

**AGREEMENT FOR SERVICES  
DULUTH SISTER CITIES INTERNATIONAL, INC.**

THIS AGREEMENT, effective as of the date of attestation by the City Clerk, is made by and between the City of Duluth, a municipal corporation under the laws of the State of Minnesota, hereinafter referred to as "City", and Duluth Sister Cities International, Inc., a Minnesota non-profit corporation, hereinafter referred to as "Corporation".

RECITALS:

1. Sister city relationships stimulate community interest in culture, history, art and the study of foreign languages; open new dialogues with people of another culture to find unique solutions to municipal problems therefore improving the quality of life for citizens of Duluth; promote Duluth tourism; advertise the City of Duluth; provide invaluable learning and educational experiences for Duluth citizens including the areas of technology and the environment; provide an opportunity for improving local relations through working together for a common objective; promote trade and stimulate the local economy by associating local products with the city marketing name (branding); and provide doors through which Duluth's citizens can experience and come to understand other countries and their people and cultures, thus furthering global understanding and world peace.
2. The City desires to participate in sister city relationships between the City and cities of other countries in part through participation in Sister City International which participation includes international exchanges of citizen visits, correspondence, artwork, culture, music, education and technology.
3. The City desires to contract with the Corporation to provide services related to participation in sister city relationships including Sister Cities International.
4. The City has deemed it to be in the public interest to provide funding to the Corporation for these services.
5. The Corporation has represented that it is qualified to provide such services to the City.

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

## ARTICLE I

### Scope of Services

Pursuant to the terms and conditions of this Agreement, the Corporation agrees that it will provide the following services:

1. Coordinate the establishment and maintenance of official sister city relationships between the City and cities of other countries through Sister Cities International, including but not limited to Thunder Bay, Petrozavodsk, Växjö, Rania, and Ohara-Isumi City.
2. Establish official contact with Duluth's Sister Cities, collect and disseminate information on these cities, and host official visits of Sister City delegations.
3. Promote cultural, historic, artistic, economic, technical and educational understanding between City and its Sister Cities; and promote citizen exchanges.
4. Provide contacts and liaison for the business community, public schools, college and universities, and other interested groups with Duluth's Sister Cities.
5. Advise the Mayor and the City Council on Duluth's sister city relationships.
6. Perform the organizing and logistical arrangement of Sister City missions.
7. The Corporation agrees that the Mayor or his/her designee who shall bear the duties and responsibilities of the Mayor (the Mayor and his/her designee hereinafter referred to as the "Delegate") shall act as the official representative of the City for any exchange to a Sister City. All out-of-state travel by elected officials shall be in accordance with the City's most current Out-of-State Travel Policy. The Corporation agrees to provide payment in advance for all costs, such as airfare, hotel, visas, etc., of Delegate travel with respect to exchanges to Sister Cities. Notwithstanding the above, the Corporation shall provide payment on a reimbursable basis for reasonable incidental expenses of Delegate travel with respect to exchanges to Sister Cities, such as food and train or bus fare, said payment to be made within 45 days of invoice by the City to the Corporation of incidental expenses, payable into Fund 110.
9. Except as otherwise provided for herein, the City's contact for purposes of this Agreement shall be the Mayor or his/her designee (the City's Agent). The City's Agent shall act as the liaison between the Corporation and the City.
10. The Corporation agrees to name the City of Duluth in all promotional materials produced by the Corporation and in any additional materials made public with regard to the activities or services provided pursuant to this Agreement.
11. All exchange protocol agreements between Duluth and its Sister Cities must be approved in writing by the Mayor or his/her designee and the Corporation.
12. The Corporation shall remain an active member of Sister Cities International and abide by the rules governing its membership. The Corporation shall preserve its existence

as a duly organized Minnesota non-profit corporation, and shall further preserve all of its licenses and permits to the extent necessary to operate its affairs and to fulfill the terms of this Agreement.

13. The Corporation shall be responsible for the purchase and payment of the official City gifts and artifacts to be given by the City to a Sister City.

14. The inventory of official City-owned gifts as of the date of this Agreement is attached hereto as Exhibit A. The Corporation may request to borrow for display such official gifts and artifacts given to the City by a Sister City. The request shall be made in writing to the City's Agent and shall state the specific items requested to be borrowed and where and by whom they shall be displayed. The City's Agent in his/her sole discretion may grant or deny such request. The granting or denying of such request shall be in writing. In the event the City through its Agent makes such a loan, a listing of the gifts and artifacts so loaned shall be prepared by the City's Agent and a copy provided to the Corporation. The Corporation shall maintain and secure in a safe manner all such gifts and artifacts.

