

**STATE OF MINNESOTA  
GRANT CONTRACT**

This grant contract is between the State of Minnesota, acting through its Commissioner of Commerce (“State”) and Duluth Police Department, 411 W 1st St, Duluth, MN, 55802 (“Grantee”).

**Recitals**

1. Under [Minn. Stat. § 216C.02](#), subd. 1, the State is empowered to enter into this grant.
2. The State is in need of assistance to reduce the incidence of automobile theft and automobile theft-related crime.
3. The Grantee represents that it is duly qualified and agrees to perform all services described in this grant contract to the satisfaction of the State. Pursuant to [Minn. Stat. § 16B.98](#), subd.1, the Grantee agrees to minimize administrative costs as a condition of this grant.

**Grant Contract**

**1 Term of Grant Contract**

- 1.1 **Effective date:** 07/01/2023, or the date the State obtains all required signatures under [Minn. Stat. § 16B.98](#), subd. 5, whichever is later. Per, [Minn. Stat. § 16B.98](#), subd. 7, no payments will be made to the Grantee until this grant contract is fully executed. **The Grantee must not begin work under this grant contract until this contract is fully executed and the Grantee has been notified by the State’s Authorized Representative to begin the work.**
- 1.2 **Expiration date:** 06/30/2025, or until all obligations have been satisfactorily fulfilled, whichever occurs first.
- 1.3 **Survival of Terms.** The following clauses survive the expiration or cancellation of this grant contract: 8. Liability; 9. State Audits; 10. Government Data Practices and Intellectual Property; 12. Publicity and Endorsement; 13. Governing Law, Jurisdiction, and Venue; and 15. Data Disclosure.

**2 Time**

The Grantee must comply with all the time requirements described in this grant contract. In the performance of this grant contract, time is of the essence.

**3 Grantee’s Duties**

The Grantee, who is not a state employee, will:

- 3.1 Comply with required grants management policies and procedures set forth through [Minn. Stat. § 16B.97](#), Subd. 4 (a) (1).
- 3.2 Execute the duties set forth in Exhibit A, which is attached and incorporated into this grant contract.
- 3.3 Reporting Requirements
  - 3.3.1 Financial Reporting. Grantee shall submit a financial reporting form to the State’s Authorized Representative utilizing the format identified by the State within 30 days after the end of the reporting period.
  - 3.3.2 Progress Reporting. Grantee shall use forms prescribed by the State to submit a quarterly progress detailing progress achieved towards the accomplishment of the program goals and objectives within 30 days after the end of the reporting period.
  - 3.3.3 Auto Theft Data. Grantees, who are local or county law enforcement agencies, shall provide reports of all reported motor vehicle thefts and reported stolen vehicle recovered in by their agency to the State at least monthly and within five (5) business days of the end of each month. Such information shall include the following fields: Date of theft or recovery, license plate, VIN, vehicle year, vehicle make, and vehicle model, and location of theft or recovery.
  - 3.3.4 Other Requirements. Grantee shall submit such other reports and attend meetings and training as State shall reasonably request.
  - 3.3.5 Evaluation. The State shall have the authority, during the course of this grant period, to conduct evaluations of the performance of the Grantee.
  - 3.3.6 Requirement Changes. The State may modify or change all reporting forms at its discretion during the grant period.

3.3.7 Special Requirements. The State reserves the right to include in the grant, at any time during the term of the grant, special administrative requirements deemed necessary to assure the Grantee's successful implementation of the program. The State will notify the Grantee in writing of any special administrative requirements.

### 3.4 Equipment

3.4.1 Definitions. Equipment and materials include items and supplies purchased with grant funds. This may include, but is not limited to, GPS trackers, cameras, computer software, ALPR's, and bait cars. Capital equipment is defined as a single item purchased with a value of \$5,000.00 or more.

3.4.2 Purpose. All equipment and materials purchased with grant funds shall be used primarily for the purpose of the grant for the entire duration of the term of the agreement.

