saint Paul and the Board of Water Commissioners of the City of Saint Paul to lease the Highland Reservoir No. 1 Property to the City for construction, maintenance, and operation of recreational facilities is hereby approved in substantially the form submitted and the proper officers of the Board are hereby authorized and directed to execute said Lease Agreement following approval by the assistant city attorney; and, be it

FURTHER RESOLVED, that the Honorable Council of the City of Saint Paul is hereby requested to approve said Lease Agreement and to authorize and direct the proper officers of the City of Saint Paul to execute said Lease Agreement on behalf of the City.

At a meeting of the Board of Water Commissioners on 3/9/2021, this Resolution was Adopted.

Yea: 6 Commissioner Brendmoen, Commissioner Tolbert, Commissioner Humphrey, Commissioner Bykowski, Commissioner Yang, and Commissioner Tchourumoff

Nay: 0

Absent: 1 Commissioner Abrams

Board Secretary *mollie gagnelius*

Date 3/9/2021



City of Saint Paul

City Hall and Court
House
15 West Kellogg
Boulevard
Phone: 651-266-8560

Signature Copy

Resolution: RES 21-324

File Number: RES 21-324

Approving a Lease Agreement between the City and the Board of Water Commissioners to lease a portion of Board-owned property at 750 Snelling Avenue South for use by the City's Parks and Recreation Department.

WHEREAS, the Board of Water Commissioners is owner of certain real property situated in the southwest corner of 750 Snelling Avenue South in the City of Saint Paul, County of Ramsey, State of Minnesota, commonly referred to as Highland Reservoir No. 1 (the "Highland Reservoir No. 1 Property"); and

WHEREAS, the Board has abandoned its active use of its Highland Reservoir No. 1 and plans to demolish the structure; and

WHEREAS, the City desires to lease the Highland Reservoir No. 1 Property from the Board following demolition of the existing structure and to thereupon construct, maintain, and operate recreational facilities through its Department of Parks and Recreation (the "Lease Agreement"); and

WHEREAS, the Board adopted Resolution No. 21-339 at its March 9, 2021 meeting which approved said Lease Agreement, and which also requested that the Honorable Council of the City of Saint Paul likewise approve said Lease Agreement; now, therefore, be it

RESOLVED, that the Lease Agreement between the City of Saint Paul and the Board of Water Commissioners of the City of Saint Paul to lease said Highland Reservoir No. 1 Property to the City for construction, maintenance, and operation of recreational facilities is hereby approved in substantially the form submitted and the proper officers are hereby authorized and directed to execute said Lease Agreement on behalf of the City.

At a meeting of the Saint Paul City Council on 5/19/2021, this Resolution was Adopted.

Yea: 6 Councilmember Brendmoen, Councilmember Tolbert, Councilmember Noecker, Councilmember Prince, Councilmember Jalali, and Councilmember Yang

Nay: 0

Absent: 1 Councilmember Thao

Vote Attested by
Council Secretary

Trudy Moloney

Date 5/19/2021

Approved by the Mayor

A handwritten signature in black ink, appearing to read "M. W. Carter III", written over a horizontal line.

Melvin Carter III

Date 5/25/2021

Highland Lease Agreement

Final Audit Report

2021-07-23

Created:	2021-07-22
By:	mollie gagnelius (mollie.gagnelius@ci.stpaul.mn.us)
Status:	Signed
Transaction ID:	CBJCHBCAABAAMSajelyOnIFxWBZJfuDAIb598vHQaLAW

"Highland Lease Agreement" History

-  Document created by mollie gagnelius (mollie.gagnelius@ci.stpaul.mn.us)
2021-07-22 - 3:01:58 PM GMT- IP address: 156.99.75.2
-  Document emailed to 6!Adobe9! Shea (patrick.shea@ci.stpaul.mn.us) for signature
2021-07-22 - 3:02:15 PM GMT
-  Email viewed by 6!Adobe9! Shea (patrick.shea@ci.stpaul.mn.us)
2021-07-22 - 8:37:36 PM GMT- IP address: 156.99.75.2
-  Document e-signed by 6!Adobe9! Shea (patrick.shea@ci.stpaul.mn.us)
Signature Date: 2021-07-22 - 8:37:45 PM GMT - Time Source: server- IP address: 156.99.75.2
-  Document emailed to Lisa Veith (lisa.veith@ci.stpaul.mn.us) for signature
2021-07-22 - 8:37:47 PM GMT
-  Email viewed by Lisa Veith (lisa.veith@ci.stpaul.mn.us)
2021-07-23 - 1:15:46 AM GMT- IP address: 72.130.122.177
-  Document e-signed by Lisa Veith (lisa.veith@ci.stpaul.mn.us)
Signature Date: 2021-07-23 - 1:16:12 AM GMT - Time Source: server- IP address: 72.130.122.177
-  Document emailed to Mara Humphrey (marahumphrey@me.com) for signature
2021-07-23 - 1:16:15 AM GMT
-  Email viewed by Mara Humphrey (marahumphrey@me.com)
2021-07-23 - 7:31:18 PM GMT- IP address: 24.118.4.140
-  Document e-signed by Mara Humphrey (marahumphrey@me.com)
Signature Date: 2021-07-23 - 7:31:44 PM GMT - Time Source: server- IP address: 24.118.4.140
-  Document emailed to mollie gagnelius (mollie.gagnelius@ci.stpaul.mn.us) for signature
2021-07-23 - 7:31:46 PM GMT