## ARTICLE II

### Professional Fees and Payment

City hereby agrees to compensate Corporation for costs/operational expenses incurred by it in the performance of the services hereunder in accordance with the budget related to said services attached hereto as Exhibit B (the Budget) in an amount not to exceed Forty Thousand and 00/100th's Dollars (\$40,000), payable from Fund 258, Agency 030, Acct. 5436-05. Budget changes shall require the written approval of the City's Agent. Requests for reimbursement shall be made no more frequently than monthly and shall be accompanied by check registers certified by the Corporation Board President and such other documentation as the Chief Financial Officer may reasonably request. Upon receipt of said request and the appropriate documentation, the City shall promptly reimburse the Corporation for said costs/operational expenses up to the amount set forth above.

## ARTICLE III

### Annual Report

On or before January 31, 2021, the Corporation agrees to provide to the City's Agent an annual report of the Corporation's activities and accomplishments provided under this Agreement, including how the funds furnished by the City were spent. The annual reports shall be in a form mutually agreed upon by Corporation and the City's Agent.

## ARTICLE IV

### Assignability/Subcontractors

The Corporation shall not assign or subcontract any right, duty or interest in the Agreement without the prior written consent of the City's Agent. Notwithstanding the above, the City hereby consents to the subcontracting by the Corporation for clerical services.

## ARTICLE V

### Term

Notwithstanding the date of execution of this Agreement, the services to be provided under this Agreement shall commence on January 1, 2020, the date of this Agreement notwithstanding, and shall terminate on December 31, 2020 unless sooner terminated as herein provided for.

## ARTICLE VI

### Termination of Services

City may, by giving forty-five (45) days written notice, terminate this Agreement in whole or in part without cause. In the event of termination, all reports prepared by the Corporation under this Agreement shall become the property of City and the Corporation shall promptly deliver the same to City. The Corporation shall be entitled to compensation for services properly performed by it to and including the date of termination of this Agreement, including reimbursable expenses.

## ARTICLE VII

### Standard of Performance

The Corporation agrees that all services to be provided to City pursuant to this Agreement shall be performed to the reasonable satisfaction of the City's Agent.

## ARTICLE VIII

### Records and Inspections

#### A. Establishment and Maintenance of Records

Records shall be maintained by the Corporation in accordance with requirements prescribed by City, in accordance with Generally Accepted Accounting Principles ("GAAP"), and with respect to all matters covered by this Agreement. Such records shall be maintained for a period of six (6) years after receipt of final payment under this Agreement.

B. Documentation of Costs

The Corporation will ensure that all costs shall be supported by properly executed payrolls, time records, invoices, contracts, vouchers or other official documentation evidencing in proper detail the nature and propriety of the charges. All checks, payrolls, invoices, contracts, vouchers, orders or other accounting documents pertaining in whole or in part to this Agreement shall be clearly identified and readily accessible.

C. Additional Reports and Records

In addition to the report set forth in Article III, the Corporation shall be responsible for furnishing to City such statements, records, data and information as City may reasonably request pertaining to matters covered by this Agreement. Provider agrees to submit an annual application for continued receipt of tourism tax funds. The application shall be submitted no later than September 1, 2020 and shall include any and all additional budget and expense information related to the tourism tax allocation as the City may request including tracking visitors by zip code to determine the number of non-residents and tourists being served.

D. Audits and Inspections

The Corporation agrees that, as provided in Minnesota Statutes 16C.05, Subdivision 5, all Corporation books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by the City and either the Legislative Auditor or the State Auditor for six (6) years from receipt of final payment under this Agreement. Upon twenty-four (24) hours advanced notice by the City, the Corporation shall provide all requested information. The Corporation will also permit City to audit, examine and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Agreement. The City agrees to bear the reasonable cost of any copies of documents it requires.

E. Confidentiality of Information

All reports, data, information, documentation and material given or prepared by the Corporation pursuant to this Agreement will be confidential and will not be released by the Corporation without prior authorization from City except as required for the performance of the Corporation's services or as required by law.

F. Minnesota Data Practices Act

The Corporation acknowledges that all records maintained or required to be maintained by this Agreement are subject to the Minnesota Government Data Practices (the "Act") and the Corporation agrees to maintain all such records in accordance with the Act and any applicable administrative rules.