3.4.3 Inventory. The Grantee shall place all equipment and materials having a value of over \$100 purchased with grants funds on a grant property inventory form. The inventory form must be submitted with quarterly reports. The Grantee shall provide a copy of the grant inventory to the State's Authorized Representative.

3.4.4 Inspection. The Grantee shall make all equipment and materials purchased with grants funds available for inspection by the State's Authorized Representative.

3.4.5 Replacement. The Grantee is responsible for replacing or repairing property which is lost, stolen, damaged or destroyed. Any loss, damage or theft of equipment must be investigated and fully documented and made part of the official grant contract records. Stolen property must be reported promptly to the appropriate law enforcement agency and a copy of the report retained in the program files.

3.4.6 Discontinuation of Use During Grant Term. If the Grantee ceases using equipment (including capital equipment) or materials for the intended purpose during the term of the agreement, the Grantee shall contact the State's Authorized Representative for disposition of property instructions. Disposition may include sale, transfer to the State, or transfer to another grantee.

3.4.7 Discontinuation of User of Capital Equipment. Capital equipment must be retained in inventory for a five-year period or when the value of the equipment has depreciated to less than \$5,000, whichever comes first. If the Grantee ceases using capital equipment for the intended purpose during this time, the Grantee shall contact the State's Authorized Representative for disposition of property instructions. Disposition may include sale, transfer to the State, or transfer to another grantee.

3.5 Personnel. If the grant provides funding for personnel, the funded personnel shall work on grant activities. Full-time funded positions must work exclusively on grant activities, excluding ancillary duties such as training, meetings, covering a court calendar, assisting others on a short-term project. Part-time or overtime funding positions must keep a record of their hours spent on grant activities. The Grantee shall inform the State's Authorized Representative of the staff names who are assigned to and funded by the grant. If staff are reassigned or discontinued for more than 14 days, the grantee shall promptly notify the State's Authorized Representative.

## 4 Consideration and Payment

4.1 **Consideration.** The State will pay for all services performed by the Grantee under this grant contract as follows:

4.1.1 **Compensation.** The Grantee will be paid, upon reimbursement, an amount not to exceed:

4.1.1.1 \$6,243.84 available for fiscal year 2024

4.1.1.2 \$6,560.69 available for fiscal year 2025

of actual eligible costs incurred in the performance of the Grantee's duties according to the breakdown of costs contained in the grant budget (Exhibit B), which is attached and incorporated into this grant contract.

4.1.2 **Total Obligation.** The total obligation of the State for all compensation and reimbursements to the Grantee under this grant contract will not exceed: \$12,804.53.

