STATE OF MINNESOTA
GRANT CONTRACT AGREEMENT
FEDERAL SUB-AWARD AGREEMENT
Swift Contract Number: NA
Federal Recreational Trail Program (FRTP) - Trail Project: 0021-22-2C

This Grant Contract Agreement is between the State of Minnesota, acting through its Commissioner of the Department of Natural Resources 500 Lafayette Road Saint Paul, MN 55155 ("State") and City of Duluth, S3MZFK8JXGJ3, 411 West 1st Street, Ground Floor, Duluth, MN, 55802 ("Grantee").

Recitals

1. Under Federal Recreational Trail Program (FRTP), United States Department of Transportation, Federal Highway Administration, CFDA 20.219/ALN 20.287, the state received Federal Award ID TRAL028 of $2,798,823 on October 1, 2022. This project is not a research and development project. The purpose of the federal grant is to develop and maintain recreational trails and trail-related facilities to both nonmotorized and motorized recreational trail uses.

2. Under Federal Award Title Federal Recreational Trail Program (FRTP) and Minnesota Statutes 84.026 the State subawards $150,000 to the Grantee for the purpose of conducting the program entitled Cross City Trail Segment VI ("Project") for the purpose of Project Description.

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.

Grant Contract Agreement

1 Term of Grant Contract Agreement

1.1 Effective Date. The date the State obtains all required signatures. This is the Performance and Budget Period start date.

Per Minnesota Statutes § 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 Minnesota Statutes § 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, 2027, or, in the event this Grant Contract Agreement is continued by way of amendment or new agreement, the date the amendment or new agreement is fully executed, whichever is later. In the event an amendment or new agreement is not fully executed within 60 calendar days of the stated expiration date, this grant agreement will expire on August 30, 2027.

1.3 Survival of Terms. The following clauses survive the expiration or cancellation of this Grant Contract Agreement: Liability; State Audits; Government Data Practices and Intellectual Property; Publicity and Endorsement; Governing Law, Jurisdiction, and Venue; Data Disclosure; Specifications, Duties, Budget and Scope of Work; Monitoring; and Records Retention.

2 Specifications, Duties, Budget and Scope of Work

2.1 The Grantee shall be responsible for the administration, supervision, management, record keeping, and program oversight required for the work performed under this agreement.

2.2 The Grantee agrees to construct, operate and maintain the approved trails in accordance with the guidelines contained within the Federal Recreational Trail Program Manual found on the website https://www.dnr.state.mn.us/grants/recreation/trails_federal.html, current at the time this agreement is signed, hereinafter referred to as the "Manual" as accepted or amended by the State which is incorporated into this contract by reference. The Manual is filed with the Minnesota Department of Natural Resources Division of Parks and Trails 500 Lafayette Road St. Paul MN 55155. All work will be the responsibility of the Grantee.

2.3 The Grantee shall complete the Project or cause it to be completed as outlined in Exhibit B, Specifications, Duties, Budget and Scope of Work. Any material change in the grant agreement shall require an amendment by the State. The application has been approved by the Grantee's appropriate governing entity as evidenced in Exhibit C, Resolution.

2.4 The Grantee will comply with required grants management policies and procedures set forth through Minn.Stat.§16B.97, subdivision 4 (a) (1).

2.5 The Grantee will comply with the Requirements for DNR Grantees, outlined in Exhibit D.

2.6 The Grantee is responsible for maintaining an adequate conflict of interest policy. Throughout the term of this agreement, the Grantee shall monitor and report any actual, potential or perceived conflicts of interest to the State's Authorized Representative. The Grantee must sign and return Exhibit E, Conflict of Interest Disclosure, when countersigning this Agreement.

2.7 The Grantee shall not, prior to twenty-five years after the date of completion of the project, 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 Grantor. The Grantee must maintain property developed as per this agreement in a manner consistent with the original purpose of this grant.

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 and failure to meet a deadline date may be a basis for a determination by the State's Authorized Representative that the Grantee has not complied with the terms of the Grant Contract Agreement. The Grantee is required to perform all the duties cited within clause two "Specifications, Duties, Budget and Scope of Work" within the grant period. The State is not obligated to extend the grant period.

4 Consideration and Terms of Payment

The consideration for all services performed by the Grantee pursuant to this Grant Contract Agreement shall be paid by the State as follows:

5 **Compensation.** The total obligation of the State under this Grant Contract Agreement, including all compensation and reimbursements, is not to exceed $150,000 which shall be paid in accordance with the terms outlined in 4.8 Invoices.

6 Total Federal Funds. The total amount of federal funds obligated to the Grantee by the State is $150,000 including the current financial obligation.

6.1 **Matching Requirements.** Grantee certifies that the following matching requirement for the grant will be met by the Grantee. The total project cost is $589,446. The Grantee agrees to provide match of $439,446. Match documentation must be included with invoices.

6.2 **Indirect Cost Rate.** As the Grantee does not have a federally negotiated indirect cost rate and has chosen to not use the de minimis rate, no indirect costs will be paid.

6.3 Funds made available pursuant to this Agreement shall be used only for expenses incurred in performing and accomplishing the purposes and activities specified in the approved workplan

6.4 **Administrative Costs.** Grantee administrative costs must be necessary and reasonable. Professional services and project administration costs are allowed, provided the combination of project administration, professional services, and travel do not exceed 20 percent of the total cost of the project.

6.5 **Travel Expenses.** Reimbursement for travel and subsistence expenses actually and necessarily incurred by the Grantee because of this Grant Contract Agreement will not exceed what is described in 4.6 Administration Costs. The Grantee will not be reimbursed for travel and subsistence expenses incurred outside Minnesota unless it has received the State's prior written approval.

The Grantee will be reimbursed for travel and subsistence expenses in the same manner and in no greater amount than provided in the current Nonrepresented Employee Plan (ML25 Ch. 39 Art. 3 Sec. 2) promulgated by the Commissioner of Minnesota Management and Budget.

6.6 **Invoices.** Payments shall be made by the State after the Grantee's presentation of invoices for services satisfactorily performed and the written acceptance of such services by the State's Authorized Representative. Invoices shall be submitted timely, with additional details as requested by the State, and according to the following schedule:

6.6.A Up to four separate payment requests may be submitted.

6.6.B Invoices must include copies of appropriate documentation to prove the work has been completed.

6.6.C Payments for work completed through June 30 of each year must be submitted to the State's Authorized Representative no later than July 25 of that same year.

7 The final invoice must be submitted no later than 60 days after project expiration. A financial report summarizing all expenditures must be submitted with the invoice in a format approved by the State's Authorized Representative.

Payments shall not be made on grants with past due progress and/or financial reports, including final reports, unless the State has given the Grantee a written extension.

8 Federal Funds.

8.1 Payments under this grant agreement will be made from federal funds obtained by the State through Federal Recreational Trail Program, Assistance Listing Number 20.287, Federal Award Identification Number TRAL028.

8.2 The prime award is attached to this Grant Contract Agreement as Exhibit A: Federal Award. The Grantee is responsible for its compliance with all applicable federal requirements detailed within Exhibit A. The Grantee accepts full financial responsibility for any reimbursement imposed by the Grantee's noncompliance.

9 Unexpended Funds. The Grantee must promptly return to the State any unexpended funds that have not been accounted for in a financial report to the State.

10 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.

11 Contracting and Bidding Requirements

11.1 The Grantee is required to comply with Minnesota Statutes § 471.345, Uniform Municipal Contracting Law.

11.2 The Grantee and any subrecipients must comply with prevailing wage rules per Minnesota Statutes §§ 177.41 through 177.50, as applicable.

11.3 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.

12 Authorized Representatives

12.1 State's Authorized Representative is Ryan Bloomberg, Trail Grants Specialist, Division of Parks and Trails, Department of Natural Resources, 500 Lafayette Road, Box 39, St. Paul, MN 55155-4052, ryan.bloomberg@state.mn.us, 651-259-5666 or their successor and has the responsibility to monitor the

Grantee's performance and the authority to accept the services provided under this grant agreement. If the services are satisfactory, the State's Authorized Representative or their designee will certify acceptance on each invoice submitted for payment.

12.2 The Grantee's Authorized Representative is Matt Andrews, Trail Coordinator, City of Duluth, 411 West 1st Street, Ground Floor, Duluth, MN, 55802, 218-730-4308, mandrews@duluthmn.gov, or their successor. If the Grantee's Authorized Representative changes at any time during this grant agreement, the Grantee must immediately notify the State.

