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**STATE OF MINNESOTA
LOCAL BRIDGE REPLACEMENT PROGRAM
GRANT AGREEMENT**

This agreement is between the State of Minnesota, acting through its Commissioner of Transportation ("State"), and ("Grantee"):

Public Entity (Grantee) name, address and contact person:

City of Northfield
801 Washington Street
Northfield, MN 55057

Contact: Sean Simonson

RECITALS

1. Minnesota Statutes § 297A.815, subd. 3(d) and § 174.50, subd. 6-7 authorize the State to enter into this agreement.
2. Grantee has been awarded Local Bridge Replacement Program funds under Minn. Stat. § 174.50, subd. 6-7.
3. Grantee represents that it is duly qualified and agrees to perform all services described in this agreement to the satisfaction of the State. Pursuant to [Minn.Stat. §16B.98](#), Subd.1, Grantee agrees to minimize administrative costs as a condition of this agreement.

AGREEMENT TERMS

1 Term of Agreement, Survival of Terms, and Incorporation of Exhibits

- 1.1 **Effective Date.** This agreement will be effective on the date the State obtains all required signatures under [Minn. Stat. §16B.98](#), Subd. 5, whichever is later. As required by [Minn.Stat. §16B.98](#) Subd. 7, no payments will be made to Grantee until this agreement is fully executed. Grantee must not begin work under this agreement until this agreement is fully executed and Grantee has been notified by the State's Authorized Representative to begin the work.
- 1.2 **Expiration Date.** This agreement will expire on September 15, 2020, or when all obligations have been satisfactorily fulfilled, whichever occurs first.
- 1.3 **Survival of Terms.** All clauses which impose obligations continuing in their nature and which must survive in order to give effect to their meaning will survive the expiration or termination of this agreement, including, without limitation, the following clauses: 8. Liability; 9. State Audits; 10. Government Data Practices and Intellectual Property; 11. Workers Compensation; 12. Governing Law, Jurisdiction, and Venue; and 14. Data Disclosure.
- 1.4 **Exhibits.** Exhibit A: Sources and Uses of Funds Schedule; Exhibit B: Grant Application; and Exhibit C: Grantee Resolution Approving Grant Agreement are attached and incorporated into this agreement.

2 Grantee's Duties

- 2.1 Grantee will conduct one of more of the following activities in accordance with its grant application, which is attached to this Agreement as Exhibit B: (i) constructing or reconstructing a bridge, (ii) preliminary engineering and environmental studies authorized under Minn. Stat. Sec. 174.50, subdiv. 6a, (iii) abandoning an existing bridge that is deficient and in need of replacement, but where no replacement will be made, or (iv) constructing a road to facilitate the abandonment or removal of an existing bridge determined to be deficient.
- 2.2 Grantee will comply with all required grants management policies and procedures set forth through [Minn.Stat. §16B.97](#), Subd. 4 (a) (1).
- 2.3 **Asset Monitoring.** If Grantee uses funds obtained by this agreement to acquire a capital asset, the Grantee is required to use that asset for a public purpose for the normal useful life of the asset. Grantee may not sell or change the purpose of use for the capital asset(s) obtained with grant funds under this agreement without the prior written consent of the State and an agreement executed and approved by the same parties who executed and approved this agreement, or their successors in office.

3 Time

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

4 **Consideration and Payment**

- 4.1 **Consideration.** The State will pay for all services performed by Grantee under this agreement as follows:

- 4.1.1 **Compensation.** Grantee will be reimbursed for actual, incurred costs that are eligible under Minn. Stat. § 174.50, subd 6-7. Grantee shall use this grant solely to reimburse itself for expenditures it has already made to pay for the costs of one or more of the activities listed under section 2.1. Grantee shall not use this grant for any other purpose, including but not limited to, any work to be done on a state trunk highway or within a trunk highway easement.
- 4.1.2 **Sources and Uses of Funds.** Grantee represents to State that the Sources and Uses of Funds Schedule attached as Exhibit A accurately shows the total cost of the project and all of the funds that are available for the completion of the project. Grantee agrees that it will pay for any costs that are ineligible for reimbursement and for any amount by which the costs exceed State's total obligation in section 4.1.3. Grantee will return to State any amount appropriated but not required.
- 4.1.3 **Total Obligation.** The total obligation of the State for all compensation and reimbursements to Grantee under this agreement will not exceed \$265,349.50.