- 4.2 Line-Item Changes.** Expenditures specified in Exhibit B may not be moved from one line-item to another unless in accordance with the requirements listed below:
- 4.40.1 Any changes to the line-item budget must advance the purpose of the Automobile Theft Prevention Grant Program and must remain within the total dollar amount available for each fiscal year.
  - 4.40.2 Any fund transfers must be approved in advance in writing by the State's Authorized Representative and will not be effective until an amendment to this Agreement has been executed.
  - 4.40.3 The State may refer approval requests for line-item transfer(s) to the Automobile Theft Prevention Advisory Board to review for reasonableness.
- 4.41 Payment**
- 4.41.1 **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 timely upon completion of services, but not more often than monthly. The state fiscal year is July 1 to June 30 of each year. Amounts submitted on each invoice must reflect goods ordered and services rendered during the specific invoice period for each invoice. The final invoice pertaining to each state fiscal year of this grant contract must be received by the close of business on July 31 following the end of the fiscal year.
  - 4.41.2 **Unexpended Funds.** The Grantee must promptly return to the State any unexpended funds that have not been accounted for annually in a financial report to the State due at grant closeout.
- 4.42 Contracting and Bidding Requirements.** Per [Minn. Stat. § 471.345](#), Grantees that are municipalities as defined in subd. 1 must do the following if contracting funds from this grant contract agreement for any supplies, materials, equipment or the rental thereof, or the construction, alteration, repair or maintenance of real or personal property.
- 4.42.1 If the amount of the contract is estimated to exceed \$100,000, a formal notice and bidding process must be conducted in which sealed bids shall be solicited by public notice. Municipalities may, as a best value alternative, award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in [Minn. Stat. § 16C.28](#), subd. 1, paragraph (a), clause (2).
  - 4.42.2 If the amount of the contract is estimated to exceed \$25,000 but not \$100,000, the contract may be made either upon sealed bids or by direct negotiation, by obtaining two or more quotations for the purchase or sale when possible, and without advertising for bids or otherwise complying with the requirements of competitive bidding. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof. Municipalities may, as a best value alternative, award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in [Minn. Stat. § 16C.28](#), subd. 1, paragraph (a), clause (2) and paragraph (c).
  - 4.42.3 If the amount of the contract is estimated to be \$25,000 or less, the contract may be made either upon quotation or in the open market, in the discretion of the governing body. If the contract is made upon quotation it shall be based, so far as practicable, on at least two quotations which shall be kept on file for a period of at least one year after their receipt. Alternatively, municipalities may award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in [Minn. Stat. § 16C.28](#), subd. 1, paragraph (a), clause (2).
  - 4.42.4 Support documentation of the bidding process utilized to contract services must be included in the Grantee's financial records, including support documentation justifying a single/sole source bid, if applicable.
  - 4.42.5 For projects that include construction work of \$25,000 or more, prevailing wage rules apply per [Minn. Stat. § 177.41](#) through [177.44](#). These rules require that the wages of laborers and workers should be comparable to wages paid for similar work in the community as a whole.

## 6 Authorized Representative

The State's Authorized Representative is **Joseph Boche**, Special Agent, Phone 651-539-1608, or their successor, and has the responsibility to monitor the Grantee's 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.

The Grantee's Authorized Representative is **Emily Larson**, Mayor, Phone 218-730-5230, E-mail [elarson@duluthmn.gov](mailto:elarson@duluthmn.gov), or their successor. If the Grantee's Authorized Representative changes at any time during this grant contract, the Grantee must immediately notify the State.

6.1 Activities Requiring Approvals. Changes or derivations of the following activities from the grantee's proposal require prior written approval from the State's Authorized Representatives

6.1.1 The following material program modifications

6.1.1.1 Modifying your geographic area served

6.1.1.2 Changing organizations involved in activities provided in Exhibit A (expansion, contraction or revision)

6.1.1.3 Revising activities and timelines in Exhibit A

6.1.1.4 Amending the number of activities or number of individuals you proposed to serve

6.1.1.5 Revising your target population

6.1.2 Purchase of capital equipment not specified in Exhibit B.

6.2.3 Purchase of equipment not specified in Exhibit B.

6.2.4 Reallocation of funds in Exhibit B from one line item to another.

6.2.5 Sub-Contracts, according to Clause 4.3 Contracting and Bidding Requirements, of \$5,000.00 or more.

6.2.6 Out of state travel when grant funds are used.

6.2.7 Disposal of equipment purchased with grant funds during the term of the grant according to Clause 3.4.

6.2.8 Disposal of capital equipment at any time during the during the term of the grant, and for 5 years from the date of purchase of the equipment or when the equipment has a value less than \$5,000.00, whichever comes first.

## 7 Assignment, Amendments, Waiver, and Grant Contract Complete

7.1 **Assignment.** The Grantee shall neither assign nor transfer any rights or obligations under this grant contract without the prior written consent of the State and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this grant contract, or their successors in office.

7.2 **Amendments.** Any amendments 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.

7.3 **Waiver.** If the State fails to enforce any provision of this grant contract, that failure does not waive the provision or the State's right to enforce it.