12.3 The Grantee Authorized Fiscal Agent is Nina Salinas, Finance Director, City of Duluth, 411 West 1st Street, Duluth, MN, 55802, 218-730-5028, jcarlson0@duluthmn.gov, or their successor. If the Grantee's Authorized Fiscal Agent changes at any time during this grant agreement, the Grantee must immediately notify the State.

12.4 The Grantee must clearly post on the Grantee's website the names of, and contact information for, the Grantee's leadership and the employee or other person who directly manages and oversees this Grant Contract Agreement on behalf of the Grantee.

13 Assignment, Amendments, Waiver, and Contract Complete

13.1 Assignment. The Grantee may neither assign nor transfer any rights or obligations under this Grant Contract Agreement without the prior consent of the State and a fully executed agreement, executed and approved by the authorized parties or their successors.

13.2 Amendments. Any amendment 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 Agreement or their successors.

13.3 Waiver. If the State fails to enforce any provision of this Grant Contract Agreement, that failure does not waive the provision or its right to enforce it.

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

14 Subcontracting and Subcontract Payment

14.1 Subrecipient is a person or entity that has been awarded a portion of the work authorized by this Grant Contract Agreement by Grantee. The Grantee must document any subaward through a formal legal agreement. The Grantee must provide timely notice to the State of any subrecipient(s) prior to the subrecipient(s) performing work under this Grant Contract Agreement.

14.2 The Grantee agrees that if it subcontracts any portion of this project to another entity, the agreement with the subcontractor will contain all provisions of the agreement with the State. The Grantee also agrees to comply with Title 2 Code of Federal Regulations (CFR) 200.318 through 2 CFR 200.327. Contracts for engineering and design related services which utilize Federal-aid highway program funds and are directly related to an ultimate construction project must also comply with the requirements established in 23 U.S.C. §112 and 23 C.F.R. §172.

14.3 **Required Federal Contract Provision**: The Grantee is required to insert the required contract provisions under FHWA –1273, found in the Program Manual on our website, in each subcontract and further require its inclusion in all lower tier subcontracts.

14.4 The Grantee must monitor the activities of the subrecipient(s) to ensure the subaward is used for authorized purposes; is in compliance with the terms and conditions of the subaward, Minnesota Statutes § 16B.97, Subd.4 (a) (1) and other relevant statutes and regulations; and that subaward performance goals are achieved.

14.5 During this Grant Contract Agreement, if a subrecipient is determined to be performing unsatisfactorily by the State's Authorized Representative, the Grantee will receive written notification that the subrecipient can no longer be used for this Grant Contract Agreement.

14.6 The Grantee must pay any subrecipient in accordance with Minnesota Statutes § 16A.1245.

14.7 No subagreement shall serve to terminate or in any way affect the primary legal responsibility of the Grantee for timely and satisfactory performances of the obligations contemplated by the Grant Contract Agreement.

14.8 The Grantee or any subrecipient must not contract with vendors who are suspended or debarred by the State of Minnesota or the federal government. Refer also to 2 C.F.R. §200.214.

14.9 The Grantee may not issue a subaward or contract to any Federal employee, department, or agency, without advance permission from the State's Authorized Representative

15 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 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.

16 State Audits and Single Audits

16.1 Under Minnesota Statutes § 16B.98, Subd. 8, the Grantee's books, records, documents, and accounting procedures and practices relevant to this Grant Contract Agreement are subject to examination by the Commissioner of Administration, the State granting agency, the State Auditor, the Attorney General, and the Legislative Auditor, as appropriate, for a minimum of six years from the expiration or termination 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.

16.2 All state and local governments, colleges and universities, and non-profit organizations that expend $1,000,000 or more of federal awards in a fiscal year must have a single audit according to the OMB Uniform Guidance: Cost Principles, Audit, and Administrative Awards Requirements for Federal Awards. This is $1,000,000 total federal awards received from all sources. If an audit is completed, forward a copy of the report to both the State's Authorized Representative and the State Auditor.

17 Government Data Practices and Intellectual Property Rights

17.1 **Government Data Practices.** The Grantee and State must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 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 Minnesota Statutes § 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.

17.2 **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 grant contract agreement. 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 agreement. 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 agreement. 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 agreement. 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.

The federal awarding agency may receive royalty-free, non-exclusive and an irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so as noted in 2 CFR 200.315.

17.2.A Obligations

17.2.A.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 Grantee, including its employees and subcontractors, in the performance of this contract, the Grantee will immediately give the State's Authorized Representative written notice thereof, and must promptly furnish the Authorized Representative with complete information and/or disclosure thereon.

17.2.A.2 Representation. The Grantee 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 Grantee nor its employees, agents, or subcontractors retain any interest in and to the Works and Documents. The Grantee 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 9, the Grantee will indemnify; defend, to the extent permitted by the Attorney General; and hold harmless the State, at the 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 Works or Documents infringe upon the intellectual property rights of others. The Grantee 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 Grantee's or the State's opinion is likely to arise, the Grantee 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.

18 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.

19 Governing Law, Jurisdiction, Venue

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.

20 Termination

20.1 Termination by the State

20.1.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.

20.1.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.

20.2 Termination by the Commissioner of Administration

The Commissioner of Administration may immediately and unilaterally terminate this Grant Contract Agreement if further performance under the agreement would not serve agency purposes or performance under the Grant Contract Agreement is not in the best interest of the State.

20.3 Termination for Insufficient Funding

The State may immediately terminate this Grant Contract Agreement if it does not obtain funding from the Minnesota Legislature, or other funding source; or if funding cannot be continued at a level sufficient to allow for the payment of the services addressed within this Grant Contract Agreement. 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 dedicated funds are available.

In the event of temporary lack of funding or appropriation, the State may pause its obligations under this Grant Contract Agreement without terminating it. This pause will be for the duration of the lack of funding or appropriation and shall not be considered a termination of the Grant Contract Agreement. The Grantee will be notified in writing of the temporary pause, and the Grantee’s ability to provide services may be temporarily suspended during this period. The State will provide reasonable notice to the Grantee of the lack of funding or appropriation and shall notify the Grantee once funding is restored or appropriated, at which point the provision of services under the Grant Contract Agreement may resume.
The State will not be assessed any penalty if the Grant Contract Agreement is terminated due to insufficient funding. The State must provide the Grantee notice of the lack of funding within a reasonable time of the State’s receiving notice.

21 Publicity and Endorsement

21.1 Publicity. Any publicity pertaining to the services resulting from this Grant Contract Agreement shall identify the State as the sponsoring agency. Publicity includes, but is not limited to: websites, social media platforms, notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee or its employees individually or jointly with others or any subcontractors. All projects primarily funded by state grant appropriations must publicly credit the State, including on the grantee’s website, when practicable.

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

22 Data Disclosure

Under Minnesota Statutes § 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.

23 Americans with Disability Act

Grantee must comply with the 2010 American Disabilities Act Standards for Accessible Design, or any updated version of these requirements in effect at the time of this grant, and all applicable regulations and guidelines.

The Grantee is subject to complying with the Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. 12101 et seq.) and all applicable regulations and guidelines. The Grantee must comply with the 2010 American Disabilities Act Standards for Accessible Design. The Grantee shall construct, operate, and maintain all facilities and programs in compliance with all state and federal accessibility laws, regulations, and guidelines including the Final Guidelines for Outdoor Developed Areas. Information on compliance with the Americans with Disabilities Act is available at U.S. Access Board.

Applicants are required to address the American with Disabilities Act (ADA) under the Evaluation Criteria Section of the application. The ADA Accessibility Guidelines for Outdoor Developed Areas, and the ADA and ABA Accessibility Guidelines for Buildings and Facilities can be found on the Federal Access Board website. Successful applicants are required to design and construct their trail to meet ADA standards. The following guidelines will help you design your facilities. Copies can be ordered from the U.S. Access Board at (800) 872-2253 or downloaded from their website. Below are links directly to specific guidelines:

ADA Standards and ABA Guidelines and Standards (For buildings and certain recreation facilities including playgrounds, recreational boating facilities, and fishing piers).

Outdoor Developed Area (For outdoor developed areas such as campgrounds, picnic areas, trails, and beaches).