 Email viewed by mollie gagnelius (mollie.gagnelius@ci.stpaul.mn.us)

2021-07-23 - 7:34:52 PM GMT- IP address: 75.168.127.193

 Document e-signed by mollie gagnelius (mollie.gagnelius@ci.stpaul.mn.us)

Signature Date: 2021-07-23 - 7:35:20 PM GMT - Time Source: server- IP address: 75.168.127.193

 Document emailed to John McCarthy (john.mccarthy@ci.stpaul.mn.us) for signature

2021-07-23 - 7:35:22 PM GMT

 Email viewed by John McCarthy (john.mccarthy@ci.stpaul.mn.us)

2021-07-23 - 7:55:58 PM GMT- IP address: 156.99.75.2

 Document e-signed by John McCarthy (john.mccarthy@ci.stpaul.mn.us)

Signature Date: 2021-07-23 - 7:56:12 PM GMT - Time Source: server- IP address: 156.99.75.2

 Agreement completed.

2021-07-23 - 7:56:12 PM GMT

Lease Agreement_Highland Reservoir 1_City of Saint Paul_03-09-2021_signed by water_1

Final Audit Report

2021-07-31

Created:	2021-07-28
By:	dmarie weddington (dmarie.weddington@ci.stpaul.mn.us)
Status:	Signed
Transaction ID:	CBJCHBCAABAAktKZFnMM7iNCKnHeaFRRbeuLaTyYyMd

"Lease Agreement_Highland Reservoir 1_City of Saint Paul_03-09-2021_signed by water_1" History

-  Document created by dmarie weddington (dmarie.weddington@ci.stpaul.mn.us)
2021-07-28 - 7:48:06 PM GMT- IP address: 156.99.75.2
-  Document emailed to michael hahm (michael.hahm@ci.stpaul.mn.us) for signature
2021-07-28 - 7:49:22 PM GMT
-  Document emailed to Sarah Sullivan (sarah.sullivan@ci.stpaul.mn.us) for signature
2021-07-28 - 7:49:22 PM GMT
-  Document emailed to shari moore (shari.moore@ci.stpaul.mn.us) for signature
2021-07-28 - 7:49:22 PM GMT
-  Document emailed to Jaime Rae Tincher (jaime.tincher@ci.stpaul.mn.us) for signature
2021-07-28 - 7:49:22 PM GMT
-  Email viewed by Sarah Sullivan (sarah.sullivan@ci.stpaul.mn.us)
2021-07-28 - 7:49:56 PM GMT- IP address: 156.99.75.2
-  Document e-signed by Sarah Sullivan (sarah.sullivan@ci.stpaul.mn.us)
Signature Date: 2021-07-28 - 7:50:05 PM GMT - Time Source: server- IP address: 156.99.75.2
-  Email viewed by shari moore (shari.moore@ci.stpaul.mn.us)
2021-07-28 - 7:53:26 PM GMT- IP address: 156.99.75.2
-  Document e-signed by shari moore (shari.moore@ci.stpaul.mn.us)
Signature Date: 2021-07-28 - 7:53:37 PM GMT - Time Source: server- IP address: 156.99.75.2
-  Email viewed by michael hahm (michael.hahm@ci.stpaul.mn.us)
2021-07-28 - 7:59:29 PM GMT- IP address: 156.99.75.2



Document e-signed by michael hahm (michael.hahm@ci.stpaul.mn.us)

Signature Date: 2021-07-28 - 7:59:40 PM GMT - Time Source: server- IP address: 156.99.75.2



Email viewed by Jaime Rae Tincher (jaime.tincher@ci.stpaul.mn.us)

2021-07-31 - 2:19:00 AM GMT- IP address: 156.99.75.2



Document e-signed by Jaime Rae Tincher (jaime.tincher@ci.stpaul.mn.us)

Signature Date: 2021-07-31 - 2:19:10 AM GMT - Time Source: server- IP address: 156.99.75.2



Agreement completed.

2021-07-31 - 2:19:10 AM GMT



Adobe Sign