

Exhibit A

REGION COPY

MINNESOTA CROSS-COUNTRY SKI TRAIL GRANT-IN-AID PROGRAM FY2017 GRANT AGREEMENT

Local Unit of Government "Sponsor"	Trail Name	State Cost	Effective Date
City of Duluth	Duluth City Ski	\$11,000.00	See Item I

THIS AGREEMENT, is made between the STATE OF MINNESOTA, acting through the Commissioner of Natural Resources, hereinafter referred to as the "State", and the sponsoring Local Unit of Government "Sponsor" specified above, and relates to the establishment of proposed trails specified above.

WHEREAS, the local unit of government desires to establish, construct and maintain public trails; and

WHEREAS, the Minnesota Cross-Country Ski Trail Grant-in-Aid Program provides grants to local units of government for the construction and maintenance of recreational trails pursuant to Minnesota Statutes, Chapter 85.44 and 84.026; and

WHEREAS, the local unit of government sponsor has applied to the State for a grant for said trails and has submitted the Cross-Country Ski Trail Grant-in-aid Program's application form, required attachments, and resolution of the local unit of government authorizing the proposed trail for maintenance and grooming. The submitted application form and required attachments are hereinafter referred to as the "Plan", and the sponsor resolution is attached and incorporated into this agreement as Exhibit A; and

NOW THEREFORE, it is agreed between the parties as follows:

A. TRAIL OBLIGATION OF THE LOCAL UNIT OF GOVERNMENT. The local unit of government agrees to construct, operate, and maintain the proposed trails in accordance with the current **Minnesota Cross Country Ski Trail Grant-in-Aid Program Manual**, hereinafter referred to as the "Manual" as accepted or amended by the State, and with the application or new trail project proposal form, as accepted or amended by the State.

The local unit of government shall:

1. Proceed to acquire necessary interests in lands on the Trail. The Sponsor must acquire land in fee, easement, lease, permit, or other authorization for said Trail. The term of said interest shall be no less than four (4) months between November 15 of any year and April 1 of the succeeding year. For each parcel of land crossed by the Trail, the Sponsor shall obtain from the owner of said parcel a permit, lease, easement, deed, or other authorization for said crossing in accordance with Minnesota Statutes Chapter 604A. The Sponsor shall certify that the necessary interests in the land have been obtained and are on file with the Sponsor or the sponsor's agent.
2. Provide adequate maintenance and grooming of the trail, which shall include keeping the trails reasonably safe for public use; provide sanitation and sanitary facilities when needed; and provide other maintenance and grooming as may be required. The local unit of government and not the State is responsible for maintaining signs and grooming all trails. If the local unit of government, or their agent, fails to provide adequate maintenance and grooming of the trails, the State may withhold current or future performance benchmark payments or grooming reimbursements to the local unit of government and/or terminate this agreement.

Exhibit A

B. **TECHNICAL ASSISTANCE.** The State shall give technical assistance to the local unit of government in establishing trails upon request.

C. **FUNDING.** The state's sole responsibility under this Agreement is to provide funds to the local unit of government. In the event that state funds become unavailable because of legislative or executive action or restraints the grant amount may be reduced or canceled by the State.

D. **DISBURSEMENT AND REIMBURSEMENT.** The state agrees to disburse funds to the local unit of government pursuant to this Agreement based upon the satisfactory completion of the trail maintenance performance benchmark and reimburse funds to the local unit of government for trail grooming at the equipment costs listed in the Manual. This grant shall not exceed the State Cost as specified above.

E. **PAYMENT.**

1. **Trail Maintenance Performance Benchmark, 40% of Total Grant Amount**

Disbursement of these funds is contingent on the local unit of government providing the trail maintenance performance benchmark form certifying that the trail is open and available for use. The certification must be received by December 15th of that year, and certifies that the trail was ready to be open and groomed by December 1st, pending snow; satisfactorily brushed; bridges were in good repair; signs were installed; gates were capable of being open (snow permitting); interest in the lands to operate the entire trail were obtained through fee ownership, easement, lease, permit, permission, or other conveyance; parking lots were plowed or ready to be plowed (snow permitting); any additional work to set up the trail was completed; and the trail meets the guidelines of the Manual.

2. **Trail Grooming Reimbursement, Up to 60% of Total Grant Amount**

Trail grooming is reimbursed to the local unit of government at an hourly rate for specific equipment listed in the Manual. 60% of grant funds are dedicated to trail grooming reimbursement. The local unit of government must submit the Trail Grooming Reimbursement Form and attached grooming logs in order to be reimbursed these funds, in accordance with the Manual. Trail Grooming Reimbursement Forms may be submitted several times during the grooming season for reimbursement periods identified on the form, but the final reimbursement form must be submitted no later than May 30th for the previous season's grooming. The State shall not be required to pay for grooming reimbursement that the State's authorized representative determines to be unsatisfactory per the guidelines identified the Manual. Payments shall be made to the extent of authorized reimbursement, or until this agreement is terminated.

3. **Penalties**

If the local unit of government, or their agent, fails to provide adequate maintenance and grooming of the trails, or does not meet the program requirements or guidelines established in the Manual, the State may withhold current or future performance benchmark payments or grooming reimbursements to the local unit of government and/or terminate this agreement.