24 Non-Discrimination Requirements

No person in the United States must, on the ground of race, color, national origin, handicap, age, religion, or sex, be excluded from participation in, be denied the benefits of, or be subject to discrimination under, any program or activity receiving Federal financial assistance. Including but not limited to:

A. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.) and DOC implementing regulations published at 15 C.F.R. Part 8 prohibiting discrimination on the grounds of race, color, or national origin under programs or activities receiving Federal financial assistance; Title IX of the Education Amendments of 1972 (20 U.S.C. § 1681 et seq.) prohibiting discrimination on the basis of sex under Federally assisted education programs or activities;

B. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), and DOC implementing regulations published at 15 C.F.R. Part 8b prohibiting discrimination on the basis of handicap under any program or activity receiving or benefiting from Federal assistance.

C. The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 et seq.), and DOC implementing regulations published at 15 C.F.R. Part 20 prohibiting discrimination on the basis of age in programs or activities receiving Federal financial assistance;

D. Title II of the Americans with Disabilities Act (ADA) of 1990 which prohibits discrimination against qualified individuals with disabilities in services, programs, and activities of public entities.

E. Any other applicable non-discrimination law(s).

25 Reporting requirements

The Grantee shall submit a progress report to the State Authorized Representative, in the form prescribed by the State by April 15 of each year during the term of this grant agreement. Upon completion of the Project, the Grantee 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. Forms will be provided by the State.

26 Monitoring

The State shall be allowed at any time to conduct periodic site visits and inspections to ensure work progress in accordance with this grant agreement, including a final inspection upon program completion. At least one monitoring visit per grant period on all state grants of over $50,000 will be conducted and at least annual monitoring visits on grants of over $250,000.

Following closure of the program, the State's authorized representatives shall be allowed to conduct post-completion inspections of the site to ensure that the site is being properly operated and maintained and that no conversion of use has occurred.

27 Invasive Species Prevention

Grantees and subcontractors must follow Minnesota DNR's Operational Order 113, which requires preventing or limiting the introduction, establishment and spread of invasive species during activities on public waters and

DNR-administered lands. This applies to all activities performed on all lands under this grant agreement and is not limited to lands under DNR control or public waters. Duties are listed under Sections II and III (p. 5-8) of Operational Order 113 which may be found at http://files.dnr.state.mn.us/assistance/grants/habitat/heritage/oporder_113.pdf.

28 TERRESTRIAL WORK SITES include:

The grantee shall prevent invasive species from entering into or spreading within a project site by cleaning equipment and clothing prior to arriving at the project site.

If the equipment or clothing arrives at the project site with soil, aggregate material, mulch, vegetation (including seeds) or animals, it shall be cleaned by grantee furnished tool or equipment (brush/broom, compressed air or pressure washer) at the staging area. The grantee or subcontractor shall dispose of material cleaned from equipment and clothing at a location determined by the DNR Grant Administrator or their representative. 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.

29 AQUATIC WORK SITES include:

The grantee shall prevent invasive species from entering into or spreading within a project site by cleaning equipment and clothing prior to arriving at the project site.

If the project site includes a water body, the grantee shall clean equipment and clothing as noted above, prior to entering and leaving the water body. Prior to leaving the water body, drain water from all equipment, tanks or water retaining components of boats (motors, live well and bilge). Immediately after leaving the water body, drain water from transom wells onto dry land.

The DNR requires active steps to prevent or limit the introduction, establishment, and spread of invasive species during contracted work. The 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 contractor furnished tool or equipment (brush/broom, compressed air or pressure washer) at the staging area. The contractor shall dispose of material cleaned from equipment and clothing at a location determined by the DNR Contract Administrator. 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.

The 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.

30 Pollinator Best Management Practices

Habitat restorations and enhancements conducted on DNR lands and prairie restorations on state lands or on any lands using state funds are subject to pollinator best management practices and habitat restoration guidelines pursuant to Minnesota Statutes, section 84.973. Practices and guidelines ensure an appropriate diversity of native species to provide habitat for pollinators through the growing season. Current specific practices and guidelines to be followed for contract and grant work can be found here: Link to Specific Pollinator Best Management Practices for DNR Grants and Contracts (http://files.dnr.state.mn.us/natural_resources/npc/bmp_contract_language.pdf)

31 Conservation Measures

All determinations, stipulations, avoidance or minimization measures, conservation measures and/or mitigation identified in environmental reviews represent project commitments and must be incorporated into project documents (e.g., specifications, special provisions, green sheets, etc.) and delivery of the project.

32 Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions

The prospective lower tier participant certifies, by submission of this agreement, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency

Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this agreement.

33 Use of Funds as Match to Other Grants or Programs

State funds cannot be used by the Grantee as match or for reimbursement for any other grant or program without prior written authorization from the State's Authorized Representative.

Land Encumbrances. If the new grant or program will add any encumbrances to the land where these funds were or will be spent, these encumbrances must be approved in writing by the State's Authorized Representative and the current landowner.

Written request. The Grantee must submit a written request for authorization no less than 10 business days prior to applying for the new funds or program to the State's Authorized Representative. This request must include the following information: this project name, this contract number, the amount of these funds to be used, location where these funds were or will be used, activity funded, and current landowner (if applicable). The project name, location where the new funds will be used, activity to be funded, funding source of the new grant or program, and a brief description of the grant or program being applied for must also be included.

34 Copeland "Anti-Kickback" Act

Under 40 U.S.C 3145, and 29 CFR Part 3, each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled.

35 Debarment and Suspension

Under Executive Orders 12549 and 12689, a contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

36 Procurement of Recovered Materials

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines. [78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014].

37 Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment

37.1 Under 2 CFR 200.216: Recipients and subrecipients are prohibited from obligating or expending loan or grant funds to:

A. Procure or obtain covered telecommunications equipment or services;

B. Extend or renew a contract to procure or obtain covered telecommunications equipment or services

C. Enter into a contract (or extend or renew a contract) to procure or obtain covered telecommunications equipment or services

37.2 As described in section 889 of Public Law 115-232, “covered telecommunications equipment or services” means any of the following:

A. Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities);

B. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);

C. Telecommunications or video surveillance services provided by such entities or using such equipment;

D. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country;

37.3 For the purposes of this section, “covered telecommunications equipment or services” also include systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

37.4 In implementing the prohibition under section 889 of Public Law 115-232, heads of executive agencies administering loan, grant, or subsidy programs must prioritize available funding and technical support to assist affected businesses, institutions, and organizations as is reasonably necessary for those affected entities to transition from covered telecommunications equipment or services, to procure replacement equipment or services, and to ensure that communications service to users and customers is sustained.

37.5 When the recipient or subrecipient accepts a loan or grant, it is certifying that it will comply with the prohibition on covered telecommunications equipment and services in this section. The recipient or subrecipient is not required to certify that funds will not be expended on covered telecommunications equipment or services beyond the certification provided upon accepting the loan or grant and those provided upon submitting payment requests and financial reports.

37.6 For additional information, see section 889 of Public Law 115-232 and 2 CFR 200.471.

38 Domestic Preference for Procurements

Per 2 CFR 200.322 As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award.

39 Sub-award Reporting

Title 2 of the Code of Federal Regulations, Subtitle A, Chapter 1, Part 170 requires the Grantee to provide the following data to the State for themselves within 21 dates of the execution of this agreement, and for any subcontractors within 21 days of execution of a subcontract:

A. UEI Number, or DUNS Number if UEI number is not known.

B. Relevant executive compensation data if applicable, as described in Title 2 of the Code of Federal Regulations, Subtitle A, Chapter 1, Part 170, Appendix A, I (c).

C. The recipient must report executive total compensation as described in Title 2 of the Code of Federal Regulations, Subtitle A, Chapter 1, Part 170, Appendix A, I (c) as part of the recipient's registration profile at http://www.sam.gov and No later than the month following the month in which this Federal award is made, and annually after that. (For example, if this Federal award was made on November 7, 2025, the executive total compensation must be reported by no later than December 31, 2025.

40 Davis-Bacon Act

Under the Davis-Bacon and Related Acts (DBRA), all contracts awarded under EPA assistance agreements (grants) in excess of $100,000 that involve the employment of mechanics or laborers require contractors and subcontractors to comply with 40 U.S.C.3702 and 3704, as supplemented by Department of Labor regulations in 29 CFR Part 5 and 2 CFR 200 Appendix II. This is the link to Contract Provisions for Davis-Bacon and Related Acts. For additional information, see section 889 of Public Law 115-232 **and** § 200.471**.**

Under 40 U.S.C.3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Services and/or materials that are expected to cost between $10,000 and $24,999 ($2,000 for acquisitions of construction that are subject to the Davis-Bacon Act and $2,500 for the acquisition of services subject to the Service Contract Act) must be competitively awarded based on a minimum of two (2) verbal quotes or bids or awarded to a targeted vendor.