4.2 **Payment**

- 4.2.1 **Invoices.** Grantee will submit state aid pay requests for reimbursements requested under this grant agreement. The State will promptly pay Grantee after Grantee presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services.
- 4.2.2 **All Invoices Subject to Audit.** All invoices are subject to audit, at State's discretion.
- 4.2.3 **State's Payment Requirements.** State will promptly pay all valid obligations under this agreement as required by Minnesota Statutes §16A.124. State will make undisputed payments no later than 30 days after receiving Grantee's invoices and progress reports for services performed. If an invoice is incorrect, defective or otherwise improper, State will notify Grantee within ten days of discovering the error. After State receives the corrected invoice, State will pay Grantee within 30 days of receipt of such invoice.
- 4.2.4 **Grant Monitoring Visit and Financial Reconciliation.** During the period of performance, the State will make at least annual monitoring visits and conduct annual financial reconciliations of Grantee's expenditures.
- 4.2.4.1 The State's Authorized Representative will notify Grantee's Authorized Representative where and when any monitoring visit and financial reconciliation will take place, which State employees and/or contractors will participate, and which Grantee staff members should be present. Grantee will be provided with at least seven calendar days of notice prior to any monitoring visit or financial reconciliation.
- 4.2.4.2 Following a monitoring visit or financial reconciliation, Grantee will take timely and appropriate action on all deficiencies identified by State.
- 4.2.4.3 At least one monitoring visit and one financial reconciliation must be completed prior to final payment being made to Grantee.
- 4.2.5 **Unexpended Funds.** The Grantee must promptly return to the State at grant closeout any unexpended funds that have not been accounted for in a financial report submitted to the State.
- 4.2.6 **Closeout.** The State will determine, at its sole discretion, whether a closeout audit is required prior to final payment approval. If a closeout audit is required, final payment will be held until the audit has been completed. Monitoring of any capital assets acquired with grant funds will continue following grant closeout.
- 4.3 **Contracting and Bidding Requirements.** If Grantee is a municipality as defined by Minn. Stat. § 471.345, subdivision 1, then Grantee shall comply with the requirements of Minn. Stat. § 471.345 for all procurement under this Agreement.

5 **Conditions of Payment**

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

6 **Authorized Representatives**

- 6.1 The State's Authorized Representative is:

Patti Loken,
Programs Engineer,
MnDOT State Aid Office
395 John Ireland Boulevard, MS 500
St. Paul, MN 55155
Office: 651-366-3803
patti.loken@state.mn.us

or his/her successor. State's Authorized Representative has the responsibility to monitor Grantee's performance and the authority to accept the services provided under this agreement. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

6.2 Grantee's Authorized Representative is:

Sean Simonson, Engineering Manager
 City of Northfield
 801 Washington Street
 Northfield, MN 55057
 Sean.Simonson@ci.northfield.mn.us

If Grantee's Authorized Representative changes at any time during this agreement, Grantee will immediately notify the State.

7 Assignment Amendments, Waiver, and Grant Agreement Complete

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

7.2 **Amendments.** Any amendments to this 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 agreement, or their successors in office.

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

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

8 Liability

Grantee and State agree that each will be responsible for its own acts and the results thereof to the extent authorized by law, and neither shall be responsible for the acts of the other party and the results thereof. The liability of State is governed by the provisions of Minn. Stat. Sec. 3.736. If Grantee is a "municipality" as that term is used in Minn. Stat. Chapter 466, then the liability of Grantee is governed by the provisions of Chapter 466. Grantee's liability hereunder shall not be limited to the extent of insurance carried by or provided by Grantee, or subject to any exclusion from coverage in any insurance policy.

9 State Audits

Under Minn. Stat. § 16B.98, Subd.8, the Grantee's books, records, documents, and accounting procedures and practices of 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 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. Grantee will take timely and appropriate action on all deficiencies identified by an audit.

10 Government Data Practices and Intellectual Property Rights

10.1 **Government Data Practices.** 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 agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this

agreement. The civil remedies of [Minn. Stat. §13.08](#) apply to the release of the data referred to in this clause by either Grantee or the State.

11 Workers Compensation

The Grantee certifies that it is in compliance with [Minn. Stat. §176.181](#), Subd. 2, pertaining to workers' compensation insurance coverage. The Grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

12 Governing Law, Jurisdiction, and Venue

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

13 Termination; Suspension

13.1 Termination by the State. The State may terminate this agreement 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.

