

**STATE OF MINNESOTA  
GRANT CONTRACT AGREEMENT**

<b>PO ID</b> 30000010016	<b>PO Date</b> January 16, 2024		<b>Fiscal Year</b> 2024	<b>Grant Award</b> \$15,000.00
<b>Vendor ID</b> 0000195352	<b>Fund</b> 2370	<b>Fin Dept ID</b> B4335310	<b>Approp ID</b> B43TCPR	<b>Account</b> 441352

This grant contract agreement is between the State of Minnesota, acting through its Commissioner of the Department of Iron Range Resources and Rehabilitation ("hereinafter, Iron Range Resources and Rehabilitation or State") and Grand Rapids City of, 420 North Pokegama Avenue, Grand Rapids, Minnesota, 55744 ("GRANTEE").

## Recitals

1. Under Minn. Stat. § 298.22, subd. 13, Taconite Environmental Protection Fund (Minn. Stat. § 298.223) and pursuant to Iron Range Resources and Rehabilitation Board Resolution No. 23-033 the State is empowered to enter into this grant contract agreement.
2. As part of its mission, Iron Range Resources and Rehabilitation will grant funds for local economic development projects located within the Taconite Assistance Area defined in Minn. Stat. Sec. 273.1341. The State has determined that complete of this project will support those purposes.
3. The State is in need of the duties specified in Exhibit A, which is attached and incorporated into this grant contract agreement.
4. The Grantee represents that it is duly qualified and agrees to perform all services described in this grant contract to the satisfaction of the State. Pursuant to Minn. Stat. Sec. 16B.98, Subd.1, the Grantee agrees to minimize administrative costs as a condition of this grant contract agreement.

## Grant Contract Agreement

### 1 Term of Grant Contract

#### 1.1 Effective date:

January 26, 2024, Per Minn. Stat. Sec. 16B.98, Subd. 5, **the Grantee must not begin work until this grant contract agreement is fully executed and the State's Authorized Representative has notified the Grantee that work may commence.** Per, Minn. Stat. Sec. 16B.98, Subd. 7, no payments will be made to the Grantee until this grant contract agreement is fully executed.

#### 1.2 Expiration date:

December 30, 2024, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

#### 1.3 Survival of Terms.

The following clauses survive the expiration or cancellation of this grant contract: 8. Liability; 9. State Audits; 10. Government Data Practices and Intellectual Property; 12. Publicity and Endorsement; 13. Governing Law, Jurisdiction, and Venue; and 15 Data Disclosure.

### 2 Grantee's Duties

The Grantee, who is not a state employee, will: perform the duties specified in Exhibit A which is

attached hereto and incorporated into this grant contract. The grantee will comply with required grants management policies and procedures set forth through Minn. Stat. Sec. 16B.97, Subd. 4 (a) (1).

### **3 Time**

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

### **4 Consideration and Payment**

#### **4.1 Consideration.**

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

##### **(a) Compensation**

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

##### **(b) Travel Expenses**

Reimbursement for travel and subsistence expenses actually and necessarily incurred by the Grantee as a result of this grant contract will be according to the breakdown of costs contained in Exhibit B; provided that the Grantee will be reimbursed for travel and subsistence expenses in the same manner and in no greater amount than provided in the current "Commissioner's Plan" promulgated by the Commissioner of Minnesota Management and Budget (MMB). The Grantee will not be reimbursed for travel and subsistence expenses incurred outside Minnesota unless it has received the State's prior written approval for out of state travel. Minnesota will be considered the home state for determining whether travel is out of state.

##### **(c) Total Obligation.**

The total obligation of the State for all compensation and reimbursements to the Grantee under this grant contract will not exceed \$15,000.00 and be in accordance with the breakdown of costs contained in Exhibit B.

#### **4.2 Payment**

##### **(a) Invoices**

The State will promptly pay the Grantee after the Grantee presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted timely and according to the breakdown of costs contained in Exhibit B.

##### **(b) Unexpended Funds**

The Grantee must promptly return to the State any unexpended funds that have not been accounted for annually in a financial report to the State due at grant closeout.

#### **4.3 Contracting and Bidding Requirements**

**(a)** Any services and/or materials that are expected to cost \$100,000 or more must undergo a formal notice and bidding process.

**(b)** Services and/or materials that are expected to cost between \$25,000 and \$99,999 must be competitively awarded based on a minimum of three (3) verbal quotes or bids.

(c) Services and/or materials that are expected to cost between \$10,000 and \$24,999 must be competitively awarded based on a minimum of two (2) verbal quotes or bids or awarded to a targeted vendor.

(d) The grantee must take all necessary affirmative steps to assure that targeted vendors from businesses with active certifications through these entities are used when possible:

- [State Department of Administration's Certified Targeted Group, Economically Disadvantaged and Veteran-Owned Vendor List](#). Link: [Targeted Vendor list](#)

(e) 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.

(f) The grantee must maintain support documentation of the purchasing and/or bidding process utilized to contract services must be included in their financial records, including support documentation justifying a single/sole source bid, if applicable.

(g) Notwithstanding (a) - (d) above, the State may waive bidding process requirements when it is determined there is only one legitimate or practical source for such materials or services and that grantee has established a fair and reasonable price.