## ARTICLE IX

### Funding Contingency

It is understood and agreed by the parties that the City shall be obligated to provide payment to the Corporation only to the extent that sufficient taxes are derived from the Food and Beverage Tax, which are designated by the City Council to be placed in Fund 258 and related funds and accounts. In the event that insufficient taxes are derived from the Food and Beverage Tax, the City shall have the right in its sole and unfettered discretion to reduce or eliminate the funding available to the Corporation under this Agreement or to terminate or otherwise modify this Agreement.

## ARTICLE X

### Independent Contractor

It is agreed that nothing herein contained is intended or shall be construed in any manner as creating or establishing a relationship of co-partners between the parties hereto or of constituting the Corporation or any of its officers, agents, servants or employees as an agent, officer, representative, servant or employee of City for any purpose or in any manner whatsoever. The Corporation and any officers, agents, servants or employees thereof shall not be considered an employee of City, and any and all claims that may or might arise under the Workers' Compensation Act of the State of Minnesota on behalf of said officers, agents, servants or employees while so engaged and any and all claims whatsoever on behalf of the Corporation arising out of employment or alleged employment, including without limitation, claims of discrimination against City, its officers, agents, servants or employees shall in no way be the responsibility of City. The Corporation and its officers, agents, servants and employees shall not be entitled to any compensation or rights or benefits of any kind whatsoever, including, without limitation, tenure rights, medical and hospital care, sick leave and vacation pay, Workers' Compensation, Unemployment Insurance, disability pay or severance pay, and PERA. Furthermore, City shall not, in any way, be responsible to defend, indemnify or save harmless the Corporation from liability or judgments arising out of the intentional or negligent acts or omissions of the Corporation while performing the work specified by this Agreement.

## ARTICLE XI

### Indemnity and Insurance

#### A. Indemnity

The Corporation agrees that it shall defend, indemnify and save harmless, City and its officers, agents, servants and employees from and against any and all claims, demands, suits, judgments, costs and expenses asserted by any person or persons, including agents or employees of City or of the Corporation, by reason of the death of or injury to person or persons or the loss of or damage

to property arising out of the Corporation's performance of its obligations under this Agreement. On ten (10) days written notice from the City, the Corporation will appear and defend all lawsuits against City growing out of such injuries or damages.

B. Insurance.

a. Corporation shall provide the following minimum amounts of insurance from insurance companies authorized to do business in the State of Minnesota.

(1) Workers' compensation insurance in accordance with the laws of the State of Minnesota.

(2) Public Liability and Automobile Liability Insurance with limits not less than \$1,500,000 Single Limit, and twice the limits provided when a claim arises out of the release or threatened release of a hazardous substance; shall be in a company approved by the city of Duluth; and shall provide for the following: Liability for Premises, Operations, Completed Operations, Independent Contractors, and Contractual Liability.

(3) Professional Liability Insurance in an amount not less than \$1,500,000 Single Limit; provided further that in the event the professional malpractice insurance is in the form of "claims made" insurance, 60 days' notice prior to any cancellation or modification shall be required; and in such event, Corporation agrees to provide the City with either evidence of new insurance coverage conforming to the provisions of this paragraph which will provide unbroken protection to the City, or, in the alternative, to purchase at its cost, extended coverage under the old policy for the period the state of repose runs; the protection to be provided by said "claims made" insurance shall remain in place until the running of the statute of repose for claims related to this Agreement.

(4) City of Duluth shall be named as Additional Insured under the Public Liability and Automobile Liability, or as an alternate, Contractor may provide Owners-Contractors Protective policy, naming himself and City of Duluth. Corporation shall also provide evidence of Statutory Minnesota Workers' Compensation Insurance. Corporation to provide Certificate of Insurance evidencing such coverage with 30-days' notice of cancellation, non-renewal or material change provisions included. The City of Duluth does not represent or guarantee that these types or limits of coverage are adequate to protect the Contractor's interests and liabilities.

(5) If a certificate of insurance is provided, the form of the certificate shall contain an unconditional requirement that the insurer notify the City without fail not less than 30 days prior to any cancellation, non-renewal or modification of the

policy or coverages evidenced by said certificate and shall further provide that failure to give such notice to City will render any such change or changes in said policy or coverages ineffective as against the City.

(6) The use of an "Accord" form as a certificate of insurance shall be accompanied by two forms - 1) ISO Additional Insured Endorsement (CG-2010 pre-2004) and 2) Notice of Cancellation Endorsement (IL 7002) or equivalent, as approved by the Duluth City Attorney's Office.

b. The insurance required herein shall be maintained in full force and effect during the life of this Agreement and shall protect Corporation, its employees, agents and representatives from claims and damages including but not limited to personal injury and death and any act or failure to act by Corporation, its employees, agents and representatives in the negligent performance of work covered by this Agreement.

c. Certificates showing that Corporation is carrying the above described insurance in the specified amounts shall be furnished to the City prior to the execution of this Agreement and a certificate showing continued maintenance of such insurance shall be on file with the City during the term of this Agreement.

d. The City shall be named as an additional insured on each liability policy other than the professional liability and the workers' compensation policies of the Corporation.

e. The certificates shall provide that the policies shall not be changed or canceled during the life of this Agreement without at least 30 days advanced notice being given to the City.