7.4 **Grant Contract Complete.** This grant contract contains all negotiations and agreements between the State and the Grantee. No other understanding regarding this grant contract, whether written or oral, may be used to bind either party.

## 8 Liability

The Grantee must indemnify, save, and hold the State, its agents, 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.

## 9 State Audits

Under [Minn. Stat. § 16B.98](#), subd. 8, the Grantee's books, records, documents, and accounting procedures and practices of the Grantee or other party relevant to this grant contract or transaction 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, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

## 10 Government Data Practices and Intellectual Property Rights

- 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. If the Grantee receives a request to release the data referred to in this Clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before the data is released. The Grantee's response to the request shall comply with applicable law.
- 10.2 **Intellectual Property Rights.** The Grantee shall own 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. The "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. The "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.
- 10.3 **License to the State.** Subject to the terms and conditions of this grant contract, the Grantee hereby grants to the State a perpetual, irrevocable, no-fee right and license to make, have made, reproduce, modify distribute, perform and otherwise use the works and documents for any and all purposes, in all forms and manners that the State, in its sole discretion, deems appropriate. The Grantee shall upon the request of the State, execute all papers and perform all other acts necessary, to document and secure said right and license to the works and documents by the State. At the request of the State, the Grantee shall permit the State to inspect the original documents and provide a copy of any of the document to the State, without cost, for use by the State in any manner the State, in its sole discretion, deems appropriate.
- 10.4 **Obligations.** Grantee represents and warrants that materials produced or used under this grant contract do not and will not infringe upon any intellectual property rights of other persons or entities including but not limited to patents, copyrights, trade secrets, trade names, and service marks and names. Grantee shall indemnify and defend the State, at Grantee's expense, from any action or claim brought against the State to the extent that it is based on a claim that all or part of the materials infringe upon the intellectual property rights of another. Grantee shall be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages including, but not limited to reasonable attorneys' fees arising out of this grant contract, amendments and supplements thereto, which are attributable to such claims or actions.

If such a claim or action arises, or in Grantee's or the State's opinion is likely to arise, Grantee shall, at the State's discretion, either procure for the State the right or license to continue using the materials at issue or replace or modify the allegedly infringing materials. This remedy shall be in addition to and shall not be exclusive to other remedies provided by law.

## 11 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 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.



## 12 Publicity and Endorsement

- 12.1 **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 Grantee individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this grant contract. All projects primarily funded by state grant appropriations must publicly credit the State of Minnesota, including on the grantee's website when practicable.
- 12.2 **Endorsement.** The Grantee must not claim that the State endorses its products or services.

## 13 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.

## 14 Termination

- 14.1 **Termination by the State.** The State may immediately terminate this grant contract with or without cause, upon 30 days' written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.
- 14.2 **Termination for Cause.** The State may immediately terminate this grant contract if the State finds that there has been a failure to comply with the provisions of this grant contract, that reasonable progress has not been made or that the purposes for which the funds were granted have not been or will not be fulfilled. The State may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.
- 14.3 **Termination for Insufficient Funding.** The State may immediately terminate this grant contract if: 1) it does not obtain funding from the Minnesota Legislature, or other funding source; or 2) if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or electronic notice to the Grantee. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the grant contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State must provide the Grantee notice of the lack of funding within a reasonable time of the State's receiving that notice.

## 15 Data Disclosure

Under [Minn. Stat. § 270C.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.