Any services and/or materials that are expected to cost less than $10,000 (see 8.2.3 for thresholds regarding the Davis-Bacon and Service Contract Act) do not require the solicitation of competitive quotations in accordance with 2 CFR 200.320(b).

Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this agreement.

41 Byrd Anti-Lobbying Amendment Certification and Disclosure Awards over $100,000

The Grantee shall comply with Interim Final Rule, New Restrictions on Lobbying, found in Federal Register Vol. 55, No. 38, February 26, 1990, and any permanent rules that are adopted in place of the Interim Final Rule. The Interim Final Rule requires the Grantee to certify as to their lobbying activity. Further definition of lobbying can be found in 2 CFR 200.450.

If the Grantee engages in lobbying activities with non-Federal funds that takes place in connection with obtaining any Federal award, they will promptly inform the authorized representative, and complete any certifications the authorized representative requires.

42 Whistleblower Protection Rights

Recipient Employee Whistleblower Rights and Requirement To Inform Employees of Whistleblower Rights

This award and employees working on this financial assistance agreement will be subject to the whistleblower rights and remedies in the pilot program on Award Recipient employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub.L. 112-239)

The Award Recipient shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712.

The Award Recipient shall insert the substance of this clause, including this paragraph (c), in all sub awards or subcontracts over the simplified threshold. 42 CFR & 52.203-17 (as referenced in 42 CFR & 3.908-9).

43 Force Majeure

Neither party shall be responsible to the other or considered in default of its obligations within this Agreement to the extent that performance of any such obligation is prevented or delayed by acts of God, war, riot, disruption of government, or other catastrophes beyond the reasonable control of the party unless the act or occurrence could have been reasonably foreseen and reasonable action could have been taken to prevent the delay or failure to perform. A party relying on this provision to excuse performance must provide the other party prompt written notice of the inability to perform and take all necessary steps to bring about performance as soon as practicable.

44 Permits

The grant applicant requests all environmental clearances and permits after the grant is awarded. A project shall not proceed into final design or fiscal authorization until all necessary permits are acquired with a copy provided to the State's Authorized Representative.

45 Disadvantaged Business Enterprise (DBE)

This requirement sets goals for the use of disadvantaged businesses. The lead State Agency (Minnesota Department of Transportation) has the responsibility for meeting the DBE goal established.

46 Federal Audit Requirement

The Grantee must comply with all federal audit requirements as described in 23 U.S.C. §112, 48 CFR §31, and 2 CFR §200.500 through §200.520.

47 Records Retention

47.1 Under FHWA Order 1324.18 https://www.fhwa.dot.gov/legsregs/directives/orders/13241b.cfm, all financial records, supporting documents, statistical records and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report". Refer to 2 CFR §200.334 and FHWA Order 1324.1B (or most recent version of the order). The non-Federal entity (local or State government grantee), or Federal grantee, is responsible for complying with this requirement, along with all other requirements of the Federal award. Refer to 2 CFR §300(b).

47.2 Under Minnesota Statutes §16B.98, Subd. 8 and 16C.05, subd. 5, Financial records, supporting documents, statistical records and all other records pertinent to the award must be retained for a period of six years.

48 Section 4(f). Consideration of park and recreation lands, wildlife and waterfowl refuges, and historic sites during transportation project development.

If Minnesota's Department of Transportation or Federal Highway Administration determines that one or more of the following are encountered within a project, State will engage the FHWA MN Division Office to determine if Section 4(f) will be applied to the undertaking:

A. Section 106 Adverse Effect to a National Historic Landmark

B. Section 106 Adverse Effect to degree the affected historic property (36 CFR 800.16) would no longer be eligible for the National Register of Historic Places

C. Section 106 Adverse Effect determination for an archaeological resource that is important to preserve in place.

D. Substantial public controversy regarding anticipated impacts to a Section 4(f) resource

E. Section 7 Endangered Species Act determination of 'May Affect, Likely to Adversely Affect' or a 'Jeopardy' determination that is rooted in impacts to the features, attributes, and activities within a wildlife/waterfowl refuge.

F. Eliminating or effectively eliminating a Section 4(f) recreational resource. 'Effectively eliminating' means the features, attributes, and activities of Section 4(f) resource are impacted so severely that the resource will no longer be able to fulfill its intended function.

This engagement will include providing documentation to the Minnesota FHWA Division Office contact to assist in understanding the context of the impacts, the scope of the project, and the context of the situation. The communications will assist FHWA in determining if Section 4(f) will be applied to the undertaking.

49 Buy America

The FHWA's regulations implementing the Buy America provisions require domestic manufacturing processes for steel and iron, manufactured products and construction materials that are permanently incorporated in a Federal-aid project. The regulations include a minimal use criteria and waiver provisions where appropriate (see 23 C.F.R. §635.410). Trail grooming vehicles and mechanized equipment primarily constructed with steel or iron must comply with Buy America requirements or MNDNR must request a waiver. See the Federal Highway Administration website for RTP Guidance at https://www.fhwa.dot.gov/environment/recreational_trails/

Required Use of American Iron, Steel, Manufactured Products, and Construction Materials for Infrastructure.

This project is funded (all or in part) with a federal award that is part of a Federal financial assistance program for infrastructure subject to Section 70914 of the Infrastructure Investment and Jobs Act (Pub. L. 117-58), also known as the Build America, Buy America Act (BABAA). As required by BABAA on or after May 14, 2022, none of the funds under a federal award that are part of a Federal financial assistance program for infrastructure may be obligated for a project unless all the iron, steel, manufactured products, and construction materials used in the project are produced in the United States, unless subject to an approved waiver. Specifically:

All iron and steel used in the project are produced in the United States. This means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States,

All manufactured products used in the project are produced in the United States. This means the manufactured product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation, and

All construction materials are manufactured in the United States. This means that all manufacturing processes for the construction material occurred in the United States. Construction materials excludes cement and cementitious materials, aggregates such as stone, sand, or gravel or aggregate binding agents or additives.

This Buy America preference only applies to articles, materials, and supplies consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

For more information, visit the Department of Interior's Buy America site**.**

FHWA published the Waiver of Buy America Requirements for De Minimis Costs and Small Grants. This notice is the waiver. There is no need for waiver applications for projects that meet the criteria of this waiver.

The waiver is applicable only to awards that are obligated or subawards that are made on or after the effective date of the waiver, August 16, 2023. The waiver is applicable to subawards only if the subawards are made by a pass-through entity for a specific project. Electric Vehicle (EV) chargers continue to be subject to the FHWA Buy America EV Charger Waiver.

PLEASE NOTE: If the total amount of the Federal financial assistance award is below $500,000, the Buy America requirements for iron, steel, manufactured product, and construction materials is waived. If the total amount of the project is over $500,000, the allowable threshold for noncompliant products is the lesser of $1,000,000 or 5% of total applicable costs for the project. However, if the noncompliant products include iron, steel, manufactured products, the FHWA's threshold amount of 0.1% of the total contract amount or $2,500 applies.

50 The Infrastructure Investment and Jobs Act (IIJA)

The IIJA reauthorized the Recreational Trails Program (RTP) through Federal fiscal years 2022 through 2026 as a set-aside from the Transportation Alternatives Set-Aside under the Surface Transportation Block Grant (STBG). 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. The Grantee agrees to perform this agreement in accordance with the Recreational Trails Program, 23 U.S.C. 206, the provisions and conditions of the FHWA's Guidelines. Consultant services funded in whole, or in part, with Federal-aid highway program funds shall be procured and administered in accordance with the requirements of the Uniform Administrative Requirements (2 CFR §200). In addition, agreements for engineering and design related services which utilize Federal-aid highway program funds and are directly related to an ultimate construction project must also comply with the requirements established in 23 U.S.C. §112 and 23 CFR §172.

51 Program Requirements

The grantee will comply with the provisions of the Federal Recreational Trails Program, 23 U.S.C. 206.

52 Additional Program Requirements

The grantee must comply with the following additional program requirements, state and federal law requirements, as well as the terms and conditions for closeout of the sub-award in the financial reimbursement manual.