## ARTICLE XII

### Civil Rights Assurances

The Corporation, for itself and its officers, agents, servants and employees as part of the consideration under this Agreement, does hereby covenant and agree to comply with all laws relating to unlawful discrimination.

## ARTICLE XIII

### Compliance with Laws

The Corporation agrees to observe and comply with all laws, ordinances, rules and regulations of the United States of America, the State of Minnesota and City and their respective agencies which are now or later become applicable to its activities under this Agreement.



ARTICLE XIV

Notices

Notice to City or the Corporation provided for herein shall be sufficient if sent by the regular United States mail, postage prepaid, addressed to the parties at the addresses hereinafter set forth or to such other respective persons or addresses as the parties may designate to each other in writing from time to time:

City: City of Duluth  
Chief Administrative Officer  
Room 402 City Hall  
Duluth, MN 55802

Corporation: Duluth Sister Cities International, Inc.  
301 West First Street, Suite 308  
Duluth, MN 55802

ARTICLE XV

Waiver

Any waiver by either party of any provision of this Agreement shall not imply a subsequent waiver of that or any other provision.

ARTICLE XVI

Applicable Law

This Agreement, together with all of its paragraphs, terms and provisions is made in the State of Minnesota and shall be construed and interpreted in accordance with the laws of the State of Minnesota.

ARTICLE XVII

Severability

In the event any provision herein shall be deemed invalid or unenforceable, the remaining provisions shall continue in full force and effect and shall be binding upon the parties to this Agreement.

ARTICLE XVIII

No Third Party Rights

This Agreement is to be construed and understood solely as an Agreement between the Corporation and the City and shall not be deemed to create any rights in any other person. No

person shall have the right to make claim that she or he is a third party beneficiary of this Agreement or of any of the terms and conditions hereof, which, as between the City and the Corporation, may be waived at any time by mutual agreement between the City and the Corporation.

#### ARTICLE XIX

##### Authority to Execute Agreement

The Corporation represents to the City that the execution of this Agreement has been duly and fully authorized by its governing body or board, that the officers of the Corporation who executed this Agreement on its behalf are fully authorized to do so, and that this Agreement when thus executed by said officers of the Corporation on its behalf will constitute and be the binding obligation and agreement of the Corporation in accordance with the terms and conditions hereof.

#### ARTICLE XX

##### Entire Agreement, Counterparts

It is understood and agreed that the entire agreement of the parties is contained herein and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof. This Agreement may be amended only by a written instrument signed by both parties. This Agreement may be executed in counterparts, each of which shall be deemed to be original and all of which together shall constitute the binding and enforceable agreement of the parties hereto. This Agreement may be executed and delivered by a party by facsimile or PDF transmission, which transmission copy shall be considered an original and shall be binding and enforceable against such party.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and date first above shown.

**CITY OF DULUTH-**

**DULUTH SISTER CITIES INTERNATIONAL,  
INC.**

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_

Attest:

Its \_\_\_\_\_  
Title of Representative

\_\_\_\_\_  
City Clerk

Date: \_\_\_\_\_

Date Attested: \_\_\_\_\_

By \_\_\_\_\_

Countersigned:

Its \_\_\_\_\_  
Title of Representative

City Auditor

Date: \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
City Attorney

**EXHIBIT A**

**EXHIBIT B**

| Duluth                     | Sister | Cities             | International |
|----------------------------|--------|--------------------|---------------|
| 2014 City of Duluth Budget |        |                    |               |
| Accounting Fees            |        | \$ 464.00          |               |
| Contract Services          |        | \$17,000.00        |               |
| Occupancy                  |        | \$6,000.00         |               |
| Insurance                  |        | \$2,000.00         |               |
| Telephone/Internet         |        | \$1,836.00         |               |
| Postage                    |        | \$400.00           |               |
| Supplies                   |        | \$500.00           |               |
| Printing/Copying           |        | \$700.00           |               |
| Dues                       |        | \$1,100.00         |               |
| Delegations                |        | \$2,000.00         |               |
| <b>Total</b>               |        | <b>\$30,000.00</b> |               |