Exhibit A

F. **STATE AUDITS.** Under Minnesota Statutes § 16C.05, subd. 5, the Grantee's books, records, documents, and accounting procedures and practices relevant to this grant contract are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this grant contract. Records shall be sufficient, as defined in the Manual to reflect significant costs incurred and volunteer donation of time, equipment, and/or materials in performance of this grant.

G. **WORKERS COMPENSATION.** The Grantee certifies that it is in compliance with Minnesota Statutes § 176.181, subd. 2, pertaining to workers' compensation insurance coverage. The Grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

H. **LIABILITY.** Each party agrees that it will be responsible for its own acts and the results thereof to the extent authorized by law and shall not be responsible for the acts of the other party and the results thereof. The State's liability shall be governed by the provisions of the Minnesota Tort Claims Act, Minnesota Statutes § 3.736 and other applicable law. The Sponsor's liability shall be governed by the provisions of Minnesota political Subdivisions Tort Liability, Minnesota Statutes § 466.02 and other applicable law.

I. **TERM.**

I.1 **Effective date: July 1, 2016.** Per MN Statute 16B.98, Subd. 5 and Subd. 7, this agreement is not valid and no payments will be made to the Grantee until this grant contract is fully executed, however, eligible expenses may be incurred the date the appropriation becomes available.

I.2 **Expiration date: June 30, 2017,** or until all obligations have been satisfactorily fulfilled, whichever is sooner.

J. **TERMINATION.** This Agreement may be terminated by the State in the event of a default by the Sponsor, the legislature appropriates insufficient monies for the program, or the abandonment of the Trail. It may also be terminated upon mutual agreement by the State and the Sponsor, upon 30 days' written notice to each entity.

K. **PUBLICITY AND ENDORSEMENT**

Publicity. Any publicity regarding the subject matter of this grant contract must identify the State as the sponsoring agency and must not be released without prior written approval from the State's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Sponsor individually or jointly with others, with respect to the program, publications, or services provided resulting from this grant agreement.

Endorsement. The sponsor must not claim that the State endorses its products or services.

L. **ASSIGNMENT OR MODIFICATION.** The Sponsor may not assign any of its rights or obligations under this Agreement without the prior written consent of the State. No change or modification of the terms or provisions of this Agreement shall be binding unless such change or modification is in writing and signed by all parties on this Agreement.

Exhibit A

M. DATA DISCLOSURE. Under Minnesota Statutes § 270.65, subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

N. GOVERNING LAW, JURISDICTION, AND VENUE. Minnesota law, without regard to its choice-of-law provisions, governs this grant contract. Venue for all legal proceedings out of this grant contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

O. AUTHORIZED REPRESENTATIVE. The State's Authorized Representative is the Trail Area Supervisor from the Parks and Trails Division of the Department of Natural Resources for the area where the trail is located, or his/her successor, and has the responsibility to monitor the Sponsors performance and the authority to accept the services provided under this grant contract. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment. A list of the Trail Area Supervisors can be found on the program webpage (http://files.dnr.state.mn.us/assistance/grants/recreation/ohv/area_sups.pdf).

The Sponsor's Authorized Representative is the contact person and individual who provide the authorized signature for the Sponsor, which can be found on the program application (incorporated here into this agreement by reference). If the Sponsor's Authorized Representative changes at any time during this grant contract, the Sponsor must immediately notify the State.

The authorized representative of the sponsor is prohibited from being an officer or bookkeeper/accountant of the club or organization receiving this grant on behalf of the State.

P. INVASIVE SPECIES PREVENTION. The DNR requires active steps to prevent or limit the introduction, establishment, and spread of invasive species during work. The Grantee and/or contractor shall prevent invasive species from entering into or spreading within a project site by cleaning equipment prior to arriving at the project site.

If the equipment, vehicles, gear, or clothing arrives at the project site with soil, aggregate material, mulch, vegetation (including seeds) or animals, it shall be cleaned by Grantee and/or contractor furnished tool or equipment (brush/broom, compressed air or pressure washer) at the staging area. If the material cannot be disposed of onsite, secure material prior to transport (sealed container, covered truck, or wrap with tarp) and legally dispose of offsite. Note that transporting noxious weeds requires a permit from the Minnesota Department of Agriculture.

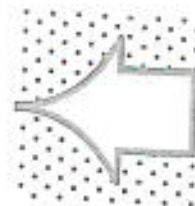
The Grantee and/or contractor shall ensure that all equipment and clothing used for work in infested waters has been adequately decontaminated for invasive species (ex. zebra mussels) prior to being used in non-infested waters. All equipment and clothing including but not limited to waders, tracked vehicles, barges, boats, turbidity curtain, sheet pile, and pumps that comes in contact with any infested waters must be thoroughly decontaminated.

Exhibit A

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

LOCAL UNIT OF GOVERNMENT SPONSOR

Local Unit of Government (Sponsor)		
Authorized Signature	Title	Date
Authorized Signature	Title	Date



HERE

DEPARTMENT OF NATURAL RESOURCES

Individual certifies that funds have been encumbered as required by M.S. § 16A.15 and 16C.05. 	State Encumbrance Verification Contract # 114461 SWIFT PO #: 102224	Date 08-24-16
Authorized Signature	Parks and Trails Division Director/Deputy Director	Date