*--signatures on next page--*

**1. STATE ENCUMBRANCE VERIFICATION**

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

DocuSigned by:

Signed:

*Carla Collins*

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Date: 7/11/2023

Grant Contract / PO: SC# 232256 / FY24 PO# 3-17239

**2. DULUTH POLICE DEPARTMENT**

*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.*

**CITY OF DULUTH** a Minnesota municipal corporation

By: \_\_\_\_\_  
Its Mayor

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

Attest: \_\_\_\_\_  
City Clerk

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

Countersigned:

\_\_\_\_\_  
City Auditor

Approved as to form:

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

**3. MN DEPARTMENT OF COMMERCE**

*(with delegated authority)*

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

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

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

Distribution:

MN Dept. of Commerce, Accounting Dept.  
Grantee  
State's Authorized Representative (copy)

## Grantee's Duties

**A. Project Goal:** \_\_Equipment Grants

**B. The Grantee shall do all things necessary to complete the following tasks according to the following schedule:**

Task	Description	Completion Date
<b>Task 1.</b>	<b>Meetings</b>	Every other Month
1.1.	The agency will send a representative to intelligence meetings/trainings organized by the State.	
<b>Task 2.</b>	<b>Overtime</b>	Ongoing
2.1.	Employee receiving overtime under the grant will complete a report indicating: name, date, hours worked, case number or detail description, general description of work, number of arrests, vehicles recovered, search warrants executed (if any), and overtime rate.	
<b>Task 3.</b>	<b>Reporting/Invoicing</b>	Ongoing
3.1.	Conduct conferences as needed with the State's Authorized Representative to apprise him/her on progress accomplishments and issues encountered.	
3.2.	Schedule project update meetings as necessary to inform the State's Authorized Representative of deviations to the project schedule, the need to modify the scope of the project or at the request of the State's Authorized Representative to discuss any item related to the project's progress.	
3.3.	Keep the State's Authorized Representative apprised of any changes to personnel assigned to work on the grant.	
3.4.	On monthly basis submit (within 5 business days following the end of the month):	7/1/2023 – 6/30/2025
3.4.1	A list of the vehicles reported stolen/recovered the grantee agency, such reports shall include the date, location, VIN, License plate, year, make, and model.	
3.5.	On a quarterly basis submit (within 30 days following the end of the quarter):	
3.5.1	Invoices and supporting documentation to the State for the preceding quarter's work completed within the project scope; and	
3.5.2	Budget overview for the preceding quarter's expenses and expenses to date using the details in Exhibit B.	
3.5.3	Statistical reports (template provided by the State) related to motor vehicle thefts for the past quarter.	
3.5.4	Reports (template provided by the State) documenting the activities funded i for the past quarter.	
3.5.5	Submit an equipment use log and inventory of equipment purchased with grant funds quarterly.	
3.5.6	A narrative report (template provided by the State) documenting grantees progress, challenges and suggestions.	
3.6.	Submit the Final Report, including executive summary, and a final invoice to the State upon completion of the project.	7/30/2025



**Exhibit B****Grantee's Budget**

**Budget:** The Grantee's eligible costs include actual costs incurred invoiced as reimbursement per State requirements. These costs include labor/fringe, subcontractors, equipment, marketing, printing, materials, supplies, and travel (subject to the guidelines of the "Commissioner's Plan"). These costs are reflected in the following categories which align with the Tasks in Exhibit A.

<b>Category</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>Total Amount</b>
<b>1. Personnel</b>	<b>\$ 5,203.20</b>	<b>\$ 5,467.24</b>	<b>\$ 10,670.44</b>
a. OT 80 hours	\$5,203.20	\$5,467.24	
<b>2. Payroll Tax &amp; Fringe</b>	<b>\$ 1,040.64</b>	<b>\$ 1,093.45</b>	<b>\$ 2,134.09</b>
OT	\$1,040.64	\$1,093.45	
<b>3. Contract Services</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>
<b>4. Travel</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>
<b>5. Training</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>
<b>6. Office Expense</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>
<b>7. Program Expenses</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>
<b>8. Equipment Over \$5,000 Per Unit</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>
<b>9. Other</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>
<b>Total Grant Award:</b>	<b>\$ 6,243.84</b>	<b>\$ 6,560.69</b>	<b>\$ 12,804.53</b>