

**AGREEMENT BETWEEN THE STATE OF MINNESOTA  
DEPARTMENT OF NATURAL RESOURCES  
AND THE «Grantee\_Organization\_Name» (#«Project\_»)**

THIS AGREEMENT is made between the State of Minnesota, acting by and through its Commissioner of Natural Resources (hereinafter the "State"); and the «Grantee\_Organization\_Name» (hereinafter the "Recipient").

WHEREAS, The Minnesota Legislature by 2013 Minnesota Laws, Chapter 114, Article 3, Section 4, Subdivision 5 from the natural resources fund for trail grants to local units of government on land to be maintained for at least 20 years for the purposes of the grant. This appropriation is from the revenue deposited in the natural resources fund under Minnesota Statutes, section 297A.94, paragraph (e), clause (4). and

WHEREAS, the Recipient has applied to the State for a grant and has proposed «Project\_Summary»; (hereinafter the "Project") and which has been approved by the Recipient's appropriate governing entity as evidenced by Attachment "A" which is attached hereto and incorporated by reference herein;

NOW THEREFORE, it is agreed between the State and the Recipient as follows:

**1. GENERAL CONDITIONS**

- 1.1 The total obligation of the State for all compensation and reimbursement to the Grantee under this Grant Agreement will not exceed \$«Amount\_Awarded».
- 1.2 The Recipient acknowledges that these funds are proceeds from the Natural Resources Fund, which is subject to certain legal restrictions and requirements, including Minnesota Statutes Section 116P.13. The Recipient is responsible for compliance with this and all other relevant State and Federal laws and regulations promulgated pursuant thereto governing the proceeds of the Fund in the fulfillment of the Project. Further, the Recipient is responsible for obtaining all applicable permits, permission and/or interests in property necessary for the performance of this Agreement.

**1.3 CONTACT PERSONS**

The authorized contact person for the State is:

Traci Vibo, Grant Coordinator  
Division of Parks and Trails  
Department of Natural Resources  
500 Lafayette Road, Box 39  
St. Paul, Minnesota 55155-4052

The authorized contact person for the Recipient is:

«*Contact\_Name*», «*Contact\_Title*»  
«*Contact\_Organization*»  
«*Contact\_Address*»  
«*Contact\_City*», «*Contact\_City*», «*Contact\_State*» «*Contact\_Zip\_Code*»

The authorized fiscal agent for the Recipient is:

«*Fiscal\_Name*», «*Fiscal\_Title*»  
«*Fiscal\_Organization*»  
«*Fiscal\_Address*»  
«*Fiscal\_City*», «*Fiscal\_State*» «*Fiscal\_Zip\_Code*»

1.4 OPERATION OF THE PROJECT.

The Agency shall operate the PROJECT or cause it to be operated as outlined in the approved Application that is attached hereto as Attachment "B" which is incorporated by reference herein during the period from the effective date as referenced in paragraph 13.1 through **June 30, 2015**. Where provisions of the Sub grantee's Application, that include but are not limited to project scope, budget, timeline, completion date are inconsistent with other provisions of the Agreement, the provisions of this Agreement shall take precedence over the provisions of the Application.

2. **USE OF FUNDS**

The Recipient shall use the proceeds of this agreement only for the eligible costs of the Project as outlined in Section 5. Costs.

3. **MATCHING FUNDS**

The State shall disburse funds to the Recipient pursuant to this agreement on a reimbursement basis not to exceed seventy-five (75) percent of its eligible costs, as described in Section 5. Costs up to a maximum of \$«*Amount\_Awarded*».

4. **PROJECT**

4.1 PROJECT SPECIFICATIONS

The Project shall be guided by the Application as approved by the State. After completion of the Project, the Recipient shall certify to the State that the Project, as conducted, conforms to the approved Application. Said certification must be filed with the State prior to final reimbursement for the Project by the State.

4.2 ADMINISTRATION AND SUPERVISION

The Recipient shall be responsible for the administration, supervision,

management and Project oversight that may be required for the work performed under this agreement. The Recipient may employ such professional services, as it deems reasonable and necessary to provide these services, subject to the provision of Section 5. Costs.

#### 4.3 ACKNOWLEDGMENTS

Upon Project completion, the Recipient shall post a permanent funding acknowledgment sign at the entrance to the Project site, or at an alternative conspicuous location on the site. The sign will state that the site was cooperatively developed by the Minnesota Department of Natural Resources.