52.1 Reimbursable Costs

Eligible costs shall be those costs directly incurred by the Grantee in preparation of and the actual conduct of the Project. Eligible 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:

52.1.A Advertising costs solely for (1) Recruitment of personnel; (2) Solicitation of bids; and (3) Disposal of scrap materials;

52.1.B Capital and labor expenditures for facilities, equipment and other capital assets and/or the maintenance of real or personal property which is the subject of the approved Application;

52.1.C Communication costs incurred for telephone calls and postage;

52.1.D Materials and supplies;

52.1.E Freight transportation expenses;

52.1.F Professional services and administrative costs for the "Project" provided they do not exceed 20% of the total cost of the Project; and

52.1.G Land (including permanent easements) whose value does a licensed appraiser establishes and whose conclusions of value are certified by the state.

52.2 Non-reimbursable Costs

Any cost not defined as an eligible cost or not included in the approved Application shall not be paid from the funds received by Grantee under this Agreement.

Non-eligible costs for reimbursement means all costs not defined as eligible costs, including but not limited to the following that applies to sub-grantee and their associated trail club/organization or project partner:

52.2.A Any expenditure that occurs before the effective date of this agreement;

52.2.B Fundraising;

52.2.C Taxes, except sales tax on goods and services;

52.2.D Insurance, except title insurance;

52.2.E Attorneys fees;

52.2.F Loans, grants, or subsidies to persons or entities for development;

52.2.G Bad debts, late payment fees, finance charges or contingency funds;

52.2.H Interest, investment management fees;

52.2.I Lobbyists;

52.2.J Political contributions;

52.2.K Wages and expenses of Grantee's employees;

52.2.L Fringe benefit costs of Grantee's employees;

52.2.M Land appraisals;

52.2.N Entertainment, gifts and prizes, food and refreshments;

52.2.O Purchase of phones, computers, tablets or audiovisual equipment;

52.2.P Memberships (including subscriptions and dues), publications, periodicals and other subscription fees;

52.2.Q Agency advertising and marketing expenses; and

52.2.R 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).

Exhibits

The following Exhibits are attached and incorporated into this Grant Contract Agreement.

Exhibit A: Federal Award
Exhibit B: Specifications, Duties, Budget and Scope of Work
Exhibit C: Requirements for DNR Grantees
Exhibit D: Conflict of Interest Form

Grant Contract Agreement Signature Page

State Encumbrance Verification

Individual certifies that funds have been encumbered as required by Minnesota Statutes §§ 16A.15

Print Name: ______________________________________

Signature: ____

Title:________________________Date:________________

SWIFT Contract No. _______________________________

State Agency

With delegated authority

Print Name: ______________________________________

Signature: ____

Title:________________________Date: _______________

Grantee

With delegated authority

Print Name: ______________________________________

Signature: ____

Title: City Administrator, per delegated authority

Date: ____________

Attest:

Print Name: ______________________________________

Signature: ____

Title: City Clerk ___________________Date: ____________

Countersigned:

Print Name: ______________________________________

Signature: ____

Title: City Auditor _________________Date: ____________

Approved as to form:

Print Name: ______________________________________

Signature: ____

Title: City Attorney ________________Date: ____________

Exhibit A: Federal Award

United States Department of Transportation

Federal Highway Administration

Recreational Trails Program Project Agreement

State: Minnesota

Federal Project Number: TRAL028

Project Title: Consolidated Statewide Trails Project - FFY 2022

Project Period: Date of Approval Until Expended

Project Stage: Entire Project Covered by this Agreement

Project Scope: Statewide, Miscellaneous Trail Projects

This project is for the purposes of providing and maintaining recreational trails throughout the State of Minnesota.

Refer to the attached "Recreational Trails Program" - Project Narrative

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Project Cost

Total Federal Cost - $2,798,823*

The United States of America, represented by the Division Administrator, Federal

Highway Administration (FHWA) United States Department of Transportation and the State name above (hereinafter referred to as the State), mutually agree to perform this agreement in accordance with the Recreational Trail Program, 23 U.S.C. 206, the provisions and conditions of the FHWA's Guidelines and with the terms, promises, conditions, plans, specifications, estimates, procedures, project proposals, maps, and assurances attached hereto or retained by the State and hereby made a part hereof.

The United States hereby promises, in consideration of the promises made by the State herein, to obligate to the State the amount of money referred to above, and to tender to the State that portion of the obligation, which it is required to pay. The State hereby promises, in consideration of the promises made by the United States herein, to execute the project described above in accordance with the terms of this agreement.

The following are hereby incorporated into this agreement:

1. Federal Project Application and Attachments 2. General Provisions with Attachments.

3. FHWA Recreational Trails Program Guidance Memorandum dated April 1, 1999.

*Total Federal Cost includes Administration and Safety/Education funds which are an estimate and will be obligated after 10/1/2022 when the new apportionment for Recreational Trails has been received and the maximum amount has been calculated. This will be done by amending the Federal project for FFY 2022 and adding the funds based on the new apportionment.

In witness whereof, the parties hereto have executed this agreement as of the date entered below.

UNITED STATES OF AMERICA	STATE OF MINNESOTA
By_________________________	By_________________________
Federal Highway Administration United States Department of Transportation	Director, Division of Parks and Trails (with delegated authority) Minnesota Department of Natural Resources
Date _______________________	Date________________________

Exhibit B: Specifications, Duties, Budget and Scope of Work

Recipient: City of Duluth

Grant/Project #: 0021-22-2C

Grant Amount: $150,000

Match: $300,000

Match Source: Regional Trail Grant R004-23-2C

Total Project Cost: $450,000

Anticipated Completion Date: December 31, 2027

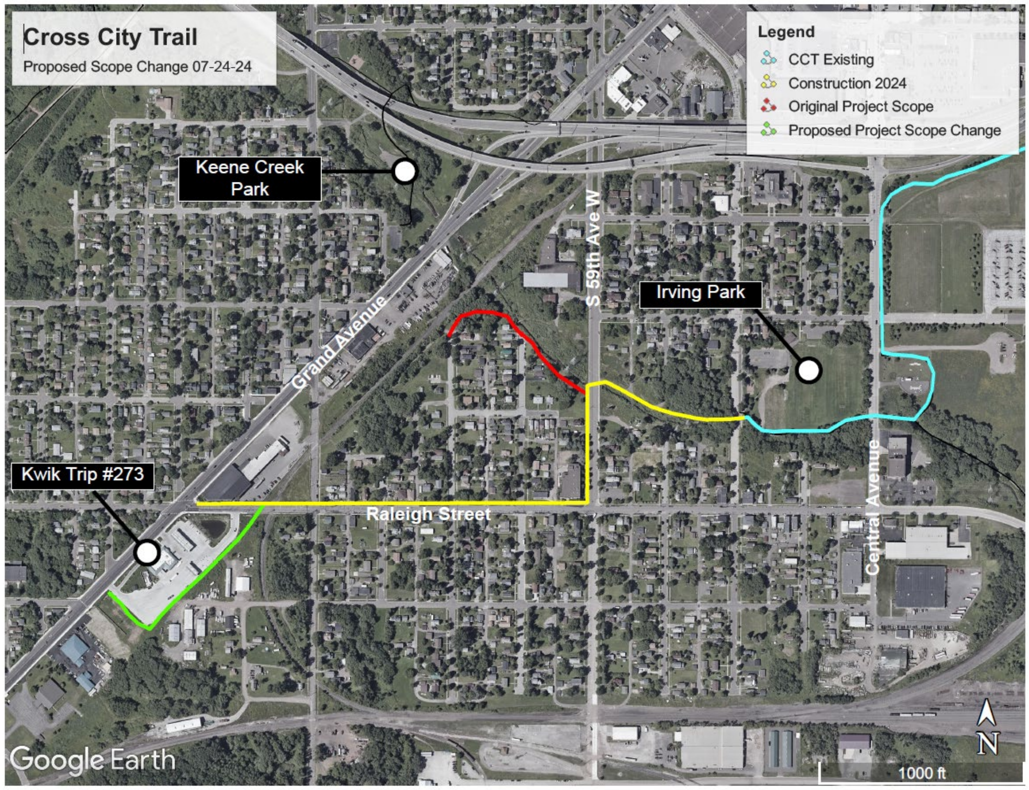
Project Scope: To continue construction of 1200 LF trail between Raleigh Street and Grand Avenue on an easement on real prperty (owned by Kwik Trip Inc.gment 6, that when complete, will connect 59th Street in the Irving Park neighborhood to the Willard Munger State Trail.