13.2 Termination for Cause. The State may immediately terminate this grant agreement if the State finds that there has been a failure to comply with the provisions of this agreement, that reasonable progress has not been made, that fraudulent or wasteful activity has occurred, that Grantee has been convicted of a criminal offense relating to a state grant agreement, 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.

13.3 Termination for Insufficient Funding. The State may immediately terminate this agreement if:

13.3.1 It does not obtain funding from the Minnesota Legislature; or

13.3.2 If funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or 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 agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State will provide the Grantee notice of the lack of funding within a reasonable time of the State's receiving that notice.

13.4 Suspension. The State may immediately suspend this agreement in the event of a total or partial government shutdown due to the failure to have an approved budget by the legal deadline. Work performed by the Grantee during a period of suspension will be deemed unauthorized and undertaken at risk of non-payment.

14 Data Disclosure

Under [Minn. Stat. § 270C.65](#), Subd. 3, and other applicable law, 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.

15 Fund Use Prohibited. The Grantee will not utilize any funds received pursuant to this Agreement to compensate, either directly or indirectly, any contractor, corporation, partnership, or business, however organized, which is disqualified or debarred from entering into or receiving a State contract. This restriction applies regardless of whether the disqualified or debarred party acts in the capacity of a general contractor, a subcontractor, or as an equipment or material supplier. This restriction does not prevent the Grantee from utilizing these funds to pay any party who might be disqualified or debarred after the Grantee's contract award on this Project.

16 Discrimination Prohibited by Minnesota Statutes §181.59. Grantee will comply with the provisions of Minnesota Statutes §181.59 which requires that every contract for or on behalf of the State of Minnesota, or any county, city, town, township, school, school district or any other district in the state, for materials, supplies or construction will contain

provisions by which Contractor agrees: 1) That, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no Contractor, material supplier or vendor, will, by reason of race, creed or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates; 2) That no Contractor, material supplier, or vendor, will, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause 1 of this section, or on being hired, prevent or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed or color; 3) That a violation of this section is a misdemeanor; and 4) That this contract may be canceled or terminated by the state of Minnesota, or any county, city, town, township, school, school district or any other person authorized to grant contracts for employment, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this Agreement.

17 **Limitation.** Under this Agreement, the State is only responsible for receiving and disbursing funds. Nothing in this Agreement will be construed to make the State a principal, co-principal, partner, or joint venturer with respect to the Project(s) covered herein. The State may provide technical advice and assistance as requested by the Grantee, however, the Grantee will remain responsible for providing direction to its contractors and consultants and for administering its contracts with such entities. The Grantee's consultants and contractors are not intended to be third party beneficiaries of this Agreement.

18 **Additional Provisions**

18.1 **Prevailing Wages.** Grantee agrees to comply with all of the applicable provisions contained in Minnesota Statutes Chapter 177, and specifically those provisions contained in Minn. Stat. §. 177.41 through 177.435 as they may be amended or replaced from time to time with respect to the project. By agreeing to this provision, Grantee is not acknowledging or agreeing that the cited provisions apply to the project

18.2 **E-Verification.** Grantee agrees and acknowledges that it is aware of Minn.Stat. § 16C.075 regarding e-verification of employment of all newly hired employees to confirm that such employees are legally entitled to work in the United States, and that it will, if and when applicable, fully comply with such order

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GRANTEE

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

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

DEPARTMENT OF TRANSPORTATION

By: _____
(with delegated authority)

Title: State Aid Programs Engineer

Date: _____

**DEPARTMENT OF TRANSPORTATION
OFFICE OF FINANCIAL MANAGEMENT – GRANT UNIT**

By: _____

Date: _____

**DEPARTMENT OF TRANSPORTATION
CONTRACT MANAGEMENT**

By: _____

Date: _____

EXHIBIT A

SOURCES AND USES OF FUNDS SCHEDULE

SOURCES OF FUNDS

Entity Supplying Funds	Amount
State Funds:	
LBRP Grant	\$ <u>265,349.50</u>
Other:	
_____	\$ _____
_____	\$ _____
_____	\$ _____
Subtotal	\$ _____
Public Entity Funds:	
Matching Funds	\$ <u>436,812.02</u>
Other:	
_____	\$ _____
_____	\$ _____
_____	\$ _____
Subtotal	\$ <u>702,161.70</u>
TOTAL FUNDS	\$ <u>702,161.70</u>