(h) For projects that include construction work of \$25,000 or more, prevailing wage rules apply per; [Minn. Stat. §§177.41](#) through [177.44](#), and per Iron Range Resources and Rehabilitation Board Resolution No. FY96-005, which is attached hereto and incorporated by reference into this grant contract as Exhibit C. Consequently, the bid request must state the project is subject to the payment of *prevailing wages*. These rules require that the wages of laborers and workers should be comparable to wages paid for similar work in the community as a whole. A prevailing wage form should accompany these bid submittals.

(i) The grantee must not contract with vendors who are suspended or debarred in MN:  
Link: <http://www.mmd.admin.state.mn.us/debarredreport.asp>

## 5 Conditions of Payment

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

## 6 Authorized Representative

The State's Authorized Representative is Shawn Herhusky, , , , , 218-735-3067, [shawn.herhusky@state.mn.us](mailto:shawn.herhusky@state.mn.us) or his/her successor, and has the responsibility to monitor the Grantee's performance and the authority to accept the services provided under this grant contract. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Grantee's Authorized Representative is Rob Mattei, 420 North Pokegama Avenue, Grand Rapids, Minnesota, 55744, 218-326-7600, [rmattei@ci.grand-rapids.mn.us](mailto:rmattei@ci.grand-rapids.mn.us). If the Grantee's Authorized Representative changes at any time during this grant contract, the Grantee must immediately notify the State.

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

### 7.1 Assignment

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

## **7.2 Amendments**

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

## **7.3 Waiver**

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

## **7.4 Grant Contract Complete**

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

## **8 Liability**

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

## **9 State Audits**

Under Minn. Stat. Sec. 16B.98, Subd.8, the Grantee's books, records, documents, and accounting procedures and practices of the Grantee or other party relevant to this grant agreement or transaction are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this grant agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

## **10 Government Data Practices and Intellectual Property Rights**

### **10.1 Government Data Practices**

The Grantee and State must comply with the Minnesota Government Data Practices Act, [Minn. Stat. Ch. 13](#), as it applies to all data provided by the State under this grant contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this grant contract. The civil remedies of Minn. Stat. Ch.13.08 apply to the release of the data referred to in this clause by either the Grantee or the State. If the Grantee receives a request to release the data referred to in this Clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before the data is released. The Grantee's response to the request shall comply with applicable law.

### **10.2 Intellectual Property Rights**

The State shall own all rights, title and interest in any intellectual property that is derived or developed pursuant to this grant contract, including but not limited to copyrights, patents, trade secrets, trademarks and service marks in any works or documents created and paid for pursuant to this contract.

## **11 Workers Compensation**

The Grantee certifies that it is in compliance with Minn. Stat. Sec.176.181, Subd. 2, pertaining to

workers' compensation insurance coverage. The Grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

## **12 Publicity and Endorsement**

### **12.1 Publicity**

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

### **12.2 Endorsement**

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

## **13 Governing Law, Jurisdiction, and Venue**

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

## **14 Termination**

### **14.1 (a) Termination by the State**

The State may immediately terminate this grant contract with or without cause, upon 30 days' written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

### **(b) Termination by the Commissioner of Administration**

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

### **14.2 Termination for Cause**

#### **(a) Grounds**

The State may immediately terminate this grant contract if the State finds that there has been a failure to comply with the provisions of this grant contract, that the purposes for which the funds were granted have not been or will not be fulfilled, or when it reasonably appears that funds have been misused or misappropriated by the Grantee.

#### **(b) Criminal Conviction**

Pursuant to Minn.Stat.16B.991, this grant contract will immediately be terminated if the recipient is convicted of a criminal offense related to a state grant agreement.

#### **(c) Clawback**

If the grant contract is terminated by the State pursuant to this section, the State shall be entitled to clawback all grant funds distributed to Grantee that did not fulfill the purpose of the grant.

### **14.3 Termination for Insufficient Funding**

The State may immediately terminate this grant contract if:

(a) It does not obtain funding from the Minnesota Legislature.

(b) Or, if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Grantee. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State must provide the Grantee notice of the lack of funding within a reasonable time of the State's receiving that notice.

## 15 Data Disclosure

Under Minn. Stat. Sec.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.

## 16 Provisions

Specifically, but without limitation, GRANTEE shall comply with and, to the extent required by law shall require its contractors and subcontractors performing work on the Project to comply with: Minn. Stat. Sec. 181.59 (Non-discrimination); Minn. Stat. Sec.116J.871 and 177.43 (Prevailing Wages); Minn. Stat. Sec. 574.26 (Payment and Performance Bonds); Minn. Stat. Sec. 363A.36 (Certificate of Compliance for private entities); and Minn. Stat. Sec.116L.66 (Job Listings for grants of \$200,000 or more to any private entity), and the American's with Disabilities Act 42 U.S.C.A. Sect. 12101.

The grant is subject to the provisions in Minn. Stat. Sec. 16B.97 and .98.

This document may be executed in counterparts. The parties may provide electronic signatures pursuant to the authority of Minn. Stat. Ch. 325L.

### 1. STATE ENCUMBRANCE VERIFICATION

### 3. STATE AGENCY

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

Electronically Approved and Signed  
Signed: Bob Scuffy  
Title: Accounting Director  
Date: January 16, 2024

Electronically Approved and Signed  
By: Ida Rukavina  
Title: Commissioner  
Date: January 26, 2024

### 2. GRANTEE

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

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

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

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

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

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

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

Distribution:

Agency

Grantee

State's Authorized Representative