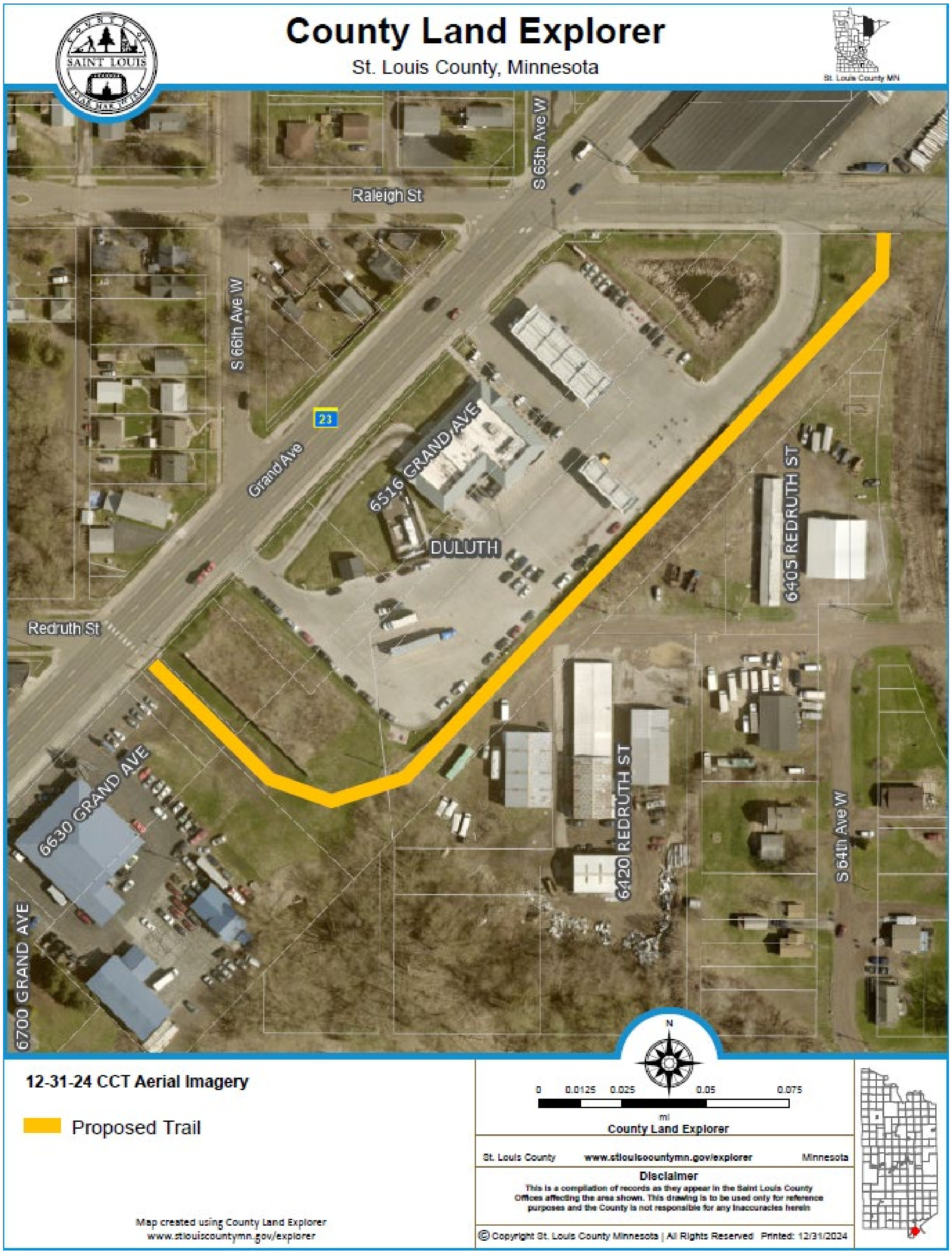
Notes: The Financial Manual, Request For Reimbursement Form, and billing data sheet are available on our website at https://www.dnr.state.mn.us/grants/recreation/grantee.html. Scroll to Grant Expenditures and Requests for Reimbursement for the manual and forms.

Budget on Next Page.

ITEM	UNIT	EST. QUANTITY	UNIT PRICE	AMOUNT
SITE PREPARATION				
Silt Fence	LIN FT	2250	$ 6.00	$ 13,500
Removals	LUMP SUM	1	$ 5,500.00	$ 5,500
TRAIL				
Common Excavation	CU YD	270	$ 22.00	$ 5,940
Subgrade Excavation	CU YD	27	$ 22.00	$ 594
Common Embankment (Import)	CU YD	54	$ 33.50	$ 1,809
Bituminous Pavement	TON	275	$ 125.00	$ 34,375
Aggregate Base (CL 5)	CU YD	478	$ 49.60	$ 23,709
Curb and Gutter	LIN FT	75	$ 27.50	$ 2,063
Drain Tile	LIN FT	75	$ 26.00	$ 1,950
Geotextile Fabric	SQ YD	2239	$ 3.85	$ 8,620
7" Concrete Sidewalk	SQ FT	439	$ 82.50	$ 36,218
Truncated Domes	EACH	4	$ 2,500.00	$ 10,000
Chain Link Fence	LIN FT	1055	$ 65.00	$ 68,575
Signage (Wayfinding, Regulatory)	LUMP SUM	1	$ 17,500.00	$ 17,500
RESTORATION				
Topsoil Borrow (4" depth)	CU YD	96	$ 75.00	$ 7,200
Sod	SQ YD	611	$ 13.25	$ 8,096
Street Trees	EACH	16	$ 1,000.00	$ 16,000
SUB TOTAL				**$ 261,648**
		Traffic Control	1%	$ 2,616
		Mobilization	15%	$ 39,247
		Erosion Control	2%	$ 5,233
		Misc. Construction	10%	$ 26,165
		Contingency	15%	$ 39,247
TOTAL CONSTRUCTION				**$ 374,156**
		Final Design and Construction Administration		$ 55,000
		Construction Staking		$ 5,878
		Other Consultants (Environmental, Geotechnical, Etc.)	4%	$ 14,966
TOTAL PROJECT COST				**$ 450,000**

Context within the MN State Trail System




County Land Explorer
St. Louis County, Minnesota
SAINT LOUIS
St. Louis County MN
Raleigh St
S 65th Ave W
S 66th Ave W
23
Grand Ave
6516 GRAND AVE
DULUTH
6405 REDRUTH ST
Redruth St
6630 GRAND AVE
6420 REDRUTH ST
S 64th Ave W
6700 GRAND AVE
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12-31-24 CCT Aerial Imagery
Proposed Trail
0 0.0125 0.025 0.05 0.075
mi
County Land Explorer
St. Louis County www.stlouiscountymn.gov/explorer Minnesota
Disclaimer
This is a compilation of records as they appear in the Saint Louis County Offices affecting the area shown. This drawing is to be used only for reference purposes and the County is not responsible for any inaccuracies herein
Map created using County Land Explorer
www.stlouiscountymn.gov/explorer
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DEPARTMENT OF NATURAL RESOURCES

Requirements for DNR grantees

Effective date: January 31, 2026

The following policies apply to all DNR grants, except where specifically noted. These requirements are in addition to requirements in program-specific manuals. In case of any conflicts with an existing grant program manual, the stricter document will control.

Questions about these requirements should be directed to the grant specialist for your grant program. Questions may also be directed to grantsteam.dnr@state.mn.us. When sending an email to this address, please include information on your grant funding source, program, and question.

Admin's Office of Grants Management policies

Under Minn. Statutes, section 16b.97 subd. 2, the Minnesota Department of Administration is required to create general grants management policies and procedures applicable to all state agencies. Admin's OGM implemented grant policies for the State of Minnesota. Please review OGM grant policies (select the Current Policies tab). Information especially relevant to grantees is summarized below. Unless otherwise noted, these policies do not apply to bonding grants and grants under Minn. Statutes section 16A.86 or section 16A.642.

Grants conflict of interest (OGM Policy 08-01)

All grantees must sign a conflict-of-interest disclosure form or certify they will disclose conflicts of interest when signing their grant agreements/grant award notifications. Grantees must also maintain a written standard of conduct covering conflicts of interest and governing the actions of their employees or board members engaged in the selection, award, and administration of contracts. State staff may request this written standard when conducting grant monitoring activities or if otherwise relevant. These requirements apply to all grants, including bonding grants and grants under Minn. Statutes section 16A.86 and section 16A.642.