#### 4.4 STATUS REPORTS

The Recipient shall submit to the State program status, as the State shall reasonably request.

### 5. COSTS

#### 5.1 REIMBURSABLE COSTS

Eligible costs shall be those costs directly incurred by the Recipient in preparation of and the actual conduct of the Project. Eligible costs shall be based upon the approved Application and can include the following types of costs provided they are solely related to and necessary for the completion of the Project and provide appropriate documentation:

- 5.1.1 Advertising costs solely for (1) Recruitment of personnel; (2) Solicitation of bids; and (3) Disposal of scrap materials;
- 5.1.2 Capital and labor expenditures for facilities, equipment and other capital assets;
- 5.1.3 Communication costs incurred for telephone calls and postage;
- 5.1.4 Materials & supplies;
- 5.1.5 Freight transportation expenses; and
- 5.1.6 Professional services and Project administration costs provided that they do not exceed 20% of the total cost of the Project;
- 5.1.7 Land acquisition (including permanent easements) whose value is established by a licensed appraiser and whose conclusions of value are certified by the state.

Any cost not defined as an eligible cost or not included in the approved Application shall not be paid from State funds committed to the Project.

#### 5.2 NONREIMBURSABLE COSTS

Noneligible costs for reimbursement means all costs not defined as eligible costs, including but not limited to the following:

- 5.2.1 Any expenditure that occurs outside of the operating dates established in Section 1.4 (OPERATION OF THE PROJECT);
- 5.2.2 Fund raising;
- 5.2.3 Volunteer or Donated Labor
- 5.2.4 Taxes, except sales tax on goods and services;

- 5.2.5 Insurance, except title insurance;
- 5.2.6 Attorney fees;
- 5.2.7 Loans, grants, subsidies to persons or entities for development;
- 5.2.8 Bad debts or contingency funds;
- 5.2.9 Interest;
- 5.2.10 Lobbyists;
- 5.2.11 Political contributions;
- 5.2.12 Wages and expenses of Recipient's employees;
- 5.2.13 Fringe benefit costs of Recipient's employees; and
- 5.2.14 Land appraisals.
- 5.2.15 Entertainment, gifts and prizes, food and refreshments;
- 5.2.16 Purchase of phones, computers, tablets or audiovisual equipment;
- 5.2.17 Memberships (including subscriptions and dues), publications, periodicals and other subscription fees
- 5.2.18 Agency advertising and marketing expenses
- 5.2.19 Office Rental Fees, and Overhead and Indirect Expenses (including, but not limited to office or storage space rental, utility expenses, copier rental, phone bills, office materials and supplies).

## 6. REIMBURSEMENT PROCEDURES

- 6.1 *Invoices.* The State will promptly pay the Grantee after the Grantee presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted at the close of each state fiscal year (*July 1 – June 30*) at the very least.
- 6.2 *Federal funds.* (Where applicable, if blank this section does not apply)  
Payments under this grant contract will be made from federal funds obtained by the State through Title ----- CFDA number ----- of the ----- Act of -----. The Grantee is responsible for compliance with all federal requirements imposed on these funds and accepts full financial responsibility for any requirements imposed by the Grantee's failure to comply with federal requirements.

All reimbursement requests, including invoices, for this project must be received by the State on or before ***June 30, 2015***.

Upon completion of the Project, the Recipient shall certify to the State that the Project, as conducted, conforms to the approved Application. Said certification must be filed with the State prior to final reimbursement for the Project by the State.

Prior to reimbursement for land acquisition, if applicable, the Recipient must file a perpetual easement referenced in Paragraph 14 herein below with the County Recorder and provide a copy of the same with the state.

7. **ACCOUNTING AND AUDIT**

Under Minn. Stat. § 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 State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this grant contract.

8. **NONDISCRIMINATION**

The Recipient in the conduct of the Project shall not engage in discriminatory employment practices and shall in all respects comply with Minnesota Statutes, Sections 363.03 and 181.59-60 and all applicable rules and subsequent amendments.

9. **WORKERS COMPENSATION**

The Grantee certifies that it is in compliance with Minn. Stat. § 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 claim 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.

10. **GOVERNMENT DATA PRACTICES AND INTELLECTUAL PROPERTY**

10.1 Government Data Practices. The Grantee and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data provided by the State under this grant contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this grant contract. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data referred to in this clause by either the Grantee or the State.

