

**STATE OF MINNESOTA
GRANT CONTRACT AGREEMENT**

This grant contract agreement is between the State of Minnesota, acting through its Commissioner of the Department of Labor and Industry ("STATE") and the City of Duluth, 402 West First Street, Duluth, MN 55802 ("GRANTEE").

Apprenticeship Minnesota at the Department of Labor and Industry (DLI) was awarded a State Apprenticeship Expansion formula grant (Award # 23A60AP000014-01-03) funding from the US Department of Labor Employment and Training Administration (USDOL/ETA) focused on capacity building, modernization, and expansion activities in registered apprenticeships. This grant agreement is fully funded through the above mentioned USDOL grant.

Recitals

1. Under Minn. Stat. 175.17 the State is empowered to enter into this grant contract agreement.
2. As part of a larger federal Department of Labor grant initiative the State is in need of registered apprenticeship programs in Greater Minnesota.
3. The Grantee represents that it is duly qualified and agrees to perform all services described in this grant contract agreement 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 contract agreement.

Grant Contract Agreement

1. Term of Grant Contract Agreement

1.1 Effective date:

January 3, 2025, or the date the contract is fully executed, whichever is later. Per [Minn. Stat. §16B.98](#), Subd. 5, the Grantee must not begin work until this grant contract agreement is fully executed and the State's Authorized Representative has notified the Grantee that work may commence. Per [Minn.Stat. §16B.98](#) Subd. 7, no payments will be made to the Grantee until this grant contract agreement is fully executed.

1.2 Expiration date:

June 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 agreement: 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. Grantee's duties

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

Comply with required grants management policies and procedures set forth through [Minn.Stat. §16B.97](#), Subd. 4 (a) (1).

1) The Grantee will perform the duties as specified in Exhibit A (Workplan), which is attached and incorporated into the grant contract agreement.

2) The Grantee will comply will all federal requirements imposed on these funds as identified in grant number 23A60AP000014, and will comply with the requirements in 2 CFR 200 and 2 CFR 2900, including but not limited to the provisions required by [Appendix II to Part 200– Contract Provisions for Non-Federal Entity Contracts under Federal Awards](#).

3. Time

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

4. Consideration and payment

4.1 Consideration.

The State will pay for all services performed by the Grantee under this grant contract agreement as follows:

(a) Compensation

The Grantee will be paid on a quarterly basis and according to the breakdown of costs contained in Exhibit B, which is attached and incorporated into this grant contract agreement.

(c) Total Obligation.

The total obligation of the State for all compensation and reimbursements to the Grantee under this grant contract agreement will not exceed \$5,000.

4.2 Payment

(a) 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 and according to the following schedule:

Expenditure Periods	Invoice Due Dates
Jan 1 – March 31, 2025	April 15, 2025
April 1 – June 30, 2025	July 15, 2025

(b) 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.

(c) Budget modifications

Modifications greater than 10 percent of any line item in the most recently approved work plan and budget require prior approval from the State and must be indicated on submitted reports.

Modifications equal to or less than 10 percent of any line item are permitted without prior approval from the State provided that such modification is indicated on submitted reports, and that the total obligation of the State for all compensation and reimbursements to Grantee shall not exceed the total.

4.3 Contracting and Bidding Requirements

- (a) Services and/or materials that are expected to cost between \$25,000 and \$99,999 must be competitively awarded based on a minimum of three (3) verbal quotes or bids.
- (b) Services and/or materials that are expected to cost between \$10,000 and \$24,999 must be competitively awarded based on a minimum of two (2) verbal quotes or bids or awarded to a targeted vendor.
- (c) The grantee must take all necessary affirmative steps to assure that targeted vendors from businesses with active certifications through these entities are used when possible:
 - a. [State Department of Administration's Certified Targeted Group, Economically Disadvantaged and Veteran-Owned Vendor List](#)
 - b. Metropolitan Council Underutilized Business Program: MCUB: [Metropolitan Council Underutilized Business Program](#)
 - c. Small Business Certification Program through Hennepin County, Ramsey County, and City of St. Paul: [Central Certification Directory](#)
- (d) The grantee must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts.
- (e) The grantee must maintain support documentation of the purchasing or bidding process used to contract services in their financial records, including support documentation justifying a single/sole source bid, if applicable.
- (f) Notwithstanding (a) - (d) above, the State may waive bidding process requirements when:
 - Vendors included in response to competitive grant request for proposal process were approved and incorporated as an approved work plan for the grant
 - It is determined there is only one legitimate or practical source for such materials or services and that grantee has established a fair and reasonable price.
- (g) 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.
- (h) The grantee must not contract with vendors who are suspended or debarred in MN: <http://www.mmd.admin.state.mn.us/debarredreport.asp>

5. Conditions of payment

All services provided by the Grantee under this grant contract agreement must be performed to the State's satisfaction, as determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Grantee will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law.

6. Authorized representative

The State's Authorized Representative is Georgiana Amundson, Minnesota Department of Labor and Industry, 443 Lafayette Road N., St. Paul, MN 55155, 651-284-5085, Georgiana.Amundson@state.mn.us or his/her successor, and has the responsibility to monitor the Grantee's performance and the authority to accept the services provided under this grant contract agreement. 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 Elena Foshay, Director of Workforce Development, City of Duluth, 402 West First Street, Duluth, MN 55802, 218-730-5241, efoshay@DuluthMN.gov. If the Grantee's Authorized Representative changes at any time during this grant contract agreement, the Grantee must immediately notify the State.

7. Assignment amendments, waiver, and grant contract agreement complete

7.1 Assignment

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

7.2 Amendments

Any amendments to this grant contract agreement 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 agreement, that failure does not waive the provision or the State's right to enforce it.

7.4 Grant contract agreement complete

This grant contract agreement 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 agreement 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 agreement.

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 agreement or transaction are subject to examination by the Commissioner of Administration, by the State granting agency and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this grant contract agreement, 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 agreement. 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

- (a) 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. 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 Contractor, its employees, agents, and subcontractors, either individually or jointly with others in the performance of this 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 Contractor, its employees, agents, or subcontractors, in the performance of this Contract. The documents will be the exclusive property of the State and all such documents must be immediately returned to the State by the Contractor upon completion or cancellation of this 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 Contractor assigns all right, title, and interest it may have in the works and the documents to the State. The Contractor 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.
- (b) Open Licensing. Intellectual property developed under this contract must be licensed under a Creative Commons Attribution 4.0 (CC BY 4.0) license, which allows subsequent users to copy, distribute, transmit, and adapt the copyrighted work and requires such users to attribute the work.
- (c) Obligations
- (1) Notification. Whenever any invention, improvement, or discovery (whether or not patentable) is made or conceived for the first time or actually or constructively reduced to practice by the Contractor, including its employees and subcontractors, in the performance of this Contract, the Contractor will immediately give the State's Authorized Representative written notice thereof, and must promptly furnish the

State's Authorized Representative with complete information and/or disclosure thereon.

- (2) Representation. The Contractor must perform all acts, and take all steps necessary to ensure that all intellectual property rights in the works and documents are the sole property of the State, and that neither Contractor nor its employees, agents, or subcontractors retain any interest in and to the works and documents. The Contractor represents and warrants that the works and documents do not and will not infringe upon any intellectual property rights of other persons or entities. Notwithstanding Clause 8, the Contractor will indemnify; defend, to the extent permitted by the Attorney General; and hold harmless the State, at the Contractor'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 works or documents infringe upon the intellectual property rights of others. The Contractor will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages, including but not limited to, attorney fees. If such a claim or action arises, or in the Contractor's or the State's opinion is likely to arise, the Contractor must, at the State's discretion, either procure for the State the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing works or documents as necessary and appropriate to obviate the infringement claim. This remedy of the State will be in addition to and not exclusive of 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 agreement 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.

Any publicity regarding the subject matter of this Contract must include the following information: (1) the percentage of the total costs of the program or project which will be financed with Federal money; (2) the dollar amount of Federal funds for the project or

program; and (3) the percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

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 agreement. Venue for all legal proceedings out of this grant contract agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

14. Termination

14.1 (a) Termination by the State

14.1 (a) Without Cause

The State may terminate this grant contract agreement 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.

14.1 (b) With Cause

The State may immediately terminate this grant contract agreement 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.

14.2 Termination by the Commissioner of Administration

The Commissioner of Administration may immediately and unilaterally cancel this grant contract agreement if further performance under the agreement would not serve agency purposes or is not in the best interest of the State.

14.3 Termination for Insufficient Funding

The State may immediately terminate this grant contract agreement if:

(a) Funding for Grant Award# 23A60AP000014 is withdrawn by USDOL/ETA; or

(b) Or, if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written 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 agreement 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.

1. STATE ENCUMBRANCE VERIFICATION

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

Signed: _____

Date: _____

SWIFT Contract/PO No(s): _____

2. GRANTEE

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

By: _____

Title: City Administrator (per delegated authority)

Date: _____

By: _____

Title: City Clerk

Date: _____

By: _____

Title: City Auditor

Date: _____

By: _____

Title: City Attorney

Date: _____

3. STATE AGENCY

By: _____

(with delegated authority)

Title: _____

Date: _____

Distribution:
Agency
Grantee
State's Authorized Representative

DRAFT

Exhibit A

Organization Name: City of Duluth

Workplan – Staff of the workforce boards will attend all three in-person meetings as listed below.

Meetings	Agenda	Resources needed	Outcomes
January 23, 2025, 10 am to 3pm, in person at DLI	<p>Plan and implement a registered apprenticeship strategy for the local area.</p> <p>Participate in tailored consultations with Apprenticeship Minnesota program development staff.</p>	City staff and Duluth Workforce Development Board member time and travel	Initiation of a Registered Apprenticeship strategy plan
March 27, 2025, 10 am to 3pm, in person at DLI	<p>Plan and implement a registered apprenticeship strategy for the local area.</p> <p>Participate in tailored consultations with Apprenticeship Minnesota program development staff.</p>	City staff and Duluth Workforce Development Board member time and travel	Planning of a Registered Apprenticeship strategy plan
May 29, 2025, 10 am to 3pm, in person at DLI	<p>Plan and implement a registered apprenticeship strategy for the local area.</p> <p>Participate in tailored consultations with Apprenticeship Minnesota program development staff.</p>	City staff and Duluth Workforce Development Board member time and travel	<p>Completion of a Registered Apprenticeship strategy plan</p> <p>Registration of an apprenticeship program.</p>

Exhibit B

Organization Name: City of Duluth

Budget

Budget line items	Budget dollar amount
Grant-funded personnel (e.g., salaries, wages, insurance, benefits)	\$1500
Grant-funded personnel travel	\$3250
Administrative costs (cannot exceed 5% of the total projected grant budget)	\$250
Total projected budget	\$5,000

Expenditure Periods

January 1– March 31, 2025
April 1 – June 30, 2025

Invoice Due Dates

April 15, 2025
July 15, 2025