OGM Policy 08-01 states that a conflict of interest occurs "when a person has actual or apparent duty or loyalty to more than one organization and the competing duties or loyalties may result in actions which are adverse to one or both parties. A conflict of interest exists even if no unethical, improper, or illegal act results from it." Per the OGM policy, there are several types of conflicts of interest:

Actual conflict of interest

An actual conflict of interest occurs when a person's decision or action would compromise a duty to a party without taking immediate appropriate action to eliminate the conflict.

Potential conflict of interest

A potential conflict of interest may exist if a person has a relationship, affiliation, or other interest that could create an inappropriate influence if the person is called on to make a decision or recommendation that would affect one or more of those relationships, affiliations, or interest.

Individual conflict of interest

A conflict of interest that may benefit an individual employee or a grant reviewer is any situation in which their judgement, actions, or non-action could be interpreted to be influenced by something that would benefit them directly or through indirect gain to an immediate family member, business, or organization with which they are involved.

Organizational conflict of interest

A conflict of interest can also occur with an organization that is a grant applicant in a competitive grant process or grantee of a state agency. Organizational conflicts of interest occur when:

- A grantee's objectivity in carrying out the grant is impaired or compromised due to competing duties or loyalties
- A grantee, potential grantee, or grant applicant has an unfair competitive advantage through being furnished unauthorized proprietary information or source selection information that is not available to all competitors

Use of grant contract agreements and grant award notifications (OGM Policy 08-04)

All grants need a written grant contract agreement or grant award notification. State agencies cannot award a grant to a grantee that is on either the suspension or debarment lists for the state of Minnesota or the federal government. If a grantee becomes suspended or debarred, that may be cause for the State to cancel their grant.

Grant agreements/GANs must contain a provision for the grantee to clearly post on the grantee's website the names and contact information for the grantee organization's leadership and the person(s) who directly manages and oversees the grant.

A fully executed copy of the grant agreement or GAN and all relevant records must be kept on file for a minimum of six years from the end date, receipt, and approval of all final reports, OR the period of time required to satisfy all state and program retention requirements, whichever is later.

Grantees must complete work in accordance with the terms and conditions of their grant agreement/GAN. Work not covered under the grant agreement/GAN will not be reimbursed without a prior amendment request.

Public questions and comments concerning fraud and waste in state grants (OGM Policy 08-05)

OGM will serve as the central point of contact for questions and comments about fraud and waste in state grants and about the violation of statewide grants policies. OGM will also respond to other public questions and concerns about state grants.

Grant payments (OGM Policy 08-08)

State agencies may not issue grant payments until the funds are encumbered, and the grant agreement is fully executed, or the GAN is completed.

Reimbursement is the State's preferred method for making grant payments. DNR grants operate on a reimbursement basis, unless the grant agreement/GAN contains explicit language specifying otherwise.

Grantee reimbursement requests must correspond to the line items in the approved grant budget. Grant managers must review each reimbursement request against the approved grant budget, grant expenditures to date, and the latest grant progress report before approving payment. If grant managers see a discrepancy or have any questions about reimbursement requests and/or related documentation, they will follow up with the grantee.

Any deviation from this policy must be approved by the agency wide grants manager prior to signing a grant agreement/GAN and must be in accordance with state laws and OGM policies.

Grants in which the payment terms are defined in statute are not covered by this policy.

DNR reimbursement procedures

- Grantees must pay for project expenses before seeking reimbursement from the grant and should only request reimbursement for paid expenses. Expenses are reviewed and those deemed eligible are then reimbursed under the terms of the agreement/GAN with the State of Minnesota.
- Grantees are not allowed to request reimbursement for invoices from a vendor that have not yet been paid by the grantee. Please also see the Proof of Payment section below.
- Grantees can expect to be reimbursed within 30 days of the DNR receiving a complete and accurate reimbursement request. If documentation to process the request is missing, or the request has discrepancies or incorrect information, the 30-day clock does not start until all necessary information has been submitted to the DNR and the request has been deemed complete and whole.
- The DNR will pay final reimbursement when the state determines that the grantee has satisfactorily fulfilled all the terms of their grant agreement/GAN, unless a grant term is altered or excluded by the DNR in writing.

Grantees should keep the following documentation on file for monitoring and audit purposes:

- Proof of payment of grant expenses (e.g. copies of cancelled checks, electronic bank statements, etc.)
- Contracting/purchasing bidding documentation
- Organization's conflict of interest policy

- Prevailing wage documentation (if applicable): project assessment form, certified payroll reports, etc.

Grant progress reports (OGM Policy 08-09)

Grantees are required to submit written progress reports at least annually until all grant funds have been expended and all the terms in the grant agreement/GAN have been met. Information requested in a grant progress report may include (but is not limited to): goals and objectives, activities, outcomes, challenges, lessons learned, and financial information. State agencies cannot make grant payments on grants with past due progress reports (unless the agency has given the grantee a written extension).

Grant monitoring (OGM Policy 08-10)

All state grants over $50,000 are required to have at least one monitoring visit before final payment is made. All state grants over $250,000 are required to have annual monitoring visits. In-person visits are preferred where possible, but telephone or virtual visits are also used where reasonable.

The purpose of a monitoring visit is to review and ensure progress towards the grant's goals, address any problems or issues before the end of the grant period, and build a relationship between the agency and grantee.

For state grants over $50,000, state agencies must conduct a financial reconciliation of grantees' expenditures at least once before final payment is made. A financial reconciliation involves reconciling a grantee's request for payment for a given period with supporting documentation (e.g. purchase orders, receipts, payroll records, etc.) for that request.

If previously reimbursed costs are found to be ineligible upon further review during monitoring (or at any other point during the grant period), repayment of those costs or other corrective action may be required.

Proof of payment

The State requires proof of payment documentation to ensure that funds are being provided on a reimbursement basis. The grantee must maintain proof of payment documentation and make it available when requested by the State. Proof of payment documentation may include:

- A copy of a bank statement with photocopies of cleared checks
- An electronic bank statement
- A copy of cancelled checks or other certified financial records
- Employee original time records and payroll documentation

Cost share/required match

For grants which require cost share or match, the requirements for documenting work completed or expenses incurred as match are the same as for expenses for which grantees are requesting reimbursement. The State may disallow otherwise-eligible costs for reimbursement if the grantee cannot provide proof of the expenses being used as match.

For grants with in-kind match (i.e. non-cash donations of a good or service), grantees should provide documentation similar to a payment request.

If the in-kind match is volunteer time, grantees will need volunteer logs and to show the calculation used to convert volunteer hours to time. If the in-kind match is something other than volunteer time (e.g. use of equipment, or donated materials), grantees must perform due diligence to determine how much the in-kind match would cost. For example, if the in-kind match is a land donation, the documentation should include an appraisal. If the in-kind match is use of equipment, the documentation should demonstrate a realistic cost for the type of equipment and amount of time.

Legislatively mandated grants (OGM Policy 08-11)

State agencies must manage legislatively mandated grants with the same level of oversight (including monitoring) applied to other state grants, while respecting and maintaining the legislative intent.

Grantees for legislatively mandated grants must submit a work plan and budget. The grant agreement/GAN must be based on the legislation, the grantee's work plan and budget, and negotiations between the state agency and the grantee.

Grant amendments (OGM Policy 08-12)

During the grant period, it may be necessary to make changes to the grant contract agreement/GAN. Generally, these modifications could include changes to the grant timeframe, to the scope of work, or to the budget categories.

A formal grant contract amendment is required for any changes. Should a situation arise that requires any changes to the project, it is the grantee's responsibility to communicate immediately with the DNR grants specialist.

The purpose of grant amendments must be similar to the original purpose of the grant and the grantee duties should be within the scope of the original RFP/notice of grant opportunity/application.

If an amendment is allowed, it must be fully executed before additional costs can be incurred.

Contracting and bidding

Competitive bidding needs to follow a fair and transparent public process.

Grantees must not contract with vendors or subcontractors who are on the suspension or debarment lists for either the State of Minnesota or the federal government.