10.2 Intellectual Property Rights. The State owns all rights, title, and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks, and service marks in the Works and Documents *created and paid for under this contract*. Works means all inventions, improvements, discoveries (whether or not patentable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, and disks conceived, reduced to practice, created or originated by the Grantee, its employees, agents, and subcontractors, either individually or jointly with others in the performance of this grant contract. Works includes "Documents." Documents are the originals of any databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings,

specifications, materials, tapes, disks, or other materials, whether in tangible or electronic forms, prepared by the Grantee, its employees, agents, or subcontractors, in the performance of this grant contract. The Documents will be the exclusive property of the State and all such Documents must be immediately returned to the State by the Grantee upon completion or cancellation of this grant contract. To the extent possible, those Works eligible for copyright protection under the United States Copyright Act will be deemed to be “works made for hire.” The Grantee assigns all right, title, and interest it may have in the Works and the Documents to the State. The Grantee must, at the request of the State, execute all papers and perform all other acts necessary to transfer or record the State’s ownership interest in the Works and Documents.

## 11. **LIABILITY**

The Grantee must indemnify, save, and hold the State, its agent, and employees harmless from any claims or causes of action, including attorney’s fees incurred by the State, arising from the performance of this grant contract by the Grantee or the Grantee’s agents or employees. This clause will not be construed to bar any legal remedies the Grantee may have for the State’s failure to fulfill its obligations under this grant contract.

## 12. **CONVERSION OF USE**

The Recipient shall not at any time convert any property acquired or developed pursuant to this Agreement to uses other than those specified in this Agreement without the prior written approval of the State, until a period of twenty years from the time the designated Funds are no longer available for the Project, has expired.

## 13. **TERM**

### 13.1 **EFFECTIVE DATE**

This agreement shall become legally effective on **May 6, 2014**, or the date the State obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later.

**The Grantee must not begin work under this Grant Agreement until this Grant is fully executed and the Grantee has been notified by the State’s Authorized Representative to begin work.**

### 13.2 **EXPIRATION DATE**

The agreement shall remain in effect until **June 30, 2015**, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

### 13.3 **TERMINATION**

If the State finds that there has been a failure on the part of the Recipient to comply with the provisions of this Agreement, that reasonable progress has not

been made, or that the purposes for which the funds were awarded have not been or will not be fulfilled, the State may take action to protect the interests of the State including, but not limited to, the refusal to disburse additional funds and requiring the return of all or part of the funds previously disbursed.

**13.4 AMENDMENTS**

Any amendment to this grant contract must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original grant contract, or their successors in office.

**14. ANTI-TRUST PROVISION**

The Recipient hereby assigns to the State of Minnesota any and all claims for overcharges as to goods and/or services provided in connection with the Agreement resulting from antitrust violations that arise under the antitrust laws of the United States and the antitrust laws of the State of Minnesota.

**15. ASSIGNMENT**

The Recipient agrees to grant to the State a perpetual easement for the general public to use the subject property for recreational trail purposes. Attached hereto as Attachment "D" and incorporated by reference is a copy of the indenture to be filed with the county recorder if applicable.

**16. DATA DISCLOSURE**

Under Minn. Stat. § 270.66, 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 obligation. 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.

**17 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.



**1. STATE ENCUMBRANCE VERIFICATION**

*Individual certifies that funds have been encumbered as  
Required by Minn. Stat. §§ 16A.15 and 16C.05.*

Signed: \_\_\_\_\_

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

Grant Contract No. \_\_\_\_\_

Purchase Order No. \_\_\_\_\_

**2. GRANTEE**

The Grantee certifies that the appropriate person(s)  
Have executed the grant contract on behalf of the Grantee as required  
by applicable articles, bylaws, resolutions, or ordinances.

By: \_\_\_\_\_

Title: \_\_\_\_\_

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

By: \_\_\_\_\_

Title: \_\_\_\_\_

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

Revised May 6, 2014

**3. STATE AGENCY**

By: \_\_\_\_\_

(with delegated authority)

Title: Deputy Director, Division of Parks and Trails

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

**LIST OF ATTACHMENTS**

- A Resolution and approval by board or council
- B Approved Application
- C Financial Management Manual – on website as referenced in cover letter