USES OF FUNDS

Expenses	Amount
Items Paid for with LBRP	
Grant Funds:	
<u>Construction</u>	\$ <u>265,349.50</u>
_____	\$ _____
_____	\$ _____
_____	\$ _____
Subtotal	\$ _____
Items paid for with Non-LBRP Grant Funds:	
_____	\$ <u>436,812.20</u>
_____	\$ _____
_____	\$ _____
_____	\$ _____
Subtotal	\$ <u>702,161.70</u>
TOTAL PROJECT COSTS	\$ <u>702,161.70</u>

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EXHIBIT B

GRANT APPLICATION

Attach the grant application for the project



APPLICATION FOR BRIDGE FUNDS

State of Minnesota - Department of Transportation
State Aid for Local Transportation

Identification	Project Number	<u>S.A.P. 149-124-001</u>	Old Bridge Number	<u>L2765</u>
	New Bridge No.	<u>66J81</u>	Over	<u>Spring Creek</u>
	County of	<u>Rice</u>	Road or Street No.	
	Township of		Road or Street Name	<u>Spring Creek Rd</u>
	Municipality of	<u>Northfield</u>	Proposed Const Year	2018 <u>2019</u>
	Does the municipality have a population of 5,000 or less? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Eligibility	Bridge Sufficiency Rating <u>32.5</u>		Is this bridge hydraulically deficient? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	Adequacy Status from Structure Inventory <input checked="" type="checkbox"/> Structurally Deficient <input type="checkbox"/> Functionally Obsolete <input type="checkbox"/> Adequate			
	Date of Council/Board action prioritizing this bridge _____			
	Is this a road-in-lieu of bridge project? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Prioritization	How many people are affected by this deficiency? <u>570</u>		What is the ADT on this bridge? <u>570</u>	
	Describe the economic importance of replacing this bridge.			
	The cost of additional time and fuel in the event the bridge is not replaced will diminish the profitability of local businesses and residents.			
	Is the road designated or planned to be designated as a Minimum Maintenance road? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		(Attach additional sheets for explanation if necessary)	
	Is the township net tax capacity less than \$300,000? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	Is the bridge listed on the National Register of Historic Places or been determined to be eligible? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		National Register of Historic Places link here: http://www.nps.gov/history/nr/research/	
Cost Estimate		Eligible Amount		Ineligible Amount
	Structure Costs	\$418,687.00	\$0	
	Approach Costs	\$0	\$110,834.25	
	Engineering Costs	\$0	\$35,000.00	
	Total Costs	\$418,687.00	\$145,834.25	
	Total Project Cost		\$ 564,521.25	
	_____ County/City Engineer		<u>6-13-18</u> Date	
DSAE	DISTRICT STATE AID ENGINEER RECOMMENDATION			
	Replace <input checked="" type="checkbox"/>	Defer <input type="checkbox"/>	_____ District State Aid Engineer Signature	
Approval	STATE AID USE ONLY			
		Federal-Aid	\$	
		State-Aid	\$	
		Local/Other	\$	
		Town Bridge	\$	
		Unallocated Town Bridge	\$	
		State Bridge Funds	\$	
	Total	\$		

EXHIBIT C

GRANTEE RESOLUTION APPROVING GRANT AGREEMENT

CITY OF NORTHFIELD, MINNESOTA
CITY COUNCIL RESOLUTION 2019-XXX
AGREEMENT TO STATE TRANSPORTATION FUND
FOR LOCAL BRIDGE REPLACEMENT PROGRAM
GRANT TERMS AND CONDITIONS
SAP 149-124-001

WHEREAS, the City of Northfield has applied to the Commissioner of Transportation for a grant from the Minnesota State Transportation Fund for construction of Bridge No.66J81; and

WHEREAS, the Commissioner of Transportation has given notice that funding for this bridge is available; and

WHEREAS, the amount of the grant has been determined to be \$265,349.50 by reason of the lowest responsible bid;

NOW THEREFORE, be it resolved that City of Northfield does hereby agree to the terms and conditions of the grant consistent with Minnesota Statutes, section 174.50, and will pay any additional amount by which the cost exceeds the estimate, and will return to the Minnesota State Transportation Fund any amount appropriated for the bridge but not required. The proper city officers are authorized to execute a grant agreement and any amendments thereto with the Commissioner of Transportation concerning the above-referenced grant.

PASSED by the City Council of the City of Northfield on this 20th day of August 2019.

ATTEST

City Clerk

Mayor

VOTE: ___ POWNELL ___ DELONG ___ GRABAU ___ NAKASIAN
 ___ NESS ___ PETERSON WHITE ___ ZWEIFEL