Grantees must take all necessary affirmative steps to assure that targeted vendors from businesses with active certifications through the entities below are used when possible:

- Minnesota Department of Administration's Certified Target Group, Economically Disadvantaged, and Veteran-Owned Vendor List

- Metropolitan Council's Targeted Vendor list: Minnesota Unified Certification Program
- Small Business Certification Program through Hennepin County, Ramsey County, and the City of St. Paul: Central Certification Program

Grantees must maintain support documentation of the purchasing and/or bidding process utilized to contract services in their financial records, including support documentation justifying a single/sole source bid, if applicable. Grantees must retain the following documentation in the project file:

- Copies of executed subcontract agreements
- A copy of the request for proposal/request for quote, all submitted bids, and the bid tabulation (if applicable)
- Written documentation that describes the rationale for selection of each subcontractor
- Documentation of the contract/bid approval, if required by grantee internal controls (such as meeting minutes)

This documentation may be reviewed during monitoring visits or when requested by the state.

Contracting and bidding for political subdivisions of the state

In addition to the general contracting and bidding requirements above, municipalities (defined in Minn. Statutes, chapter 471.345 subd. 1 as a county, town, city, school district, or other municipal corporation or political subdivision of the state authorized by law to enter into contracts) must also follow the Uniform Municipal Contracting Law.

Contracting and bidding for non-governmental organizations

In addition to the general contracting and bidding requirements at the beginning of this section, non-government organizations must follow the contracting policies/procedures below.

Contracting and bidding for Tribal governments

Tribal governments are subject to neither the Uniform Municipal Contracting Law nor the DNR contracting policies/procedures below. Tribal governments are subject to the contracting and bidding procedures of their own governance.

Contracting and bidding thresholds and process

- 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 verbal quotes or bids or awarded to a targeted vendor.
- 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 verbal quotes or bids.
- Any services or materials that are expected to cost $100,000 or more must undergo a formal notice and bidding process.
- Grantees must use an RFP/RFQ process to competitively select professional and technical services.

- The advertisement for bid processes must allow for fair competition among potential qualified bidders.

Prevailing wage

Prevailing wage (Minn. Statutes, sections 177.41-177.45) is the minimum hourly wage employers must pay certain workers who work on construction and public works projects funded by state dollars. Prevailing wage includes the employer's cost of benefits. Other prevailing wage information can be found at the Minnesota Department of Labor and Industry. Prevailing wage rules apply to any grant award of $25,000 or more that qualifies as a "project" per the following definition:

> Project: demolition, erection, construction, alteration, improvement, restoration, remodeling, or repairing of a public building, structure, facility, land, or other public work, which includes any work suitable for and intended for use by the public, or for the public benefit, financed in whole or part by state funds. "Project" also includes demolition, erection, construction, alteration, improvement, restoration, remodeling, or repairing of a building, structure, facility, land, or public work when the acquisition of property, predesign, design, or demolition is financed in whole or part by state funds (Minn. Statutes, section 177.42).

If the award is $25,000 or more and contains activities in the work/accomplishment plan that qualify as a "project" per the definition above, prevailing wage rules in Minn. Statutes, sections 177.41-177.44 apply. If you are unsure if a project is subject to prevailing wage, ask the grant specialist for a copy of DLI's Project Assessment Form. Grantees must complete the form and return it to the grant specialist. Once ready, the DNR grant specialist will submit it to DLI and copy the grantee on the e-mail.

When prevailing wage applies, all bid requests and RFPs must state that the project is subject to prevailing wage to ensure that incoming bids have factored prevailing wage rates into their submittal. A prevailing wage form should accompany these bid submittals.

Grantees must retain documentation in the project file either the prevailing wage forms, or a notice from DLI that the project is not subject to prevailing wage.

Fraud reporting

In addition to OGM policy, various state statutes govern reporting of suspected fraud or misuse of state dollars.

State workers with information indicating that public resources (including public money) may have been used for an unlawful purpose must report that information. Any other person with such information is strongly urged to report that information. The DNR takes a "no wrong door" approach for reporting suspected fraud; essentially, the DNR encourages its workforce to report suspected fraud to any DNR supervisor or member of agency leadership, who will connect the person reporting to the correct contact or procedure, as needed.

All state agencies are required to report suspected fraud cases to the Department of Revenue for tax fraud investigation, in addition to referring all allegations of suspected fraud to the Office of the Legislative Auditor and the Minnesota Bureau of Criminal Apprehension's Financial Crimes and Fraud section (mnfraud.bureau@state.mn.us or 651-739-3750). Grantees may report suspected fraud directly to these agencies, as well, or to their DNR grant manager or any DNR employee.

Requirements for working on state land

When working on state land, grantees must follow all applicable policies and requirements of that land. Grantees should work with the appropriate management staff for the state land to determine these requirements. Insurance is required to do work on state land, following the requirements of Admin.

Audits

Under Minn. Statutes, chapter 16B.98 subd. 8, the state (the grantmaking agency, state auditor, attorney general, legislative auditor, Admin, etc.) has the right to perform programmatic or financial audits of the grantee. The grantee's books, records, documents, and accounting procedures and practices relevant to the grant are subject to state examination for a minimum of six years from the expiration or termination of the grant agreement/GAN, receipt and approval of all final reports, or the required period of time to satisfy state and program retention requirements, whichever is later. This provision is also included in grant agreements/GANs.

Records retention

Grantees must maintain a file for each project with all project agreements, correspondence, and the records pertaining to project expenses requested for reimbursement. Project records are required for monitoring/audit purposes and must be readily available for review. As with all provisions of the grant agreement/GAN, if the state finds a failure to comply, the State may take action, including immediate termination of the grant agreement/GAN with cause, refusal to disburse additional funds, and/or requiring the return of all or part of the funds already disbursed.

All records related to the project must be retained for a minimum of six years from the grant agreement/GAN end date, or the receipt and approval of all final reports, whichever is later. Some grant funds require permanent retention of the grant records, and in those cases, that requirement supersedes the six-year standard.

Data practices

- Grantees must comply with the Minnesota Government Data Practices Act as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the grantee under their grant agreement/GAN. If a grantee receives a request to release this data, the grantee must immediately notify the State. Following this notification, the State will provide instructions to the grantee concerning the release of data.
- Grantees should instruct and train their staff regarding the governing privacy and data practices provisions; maintaining data in a secure manner; and limiting access to work duties and assignments.

- Grantees must mitigate risks associated with the unauthorized access or data breach and report to the DNR any real or perceived security or privacy incident regarding any private data in accordance with MGDPA.
- Grantees are not permitted to use private data with artificial intelligence services unless it is approved through the DNR/Minnesota IT vendor security risk and compliance process. AI services are reviewed and verified through a process that includes understanding the AI's training, ownership of data and level of security.

DEPARTMENT OF NATURAL RESOURCES

Conflict of Interest Disclosure Form for Grantees

Conflict of Interest

A conflict of interest occurs when a person has actual or apparent duty or loyalty to more than one organization and the competing duties or loyalties may result in actions which are adverse to one or both parties. A conflict of interest exists even if no unethical, improper or illegal act results from it. There are several types of conflicts of interest.

Actual Conflict of Interest

An actual conflict of interest occurs when a person's decision or action would compromise a duty to a party without taking immediate appropriate action to eliminate the conflict.

Potential Conflict of Interest

A potential conflict of interest may exist if a person has a relationship, affiliation, or other interest that could create an inappropriate influence if the person is called on to make a decision or recommendation that would affect one or more of those relationships, affiliations, or interests.

Individual Conflict of Interest

A conflict of interest that may benefit an individual employee *or a* grant reviewer is any situation in which *their* judgment, actions or non-action could be interpreted to be influenced by something that would benefit them directly or through indirect gain to *an immediate family member,* business, or organization with which they are involved.

Organizational Conflict of Interest

A conflict of interest can also occur with an organization that is a grant applicant in a-competitive grant process or grantee of a state agency.

Organizational conflicts of interest occur when:

- A grantee's objectivity in carrying out the grant is impaired or compromised due to competing duties or loyalties
- A grantee, potential grantee or grant applicant has an unfair competitive advantage through being furnished unauthorized proprietary information or source selection information that is not available to all competitors.

This section to be completed by Grantee's Authorized Representative

I certify that we will maintain an adequate Conflict of Interest Policy, and throughout the term of our agreement will report any actual or potential conflicts of interests by individual employees or our organization as a whole to the State's Authorized Representative.

Organization Name: City of Duluth

Project Name: Cross City Trail Segment VI

Legal Citation: FHWA, CFDA 20.219/ALN 20.287, TRAL028

Authorized Representative Printed Name: Matt Andrews, Trail Coordinator

Authorized Representative Signature/Date: