

ECONOMIC DEVELOPMENT MANAGEMENT SERVICES AGREEMENT

This Economic Development Specialist Services Agreement (this “Agreement”), effective this 1st day of July 2025 (the “Effective Date”), is entered into by and between the City of Tea, a South Dakota municipality (the “City”), and the Sioux Metro Growth Alliance, a South Dakota nonprofit corporation (“SMGA”).

R E C I T A L S

A. The City of Tea is a municipality interested in furthering its economic development initiatives in order to attract businesses and people within its corporate and city boundaries and the immediate surrounding region of Lincoln County, South Dakota (together “Tea”);

B. SMGA is a nonprofit corporation operating in Minnehaha, Lincoln, Turner, and McCook Counties, dedicated to the economic development of the wider region;

C. City has identified a need for the services of an economic development specialist (a “Specialist”) to better meet the administrative, executive, and economic development objectives of the City and the Tea Chamber for Development Corporation (TCDC);

D. SMGA can provide the services of a Specialist on a part-time basis to assist with City’s needs;

E. City desires to obtain the services of a Specialist from SMGA, on the terms and conditions outlined herein; and

F. SMGA is willing to provide the services of a Specialist, on the terms and conditions outlined herein.

NOW, THEREFORE, the parties enter into the following:

A G R E E M E N T

1. Specialist; Employment Status. SMGA agrees to provide to the City the services of a Specialist on a part-time basis. For the purposes of this Agreement, a “part-time basis” means an average of approximately 16 hours per 40-hour work week or as necessary to work towards agreed upon and desired outcomes. As determined by the Specialist and the parties, the hours may consist of half-days or full-days, physically in Tea or remotely out of the SMGA office. During any week that contains (i) a federal holiday, or (ii) an office holiday observed by both SMGA and the City, the average will be reduced proportionally to account for such holiday. The parties acknowledge the approximately 16-hour weekly average is an average and not a weekly requirement.

The Specialist will be an employee of SMGA. SMGA will be responsible for reporting all tax, and provide insurance associated with said employment, including liability insurance for the Services.

In addition to compensation separately negotiated between SMGA and the Specialist, SMGA will provide the Specialist with reimbursement for transportation.

2. Scope of Specialist Duties. In the course of his or her work for the City, the Specialist will be expected to (the following duties are hereafter referred to as the “Services”):

a. Prepare responses to requests for information from both private and public organizations including, without limitation, the South Dakota Governor’s Office of Economic Development, prospective and existing business owners and developers, and brokers;

b. Advise the City and TCDC on economic development and community development programs;

c. Engage with area stakeholders to initiate, coordinate, and facilitate potential industrial park planning, expansion, and land sales;

d. Provide a monthly written report to the City’s governing board and TCDC describing Specialist’s ongoing work and progress (the “Monthly Report”);

e. On behalf of the City, work directly with and advise Tea on economic development policy;

f. Formulate, draft, and enact a program to encourage the growth of existing businesses in the community, tentatively named the Tea Business Retention and Expansion Program;

g. Advise City’s governing board, staff, and TCDC on marketing, particularly with respect to business development and talent attraction;

h. Direct the affairs of the Tea Chamber for Development Corporation (TCDC) and report to their president; and

i. Other duties as reasonably assigned by City and TCDC as it relates to economic activity in Tea.

3. Term. This Agreement will run for 1.5 years from the Effective Date. Unless mutually renewed by the parties, this Agreement will terminate on December 31, 2026. Either party may terminate this Agreement by giving written notice to the other party at least 60 days prior to the start of the next calendar year. Upon a termination of this agreement, both parties shall no longer have any obligations to comply with this agreement, other than the terms set forth in Sections 9 and 10 unless expressly waived by SMGA.

4. Compensation. The total amount due to SMGA under this Agreement is \$125,000 (the “Contract Price”), reflecting \$50,000 for work occurring in the remainder of calendar year 2025 (the “first payment”), and \$75,000 for calendar year 2026 (the “second payment”). City will

pay to SMGA the Contract Price in two installments. The first payment will be due within fifteen days of the Effective Date, the second Payment will be due within thirty days of January 1, 2026.

5. Technology; Office. The parties agree to provide the Specialist with technology and office space as provided in this Section.

a. City Obligations. City will provide professional office space suitable for the work of the Specialist while in Tea.

b. SMGA Obligations. SMGA will provide professional office space suitable for the work of the Specialist at its offices in the City of Sioux Falls. SMGA will also provide the Specialist with a computer, cell phone, and any other technology reasonably required for the Specialist to complete his or her assigned duties. All such technology is and will remain the property of SMGA.

c. Document Retention. SMGA and City will establish a document retention policy that works best for access, safekeeping, and retention for the City and SMGA.

6. Reports. The Specialist will report directly to TCDC's Board of Directors and TCDC's President with regard to the Services on behalf of the City. SMGA will be responsible for supervising the Specialist with respect to all other aspects of the Specialist's employment. The parties and Tea will meet to collaboratively discuss (i) the Specialist's Monthly Report and (ii) opportunities for economic growth and development in and around Tea.

7. Termination of the Specialist. In the event the City/TCDC and the Specialist are no longer reasonably capable of working together, City may request, in writing, SMGA provide a substitute Specialist within 90 days. If SMGA terminates the employment of the Specialist for any reason, SMGA will provide written notice to City and TCDC of such termination. During the period of time that there is no Specialist working, the contract amount shall be prorated and any prepaid amounts shall be refunded to City. If SMGA is unable to provide a substitute Specialist within 90 days, this Agreement shall be deemed terminated retroactive to the last day the Specialist provided Services.

8. Conflicts of Interest. The parties acknowledge the Specialist may encounter situations where the interests or desires of SMGA and City conflict (a "Conflict of Interest"). The parties agree to establish a code of ethics and Conflict of Interest policy applicable to the Specialist (the "Conflict Policy"). In the event the parties are unable to establish a Conflict Policy, or disagree as to the practical effect of the Conflict Policy with respect to a specific Conflict of Interest, the Specialist will be recused from all work reasonably related to the Conflict of Interest. For clarity, this means if the Conflict Policy does not provide adequate guidance as to the Specialist's course of action, neither City nor SMGA may utilize the Specialist's services or otherwise involve the Specialist in a Conflict of Interest.

9. Non-Solicitation. Except as provided herein or as agreed to in writing by the parties, City and TCDC agrees that during the term of this Agreement and for a period of two (2) years following the termination of this Agreement, it will not directly or indirectly (i) induce or attempt

to induce Specialist to leave the employ of SMGA, (ii) employ Specialist, (iii) hire Specialist as an independent contractor, or (iv) otherwise engage the services of the Specialist. In the event the City or TCDC violates this Section 9 during the term of this Agreement, the City agrees to pay to SMGA within 10 days the then-unpaid portion of the Contract Price. This payment is in addition to any other rights or remedies SMGA may have at law or in equity.

10. Indemnification. City will indemnify, defend, and hold harmless SMGA, SMGA's officers, directors, employees, agents, and contractors (each an "Indemnified Party") from and against all actions, claims, demands, costs, damages, or expenses of any kind, including reasonable attorneys' fees, which may be brought or made against any Indemnified Party, or which any Indemnified Party may pay or incur, by reason of or related to: (i) City and TCDC's economic development or other activities; (ii) City or TCDC's failure to perform under or breach of this Agreement; and (iii) City or TCDC's negligence or intentional misconduct. This indemnity obligation will survive the termination of this Agreement.

SMGA will indemnify, defend, and hold harmless City, TCDC's officers, directors, employees, agents, and contractors (each an "Indemnified Party") from and against all actions, claims, demands, costs, damages, or expenses of any kind, including reasonable attorneys' fees, which may be brought or made against any Indemnified Party, or which any Indemnified Party may pay or incur, by reason of or related to: (i) SMGA's economic development or other activities; (ii) SMGA's failure to perform under or breach of this Agreement; and (iii) SMGA's negligence or intentional misconduct. This indemnity obligation will survive the termination of this Agreement.

11. General.

a. Binding Effect; Assignment. All of the terms, covenants and conditions of this Agreement will be binding upon, and inure to the benefit of and be enforceable by, the parties and their respective successors, heirs, executors and permitted assigns. Neither party may assign this Agreement without the written consent of the other party.

b. Severability. If any provision of this Agreement is determined to any extent to be invalid, the remainder of this Agreement, except as to the provision held invalid, will not be affected and every other provision of this Agreement will be valid and in force to the fullest extent allowed by law.

c. Waiver. No failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy under this Agreement will preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

d. No Third-Party Beneficiaries. This Agreement is made and entered into for the sole benefit of the parties and their permitted successors and assigns, and no other person or entity, including, without limitation, the City of Tea, South Dakota, and the Specialist, shall be a direct or indirect legal beneficiary of, have any rights under, or have any direct or indirect cause of action or claim in connection with, this Agreement.

e. Governing Law; Venue. This Agreement will be governed by the laws of the State of South Dakota. Any dispute between the parties will be venued in the South Dakota Circuit Court for the Second Judicial Circuit, and the parties hereby waive any defenses of lack of personal jurisdiction or inconvenient forum.

f. Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the subject matter hereof, and any agreement made hereafter will be ineffective to change, modify or discharge the terms of this Agreement, unless such agreement is in writing and signed by the party against whom enforcement of the change, modification or discharge is sought.

g. Counterparts; Execution. This Agreement may be executed in one or more counterparts, each of which will be considered an original document, but all of which will be considered one and the same agreement and will become binding when one or more counterparts have been signed by each of the parties. This Agreement may be executed by .pdf, email scan, facsimile, or similar means and all such signatures are deemed original signature for all purposes.

[Signature Page Follows]

The parties execute, enter into and deliver this Agreement as of the date first written above and for the purposes set forth herein.

SMGA:

SIOUX METRO GROWTH ALLIANCE
a South Dakota nonprofit corporation

CITY:

CITY OF TEA
a South Dakota municipality

Signature: _____

Title: _____

Date: _____

Title: _____

Date: _____