



Representative Rick Hansen  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
247 State Office Building  
St Paul, MN 55155

Senator Bill Ingebrigtsen  
95 University Ave West  
3207 State Office Building  
St Paul, MN 55155

Representative Josh Heintzeman  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
353 State Office Building  
St Paul, MN 55155

Senator Patricia Torres Ray  
95 University Ave West  
2225 Minnesota Senate Building  
St Paul, MN 55155

Dear Chairs and Ranking Minority Members,

Please find enclosed a copy of the Minnesota Board of Water and Soil Resources 2021 Report on Interagency Agreements and Intra-Agency Transfers. This report is submitted as directed by Minnesota Statutes §15.0395.

If you or your staff have any questions, please contact Angie Becker Kudelka at [angie.beckerkudelka@state.mn.us](mailto:angie.beckerkudelka@state.mn.us) or 612-616-5112.

Sincerely,

John Jaschke  
Executive Director

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# 2021 Interagency Agreements and Transfers Report

Minnesota Statutes §15.0395

October 15, 2021

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# Introduction

This report outlines our agreements with other agencies and each of the transfers we made fiscal year 2021.

Please note that Minnesota Statute 15.0395 requires agencies to report on interagency agreements and transfers of more than \$100,000.

The report contains four sections:

- 1) Statute 15.0395 Language
- 2) Detailed list of transfers of appropriation within and across agencies
- 3) Interagency agreements segregated by revenue and expense type
- 4) Copies of the agreements

## Interagency Agreement and Transfer Report

(a) By October 15, 2018, and annually thereafter, the head of each agency must provide reports to the chairs and ranking minority members of the legislative committees with jurisdiction over the department or agency's budget on:

- (1) interagency agreements or service-level agreements and any renewals or extensions of existing interagency or service-level agreements with another agency if the cumulative value of those agreements is more than \$100,000 in the previous fiscal year; and
- (2) transfers of appropriations between accounts within or between agencies, if the cumulative value of the transfers is more than \$100,000 in the previous fiscal year.

The report must include the statutory citation authorizing the agreement, transfer or dollar amount, purpose, and effective date of the agreement, the duration of the agreement, and a copy of the agreement.

(b) As used in this section, "agency" includes the departments of the state listed in section 15.01, a multimember state agency in the executive branch described in section 15.012, paragraph (a), the Office of MN.IT Services, and the Office of Higher Education.

Preparing this report took approximately 24 hours and cost approximately \$1220.

Minnesota Management and Budget (MMB)

FY 2021 Transfers

October 15, 2021

TRANSFER FROM					TRANSFER TO					Purpose of Transfer	Legal Authority for Transfer
Transfer Out Agency	Transfer Out Fund Name	Transfer Out AppropID	Transfer Out AppropID Name	Transfer Out Amt	Transfer In Agency	Transfer In Fund Name	Transfer In AppropID	Transfer In AppropID Name	Transfer In Amount		
MMB-Non Operating	General Fund	G9R0224	2020 GF Road Replcmnt Sess Bnd	(8,000,000)	BWSR	General Projects	R9PRP20	2020 GF Road Replcmnt Sess Bnd	8,000,000	Transfer from MMB (Non-Operating) to BWSR General Projects for General Fund Bonding	205 003 00 000
BWSR	General Projects	R9PRP20	2020 GF Road Replcmnt Sess Bnd	(440,000)	BWSR	Restrict Misc Special Revenue	R9PBK5	WBNK Stewardship	440,000	Transfer from the General Projects appropriation to Mitigation Easement Stewardship.	205 003 00 000
Revenue	General Fund	G901053	Riparian Protection Aid	(744,927)	BWSR	Restrict Misc Special Revenue	R9PRP8	Riparian Protection Aid	744,927	Transfer from the Dept of Revenue done annually for Riparian Protection Aid	MS 477A. 21 4
DNR	Environment & Natural Resource	R292159	Lawns To Legumes	(422,000)	BWSR	Environment & Natural Resource	R9PELT0	Lawns to Legumes Transfer	422,000	Legislation Language for a transfer for the Lawns to Legumes Program	211 006 05 002 20B
DNR	Environment & Natural Resource	R298D07	Lawns To Legumes	(500,000)	BWSR	Environment & Natural Resource	R9PELT0	Lawns to Legumes Transfer	500,000		211 006 05 002 20B
BWSR	Clean Water Fund	R9PC1W9	CFW One Watershed One Plan	(23,650)	BWSR	Clean Water Fund	R9PCAD9	CFW Administration	23,650	The board may shift grant or cost-share funds in this section and may adjust the technical and administrative assistance portion of the funds to leverage federal or other nonstate funds or to address oversight responsibilities or high-priority needs identified in local water management plans	191 002 02 007 000
BWSR	Clean Water Fund	R9PCAI9	CFW Accelerated Implementation	(16,500)	BWSR	Clean Water Fund	R9PCAD9	CFW Administration	16,500		191 002 02 007 000
BWSR	Clean Water Fund	R9PCDP9	CFW Conservation Drainage Prog	(31,284)	BWSR	Clean Water Fund	R9PCAD9	CFW Administration	31,284		191 002 02 007 000
BWSR	Clean Water Fund	R9PCPB9	CFW Performance Base Watershed	(178,144)	BWSR	Clean Water Fund	R9PCAD9	CFW Administration	178,144		191 002 02 007 000
BWSR	Clean Water Fund	R9PCPP9	CFW Projects and Practices	(1,256,300)	BWSR	Clean Water Fund	R9PCAD9	CFW Administration	1,256,300		191 002 02 007 000
BWSR	Clean Water Fund	R9PCRB9	CFW Riparian Buffer Compliance	(165,550)	BWSR	Clean Water Fund	R9PCAD9	CFW Administration	165,550		191 002 02 007 000
BWSR	Clean Water Fund	R9PCSC9	CFW SWCD Capacity	(120,000)	BWSR	Clean Water Fund	R9PCAD9	CFW Administration	120,000		191 002 02 007 000
BWSR	Clean Water Fund	R9PCWP9	CFW Wellhead Protection	(5,676)	BWSR	Clean Water Fund	R9PCAD9	CFW Administration	5,676		191 002 02 007 000
BWSR	Clean Water Fund	R9PCBE9	CFW Buffer Easements	(150,000)	BWSR	Clean Water Fund	R9PCAE9	CFW Admin Easements	150,000		191 002 02 007 000
BWSR	Clean Water Fund	R9PCE9	CFW CREP Easements	(200,000)	BWSR	Clean Water Fund	R9PCAE9	CFW Admin Easements	200,000		191 002 02 007 000
BWSR	Clean Water Fund	R9PCTS9	CFW Threatened Shorelands	(75,000)	BWSR	Clean Water Fund	R9PCAE9	CFW Admin Easements	75,000		191 002 02 007 000
BWSR	Clean Water Fund	R9PCWP9	CFW Wellhead Protection	(75,000)	BWSR	Clean Water Fund	R9PCAE9	CFW Admin Easements	75,000		191 002 02 007 000
BWSR	Clean Water Fund	R9PCB15	CFW Buffer Easements	(150,000)	BWSR	Clean Water Fund	R9PCE15	CFW Admin Easements	150,000		151 002 02 002 002
BWSR	Clean Water Fund	R9PCB17	FY17 CWF Buffer	(120,000)	BWSR	Clean Water Fund	R9PCE17	CFW Admin Easements	120,000		17 091 02 07A 000
BWSR	Clean Water Fund	R9PCC15	CFW CREP	(200,000)	BWSR	Clean Water Fund	R9PCE15	CFW Admin Easements	200,000		151 002 02 002 002
BWSR	Clean Water Fund	R9PCC17	CFW CREP Easements	(160,000)	BWSR	Clean Water Fund	R9PCE17	CFW Admin Easements	160,000		17 091 02 07A 000
BWSR	Clean Water Fund	R9PCDP9	CFW Conservation Drainage Prog	(59,003)	BWSR	Clean Water Fund	R9PCPP9	CFW Projects and Practices	59,003		191 002 02 007 000
BWSR	Clean Water Fund	R9PCT15	CFW Critical Shorelands	(75,000)	BWSR	Clean Water Fund	R9PCE15	CFW Admin Easements	75,000		151 002 02 002 002
BWSR	Clean Water Fund	R9PCW15	CFW Wellhead Protection	(75,000)	BWSR	Clean Water Fund	R9PCE15	CFW Admin Easements	75,000		151 002 02 002 002
BWSR	Clean Water Fund	R9PCT17	CFW Critical Shorelands	(60,000)	BWSR	Clean Water Fund	R9PCE17	CFW Admin Easements	60,000		17 091 02 07A 000
BWSR	Clean Water Fund	R9PCW17	CFW Wellhead Protection	(60,000)	BWSR	Clean Water Fund	R9PCE17	CFW Admin Easements	60,000	17 091 02 07A 000	
<b>TOTAL</b>				<b>(13,363,034)</b>					<b>13,363,034</b>		

**Water and Soil Resources Board**

FY 2021 Interagency Agreements and Service Level Agreements

October 15, 2021

Agency	Amount	Legal Authority	Purpose	Effective Date	End Date / Duration
<b>Income</b>					
DNR	325,000	MS 103B.101 Subd 9	DNR IAA: Forestry Stewardship (DNR2)	03/27/19	6/30/2021
DNR	149,807	MS 103B.101 Subd 9	Wetland Hydrology Monitoring Network (DNR8)	11/07/18	6/30/2022
DNR	30,000	MS 103B.101 Subd 9	NIPF Pilot Phase 2 (DNR9)	05/22/20	8/31/2021
DNR	35,000	MS 103B.101 Subd 9	LMR Pine River Watershed - Managing Forests for Upper Mississippi River Basin (NR00)	04/08/20	6/22/2021
DNR	160,000	MS 103B.101 Subd 9	Watershed Landscape Stewardship-Loons, Lunkers and Logs (NR01)	09/01/20	9/29/2023
DNR	60,000	MS 103B.101 Subd 9	Forest Stewardship and Protecting Family Resorts project (NR02)	11/23/20	9/9/2023
DOT	3,750,000	MS 103B.101 Subd 9	Wetland replacement for public road projects (DOT3)	08/13/15	6/30/2020
DOT	13,500,000	MS 103B.101 Subd 9	Wetland Mitigation Agreement (DOT5)	10/04/19	6/30/2024
EQB	190,000	MS 103B.101 Subd 9	S404 Assumption Report Development (EQB1)	09/12/19	6/30/2021
MDH	280,000	MS 103B.101 Subd 9	MDH Well Sealing (MDH7)	03/01/19	6/30/2021
PCA	122,600	MS 103B.101 Subd 9	Mpca Cooperative Agreement (PCA1)	10/01/19	9/30/2021
PCA	6,271,974	MS 103B.101 Subd 9	Mpca Nrbg SSTS Agmt (NRS9)	07/26/19	6/30/2024
<b>TOTAL</b>	<b>24,874,381</b>				
<b>Expense</b>					
DNR	65,000	MS 103B.101 Subd 9	S404 Assumption	12/17/19	6/30/2022
DNR	232,464	MS 16B.24, Subd 6	Rochester Office Lease	07/08/20	12/31/2025
DNR	61,628	MS 16B.24, Subd 6	Brainerd Office Lease	07/01/11	6/30/2024
DNR	526,000	MS 85.53 Subd 5/MS 97A.056 Subd. 10/ MS 114D.50 Subd.6	Habitat Restoration and Evaluation Implementation	06/28/17	6/30/2021
DNR	4,375	MS 16B.24, Subd 6	DNR/BWSR/USFWS Shared Office Services	07/01/19	5/31/2024
DNR	10,350	MS 16C.05 Subd. 2	Labor and Workstations	09/27/16	6/30/2021
DNR	120,000	N/A	HR Services Coordination	07/01/19	6/30/2022
DNR	103,991	N/A	DNR BWSR Office Relocation	04/13/20	9/30/2020
*MNIT	1,188,143	M.S. 16E.0466	MN.IT provides enterprise IT services to BWSR	07/01/20	6/30/2022
*MNIT	49,950	M.S. 16E.0466	Houston ELINK -MNIT 71330	07/01/20	6/30/2022
*MNIT	515,630	M.S. 16E.0466	Houston ELINK next gen -MNIT 184728	10/20/20	10/19/2022
*MNIT	498,855	M.S. 16E.0466	Houston PTMAPP - MNIT 146576	09/01/18	6/30/2021
*MNIT	13,500	M.S. 16E.0466	Nighthawk - BWSR Web Redesign 74925	10/14/20	4/6/2021
*MNIT	155,580	M.S. 16E.0466	TachZavy Wetland Banking Database 171418	01/27/20	1/26/2021
*MNIT	60,000	M.S. 16E.0466	Cengea Easements Database - MNIT 171241	01/15/20	1/14/2022
PCA	45,888	MS 103B.101 Subd 9	S404 Assumption	07/01/20	6/30/2021
PCA	7,344	MS 16B.24, Subd 6	Shared Office Services	07/01/20	6/30/2021
PCA	2,859,593	MS 16B.24, Subd 6	CENTRAL OFFICE RENT	07/01/19	12/31/2028
<b>TOTAL</b>	<b>6,518,291</b>				
<b>Total Income &amp; Expense</b>	<b>31,392,672</b>				

\*MNIT Technology Costs are handled via a Service Level agreement, that include some subcontracted work.

**STATE OF MINNESOTA  
GRANT AGREEMENT  
Federal Sub-Award Agreement**

This grant agreement is between the State of Minnesota, acting through its Commissioner of Natural Resources, 500 Lafayette Rd., St. Paul, MN 55155 ("State") and the Board of Water and Soil Resources, DUNS #879399095, 520 Lafayette Rd., St Paul, MN 55155 ("Grantee").

**Recitals**

1. Under the Forest Stewardship Program, USDA Forest Service, 10.664, 15-DG-11420004-69, the State received a federal award of \$225,000 of which \$25,000 was sub-awarded to the Grantee DUNS #879399095 on May 7, 2015 for LSR: Pine River Watershed: Managing Forests for Water's Sake in the Upper Mississippi Basin, and as provided in Minnesota Statutes, section 84.026. This project is not a research and development project.
2. The State sub-awards to the Grantee for the purpose of conducting the program entitled Managing Forests for Water's Sake in the Upper Mississippi Basin in the manner described in the Minnesota Department of Natural Resources' narrative.
3. The Grantee represents that it is duly qualified and agrees to perform all services described in this grant agreement to the satisfaction of the State.

**Grant Agreement**

**1. Term of Grant Agreement**

- 1.1. **Effective date:** March 8, 2019.

This agreement becomes effective on March 8, 2019 or the date the State obtains all required signatures under Minnesota Statutes 16B.98, subdivision 5, whichever is later. **The Grantee must not begin work under this sub-grant agreement until this agreement is fully executed and the Grantee has been notified by the State's Authorized Representative to begin the work.**

- 1.2. **Expiration date:** June 30, 2020.

- 1.3. **Survival of Terms:** The following clauses survive the expiration or cancellation of this grant agreement: 9 Liability; 10 Audits; 11 Government Data Practices and Intellectual Property; 13 Endorsement; 14 Governing Law, Jurisdiction, and Venue; 16 Data Disclosure; 19 Monitoring; and 24 Additional Program Requirements.

- 1.4. **Incur Expenses:** This agreement becomes effective on March 8, 2019, or the date the State obtains all required signatures under Minnesota Statutes 16B.98, subdivision 5, whichever is later. **The Grantee must not begin work under this sub-grant agreement until this agreement is fully executed and the Grantee has been notified by the State's Authorized Representative to begin the work.**

**2. Grantee's Duties**

The Grantee, who is not a state employee, will: See Exhibit A, Grantee's Responsibilities, which is attached and incorporated into this Grant Agreement.

The Grantee will comply with required grants management policies and procedures set forth through Minnesota Statutes Section 16B.97, subdivision 4 (a) (1).

The Grantee agrees to complete the program in accordance with the approved budget to the extent practicable and within the program period specified in the grant agreement. Any material change in the grant agreement shall require an amendment by the State (see Section 7.2).

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

The Grantee is responsible for maintaining a written 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.

**3. Time**

The Grantee must comply with all the time requirements described in this grant agreement.

#### 4. Consideration and Payment

4.1. **Consideration.** Consideration for all services performed by Grantee pursuant to this grant agreement shall be paid by the State as follows:

4.1.1. **Compensation.** Compensation in an amount not to exceed \$175,000.00.

THE TOTAL STATE OBLIGATION FOR ALL COMPENSATION AND REIMBURSEMENTS TO GRANTEE SHALL NOT EXCEED ONE HUNDRED SEVENTY FIVE THOUSAND DOLLARS.

Funds made available pursuant to this Agreement shall be used only for expenses incurred in performing and accomplishing the purposes and activities specified herein. Notwithstanding all other provisions of this Agreement, it is understood that any reduction or termination of funds allocated to the State may result in a like reduction to the Grantee.

#### 4.2. Payment.

The State shall disburse funds to the Grantee pursuant to this agreement on a reimbursement basis. The Grantee shall submit payment requests with required expenditure documentation. If necessary, advance payments on grants shall be negotiated between the State and Grantee on a case by case basis. In order to make advance payments, the Grantee must prepare and submit a written justification to the State for approval that details the specific need to utilize advance payments. A copy of the signed justification must be maintained in the grant file. All advance payments on grants over \$50,000 must be reconciled within 12 months of issuance or within 60 days of the end of the grant period.

4.2.1. **Federal funds.** Payments under this grant agreement will be made from federal funds obtained by the State through Title Forest Stewardship Program, CFDA number 10.664 of the Cooperative Forestry Assistance Act of 1978. 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.

#### 5. Conditions of Payment

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

#### 6. Authorized Representative

The State's Authorized Representative is Gary Michael, Cooperative Forest Management Supervisor, (651) 259-5262, [gary.michael@state.mn.us](mailto:gary.michael@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 agreement. If the services are satisfactory, the State's Authorized Representative or his/her designee will certify acceptance on each invoice submitted for payment.

The Grantee Authorized Representative is Doug Thomas, Assistant Director for Regional Operations, MN Board of Water & Soil Resources, 520 Lafayette Rd, St Paul, MN 55155, (651) 215-6338, [doug.thomas@state.mn.us](mailto:doug.thomas@state.mn.us), or his/her successor. If the Grantee's Authorized Representative changes at any time during this grant agreement, the Grantee must 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 grant agreement without the prior consent of the State and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this grant agreement, or their successors in office.

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

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

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

## 8. Subcontractors, Contracting, and Bidding Requirements

8.1 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) 200.317 and 200.322 (if applicable-both apply to state entities only) as well as 2 CFR 200.318-321, and 2 CFR 200.323-326.

8.2 Per Minnesota Statute 471.345, grantees that are municipalities as defined in Subd. 1 must follow that Uniform Municipal Contracting Law if contraction funds from this grant contract agreement for any supplies, materials, equipment, or the rental thereof, or the construction, alteration, repair, or maintenance of real or personal property.

If the amount of the contract is estimated to exceed \$100,000, a formal notice and bidding process must be conducted in which sealed bids shall be solicited by public notice. Municipalities may, as a best value alternative, award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in Minnesota Statute 16C.28, Subd. 1, paragraph a, clause 2.

8.2.1 If the amount of the contract is estimated to exceed \$25,000, but not \$100,000, the contract may be made either upon sealed bids or by direct negotiation, by obtaining two or more quotations for the purchase or sale when possible, and without advertising for bids or otherwise complying with the requirements of competitive bidding. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof. Municipalities may, as a best value alternative, award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in Minnesota Statute 16C.28, Subd. 1, paragraph a, clause 2, and paragraph c.

8.2.2 If the amount of the contract is estimated to be \$3,000-25,000 (\$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) the contract may be made either upon quotation or in the open market, in the discretion of the governing body. If the contract is made upon quotation it shall be based, so far as practicable, on at least two quotations which shall be kept on file for a period of at least one year after their receipt. Alternatively, municipalities may award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in Minnesota Statute 16C.28, Subd. 1, paragraph a, clause 2.

8.2.3 Any services and/or materials that are expected to cost less than \$3,000 (see 8.2.2 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). The Grantee must make an effort to equitably distribute these purchases.

8.2.4 Support documentation of the bidding process utilized to contract services must be included in the grantee's financial records, including support documentation justifying a single/sole source bid, if applicable.

8.2.5 For projects that include construction work of \$25,000 or more, prevailing wage rules apply per Minnesota Statute 177.41 through 177.44 consequently, the bid request must state the project is subject to prevailing wage. 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.

8.3 Nongovernmental organizations must follow the below requirements.

8.3.1 Any services and/or materials that are expected to cost \$20,000 or more must undergo a formal notice and bidding process.

8.3.2 Any services and/or materials that are expected to cost between \$10,000 and \$19,999 must be scoped out in writing and offered to a minimum of three (3) bidders.

8.3.3 Any services and/or materials that are expected to cost between \$3,000 and \$9,999 (\$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 based on a minimum of three (3) verbal quotes.

8.3.4 Any services and/or materials that are expected to cost less than \$3,000 (see 8.3.3 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).

8.3.5 Support documentation of the bidding process utilized to contract services must be included in the grantee's financial records, including support documentation justifying a single/sole source bid, if applicable.

8.3.6 For projects that include construction work of \$25,000 or more, prevailing wage rules apply per Minnesota Statute 177.41 through 177.44 consequently, the bid request must state the project is subject to prevailing wage.



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.

**9. 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 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 agreement.

**10. Audits (State and Single)**

Under Minn. Stat. §16B.98, subd. 8 and 2 CFR 200.331, the Grantee books, records, documents, and accounting procedures and practices relevant to this grant agreement 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.

All state and local governments, colleges and universities, and non-profit organizations that expend \$750,000 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 \$750,000 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.

**11. Government Data Practices and Intellectual Property**

**11.1 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 agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this grant agreement. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data referred to in this clause by either the Grantee or the State.

If the Grantee receives a request to release the data referred to in this clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before the data is released.

**11.2 Intellectual Property Rights (if applicable).**

**11.2.1 Intellectual Property Rights.** The State owns any intellectual property developed with these funds. 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.

**11.2.2 Obligations.**

(A) *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.

(B) *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.

**12. 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.

**13. Endorsement**

The Grantee must not claim that the State endorses its products or services and the Grantee must adhere to the terms of 2 CFR 200.315.

**14. Governing Law, Jurisdiction, and Venue**

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

**15. Termination**

The State may cancel this grant agreement at any time, 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.

**16. Data Disclosure**

Under Minn. Stat. § 270C.65, Subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

**17. American Disabilities Act**

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.

**18. Reporting Requirements**

The Grantee is bound to financial and performance reporting requirements as noted in the narrative.

**19. 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.

**20. Invasive Species Prevention**

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.

**21. 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 December 2014 version](#).

**22. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions**

22.1 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.

22.2 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.

**23. Whistleblower Protection Rights**

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

(a) 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)

(b) 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

(c) 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)

**Attachments:**

\_\_\_\_\_ A. Exhibit A

\_\_\_\_\_ B. Conflict of Interest Disclosure

\_\_\_\_\_ C. Narrative

**1. STATE ENCUMBRANCE VERIFICATION**  
*Individual certifies that funds have been encumbered as required by Minn. Statutes 16A.15 and 16B.98.*

Signed: Jody M. Wagner *J. Wagner*

Date: March 4, 2019 \_\_\_\_\_

SWIFT Contract/PO No. 153965 PO No. 147065 \_\_\_\_\_

**2. 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: Don Thomas *Don Thomas*

Title: Assist. Director Regional Ops.

Date: 3/25/2019

**3. STATE AGENCY**

By: *[Signature]*  
(with delegated authority)

Title: Deputy Director

Date: 3-27-09

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

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

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

**This section left intentionally blank**

## **Exhibit A**

### **Grantee's Responsibilities**

1. Memorandum of Understanding.
  - Develop an MOU between BWSR, NRCS, USFS, S&P F, and DNR Forestry.
  - Lead workgroup meetings as necessary and include MASWCD, BWSR, NRCS, USFS, S&P F, DNR and other stakeholders as necessary.
2. Landscape Stewardship Plans.
  - Develop and support the coordination and implementation of watershed-based landscape stewardship plans for the following IWIP projects:
    - A. Phase 1 LSP Projects
      - Mississippi Headwaters Watershed
      - Leech Lake Watershed
      - Rum River Watershed
      - Redeye River Watershed
    - B. Phase 2 LSP Projects
      - Nemadji River Watershed
      - Crow Wing River Watershed
3. Federal Grant Project Coordination.
  - Provide project oversight and administer support to the federal grant projects -- NIPF pilot, St Croix, Pine River, Family Forest Resort and Joint Chiefs -- Mississippi headwaters.
4. NRCS Funding/Coordination.
  - Complete annual RCPP funding applications to the NRCS with direction and consultation from the DNR CFM Supervisor.
5. Forest for the Future/Forest Legacy -- Program Funding/Coordination Support.
  - Provide grant writing assistance and connections to SWCD IWIP projects seeking easements.
6. PFM Accomplishment Reporting/Data Management.
  - Coordinate accomplishments by SWCDs, consulting foresters, industry forest on PFM work and timber harvests.
7. Service Provider Training.
  - Support and assist DNR Forestry and BWSR staff in development and delivery of training of service providers training including:
    - Forest Stewardship Committee
    - CFM annual meetings
    - BWSR Academy
    - Plan writer workshops, assist with the logistical aspects of the workshops.
    - Other related events and directed by the BWSR Supervisor and CFM Supervisor.
8. Minor Watershed Manual (MWA).
  - Oversee the completion of the MWA Manual and related service provider training sessions.
9. NIPF Outreach/ Landowner Handbooks.
  - Assist in finalizing the Landowner Handbook series.
  - Conduct final writing on remaining handbooks, seek photography for the handbooks and oversee any contract work necessary



# Minnesota Department of Natural Resources

## Conflict of Interest Disclosure

### Conflict of Interest:

A conflict of interest (actual, potential, or perceived) 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.

### Actual Conflict of Interest:

An actual conflict of interest occurs when a decision or action would compromise a duty to a party without taking immediate appropriate action to eliminate the conflict. Examples include, but are not limited to:

- One party uses his or her position to obtain special advantage, benefit, or access to the other party's time, services, facilities, equipment, supplies, badge, uniform, prestige, or influence.
- One party receives or accepts money (or anything else of value) from another party or has equity or a financial interest in or partial or whole ownership of the other party's organization.
- One party is an employee, board member or family member of the other party.

### Potential Conflict of Interest:

A potential conflict of interest may exist if one party 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. For example, when one party serves in a volunteer capacity for another party, it has the potential to, but does not necessarily, create a conflict of interest, depending on the nature of the relationship between the two parties. A disclosed potential conflict of interest warrants additional discussion in order to identify the nature of the relationship, affiliation, or other interest and take action to mitigate any potential conflicts.

### Perceived Conflict of Interest:

A perceived conflict of interest is any situation in which a reasonable third party would conclude that conflicting duties or loyalties exist. A disclosed perceived conflict of interest warrants additional discussion in order to identify the nature of the relationship, affiliation, or other interest and take action to mitigate any potential conflicts.

### Organizational Conflict of Interest:

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

- A grantee is unable or potentially unable to render impartial assistance or advice to the State due to competing duties or loyalties
- A grantee's objectivity in carrying out the grant is or might be otherwise impaired due to competing duties or loyalties
- A grantee or potential grantee 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 (AR):**

I certify that we will maintain an adequate Conflict of Interest Policy and throughout the term of our agreement we will monitor and report any actual, potential, or perceived conflicts of interest to the State's Authorized Representative.

I also certify that I have read and understand the description of conflict of interest above and as of this date

(check one of the two boxes below):

I do not have any conflicts of interest relating to this project.

I have an actual, potential, perceived, or organizational (*circle*) conflict of interest. The nature of the conflict is as follows:

If at any time during the grant project I discover a conflict of interest, I will disclose that conflict immediately to the State's Authorized Representative.

Grantee AR's Printed Name: Douglas Thomas

Date: 3/25/2019

Grantee AR's Signature: 

Organization Name: MN Board of Water and Soil Resources

Project Name: \_\_\_\_\_

Legal Citation: ML \_\_\_\_\_, Chapter \_\_\_\_\_, Article \_\_\_\_\_, Section \_\_\_\_\_, Subdivision \_\_\_\_\_

State AR's Printed Name: \_\_\_\_\_

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

State AR's Signature: \_\_\_\_\_

**Grant Narrative for Forest Stewardship Program  
Minnesota Department of Natural Resources  
Division of Forestry  
Northeastern Area Landscape Scale Restoration  
FFY 2015**

#8

**Lead Contact(s):**

Gary Michael, Cooperative Forest Supervisor: 651-259-5262, [gary.michael@state.mn.us](mailto:gary.michael@state.mn.us)  
Terrie Lynn Clark, Federal Grants Accounting Officer Sr.: 651-259-5266,  
[terrie.clark@state.mn.us](mailto:terrie.clark@state.mn.us)

**Title:**

Managing Forests for Water's Sake in the Upper Mississippi Basin: Integrating PFM Redesign, Strategic Land Asset Management Analyses and Landscape Stewardship

**Purpose:**

MN DNR together with partners will protect watersheds in the Upper Mississippi Basin for their critical source water benefits through an "all lands approach" to forest management. This project integrates the redesign of the state's Private Forest Management (PFM) Program and the Strategic Land Asset Management (SLAM) Program with the County Water Planning (CWP) Program in north central Minnesota. This project will integrate landscape stewardship principles and practices into these key programs.

This project directly supports the implementation of the state's Forest Action Plan (FAP). Through the integration of the PFM Redesign, SLAM, and CWP, partners will be able to more collaboratively and comprehensively address two high priority issues and strategies in the FAP: 1) protect and maintain water quality/quantity, and 2) maintain the state's forested land base.

**Scope of Work:**

Work will focus first on protecting forest resources in the Pine River Watershed by focusing PFM Redesign and SLAM analyses on riparian forests. The US FS study "Forests, Water and People" rated the Pine River Watershed as the state's top rated watershed for development pressure on forests important for drinking water supply. We will use GIS modeling tools to: 1) identify key private and public lands, 2) prioritize PFM Redesign and SLAM projects, and 3) coordinate funding necessary to increase private forest management and purchase riparian conservation easements. Analysis work will then be extended to two other priority major watersheds in the basin. A landscape stewardship plan for the Pine River Watershed will be prepared to guide the delivery of services to private landowners and future land asset management projects (public land acquisitions, sales and trades).

This project supports DNR Forestry's multi-year effort to develop a new service delivery model for private landowners. This model will significantly enhance the coordination of shared roles



by multiple service providers. Private forest consultants and DNR foresters take on the brunt of the demand for PFM services, while soil and water conservation districts (SWCDs) assist in providing services with a focus on key riparian forests. The proposal increases coordination capacity to assist with the new role for SWCDs in priority riparian areas. DNR Forestry will continue to provide overall PFM leadership, but would tap into SWCD and BWSR for increased efficiency with PFM Redesign and SLAM. DNR Division of Lands and Minerals would lead the strategic land asset management (SLAM) analyses with support from Fish and Wildlife staff as well as other divisions. MFRC will lead the landscape stewardship plan process and the linkages to the North Central Regional Landscape Committee. BWSR will also support coordination with County Water Plans and the funding from the Clean Water, Land & Legacy Amendment. The following is the list of on the ground outcomes that will be the result of this project:

#### **Methodology and Timeline:**

This allocation will, over a three-year period, develop and employ coordination processes that support the comprehensive implementation of the strategies in the Minnesota FAP. We will integrate these processes with landscape stewardship projects in two regions of the state.

#### **Conserving and Managing Working Forest Landscapes**

- Prepare the Pine River Watershed Landscape Stewardship Plan – 1 plan.
- Write new Forest Stewardship Plans on lands in the Pine River Watershed – 5,000 acres.
- Write revised Forest Stewardship Plans on lands in the Pine River Watershed – 2,000 acres.
- Write new or revised Forest Stewardship Plans on Riparian Lands in Other Priority Watersheds – 5,000 acres.

#### **Protect Forests from Threats**

- Coordinate funding to buy Riparian Conservation Easements in priority watersheds – 1,500 acres.
- Coordinate funding to buy and/or trade fee title for public forestlands in priority watersheds – 500 acres.

#### **Enhance Public Benefits from Private Forests**

- Landowner outreach and education – 300 people.

Costs share projects – 1,200 acres.

#### **Accomplishment Reporting:**

We will prepare annual progress reports and a final project evaluation report that summarize the results from the overall project. The final report will include specific recommendations for consideration by the CFM Supervisor to support the refining and improving of the PFM processes based on landscape approaches.

**Amendment # 1 for Grant Contract # 153965**

Contract Start Date:	<u>3/27/2019</u>	Total Contract Amount:	<u>\$325,000</u>
Original Contract Expiration Date:	<u>6/30/2020</u>	Original Contract:	<u>\$175,000</u>
Current Contract Expiration Date:	<u>6/30/2020</u>	Previous Amendment(s) Total:	<u>\$</u>
Requested Contract Expiration Date:	<u>6/30/2021</u>	This Amendment:	<u>\$150,000</u>

This amendment is by and between the State of Minnesota, through its Commissioner of Natural Resources, 500 Lafayette Rd., St. Paul, MN 55155 (“State”) and Board of Water and Soil Resources, DUNS #879399095, 520 Lafayette Rd., St. Paul, MN 55155 (“Grantee”).

**Recitals**

1. The State has a grant contract with the Grantee identified as SWIFT Contract No. 153965 (“Original Grant Contract”) to develop and support the coordination and implementation of watershed-based landscape stewardship plans for various 1W1P projects.
2. The agreement is being amended to add additional watershed-based landscape stewardship plans and increase the coordination of implementation of the 1W1P.
3. The State and the Grantee are willing to amend the Original Grant Contract as stated below.

**Grant Contract Amendment**

**REVISION 1.** Clause 1. “**Term of Grant Contract**” is amended as follows:

- 1.1 **Effective date:** March 8, 2019, or the date the State obtains all required signatures under Minn. Stat. §16B.98, Subd. 5, whichever is later. Per Minn.Stat. §16B.98 Subd. 7, no payments will be made to the Grantee until this grant contract is fully executed.  
**The Grantee must not begin work under this grant contract until this grant contract is fully executed and the Grantee has been notified by the State’s Authorized Representative to begin the work.**
- 1.2 **Expiration date:** ~~June 30, 2020~~, June 30, 2021, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

**REVISION 2.** Clause 2. “**Grantee’s Duties**” is amended to add:

Grantee shall perform the additional duties as detailed in Exhibit A, which is attached and incorporated into this contract.

**REVISION 3.** Clause 4.1.(C) “**Total Obligation**” is amended as follows:

- (3) **Total Obligation.** The total obligation of the State for all compensation and reimbursements to the Grantee under this contract will not exceed ~~\$175,000~~ \$325,000.

**REVISION 4.** Clause 6. “**Authorized Representative**” is amended as follows:

The Grantee Authorized Representative is ~~Doug Thomas~~ Kevin Bigalke, Assistant Director for Regional Operations, MN Board of Water & Soil Resources, 520 Lafayette Rd, St Paul, MN 55155, (651) 215-6338, doug.thomas@state.mn.us kevin.bigalke@state.mn.us, or his/her successor. If the Grantee’s Authorized Representative changes at any time during this grant agreement, the Grantee must immediately notify the State.

**1. STATE ENCUMBRANCE VERIFICATION**

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

Signed: Jen Franklin

Date: March 5, 2020

SWIFT Contract/PO No(s). 153965 / 3-147065

**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: [Signature]

Title: Assistant Director for Regional Operations

Date: 3/18/2020

By: Chief Financial Officer

Title: [Signature]

Date: 03-19-20

**3. STATE AGENCY**

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

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

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

Distribution:  
Agency  
Grantee  
State's Authorized Representative

**Exhibit A**  
**Grantee's Responsibilities**  
**Amendment to the DNR / BWSR – Private Forest Management Contract**

1. Memorandums of Understanding.
  - Develop the core PFM MOU between DNR and BWSR.
  - Develop supporting MOUs between DNR and BWSR with NRCS, MASWCD, MFA, Extension, MACF, and others.
  - Lead workgroup meetings as necessary and include MASWCD, BWSR, NRCS, USFS, S&P F, DNR and other stakeholders as necessary.
2. Landscape Stewardship Plans.
  - Develop and support the coordination and implementation of watershed-based landscape stewardship plans for the following 1WIP projects:
    - A. Group 1 LSP Projects
      - Pine River Watershed
      - Mississippi Headwaters Watershed
      - Leech Lake Watershed
      - Rum River Watershed
      - Redeye River Watershed
    - B. Group 2 LSP Projects
      - Mississippi River – Grand Rapids Watershed
      - Big Fork River Watershed
      - Little Fork River Watershed
      - Nemadji River Watershed
      - St Louis River Watershed
    - C. Group 3 LSP Projects
      - Mississippi River – Brainerd Watershed
      - Crow Wing River Watershed
      - Long Prairie River Watershed
      - Rainy River Watershed
      - Upper St Croix River Watershed
3. Federal Grant Project Coordination.
  - Provide project oversight and administer support to the federal grant projects.
4. NRCS Funding/Coordination.
  - Complete annual RCPP funding applications to the NRCS with direction and consultation from the DNR CFM Supervisor.
5. Forest for the Future/Forest Legacy – Program Funding/Coordination Support.
  - Provide grant writing assistance and connections to SWCD 1WIP projects seeking easements.
6. PFM Accomplishment Reporting/Data Management.
  - Coordinate accomplishments by SWCDs, consulting foresters, industry forest on PFM work and timber harvests.

7. Service Provider Training.
  - Support and assist DNR Forestry and BWSR staff in development and delivery of training of service providers training including:
    - Forest Stewardship Committee
    - CFM annual meetings
    - BWSR Academy
    - Plan writer workshops, assist with the logistical aspects of the workshops.
    - Other related events and directed by the BWSR Supervisor and CFM Supervisor.
8. Minor Watershed Manual (MWA).
  - Oversee the completion of the MWA Manual and related service provider training sessions.
9. Stream Based Watershed Research.
  - Collect and organize data relating to stream-based watersheds and land cover similar to that done for lake based watersheds by DNR Fisheries.
  - Develop metrics for forestland cover and water quality trends in rivers and streams.
10. NIPF Outreach / Landowner Handbooks.
  - Assist in finalizing the Landowner Handbook series.
  - Conduct final writing on remaining handbooks, seek photography for the handbooks and oversee any contract work necessary.
11. Relationship Development. Provide support and communications about the DNR / BWSR working relationship on PFM and water resources and seek their increased participation.
  - MN SWCD Forestry Association.
  - MN Association of Consulting Foresters (MACF).
  - MN RC&Ds.
  - MN Forestry Association (MFA).
  - MN Association of County Land Commissioners (MACLAC)

**STATE OF MINNESOTA  
INTERAGENCY AGREEMENT**

This agreement is between the Minnesota Department of Natural Resources (DNR) and the Minnesota Board of Water and Soil Resources (BWSR).

**Agreement**

**1 Term of Agreement**

- 1.1 **Effective date:** November 7, 2018, or the date the State obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later.
- 1.2 **Expiration date:** June 30, 2022, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

**2 Scope of Work**

**2.1. Background.**

This project, which is a cooperative effort between the Minnesota Department of Natural Resources (DNR) and the Minnesota Board of Water and Soil Resources (BWSR), will establish a wetland hydrology monitoring network in Minnesota to collect long-term hydrology data for reference wetlands and to assess the hydrologic characteristics of restored wetlands. This cooperative project is funded, in part, by a wetland program development grant from the U.S. Environmental Protection Agency (Grant No. CD 00E02438). The EPA will cover up to 75% of the costs, with DNR and BWSR each responsible to contribute, track, and report matching funds of at least 25% of the total project costs.

**2.2. BWSR's Duties**

For its part, BWSR will establish monitoring stations at 15 wetland restoration sites in the Mixed Woods Plains and Temperate Prairie ecoregions of Minnesota to assess the long-term hydrologic condition of these wetlands relative to their planned condition. Under this scope of work, BWSR agrees to:

- 2.2.1. Participate in project management and planning activities including the development of a Quality Assurance Project Plan and site selection analysis.
- 2.2.2. Purchase monitoring equipment for the 15 stations to be located in restored wetlands
- 2.2.3. Install monitoring equipment for the 15 restored wetland stations.
- 2.2.4. Conduct field visits to download data, conduct necessary quality control review of the data from the restored wetland stations, and prepare the data for upload to the state's water information system.
- 2.2.5. Assist with the final data analysis, review wetland hydrographs, perform statistical analysis, and prepare a report of the analysis results.
- 2.2.6. Document time expended and costs incurred in fulfillment of the commitments described above.
- 2.2.7. Submit complete information regarding costs and in-kind contributions in a manner that meets the reporting requirements of the EPA for the purposes of determining reimbursement from grant funds.

**2.3. DNR's Duties**

- 2.3.1. Act as the primary state administrator for the EPA grant
- 2.3.2. Agrees to make payment to BWSR in the amount and manner specified in Articles 3 and 4 below.

- 2.3.3. Participate in project management and planning activities including the development of a Quality Assurance Project Plan and site selection analysis.
- 2.3.4. Purchase monitoring equipment for the 20 stations to be located in least-impacted (reference) wetlands
- 2.3.5. Install monitoring equipment for the 20 reference wetland stations.
- 2.3.6. Conduct field visits to download data, conduct necessary quality control review of the data from the reference wetland stations, and prepare the data for upload to the state's water information system.
- 2.3.7. Assist with the final data analysis, review wetland hydrographs, perform statistical analysis, and prepare a report of the analysis results.

### **3 Consideration and Payment**

The DNR agrees to reimburse BWSR to support its activities under the EPA grant, listed under section 2.2 above. The total obligation of DNR for all compensation and reimbursements to BWSR under this agreement will not exceed \$149,807.

BWSR will invoice DNR quarterly for its project cost share amounts and provide DNR with the documentation necessary to request reimbursement.

### **4 Conditions of Payment**

All services provided by BWSR under this agreement must be performed to DNR's satisfaction, as determined at the sole discretion of DNR's Authorized Representative.

### **5 Authorized Representative**

DNR's Authorized Representative is Doug Norris, Wetland Program Coordinator, 500 Lafayette Road, Saint Paul, MN 55155-4025, 651-259-5125, [doug.norris@state.mn.us](mailto:doug.norris@state.mn.us), or his successor.

BWSR's Authorized Representative is Tim Smith, Wetland Banking Coordinator, 520 Lafayette Road, St. Paul, MN, 55155, 651-600-7554, [tim.j.smith@state.mn.us](mailto:tim.j.smith@state.mn.us), or his successor.

### **6 Amendments**

Any amendment 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 Liability**

Each party will be responsible for its own acts and behavior and the results thereof.

### **8 Termination**

Either party may terminate this agreement at any time, with or without cause, upon 30 days' written notice to the other party.

**1. STATE ENCUMBRANCE VERIFICATION**

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

Signed: Felicia Barnes

Date: 11/7/2018

**2. Minnesota Department of Natural Resources (DNR)**

By: [Signature]  
Steve Colvin (With delegated authority)

Title: Director, Ecological & Water Resources

Date: 11/8/18

**3. Minnesota Board of Water and Soil Resources (BWSR)**

By: [Signature]  
(with delegated authority)

Title: Wetlands Section Manager

Date: 11/8/18



**STATE OF MINNESOTA  
GRANT AGREEMENT  
Federal Sub-Award Agreement**

This grant agreement is between the State of Minnesota, acting through its Commissioner of Natural Resources, Division of Forestry, 500 Lafayette Road, St. Paul, MN 55155 ("State") and the Board of Soil and Water Resources, DUNS #879399095, 520 Lafayette Road, St. Paul, MN 55155 ("Grantee").

**Recitals**

1. Under the Forest Stewardship Program, USDA Forest Service, CFDA #10.664, Federal Award # 15-DG-11420004-068, the State received a federal award of \$305,000.00, of which \$30,000.00 was sub-awarded to the Grantee DUNS #879399095, for the project, "Landscape Stewardship for Family Forestland Owners: Increasing Results through Integrated and Collaborative Service Delivery – NIPF Pilot Project Phase 2", and as provided in Minnesota Statutes, section 84.026. This project is not a research and development project.
2. The State sub-awards to the Grantee for the purpose of conducting the program entitled NIPF Pilot Project Phase 2.
3. The Grantee represents that it is duly qualified and agrees to perform all services described in this grant agreement to the satisfaction of the State.

**Grant Agreement**

**1. Term of Grant Agreement**

- 1.1. **Effective date:** May 22, 2020.

This agreement becomes effective on May 22, 2020 or the date the State obtains all required signatures under Minnesota Statutes 16B.98, subdivision 5, whichever is later. No reimbursements will be made until or upon the date that the final required signature is obtained by the State, pursuant to [Minnesota Statutes Section 16B.98, subdivision 5](#). Per [Minnesota Statutes Section 16B.98, subdivision 7](#), no payments will be made to the Grantee until this grant agreement is fully executed.

- 1.2. **Expiration date:** August 31, 2021.

- 1.3. **Survival of Terms:** The following clauses survive the expiration or cancellation of this grant agreement: 9 Liability; 10 Audits; 11 Government Data Practices and Intellectual Property; 13 Endorsement; 14 Governing Law, Jurisdiction, and Venue; 16 Data Disclosure; and 19 Monitoring.

- 1.4. **Incur Expenses:** This agreement becomes effective on May 22, 2020, or the date the State obtains all required signatures under Minnesota Statutes 16B.98, subdivision 5, whichever is later. **The Grantee must not begin work under this sub-grant agreement until this agreement is fully executed and the Grantee has been notified by the State's Authorized Representative to begin the work.**

**2. Grantee's Duties**

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

See Exhibit A, Contractor's Responsibilities & Budget, which is incorporated and made a part of this agreement.

See Federal Award letter, which is incorporated and made part of this agreement.

The Grantee will comply with required grants management policies and procedures set forth through [Minnesota Statutes Section 16B.97](#), subdivision 4 (a) (1).

The Grantee agrees to complete the program in accordance with the approved budget to the extent practicable and within the program period specified in the grant agreement. Any material change in the grant agreement shall require an amendment by the State (see Section 7.2).

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

The Grantee is responsible for maintaining a written 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.

### 3. Time

The Grantee must comply with all the time requirements described in this grant agreement.

### 4. Consideration and Payment

4.1. **Consideration.** Consideration for all services performed by Grantee pursuant to this grant agreement shall be paid by the State as follows:

4.1.1. **Compensation.** Compensation in an amount not to exceed \$30,000.00, based on the following computation: See Attachment A, Contractor's Responsibilities & Budget.

THE TOTAL STATE OBLIGATION FOR ALL COMPENSATION AND REIMBURSEMENTS TO GRANTEE SHALL NOT EXCEED: Thirty thousand dollars (\$30,000.00).

Funds made available pursuant to this Agreement shall be used only for expenses incurred in performing and accomplishing the purposes and activities specified herein. Notwithstanding all other provisions of this Agreement, it is understood that any reduction or termination of funds allocated to the State may result in a like reduction to the Grantee.

#### 4.2. Payment.

The State shall disburse funds to the Grantee pursuant to this agreement **on a reimbursement basis**. The Grantee shall submit payment requests with required expenditure documentation. If necessary, advance payments on grants shall be negotiated between the State and Grantee on a case-by-case basis. In order to make advance payments, the Grantee must prepare and submit a written justification to the State for approval that details the specific need to utilize advance payments. A copy of the signed justification must be maintained in the grant file. All advance payments on grants over \$50,000 must be reconciled within 12 months of issuance or within 60 days of the end of the grant period.

4.2.1. **Federal funds.** Payments under this grant agreement will be made from federal funds obtained by the State through Forest Stewardship Program CFDA number 10.664 of the Cooperative Forestry Assistance Act of 1978. 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.

### 5. Conditions of Payment

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

### 6. Authorized Representative

The State's Authorized Representative is Gary Michael, Cooperative Forest Management Supervisor, (651) 259-5262, [gary.michael@state.mn.us](mailto:gary.michael@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 agreement. If the services are satisfactory, the State's Authorized Representative or his/her designee will certify acceptance on each invoice submitted for payment.

The Grantee Authorized Representative is Ryan Hughes, Northern Regional Supervisor, (218) 770-9687, [ryan.hughes@state.mn.us](mailto:ryan.hughes@state.mn.us) or his/her successor. If the Grantee's Authorized Representative changes at any time during this grant agreement, the Grantee must 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 grant agreement without the prior consent of the State and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this grant agreement, or their successors in office.

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

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

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

to bind either party.

## 8. Subcontractors, Contracting, and Bidding Requirements

- 8.1 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 \(CFR\) 200.317](#) and [200.322](#) (if applicable-both apply to state entities only) as well as 2 CFR 200.318-321, and 2 CFR 200.323-326.
- 8.2 Per [Minnesota Statute 471.345](#), grantees that are municipalities as defined in Subd. 1 must follow that Uniform Municipal Contracting Law if contraction funds from this grant contract agreement for any supplies, materials, equipment, or the rental thereof, or the construction, alteration, repair, or maintenance of real or personal property.

If the amount of the contract is estimated to exceed \$100,000, a formal notice and bidding process must be conducted in which sealed bids shall be solicited by public notice. Municipalities may, as a best value alternative, award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in [Minnesota Statute 16C.28](#), Subd. 1, paragraph a, clause 2.

- 8.2.1 If the amount of the contract is estimated to exceed \$25,000, but not \$100,000, the contract may be made either upon sealed bids or by direct negotiation, by obtaining two or more quotations for the purchase or sale when possible, and without advertising for bids or otherwise complying with the requirements of competitive bidding. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof. Municipalities may, as a best value alternative, award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in [Minnesota Statute 16C.28](#), Subd. 1, paragraph a, clause 2, and paragraph c.
- 8.2.2 If the amount of the contract is estimated to be \$3,000-25,000 (\$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](#)) the contract may be made either upon quotation or in the open market, in the discretion of the governing body. If the contract is made upon quotation it shall be based, so far as practicable, on at least two quotations which shall be kept on file for a period of at least one year after their receipt. Alternatively, municipalities may award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in [Minnesota Statute 16C.28](#), Subd. 1, paragraph a, clause 2.
- 8.2.3 Any services and/or materials that are expected to cost less than \$3,000 (see 8.2.2 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\(b\)](#). The Grantee must make an effort to equitably distribute these purchases.
- 8.2.4 Support documentation of the bidding process utilized to contract services must be included in the grantee's financial records, including support documentation justifying a single/sole source bid, if applicable
- 8.2.5 For projects that include construction work of \$25,000 or more, prevailing wage rules apply per [Minnesota Statute 177.41](#) through [177.44](#) consequently, the bid request must state the project is subject to prevailing wage. 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.
- 8.3 Nongovernmental organizations must follow the below requirements.
- 8.3.1 Any services and/or materials that are expected to cost \$20,000 or more must undergo a formal notice and bidding process.
- 8.3.2 Any services and/or materials that are expected to cost between \$10,000 and \$19,999 must be scoped out in writing and offered to a minimum of three (3) bidders.
- 8.3.3 Any services and/or materials that are expected to cost between \$3,000 and \$9,999 (\$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 based on a minimum of three (3) verbal quotes.

- 8.3.4 Any services and/or materials that are expected to cost less than \$3,000 (see 8.3.3 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\(b\)](#).
- 8.3.5 Support documentation of the bidding process utilized to contract services must be included in the grantee's financial records, including support documentation justifying a single/sole source bid, if applicable.
- 8.3.6 For projects that include construction work of \$25,000 or more, prevailing wage rules apply per [Minnesota Statute 177.41](#) through [177.44](#) consequently, the bid request must state the project is subject to prevailing wage. 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.

## 9. 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 agreement by the Grantee or the Grantee 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 agreement.

## 10. Audits (State and Single)

Under [Minn. Stat. §16B.98, subd. 8](#) and [2 CFR 200.331](#), the Grantee books, records, documents, and accounting procedures and practices relevant to this grant agreement 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.

All state and local governments, colleges and universities, and non-profit organizations that expend \$750,000 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 \$750,000 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.

## 11. Government Data Practices and Intellectual Property

- 11.1 **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 agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this grant agreement. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data referred to in this clause by either the Grantee or the State.

If the Grantee receives a request to release the data referred to in this clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before the data is released.

- 11.2 **Intellectual Property Rights (if applicable).**

11.2.1 **Intellectual Property Rights.** The State owns any intellectual property developed with these funds. 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](#).

- 11.2.2 **Obligations.**

- (A) **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.
- (B) **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.

**12. 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.

**13. Endorsement**

The Grantee must not claim that the State endorses its products or services and the Grantee must adhere to the terms of 2 CFR 200.315.

**14. Governing Law, Jurisdiction, and Venue**

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

**15. Termination**

The State may cancel this grant agreement at any time, 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.

**16. Data Disclosure**

Under Minn. Stat. § 270C.65, Subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

**17. American Disabilities Act**

The Grantee is subject to complying with the Americans with Disabilities Act (ADA) of 1990 (42 USC § 12101 et seq.) and all applicable regulations and guidelines.

**18. Reporting Requirements**

The Grantee is bound to financial and performance reporting requirements as noted in the federal award letter.

**19. 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.

**20. Invasive Species Prevention**

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.

**21. 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 December 2014 version](#).

**22. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions**

- 22.1 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.
- 22.2 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.

**23. Byrd Anti-Lobbying Amendment Certification and Disclosure: (If applicable)**

- 23.1 The Grantee certifies that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 USC § 1352.
- 23.2 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](#).
- 23.3 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.

**24. Whistleblower Protection Rights**

41 USC § 4712, Enhancement of Recipient and Subrecipient Employee Whistleblower Protection

- (a) 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 USC § 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub.L. 112-239).
- (b) Recipients, their subrecipients, and their contractors awarded contracts over the simplified acquisition threshold related to this award, shall inform their employees in writing, in the predominant language of the workforce, of the employee whistleblower rights and protections under 41 USC § 4712.
- (c) The recipient shall insert this clause, including this paragraph (c), in all subawards and in contracts over the simplified acquisition threshold related to this award.

Attachments:

- A. Exhibit A
- B. Conflict of Interest Disclosure
- C. Federal Award Letter
- D. Complying with Civil Rights Requirements

**1. STATE ENCUMBRANCE VERIFICATION**

*Individual certifies that funds have been encumbered as required by Minn. Statutes 16A.15 and 16B.98.*

Signed: Jen Franklin Digitally signed by Jen Franklin  
Date: 2020.05.20 10:44:45  
-05'00'

Date: May 20, 2020

SWIFT PO No. 177090 / 3-170930

**2. GRANTEE**

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

By: Kevin Bigalke  
0473C58A4D504BB...  
Title: Assistant Director for Regional Operations  
Date: 6/23/2020

**3. STATE AGENCY**

By: \_\_\_\_\_  
(with delegated authority)

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

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

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

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

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

**Exhibit A**  
**Contractor's Responsibilities**  
**FFY 15-068 – NIPF Pilot – Wrap Up – BWSR**

**Scope of Work:**

- Continue to coordinate training and assistance for service providers in the NIPF pilot project areas including approaches to enhance strategic landowner outreach and service delivery. Support the distribution of the DNR Landowner Handbooks.
- Continue to coordinate efforts to pursue funding for priority riparian conservation easements in the NIPF pilot project areas.
- Collect and compile information from the six project partners. Compile recommendations from the partners on protocols and practices to enhance the delivery of PFM services to private landowners and the implementation of the PFM System Framework. Summarize recommendations on accomplishments that support the implement the Forest Action Plan through projects developed by partners on the regional landscape committees.
- Prepare the final project partner reports.
- Prepare final overall project report.

**Deliverables by Contractor:**

- Accomplishment reports.
- Final overall project report.

**Deliverables by DNR and the Project Partners:**

- Relevant project accomplishments, data, maps, etc.
- Planning documents and relevant background information documents.
- Relevant maps and data.
- Comments / feedback on the draft documents.

**Budget:**

Project coordination, accomplishment reporting and expenses	<u>\$30,000</u>
Total	\$30,000



**FEDERAL FINANCIAL ASSISTANCE  
AWARD OF DOMESTIC GRANT 15-DG-11420004-068  
Between The  
MINNESOTA DEPARTMENT OF NATURAL RESOURCES  
And The  
USDA, FOREST SERVICE  
NORTHEASTERN AREA, STATE AND PRIVATE FORESTRY**

Project Title: LSR: Family Forestland Owners: Increasing Results Through Integrated & Collaborative Service Delivery

Upon execution of this document, an award to Minnesota Department of Natural Resources, hereinafter referred to as "The Recipient," in the amount of **\$255,000**, is made under the authority of Cooperative Forestry Assistance Act of 1978, Public Law 95-313, as amended. The Catalog of Federal Domestic Assistance (CFDA) number and name are 10.664 (Cooperative Forestry Assistance). Minnesota Department of Natural Resources accepts this award for the purpose described in the application narrative. Your application for Federal financial assistance, dated May 7, 2015, and the attached Forest Service provisions, 'Forest Service Award Provisions,' are incorporated into this letter and made a part of this award.

This authority requires a match of 50/50. Your organization has agreed to meet a cost share of \$322,486, as reflected in your application, financial plan and narrative.

**The CFDA Number on the Application for Federal Assistance (SF-424) has been changed to reflect the Cooperative Forestry Assistance Program (10.664).**

**All required reports and official correspondence must be sent to [nagrants@fs.fed.us](mailto:nagrants@fs.fed.us) for internal recordkeeping and processing.**

This is an award of Federal financial assistance. Prime and sub-recipients to this award are subject to the OMB guidance in subparts A through F of 2 CFR Part 200 as adopted and supplemented by the USDA in 2 CFR Part 400. Adoption by USDA of the OMB guidance in 2 CFR 400 gives regulatory effect to the OMB guidance in 2 CFR 200 where full text may be found.

Electronic copies of the CFRs can be obtained at the following internet site: <http://www.gpoaccess.gov/cfr/index.html>. If you are unable to retrieve these regulations electronically, please contact your Grants and Agreements Office at (610) 557-4106.

The following administrative provisions apply to this award:

- A. **LEGAL AUTHORITY.** The Recipient shall have the legal authority to enter into this award, and the institutional, managerial, and financial capability to ensure proper planning, management, and completion of the project, which includes funds sufficient to pay the non-Federal share of project costs, when applicable.



- B. **PRINCIPAL CONTACTS.** Individuals listed below are authorized to act in their respective areas for matters related to this award.

**Principal Cooperator Contacts:**

<b>Cooperator Program Contact</b>	<b>Cooperator Administrative Contact</b>
Name: Gary Michael Telephone: (651) 259-5262 Email: gary.michael@state.mn.us	Name: Terrie Lynn Mondor Telephone: (651) 259-5266 Email: terrielynn.mondor@state.mn.us

**Principal Forest Service Contacts:**

<b>Forest Service Program Manager Contact</b>	<b>Forest Service Administrative Contact</b>
Name: Dennis McDougall Telephone: (651) 649-5182 Email: dmcdougall@fs.fed.us	Name: Lori Gordon Telephone: (610) 557-4106 Email: lgordon@fs.fed.us

- C. **SYSTEM FOR AWARD MANAGEMENT REGISTRATION REQUIREMENT (SAM).** The Recipient shall maintain current information in the System for Award Management (SAM) until receipt of final payment. This requires review and update to the information at least annually after the initial registration, and more frequently if required by changes in information or award term(s). For purposes of this award, System for Award Management (SAM) means the Federal repository into which an entity must provide information required for the conduct of business as a Cooperative. Additional information about registration procedures may be found at the SAM Internet site at [www.sam.gov](http://www.sam.gov).
- D. **REIMBURSABLE PAYMENTS – FINANCIAL ASSISTANCE.** Reimbursable payments are approved under this award. Only costs for those project activities approved in (1) the initial award, or (2) modifications thereto, are allowable.
- E. **HEALTH & HUMAN SERVICES PAYMENT MANAGEMENT SYSTEM (HHS PMS).** The Recipient identified for use of this payment system shall designate a financial institution or an authorized payment agent through which a direct deposit may be made in accordance with current HHS PMS system requirements. The Albuquerque Service Center is responsible for soliciting initial enrollment in the HHS PMS. **Any questions concerning payments should be addressed to the Albuquerque Service Center at (877) 372-7248.** Please ask for the Grants and Agreements Payments section. Any subsequent changes to banking information are made by The Recipient

through the HHS PMS. The HHS sub-account number(s) for this award is/are:

PROGRAM	HHS SUB-ACCOUNT	AMOUNT
Landscape Scale Restoration	G42593631001	\$255,000

- F. INDIRECT COST RATES. The approved indirect cost rate at the time of execution is **21.62%** as shown in the NICRA provided by the Cooperator.

Indirect cost rates must be formalized in a written agreement between the cognizant agency and Recipient. Requirements are set forth in appendices to 2 CFR 200.

(1) If The Recipient does not have a previously established indirect cost rate with a Federal agency, The Recipient shall follow the requirements and timeframes unique to their organization found in the appendices to 2 CFR 200. The Recipient will be reimbursed for indirect costs at the tentative rate reflected in the budget until the rate is formalized in a negotiated indirect cost rate agreement (NICRA) at which time, reimbursements for prior indirect costs may be subject to adjustment.

(2) As new NICRAs are agreed to between The Recipient and their cognizant audit agency, the revised provisional or final rate(s) are automatically incorporated into this award, as appropriate, and must specify (1) the agreed upon rates, (2) the bases to which the rates apply, (3) the fiscal year for which the rates apply, and (4) the items treated as direct costs. The award obligation will not increase as a result of indirect cost rate increases. Updates to NICRAs will not affect the total funds available for this award unless documented in a formally executed modification.

(3) If the NICRA is for a provisional rate, The Recipient shall be reimbursed at the established provisional rate(s), subject to appropriate adjustment when the final rate(s) for the fiscal year are established.

(4) Failure to provide a revised provisional or final NICRA could result in disallowed costs and repayment to the Forest Service.

- G. PRIOR WRITTEN APPROVAL. The Recipient shall obtain prior written approval pursuant to conditions set forth in 2 CFR 200.407.

- H. MODIFICATIONS. Modifications within the scope of this award must be made by mutual consent of the parties, by the issuance of a written modification signed and dated by all properly authorized signatory officials, prior to any changes being performed. Requests for modification should be made, in writing, at least 30 days prior to implementation of the requested change. The Forest Service is not obligated to fund any changes not properly approved in advance.

- I. PERIOD OF PERFORMANCE. This agreement is executed as of the date of the Forest Service signatory official signature. The start date of this award is 09/01/2015.

The end date, or expiration date is **08/31/2018**. This instrument may be extended by a properly executed modification. *See Modification Provision H.*

- J. **AUTHORIZED REPRESENTATIVES.** By signature below, each party certifies that the individuals listed in this document as representatives of the individual parties are authorized to act in their respective areas for matters related to this award. In witness whereof the parties hereto have executed this award as of the last date written below.

  
\_\_\_\_\_  
FORREST BOE, Division Director  
Minnesota Department of Natural Resources  
Date 8/10/15

  
\_\_\_\_\_  
TONY L. FERGUSON, Area Director  
U. S. Forest Service, Northeastern Area, State &  
Private Forestry  
Date 8/6/15

The authority and format of this award has been reviewed and approved for signature.

  
\_\_\_\_\_  
LORI GORDON  
Forest Service Grants Management Specialist  
Date 8/5/15

**STATE OF MINNESOTA  
GRANT AGREEMENT  
Federal Sub-Award Agreement**

This grant agreement is between the State of Minnesota, acting through its Commissioner of Natural Resources, Division of Forestry, 500 Lafayette Road, St. Paul, MN 55155 ("State") and the Board of Soil and Water Resources, DUNS #879399095, 520 Lafayette Road, St. Paul, MN 55155 ("Grantee").

**Recitals**

1. Under the Forest Stewardship Program, USDA Forest Service, CFDA #10.664, Federal Award #15-DG-11420004-069, the State received a federal award of \$225,000.00, of which \$35,000.00 was sub-awarded to the Grantee DUNS #879399095, for the project, "LSR: Pine River Watershed: Managing Forests for Water's Sake in the Upper Mississippi River Basin Project," and as provided in Minnesota Statutes, section 84.026. This project is not a research and development project.
2. The State sub-awards to the Grantee for the purpose of conducting the program entitled Managing Forests for Water's Sake in the Upper Mississippi River Basin.
3. The Grantee represents that it is duly qualified and agrees to perform all services described in this grant agreement to the satisfaction of the State.

**Grant Agreement**

**1. Term of Grant Agreement**

- 1.1. **Effective date:** April 8, 2020.

This agreement becomes effective on April 8, 2020 or the date the State obtains all required signatures under Minnesota Statutes 16B.98, subdivision 5, whichever is later. No reimbursements will be made until or upon the date that the final required signature is obtained by the State, pursuant to [Minnesota Statutes Section 16B.98, subdivision 5](#). Per [Minnesota Statutes Section 16B.98, subdivision 7](#), no payments will be made to the Grantee until this grant agreement is fully executed.

- 1.2. **Expiration date:** December 31, 2020.

- 1.3. **Survival of Terms:** The following clauses survive the expiration or cancellation of this grant agreement: 9 Liability; 10 Audits; 11 Government Data Practices and Intellectual Property; 13 Endorsement; 14 Governing Law, Jurisdiction, and Venue; 16 Data Disclosure; 19 Monitoring; and 25 Additional Program Requirements.

- 1.4. **Incur Expenses:** This agreement becomes effective on April 8, 2020, or the date the State obtains all required signatures under Minnesota Statutes 16B.98, subdivision 5, whichever is later. **The Grantee must not begin work under this sub-grant agreement until this agreement is fully executed and the Grantee has been notified by the State's Authorized Representative to begin the work.**

**2. Grantee's Duties**

The Grantee, who is not a state employee, will: See Exhibit A, Contractor's Responsibilities & Budget, which is incorporated and made a part of this agreement.

The Grantee will comply with required grants management policies and procedures set forth through [Minnesota Statutes Section 16B.97](#), subdivision 4 (a) (1).

The Grantee agrees to complete the program in accordance with the approved budget to the extent practicable and within the program period specified in the grant agreement. Any material change in the grant agreement shall require an amendment by the State (see Section 7.2).

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

The Grantee is responsible for maintaining a written 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.

### 3. Time

The Grantee must comply with all the time requirements described in this grant agreement.

### 4. Consideration and Payment

4.1. **Consideration.** Consideration for all services performed by Grantee pursuant to this grant agreement shall be paid by the State as follows:

4.1.1. **Compensation.** Compensation in an amount not to exceed \$35,000.00, based on the following computation: See Exhibit A, Contractor's Responsibilities & Budget.

THE TOTAL STATE OBLIGATION FOR ALL COMPENSATION AND REIMBURSEMENTS TO GRANTEE SHALL NOT EXCEED: Thirty-five thousand dollars (\$35,000.00).

Funds made available pursuant to this Agreement shall be used only for expenses incurred in performing and accomplishing the purposes and activities specified herein. Notwithstanding all other provisions of this Agreement, it is understood that any reduction or termination of funds allocated to the State may result in a like reduction to the Grantee.

#### 4.2. Payment.

The State shall disburse funds to the Grantee pursuant to this agreement **on a reimbursement basis**. The Grantee shall submit payment requests with required expenditure documentation. If necessary, advance payments on grants shall be negotiated between the State and Grantee on a case by case basis. In order to make advance payments, the Grantee must prepare and submit a written justification to the State for approval that details the specific need to utilize advance payments. A copy of the signed justification must be maintained in the grant file. All advance payments on grants over \$50,000 must be reconciled within 12 months of issuance or within 60 days of the end of the grant period.

4.2.1. **Federal funds.** Payments under this grant agreement will be made from federal funds obtained by the State through Title, Forest Stewardship Program CFDA number, 10.664 of the Cooperative Forestry Assistance Act of 1978. 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.

### 5. Conditions of Payment

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

### 6. Authorized Representative

The State's Authorized Representative is Gary Michael, Cooperative Forest Management Supervisor, (651) 259-5262, [gary.michael@state.mn.us](mailto:gary.michael@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 agreement. If the services are satisfactory, the State's Authorized Representative or his/her designee will certify acceptance on each invoice submitted for payment.

The Grantee Authorized Representative is Ryan Hughes, Northern Regional Supervisor, (218) 770-9687, [ryan.hughes@state.mn.us](mailto:ryan.hughes@state.mn.us) or his/her successor. If the Grantee's Authorized Representative changes at any time during this grant agreement, the Grantee must 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 grant agreement without the prior consent of the State and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this grant agreement, or their successors in office.

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

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

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

## 8. Subcontractors, Contracting, and Bidding Requirements

- 8.1 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 \(CFR\) 200.317](#) and [200.322](#) (if applicable-both apply to state entities only) as well as 2 CFR 200.318-321, and 2 CFR 200.323-326.
- 8.2 Per [Minnesota Statute 471.345](#), grantees that are municipalities as defined in Subd. 1 must follow that Uniform Municipal Contracting Law if contraction funds from this grant contract agreement for any supplies, materials, equipment, or the rental thereof, or the construction, alteration, repair, or maintenance of real or personal property.

If the amount of the contract is estimated to exceed \$100,000, a formal notice and bidding process must be conducted in which sealed bids shall be solicited by public notice. Municipalities may, as a best value alternative, award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in [Minnesota Statute 16C.28](#), Subd. 1, paragraph a, clause 2.

- 8.2.1 If the amount of the contract is estimated to exceed \$25,000, but not \$100,000, the contract may be made either upon sealed bids or by direct negotiation, by obtaining two or more quotations for the purchase or sale when possible, and without advertising for bids or otherwise complying with the requirements of competitive bidding. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof. Municipalities may, as a best value alternative, award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in [Minnesota Statute 16C.28](#), Subd. 1, paragraph a, clause 2, and paragraph c.
- 8.2.2 If the amount of the contract is estimated to be \$3,000-25,000 (\$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](#)) the contract may be made either upon quotation or in the open market, in the discretion of the governing body. If the contract is made upon quotation it shall be based, so far as practicable, on at least two quotations which shall be kept on file for a period of at least one year after their receipt. Alternatively, municipalities may award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in [Minnesota Statute 16C.28](#), Subd. 1, paragraph a, clause 2.
- 8.2.3 Any services and/or materials that are expected to cost less than \$3,000 (see 8.2.2 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\(b\)](#). The Grantee must make an effort to equitably distribute these purchases.
- 8.2.4 Support documentation of the bidding process utilized to contract services must be included in the grantee's financial records, including support documentation justifying a single/sole source bid, if applicable
- 8.2.5 For projects that include construction work of \$25,000 or more, prevailing wage rules apply per [Minnesota Statute 177.41](#) through [177.44](#) consequently, the bid request must state the project is subject to prevailing wage. 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.
- 8.3 Nongovernmental organizations must follow the below requirements.
- 8.3.1 Any services and/or materials that are expected to cost \$20,000 or more must undergo a formal notice and bidding process.
- 8.3.2 Any services and/or materials that are expected to cost between \$10,000 and \$19,999 must be scoped out in writing and offered to a minimum of three (3) bidders.
- 8.3.3 Any services and/or materials that are expected to cost between \$3,000 and \$9,999 (\$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 based on a minimum of three (3) verbal quotes.

- 8.3.4 Any services and/or materials that are expected to cost less than \$3,000 (see 8.3.3 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\(b\)](#).
- 8.3.5 Support documentation of the bidding process utilized to contract services must be included in the grantee's financial records, including support documentation justifying a single/sole source bid, if applicable.
- 8.3.6 For projects that include construction work of \$25,000 or more, prevailing wage rules apply per [Minnesota Statute 177.41](#) through [177.44](#) consequently, the bid request must state the project is subject to prevailing wage. 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.

## 9. 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 agreement by the Grantee or the Grantee 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 agreement.

## 10. Audits (State and Single)

Under [Minn. Stat. §16B.98, subd. 8](#) and [2 CFR 200.331](#), the Grantee books, records, documents, and accounting procedures and practices relevant to this grant agreement 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.

All state and local governments, colleges and universities, and non-profit organizations that expend \$750,000 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 \$750,000 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.

## 11. Government Data Practices and Intellectual Property

11.1 **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 agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this grant agreement. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data referred to in this clause by either the Grantee or the State.

If the Grantee receives a request to release the data referred to in this clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before the data is released.

11.2 **Intellectual Property Rights (if applicable).**

11.2.1 **Intellectual Property Rights.** The State owns any intellectual property developed with these funds. 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](#).

11.2.2 **Obligations.**

(A) **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.

(B) **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.

## **12. 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.

## **13. Endorsement**

The Grantee must not claim that the State endorses its products or services and the Grantee must adhere to the terms of 2 CFR 200.315.

## **14. Governing Law, Jurisdiction, and Venue**

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

## **15. Termination**

The State may cancel this grant agreement at any time, 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.

## **16. Data Disclosure**

Under Minn. Stat. § 270C.65, Subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

## **17. American Disabilities Act**

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.

## **18. Reporting Requirements**

The Grantee is bound to financial and performance reporting requirements as noted in the federal award letter.

## **19. 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.

## **20. Invasive Species Prevention**

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.

## **21. 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 December 2014 version](#).

## **22. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions**

22.1 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.

22.2 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.

## **23. Byrd Anti-Lobbying Amendment Certification and Disclosure: (If applicable)**

23.1 The Grantee certifies that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352

23.2 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](#).

23.3 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.

## **24. Whistleblower Protection Rights**

41 USC §4712, Enhancement of Recipient and Subrecipient Employee Whistleblower Protection

- (a) 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)
- (b) Recipients, their subrecipients, and their contractors awarded contracts over the simplified acquisition threshold related to this award, shall inform their employees in writing, in the predominant language of the workforce, of the employee whistleblower rights and protections under 41 USC 4712.
- (c) The recipient shall insert this clause, including this paragraph (c), in all subawards and in contracts over the simplified acquisition threshold related to this award.

## **25. Additional Program Requirements**

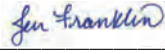
The grantee must comply with the terms and conditions for closeout of the sub-award.

Attachments:

- A. Exhibit A
- B. Conflict of Interest Disclosure
- C. Federal Award Letter
- D. Complying with Civil Rights Requirements

**1. STATE ENCUMBRANCE VERIFICATION**

*Individual certifies that funds have been encumbered as required by Minn. Statutes 16A.15 and 16B.98.*

Signed:  Digitally signed by Jen Franklin  
Date: 2020.05.05 12:07:33 -05'00'

Date: April 7, 2020

SWIFT Contract / PO Nos. 174986 / 3-169099

**2. 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: **Kevin D. Bigalke** Digitally signed by Kevin D. Bigalke  
Date: 2020.06.08 09:10:35 -05'00'

Title: Assistant Director for Regional Operations Digitally signed by Assistant Director for Regional Operations  
Date: 2020.06.08 09:11:31 -05'00'

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

**3. STATE AGENCY**

By: **Craig Schmid** Digitally signed by Craig Schmid  
Date: 2020.06.10 08:45:42 -05'00'

(with delegated authority)

Title: Deputy Director

Date: 6/10/2020

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

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

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

**Exhibit A**  
**Contractor's Responsibilities & Budget**  
**BWSR – Pine River LSR Grant – FFY 15-069**

**Scope of Work:**

- Coordinate training and assistance for service providers that serve landowners in the Pine River watershed. Promote the implementation of the Pine River Watershed Landscape Stewardship Plan.
- Coordinate funding resources to support the purchase of riparian conservation easements in priority watersheds.
- Coordinate funding resources to buy and/or trade fee title for public forestlands in priority watersheds.
- Support the gathering of data on landowner outreach, forest stewardship plans, cost share projects, conservation easements and fee title acquisitions in the Pine River watershed. Prepare accomplishment reports.
- Prepare final project report.

**Deliverables by Contractor:**

- Training and coordination materials for PFM service providers.
- Project accomplishment reports and final project report.

**Budget:**

Project labor, travel, and associated project documents and expenses (printing, postage, mileage, etc.)	\$35,000
Total	\$35,000

**Additional Terms:**

Contractor and the State agree to the following:

- Contractor will provide the MFRC with a digital copy of all documents prepared for this contract using Microsoft (MS Word, Publisher, Access, Excel, etc.) and ESRI products.



# Minnesota Department of Natural Resources

## Conflict of Interest Disclosure

### **Conflict of Interest:**

A conflict of interest (actual, potential, or perceived) 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.

### **Actual Conflict of Interest:**

An actual conflict of interest occurs when a decision or action would compromise a duty to a party without taking immediate appropriate action to eliminate the conflict. Examples include, but are not limited to:

- One party uses his or her position to obtain special advantage, benefit, or access to the other party's time, services, facilities, equipment, supplies, badge, uniform, prestige, or influence.
- One party receives or accepts money (or anything else of value) from another party or has equity or a financial interest in or partial or whole ownership of the other party's organization.
- One party is an employee, board member or family member of the other party.

### **Potential Conflict of Interest:**

A potential conflict of interest may exist if one party 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. For example, when one party serves in a volunteer capacity for another party, it has the potential to, but does not necessarily, create a conflict of interest, depending on the nature of the relationship between the two parties. A disclosed potential conflict of interest warrants additional discussion in order to identify the nature of the relationship, affiliation, or other interest and take action to mitigate any potential conflicts.

### **Perceived Conflict of Interest:**

A perceived conflict of interest is any situation in which a reasonable third party would conclude that conflicting duties or loyalties exist. A disclosed perceived conflict of interest warrants additional discussion in order to identify the nature of the relationship, affiliation, or other interest and take action to mitigate any potential conflicts.

### **Organizational Conflict of Interest:**

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

- A grantee is unable or potentially unable to render impartial assistance or advice to the State due to competing duties or loyalties
- A grantee's objectivity in carrying out the grant is or might be otherwise impaired due to competing duties or loyalties
- A grantee or potential grantee 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 (AR):**

I certify that we will maintain an adequate Conflict of Interest Policy and throughout the term of our agreement we will monitor and report any actual, potential, or perceived conflicts of interest to the State's Authorized Representative.

I also certify that I have read and understand the description of conflict of interest above and as of this date (check one of the two boxes below):

I do not have any conflicts of interest relating to this project.

I have an actual, potential, perceived, or organizational (*circle*) conflict of interest. The nature of the conflict is as follows:

If at any time during the grant project I discover a conflict of interest, I will disclose that conflict immediately to the State's Authorized Representative.

Grantee AR's Printed Name: \_\_\_\_\_ Date: \_\_\_\_\_

Grantee AR's Signature: **Kevin D. Bigalke** Digitally signed by Kevin D. Bigalke  
Date: 2020.06.08 09:12:53 -05'00'

Assistant Director for Regional Operations  
Digitally signed by Assistant Director for Regional Operations  
Date: 2020.06.08 09:13:58 -05'00'

Organization Name: \_\_\_\_\_

Project Name: \_\_\_\_\_

Legal Citation: ML\_\_\_\_\_, Chapter \_\_\_\_\_, Article \_\_\_\_, Section \_\_\_\_, Subdivision \_\_\_\_\_

-----  
State AR's Printed Name: \_\_\_\_\_ Date: \_\_\_\_\_

State AR's Signature: **Gary Michael** Digitally signed by Gary Michael  
Date: 2020.06.18 08:59:51 -05'00'

**Amendment # 1 for Grant Contract # 174986**

Contract Start Date:	<u>April 8, 2020</u>	Total Contract Amount:	<u>\$ 35,000.00</u>
Original Contract Expiration Date:	<u>December 31, 2020</u>	Original Contract:	<u>\$ 35,000.00</u>
Current Contract Expiration Date:	<u>December 31, 2020</u>	Previous Amendment(s) Total:	<u>\$0.00</u>
Requested Contract Expiration Date:	<u>June 22, 2021</u>	This Amendment:	<u>\$0.00</u>

This grant amendment is between the State of Minnesota, acting through its Commissioner of Natural Resources, Division of Forestry, 500 Lafayette Road, St. Paul, MN 55155 ("State") and the Board of Soil and Water Resources, DUNS #879399095, 520 Lafayette Road, St. Paul, MN 55155 ("Grantee").

**Recitals**

1. The State has a grant contract with the Grantee identified as grant contract # 174986 ("Original Grant Contract") for the purpose of purpose of conducting the program entitled Managing Forests for Water's Sake in the Upper Mississippi River Basin.
2. This amendment will extend the expiration date to match the Federal LSR grant 15-069 that was recently extended due to COVID19.
3. The State and the Grantee are willing to amend the Original Grant Contract as stated below.

**Grant Contract Amendment**

**REVISION 1.** Clause 1. "**Term of Grant Contract**" is amended as follows:

- 1.2 **Expiration date:** ~~December 31, 2020~~, June 22, 2021.

Except as amended herein, the terms and conditions of the Original Grant Contract and all previous amendments remain in full force and effect. The Original Grant Contract and all amendments are incorporated into this Amendment.

**1. STATE ENCUMBRANCE VERIFICATION**

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

Signed: \_\_\_\_\_

Date: December 17, 2020

SWIFT Contract/PO No(s). 174986 / 3-169099

**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: \_\_\_\_\_

**3. STATE AGENCY**

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

Title: Deputy Director

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

Distribution:  
Agency  
Grantee  
State's Authorized Representative



**STATE OF MINNESOTA  
GRANT AGREEMENT  
Federal Sub-Award Agreement**

This grant agreement is between the State of Minnesota, acting through its Commissioner of Natural Resources, Division of Forestry, 500 Lafayette Road, St. Paul, MN 55155 ("State") and Board of Soil and Water Resources, DUNS #879399095, 520 Lafayette Road, St. Paul, MN 55155 ("Grantee").

**Recitals**

1. Under Forest Stewardship Program, USDA Forest Service, CFDA #10.664, Federal Award ID #20-DG-11420004-055, the State received a federal award of \$285,000.00 on June 24, 2020 for Protecting Minnesota's Forested Watersheds for Loons, Lunkers and Logs. This project is not a research and development project.
2. Under Protecting Minnesota's Forested Watersheds for Loons, Lunkers and Logs and Minnesota Statutes sections 84.026 and 84.085, the State sub-awards \$160,000.00 to the Grantee DUNS #879399095 for the purpose of conducting the program entitled "Loons Lunkers and Logs Project: Group 2 Watershed Based Landscape Stewardship Plans."
3. The Grantee represents that it is duly qualified and agrees to perform all services described in this grant agreement to the satisfaction of the State.

**Grant Agreement**

**1. Term of Grant Agreement**

- 1.1. **Effective date:** September 1, 2020.

This agreement becomes effective on September 1, 2020 or the date the State obtains all required signatures under Minnesota Statutes 16B.98, subdivision 5, whichever is later. No reimbursements will be made until or upon the date that the final required signature is obtained by the State, pursuant to [Minnesota Statutes Section 16B.98, subdivision 5](#). Per [Minnesota Statutes Section 16B.98, subdivision 7](#), no payments will be made to the Grantee until this grant agreement is fully executed.

- 1.2. **Expiration date:** September 29, 2023.

- 1.3. **Survival of Terms:** The following clauses survive the expiration or cancellation of this grant agreement: 9 Liability; 10 Audits; 11 Government Data Practices and Intellectual Property; 13 Endorsement; 14 Governing Law, Jurisdiction, and Venue; 16 Data Disclosure; and 19 Monitoring.

- 1.4. **Incur Expenses:** This agreement becomes effective on September 1, 2020 or the date the State obtains all required signatures under Minnesota Statutes 16B.98, subdivision 5, whichever is later. **The Grantee must not begin work under this sub-grant agreement until this agreement is fully executed and the Grantee has been notified by the State's Authorized Representative to begin the work.**

**2. Grantee's Duties**

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

See Exhibit A, Contractor's Responsibilities, which is incorporated and made a part of this agreement.

See Federal Award letter, which is incorporated and made a part of this agreement.

The Grantee will comply with required grants management policies and procedures set forth through [Minnesota Statutes Section 16B.97](#), subdivision 4 (a) (1).

The Grantee agrees to complete the program in accordance with the approved budget to the extent practicable and within the program period specified in the grant agreement. Any material change in the grant agreement shall require an amendment by the State (see Section 7.2).

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

The Grantee is responsible for maintaining a written 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.

### 3. Time

The Grantee must comply with all the time requirements described in this grant agreement.

### 4. Consideration and Payment

4.1. **Consideration.** Consideration for all services performed by Grantee pursuant to this grant agreement shall be paid by the State as follows:

4.1.1. **Compensation.** Compensation in an amount not to exceed \$160,000.00, based on the following computation: See Exhibit A.

THE TOTAL STATE OBLIGATION FOR ALL COMPENSATION AND REIMBURSEMENTS TO GRANTEE SHALL NOT EXCEED: One hundred sixty thousand dollars (\$160,000.00).

Funds made available pursuant to this Agreement shall be used only for expenses incurred in performing and accomplishing the purposes and activities specified herein. Notwithstanding all other provisions of this Agreement, it is understood that any reduction or termination of funds allocated to the State may result in a like reduction to the Grantee.

#### 4.2. **Payment.**

The State shall disburse funds to the Grantee pursuant to this agreement **on a reimbursement basis**. The Grantee shall submit payment requests with required expenditure documentation. If necessary, advance payments on grants shall be negotiated between the State and Grantee on a case by case basis. In order to make advance payments, the Grantee must prepare and submit a written justification to the State for approval that details the specific need to utilize advance payments. A copy of the signed justification must be maintained in the grant file. All advance payments on grants over \$50,000 must be reconciled within 12 months of issuance or within 60 days of the end of the grant period.

4.2.1. **Federal funds.** Payments under this grant agreement will be made from federal funds obtained by the State through Protecting Minnesota's Forested Watersheds for Loons, Lunkers and Logs CFDA number 10.664 of the Cooperative Forestry Assistance Act of 1978. 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.

### 5. Conditions of Payment

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

### 6. Authorized Representative

The State's Authorized Representative is Gary Michael, Cooperative Forest Management Supervisor, (651) 259-5262, [gary.michael@state.mn.us](mailto:gary.michael@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 agreement. If the services are satisfactory, the State's Authorized Representative or his/her designee will certify acceptance on each invoice submitted for payment.

The Grantee Authorized Representative is Kevin Bigalke, BWSR Assistant Director of Regional Operations, (651) 215-6338, [kevin.bigalke@state.mn.us](mailto:kevin.bigalke@state.mn.us), or his/her successor. If the Grantee's Authorized Representative changes at any time during this grant agreement, the Grantee must 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 grant agreement without the prior consent of the State and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this grant agreement, or their successors in office.

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

- 7.3. **Waiver.** If the State fails to enforce any provision of this grant agreement, that failure does not waive the provision or its right to enforce it.
- 7.4. **Grant Agreement Complete.** This grant agreement contains all negotiations and agreements between the State and the Grantee. No other understanding regarding this grant agreement, whether written or oral, may be used to bind either party.

## 8. Subcontractors, Contracting, and Bidding Requirements

- 8.1 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 \(CFR\) 200.317](#) and [200.322](#) (if applicable-both apply to state entities only) as well as 2 CFR 200.318-321, and 2 CFR 200.323-326.
- 8.2 Per [Minnesota Statute 471.345](#), grantees that are municipalities as defined in Subd. 1 must follow that Uniform Municipal Contracting Law if contraction funds from this grant contract agreement for any supplies, materials, equipment, or the rental thereof, or the construction, alteration, repair, or maintenance of real or personal property.

If the amount of the contract is estimated to exceed \$100,000, a formal notice and bidding process must be conducted in which sealed bids shall be solicited by public notice. Municipalities may, as a best value alternative, award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in [Minnesota Statute 16C.28](#), Subd. 1, paragraph a, clause 2.

- 8.2.1 If the amount of the contract is estimated to exceed \$25,000, but not \$100,000, the contract may be made either upon sealed bids or by direct negotiation, by obtaining two or more quotations for the purchase or sale when possible, and without advertising for bids or otherwise complying with the requirements of competitive bidding. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof. Municipalities may, as a best value alternative, award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in [Minnesota Statute 16C.28](#), Subd. 1, paragraph a, clause 2, and paragraph c.
- 8.2.2 If the amount of the contract is estimated to be \$3,000-25,000 (\$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](#)) the contract may be made either upon quotation or in the open market, in the discretion of the governing body. If the contract is made upon quotation it shall be based, so far as practicable, on at least two quotations which shall be kept on file for a period of at least one year after their receipt. Alternatively, municipalities may award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in [Minnesota Statute 16C.28](#), Subd. 1, paragraph a, clause 2.
- 8.2.3 Any services and/or materials that are expected to cost less than \$3,000 (see 8.2.2 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\(b\)](#). The Grantee must make an effort to equitably distribute these purchases.
- 8.2.4 Support documentation of the bidding process utilized to contract services must be included in the grantee's financial records, including support documentation justifying a single/sole source bid, if applicable
- 8.2.5 For projects that include construction work of \$25,000 or more, prevailing wage rules apply per [Minnesota Statute 177.41](#) through [177.44](#) consequently, the bid request must state the project is subject to prevailing wage. 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.
- 8.3 Nongovernmental organizations must follow the below requirements.
  - 8.3.1 Any services and/or materials that are expected to cost \$20,000 or more must undergo a formal notice and bidding process.
  - 8.3.2 Any services and/or materials that are expected to cost between \$10,000 and \$19,999 must be scoped out in writing and offered to a minimum of three (3) bidders.
  - 8.3.3 Any services and/or materials that are expected to cost between \$3,000 and \$9,999 (\$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 based on a minimum of three (3) verbal quotes.

- 8.3.4 Any services and/or materials that are expected to cost less than \$3,000 (see 8.3.3 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\(b\)](#).
- 8.3.5 Support documentation of the bidding process utilized to contract services must be included in the grantee's financial records, including support documentation justifying a single/sole source bid, if applicable.
- 8.3.6 For projects that include construction work of \$25,000 or more, prevailing wage rules apply per [Minnesota Statute 177.41](#) through [177.44](#) consequently, the bid request must state the project is subject to prevailing wage. 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.

## 9. 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 agreement by the Grantee or the Grantee 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 agreement.

## 10. Audits (State and Single)

Under [Minn. Stat. §16B.98, subd. 8](#) and [2 CFR 200.331](#), the Grantee books, records, documents, and accounting procedures and practices relevant to this grant agreement 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.

All state and local governments, colleges and universities, and non-profit organizations that expend \$750,000 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 \$750,000 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.

## 11. Government Data Practices and Intellectual Property

11.1 **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 agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this grant agreement. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data referred to in this clause by either the Grantee or the State.

If the Grantee receives a request to release the data referred to in this clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before the data is released.

11.2 **Intellectual Property Rights (if applicable).**

11.2.1 **Intellectual Property Rights.** The State owns any intellectual property developed with these funds. 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](#).

11.2.2 **Obligations.**

- (A) **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.
- (B) **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.

## **12. 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.

## **13. Endorsement**

The Grantee must not claim that the State endorses its products or services and the Grantee must adhere to the terms of 2 CFR 200.315.

## **14. Governing Law, Jurisdiction, and Venue**

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

## **15. Termination**

The State may cancel this grant agreement at any time, 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.

## **16. Data Disclosure**

Under Minn. Stat. § 270C.65, Subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

## **17. American Disabilities Act**

The Grantee is subject to complying with the Americans with Disabilities Act (ADA) of 1990 (42 USC § 12101 et seq.) and all applicable regulations and guidelines.

## **18. Reporting Requirements**

The Grantee is bound to financial and performance reporting requirements as noted in the federal award letter.

## **19. 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.

## **20. Invasive Species Prevention**

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.

## **21. 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 December 2014 version](#).

## **22. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions**

- 22.1 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.
- 22.2 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.

## **23. Byrd Anti-Lobbying Amendment Certification and Disclosure: (If applicable)**

- 23.1 The Grantee certifies that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 USC § 1352
- 23.2 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](#).
- 23.3 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.

**24. Whistleblower Protection Rights**

41 USC § 4712, Enhancement of Recipient and Subrecipient Employee Whistleblower Protection

- (a) 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 USC § 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub.L. 112-239)
- (b) Recipients, their subrecipients, and their contractors awarded contracts over the simplified acquisition threshold related to this award, shall inform their employees in writing, in the predominant language of the workforce, of the employee whistleblower rights and protections under 41 USC § 4712.
- (c) The recipient shall insert this clause, including this paragraph (c), in all subawards and in contracts over the simplified acquisition threshold related to this award.

Attachments:

- A. Exhibit
- B. Conflict of Interest Disclosure
- C. Federal Award Letter
- D. Complying with Civil Rights Requirements

**1. STATE ENCUMBRANCE VERIFICATION**

*Individual certifies that funds have been encumbered as required by Minn. Statutes 16A.15 and 16B.98.*

Signed: \_\_\_\_\_

Date: August 21, 2020 \_\_\_\_\_

SWIFT PO No. 182060 / 3-177643 \_\_\_\_\_

**3. STATE AGENCY**

By: \_\_\_\_\_  
(with delegated authority)

Title: Deputy Director \_\_\_\_\_

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

**2. 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: \_\_\_\_\_

**Exhibit A**  
**Contractor's Responsibilities**  
**FFY 20-055 – Loons Lunkers Logs Project – BWSR**

**Scope of Work**

This scope of work supports the implementation of the DNR BWSR Private Forest Management (PFM) Partnership and its pending Memorandum of Understanding (MOU). It also supports the integration of landscape stewardship plan (LSP) information into comprehensive watershed management plans developed through the BWSR One Watershed, One Plan Program as provided by authorities in Minnesota Statutes, Chapter 103B.

The following scope of work covers the development of Group 2 LSPs for five major watersheds (HUC-8 level) in northern Minnesota. This scope covers the coordination of implementation of Group 1 and Group 2 LSPs over the life of the federal grant.

- **Project Organization and Management.** Guide and manage the overall development of the project and its four phases over the life of the federal grant. Work with DNR Forestry staff to develop project budgets, federal grant subawards, work by contractors, invoicing and payments, and other administrative functions to complete the grant.
- **Landscape Stewardship Plans (Phase 1).** Work with DNR Forestry staff and project partners to develop five watershed-based landscape stewardship plans (LSP) for priority watersheds in northern Minnesota. Support the forming of LSP planning teams / local forestry technical teams (LFTs) including DNR, counties, SWCDs, BWSR, NRCS, USFS staff along with consulting foresters, lake associations, and interested citizens for each watershed. Work with MN DNR Forestry to advance the minor watershed assessment / parcel level prioritization methodology. Work with teams to identify and prioritize private landowners at the parcel level to encourage forestland protection and sustainable forest management, including timber harvesting. Manage the landscape stewardship planning process in each watershed. Promote the integration of LSP information with the 1W1Ps being developed through the BWSR Comprehensive Local Water Management Program.
- **Strategic Landowner Outreach & Assistance (Phase 2).** Develop and convene training for the LFTs in each watershed to enhance the shared understanding of the Prioritize, Target, Measure (PTM) approach to private forest management (PFM) service delivery on a watershed basis.
- Work with the LFTs to apply the results from the Minor Watershed Assessment (MWA) / Riparian Adjacency Quality (RAQ) Scoring Methodology to guide strategic outreach efforts with private landowners in the watersheds. Assist LFTs to combine this work with Tools for Engaging Landowners Effectively (TELE) strategies and protocols. Support efforts by the ten teams to coordinate the delivery of technical/financial assistance to landowners as guided by this methodology (prepare forest stewardship plans, implement project plans and cost share practices, timber harvests). Promote the fundamental concept that it is the landowner's choice as to which level of forest protection works for them and how active they want to manage their woods. Encourage LFTs to promote the full suite of forest management options to landowners as well as private investments on their own lands.
- **Forestland Protection – Coordination (Phase 3)** The collaborative work in the first two phases will serve as door openers for LFTs to more effectively identify specific parcels that offer the best return on investment of public funding for forestland protection (SFIA incentive program, conservation easements, public fee title acquisitions). Promote the co-investing of resources for private forest management in the parts of the watersheds where the public benefits can be stacked (e.g. tourism, timber, habitat, etc.) provides the greatest return on investment. Assist the LFTs on preparing grant proposals to secure additional funding from state conservation funding sources. Coordinate funding resources to support the purchase of riparian conservation easements in priority watersheds. Coordinate



funding resources to buy and/or trade fee title for public forestlands in priority watersheds. Encourage the use of information from the LSPs to support the development of forest stewardship plans and cost share practice plans.

- **Project Accomplishment Reports/Recommendations (Phase 4).** Support the LFTs in gathering of data on landowner outreach, forest stewardship plans, cost share projects, conservation easements and fee title acquisitions in the watersheds. Work with the LSP planning teams/local technical forestry committees to prepare policy and programmatic recommendations for DNR and BWSR consideration based on lessons learned through this project. Prepare progress and final project reports for the DNR and US FS. Assist in distributing project accomplishment reports DNR, BWSR, SWCDs, regional landscape committees, and US FS.

**Deliverables by Contractor:**

- Coordination services to support the development of five watershed-based landscape stewardship plans.
- Training services to support the ten local forestry technical teams and PFM service providers.
- Ongoing assistance to support strategic landowner outreach and technical assistance to apply the MWA / RAQ scoring methodology.
- Ongoing assistance to coordinate funding development to support forestland protection and forest stewardship implementation using the MWA / RAQ scoring methodology.
- Provide biannual progress reports and a final project report.
- Policy recommendations report.

**Budget:**

Project development and management services	<u>\$160,000</u>
Total	\$160,000



# Minnesota Department of Natural Resources

## Conflict of Interest Disclosure

### **Conflict of Interest:**

A conflict of interest (actual, potential, or perceived) 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.

### **Actual Conflict of Interest:**

An actual conflict of interest occurs when a decision or action would compromise a duty to a party without taking immediate appropriate action to eliminate the conflict. Examples include, but are not limited to:

- One party uses his or her position to obtain special advantage, benefit, or access to the other party's time, services, facilities, equipment, supplies, badge, uniform, prestige, or influence.
- One party receives or accepts money (or anything else of value) from another party or has equity or a financial interest in or partial or whole ownership of the other party's organization.
- One party is an employee, board member or family member of the other party.

### **Potential Conflict of Interest:**

A potential conflict of interest may exist if one party 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. For example, when one party serves in a volunteer capacity for another party, it has the potential to, but does not necessarily, create a conflict of interest, depending on the nature of the relationship between the two parties. A disclosed potential conflict of interest warrants additional discussion in order to identify the nature of the relationship, affiliation, or other interest and take action to mitigate any potential conflicts.

### **Perceived Conflict of Interest:**

A perceived conflict of interest is any situation in which a reasonable third party would conclude that conflicting duties or loyalties exist. A disclosed perceived conflict of interest warrants additional discussion in order to identify the nature of the relationship, affiliation, or other interest and take action to mitigate any potential conflicts.

### **Organizational Conflict of Interest:**

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

- A grantee is unable or potentially unable to render impartial assistance or advice to the State due to competing duties or loyalties
- A grantee's objectivity in carrying out the grant is or might be otherwise impaired due to competing duties or loyalties
- A grantee or potential grantee 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 (AR):**

I certify that we will maintain an adequate Conflict of Interest Policy and throughout the term of our agreement we will monitor and report any actual, potential, or perceived conflicts of interest to the State's Authorized Representative.

I also certify that I have read and understand the description of conflict of interest above and as of this date (check one of the two boxes below):

- I do not have any conflicts of interest relating to this project.
- I have an actual, potential, perceived, or organizational (*circle*) conflict of interest. The nature of the conflict is as follows:

If at any time during the grant project I discover a conflict of interest, I will disclose that conflict immediately to the State's Authorized Representative.

Grantee AR's Printed Name: \_\_\_\_\_ Date: \_\_\_\_\_

Grantee AR's Signature: \_\_\_\_\_

Organization Name: \_\_\_\_\_

Project Name: \_\_\_\_\_

Legal Citation: ML\_\_\_\_\_, Chapter \_\_\_\_\_, Article \_\_\_\_, Section \_\_\_\_, Subdivision \_\_\_\_\_

-----  
State AR's Printed Name: \_\_\_\_\_ Date: \_\_\_\_\_

State AR's Signature: \_\_\_\_\_

**FEDERAL FINANCIAL ASSISTANCE  
AWARD OF DOMESTIC GRANT 20-DG-11094200-055  
Between The  
NATURAL RESOURCES, MINNESOTA DEPARTMENT OF  
And The  
USDA, FOREST SERVICE  
EASTERN REGION STATE AND PRIVATE FORESTRY**

Project Title: PROTECTING MINNESOTA'S FORESTED WATERSHEDS FOR LOONS, LUNKERS AND LOGS

Upon execution of this document, an award to NATURAL RESOURCES, MINNESOTA DEPARTMENT OF, hereinafter referred to as "MNDNR," in the amount of **\$285,000.00**, is made under the authority of P.L. 95-313 Cooperative Forestry Assistance Act of 1978 . The Catalog of Federal Domestic Assistance (CFDA) number and name are 10.664 State and Private Forestry Cooperative Assistance. MNDNR accepts this award for the purpose described in the application narrative. Your application for Federal financial assistance, dated October 10, 2019, and the attached Forest Service provisions, 'Forest Service Award Provisions,' are incorporated into this letter and made a part of this award.

This authority requires a match of 50%, which your organization has agreed to meet, as shown in the attached application, financial plan and narrative.

This is an award of Federal financial assistance. Prime and sub-recipients to this award are subject to the OMB guidance in subparts A through F of 2 CFR Part 200 as adopted and supplemented by the USDA in 2 CFR Part 400. Adoption by USDA of the OMB guidance in 2 CFR 400 gives regulatory effect to the OMB guidance in 2 CFR 200 where full text may be found.

Electronic copies of the CFRs can be obtained at the following internet site: [www.ecfr.gov](http://www.ecfr.gov). If you are unable to retrieve these regulations electronically, please contact your Grants and Agreements Office at [SM.FS.R9SPFgrants@usda.gov](mailto:SM.FS.R9SPFgrants@usda.gov).

The following administrative provisions apply to this award:

- A. **LEGAL AUTHORITY.** MNDNR shall have the legal authority to enter into this award, and the institutional, managerial, and financial capability to ensure proper planning, management, and completion of the project, which includes funds sufficient to pay the non-Federal share of project costs, when applicable.



- B. **PRINCIPAL CONTACTS.** Individuals listed below are authorized to act in their respective areas for matters related to this award.

**Principal Cooperator Contacts:**

<b>Cooperator Program Contact</b>	<b>Cooperator Administrative Contact</b>
Jon Carlson 500 Lafayette Rd. Box 44 Saint Paul, MN 55155 Telephone: 651-259-5282 Email: <a href="mailto:john.c.carlson@state.mn.us">john.c.carlson@state.mn.us</a>	Jody Wagner 500 Lafayette Rd. Saint Paul, MN 55155 Telephone: 651-259-5257 Email: <a href="mailto:jody.wagner@state.mn.us">jody.wagner@state.mn.us</a>

**Principal Forest Service Contacts:**

<b>Forest Service Program Manager Contact</b>	<b>Forest Service Administrative Contact</b>
Dennis McDougal 1992 Folwell Ave Saint Paul, MN 55108 Telephone: 651-649-5182 Email: <a href="mailto:dennis.mcdougall@usda.gov">dennis.mcdougall@usda.gov</a>	John LaBounty 626 East Wisconsin Ave. Milwaukee, WI 53202 Telephone: 414-297-3645 Email: <a href="mailto:john.labounty@usda.gov">john.labounty@usda.gov</a>

- C. **SYSTEM FOR AWARD MANAGEMENT REGISTRATION REQUIREMENT (SAM).** MNDNR shall maintain current information in the System for Award Management (SAM) until receipt of final payment. This requires review and update to the information at least annually after the initial registration, and more frequently if required by changes in information or award term(s). Additional information about registration procedures may be found at the SAM Internet site at [www.sam.gov](http://www.sam.gov).
- D. **REIMBURSABLE PAYMENTS – FINANCIAL ASSISTANCE.** Reimbursable payments are approved under this award. Only costs for those project activities approved in (1) the initial award, or (2) modifications thereto, are allowable. Requests for payment must be submitted on Standard Form 270 (SF-270), Request for Advance or Reimbursement, and must be submitted no more than monthly. In order to approve a Request for Advance Payment or Reimbursement, the Forest Service shall review such requests to ensure advances or payments for reimbursement are in compliance and otherwise consistent with OMB, USDA, and Forest Service regulations.

The Program Manager reserves the right to request additional information prior to approving a payment. To expedite payment, please attach a list of expenses that match the approved project budget when submitting each FS-270.

The invoice must be sent by one of three methods:
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EMAIL (preferred): <a href="mailto:SM.FS.asc_ga@usda.gov">SM.FS.asc_ga@usda.gov</a>
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FAX: 877-687-4894
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POSTAL: Albuquerque Service Center Payments – Grants & Agreements 101B Sun Ave NE Albuquerque, NM 87109
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- E. INDIRECT COST RATES. The approved indirect cost rate at the time of execution is **21.29%** as shown in the NICRA provided by the Cooperator.

As new NICRAs are agreed to between MNDNR and their cognizant audit agency, the revised provisional or final rate(s) are automatically incorporated into this award, as appropriate, and must specify (1) the agreed upon rates, (2) the bases to which the rates apply, (3) the fiscal year for which the rates apply, and (4) the items treated as direct costs. The award obligation will not increase as a result of indirect cost rate increases. Updates to NICRAs will not affect the total funds available for this award unless documented in a formally executed modification.

If the NICRA is for a provisional rate, MNDNR shall be reimbursed at the established provisional rate(s), subject to appropriate adjustment when the final rate(s) for the fiscal year are established.

- F. PRIOR WRITTEN APPROVAL. MNDNR shall obtain prior written approval pursuant to conditions set forth in 2 CFR 200.407.
- G. MODIFICATIONS. Modifications within the scope of this award must be made by mutual consent of the parties, by the issuance of a written modification signed and dated by all properly authorized signatory officials, prior to any changes being performed. Requests for modification should be made, in writing, at least 90 days prior to implementation of the requested change. The Forest Service is not obligated to fund any changes not properly approved in advance.
- H. PERIOD OF PERFORMANCE. This agreement is executed as of the date of the Forest Service Regional Forester and their acting signature.

The start date of this award is the date of the Forest Service Regional Forester and their acting signature.

The end date, or expiration date is **September 29, 2023**. This instrument may be extended by a properly executed modification. *See Modification Provision above.*

- I. AUTHORIZED REPRESENTATIVES. By signature below, each party certifies that the individuals listed in this document as representatives of the individual parties are authorized to act in their respective areas for matters related to this award. In witness whereof the parties hereto have executed this award.

**Forrest Boe** Digitally signed by Forrest Boe  
Date: 2020.06.23 13:39:26 -05'00'

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Date

Natural Resources, Minnesota Department Of

Digitally signed  
**STEVEN MILLER** by STEVEN MILLER  
Date: 2020.06.24 09:12:26 -05'00' 6/24/20

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Date

**ROBERT LUECKEL**  
Acting Regional Forester  
Eastern Region, State and Private Forestry

The authority and the format of this award have been reviewed and approved for signature.

Digitally signed by  
**JOHN LABOUNTY** JOHN LABOUNTY  
Date: 2020.06.19 10:44:55 -05'00' 6/19/20

---

Date

**JOHN LABOUNTY**  
Forest Service Grants Management Specialist

**STATE OF MINNESOTA  
GRANT AGREEMENT  
Federal Sub-Award Agreement**

This grant agreement is between the State of Minnesota, acting through its Commissioner of Natural Resources, Division of Forestry, 500 Lafayette Road, St. Paul, MN 55155 ("State") and Board of Soil and Water Resources DUNS #879399095, 520 Lafayette Road, St. Paul, MN 55155 ("Grantee").

**Recitals**

1. Under Forest Stewardship Program, USDA Forest Service, CFDA #10.664, Federal Award # 18-DG-11420004-237, the State received a federal award of \$95,000.00 on September 10, 2018 for Landscape Scale Restoration – Protecting Minnesota’s Family Lake Resorts and Enhancing Local Tourism through Forest Stewardship. This project is not a research and development project.
2. Under Landscape Scale Restoration – Protecting Minnesota’s Family Lake Resorts and Enhancing Local Tourism through Forest Stewardship and Minnesota Statutes sections 84.026 and 84.085, the State sub-awards \$60,000.00 to the Grantee DUNS #879399095 for the purpose of conducting the program entitled Family Resort Project.
3. The Grantee represents that it is duly qualified and agrees to perform all services described in this grant agreement to the satisfaction of the State.

**Grant Agreement**

**1. Term of Grant Agreement**

- 1.1. **Effective date:** November 23, 2020.  
This agreement becomes effective on November 23, 2020 or the date the State obtains all required signatures under Minnesota Statutes 16B.98, subdivision 5, whichever is later. No reimbursements will be made until or upon the date that the final required signature is obtained by the State, pursuant to [Minnesota Statutes Section 16B.98, subdivision 5](#). Per [Minnesota Statutes Section 16B.98, subdivision 7](#), no payments will be made to the Grantee until this grant agreement is fully executed.
- 1.2. **Expiration date:** August 31, 2021, or the date all obligations are satisfactorily fulfilled, whichever occurs first.
- 1.3. **Survival of Terms:** The following clauses survive the expiration or cancellation of this grant agreement: 9 Liability; 10 Audits; 11 Government Data Practices and Intellectual Property; 13 Endorsement; 14 Governing Law, Jurisdiction, and Venue; 16 Data Disclosure; 19 Monitoring; and 25 Additional Program Requirements.
- 1.4. **Incur Expenses:** This agreement becomes effective on November 23, 2020 or the date the State obtains all required signatures under Minnesota Statutes 16B.98, subdivision 5, whichever is later. **The Grantee must not begin work under this sub-grant agreement until this agreement is fully executed and the Grantee has been notified by the State’s Authorized Representative to begin the work.**

**2. Grantee’s Duties**

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

See Exhibit A, Contractor’s Responsibilities & Budget, which is incorporated and made a part of this agreement.

See Federal Award letter, which is incorporated and made a part of this agreement.

The Grantee will comply with required grants management policies and procedures set forth through [Minnesota Statutes Section 16B.97](#), subdivision 4 (a) (1).

The Grantee agrees to complete the program in accordance with the approved budget to the extent practicable and within the program period specified in the grant agreement. Any material change in the grant agreement shall require an amendment by the State (see Section 7.2).

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

The Grantee is responsible for maintaining a written 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.

### 3. Time

The Grantee must comply with all the time requirements described in this grant agreement.

### 4. Consideration and Payment

4.1. **Consideration.** Consideration for all services performed by Grantee pursuant to this grant agreement shall be paid by the State as follows:

4.1.1. **Compensation.** Compensation in an amount not to exceed \$60,000.00, based on the following computation: See Exhibit A, Contractor's Responsibilities & Budget.

THE TOTAL STATE OBLIGATION FOR ALL COMPENSATION AND REIMBURSEMENTS TO GRANTEE SHALL NOT EXCEED: Sixty thousand dollars (\$60,000.00).

Funds made available pursuant to this Agreement shall be used only for expenses incurred in performing and accomplishing the purposes and activities specified herein. Notwithstanding all other provisions of this Agreement, it is understood that any reduction or termination of funds allocated to the State may result in a like reduction to the Grantee.

#### 4.2. Payment.

The State shall disburse funds to the Grantee pursuant to this agreement **on a reimbursement basis**. The Grantee shall submit payment requests with required expenditure documentation. If necessary, advance payments on grants shall be negotiated between the State and Grantee on a case by case basis. In order to make advance payments, the Grantee must prepare and submit a written justification to the State for approval that details the specific need to utilize advance payments. A copy of the signed justification must be maintained in the grant file. All advance payments on grants over \$50,000 must be reconciled within 12 months of issuance or within 60 days of the end of the grant period.

4.2.1. **Federal funds.** Payments under this grant agreement will be made from federal funds obtained by the State through Landscape Scale Restoration – Protecting Minnesota's Family Lake Resorts and Enhancing Local Tourism through Forest Stewardship CFDA number 10.664 of the Cooperative Forestry Assistance Act of 1978. 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.

### 5. Conditions of Payment

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

### 6. Authorized Representative

The State's Authorized Representative is Gary Michael, Cooperative Forest Management Supervisor, (651) 259-5262, [gary.michael@state.mn.us](mailto:gary.michael@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 agreement. If the services are satisfactory, the State's Authorized Representative or his/her designee will certify acceptance on each invoice submitted for payment.

The Grantee Authorized Representative is Ryan Hughes, Northern Regional Supervisor, (218) 770-9687, [ryan.hughes@state.mn.us](mailto:ryan.hughes@state.mn.us), or his/her successor. If the Grantee's Authorized Representative changes at any time during this grant agreement, the Grantee must 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 grant agreement without the prior consent of the State and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this grant agreement, or their successors in office.

- 7.2. **Amendments.** Any amendment to this grant 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 agreement, or their successors in office.
- 7.3. **Waiver.** If the State fails to enforce any provision of this grant agreement, that failure does not waive the provision or its right to enforce it.
- 7.4. **Grant Agreement Complete.** This grant agreement contains all negotiations and agreements between the State and the Grantee. No other understanding regarding this grant agreement, whether written or oral, may be used to bind either party.

## 8. Subcontractors, Contracting, and Bidding Requirements

- 8.1 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 \(CFR\) 200.317](#) and [200.322](#) (if applicable-both apply to state entities only) as well as 2 CFR 200.318-321, and 2 CFR 200.323-326.
- 8.2 Per [Minnesota Statute 471.345](#), grantees that are municipalities as defined in Subd. 1 must follow that Uniform Municipal Contracting Law if contraction funds from this grant contract agreement for any supplies, materials, equipment, or the rental thereof, or the construction, alteration, repair, or maintenance of real or personal property.

If the amount of the contract is estimated to exceed \$100,000, a formal notice and bidding process must be conducted in which sealed bids shall be solicited by public notice. Municipalities may, as a best value alternative, award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in [Minnesota Statute 16C.28](#), Subd. 1, paragraph a, clause 2.

- 8.2.1 If the amount of the contract is estimated to exceed \$25,000, but not \$100,000, the contract may be made either upon sealed bids or by direct negotiation, by obtaining two or more quotations for the purchase or sale when possible, and without advertising for bids or otherwise complying with the requirements of competitive bidding. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof. Municipalities may, as a best value alternative, award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in [Minnesota Statute 16C.28](#), Subd. 1, paragraph a, clause 2, and paragraph c.
- 8.2.2 If the amount of the contract is estimated to be \$3,000-25,000 (\$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](#)) the contract may be made either upon quotation or in the open market, in the discretion of the governing body. If the contract is made upon quotation it shall be based, so far as practicable, on at least two quotations which shall be kept on file for a period of at least one year after their receipt. Alternatively, municipalities may award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in [Minnesota Statute 16C.28](#), Subd. 1, paragraph a, clause 2.
- 8.2.3 Any services and/or materials that are expected to cost less than \$3,000 (see 8.2.2 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\(b\)](#). The Grantee must make an effort to equitably distribute these purchases.
- 8.2.4 Support documentation of the bidding process utilized to contract services must be included in the grantee's financial records, including support documentation justifying a single/sole source bid, if applicable
- 8.2.5 For projects that include construction work of \$25,000 or more, prevailing wage rules apply per [Minnesota Statute 177.41](#) through [177.44](#) consequently, the bid request must state the project is subject to prevailing wage. 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.
- 8.3 Nongovernmental organizations must follow the below requirements.
  - 8.3.1 Any services and/or materials that are expected to cost \$20,000 or more must undergo a formal notice and bidding process.

- 8.3.2 Any services and/or materials that are expected to cost between \$10,000 and \$19,999 must be scoped out in writing and offered to a minimum of three (3) bidders.
- 8.3.3 Any services and/or materials that are expected to cost between \$3,000 and \$9,999 (\$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 based on a minimum of three (3) verbal quotes.
- 8.3.4 Any services and/or materials that are expected to cost less than \$3,000 (see 8.3.3 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\(b\)](#).
- 8.3.5 Support documentation of the bidding process utilized to contract services must be included in the grantee's financial records, including support documentation justifying a single/sole source bid, if applicable.
- 8.3.6 For projects that include construction work of \$25,000 or more, prevailing wage rules apply per [Minnesota Statue 177.41](#) through [177.44](#) consequently, the bid request must state the project is subject to prevailing wage. 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.

## 9. 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 agreement by the Grantee or the Grantee 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 agreement.

## 10. Audits (State and Single)

Under [Minn. Stat. §16B.98, subd. 8](#) and [2 CFR 200.331](#), the Grantee books, records, documents, and accounting procedures and practices relevant to this grant agreement 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.

All state and local governments, colleges and universities, and non-profit organizations that expend \$750,000 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 \$750,000 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.

## 11. Government Data Practices and Intellectual Property

11.1 **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 agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this grant agreement. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data referred to in this clause by either the Grantee or the State.

If the Grantee receives a request to release the data referred to in this clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before the data is released.

11.2 **Intellectual Property Rights (if applicable).**

11.2.1. **Intellectual Property Rights.** The State owns any intellectual property developed with these funds. 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](#).

11.2.2 **Obligations.**

(A) **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.

(B) *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.

## **12. 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.

## **13. Endorsement**

The Grantee must not claim that the State endorses its products or services and the Grantee must adhere to the terms of 2 CFR 200.315.

## **14. Governing Law, Jurisdiction, and Venue**

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

## **15. Termination**

The State may cancel this grant agreement at any time, 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.

## **16. Data Disclosure**

Under Minn. Stat. § 270C.65, Subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

## **17. American Disabilities Act**

The Grantee is subject to complying with the Americans with Disabilities Act (ADA) of 1990 (42 USC § 12101 et seq.) and all applicable regulations and guidelines.

## **18. Reporting Requirements**

The Grantee is bound to financial and performance reporting requirements as noted in the federal award letter.

## **19. 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.

## **20. Invasive Species Prevention**

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.

## **21. 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 December 2014 version](#).

## **22. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions**

- 22.1 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.
- 22.2 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.

## **23. Byrd Anti-Lobbying Amendment Certification and Disclosure: (If applicable)**

- 23.1 The Grantee certifies that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 USC § 1352
- 23.2 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](#).
- 23.3 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.

**24. Whistleblower Protection Rights**

41 USC § 4712, Enhancement of Recipient and Subrecipient Employee Whistleblower Protection

- (a) 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 USC § 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub.L. 112-239)
- (b) Recipients, their subrecipients, and their contractors awarded contracts over the simplified acquisition threshold related to this award, shall inform their employees in writing, in the predominant language of the workforce, of the employee whistleblower rights and protections under 41 USC § 4712.
- (c) The recipient shall insert this clause, including this paragraph (c), in all subawards and in contracts over the simplified acquisition threshold related to this award.

**25. Additional Program Requirements**

The grantee must comply with the terms and conditions for closeout of the sub-award.

Attachments:

- A. Exhibit A
- B. Conflict of Interest Disclosure
- C. Federal Award Letter
- D. Complying with Civil Rights Requirements

**1. STATE ENCUMBRANCE VERIFICATION**

*Individual certifies that funds have been encumbered as required by Minn. Statutes 16A.15 and 16B.98.*

Signed: \_\_\_\_\_

Date: November 16, 2020

SWIFT PO No. 185670 / 3-180761

**2. 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: \_\_\_\_\_

**3. STATE AGENCY**

By: \_\_\_\_\_  
(with delegated authority)

Title: Deputy Director

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

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

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

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

**Exhibit A**  
**Contractor's Responsibilities & Budget**  
**FFY 18-237 – Family Resort Project – BWSR**

**Scope of Work:**

- Project Organization and Management. Guide and manage the overall project and four phases.
- Family Resort Landscape Stewardship Plan. Work with the Planning Team and DNR Forestry staff to complete the development of the Family Resort Landscape Stewardship Plan and distribution of the plan to project partners.
- Integrated Outreach and Education. Coordinate the development and implementation of the strategy to align and coordinate outreach and education efforts to three groups involved with this project including: 1) family resort owners, 2) resort customers, and 3) PFM service providers. Coordinate the project development with Extension, MRCA, chambers of commerce and lake associations.
- Forest Stewardship Planning / Implementation. Using guidance from the Family Resort Landscape Stewardship Plan and watershed based LSPs, coordinate the preparation of forest stewardship plans and practice plans for 30 resort owners.
- Forest Policy Recommendations / Project Reporting. Work with the Planning Team and DNR staff to develop and distribute policy recommendations for family resorts. Prepare annual progress reports and the final project report.

**Deliverables by Contractor:**

- Family Resort Landscape Stewardship Plan and outreach strategy.
- Training and coordination materials for local forestry tech teams and PFM service providers.
- Coordinate workshops for resort owners with Extension and DNR PFM staff.
- Policy recommendations report.
- Project accomplishment reports and final project report.

**Budget:**

Project documents and expenses (printing, postage, mileage, etc.)	<u>\$60,000</u>
Total	\$60,000



# Minnesota Department of Natural Resources

## Conflict of Interest Disclosure

### **Conflict of Interest:**

A conflict of interest (actual, potential, or perceived) 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.

### **Actual Conflict of Interest:**

An actual conflict of interest occurs when a decision or action would compromise a duty to a party without taking immediate appropriate action to eliminate the conflict. Examples include, but are not limited to:

- One party uses his or her position to obtain special advantage, benefit, or access to the other party's time, services, facilities, equipment, supplies, badge, uniform, prestige, or influence.
- One party receives or accepts money (or anything else of value) from another party or has equity or a financial interest in or partial or whole ownership of the other party's organization.
- One party is an employee, board member or family member of the other party.

### **Potential Conflict of Interest:**

A potential conflict of interest may exist if one party 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. For example, when one party serves in a volunteer capacity for another party, it has the potential to, but does not necessarily, create a conflict of interest, depending on the nature of the relationship between the two parties. A disclosed potential conflict of interest warrants additional discussion in order to identify the nature of the relationship, affiliation, or other interest and take action to mitigate any potential conflicts.

### **Perceived Conflict of Interest:**

A perceived conflict of interest is any situation in which a reasonable third party would conclude that conflicting duties or loyalties exist. A disclosed perceived conflict of interest warrants additional discussion in order to identify the nature of the relationship, affiliation, or other interest and take action to mitigate any potential conflicts.

### **Organizational Conflict of Interest:**

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

- A grantee is unable or potentially unable to render impartial assistance or advice to the State due to competing duties or loyalties
- A grantee's objectivity in carrying out the grant is or might be otherwise impaired due to competing duties or loyalties
- A grantee or potential grantee 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 (AR):**

I certify that we will maintain an adequate Conflict of Interest Policy and throughout the term of our agreement we will monitor and report any actual, potential, or perceived conflicts of interest to the State's Authorized Representative.

I also certify that I have read and understand the description of conflict of interest above and as of this date (check one of the two boxes below):

- I do not have any conflicts of interest relating to this project.
- I have an actual, potential, perceived, or organizational (*circle*) conflict of interest. The nature of the conflict is as follows:

If at any time during the grant project I discover a conflict of interest, I will disclose that conflict immediately to the State's Authorized Representative.

Grantee AR's Printed Name: \_\_\_\_\_ Date: \_\_\_\_\_

Grantee AR's Signature: \_\_\_\_\_

Organization Name: \_\_\_\_\_

Project Name: \_\_\_\_\_

Legal Citation: ML\_\_\_\_\_, Chapter \_\_\_\_\_, Article \_\_\_\_, Section \_\_\_\_, Subdivision \_\_\_\_\_

-----  
State AR's Printed Name: \_\_\_\_\_

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

State AR's Signature: \_\_\_\_\_

**FEDERAL FINANCIAL ASSISTANCE  
AWARD OF DOMESTIC GRANT 18-DG-11420004-237  
Between  
MINNESOTA DEPARTMENT OF NATURAL RESOURCES  
And The  
USDA, FOREST SERVICE  
NORTHEASTERN AREA, STATE AND PRIVATE FORESTRY**

Project Title: Landscape Scale Restoration - Protecting Minnesota's Family Lake Resorts and Enhancing Local Tourism through Forest Stewardship

Upon execution of this document, an award to Minnesota Department of Natural Resources, hereinafter referred to as "The Recipient," in the amount of **\$95,000**, is made under the authority of Cooperative Forestry Assistance Act of 1978, Public Law 95-313, as amended. The Catalog of Federal Domestic Assistance (CFDA) number and name are 10.664 (Cooperative Forestry Assistance). Minnesota Department of Natural Resources accepts this award for the purpose described in the application narrative. Your application for Federal financial assistance, dated July 31, 2018, and the attached Forest Service provisions, 'Forest Service Award Provisions,' are incorporated into this letter and made a part of this award.

This authority requires a match of 50/50, which your organization has agreed to meet, as shown in the attached application, financial plan and narrative.

<b>Landscape Scale Restoration</b>	<b>\$95,000</b>
------------------------------------	-----------------

**All required reports and official correspondence must be sent to [nagrants@fs.fed.us](mailto:nagrants@fs.fed.us) for internal recordkeeping and processing.**

This is an award of Federal financial assistance. Prime and sub-recipients to this award are subject to the OMB guidance in subparts A through F of 2 CFR Part 200 as adopted and supplemented by the USDA in 2 CFR Part 400. Adoption by USDA of the OMB guidance in 2 CFR 400 gives regulatory effect to the OMB guidance in 2 CFR 200 where full text may be found.

Electronic copies of the CFRs can be obtained at the following internet site: [www.ecfr.gov](http://www.ecfr.gov). If you are unable to retrieve these regulations electronically, please contact your Grants and Agreements Office at (610) 557-4106.

The following administrative provisions apply to this award:

- A. **LEGAL AUTHORITY.** The Recipient shall have the legal authority to enter into this award, and the institutional, managerial, and financial capability to ensure proper planning, management, and completion of the project, which includes funds sufficient to pay the non-Federal share of project costs, when applicable.



- B. **PRINCIPAL CONTACTS.** Individuals listed below are authorized to act in their respective areas for matters related to this award.

**Principal Cooperator Contacts:**

<b>Cooperator Program Contact</b>	<b>Cooperator Administrative Contact</b>
Name: John Carlson Telephone: (651) 259-5282 Email: john.c.carlson@state.mn.us	Name: TerrieLynn Mondor Telephone: (651) 259-5266 Email: terrielynn.mondor@state.mn.us

**Principal Forest Service Contacts:**

<b>Forest Service Program Manager Contact</b>	<b>Forest Service Administrative Contact</b>
Name: Dennis McDougall Telephone: (651) 649-5182 Email: dmcdougall@fs.fed.us	Name: Lori Gordon Telephone: (610) 557-4106 Email: lgordon@fs.fed.us

- C. **SYSTEM FOR AWARD MANAGEMENT REGISTRATION REQUIREMENT (SAM).** The Recipient shall maintain current information in the System for Award Management (SAM) until receipt of final payment. This requires review and update to the information at least annually after the initial registration, and more frequently if required by changes in information or award term(s). For purposes of this award, System for Award Management (SAM) means the Federal repository into which an entity must provide information required for the conduct of business as a Cooperative. Additional information about registration procedures may be found at the SAM Internet site at [www.sam.gov](http://www.sam.gov).
- D. **REIMBURSABLE PAYMENTS – FINANCIAL ASSISTANCE.** Reimbursable payments are approved under this award. Only costs for those project activities approved in (1) the initial award, or (2) modifications thereto, are allowable. Requests for payment must be submitted on Standard Form 270 (SF-270), Request for Advance or Reimbursement, and must be submitted no more than monthly. In order to approve a Request for Advance Payment or Reimbursement, the Forest Service shall review such requests to ensure advances or payments for reimbursement are in compliance and otherwise consistent with OMB, USDA, and Forest Service regulations.

Advance payments must not exceed the minimum amount needed or no more than is needed for a 30-day period, whichever is less. If the Recipient receives an advance

payment and subsequently requests an advance or reimbursement payment, then the request must clearly demonstrate that the previously advanced funds have been fully expended before the Forest Service can approve the request for payment. Any funds advanced, but not spent, upon expiration of this award must be returned to the Forest Service.

The Program Manager reserves the right to request additional information prior to approving a payment.

The invoice must be sent by one of three methods:	Send a copy to:
EMAIL (preferred): <a href="mailto:asc_ga@fs.fed.us">asc_ga@fs.fed.us</a>	<a href="mailto:dmcdougall@fs.fed.us">dmcdougall@fs.fed.us</a>
FAX: 877-687-4894	
POSTAL: Albuquerque Service Center Payments – Grants & Agreements 101B Sun Ave NE Albuquerque, NM 87109	

- E. PRIOR WRITTEN APPROVAL. The Recipient shall obtain prior written approval pursuant to conditions set forth in 2 CFR 200.407.
- F. MODIFICATIONS. Modifications within the scope of this award must be made by mutual consent of the parties, by the issuance of a written modification signed and dated by all properly authorized signatory officials, prior to any changes being performed. Requests for modification should be made, in writing, at least 30 days prior to implementation of the requested change. The Forest Service is not obligated to fund any changes not properly approved in advance.
- G. PERIOD OF PERFORMANCE. This agreement is executed as of the date of the Forest Service signatory official signature.  
The start date of this award is **09/30/2018**, pre-award costs are authorized pursuant to 2 CFR 200.458.  
The end date, or expiration date is **09/30/2021**. This instrument may be extended by a properly executed modification. *See Modification Provision above.*
- H. AUTHORIZED REPRESENTATIVES. By signature below, each party certifies that the individuals listed in this document as representatives of the individual parties are authorized to act in their respective areas for matters related to this award. In witness whereof the parties hereto have executed this award as of the last date written below.

*Edmund Poth*

9-10-2019

FORREST BOE, Division Director  
Minnesota Department of Natural Resources

Date

*[Signature]*

9-10-18

*for*

KATHLEEN ATKINSON, Area Director  
U. S. Forest Service, Northeastern Area, State &  
Private Forestry

Date

The authority and the format of this award have been reviewed and approved for signature.

*Lori Gordon*

9/10/18

LORI GORDON  
Forest Service Grants Management Specialist

Date

**Amendment # 1 for Grant Contract Agreement # 185670**

Grant Agreement Start Date:	<u>November 23, 2020</u>	Total Grant Agreement Amount:	<u>\$60,000.00</u>
Original Grant Agreement Expiration Date:	<u>August 31, 2021</u>	Original Grant Agreement Amount:	<u>\$60,000.00</u>
Current Grant Agreement Expiration Date:	<u>August 31, 2021</u>	Previous Amendment(s) Total:	<u>\$0.00</u>
Requested Grant Agreement Expiration Date:	<u>September 9, 2023</u>	This Amendment:	<u>\$0.00</u>

This amendment is by and between the State of Minnesota, through its Commissioner of Natural Resources, Division of Forestry, 500 Lafayette Road, St. Paul, MN 55155 (“State”) and Board of Soil and Water Resources DUNS #879399095, 520 Lafayette Road, St. Paul, MN 55155 (“Grantee”).

**Recitals**

1. The State has a grant contract agreement with the Grantee identified as 185670 (“Original Grant Contract”) for the purpose of conducting the program entitled “Family Resort Project.”
2. This agreement is being amended to extend the project timeline as the State received a time extension for this project to September 9, 2023 from the USDA Forest Service.
3. The State and the Grantee are willing to amend the Original Grant Contract Agreement as stated below.

**Grant Contract Agreement Amendment**

In this Amendment, changes to pre-existing Agreement language will use ~~strike through~~ for deletions and underlining for insertions.

**REVISION 1.** Clause 1. “**Term of Grant Contract Agreement**” is amended as follows:

- 1.1. **Effective date:** November 23, 2020.  
This agreement becomes effective on November 23, 2020 or the date the State obtains all required signatures under Minnesota Statutes 16B.98, subdivision 5, whichever is later. No reimbursements will be made until or upon the date that the final required signature is obtained by the State, pursuant to [Minnesota Statutes Section 16B.98, subdivision 5](#). Per [Minnesota Statutes Section 16B.98, subdivision 7](#), no payments will be made to the Grantee until this grant agreement is fully executed.
- 1.2. **Expiration date:** ~~August 31, 2021~~ September 9, 2023, or the date all obligations are satisfactorily fulfilled, whichever occurs first.
- 1.3. **Survival of Terms:** The following clauses survive the expiration or cancellation of this grant agreement: 9 Liability; 10 Audits; 11 Government Data Practices and Intellectual Property; 13 Endorsement; 14 Governing Law, Jurisdiction, and Venue; 16 Data Disclosure; 19 Monitoring; and 25 Additional Program Requirements.
- 1.4. **Incur Expenses:** This agreement becomes effective on November 23, 2020 or the date the State obtains all required signatures under Minnesota Statutes 16B.98, subdivision 5, whichever is later. **The Grantee must not begin work under this sub-grant agreement until this agreement is fully executed and the Grantee has been notified by the State’s Authorized Representative to begin the work.**

The Original Grant Contract and any previous amendments are incorporated into this amendment by reference. Except as amended herein, the terms and conditions of the Original Grant Contract and all previous amendments remain in full force and effect.

**1. STATE ENCUMBRANCE VERIFICATION**

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

Signed: DocuSigned by:  
Ken Franklin  
2E922DDE6FE54CC...

Date: August 26, 2021

SWIFT Contract/PO No(s). 185670 / 3-180761

**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: DocuSigned by:  
Kevin D. Bigalke  
0473C58A4D504BB...

Title: Assistant Director for Regional Operations

Date: August 27, 2021

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

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

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

**3. STATE AGENCY**

DocuSigned by:  
By: Doug Tillma  
A08F7A810B324D0...

Title: Section Manager, Division of Forestry

Date: August 30, 2021

Distribution:  
Agency  
Grantee  
State's Authorized Representative

**STATE OF MINNESOTA  
INTERAGENCY AGREEMENT**

This Agreement is between the Minnesota Board of Water and Soil Resources (BWSR) and the Minnesota Department of Transportation (MnDOT), both agencies of the State of Minnesota.

**Agreement**

**1 Term of Agreement**

1.1 *Effective date:* July 1, 2015, or the date the State obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later.

1.2 *Expiration date:* June 30, 2020, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

**2 Recitals**

Under Minnesota Rules Chapter 8420, BWSR and MnDOT are responsible for providing wetland replacement for certain public road projects impacting wetlands. Additionally, wetland replacement is typically required for these same projects by Section 404 of the Federal Clean Water Act as administered by the U.S. Army Corps of Engineers. Wetland replacement is accomplished by establishing wetland banks that generate wetland credits.

BWSR has established the Local Road Wetland Replacement Program (LRWRP) in accordance with statutory obligations to meet the wetland replacement needs of local road authorities for certain qualifying projects.

MnDOT has established a number of wetland banks to satisfy wetland replacement needs for State transportation projects.

BWSR and MnDOT have developed and continue to develop wetland banks both independently and jointly to meet wetland replacement requirements for public road projects. Previous interagency agreements between MnDOT and BWSR have established a partnership referred to as the Cooperative Wetland Replacement Partnership (CWRP).

The LRWRP has an outstanding debt of credits owed to MnDOT as a result of previous cooperative efforts to establish and maintain the CWRP (as described in Appendix A attached hereto and incorporated herein by reference).

Efficiencies can be created by these State agencies sharing responsibilities and funds to jointly provide wetland replacement for public road projects.



### 3 Scope of Work

#### 3.1 *BWSR obligations:*

BWSR will provide credits for MnDOT's use, based on the value of MnDOT's contributions to the CWRP (see Appendix A). Transfer of credits from LRWRP to MnDOT accounts will reduce the outstanding debt. Upon elimination of the debt, MnDOT and BWSR may negotiate purchases and exchanges of additional credits to maintain a diversity of credit types in different areas of the State for the benefit of the CWRP.

The values of transferred and exchanged credits will be based on the full cost to establish the bank associated with a particular set of credits divided by the number of credits generated from that bank. Credit values will be determined for each bank involved in any proposed credit exchange as needed. Credit values for a particular bank once established, will be the same for future exchanges throughout the term of this Agreement.

BWSR may deny a request to transfer particular LRWRP credits to MnDOT accounts with cause if the credits are necessary to meet LRWRP needs. BWSR will make all reasonable efforts to accommodate any MnDOT credit request. BWSR must approve or deny a MnDOT credit use request in writing in a form agreeable to both agencies.

BWSR will not charge any wetland banking administrative fees to MnDOT. This waiver only applies to establishment, deposit, transfer, maintenance and withdrawal fees as they exist at the time of this agreement.

BWSR will consult with MnDOT in the targeting and selection of wetland bank sites and attempt to accommodate the anticipated wetland replacement needs of both MnDOT and the LRWRP.

If and when BWSR finalizes an In-Lieu Fee (ILF) program instrument with the U.S. Army Corps of Engineers for the LRWRP, the ILF will be structured to allow use by MnDOT.

As LRWRP funding allows, BWSR will make reasonable efforts to pay back the LRWRP debt to MnDOT through credit transfers and any other means agreeable to both agencies.

BWSR will provide office space and accommodate overhead costs associated with a MnDOT employee while working at BWSR to assist in administering the LRWRP. BWSR will allow and provide for the employee to participate in internal BWSR meetings and related meetings and training events as appropriate.

### **3.2 Mn/DOT obligations:**

MnDOT will provide \$250,000 to BWSR annually to help fund the development, monitoring and maintenance of LRWRP projects. The \$250,000 annual amount will be expended in accordance with the spending goals in Appendix B attached hereto and incorporated herein.

MnDOT will provide a qualified employee at 0.25 FTE to help administer the LRWRP at BWSR's cost.

Any request for use of LRWRP credits by MnDOT will be in writing in a form agreeable to both agencies.

## **4 Consideration and Payment**

Upon execution of this agreement and within 30 days of the receipt of an invoice, MnDOT will pay \$250,000 to BWSR. For each year thereafter until the end of the contract, MnDOT will pay BWSR \$250,000 within 30 days of the receipt of an invoice at the beginning of each fiscal year.

The total obligation of MnDOT to BWSR under this agreement will not exceed \$1,250,000.

## **5 Conditions of Payment**

BWSR shall provide an annual reconciliation of the previous year's expenditures with MnDOT funds and a summary of LRWRP credit status including credit amounts in each bank service area, anticipated credits from ongoing projects, and status of BWSR's debt to MnDOT. All obligations under this Agreement must be performed to each agency's satisfaction, as determined at the sole discretion of each agency's Authorized Representative.

## **6 Authorized Representative**

MnDOT's Authorized Representative is  
Lynn Clarkowski, MnDOT Chief Environmental Officer  
395 John Ireland Blvd, St. Paul, MN 55155  
651-366-3602, or his/her successor.

BWSR's Authorized Representative is  
David Weirens, BWSR Assistant Director  
520 Lafayette Road North, St. Paul, MN 55155  
651-297-3432, or his successor.

## **7 Amendments**

Any amendment 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.

**8 Liability**

Each party will be responsible for its own acts and behavior and the results thereof.

**9 Termination**

Either party may terminate this agreement at any time, with or without cause, upon 30 days' written notice to the other party.

**10 Audit**

The books, records, documents and accounting procedures and practices of the parties relevant to this agreement will be subject to examination by MnDOT, BWSR and Legislative auditors for a minimum of 6 years after termination or expiration of this agreement.

**1. STATE ENCUMBRANCE VERIFICATION**

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

Signed: [Signature]

Date: 8-11-15

# 98076  
PO# 258586

**2. [name of state agency]**

By: [Signature]  
(With delegated authority)

Title: Assistant Director

Date: 8/3/15

**3. [name of state agency]** MnDOT

By: [Signature]  
(with delegated authority)

Title: Engineering Services Division Director

Date: 8/6/2015

Mn/DOT Contract Management

[Signature]  
8-13-2015

## Appendix A - Status of CWRP holdings EOY FY15

Date Prepared: June 25, 2015

Prepared By: Sarma Straumanis, MnDOT Wetland Program Coordinator

### History & Introduction

The Cooperative Wetland Replacement Partnership (CWRP) was established on the premise that both agencies would pool their wetland credits and then draw upon them from the pool as needed. A tenet of this premise was that each agency would have access to credits representing their respective credit contribution to the CWRP. This approach of drawing from a common pool ultimately proved to be unwieldy and difficult to track. It was finally determined to sequester MnDOT-owned credits by transferring them to sole-MnDOT accounts. This sequestration started in 2014 and will continue until the entire credit amount attributable to MnDOT's participation has been transferred to sole-MnDOT accounts.

To arrive at the current status, we compiled a summary of credits that MnDOT contributed to the CWRP. Credits originate from three sources: credits pooled at the outset, credits purchased by the four million dollars provided under the first CWRP agreement 2005-2010 and credits jointly developed. This investigation revealed two facts: first - MnDOT has contributed more than it has used to date, and second – if all of the credits attributable to MnDOT's participation were to be transferred to, there would be very little left for use by the Local Road Wetland Replacement Program (LRWRP).

Credit origin	Description	Status
Pooled at the outset	192.42 acre-credits from 7 MnDOT-developed sites (table 1)	BWSR owes MnDOT 163.75 credits
4 million purchase	Credits from 31 LWRP sites	Reconciled Credits transferred to MnDOT sole accounts (see attached 5/13/13 memo)
Jointly developed Partnership projects	Vesledahl and Hokah	BWSR owes MnDOT 259.98 credits (see attached 6/17/14 memo)
		Credits owed = 423.73
LWRP credits used by MnDOT	74.99 credits withdrawn from LWRP sites	Need to subtract 74.99 from 423.73
		Credits owed = 348.74

In order to reduce the outstanding debt with current and future wetland credits, it was decided to convert credits to dollars using estimates for land value and project development costs. This approach was applied to determine the dollar value of wetland credits owed to MnDOT (see tables 2, 3, 4 and 5).

**EOY FY15 Summary:** BWSR's outstanding debt to MnDOT is \$ **\$1,701,476**.

Table 1. MnDOT and BWSR use of acre-credits "pooled" to the Cooperative by MnDOT.

MnDOT District	Bank site Name CWRP BSuite acct #	Pooled	Used by MnDOT	Used by BWSR*
<i>Duluth</i>	<i>none</i>	<i>none</i>	<i>none</i>	<i>none</i>
Bemidji	Louisville/Parnell <b>1285</b>	13.96	0.85	13.11
Baxter	Litke/Anderson <b>1296</b>	26.0	0.0	26.0
	Rice Lake/Staples <b>1282</b>	20.0	0.0	20.0
	Zenner <b>1283</b>	33.0	5.0	28.0
<i>Detroit Lakes</i>	<i>none</i>	<i>none</i>	<i>None</i>	<i>none</i>
Rochester	Big Dog <b>1284</b>	39.46	0.0	39.46
<i>Mankato</i>	<i>None</i>	<i>None</i>	<i>None</i>	<i>none</i>
<i>Willmar</i>	<i>None</i>	<i>None</i>	<i>None</i>	<i>none</i>
Metro	Deer Run Aitkin Co <b>1304</b>	18.18	18.18	0.0
	Deer Run Aitkin Co <b>1306</b>	41.82	4.64	37.18
	<b>TOTALS</b>	<b>192.42</b>	<b>28.67</b>	<b>163.75</b>

\*This column reflects the amount of acre-credits BWSR owes MnDOT. While the original deposits were in terms of acres, the currency has since been switched to credits because incoming credits do not always reflect a one acre = one credit relationship.

Table 2. Estimated value for pooled credits for bank sites in Table 1.

Bank Site	Credit value estimate based in part on 2006 land values <sup>1</sup>	Avg. price per credit from 2005-08 private bank sales data in same major watershed	Credit value for 2015-2020 interagency agreement <sup>2</sup>
Louisville/Parnell	\$2,641	\$4,050	\$1,904
Litke/Anderson	\$5,568	\$12,837	\$6,033
Rice Lake	\$3,503	\$8,590	\$4,037
Zenner	\$7,750	\$15,119	\$7,106
Big Dog	\$8,519	\$16,474	\$7,743
Deer Run 1306	\$3,424	\$9,218	\$4,332

<sup>1</sup>Values derived from Ken Powell's 6/1/15 estimate on following pages.

<sup>2</sup>These values reflect approximately 47% of the average price per credit from 2005-8 private bank sales data. Land value-based credit estimates (column 1) are on average 47% lower than the price per credit from sales data (column 2) across the 6 bank sites.

Table 3. Value of pooled credits from Table 2.

Site	Credits owed	Value per credit*	Total Credit value
Louisville/Parnell	13.11	\$1,904	\$24,961
Litke/Anderson	26.0	\$6,033	\$56,858
Rice Lake	20.0	\$4,037	\$80,740
Zenner	28.0	\$7,106	\$198,968
Big Dog	29.46	\$7,743	\$228,109
DR Aitkin 1306	37.18	\$4,332	\$161,064
		<b>Total</b>	<b>\$850,700</b>

\*From last column of Table 2 above.

Table 4. Vesledahl and Hokah partnership project credits and their dollar value.

Site	MnDOT contribution	MnDOT allocated credits	Value per credit	Credits owed	Total value of credits owed
Vesledahl	\$2,000,000	743	\$2,692	200.0	\$538,400
Hokah	\$1,177,000	206.2	\$5,208	59.98	\$312,376
			<b>Total</b>	<b>Value</b>	<b>\$850,776</b>

Table 5. Summary of BWSR's outstanding debt to MnDOT in terms of credits and value.

Credit origin	Credits owed	Value of credits owed
Pooled at the outset	163.75	\$850,700
Jointly developed partnership projects	Vesledahl = 200 Hokah = 59.98	\$850,776
<b>Total</b>	<b>423.73</b>	<b>\$1,701,476</b>

### Credit Value Estimate for MnDOT Pooled Credits in CWRP

Prepared by Ken Powell, BWSR on 6/1/15

There are 3 LRWRP projects initiated in 2013 and in progress. These projects are being completed by BWSR and are our most contemporary source for estimating credit values for the CWRP. We have solid estimates on their credit value based on project budgets, easement payment amounts, potential credit estimates and staff time and cost estimates. For the 3 LRWRP projects, the credit value average is \$17,823/credit (range \$12,383 to \$24,700/credit – see following table). Easement payment rates that vary with land values accounted for 40%, 70%, and 73% of the overall project costs for the 3 projects.

Project	Cost per credit (A)	Percentage that is land cost (B)	Land cost per credit (A x B)	2013 land value <sup>1</sup> per acre	Land value as a percentage of land cost per credit
Schramel (Stearns Co)	\$12,383	70%	\$8,668	\$3,950	46%
Exsted (McLeod Co)	\$16,386	73%	\$11,962	\$5,996	50%
Woodland Crk (Anoka Co)	\$24,700	40%	\$9,880	\$6,660	67%
<b>Average</b>		<b>61%</b>			<b>54%</b>

<sup>1</sup>Class 2a ag land values from MN Department of Revenue data.

From the above table, the Dept. of Revenue land values associated with the projects are on average 54% of the land cost per credit and land cost constitutes on average 61% of the cost per credit. Using these relationships and applying them to 2006 land values (the approximate time of the projects that resulted in the pooled credit contributions from MnDOT) yields the estimated values per credit in the following table.

Project	2006 land value per acre <sup>1</sup>	Est. land value per credit (land value/54%)	Est. value per credit (est. land value per credit/61%)
Louisville/Parnell (Polk Co)	\$870	\$1,611	<b>\$2,641</b>
Litke/Anderson (Mille Lacs Co)	\$1,834	\$3,396	<b>\$5,568</b>
Rice Lake (Todd Co)	\$1,154	\$2,137	<b>\$3,503</b>
Zenner (Stearns County)	\$2,553	\$4,728	<b>\$7,750</b>
Big Dog (Steele Co)	\$2,806	\$5,196	<b>\$8,519</b>
DR Aitkin 1306 (Aitkin Co)	\$1,128	\$2,089	<b>\$3,424</b>

<sup>1</sup>MN Department of Revenue data.

June 17, 2014

To: Ken Powell

Natasha DeVoe

From: Sarma Straumanis 

Re: Credit transfer from BWSR Minor Accounts to BWSR Major Accounts:  
Vesledahl and Hokah Banks

Based on the attached account ledgers, our agreed-upon proposal is to transfer the following credits from BWSR Minor accounts # 1096 (Vesledahl) and #1466 (Hokah) to BWSR Major accounts for MnDOT's sole use.

The Group totals to be transferred represent the MnDOT "Owned" percentages of the current balance in each account.

Transfer from Vesledahl Minor Acct # 1096:

	Group A	Group B	Group C	Group D	Group E	Group H	totals
Credits	2.4325	42.3660	98.3374	36.963	190.8834	16.264	387.2457

MnDOT's 50% of the credit yield is 742.675 acres. MnDOT has withdrawn 155.4293 acres and 587.2457 remain to be withdrawn (however, there currently less than 552 credits left in the account). After transfer of the credit identified above, BWSR will still owe MnDOT 200.00 future credits.

Transfer from Hokah Minor # 1466:

	Group A	Group B	Group C	Group D	Group E	totals
Credits	73.123	0	0	19.515	8.669	101.307

MnDOT's 79% of the credit yield is 177.5474 acres. MnDOT has withdrawn 16.2604 acres and 161.287 remain to be withdraw (however, there are currently less than 130 credits left in the account). After transfer of the credits identified above, BWSR will still owe MnDOT 59.98 future credits.





Date: May 13, 2013

To: Lynn Clarkowski, MnDOT Chief Environmental Officer

From: John Jaschke, BWSR Executive Director *JJA*

RE: Proposal for resolution of Section 7.1 of MnDOT - BWSR Agreement for "Wetland Replacement Payments" (MnDOT Agreement Number 88786)

This memo summarizes BWSR's proposal to reconcile Section 7.1 of a 2005 MnDOT-BWSR agreement for wetland replacement payments. This agreement provides the mechanism for the establishment of a "Road Bank Cooperative" where both agencies collaborated to obtain wetland replacement credits for use with transportation projects.

A portion of the agreement involved MnDOT contributing money to BWSR for the development of wetland credits or for the purchase of wetland credits directly from private wetland banks. In return, MnDOT was to obtain an equal value of wetland credits for their use. Section 7.1 of the agreement stipulates that MnDOT will receive five million dollars' worth of existing and future wetland credits over a five-year period from 2005 to 2010, with one million dollars of that money going toward administrative costs (\$200,000/year administrative cost per attachment A of the Agreement). However, during this five-year period there were not enough deposited credits to both provide MnDOT with all of the credit value per the agreement and to satisfy BWSR's need for credits to replace impacts associated with local road projects. It has not been until recently that credit accruals have reached the point where MnDOT could use/obtain all of the credits needed to reach the credit value stipulated in Section 7.1. BWSR has expended and encumbered all MnDOT-provided funds for the development and purchase of credits deposited into the Road Bank Cooperative.

Sarma Straumanis has documented the details of MnDOT credit use and transfer, and has provided a credit transfer proposal to satisfy Section 7.1 of the Agreement. Attached tables 1 through 4 summarize the details.

1. Table 1 shows wetland credits that have been used for MnDOT projects since implementation of the Agreement. The per-acre value of these sites was determined by the direct purchase price (if from a private bank) or by BWSR's cost to develop the site. The total amount expended in this category is \$1,762,680.
2. Table 2 shows wetland credits that have already been transferred into MnDOT sole-use accounts (i.e. major accounts) within the Road Bank Cooperative. These credits are

<i>Bemidji</i>	<i>Brainerd</i>	<i>Duluth</i>	<i>Fergus Falls</i>	<i>Mankato</i>	<i>Marshall</i>	<i>New Ulm</i>	<i>Rochester</i>
403 Fourth Street NW Suite 200 Bemidji, MN 56601 (218) 755-2600	1601 Minnesota Drive Brainerd, MN 56401 (218) 828-2383	394 S. Lake Avenue Suite 403 Duluth, MN 55802 (218) 723-4752	1004 Frontier Drive Fergus Falls, MN 56537 (218) 736-5445	12 Civic Center Plaza Suite 3000B Mankato, MN 56001 (507) 344-2821	1400 East Lyon Street Marshall, MN 56258 (507) 537-6060	261 Highway 15 South New Ulm, MN 56073 (507) 359-6074	3555 9th Street NW Suite 350 Rochester, MN 55901 (507) 206-2889

Central Office / Metro Office

520 Lafayette Road North

Saint Paul, MN 55155

Phone: (651) 296-3767

Fax: (651) 297-5615

Lynn Clarkowski  
May 13, 2013  
Page 2 of 2

reserved for MnDOT use only, but have not yet been withdrawn. The per-acre price was determined as described above. The total amount expended in this category is \$759,556.

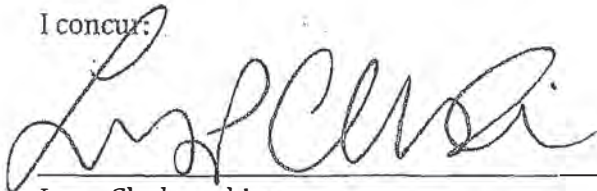
3. Table 3 shows a proposal for transferring currently available wetland credits from the Road Bank Coop to MnDOT sole-user accounts in order to resolve the four million dollar purchase agreement. The accounts selected contain at least five credits. The per-acre price was determined as described above. The proposed transfers are intended to draw from the currently available pool of credits in such manner that avoids depleting all of the credits in any given account. The total amount expended in this category is \$1,477,760.
4. The total amount represented by these three subsets (i.e. the amount purchased by the \$4 million) is approximately 436 credits (at an average value of \$9174 per credit).

If acceptable to MnDOT, this proposal would satisfy and bring to a close Section 7.1 of the 2005 MnDOT-BWSR agreement for wetland replacement payments. It is our understanding that exchange of these specific credits for equal value future Road Bank Coop credits is acceptable under the terms of the Agreement and would be done via mutual consent. Such credit exchanges would be based on credit value rather than credit quantity and would thus not affect the terms of the Agreement.

Enclosures: 2005 Agreement  
Table 1 - 4

cc: Sarma Straumanis, MnDOT  
Ken Powell, BWSR

I concur:



Lynn Clarkowski  
MnDOT Chief Environmental Officer

May 20, 2013

Date



## Appendix B – Projected Expenditures of Mn/DOT Agreement Funds for the Cooperative Wetland Replacement Program

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General Administration – this includes administratively entering and managing credit ledgers for CWRP banks, processing credit payments, estimating credit use and demand, purchasing field equipment, travel expenses and general overhead expenses for employees involved in the CWRP.

Easement Acquisition – this includes staff time to acquire the required conservation easements for CWRP projects including title work, surveying, document review and issuing easement payments.

Engineering Services – this includes engineering staff time to design projects, prepare construction bid documents and certify construction.

Project Management & Monitoring – this includes staff time to identify projects, conduct pre-project reviews and data collection, develop regulatory applications, monitor project sites, and facilitate credit releases.

The following table shows projected expenditures for each of the categories above by fiscal year.

Category	2016	2017	2018	2019	2020
General Administration	\$56,000	\$56,000	\$56,000	\$56,000	\$56,000
Easement Acquisition	\$28,000	\$28,000	\$28,000	\$28,000	\$28,000
Engineering Services	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
Project Management & Monitoring	\$106,000	\$106,000	\$106,000	\$106,000	\$106,000
Total	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000

5 year total = \$1,250,000

Amendment #1 for Interagency Agreement # 1001409

Contract Start Date:	<u>7/1/2015</u>	Total Contract Amount:	<u>\$2,750.00.00</u>
Original Contract Expiration Date:	<u>6/30/2020</u>	Original Contract:	<u>\$1,250,000</u>
Current Contract Expiration Date:	<u>6/30/2020</u>	Previous Amendment(s) Total:	<u>\$0</u>
Requested Contract Expiration Date:	<u>                    </u>	This Amendment:	<u>\$1,500,000</u>

This amendment is by and between the State of Minnesota, through its Commissioner of Department of Transportation (MnDOT), Engineering Services Division ("State") and through its Director of Minnesota Board of Water and Soil Resources ("State Contractor"), 520 Lafayette Road, St. Paul, MN 55155.

**Recitals**

1. The State has an interagency agreement with the Contractor identified as SWIFT Contract Number 1001409 ("Original Contract") to provide wetland replacement credits for certain public road projects impacting wetlands. Additionally, wetland replacement is typically required for these same projects by Section 404 of the Federal Clean Water Act as administered by the U.S. Army Corps of Engineers. Wetland replacement is accomplished by establishing wetland banks that generate wetland credits.
2. This agreement is being amended to add a task for BWSR to acquire additional wetland bank credits through negotiated purchases or wetland mitigation projects in response to MnDOT Specified needs. .
3. MnDOT and BWSR are willing to amend the Original Contract as stated below.

**Contract Amendment**

In this Amendment, changes to pre-existing Contract language will use ~~strike through~~ for deletions and underlining for insertions.

**REVISION 1. Clause 3.1 BWSR obligations.**

BWSR will provide credits for MnDOT's use, based on the value of MnDOT's contributions to the CWRP (see Appendix A). Transfer of credits from LRWRP to MnDOT accounts will reduce the outstanding debt. Upon elimination of the debt, MnDOT and BWSR may negotiate purchases and exchanges of additional credits to maintain a diversity of credit types in different areas of the State for the benefit of the CWRP.

The values of transferred and exchanged credits will be based on the full cost to establish the bank associated with a particular set of credits divided by the number of credits generated from that bank. Credit values will be determined for each bank involved in any proposed credit exchange as needed. Credit values for a particular bank once established, will be the same for future exchanges throughout the term of this Agreement.

BWSR may deny a request to transfer particular LRWRP credits to MnDOT accounts with cause if the credits are necessary to meet LRWRP needs. BWSR will make all reasonable efforts to accommodate any MnDOT credit request. BWSR must approve or deny a MnDOT credit use request in writing in a form agreeable to both agencies.

BWSR will not charge any wetland banking administrative fees to MnDOT. This waiver only applies to establishment, deposit, transfer, maintenance and withdrawal fees as they exist at the time of this agreement.

BWSR will consult with MnDOT in the targeting and selection of wetland bank sites and attempt to accommodate the anticipated wetland replacement needs of both MnDOT and the LRWRP.

If and when BWSR finalizes and In-Lieu Fee (ILF) program instrument with the U.S. Army Corps of Engineers for the LRWRP, the ILF will be structured to allow use by MnDOT.

As LRWRP funding allows, BWSR will make reasonable efforts to pay back the LRWRP debt to MnDOT through credit transfers and any other means agreeable to both agencies.

BWSR will provide office space and accommodate overhead costs associated with a MnDOT employee while working at BWSR to assist in administering the LRWRP. BWSR will allow and provide for the employee to participate in internal BWSR meetings and related meetings and training events as appropriate.

BWSR will provide additional credits for MnDOT's use through negotiated purchases or wetland mitigation projects in response to MnDOT specified needs throughout the period of this agreement.

**REVISION 2. Clause 3.2 Mn/DOT obligations.**

MnDOT will provide \$250,000 to BWSR annually to help fund the development, monitoring and maintenance of LRWRP projects. The \$250,000 annual amount will be expended in accordance with the spending goals in Appendix B attached hereto and incorporated herein.

MNDOT will provide additional funds in the amount of \$500,000 in fiscal year (FY) 17 and \$1,000,000 in FY18 to fund the acquisition and/or development of additional wetland credits for MnDOT projects.

MnDOT will provide a qualified employee at 0.25 FTE to help administer the LRWRP at BWSR's cost.

Any request for use of LRWRP credits by MnDOT will be in writing in a form agreeable to both agencies.

**REVISION 3. Clause 4 Consideration and Payment.**

Upon execution of this agreement and within 30 days of the receipt of an invoice, MnDOT will pay \$250,000 to BWSR. For each year thereafter until the end of the contract, MnDOT will pay BWSR \$250,000 within 30 days of the receipt of an invoice at the beginning of each fiscal year.

Funds for the acquisition and/or development of additional wetland credits for MnDOT projects will be provided in the amount of \$500,000 in FY17 and \$1,000,000 in FY18. BWSR will not initiate additional credit acquisition or wetland credit development actions until MnDOT has provided a clear description of the type, amount, and location of the credit need and the funds necessary to acquire or develop the credits.

The total obligations of MnDOT to BWSR under this agreement will not exceed ~~\$1,250,000~~ \$2,750,000.

Except as amended herein, the terms and conditions of the Original Contract and all previous amendments remain in full force and effect.

**1. STATE ENCUMBRANCE  
VERIFICATION (MnDOT)**

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

Signed: \_\_\_\_\_

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

Swift  
Contract  
No: \_\_\_\_\_

**3. DEPARTMENT OF TRANSPORTATION  
(State)**

*Individual Certifies the applicable provisions of Minn. Stat. 16C.08, subdivisions 2 and 3 are reaffirmed.*

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

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

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

**2. BOARD OF SOIL AND WATER  
RESOURCES (Contractor)**

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

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

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

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

**4. MnDOT Contract Management**

*Individual Certifies the applicable provisions of Minn. Stat. 16C.08, subdivisions 2 and 3 are reaffirmed.*

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

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

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

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

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

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

**Amendment #2 for Interagency Agreement # 1001409**

Contract Start Date:	<u>8/13/2015</u>	Total Contract Amount:	<u>\$3,750,000</u>
Original Contract Expiration Date:	<u>6/30/2020</u>	Original Contract Amount:	<u>\$1,250,000</u>
Current Contract Expiration Date:	<u>6/30/2020</u>	Previous Amendment(s) Total:	<u>\$1,500,000</u>
Requested Contract Expiration Date:	_____	This Amendment:	<u>\$1,000,000</u>

This amendment is by and between the Minnesota Department of Transportation ("MnDOT"), and the Minnesota Board of Water and Soil Resources ("BWSR"), 520 Lafayette Road, St. Paul, MN 55155.

**Recitals**

1. MnDOT has an interagency agreement with the BWSR identified as MnDOT Contract Number 1001409 ("Original Contract") to provide wetland replacement credits for certain public road projects impacting wetlands.
2. This agreement is being amended to provide BWSR with funds to purchase additional wetland mitigation credits for MnDOT sponsored projects.
3. MnDOT and BWSR are willing to amend the Original Contract as stated below.

**Contract Amendment**

In this Amendment, changes to pre-existing Contract language will use strike through for deletions and underlining for insertions.

**REVISION 1. Clause 3.2 Mn/DOT obligations.**

MnDOT will provide \$250,000 to BWSR annually to help fund the development, monitoring and maintenance of LRWRP projects. The \$250,000 annual amount will be expended in accordance with the spending goals in Appendix B attached hereto and incorporated herein.

MnDOT will provide a qualified employee at 0.25 FTE to help administer the LRWRP at BWSR's cost. Any request for use of LRWRP credits by MnDOT will be in writing in a form agreeable to both agencies.

MnDOT will provide additional funds in an amount not to exceed \$500,000 in fiscal year (FY) 17 and not to exceed ~~\$1,000,000~~ \$2,000,000 in FY18/19 to fund the acquisition and/or development of additional Corp approved wetland credits for MnDOT projects.

**REVISION 2. Clause 4 Consideration and Payment.**

Upon execution of this agreement and within 30 days of the receipt of an invoice, MnDOT will pay \$250,000 to BWSR. For each year thereafter until the end of the contract, MnDOT will pay BWSR \$250,000 within 30 days of the receipt of an invoice at the beginning of each fiscal year.

Funds for the acquisition and/or development of additional wetland credits for MnDOT projects will be provided in an amount not to exceed \$500,000 in FY17 and not exceeding ~~\$1,000,000~~ \$2,000,000 in FY18/19. BWSR will not initiate additional credit acquisition or wetland credit development actions until MnDOT has given approval of each acquisition or transaction and the funding amount necessary to acquire or develop the credits has been provided to BWSR.

The total obligations of MnDOT to BWSR under this agreement will not exceed ~~\$2,750,000~~ \$3,750,000

Except as amended herein, the terms and conditions of the Original Contract and all previous amendments remain in full force and effect.

[THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK.]

**BOARD OF SOIL AND WATER RESOURCES**

*BWSR certifies that the appropriate person(s) have executed the contract on behalf of BWSR as required by applicable articles, bylaws, resolutions or Ordinances.*

By: *Jaw Wi*

Title: *Assistant Director*

Date: *5-18-18*

**STATE ENCUMBRANCE VERIFICATION (MnDOT)**

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

By: *Marcia Guerra* Digitally signed by Marcia Guerra  
DN: cn=Marcia Guerra  
Date: 2018.06.14 10:12:32 -05'00'

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

SWIFT PO #: 3000420384

SWIFT Contract #: 98076

**DEPARTMENT OF TRANSPORTATION**

*Individual Certifies the applicable provisions of Minn. Stat. 16C.08, subdivisions 2 and 3 are reaffirmed.*

By: *Nancy Daubinger*

Title: *Engineering Services Division Director*

Date: *6/15/2018*

**MnDOT CONTRACT MANAGEMENT**

By: *[Signature]*

Date: *6/19/2018*



STATE OF MINNESOTA  
INTERAGENCY CONTRACT

Federal Project #: NA

State Project (SP) #: NA

Trunk Highway (TH) #: NA

Project Identification: FY '20-'24 Interagency Wetland Mitigation Agreement

This Contract is between the Minnesota Department of Transportation ("MnDOT") and the Minnesota Board of Water and Soil Resources ("BWSR").

**Contract**

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**1. Term of Contract; Incorporation of Exhibits**

- 1.1 Effective Date: This Contract will be effective on the date signed by all necessary state officials, as required by Minnesota Statutes §16C.05, subdivision 2.
- 1.2 Expiration Date: This Contract will expire on June 30, 2024, or when all obligations have been satisfactorily fulfilled, whichever occurs first.
- 1.3 Exhibits: Exhibit A is attached and incorporated into this Contract.

**2. Recitals**

- 2.1 Under Minnesota Rules Chapter 8420, BWSR is responsible for providing wetland replacement for certain qualifying local public road projects that impact wetlands and MnDOT is responsible for providing replacement for wetland impacts associated with DOT projects. Wetland replacement is typically also required for many of these same projects by Section 404 of the Federal Clean Water Act as administered by the U.S. Army Corps of Engineers ("Corps").
- 2.2 BWSR established the Local Government Road Wetland Replacement Program (LGRWRP) in 1996 in accordance with statutory obligations to meet the wetland replacement needs of local road authorities for certain qualifying projects.
- 2.3 MnDOT historically established wetland banks to meet the wetland replacement needs for state transportation projects.
- 2.4 Previous interagency agreements between MnDOT and BWSR established a partnership, referred to as the Cooperative Wetland Replacement Partnership (CWRP), to collaborate and create efficiencies in the state's provision of wetland replacement for public road projects in Minnesota.
- 2.5 BWSR and MnDOT are currently committed to continuing to work together to efficiently provide wetland replacement for public road projects through shared procurement processes, technical expertise, etc.
- 2.6 Currently, MnDOT and BWSR provide wetland replacement either by establishing wetland banks that generate wetland credits or by purchasing wetland credits from existing privately-owned wetland banks. An alternative method for satisfying wetland replacement requirements, through a purchase of credits from an In-Lieu Fee Program (ILFP), is currently under development by BWSR and expected to become available for both BWSR and MnDOT use in calendar year 2020.
- 2.7 The LGRWRP has an outstanding debt owed to MnDOT as a result of previous cooperative efforts to establish and maintain the CWRP. Exhibit A depicts the current value of the outstanding debt.

### 3. Duties of the Parties

#### 3.1 BWSR Duties.

- 3.1.1 BWSR will provide wetland credits for MnDOT's use through purchases of wetland bank credits approved for use under the Wetland Conservation Act and the Section 404 permitting program (hereafter referred to as "approved credits"), development of wetland banks that will produce approved credits, or the ILFP in response to MnDOT specified needs throughout the period of this agreement.
- 3.1.2 BWSR will consult with MnDOT in the targeting and selection of wetland bank sites and make all reasonable efforts to identify opportunities for both MnDOT and LGRWRP wetland bank credit purchases and wetland bank development projects to accommodate the anticipated wetland replacement needs of both the LGRWRP and MnDOT.
- 3.1.3 For wetland credit purchases, BWSR will provide MnDOT a written cost estimate for each proposed wetland credit purchase. BWSR will proceed with the credit purchase after receiving written approval of the estimate from MnDOT and will invoice MnDOT for the amount specified in the approved cost estimate.
- 3.1.4 For development of wetland banks, BWSR will provide a cost estimate for the project by task (including, as appropriate, design and review, easement payments, construction activities, monitoring, fees and contributions, post construction management activities, etc.). BWSR will proceed with project development tasks after receiving written approval of the estimate from MnDOT and will invoice MnDOT periodically through the process as funds are needed to complete project tasks.
- 3.1.5 As LGRWRP funding allows, BWSR will make all reasonable efforts to pay back the LGRWRP debt to MnDOT through transfers of credits in LGRWRP bank accounts and any other means agreeable to both agencies. BWSR will respond to MnDOT requests for debt repayment in writing and may deny a request to transfer particular LGRWRP credits to MnDOT accounts with cause if the credits are necessary to meet LGRWRP needs. Transfer of credits from LGRWRP to MnDOT accounts will reduce the outstanding debt. The value of transferred credits will be based on the full cost to establish those particular credits.
- 3.1.6 BWSR will provide an annual summary of the status of BWSR's debt to MnDOT.

#### 3.2 MnDOT Duties.

- 3.2.1 MnDOT will provide funds in an amount not to exceed \$12,500,000 for purchases of approved wetland bank credits, development of wetland banks, and use of the ILFP.
- 3.2.2 MnDOT will provide a forecast of wetland credit needs for fiscal years FY '21 through FY '24 no later than May 31 of the preceding fiscal year so that BWSR can incorporate credit acquisition and credit development tasks into its annual spending plan.
- 3.2.3 Any MnDOT request for credits will be in writing in a form agreeable to both agencies.

### 4. Consideration and Payment

- 4.1 The total obligation of MnDOT for all compensation and reimbursements to BWSR for the services provided under this Contract will be an amount not to exceed \$12,500,000.
- 4.2 BWSR will not initiate credit acquisition or wetland bank development for MnDOT use until MnDOT has provided written approval of each transaction, and the commitment to provide funding in the amount necessary to acquire or develop the credits has been provided to BWSR.

**5. Conditions of Payment**

- 5.1 All services provided by BWSR under this Contract must be performed to MnDOT's satisfaction, as determined at the sole and reasonable discretion of MnDOT's Authorized Representative.
- 5.2 MnDOT will promptly pay all valid obligations under this Contract as required by Minnesota Statutes §16A.124. MnDOT will make undisputed payments no later than 30 days after receiving BWSR invoices for services performed or scheduled to be performed, in cases where funds will be provided in advance. If an invoice is incorrect, defective or otherwise improper, MnDOT will notify BWSR within 10 days of discovering the error. After MnDOT receives the corrected invoice, MnDOT will pay BWSR within 30 days of receipt of such invoice.
- 5.3 BWSR must create and enter an invoice in SWIFT for each transaction after the transaction's approval by MnDOT, in accordance with Section 4.2. Invoices must be sent to MnDOT's Project Manager.
- 5.4 MnDOT will make payment using the bilateral netting process in SWIFT.

**6. Contract Personnel**

- 6.1 MnDOT's Authorized Representative will be:

Name: Marni Karnowski or his/her successor.  
 Title: Chief Environmental Officer  
 Street Address: 395 John Ireland Blvd., MS #620  
 City, State, Zip: Saint Paul, MN 55155  
 Telephone: 651-366-3602  
 Email: marni.karnowski@state.mn.us

- 6.2 MnDOT's Project Manager will be the contact for technical issues. MnDOT's Project Manager will be:

Name: Beth Brown or successor.  
 Title: Environmental Program Specialist  
 Street Address: 395 John Ireland Blvd., MS #620  
 City, State, Zip: Saint Paul, MN, 55155  
 Telephone: 651-366-4297  
 Email: elizabeth.a.brown@state.mn.us

- 6.3 BWSR's Authorized Representative will be:

Name: Tim Smith or successor.  
 Title: Wetland Mitigation Coordinator  
 Street Address: 520 Lafayette Road North  
 City, State, Zip: Saint Paul, MN 55155  
 Telephone: 651 600-7554  
 Email: tim.j.smith@state.mn.us

**7. Amendments**

- 7.1 Any Amendment to this 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 Contract, or their successors in office.

**8. Liability**

- 8.1 Each party will be responsible for its own acts and omissions and the results thereof, to the extent permitted by law.

**9. Termination**

- 9.1 Either party may terminate this Contract at any time, with or without cause, upon 30 days' written notice to the other party.

- 9.2 Termination for Insufficient Funding. MnDOT may immediately terminate this Contract 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 covered here. Termination must be by written or fax notice to BWSR. MnDOT is not obligated to pay for any services that are provided after notice and effective date of termination. However, BWSR will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. MnDOT 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. MnDOT must provide BWSR notice of the lack of funding within a reasonable time of MnDOT's receipt of that notice.
- 9.3 Suspension. MnDOT may immediately suspend this Contract in the event of a total or partial government shutdown due to failure to have an approved budget by the legal deadline. Work performed by BWSR during a period of suspension will be deemed unauthorized and undertaken at risk of non-payment.

**[THE BALANCE OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK]**

**CONTRACTOR**

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

By: Dave Weirens  
DocuSigned by: Dave Weirens  
Title: Dave Weirens  
EC23F19E392844F...  
Date: 2/24/2021

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**STATE ENCUMBRANCE VERIFICATION**

The individual certifies funds have been encumbered as required by Minn. Stat. 16A.15 and 16C.05

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

SWIFT Contract # 167743  
SWIFT Purchase Order # 3000544918

**COMMISSIONER OF TRANSPORTATION**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**MnDOT CONTRACT MANAGEMENT**

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

Exhibit A

**LGRWRP MNDOT Debt Repayment**

Debt repayment based on outstanding amount of \$1,701,476 on 1 November 2016

Date	LGRWRP Bank	Credit Amt	Credit Type	Credit value	Total	Cumulative Total	BWSR Debt	Bsulto App Number	Notes
9-Nov-16	Schramel	2.0000	fresh wet meadow	\$12,383.00	\$24,766.00	\$24,766.00	\$1,676,710.00	9897T	Credits transfered to MNDOT account 1620
9-Nov-16	Schramel	3.0000	shrub-carr	\$12,383.00	\$37,149.00	\$61,915.00	\$1,639,561.00	9897T	Credits transfered to MNDOT account 1620
22-Feb-17	Reed	6.78	fresh wet meadow	\$17,265	\$117,056.70	\$178,971.70	\$1,522,504.30	xxxxx	Eagles Nest project - direct debit, no transfer
22-Feb-17	Reed	1.4495	shrub-carr	\$17,265	\$25,025.62	\$203,997.32	\$1,497,478.68	xxxxx	Eagles Nest project - direct debit, no transfer
22-Feb-17	Reed	1.2605	hardwood swamp	\$17,265	\$21,762.53	\$225,759.85	\$1,475,716.15	xxxxx	Eagles Nest project - direct debit, no transfer
20-Nov-17	Reed	1.25	shrub-carr	\$17,265	\$21,581.25	\$247,341.10	\$1,454,134.90	10452T	Credits transfered to MNDOT account 1639
20-Nov-17	Reed	1.25	fresh wet meadow	\$17,265	\$21,581.25	\$268,922.35	\$1,432,553.65	10452T	Credits transfered to MNDOT account 1639



MnDOT Contract #: 1035491a01

**AMENDMENT # 01 TO MnDOT INTERAGENCY CONTRACT #: 1035491.**

Contract Start Date:	10/28/2019	Original Contract Amount:	\$12,500,000.00
Orig. Contract Exp. Date:	6/30/2024	Prev. Amendment(s) Total:	\$0
Amended Exp. Date :	N/A	Current Amendment Amount:	\$1,000,000.00
		Current Contract Total: \$	\$13,500,000.00

Project Identification: FY '20-'24 Interagency Wetland Mitigation Agreement  
 State Project (SP): N/A Trunk Highway #: N/A  
 Federal Project # : N/A

This amendment is by and between the Minnesota of Department of Transportation ("MnDOT"), through its Commissioner of Transportation, and the Minnesota Board of Water and Soil Resources ("BWSR").

**Recitals**

1. MnDOT has an interagency contract with BWSR identified as MnDOT Contract No. 1035491 ("Original Contract") to provide wetland mitigation credits for MnDOT projects impacting wetlands.
2. This contract is being amended to provide BWSR with additional funds to obtain additional wetland mitigation credits for MnDOT sponsored projects.
3. MnDOT and BWSR are willing to amend the Original Contract as stated below.

**Contract Amendment**

In this Amendment deleted contract terms will be ~~struck out~~ and the added contract terms will be underlined.

**REVISION 1.** Article 3.2.1 is amended as follows:

MnDOT will provide funds in an amount not to exceed ~~\$12,500,000~~ \$13,500,000 for purchases of approved wetland bank credits, development of wetland banks, and use of the ILFP.

**REVISION 2.** Article 4.1 is amended as follows:

The total obligation of MnDOT for all compensation and reimbursements to BWSR for the services provided under this contract will be an amount not to exceed ~~\$12,500,000~~ \$13,500,000.

The terms of the Original Contract are expressly reaffirmed and are incorporated by reference. Except as amended herein, the terms and conditions of the Original Contract and all previous amendments remain in full force and effect.

**[THE BALANCE OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK]**

**BWSR**

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

By: [Signature]  
Title: Chief Financial Officer  
Date: 10-04-19

By: [Signature]  
Title: Assistant Director  
Date: 10-4-19

**STATE ENCUMBRANCE VERIFICATION**

The individual certifies funds have been encumbered as required by Minn. Stat. 16A.15 and 16C.05

By: Marcia Digitally signed by Marcia Guerra  
Date: Guerra Date: 2019.10.18 10:34:23

SWIFT Contract # 167743

SWIFT Purchase Order # 3000504074

**COMMISSIONER OF TRANSPORTATION**

By: Nancy Daubenberger Digitally signed by Nancy Daubenberger  
Title: Assistant Commissioner Date: 2019.10.18 15:31:12 -05'00'  
Date: \_\_\_\_\_

**MNDOT CONTRACT MANAGEMENT**

By: [Signature]  
Date: 10/28/2019



This Agreement is between the **Minnesota Environmental Quality Board (EQB)**, 520 Lafayette Road North, St. Paul, MN 55155, and the **Board of Water and Soil Resources (BWSR)**, 520 Lafayette Road North, St. Paul, MN 55155 in accordance with Laws of Minnesota 2019, 1st Special Session, Chapter 4, Article 1, Section 2, Subd. 9(a).

## Agreement

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### 1 Term of Agreement

- 1.1 **Effective date:** **September 12, 2019**, or the date the State obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later.
- 1.2 **Expiration date:** **June 30, 2021**, or until all funds have been expended and obligations satisfactorily fulfilled, whichever occurs first.

### 2 Scope of Work

#### 2.1 BWSR Responsibilities

- 2.1.1 Provide for overall project coordination, including providing necessary staff responsible for completing the required tasks related to completion of the report.
- 2.1.2 Coordinate with the Minnesota Department of Natural Resources (DNR) and the Minnesota Pollution Control Agency (PCA), including any necessary interagency agreements and funding, within budgetary limitations, for the agencies work on this project.
- 2.1.3 Hold quarterly update meetings with EQB staff for the purpose of demonstrating progress on the analysis and report, including the status of negotiations with EPA, and provide necessary follow-up actions as identified by EQB in a timely fashion.
- 2.1.4 Submit a Draft Report to EQB by **December 16, 2020**, "on the additional funding necessary to secure Section 404 assumption and the additional funding needed to fully implement the state-assumed program."
- 2.1.5 Submit a Final Report to EQB no later than **January 4, 2021**. The report will include the following information:
  - An estimate of "the additional funding necessary to secure section 404 assumption."
  - An estimate of "the additional funding needed to fully implement the state-assumed program" that will include information on the impacts to affected state and local levels of government.
  - An explanation of how the above estimates were derived.
  - A summary of progress made in developing and assembling the application material required under 40 CFR § 233.10 to have the state of Minnesota assume the section 404 permitting program of the federal Clean Water Act.
  - Documentation that the commissioners of DNR and PCA are consulted on the findings and conclusions of the final report.
- 2.1.6 Present to EQB the complete final report at least one week before it is submitted to the legislature by February 1, 2021, and be available for any presentations or status updates as requested by EQB's Authorized Representative.

### 3. EQB Responsibilities

- 3.1 EQB agrees to provide staff to attend quarterly update meetings between EQB and BWSR.
- 3.2 EQB oversight role is only applicable to the legislative directive under Laws of Minnesota 2019, 1st Special Session, Chapter 4, Article 1, Section 2, Subd. 9(a) which is to develop a “a report on the additional funding necessary to secure section 404 assumption and the additional funding needed to fully implement the state-assumed program.”
- 3.3 EQB oversight role does not include any review or determination of the appropriateness of BWSR’s findings and conclusions provided in the report.
- 3.4 EQB will submit the report to the legislature on or before February 1, 2021 in fulfillment of the legislative directive.

### 4 Consideration and Payment

The total obligation of EQB for all compensation and reimbursements paid to BWSR under this agreement will not exceed **\$190,000 (One Hundred Ninety Thousand Dollars and Zero Cents)**.

Invoices will be submitted for completed work according to the following schedule: **Quarterly**. The final 10% payment will be made after review and receipt of the final report and any other deliverables to EQB’s satisfaction.

Invoices will reference the SWIFT Contract number, Purchase Order number, and the name of BWSR's Authorized Representative and will be submitted electronically to: [mpca.ap@state.mn.us](mailto:mpca.ap@state.mn.us). If there is a problem with submitting an invoice electronically, please contact the MPCA Accounting Unit at 651-757-2491.

### 4 Conditions of Payment

All services provided by BWSR under this agreement must be performed to EQB’s satisfaction, as determined at the sole discretion of EQB’s Authorized Representative.

### 5 Authorized Representative

EQB’s Authorized Representative is **William Seuffert**, EQB, 520 Lafayette Road North, St. Paul, MN 55155, 651-757-2766, [will.seuffert@state.mn.us](mailto:will.seuffert@state.mn.us), or their successor.

BWSR's Authorized Representative is **Les Lemm**, Wetlands Section Manager, BWSR, 520 Lafayette Road North, St. Paul, MN 55155, [les.lemm@state.mn.us](mailto:les.lemm@state.mn.us), 651-296-6057, or their successor. If BWSR’s Authorized Representatives change at any time during this agreement BWSR must notify EQB within 30 days.

### 6 Amendments

Any amendment 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 Liability

Each party will be responsible for its own acts and behavior and the results thereof.

### 8 Termination

Either party may terminate this agreement at any time, with or without cause, upon 30 days' written notice to the other party.

~Signatures on Following Page~

**STATE ENCUMBRANCE VERIFICATION**

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

Signed: Michael Stogler

Date: 9-11-19

**BOARD OF WATER AND SOIL RESOURCES**

By: Les Lemm  
(with delegated authority)

Title: Wetlands Section Manager

Date: 9-11-19

**MINNESOTA POLLUTION CONTROL AGENCY**

By: Heather Smith  
(with delegated authority for EQB)

Title: Asst. Division Director

Date: 9/11/19

**STATE OF MINNESOTA  
INTERAGENCY AGREEMENT**

This agreement is between the Minnesota Department of Health (MDH) and the Minnesota Board of Water and Soil Resources (BWSR).

**Agreement**

**1 Term of Agreement**

1.1 *Effective date:* March 1, 2019, or the date the State obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later.

1.2 *Expiration date:* June 30, 2021, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

**2 Legal Authority**

2.1 *Statutory Framework:* The parties are entering into this Interagency Agreement pursuant to Minnesota Statutes section 471.59.

2.2 *Transfer of Funds:* The transfer of funds from MDH to BWSR shall be for the exclusive purpose of sealing unused wells, as provided by Laws of Minnesota 2017, Chapter 91, Article 2, Section 8, Item (c).

**3 Scope of Work**

MDH will participate in the process of selecting recipients of well sealing grant funds by:

- Reviewing completed grant applications,
- Scoring the grant applications, and
- Providing the names and grant amounts for each grant recipient.

BWSR is the fiscal agent for the 2019 Clean Water Fund Competitive Grant Program. BWSR will distribute grant funds per the fiscal year 2019 Clean Water Fund Competitive Grants Policy and the fiscal year 2019 Clean Water Fund Competitive Grants Request for Proposal. As part of the fund distribution, BWSR shall prepare and execute grant agreements or other appropriate documents with each well sealing grant recipient. BWSR will ensure that the distributed funds are used by grantees according to authorized legislation and BWSR's policies and procedures.

BWSR shall submit approved progress and final reports according to the following schedule:

- a. October 31, 2019
- b. March 31, 2020
- c. October 31, 2020
- d. March 31, 2021

MDH may request reports more frequently if necessary. The content of the reports shall include, but is not limited to, the grant amounts distributed and expended per grant recipient, and project summaries for the number of wells that are sealed.

BWSR will also be responsible for keeping the Legislative Coordinating Commission's website for the Clean Water and Legacy Amendment updated and current as it relates to its grant recipients.

**4 Consideration and Payment**

The total obligation of MDH for all compensation and reimbursements to BWSR under this agreement will not exceed \$280,000.00 (Two Hundred Eighty Thousand Dollars).

BWSR will invoice MDH \$280,000 after March 1, 2019, but before March 31, 2019, for the total amount needed for well sealing under BWSR's FY2019 Clean Water Fund Competitive Grant Program, including BWSR's administrative costs of five percent. Administrative costs are for managing, monitoring and reporting of grant recipients' activities. BWSR is allowed a five percent administrative cost in place of indirect cost.

BWSR will use grant agreement expiration dates, grant work plans grant monitoring, and redistribution of funds to ensure the funds will be spent by June 30, 2021.

BWSR will be responsible for returning any unused funds to MDH. BWSR will:

- inform MDH of the total amount of unused funds by April 15, 2021, and
- return the unused funds to MDH by May 1, 2021.

**5. Conditions of Payment**

All services provided by BWSR under this agreement must be performed to MDH's satisfaction, as determined at the sole discretion of MDH's Authorized Representative.

**6. Authorized Representative**

MDH's Authorized Representative is Nancy La Plante, Grant Coordinator, 625 Robert Street North, PO Box 64975, St. Paul, Minnesota 55164-0975; 651-201-3651.

BWSR's Authorized Representative is Melissa Lewis, Assistant Section Manager, Minnesota Board of Water and Soil Resources, 520 Lafayette Road North, St. Paul, Minnesota 55155-4194; 651-297-4735.

**7. Amendments**

Any amendment 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.

**8. Liability**

Each party will be responsible for its own acts and behavior and the results thereof.

**9. Termination**

Either party may terminate this agreement at any time, with or without cause, upon 30 days' written notice to the other party.

**1. STATE ENCUMBRANCE VERIFICATION**

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

Signed: [Signature]

Date: 2/28/19

**3. Minnesota Department of Health**

By: [Signature]  
(with delegated authority)

Title: Accounting Supervisor Principal

Date: 3/5/19

**2. Minnesota Board of Water and Soil Resources**

By: [Signature]  
(With delegated authority)

Title: Central Region Manager

Date: 3-1-2019

## STATE OF MINNESOTA INTERAGENCY AGREEMENT

This Agreement is between the **Minnesota Pollution Control Agency (MPCA)**, 520 Lafayette Road North, St. Paul, MN 55155 and the **Minnesota Board of Water and Soil Resources (BWSR)**, 520 Lafayette Road North, St. Paul, MN 55155.

### Agreement

#### 1. Term of Agreement

- 1.1 **Effective date:** **October 1, 2019**, or the date the State obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later.
- 1.2 **Expiration date:** **September 30, 2021**, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

#### 2. Scope of Work

This agreement is for BWSR to provide a statewide conservation reporting system (eLINK) in order for MPCA to access data from eLINK, use eLINK to support their programs, and receive support services associated with eLINK. Support services will be aimed at both MPCA staff and local government recipients of grants.

The goal of BWSR's eLINK system is to track conservation projects and grants; indicators and pollution reduction benefits; cumulative grant funding over a period of years; map locations of projects on a statewide, county, watershed, or individual-project basis; and provide documentation needed to comply with various state and federal program reporting requirements. Project locations can be used with natural resource information to estimate soil erosion and resultant environmental benefits from project implementation.

#### Agreement Objectives:

BWSR shall:

- Provide use of eLINK through ongoing system administration, maintenance, and new development services for all eLINK records and usability. For these services, a \$13,700.00 flat rate will be invoiced quarterly, for a total amount not to exceed \$109,600.00 over the two-year period, reflecting the portion of MPCA grant and loan records as a subset of all grant records in eLINK.
- Provide an estimated 130 hours per year, not to exceed 260 hours of support services over the two year period of this agreement. BWSR will be paid an hourly rate of \$50.00 per hour for support services, for a total not to exceed \$13,000.00 over the two-year period of this agreement. The hours will be allocated as needed among the following tasks:
  - Provide user technical support and training during regular business hours of Monday through Friday from 8:00 a.m. to 4:30 p.m., to MPCA staff and local governmental units who use the eLINK system.
  - Provide map products/GIS data files for use in the United States Environmental Protection Agency's (USEPA's) Grants Reporting and Tracking System (GRTS), MPCA's Annual Watershed Achievement Report (the annual report to USEPA), Watershed Restoration and Protection (WRAPS) reports, and other MPCA reports as needed for MPCA's business needs, including Clean Water Accountability Act.
  - Set up and enter into eLINK, the new Section 319 and Clean Water Partnership (CWP) projects annually.
  - Provide load reduction/best management practices (BMP) information for CWP and Section 319 projects to MPCA by February 1 and August 1 each year.
  - Respond to data requests to create reports from eLINK grant and loan records database queries as needed. Data request responses shall normally be within two (2) business days unless a longer response time is agreed upon by both parties for complex requests.
- Submit detailed invoices to MPCA quarterly including the type of task completed.

- An annual report summarizing all work completed under this agreement will be due by October 31, 2020 for the first year, and by September 15, 2021 for the second year of this agreement. BWSR will be provided MPCA's report form template.

MPCA shall:

- Schedule reviews with BWSR, as needed, to discuss the status of the project.
- Schedule and invite BWSR representatives to the bimonthly project manager's meetings, monthly watershed staff video conference meetings, and other meetings, as appropriate.
- Request reporting system improvements/updates as needed.
- Provide to BWSR any current information on the federal Clean Water Act Section 319 and USEPA guidance and help implement new guidance as it relates to this agreement.
- Report full-time equivalents (FTEs) to the Legislative Coordinating Commission's Legacy Fund website on an annual basis per Clean Water Fund reporting requirements.

**Outcomes:**

- MPCA staff will become proficient in checking the status of their projects in the conservation reporting system.
- All local governments which have Section 319 and CWP projects will provide completed best management practices and requisite anticipated pollution reductions in a timely manner.
- All requested documents will be submitted as requested for the Watershed Achievement Report.
- All requested data will be submitted as requested for entry into the Federal Government Reporting and Tracking System (GRTS).

### **3. Consideration and Conditions of Payment**

All services provided by BWSR under this Agreement must be performed to the MPCA's satisfaction, as determined by the MPCA's Authorized Representative.

The total obligation for both years of the contract for all compensation and reimbursements to BWSR under this Agreement will not exceed **\$122,600.00 (One Hundred Twenty Two Thousand Six Hundred Dollars and zero cents)**.

MPCA will promptly pay BWSR after BWSR presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted timely and according to the following schedule: **Quarterly**.

Invoices will reference the SWIFT Contract number, Purchase Order number, and the name of the State's Authorized Representative and will be submitted electronically to: [mpca.ap@state.mn.us](mailto:mpca.ap@state.mn.us). If there is a problem with submitting an invoice electronically, please contact the Accounts Payable Unit at 651-757-2491.

### **4. Authorized Representatives**

The MPCA's Authorized Representative/Project Manager is **David Miller**, Watershed Division, 520 Lafayette Road North, St. Paul, Minnesota 55155, (651) 757-2448, [david.miller@state.mn.us](mailto:david.miller@state.mn.us), or his successor and has the responsibility to monitor the performance and the authority to accept the services provided under this Agreement. If the services are satisfactory, the MPCA's Authorized Representative/Project Manager will certify acceptance on each invoice submitted for payment.

BWSR's Authorized Representative is **Melissa Lewis**, Assistant Section Manager, or her successor, 520 Lafayette Road North, St. Paul, MN 55155, (651) 297-4735, [melissa.k.lewis@state.mn.us](mailto:melissa.k.lewis@state.mn.us). If BWSR's Authorized Representative changes at any time during this Agreement, BWSR must immediately notify MPCA in writing.

### **5. Change Orders**

If the MPCA's Project Manager or BWSR's Authorized Representative identifies a change needed in the workplan and/or budget, either party may initiate a Change Order using the Change Order Form provided by the MPCA.

Change Orders may not delay or jeopardize the success of the Project, alter the overall scope of the Project, increase or decrease the overall amount of the Agreement, or cause an extension of the term of this Agreement. Major changes require an Amendment rather than a Change Order.

The Change Order Form must be approved and signed by the MPCA's Project Manager and BWSR's Authorized Representative **in advance of doing the work**. Documented changes will then become an integral and enforceable part of the Agreement. The MPCA has the sole discretion on the determination of whether a requested change is a Change Order or an Amendment. The state reserves the right to refuse any Change Order requests.

**6. Amendments**

Any amendment 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. Liability**

Each party will be responsible for its own acts and behavior and the results thereof.

**8. Termination**

Either party may terminate this agreement at any time, with or without cause, upon 30 days' written notice to the other party.

**9. Clean Water Fund and Legacy Logo**

Minn. Stat. § 114D.50 Subd 4 (f) states: "When practicable, a direct recipient of an appropriation from the clean water fund shall prominently display on the recipient's Web site home page the legacy logo required under Laws 2009, chapter 172, article 5, section 10, as amended by Laws 2010, chapter 361, article 3, section 5, accompanied by the phrase "Click here for more information." When a person clicks on the legacy logo image, the Web site must direct the person to a Web page that includes both the contact information that a person may use to obtain additional information, as well as a link to the Legislative Coordinating Commission Web site required under section [3.303, subdivision 10](#). Clean Water Land and Legacy Amendment Logo Usage Guidelines: [http://www.legacy.leg.mn/sites/default/files/resources/Legacy\\_Logo\\_Guidelines.pdf](http://www.legacy.leg.mn/sites/default/files/resources/Legacy_Logo_Guidelines.pdf). Download the Legacy Logo: <http://www.legacy.leg.mn/legacy-logo/legacy-logo-download>

**Reporting FTEs**

Minn. Stat. § 3.303, Subd. 10 (2)(vi) requires that information provided on the Legislative Coordinating Commission's Legacy Fund website must include specific information on all projects receiving funding: "(vi) the number of full-time equivalents funded under the project. For the purposes of this item, "full-time equivalent" means a position directly attributed to the receipt of money from one or more of the funds covered under this section, calculated as the total number of hours planned for the position divided by 2,088."

~Signatures on following page~



# Interagency Agreement

State of Minnesota  
SWIFT Contract No.: 161960  
PO No. 3000024705  
AI: 225064  
Activity ID: PRO20190002

This Interagency Agreement is between the **Minnesota Pollution Control Agency**, 520 Lafayette Road North, St. Paul, MN 55155 (hereinafter “MPCA”) and the **Minnesota Board of Water and Soil Resources**, 500 Lafayette Road North, St. Paul, MN 55155 (hereinafter “BWSR”).

## Recitals

1. The MPCA has appropriated FY 2020 and FY 2021 funds through Minnesota Laws, SF7, Article 1, Section 2, Subd. 4 (c) and SF3, Article 2, Section 5 (f) for the purposes of the Subsurface Sewage Treatment System (SSTS) Grants Program.
2. BWSR disburses funds to counties for the MPCA for the County SSTS Program through its Natural Resources Block Grant (NRBG) Program (hereinafter “County Programs”).
3. The MPCA will transfer said funds to BWSR to disburse funds to County Programs under the terms of this Agreement.

## Agreement

### 1. Term of Agreement

- 1.1 **Effective date:** **July 26, 2019**, or the date the State obtains all required signatures under Minn. Stat. §16C.05, subdivision 2, whichever is later.
- 1.2 **Expiration date:** **June 30, 2024**, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

### 2. Scope of Work

This Agreement allows for the transfer of funds from the MPCA to BWSR for the County Programs to be distributed to counties through the NRBG program. The MPCA is the approval agent for determining county grant eligibility and grant award amounts. BWSR is the fiscal agent that disburses the grant funds per approval information supplied by the MPCA. BWSR is responsible for verifying that county fiscal obligations are met.

### 3. MPCA’s Responsibilities

In its capacity as supervising authority of the County Programs, the MPCA agrees to:

- Provide a schedule to BWSR for base grants and performance credit grants that shows the amount of each grant each delegated county is to receive.
- Determine grant eligibility for counties for base funding for the County SSTS program.
- Provide a schedule to BWSR for competitive grants and low-income grants that shows the amount of each grant each county is to receive.
- Provide to BWSR the specific information that counties must report on to comply with Clean Water Fund and environmental fund requirements.
- Ensure that award schedules are provided and funds are transferred in a timely manner with BWSR NRBG program administration policies and procedures.

### 4. BWSR’s Responsibilities

In its capacity as NRBG administrator, BWSR agrees to:

- Distribute the 2020 and 2021 Base Grants and Low Income upgrade grant funds to County SSTS programs.

- Ensure that Clean Water Funds for the SSTS program is separately defined in grant awards and amendments, with the appropriate reporting requirements included. The availability of Clean Water Funds, which is different than the environmental funds, must be clearly identified.
- Periodically review fiscal records, financial reports, and budgetary documents submitted by counties to verify that grant fund expenditures are being allocated according to their grant.

## 5. Consideration and Conditions of Payment

All services provided by BWSR under this Agreement must be performed to the MPCA's satisfaction, as determined by the MPCA's Authorized Representative and MPCA County Programs' managers.

The MPCA will transfer funds to BWSR for the County Programs under the following terms of each County Program:

### County SSTS Grants Program

The funds shall be transferred to BWSR, within 30 days, after delivery of the following award schedules to BWSR:

- The FY 2020 base grant awards (August 2019)
- The FY 2020 low-income upgrade grant awards (August 2019)
- The FY 2021 base grant awards (August 2020)
- The FY 2021 incentive grant awards (August 2020)
- The FY 2021 low-income upgrade grant awards (August 2020)

Returned Fund Redistribution. Any money returned by counties as unused may be redistributed to counties by BWSR as directed from a schedule provided by the MPCA.

### Use of funds as match; Total Obligations.

The MPCA is already using these funds as match to a federal grant; thus, neither BWSR nor the counties may use this money as match to any other federal grant.

The total obligation of the MPCA for compensation and reimbursement to BWSR for the County SSTS Grants Program under this Agreement will not exceed **\$3,099,600.00** (Three Million Ninety-nine Thousand Six Hundred Dollars and Zero Cents) for FY 20.

The funds for FY 21 have not yet been allocated. Once final numbers are determined, this agreement will be amended to include them.

## 6. Authorized Representatives

MPCA's Authorized Representative is **Aaron Jensen**, SSTS Program, 520 Lafayette Road North, St. Paul, Minnesota 55155, 651-757-2544, [aaron.s.jensen@state.mn.us](mailto:aaron.s.jensen@state.mn.us), or his successor.

BWSR's Authorized Representative is **Melissa Lewis**, Land and Water Section Manager, 500 Lafayette Road North, St. Paul, Minnesota 55155, 651-297-4735, [melissa.k.lewis@state.mn.us](mailto:melissa.k.lewis@state.mn.us), or her successor.

## 7. Amendments

Any amendment 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.

## 8. Liability

Each party will be responsible for its own acts and behavior and the results thereof.

## 9. Termination

Either party may terminate this Agreement at any time, with or without cause, upon 30 days written notice to the other party.

## 10. Legacy Logo

Minn. Stat. §114D.50 Subd 4 (f) states: "When practicable, a direct recipient of an appropriation from the clean water fund shall prominently display on the recipient's Web site home page the legacy logo required under Laws 2009, chapter 172, article 5, section 10, as amended by Laws 2010, chapter 361, article 3, section 5, accompanied by the phrase "Click here for more information." When a person clicks on the legacy logo image, the Web site must direct the person to a Web page that includes both the contact information that a person may use to obtain additional information, as well as a link to the Legislative Coordinating Commission Web site required under section [3.303, subdivision 10](#)."

Clean Water Land and Legacy Amendment Logo Usage Guidelines:

[http://www.legacy.leg.mn/sites/default/files/resources/Legacy\\_Logo\\_Guidelines.pdf](http://www.legacy.leg.mn/sites/default/files/resources/Legacy_Logo_Guidelines.pdf)

Download the Legacy Logo: <http://www.legacy.leg.mn/legacy-logo/legacy-logo-download>

### Reporting FTEs

Minn. Stat. §3.303, Subd. 10 (2)(vi) requires that information provided on the Legislative Coordinating Commission's Legacy Fund website must include specific information on all projects receiving funding: "(vi) the number of full-time equivalents funded under the project. For the purposes of this item, "full-time equivalent" means a position directly attributed to the receipt of money from one or more of the funds covered under this section, calculated as the total number of hours planned for the position divided by 2,088."

Signatures

### Document Signature Details -- External User

Order	Ext. User	Status	Actual Singer	Name	Title	Date/Time
1	VNR9P0000000_1	Signed	VNR9P0000000_1	JEREMY OLSON	EXTERNAL	07/26/2019 at 10:54 AM

### Document Signature Details -- Internal Users

Order	Type	Role/User	Status	Actual Signer	Name	Title	Date/Time
1	Role	M_FS_WF_SC_DOC_SIGNER_01	Signed	00244060	Michelle Kelly Stryker	Encumbrance VerificationSigner	July 26, 2019 at 10:58 AM
2	Role	M_FS_WF_SC_DOC_SIGNER_02	Signed	01031035	Katie E Smith	State Agency Signer	July 26, 2019 at 11:09 AM



# Interagency Amendment

## State of Minnesota

SWIFT Contract No.: 161960

PO No. 3000024705

3000026765

AI: 225064

Activity ID: PRO20190002

Contract Start Date:	<u>7/26/2019</u>	Total Contract Amount:	<u>\$6,271,974.00</u>
Original Contract Expiration Date:	<u>6/30/2024</u>	Original Contract:	<u>\$3,099,600.00</u>
Current Contract Expiration Date:	<u>6/30/2024</u>	Previous Amendment(s) Total:	<u>\$N/A</u>
Requested Contract Expiration Date:	<u>N/A</u>	This Amendment:	<u>\$3,172,374.00</u>

This Amendment is between the **Minnesota Pollution Control Agency**, 520 Lafayette Road North, St. Paul, MN 55155 (hereinafter "MPCA") and the **Minnesota Board of Water and Soil Resources**, 500 Lafayette Road North, St. Paul, MN 55155 (hereinafter "BWSR").

### Recitals

1. The MPCA has a contract with BWSR identified as SWIFT Contract No. 161960 ("Original Agreement") to provide **BWSR disburses funds to counties for the MPCA for the County SSTS Program through its Natural Resources Block Grant (NRBG) Program** project.
2. This Agreement is being amended to add FY 21 funding and increase total obligation.
3. The State and the Contractor are willing to amend the Original Agreement as stated below.

### Amendment

In this Amendment, changes to pre-existing Contract language will use ~~strike through~~ for deletions and underlining for insertions.

**REVISION 1.** Clause 5. "**Consideration and Conditions of Payment**" is amended as follows:

All services provided by BWSR under this Agreement must be performed to the MPCA's satisfaction, as determined by the MPCA's Authorized Representative and MPCA County Programs' managers.

The MPCA will transfer funds to BWSR for the County Programs under the following terms of each County Program:

#### County SSTS Grants Program

The funds shall be transferred to BWSR, within 30 days, after delivery of the following award schedules to BWSR:

- The FY 2020 base grant awards (August 2019)
- The FY 2020 low-income upgrade grant awards (August 2019)
- The FY 2021 base grant awards (August 2020)
- ~~The FY 2021 incentive grant awards (August 2020)~~
- The FY 2021 low-income upgrade grant awards (August 2020)

Returned Fund Redistribution. Any money returned by counties as unused may be redistributed to counties by BWSR as directed from a schedule provided by the MPCA.

#### Use of funds as match; Total Obligations.

The MPCA is already using these funds as match to a federal grant; thus, neither BWSR nor the counties may use this money as match to any other federal grant.

The total obligation of the MPCA for compensation and reimbursement to BWSR for the County SSTs Grants Program under this Agreement will not exceed \$3,099,600.00 (Three Million Ninety-nine Thousand Six Hundred Dollars and Zero Cents) for FY 20 plus \$3,172,374.00 (Three Million One Hundred Seventy-two Thousand Three Hundred Seventy-four Dollars and Zero Cents) for FY 21 for a total obligation of **\$6,271,974.00 (Six Million Two Hundred Seventy-one Thousand Nine Hundred Seventy-four Dollars and Zero Cents)**.

~~The funds for FY 21 have not yet been allocated. Once final numbers are determined, this agreement will be amended to include them.~~

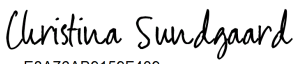
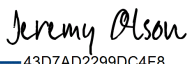
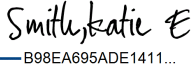
**REVISION 2.** Clause 6. "Authorized Representatives" is amended as follows:

MPCA's Authorized Representative is ~~Aaron Jensen~~ **Brandon Montgomery**, SSTs Program, 520 Lafayette Road North, St. Paul, Minnesota 55155, 651-757-2544/2230, [aaron.s.jensen@state.mn.us](mailto:aaron.s.jensen@state.mn.us) [brandon.montgomery@state.mn.us](mailto:brandon.montgomery@state.mn.us), or his successor.

BWSR's Authorized Representative is ~~Melissa Lewis~~ **Kevin Bigalke**, Land and Water Section Manager, 500 Lafayette Road North, St. Paul, Minnesota 55155, 651-297-4735 651-215-6338, [melissa.k.lewis@state.mn.us](mailto:melissa.k.lewis@state.mn.us) [kevin.bigalke@state.mn.us](mailto:kevin.bigalke@state.mn.us), or her successor.

Except as amended herein, the terms and conditions of the Original Grant Agreement and all previous amendments and change orders remain in full force and effect. The Original Grant Agreement and any previous amendments and change orders are incorporated into this amendment by reference.

## Signatures

Title	Name	Signature	Date
Encumbrance Verification	Christina Sundgaard	DocuSigned by:  E8A76AB9159F409...	June 26, 2020
Chief Financial Officer	Jeremy Olson	DocuSigned by:  43D7AD2299DC4F8...	July 14, 2020
Assistant Division Director	Smith, Katie E	DocuSigned by:  B98EA695ADE1411...	July 15, 2020

**STATE OF MINNESOTA  
INTERAGENCY AGREEMENT**

This agreement is between the Minnesota Board of Water and Soil Resources (BWSR) and the Minnesota Department of Natural Resources (DNR):

**Agreement**

**1 Term of Agreement**

- 1.1 **Effective date:** December 17, 2019, or the date the State obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later.
- 1.2 **Expiration date:** June 30, 2021, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

**2 Scope of Work**

**2.1. Background**

The purpose of this project, which is a cooperative effort between BWSR, DNR, and the Minnesota Pollution Control Agency, is to develop the State's application for Federal Clean Water Act Section 404 assumption, fulfilling the requirements of a wetland program development grant awarded to BWSR from the U.S. Environmental Protection Agency (Grant No. CD-00E02736-0) (EPA Grant) and Laws of Minnesota 2019, 1st Special Session, Chapter 4, Article 1, Section 2, Subd. 9(a) (2019 legislation). This cooperative project is funded, in part, by an appropriation to the Environmental Quality Board (EQB) associated with the 2019 legislation. In accordance with an agreement between BWSR and EQB (Contract #164667), BWSR is responsible for coordination with DNR and PCA, including any necessary interagency agreements and funding, within budgetary limitations, for the agencies work on this project.

**2.2. DNR's Duties**

- 2.2.1. Participate on the interagency project management team which will be responsible for general project oversight, interagency coordination, providing direction to the BWSR project coordinator, and coordinating project work within their respective agencies. Project management team members will also serve as liaisons to their respective agency leadership, particularly regarding any issues that may require high level decisions or consensus, and for reporting to and coordinating with EQB on tasks relating to the 2019 legislation.
- 2.2.2. Complete various specific tasks related to the agency's programs as identified by the project management team, including providing to BWSR: timely information and direction; feedback and concurrence on proposed statute, rule, and procedural changes affecting DNR programs; and assistance in assembling 404 assumption application materials relating to DNR and its

- 2.2.3. programs.
- 2.2.4. Serve as subject-matter experts on issues relating to DNR programs for stakeholder meetings and legislative presentations and hearings.
- 2.2.5. Tracking time spent working on the project and providing that information to BWSR for reimbursement in accordance with Articles 3 and 4 of this agreement.
- 2.2.6. Assist with the review of reports and other work-products.

### **2.3. BWSR's Duties**

BWSR agrees to:

- 2.3.1. Act as the primary state administrator for the EPA grant in accordance with the grant agreement, and the 2019 legislation in accordance with the BWSR-EQB agreement.
- 2.3.2. Provide for overall project management and coordination, including fulfilling the requirements of the BWSR-EQB agreement and the EPA grant.
- 2.3.3. Lead and coordinate the interagency project management team identified in section 2.2.1.
- 2.3.4. Provide a project coordinator to serve as the primary staff person responsible for completing project tasks and coordinating interagency work based on direction from the project management team.
- 2.3.5. Accept and manage state funds transferred from EQB and federal funds provided through the EPA Grant, including the reimbursement of expenses incurred by DNR for work associated with this project.
- 2.3.6. Make payment to DNR in the amount and manner specified in Articles 3 and 4 of this agreement.
- 2.3.7. Submit complete information regarding costs and in-kind contributions in a manner that meets the reporting requirements of the EPA grant for the purposes of determining reimbursement from grant funds.

### **3 Consideration and Payment**

BWSR agrees to reimburse the DNR for its activities in support of the 2019 legislation and EPA Grant listed under section 2.2. The total obligation of BWSR for all compensation and reimbursements to DNR under this agreement will not exceed \$90,000.

DNR will invoice BWSR quarterly for its project cost share amounts and provide BWSR with the documentation necessary to request reimbursement (2001 R2932715 R292200).

### **4 Conditions of Payment**

All services provided by DNR under this agreement must be performed to BWSR's satisfaction, as determined at the sole discretion of BWSR's Authorized Representative.

### **5 Authorized Representative**

BWSR's Authorized Representative is Les Lemm, Wetlands Section Manager, 520 Lafayette Road, St. Paul, MN, 55155, 651-296-6057, les.lemm@state.mn.us, or his successor.

DNR's Authorized Representative is Doug Norris, Wetland Program Coordinator, 500 Lafayette Road, Saint Paul, MN 55155-4025, 651-259-5125, doug.norris@state.mn.us, or his successor.

### **6 Amendments**

Any amendment 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 Liability**

Each party will be responsible for its own acts and behavior and the results thereof.

**8 Termination**

Either party may terminate this agreement at any time, with or without cause, upon 30 days' written notice to the other party.



**1. STATE ENCUMBRANCE VERIFICATION**

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

Signed: Cathy S

Date: 12/30/19

**2. Minnesota Department of Natural Resources (DNR)**

By: Steve Colvin  
(with delegated authority) Steve Colvin

Title: Director, Ecological + Water Resources

Date: 1/2/20

**3. Minnesota Board of Water and Soil Resources (BWSR)**

By: Les Lemna  
(with delegated authority)

Title: Wetlands Section Manager

Date: 1/2/20

## Amendment 1

Contract Start Date:	<u>December 17, 2019</u>	Total Contract Amount:	<u>\$65,000</u>
Original Contract Expiration Date:	<u>June 30, 2021</u>	Original Contract:	<u>\$90,000</u>
Current Contract Expiration Date:	<u>June 30, 2021</u>	Previous Amendment(s) Total:	<u>NA</u>
Requested Contract Expiration Date:	<u>June 30, 2022</u>	This Amendment:	<u>-\$25,000</u>

This amendment is by and between the Minnesota Board of Water and Soil Resources ("BWSR") and the Minnesota Department of Natural Resources ("DNR").

### Recitals

1. DNR has an interagency agreement with BWSR for the implementation of Laws of Minnesota 2019, 1st Special Session, Chapter 4, Article 1, Section 2, Subd. 9(a).
2. This agreement is being extended an additional year to continue work under an extension of the legislative timeframe.
3. DNR and BWSR are willing to amend the Original Agreement as stated below.

### Contract Amendment

In this Amendment, changes to pre-existing Contract language will use ~~strike through~~ for deletions and underlining for insertions.

#### REVISION 1. Purchase Order No.

Purchase Order # 3-13018

#### REVISION 2. Clause 1, Term of Agreement

1.2 **Expiration date:** June 30, ~~2024~~ 2022, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

#### REVISION 2. Clause 3, Consideration and Payment

BWSR agrees to reimburse the DNR for its activities in support of the 2019 legislation and EPA Grant listed under section 2.2. The total obligation of BWSR for all compensation and reimbursements to DNR under this agreement will not exceed ~~\$90,000~~ \$65,000.

DNR will invoice BWSR quarterly for its project cost share amounts and provide BWSR with the documentation necessary to request reimbursement (2001 R2932715 R292200).

#### REVISION 3. Clause 5, Authorized Representative

DNR's Authorized Representative is ~~Doug Norris~~ Jennie Skancke, Wetland Program Coordinator, 500 Lafayette Road, Saint Paul, MN 55155-4025, 651-259-5125, ~~doug.norris@state.mn.us~~ jennie.skancke@state.mn.us, or ~~his~~ her successor.

Except as amended herein, the terms and conditions of the Original Agreement and all previous amendments remain in full force and effect.

### Amendment 1

#### 1. STATE ENCUMBRANCE VERIFICATION

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

Signed: DocuSigned by:  
Robert Kronick  
CAE79757420447B...

Date: 6/18/2021

SWIFT Contract No. 170512      PO#3-13018

#### 3. Department of Natural Resources

DocuSigned by:  
By: Ann Pierce  
12BBD5D13EB344BA...  
*(with delegated authority)*

Title: Acting Director

Date: 6/21/2021

#### 2. Board of Water and Soil Resources

DocuSigned by:  
By: Les Lemm  
D7C31123FFEC4C9...  
*(with delegated authority)*

Title: wetlands Section Manager

Date: 6/18/2021

**STATE OF MINNESOTA**

**LEASE**

LEASE NO. **12327-A**

THIS SUBLEASE is made by and between State of Minnesota, Department of Administration, hereinafter referred to as SUB-LANDLORD, acting for the benefit of the Department of Natural Resources, and the State of Minnesota, Department of Administration, hereinafter referred to as SUB-TENANT, acting for the benefit of the Board of Water and Soil Resources.

WHEREAS, the Commissioner of Administration is empowered by Minn. Stat. §16B.24, subd. 6, to lease non-state owned property;

WHEREAS, SUB-LANDLORD has leased a portion of the building known as Building 2118 (“the Building”), pursuant to the lease, attached hereto as Exhibit A1-A75; hereinafter referred to as “Master Lease”;

WHEREAS, SUB-TENANT is bound by the terms and conditions of the Master Lease;

NOW, THEREFORE, SUB-LANDLORD and SUB-TENANT, in consideration of the rents, covenants, and considerations hereinafter specified, do hereby agree each with the other as follows.

1. **LEASED PREMISES** SUB-LANDLORD grants and SUB-TENANT accepts a sublease of the following described Leased Premises located at 2118 Campus Drive Southeast in the City of Rochester, County of Olmsted, Minnesota 55904, which is a part of the Olmsted County property (“the Property”):

approximately two thousand forty (2,040) usable square feet of office space as shown on the attached Exhibit B.

2. **USE** SUB-TENANT shall use and occupy the Leased Premises only as office and related activities.
3. **TERM** The term of this sublease is five (5) years, five (5) months, twenty four (24) days, commencing July 8, 2020 and continuing through December 31, 2025 (“Sublease Term”).
4. **RENT**
  - 4.1 In consideration for all covenants, representations and conditions of the Sublease, SUB-TENANT agrees to pay SUB-LANDLORD rent for the Sublease Term in the

sum of two hundred thirty two thousand four hundred sixty four and 36/100 dollars (\$232,464.36) in accordance with the rent schedule set forth below:

LEASE PERIOD	SQUARE FEET	RATE PER SQ. FT.	MONTHLY PAYMENT	RENT FOR LEASE PERIOD
7/8/2020 - 7/31/2020			\$ 2,566.56	\$ 2,566.56
8/1/2020 - 12/31/2021	2,040	\$19.50	\$ 3,315.00	\$ 56,355.00
1/1/2022 - 12/31/2022	2,040	\$20.18	\$ 3,430.60	\$ 41,167.20
1/1/2023 - 12/31/2023	2,040	\$20.89	\$ 3,551.30	\$ 42,615.60
1/1/2024 - 12/31/2024	2,040	\$21.62	\$ 3,675.40	\$ 44,104.80
1/1/2025 - 12/31/2025	2,040	\$22.38	\$ 3,804.60	\$ 45,655.20
			<b>TOTAL</b>	<b>\$ 232,464.36</b>

- 4.2 Rent Billing Address SUB-LANDLORD shall mail or personally deliver original bills and rent statements to SUB-TENANT at the following address:

Administrative Services Division  
Board of Water and Soil Resources  
520 Lafayette Rd  
St Paul MN 55155

- 4.3 Rent Payment Address SUB-TENANT shall mail or deliver the monthly rent set forth above at the end of the applicable calendar month to SUB-LANDLORD at the following address:

Accounts Receivable  
Department of Natural Resources, Region 3  
1200 Warner Rd  
St Paul MN 55106

- 4.4 SUB-LANDLORD represents and warrants that it is solely entitled to all of the rents payable under the terms of this Sublease and that SUB-TENANT shall have the quiet enjoyment of the Leased Premises during the full term of this Sublease and any extension or renewal thereof.

5. **TERMINATION** This Sublease may be terminated by either party for any reason at any time upon giving ninety (90) days prior written notice to the other party.

6. **SURRENDER OF LEASED PREMISES** SUB-LANDLORD and SUB-TENANT hereby agree that at the expiration or earlier termination of this Sublease or extension thereof:

- 6.1 Personal Property Any equipment and furniture, including, but not limited to, moveable partitions, modular workstations, shelving units, projection screens, audio-video equipment and/or any program equipment (hereinafter referred to as "Personal Property"), whether attached to the Leased Premises by SUB-LANDLORD or by SUB-TENANT, shall remain the property of SUB-TENANT. SUB-TENANT shall

remove its Personal Property, vacate and surrender possession of the Leased Premises to SUB-LANDLORD in as good condition as when SUB-TENANT took possession, ordinary wear, tear and damage by the elements excepted.

## 6.2 Alterations, Additions and Improvements

- a. All alterations, additions or improvements made to or installed upon the Leased Premises, whether paid for by SUB-LANDLORD or SUB-TENANT, including, but not limited to: walls, floor and wall coverings, supplemental heating, cooling and/or ventilation equipment, fire protection, and security systems, including key pads, cypher locks, which in any manner are attached to the Leased Premises, shall remain the property of SUB-LANDLORD, and shall be surrendered with the Leased Premises as a part thereof with no further responsibility or obligation for removal by SUB-TENANT.
- b. If requested by SUB-TENANT and upon prior approval of SUB-LANDLORD, SUB-TENANT may remove any alteration, addition or improvement as set forth in Section 6.2 a. above.

## 7. DUTIES OF SUB-LANDLORD

- 7.1 SUB-LANDLORD shall furnish and provide for the use of SUB-TENANT all of the services provided to SUB-LANDLORD, as detailed in the Master Lease, attached hereto and incorporated herein as Exhibit A1-A75.
- 7.2 Disability Access Guidelines SUB-LANDLORD agrees to provide and maintain the Leased Premises and the Building of which the Leased Premises are a part with accessibility and facilities for persons with disabilities meeting code requirements including, but not limited to: Title II and III of the American with Disabilities Act (ADA), all applicable laws, rules, ordinances and regulations issued by any federal, state or local political subdivisions having jurisdiction and authority in connection with said property.

## 8. DUTIES OF SUB-TENANT

- 8.1 Except as otherwise provided herein, SUB-TENANT shall:
  - a. Furnish materials and services required for its use of the Leased Premises.
  - b. Maintain the Leased Premises in a reasonably good condition and state of repair during the continuance of its tenancy.
- 8.2 SUB-TENANT agrees to observe reasonable precautions to prevent waste of heat, electricity, water, air conditioning, any other utility, or any service, whether such is furnished by SUB-LANDLORD or obtained and paid for by SUB-TENANT.

9. **SMOKING** Pursuant to Minn. Stat. §16B.24, subd. 9, SUB-LANDLORD and SUB-TENANT shall not permit smoking in the Leased Premises, the Building or the Property unless otherwise designated. In addition, SUB-LANDLORD and SUB-TENANT shall not permit chewing tobacco, e-cigarettes or vaping in the Leased Premises, the Building or the Property unless otherwise designated.
10. **INSURANCE**
  - 10.1 SUB-LANDLORD and SUB-TENANT agree that each party will be responsible for its own acts and the results thereof to the extent authorized by law and shall not be responsible for the acts of any others and the results thereof.
  - 10.2 SUB-TENANT agrees that SUB-LANDLORD assumes by this Sublease no liability for loss of SUB-TENANT'S personal property resulting from fire, tornado, civil disorder, theft or any cause whatsoever, except as may be attributed to SUB-LANDLORD'S negligence, acts or omissions as determined by a court of law.
11. **MAINTENANCE AND REPAIRS**
  - 11.1 It shall be the duty of SUB-LANDLORD to maintain at its own expense, in working condition, all appurtenances within the scope of this Sublease, including the maintenance of plumbing, wiring, heating (and, where applicable, cooling) devices and ductwork.
  - 11.2 SUB-LANDLORD shall, at its own expense, make such necessary repairs so as to continue to provide all such service appurtenances as are required by this Sublease, provided, however, that SUB-LANDLORD shall not be responsible for repairs upon implements or articles which are the personal property of SUB-TENANT, nor shall SUB-LANDLORD bear the expense of repairs to the Leased Premises necessitated by damage caused by SUB-TENANT beyond normal wear and tear.
12. **CANCELLATION OF PRIOR LEASE** This Sublease shall cancel and supersede the Sublease between SUB-LANDLORD and SUB-TENANT identified as Sublease No. 11910-AS upon occurrence of both the following:
  - 12.1 Execution by all parties of this Sublease.
  - 12.2 SUB-TENANT'S occupancy and possession of the Leased Premises in its entirety.
13. **EXECUTION IN COUNTERPARTS** This Sublease may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts of this Sublease taken together shall constitute but one and the same Sublease. Delivery of an executed counterpart of this Sublease by facsimile or email or a PDF file shall be equally as effective as delivery of an original executed counterpart of this Sublease.

14. **NOTICES**

14.1 All notices or communications between SUBLESSOR and SUBLESSEE shall be in writing and deemed to have been given upon the occurrence of one of the following methods of delivery to the address noted in Section 14.2 below.

- a. when personally delivered to the addressee, or
- b. on the second business day after sender has deposited the registered or certified mailing with the US Postal Service, or
- c. one (1) business day after deposited with an overnight courier service.

14.2 Mailing Addresses:

SUB-LANDLORD:

Administrative Services Division  
Board of Water and Soil Resources  
520 Lafayette Rd  
St Paul MN 55106

SUB-TENANT:

Real Estate and Construction Services  
Department of Administration  
50 Sherburne Ave # 309  
St Paul MN 55155

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**EXHIBITS:**

Exhibit A1-A75	DNR Master Sublease
Exhibit B	Allocation Floorplan



IN WITNESS WHEREOF, the parties have set their hands on the date(s) indicated below intending to be bound thereby.

SUB-LANDLORD:  
STATE OF MINNESOTA  
DEPARTMENT OF ADMINISTRATION  
COMMISSIONER  
acting for the benefit of the  
DEPARTMENT OF NATURAL RESOURCES

SUB-TENANT:  
STATE OF MINNESOTA  
DEPARTMENT OF ADMINISTRATION  
COMMISSIONER  
acting for the benefit of the  
BOARD OF WATER AND SOIL RESOURCES

By \_\_\_\_\_  
Real Estate and Construction Services

By \_\_\_\_\_  
Real Estate and Construction Services

Date \_\_\_\_\_

Date \_\_\_\_\_

APPROVED:  
STATE OF MINNESOTA  
DEPARTMENT OF NATURAL RESOURCES

APPROVED:  
STATE OF MINNESOTA  
BOARD OF WATER AND SOIL RESOURCES

By \_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

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

By \_\_\_\_\_

Date \_\_\_\_\_

SWIFT P.O. \_\_\_\_\_

Contract No. \_\_\_\_\_

IN WITNESS WHEREOF, the parties have set their hands on the date(s) indicated below intending to be bound thereby.

SUB-LANDLORD:  
STATE OF MINNESOTA  
DEPARTMENT OF ADMINISTRATION  
COMMISSIONER  
acting for the benefit of the  
DEPARTMENT OF NATURAL RESOURCES

SUB-TENANT:  
STATE OF MINNESOTA  
DEPARTMENT OF ADMINISTRATION  
COMMISSIONER  
acting for the benefit of the  
BOARD OF WATER AND SOIL RESOURCES

By \_\_\_\_\_  
Real Estate and Construction Services

By \_\_\_\_\_  
Real Estate and Construction Services

Date \_\_\_\_\_

Date \_\_\_\_\_

APPROVED:  
STATE OF MINNESOTA  
DEPARTMENT OF NATURAL RESOURCES

APPROVED:  
STATE OF MINNESOTA  
BOARD OF WATER AND SOIL RESOURCES

By \_\_\_\_\_

By  \_\_\_\_\_

Title \_\_\_\_\_

Title Chief Financial Officer

Date \_\_\_\_\_

Date 07-07-20

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

By  \_\_\_\_\_

Date 07/08/2020

SWIFT P.O. 3000012331

Contract No. 179734

STATE OF MINNESOTA

LEASE AGREEMENT

LEASE NO. 11552-A

THIS LEASE AGREEMENT is made by and between State of Minnesota, Department of Administration, hereinafter referred to as LESSOR, acting for the benefit of the Department of Natural Resources; Region 2, and the STATE OF MINNESOTA, Department of Administration, hereinafter referred to as LESSEE, acting for the benefit of the Minnesota Board of Water and Soil Resources.

WHEREAS, the Commissioner of Administration is empowered by Minn. Stat. §16B.24, subd. 6, to rent out state owned property;

WITNESSETH: LESSOR and LESSEE, in consideration of the rents, covenants, and considerations hereinafter specified, do hereby agree each with the other as follows:

1. **LEASED PREMISES** LESSOR grants and LESSEE accepts a lease of the following described Leased Premises located in the City of Baxter, County of Crow Wing, Minnesota 56401, to-wit:  
  
approximately one thousand six hundred fifty six (1,656) usable square feet of office space, as shown on the attached Exhibit A, on the ground floor of the DNR Building.
2. **USE** LESSEE shall use and occupy the Leased Premises only as office space and for such related activities.
3. **TERM** The term of this Lease Agreement is two (2) years, commencing on July 1, 2006, and continuing through June 30, 2008 ("Lease Term").
4. **RENT**
  - 4.1 As rent for the Leased Premises and in consideration for all covenants, representations, and conditions of the Lease Agreement, LESSEE shall pay LESSOR for the Lease Term the sum of thirty six thousand four hundred thirty two and no/100 dollars (\$36,432.00) payable in equal monthly payments of one thousand five hundred eighteen and no/100 dollars (\$1,518.00) at a gross rate of \$11.00 per usable square foot per year.
  - 4.2 LESSEE agrees to pay LESSOR the monthly rent set forth above at the end of each calendar month and mail or deliver said payments to:

Department of Natural Resources, Region 2  
Attn: Regional Business Manager  
1201 East Highway 2  
Grand Rapids MN 55744

- 4.3 All original bills and statements from LESSOR to LESSEE shall be mailed or personally delivered to:

Board of Water and Soil Resources  
520 Lafayette Road  
St. Paul MN 55155

- 4.4 LESSOR represents and warrants that it is solely entitled to all of the rents payable under the terms of this Lease Agreement and that LESSEE shall have the quiet enjoyment of the Leased Premises during the full term of this Lease Agreement and any extension or renewal thereof.

5. **TERMINATION**

- 5.1 In the event that the Minnesota State Legislature does not appropriate to the Minnesota Board of Water and Soil Resources funds necessary for the continuation of this Lease Agreement, or in the event that Federal Funds necessary for the continuation of this Lease Agreement are withheld for any reason, this Lease Agreement may be terminated by LESSEE upon giving thirty (30) days written notice.
- 5.2 Pursuant to Minn. Stat. §16B.24, subd. 6, this Lease Agreement is subject to cancellation upon thirty (30) days written notice by LESSEE for any reason except lease of other non-state-owned land or premises for the same use.
- 5.3 Notwithstanding Clauses 5.1 and 5.2 above, this Lease Agreement may be terminated by LESSEE for any reason at any time upon giving thirty (30) days prior written notice to LESSOR.
- 5.4 LESSEE covenants that at the termination of this Lease Agreement by lapse of time, or otherwise it shall remove its personal property and vacate and surrender possession of the Leased Premises to LESSOR in as good condition as when LESSEE took possession, ordinary wear and damage by the elements excepted. Alterations or fixtures attached to the Leased Premises shall remain a part thereof and shall not be removed unless LESSOR elects to permit removal.

6. **DUTIES OF LESSOR** LESSOR shall furnish and provide for the use of LESSEE:

- a. Gas, electricity, lights, air conditioning, sewer, and water.
- b. Trash Removal.

c. Janitorial service.

7. **DUTIES OF LESSEE** Except as otherwise provided herein, LESSEE shall:

- a. Furnish materials and services required for its use of the Leased Premises.
- b. Maintain the Leased Premises in a reasonably good condition and state of repair during the continuance of its tenancy.
- c. Surrender the Leased Premises to LESSOR at the termination of such tenancy in such condition as the same are in at the commencement of such tenancy, reasonable wear and damage by the elements excepted.

8. **INSURANCE**

- 8.1 LESSOR and LESSEE agree that each party will be responsible for its own acts and the results thereof to the extent authorized by law and shall not be responsible for the acts of any others and the results thereof.
- 8.2 LESSEE agrees that LESSOR assumes by this Lease Agreement no liability for loss of LESSEE'S personal property resulting from fire, tornado, civil disorder, theft, or any cause whatsoever, except as may be attributed to LESSOR'S negligence, acts, or omissions as determined by a court of law.

9. **MAINTENANCE AND REPAIRS**

- 9.1 It shall be the duty of LESSOR to maintain at its own expense, in working condition, all appurtenances within the scope of this Lease Agreement, including the maintenance of proper plumbing, wiring, heating (and, where applicable, cooling) devices, and ductwork.
- 9.2 LESSOR shall, at its own expense, make such necessary repairs so as to continue to provide all such service appurtenances as are required by this Lease Agreement, provided, however, that LESSOR shall not be responsible for repairs upon implements or articles which are the personal property of LESSEE, nor shall LESSOR bear the expense of repairs to the Leased Premises necessitated by damage caused by LESSEE beyond normal wear and tear.

10. **OTHER CONDITIONS**

- 10.1 LESSEE agrees to observe reasonable precautions to prevent waste of heat, electricity, water, air conditioning, any other utility, or any service, whether such is furnished by LESSOR or obtained and paid for by LESSEE.

10.2 LESSOR agrees to provide and maintain the Leased Premises and the building of which the Leased Premises are a part with accessibility and facilities for persons with disabilities, meeting code requirements, including but not limited to Title II and Title III of the Americans with Disabilities Act, all applicable laws, rules, ordinances, and regulations as issued by any federal, state, or local political subdivisions having jurisdiction and authority in connection with said property.

IN WITNESS WHEREOF, the parties have set their hands on the date(s) indicated below intending to be bound thereby.

LESSOR:  
STATE OF MINNESOTA  
DEPARTMENT OF ADMINISTRATION  
COMMISSIONER  
acting for the benefit of  
DEPARTMENT OF NATURAL RESOURCES

By Susan T. Estes  
Real Estate Management Division

Date MAY 18 2006

LESSEE:  
STATE OF MINNESOTA  
DEPARTMENT OF ADMINISTRATION  
COMMISSIONER  
acting for the benefit of  
BOARD OF WATER AND SOIL RESOURCES

By Susan T. Estes  
Real Estate Management Division

Date MAY 11 2006

APPROVED:  
STATE OF MINNESOTA  
DEPARTMENT OF NATURAL RESOURCES

By Elaine Johnson  
Title Elaine Johnson, Administrator  
Management Resources  
Department of Natural Resources

Date 5-17-06

APPROVED:  
STATE OF MINNESOTA  
BOARD OF WATER AND SOIL RESOURCES

By Wm Escels  
Title Admin Serv. Dir.

Date May 9, 2006

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

By Elaine Johnson

Date May 9, 2006

CFMS Contract No. FY07 Funds  
A97071

**STATE OF MINNESOTA**

**AMENDMENT OF LEASE**

Amendment No. 9 to

Lease No. 11552-A

THIS AMENDMENT No. 9 to Lease No. 11552-A is made by and between the State of Minnesota, Department of Administration, hereinafter referred to as Landlord, acting for the benefit of the Department of Natural Resources; Region 2, and the State of Minnesota, Department of Administration, hereinafter referred to as Tenant, acting for the benefit of the Board of Water and Soil Resources.

WHEREAS, Landlord and Tenant entered into Lease No. 11552-A, dated May 18, 2008, involving the lease of approximately one thousand six hundred fifty three (1,653) usable square feet of office space on the ground floor of the DNR Building ("Building") located at 1601 Minnesota Drive, Brainerd, MN;

WHEREAS, Landlord and Tenant parties deem certain amendments and additional terms and conditions mutually beneficial for the effective continuation of said Lease;

NOW THEREFORE, Landlord and Tenant agree to substitution and/or addition of the following terms and conditions, which shall become a part of Lease No. 11552-A, effective as of the date set forth hereinafter.

1. **RENEWAL TERM** This Lease shall be renewed for an additional term of one (1) year, commencing July 1, 2017 and continuing through June 30, 2018, ("Renewal Term") at the same terms and conditions as set forth in the Lease, except as provided for herein.

2. **RENT**

2.1 **Rent Payment** Tenant shall pay Landlord for the Renewal Term according to the following rent schedule:

LEASE PERIOD	SQUARE FEET	RATE PER SQ. FT.	MONTHLY PAYMENT	RENT FOR LEASE PERIOD
7/1/17 - 6/30/18				
Office	1,653	\$9.28	\$1,278.32	\$15,339.84
Facilities Maintenance	1,653	\$3.09	\$425.65	\$5,107.80
TOTAL		\$12.37	\$1,703.97	\$20,447.64



- 2.2 **Rent Billing Address** All original bills and statements from Landlord to Tenant shall be mailed or personally delivered to:

Administrative Services Division  
Board of Water and Soil Resources  
520 Lafayette Rd  
St Paul MN 55155

- 2.3 **Rent Payment Address** Tenant agrees to pay Landlord the monthly rent set forth above at the end of each calendar month and mail or deliver said payments to:

Accounts Payable  
Department of Natural Resources Region 2  
1201 E Highway 2  
Grand Rapids MN 55744

3. **RENT ADJUSTMENT** Landlord may increase or decrease the rental rate effective July 1 of each year by giving Tenant written notice of such rental rate adjustment on or before June 1 of each year. Landlord and Tenant hereby agree to execute an Amendment to the Lease setting forth said adjustment. Tenant shall have the option to terminate this Lease in accordance with Section 5.3 of the Lease
4. **EXECUTION IN COUNTERPARTS** The Lease may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts of this Lease taken together shall constitute but one and the same Lease. Delivery of an executed counterpart of this Lease by facsimile or email or a PDF file shall be equally as effective as delivery of an original executed counterpart of this Lease.
5. Except as modified by the provisions of this Amendment, said Lease is ratified and confirmed as originally written.

---

**NO ATTACHMENTS**

IN WITNESS WHEREOF, the parties have set their hands on the date(s) indicated below intending to be bound thereby.

LANDLORD:  
STATE OF MINNESOTA  
DEPARTMENT OF ADMINISTRATION  
COMMISSIONER  
acting for the benefit of the  
DEPARTMENT OF NATURAL RESOURCES

By Susan T. Estes  
Real Estate and Construction Services

Date 6/7/17

TENANT:  
STATE OF MINNESOTA  
DEPARTMENT OF ADMINISTRATION  
COMMISSIONER  
acting for the benefit of the  
BOARD OF WATER AND SOIL RESOURCES

By Susan T. Estes  
Real Estate and Construction Services

Date 6/7/17

APPROVED:  
STATE OF MINNESOTA  
DEPARTMENT OF NATURAL RESOURCES

By Karl Loken

Title ADMINISTRATOR

Date 6-6-17

APPROVED:  
STATE OF MINNESOTA  
BOARD OF WATER AND SOIL RESOURCES

By Wm Eisele

Title Admin Serv Dir

Date June 1, 2017

RECOMMENDED:  
STATE OF MINNESOTA  
DEPARTMENT OF NATURAL RESOURCES

By Jill Dowley-Hanson

Title NE Regional Director

Date 5/20/17

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

By Berge Sutton

Date 6/1/2017

SWIFT P.O. FY18 Funds

Contract No. 27049

# LETTER OF TRANSMITTAL



State of Minnesota  
309 Administration Building  
50 Sherburne Avenue  
St. Paul MN 55155

To: Water & Soil

Lease No.: 11552-A amend 10

Landlord: DNR

Please review the enclosed documents carefully. Action is required on the items as noted below:

**Action needed:**

- Agency's authorized signature, title, and date
- Fill in contract number
- Sign and date encumbrance
- Return **ALL** documents by **January 29, 2018** to:

Nora Ladd (nora.ladd@state.mn.us)  
Real Estate and Construction Services  
50 Sherburne Ave # 309  
St Paul MN 55155  
651-201-2541

**Please advise if you cannot meet the deadline. Lease will not be in full force and effect until all parties have signed the document.**

Susan Estes, Lease Supervisor  
Real Estate and Construction Services

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

A handwritten signature in cursive script that reads 'Susan Estes'.

Date: January 22, 2018

Enclosure(s): 1

STATE OF MINNESOTA

AMENDMENT OF LEASE

Amendment No. 10 to

Lease No. 11552-A

THIS AMENDMENT No. 10 to Lease No. 11552-A is made by and between the State of Minnesota, Department of Administration, hereinafter referred to as Landlord, acting for the benefit of the Department of Natural Resources; Region 2, and the State of Minnesota, Department of Administration, hereinafter referred to as Tenant, acting for the benefit of the Board of Water and Soil Resources.

WHEREAS, Landlord and Tenant entered into Lease No. 11552-A, dated May 18, 2008, involving the lease of approximately one thousand six hundred fifty three (1,653) usable square feet of office space on the ground floor of the DNR Building ("Building") located at 1601 Minnesota Drive, Brainerd, MN;

WHEREAS, Landlord and Tenant parties deem certain amendments and additional terms and conditions mutually beneficial for the effective continuation of said Lease;

NOW THEREFORE, Landlord and Tenant agree to substitution and/or addition of the following terms and conditions, which shall become a part of Lease No. 11552-A, effective as of the date set forth hereinafter.

1. **RENEWAL TERM** This Lease shall be renewed for an additional term of three (3) years, commencing July 1, 2018 and continuing through June 30, 2021, ("Renewal Term") at the same terms and conditions as set forth in the Lease, except as provided for herein.

2. **RENT**

2.1 **Rent Payment** Tenant shall pay Landlord for the Renewal Term according to the following rent schedule:

<u>LEASE PERIOD</u>	<u>SQUARE FEET</u>	<u>RATE PER SQ. FT.</u>	<u>MONTHLY PAYMENT</u>	<u>RENT FOR LEASE PERIOD</u>
7/1/18 - 6/30/21				
Office	1,653	\$9.28	\$1,278.32	\$46,019.52
Facilities Maintenance	1,653	\$3.09	\$425.65	\$15,323.40
TOTAL		\$12.37	\$1,703.97	\$61,342.92

IN WITNESS WHEREOF, the parties have set their hands on the date(s) indicated below intending to be bound thereby.

LANDLORD:  
STATE OF MINNESOTA  
DEPARTMENT OF ADMINISTRATION  
COMMISSIONER  
acting for the benefit of the  
DEPARTMENT OF NATURAL RESOURCES

TENANT:  
STATE OF MINNESOTA  
DEPARTMENT OF ADMINISTRATION  
COMMISSIONER  
acting for the benefit of the  
BOARD OF WATER AND SOIL RESOURCES

By \_\_\_\_\_  
Real Estate and Construction Services

By \_\_\_\_\_  
Real Estate and Construction Services


Date \_\_\_\_\_

Date \_\_\_\_\_

APPROVED:  
STATE OF MINNESOTA  
DEPARTMENT OF NATURAL RESOURCES

APPROVED:  
STATE OF MINNESOTA  
BOARD OF WATER AND SOIL RESOURCES

By \_\_\_\_\_

By  \_\_\_\_\_  
Title Chief Financial Officer

Title \_\_\_\_\_

Date 01-26-18

Date \_\_\_\_\_

RECOMMENDED:  
STATE OF MINNESOTA  
DEPARTMENT OF NATURAL RESOURCES

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

By \_\_\_\_\_

By  \_\_\_\_\_

Title \_\_\_\_\_

Date 1/24/18

Date \_\_\_\_\_

SWIFT P.O. FY19 unable to encumber

Contract No. 27049

State Accounting Information  
CFMS Contract No. 127418

Agency Contract Identification No.: \_\_\_\_\_

**STATE OF MINNESOTA  
INTERAGENCY AGREEMENT**

This agreement is between the Minnesota Board of Water and Soil Resources (BWSR) and the Minnesota Department of Natural Resources (DNR).

**Agreement**

**1 Term of Agreement**

- 1.1 *Effective date:* Upon execution.
- 1.2 *Expiration date:* June 30, 2019 or until all obligations have been satisfactorily fulfilled, whichever occurs first.

**2 Scope of Work**

The DNR and BWSR seek to jointly implement the Habitat Restoration and Evaluation Program as required by the following statutes, as amended by Laws of Minnesota M.S. 85.53, Subd. 5; M.S. 97A.056, Subd. 10. M.S. 114D.50, Subd. 6. Further, it is the intention of BWSR and DNR to implement this program using the processes outlined in the jointly developed report, "Development and Implementation of a Habitat Restoration Evaluation Program for Legacy Projects", November 2011. Agency management will be briefed upon request or before a major modification in program design is implemented.

Work under this agreement is a continuation of agreement 50593 between DNR and BWSR.

**BWSR shall:**

Advise and assist the DNR on Program implementation, including in establishing evaluation priorities.

- A. Participate in program evaluations.
- B. Assist in identifying Clean Water Fund (CWF) and Outdoor Heritage Fund (OHF) projects that are eligible for evaluation under the Habitat Restoration Evaluation Program.
- C. Assist in the selection of the technical experts who will conduct site evaluations of the selected CWF and OHF restoration projects.
- D. Support the Restoration Evaluations Panel by assisting in selecting its members, and other activities as appropriate.
- E. Assist in the development of required reports.

**DNR shall:**

- A. Hire, house, and supervise a program coordinator and a habitat evaluation specialist and pay all the operational costs associated with this position.
- B. Coordinate identification of Outdoor Heritage Fund (OHF), Clean Water Fund (CWF) and Parks and Trails Fund (PTF) projects that are eligible for evaluation under the Habitat Restorations Evaluation Program.
- C. Coordinate the selection of the technical experts who will conduct site evaluations of the selected CWF, PTF and OHF restoration projects.

- D. Support the Restoration Evaluation Panel by assisting in selecting its members, and other activities as appropriate.
- E. Oversee the development of contracts or work agreements needed to acquire the technical and professional services necessary to complete the required Habitat Restoration evaluations and report the results.
- F. Oversee the development of required reports.

### **3 Consideration and Payment**

Payment under this agreement will be made from Funds appropriated, less an amount retained by BWSR for administrative costs, to BWSR in Laws of Minnesota 2013, Chapter 137, Article 2, Section 7 (i); Laws of Minnesota 2015, 1<sup>st</sup> Special Session, Chapter 2, Article 2, Section 7 (i), and Laws of Minnesota 2017, Chapter 91, Article 2, Section 7 (h). Total payments to DNR authorized under this agreement are \$363,000. DNR will invoice BWSR on a quarterly basis for the following costs:

- The number of hours the program coordinator, habitat evaluation specialist and other DNR Division of Ecological and Water Resources staff spend on Clean Water Fund habitat evaluation activities at the professional services rate established and approved by both agencies;
- The number of hours spent by other DNR staff that are selected as technical experts to conduct site evaluations at a rate commensurate with the site evaluator's current hourly salary and fringe benefit rate;
- The Clean Water Funds' proportional share of costs associated with the work of the Restoration Evaluation Panel and Habitat Restoration Evaluation Program; and
- Costs of Clean Water Fund technical and professional services necessary to fulfill the responsibilities of the Habitat Restoration Evaluation Program.

For all these activities, the proportion of the work that is related to CWF, OHF, and PTF activities will be determined and the funds provided by BWSR will be used to pay for no more than the CWF's fair share.

The total obligation of the BWSR to DNR under this agreement will not exceed \$363,000.

### **4 Conditions of Payment**

All services provided by DNR under this agreement must be performed to BWSR's satisfaction, as determined at the sole discretion of BWSR's Authorized Representative.

### **5 Authorized Representative**

BWSR's Authorized Representative is David Weirens, Assistant Director, 520 Lafayette Road, St. Paul, MN 55155, 651-297-1894.

DNR's Authorized Representative is Dave Wright, Lakes Unit Supervisor, Division of Ecological and Water Resources, Lafayette Road, St. Paul, MN 55155, 651-259-5155, or his successor.

### **6 Amendments**

Any amendment 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 Liability**

Each party will be responsible for its own acts and behavior and the results thereof.

**8 Termination**

Either party may terminate this agreement at any time, with or without cause, upon 30 days' written notice to the other party.

**1. STATE ENCUMBRANCE VERIFICATION**

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

Signed: Reece Sutton

Date: 6/27/2017

**3. Department of Natural Resources**

By: [Signature]  
(with delegated authority)

Title: Director, Ecological + Water Resources

Date: 6-27-17

**2. Board of Water and Soil Resources**

By: [Signature]  
(With delegated authority)

Title: Admin Serv Dir

Date: 6-28-2017





**BWSR shall:**

Advise and assist the DNR on Program implementation, including in establishing evaluation priorities.

- A. Participate in program evaluations.
- B. Assist in identifying Clean Water Fund (CWF) and Outdoor Heritage Fund (OHF) projects that are eligible for evaluation under the Habitat Restoration Evaluation Program.
- C. Assist in the selection of the technical experts who will conduct site evaluations of the selected CWF and OHF restoration projects.
- D. Support the Restoration Evaluations Panel by assisting in selecting its members, and other activities as appropriate.
- E. Assist in the development of required reports.

**DNR shall:**

- A. Hire, house, and supervise a program coordinator and a habitat evaluation specialist and pay all the operational costs associated with this position.
- B. Coordinate identification of Outdoor Heritage Fund (OHF), Clean Water Fund (CWF) and Parks and Trails Fund (PTF) projects that are eligible for evaluation under the Habitat Restorations Evaluation Program.
- C. Coordinate the selection of the technical experts who will conduct site evaluations of the selected CWF, PTF and OHF restoration projects.
- D. Support the Restoration Evaluation Panel by assisting in selecting its members, and other activities as appropriate.
- E. Oversee the development of contracts or work agreements needed to acquire the technical and professional services necessary to complete the required Habitat Restoration evaluations and report the results.
- F. Oversee the development of required reports.

**REVISION 3.** Clause 3. **“Consideration and Payment”** is amended as follows:

Payment under this agreement will be made from Funds appropriated, less an amount retained by BWSR for administrative costs, to BWSR in: Laws of Minnesota 2013, Chapter 137, Article 2, Section 7 (i); Laws of Minnesota 2015, 1<sup>st</sup> Special Session, Chapter 2, Article 2, Section 7 (i); and Laws of Minnesota 2017, Chapter 91, Article 2, Section 7 (h); and Laws of Minnesota, 2019, 1<sup>st</sup> Special Session, Chapter 2, Article 2, Section 7(h). Total payments to DNR authorized under this agreement are ~~\$363,000.00 (Three Hundred Sixty Three Thousand Dollars)~~ \$26,000.00 (Five Hundred Twenty Six Thousand Dollars). DNR will invoice BWSR on a **quarterly** basis for the following costs:

- The number of hours the program coordinator, habitat evaluation specialist and other DNR Division of Ecological and Water Resources staff spend on Clean Water Fund habitat evaluation activities at the professional services rate established and approved by both agencies;
- The number of hours spent by other DNR staff that are selected as technical experts to conduct site evaluations at a rate commensurate with the site evaluator’s current hourly salary and fringe benefit rate;
- The Clean Water Funds’ proportional share of costs associated with the work of the Restoration Evaluation Panel and Habitat Restoration Evaluation Program; and
- Costs of Clean Water Fund technical and professional services necessary to fulfill the responsibilities of the Habitat Restoration Evaluation Program.

For all these activities, the proportion of the work that is related to CWF, OHF, and PTF activities will be determined and the funds provided by BWSR will be used to pay for no more than the CWF's fair share.

The total obligation of the BWSR to DNR under this agreement will not exceed ~~\$363,000.00 (Three Hundred Sixty Three Thousand Dollars)~~ 526,000.00 (Five Hundred Twenty Six Thousand Dollars).

**REVISION 4.** Clause 5. "**Authorized Representative**" is amended as follows:

BWSR's Authorized Representative is David Weirens, Assistant Director, 520 Lafayette Road, St. Paul, MN 55155, 651-297-1894.

DNR's Authorized Representative is Wade Johnson, Restoration Evaluation Program Coordinator, Dave Wright, Lakes Unit Supervisor, Division of Ecological and Water Resources, 500 Lafayette Road, St. Paul, MN 55155, 651-259-5075, or his successor.

Except as amended herein, the terms and conditions of the Original Contract and all previous amendments remain in full force and effect. The Original Contract and all amendments are incorporated into this contract.

**1. STATE ENCUMBRANCE VERIFICATION**

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

Signed: CAD S

Date: 6/26/19

SWIFT Contract No. CONTR #127418  
PO #300008063

**2. MN DEPARTMENT OF NATURAL RESOURCES**

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

By: AL

Title: Director

Date: 6/26/19

**3. BOARD OF WATER AND SOIL RESOURCES**

*Individual certifies the applicable provisions of Minn. Stat. §16C.08, subdivisions 2 and 3 are reaffirmed.*

By: [Signature]

Title: (with delegated authority)  
CWF Financial Officer

Date: 06-28-19

**STATE OF MINNESOTA  
INTERAGENCY AGREEMENT**

This agreement is between the **Minnesota Department of Natural Resources**, 500 Lafayette Road, St. Paul, MN 55155 (“MN DNR - EWR”) and the **Board of Water and Soil Resources**, 520 Lafayette Road, St. Paul, MN 55155 (“BWSR”).

**Agreement**

**1 Term of Agreement**

- 1.1 **Effective date:** **July 1, 2019**, or the date the State obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later.
- 1.2 **Expiration date:** **May 31, 2024**, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

**2 Scope of Work**

The United States Fish and Wildlife Services (“USFWS”) has agreed to lease approximately 2298 sf of office space in their Detroit Lakes, Minnesota Wildlife Management District Office located at 1732 North Tower Road, Detroit Lakes, MN 56501, to the MNDNR – EWR and BWSR. The MNDNR-EWR has set up an expense account and has agreed to administer the following services, equipment, and supplies at the USFWS office:

Services to USFWS Site

- Facility Snow Removal Contract
- Facility Janitorial Contract

Services, Equipment and Supplies to DNR/BWSR Shared Space

- Fax, Internet Communications
- Copier/Printer Maintenance (b/w copies, toner/parts and repairs)
- Copier/Printer Paper
- Bottled Drinking Water (only if required)
- Janitorial Supplies

Separate Expense Costs (Each Agency will be responsible for their own costs)

- Office Supplies (paper clips, pencils, folders, etc.)
- Phone Lines/Bills
- Mail Expenses
- Copier/Printer – colored copies and b/w overages

**3 Consideration and Payment**

The MN DNR-EWR and BWSR will split all USFWS Site and DNR/BWSR Shared Space costs 30/70 respectively. MNDNR-EWR will provide BWSR with a shared estimated annual expense invoice by June 15<sup>th</sup> of each year with the payment due on or before July 15<sup>th</sup> of each fiscal year. If the actual expenses exceed the funds remaining in the shared account prior to the end of the fiscal year, MNDNR-EWR will submit an invoice to BWSR for their portion of the additional operating expenses. MNDNR-EWR will use these funds to pay for BWSR’s portion of all invoices associated with the

scope of work. Remaining funds left after all expenses are paid, will remain in the account and be used to offset any future estimated operating expenses for each subsequent year.

**4 Conditions of Payment**

All services provided by MNDNR-EWR under this agreement must be performed to BWSR's satisfaction, as determined at the sole discretion of BWSR's Authorized Representative.

**5 Authorized Representative**

MN DNR's Authorized Representative is **Theresa Ebbenga**, 2115 Birchmont Beach Road NE, Bemidji, MN 56601, [theresa.ebbenga@state.mn.us](mailto:theresa.ebbenga@state.mn.us), 218-308-2682, or her successor.

BWSR's Authorized Representative is **Ryan Hughes**, 394 South Lake Avenue, Room 403, Duluth, MN 55802, [ryan.hughes@state.mn.us](mailto:ryan.hughes@state.mn.us), 218-723-4923, or his successor.

**6 Amendments**

Any amendment 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 Liability**

Each party will be responsible for its own acts and behavior and the results thereof.

**8 Termination**

Either party may terminate this agreement at any time, with or without cause, upon 30 days' written notice to the other party.

**1. STATE ENCUMBRANCE VERIFICATION**

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

Signed: [Signature]  
Date: 6/5/19

**2. BOARD OF WATER AND SOIL RESOURCES**

By: [Signature]  
(with delegated authority)  
Title: Chief Financial Officer  
Date: 06.05.19

**3. MINNESOTA DEPARTMENT OF NATURAL RESOURCES**

By: [Signature]  
(with delegated authority)  
Title: Deputy Director  
Date: 6-6-19  
DNR # 158959  
FB

## STATE OF MINNESOTA INTERAGENCY AGREEMENT

This interagency agreement ("agreement") is between the Minnesota Departments of Natural Resources ("DNR") and the Minnesota Board of Water and Soil Resources ("BWSR").

### Agreement

#### 1 Term of Agreement

1.1 **Effective date:** *September 27, 2016*, or the date the State obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later.

1.2 **Expiration date:** *June 30, 2021*, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

#### 2 Scope of Work

BWSR is in need of multiple work stations.

BWSR has agreed to purchase four MN.IT work stations for a total cost of \$2,000. See Exhibit A, attached and incorporated into this agreement, for a complete listing of components and diagram for those work stations.

BWSR has also agreed to reimburse DNR up to 25 hours at a rate of \$95 per hour, not to exceed \$2,375 for hours worked by Kathy Wehmhoff.

DNR, through the Commissioner's Office, has agreed to provide an in-kind donation of \$13,600 worth of work stations to BWSR for their location at the Pine Street Building. Exhibit B, attached and incorporated into this agreement, shows the items donated by the DNR as well as the diagram.

At the end of this five year agreement, if BWSR no longer receives federal funding and would like to dispose or surplus the furniture, the DNR has the right to first refusal.

#### 3 Considerations and Payment

The total obligation of BWSR for purchase of work stations (\$2,000) and for hours worked by Kathy Wehmhoff, (\$2,375) will not exceed \$4,375.

- DNR will prepare invoices to BWSR describing work completed, number of hours spent, and the associated rate.
- A DNR WIRES invoice will be sent to BWSR and BWSR must pay by regular voucher.
- BWSR will only be charged for hours directly tied to the project work.

#### 4 Conditions of Payment

All services provided by DNR under this agreement must be performed to BWSR's satisfaction, as determined at the sole discretion of BWSR's Authorized Representative.

#### 5 Authorized Representative

DNR's Authorized Representative, or his successor, is:

Kent Lokkesmoe  
Minnesota Department of Natural Resources  
500 Lafayette Rd.  
St. Paul, MN 55155  
(651) 259-5701

BWSR's Authorized Representative, or his successor, is:  
Bill Eisele  
Administrative Serv. Dir.  
520 Lafayette Rd.  
St. Paul, MN 55155  
(651) 282-2929

**6 Amendments**

Any amendment 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 Liability**

Each party will be responsible for its own acts and behavior and the results thereof.

**8 Termination**

Either party may terminate this agreement at any time, with or without cause, upon 30 days written notice to the other party.

**STATE ENCUMBRANCE VERIFICATION**

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

Signed: Resee Sutter

Date: 9/27/2016

Contract 115162

**2. DEPARTMENT OF NATURAL RESOURCES**

By: [Signature]  
(With delegated authority)

Title: ADMINISTRATOR

Date: 9-27-16

**3. BOARD OF WATER AND SOIL RESOURCES**

By: Wm Eisele  
(With delegated authority)

Title: William Eisele

Date: Sept 27, 2016

Fylibit A



**BROWNSWORTH**

LOCATION: BOARD OF WATER AND SOIL  
 PRODUCT STYLE: HERMAN MILLER ACTION OFFICE #2  
 DATE: 08.12.16  
 PROJECT NAME: MNIT PROJECT (ADD 4 WKSPACES TO OFFICE) 2F

Part Description	Qty Existing	Qty New Plan	Remaining to be stored	To purchase	Comments
<b>PANELS (ALL PANELS POWERED)</b>					
42.53P <i>5-1</i>				4 ✓	FABRIC / FINISH: TBD
24.67 P				6 ✓	FABRIC / FINISH: TBD
30.67 P				3 ✓	FABRIC / FINISH: TBD
36.67 P				4 ✓	FABRIC / FINISH: TBD
42.67 P				4 ✓	FABRIC / FINISH: TBD
<b>CONNECTORS AND TRIM</b>					
67 - 3W HARD SURFACE (+TOP CAP COVER)				5 ✓	FINISH: TBD
67 - SPACER HARD SURFACE (+TOP CAP COVER)				4	FINISH: TBD
<b>FINISHED ENDS</b>					
67 - FINISHED END (HARD SURFACE)				1	FINISH: TBD
<del>53 - FINISHED END (HARD SURFACE)</del>				4	FINISH: TBD
<b>TOP CAP</b>					
24W				6 ✓	FINISH: TBD
30W				3 ✓	FINISH: TBD
36W				4 ✓	FINISH: TBD
42W				8 ✓	FINISH: TBD
<b>DROP CAP</b>					
<del>14L</del>				4	FINISH: TBD
<b>ELECTRICAL (?)</b>					
A'S					1 PKG / 6
B'S					1 PKG / 6
C'S					
D'S					
BPI				2 ✓	WALL / ONE EACH END
POWER POLES				2	(DONT NEED / JUST PRICE)
<b>WORKSURFACES</b>					
24X36				4 ✓	FINISH: TBD
24X42				4	FINISH: TBD
CANTLEVERS				8 PR ✓	
<b>STORAGE</b>					
36 SHELVES				4 ✓	CONFIRM HGT
36 LIGHT UNDER SHELF MOUNT - <i>I have lights too</i>					
BOX / FILE (SUSPENDED PEDESTAL FROM SURFACE)				4 ✓	
<b>TILES</b>					
MONO LITHIC - BASE GRADE (STATE CONTRACT)					FABRIC/FINISHE: TBD
<b>OTHER</b>					
CHAIRS				3	CONFIRM OPTIONS / STDS
KEYBOARDS (OR RELOCATE EXISTING?)				3	CONFIRM OPTIONS / STDS



**STATE OF MINNESOTA  
INTERAGENCY AGREEMENT**

This interagency agreement ("agreement") is between the **Minnesota Department of Natural Resources**, 500 Lafayette Road, St. Paul MN 55155 ("DNR") and the **Minnesota Board of Water and Soil Resources**, 520 Lafayette Road, St. Paul, MN 55155 ("BWSR").

**Agreement**

**1 Term of Agreement**

1.1 **Effective date: July 1, 2019**, or the date the State obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later.

1.2 **Expiration date: June 30, 2020**, at which time the agreement may be renewed or amended for three additional years upon written agreement by the authorized representatives.

**2 Scope of Work**

This interagency agreement authorizes DNR to provide Human Resources services, coordination, leadership and support to BWSR. Services include but are not limited to the following:

- A. Delegated Authority for Classification, Compensation, and Selection; Filling vacancies, Hiring, Employee Support and Leadership Services.
  - i) Hiring
    - (1) Advise on minimum and preferred qualifications for job announcements to ensure consistency within the statewide system and to attract the most qualified candidate pool.
    - (2) Develop job announcements and post on MMB's website.
    - (3) Review qualifications of candidates who apply for positions and prepare final roster of candidates.
    - (4) Classification: Perform job analysis on proposed position descriptions to determine proper classification and to ensure consistency within the statewide classification system.
    - (5) Conduct motor vehicle record checks and/or criminal background checks when needed.
    - (6) Compensation Administration: Follow and monitor compliance with bargaining unit requirements, state and federal law, and ensure internal equity in agency pay policies and practices.
    - (7) I-9 administration.
    - (8) Assist with Onboarding, New Employee Orientation, and Offboarding.
    - (9) Benefit Resources: Communicate benefit information and resources to assist employees in understanding their benefit rights, coverage levels, and responsibilities in maintaining their benefits. Off payroll insurance cost information is provided to BWSR accurately and on time monthly.
  - ii) Workforce Development
    - (1) Employee Development Program: share information about training delivery in a variety of modes (instructor led and e-learning, and mentoring) on mandatory and elective training topics.
- B. Affirmative Action/ADA
  - i) Conduct and consult on pre-hire reviews.
  - ii) Complete all required reporting (annual/quarterly AA reports).
  - iii) Develop Agency Affirmative Action Plan with BWSR leadership.
  - iv) Consult with agency management and employees on reasonable accommodation requests or other ADA related items.
  - v) Provide related data as requested and/or required of agency management.
- C. Employee transactions
  - i) Complete HR transactions of BWSR employees (new hires, transfers, promotions, resignations, etc.) and provide information to BWSR fiscal staff as needed for payroll or other compliance.
  - ii) Monitor compliance with bargaining unit agreements, state and federal law to ensure compliance and consistency and best practices.
  - iii) Consult with BWSR employees regarding retirement options/benefits as needed.
    - (1) Communication.

- iv) Run required and requested reports for BWSR leadership team.
- v) Administer FMLA.
- vi) Unemployment appeals, decisions and payments

D. Worker's Compensation

- i) Assist BWSR management when dealing with work comp claims.

E. Performance Management

- i) Consult and advise supervisors and managers on best practices when dealing with employees having performance related issues.
- ii) Consult on correcting behavior and working through disciplinary process up to and including discharging of employees.

F. Labor Relations

- i) Union Contract Interpretation: Advise BWSR's managers and supervisors on interpreting and applying contract language.

G. Grievance Handling

- i) Provide support to BWSR's managers, supervisor, Assistant Director, and Executive Director in processing union and plan grievances; prepare responses, negotiate settlements, prepare and represent management in arbitration proceedings.

H. Investigations

- i) Conduct employee misconduct investigations.
- ii) Provide consultation to management team upon completion of investigations.
  - (1) Keep records of previous disciplinary actions.
  - (2) Advise on appropriate level of discipline, if any.
  - (3) Assist in the drafting of disciplinary letters when needed.

I. Compliance

- i) Ethics/Conflict of Interest: Provide guidance to supervisors and employees to ensure they are in compliance with the State Code of Ethics for Employees in the Executive Branch. Analyze individual situations and issue written opinions regarding existing and potential conflicts.

J. Leadership

- i) Management Consultation: Provide consultation on a variety of state and federal laws, policies, contracts, and organizational health.
- ii) Designate Points of Contact (POC's) for employees and management to: provide consultation, advice and facilitation of BWSR HR activities, support supervisors on filling a vacancy, provide guidance/coaching on employee performance, and maintain BWSR HR office records.
- iii) POC meet with BWSR Authorized Representative on a regular basis, usually weekly, to provide status updates, ideas on upcoming work or improvement processes, concerns, etc.
- iv) BWSR and DNR Authorized Representatives and any associated leadership will meet no less than annually to review work completed, number of hours spent, and any scope, payment, or other adjustments needed.

K. Mandatory Training

- i) Provide support, curriculum, and/or materials on HR-related training topics (e.g., safety, affirmative action).

**3 Considerations and Payment**

Human Resources Services provided to BWSR will be charged based on DNR's approved FY20 professional services rates. DNR's professional services rates are contained in Exhibit A, which is attached and incorporated into this agreement.

Invoices will be prepared as follows:

- DNR will prepare invoices and supporting documentation to BWSR describing work completed, number of hours spent, and the associated rate.
- A DNR WIRES invoice will be sent to BWSR, at a minimum quarterly, and BWSR must pay by regular voucher.
- BWSR will only be charged for hours directly tied to the project work.

The total obligation of BWSR for all services under this agreement shall not exceed \$120,000.00 (One Hundred Twenty Thousand Dollars and Zero Cents).

**4 Conditions of Payment**

All services provided by DNR under this agreement must be performed to BWSR's satisfaction, as determined at the sole discretion of BWSR's Authorized Representative.

**5 Authorized Representative**

DNR's Authorized Representative, or her successor, is:  
Denise Legato  
HR Director  
Minnesota Department of Natural Resources  
500 Lafayette Rd.  
St. Paul, MN 55155  
651) 259-5317

BWSR's Authorized Representative, or her successor, is:

Angie Becker Kudelka  
Assistant Director  
520 Lafayette Rd.  
St. Paul, MN 55155  
612-616-5112

**6 Amendments**

Any amendment 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 Liability**

Each party will be responsible for its own acts and behavior and the results thereof.

**8 Termination**

Either party may terminate this agreement at any time, with or without cause, upon 90 days written notice to the other party.

**STATE ENCUMBRANCE VERIFICATION**

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

Signed: Bethany Bricker

Date: 01/14/20 P.O. 11369

**2. DEPARTMENT OF NATURAL RESOURCES**

By: Denise Legato  
(With delegated authority)

Title: Director of Human Resources

Date: 01-15-20

**3. BOARD OF WATER AND SOIL RESOURCES**

By: [Signature]  
(With delegated authority)

Title: Chief Financial Officer

Date: 01-14-20

Department of Natural Resources  
Professional Services Rates for FY20  
June 19, 2019

Unit	Statutory Authority	Rate Name	Description	FY20 Rate	FY19 Rate
EWR	MS 84.026	Water Monitoring	Water monitoring- External	\$75/hour + pass thru costs	\$71/hour + pass thru costs
EWR	MS 84.025, Subd. 9	Water Monitoring - Internal	Water monitoring- Internal	\$60/hour + pass thru costs	\$55/hour + pass thru costs
EWR	MS 84.025, Subd. 9	Environmental Reviews	EIS preparation	\$95/hour + pass thru costs	\$93/hour + pass thru costs
EWR	MS 84.025, Subd. 9	Technical Assistance for BWSR	BOWSR Evaluations- External only	\$83/hour + pass thru costs	\$83/hour + pass thru costs
EWR	MS 103G.301 subd. 2	High Volume Water Use Permitting	High-volume water use permitting- External	\$94/hour + pass thru costs	\$91/hour + pass thru costs
EWR	MS 84.025, Subd. 9	Planning and Facilitation	Planning and Facilitation- External entities	\$96/hour + pass thru costs	\$95/hour + pass thru costs
EWR	MS 103G.301 subd. 3	Water Permit Field Inspections	Water permit field inspections-External	\$94/hour + pass thru costs	\$91/hour + pass thru costs
EWR	MS 84.026 & MS 84.0855	Natural Heritage Review	Determine potential impacts to rare features	\$81/hour + pass thru costs	\$78/hour + pass thru costs
EWR	MS 84.026	Mississippi River Long Term Resource Monitoring	Collect & monitor flora, fauna, & water quality of Mississippi River	\$80/hour + pass thru costs	\$77/hour + pass thru costs
EWR	MS 84.026	Mussel Survey	Mussel Surveys for external customers	\$85/hour + pass thru costs	\$72/hour + pass thru costs
EWR	MS 84.025, Subd. 9	Minnesota Biological Survey	Field survey and technical consultation on native plants, animals, plant communities and landscapes	\$95/hour + pass thru costs	\$98/hour + pass thru costs
FAW	M.S. 84.025, subd. 9 & M.S. 116D.045	FAW Environmental Impact Stmt Assessments	Preparation of environmental impact statements	\$86/hour + pass thru costs	\$93/hour + pass thru costs
Forestry	MS 84.025, Subd. 9	Forest Resource Assessment - Professional	High-level professional staff services for, but not limited to, aerial photography, GIS & satellite processing, field inventory, survey design, database development	\$85/hour + pass thru costs	\$85/hour + pass thru costs
Forestry	MS 84.025, Subd. 9	Forest Resource Assessment - Supervisor	High-level professional staff services, Biometrician and Supervisory.	\$95/hour + pass thru costs	\$95/hour + pass thru costs
Forestry	MS 84.025, Subd. 9	Forest Resource Assessment - NR Tech	GIS Services	\$55/hour + pass thru costs	\$50/hour + pass thru costs
Forestry	MS 84.025, Subd. 9	Forest Resource Assessment - Student	General labor for specific projects Forest Management	\$25/hour + pass thru costs	\$25/hour + pass thru costs
Forestry	MS 89.0385	Forest Management	Forest Management	\$119/hour	\$116/hour
Lands and Minerals	MS 84.025, Subd. 9	Mine Permitting & Reclamation (Environmental Reviews)	Preparation and distribution of environmental impact statements	\$119/hour + pass thru costs	\$116/hour + pass thru costs
Lands and Minerals	MS 84.025, Subd. 9	Real Estate Services	Land acquisition, sales and exchanges	\$111/hour + pass thru costs	\$110/hour + pass thru costs
OSD-OMBS	MS 84.025, Subd. 9	Grants Unit	OHF, ENTRF, and other pass thru	\$66/hour + pass thru costs	\$64/hour + pass thru costs
OSD-Internal Audit	MS 84.025, Subd. 9	Internal Audit	For services provided to other agencies	\$71/hour + pass thru costs	\$70/hour + pass thru costs
OSD-OMBS	MS 84.025, Subd. 9	Rulemaking, Planning & Facilitation	Rulemaking, Planning and facilitation	\$75/hour + pass thru costs	\$74/hour + pass thru costs
OSD-HR	MS 84.025, Subd. 9	All HR Services	Employee investigations & external agency services.	\$73/hour + pass thru costs	\$71/hour + pass thru costs
OSD-OCO	MS 84.025, Subd. 9	Creative Services	For services not covered in the OCO Service Level Agreement.	\$100/hour + pass thru costs	\$98/hour + pass thru costs
OSD-Financial Services	MS 84.025, Subd. 9	Financial Services	For services provided to other agencies	\$71/hour + pass thru costs	\$70/hour + pass thru costs
OSD-MR	MS 84.025, Subd. 9	Architecture and Engineering	Facilities Management Professional Services Rate	\$120/hour	\$118/hour
OSD-MR	MS 84.025, Subd. 9	OSD MR Space Planners	Agency Space Planning	\$105/hour	N/A - New Rate
OSD-MR	MS 84.025, Subd. 9	Shop Rate	Shop Rate	\$80/hour	\$75/hour
Legal Services	MS 84.025, Subd. 9	Legal Services	Legal Services to other state agencies.	\$117/hour	\$113/hour
MN.IT	MS 84.025, Subd. 9	Information Technology Specialist 2	IT Embedded staff and professional service SLAs	\$77/hour	\$76/hour
MN.IT	MS 84.025, Subd. 9	Information Technology Specialist 3	IT Embedded staff and professional service SLAs	\$88/hour	\$85/hour
MN.IT	MS 84.025, Subd. 9	Information Technology Specialist 4 & 5 (realligned)	IT Embedded staff and professional service SLAs	\$102/hour (realligned groups)	\$98/hour
MN.IT	MS 84.025, Subd. 9	System Analysis Unit Supervisor (realligned)	IT Embedded staff and professional service SLAs	\$115/hour (realligned group)	\$110/hour

Unit	Statutory Authority	Rate Name	Description	FY20 Rate	FY19 Rate
Enforcement	MS 84.0856	Aircraft Rates	Scout	\$250/hour	\$250/hour
Enforcement	MS 84.0856	Aircraft Rates	Helicopters	\$750/hour	\$750/hour
Enforcement	MS 84.0856	Aircraft Rates	Cessna 185	\$360/hour	\$360/hour
Forestry	MS 84.0856	Aircraft Rates	Quest Kodiak	\$620/hour	\$595/hour
Forestry	MS 84.0856	Aircraft Rates	Cessna 310	\$495/hour	\$511/hour

Interagency Agreement  
Amendment 1

SWIFT Contract No: 179401  
Purchase Order No.: 3000012288

Contract Start Date:	<u>July 1, 2019</u>	Total Contract Amount:	<u>\$120,000</u>
Original Contract Expiration Date:	<u>June 30, 2020</u>	Original Contract:	<u>\$120,000</u>
Current Contract Expiration Date:	<u>June 30, 2020</u>	Previous Amendment(s) Total:	<u>\$0</u>
Requested Contract Expiration Date:	<u>June 30, 2021</u>	This Amendment:	<u>\$0</u>

This amendment is by and between the Minnesota Departments of Natural Resources (“DNR”) and the Minnesota Board of Water and Soil Resources (“BWSR”).

**Recitals**

1. The DNR has an interagency agreement with BWSR to provide human resources services, coordination, leadership and support to BWSR.
2. This agreement is being extended one year to continue services.
3. The DNR and BWSR are willing to amend the Original Agreement as stated below.

**Contract Amendment**

In this Amendment, changes to pre-existing Contract language will use ~~strike through~~ for deletions and underlining for insertions.

**REVISION 1. Clause 1 Term of Agreement**

1.1 **Effective date:** July 1, 2019, or the date the State obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later.

1.2 **Expiration date:** ~~June 30, 2020~~, June 30, 2021 at which time the agreement may be renewed or amended for three additional years upon written agreement by the authorized representatives.

**REVISION 2. Clause 3 Considerations and Payment**

Human Resources Services provided to BWSR will be charged based on DNR’s approved FY20 and FY21 professional services rates. DNR’s professional services rates are contained in Attachment A, which is attached and incorporated into this agreement. DNR’s rates for FY21 have not been approved but will replace Attachment A with the approved FY21 rates as soon as they are available.

Except as amended herein, the terms and conditions of the Original Agreement and all previous amendments remain in full force and effect. The Original Agreement and all previous amendments are incorporated into this agreement.

Interagency Agreement  
Amendment 1

SWIFT Contract No: 179401  
Purchase Order No.: 3000012288

1. STATE ENCUMBRANCE VERIFICATION

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

DocuSigned by:  
*Cathy Sewer*  
Signed: E54485EBE2AE4D8...

Date: 6/30/2020

SWIFT Contract No. 179401/PO 3000012288

3. BOARD OF WATER AND SOIL RESOURCES

DocuSigned by:  
*Jeremy Olson*  
By: 43D7AD2299DC4F8...

Title: Chief Financial Officer  
*(with delegated authority)*

Date: 6/30/2020

2. DEPARTMENT OF NATURAL RESOURCES

DocuSigned by:  
*Denise Legato*  
By: E62F097D60AA445...

Title: Director of Human Resources

Date: 6/30/2020

**STATE OF MINNESOTA  
INTERAGENCY AGREEMENT**

This agreement is between the Minnesota Departments of Natural Resources (DNR) and Board of Water and Soil Resources (BWSR).

**Agreement**

**1 Term of Agreement**

1.1 **Effective date:** April 13, 2020, or the date the State obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later.

1.2 **Expiration date:** September 30, 2020, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

**2 Scope of Work**

The DNR is partnering with BWSR to relocate their office space to a new leased location in an Olmstead County building located at 2118 Campus Drive SE, Suite 300, Rochester, MN. The DNR has agreed to coordinate the design, planning of space, technology, security and communications, furniture, security and technology ordering and move efforts. Initial feasibility and planning efforts were paid entirely by the DNR.

**3 Consideration and Payment**

BWSR agrees to pay for their share of the above costs based upon the percentage of non-common office space that they occupy. Furniture and equipment for the exclusive use of an agency will be paid for by that agency.

The amount listed in this agreement may be estimated, BWSR agrees to pay the actual costs incurred.

The total obligation of BWSR for all compensation and reimbursements to DNR under this agreement will not exceed \$103,990.97.

**4 Authorized Representative**

DNR's Authorized Representative is Stan Linnell, Buildings Operations Manager, 500 Lafayette Road, St Paul, MN 55155, 651-259-5626 or his/her successor.

BWSR's Authorized Representative is Mary Norton, Facilities Team Lead, 520 Lafayette Road, St Paul, MN 55155, 651-201-2375.

**5 Amendments**

Any amendment 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.

**6 Liability**

Each party will be responsible for its own acts and behavior and the results thereof.



**7 Termination**

Either party may terminate this agreement at any time, with or without cause, upon 30 days' written notice to the other party.

**1. STATE ENCUMBRANCE VERIFICATION**

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

DocuSigned by:  
*Cathy Sauer*  
Signed: \_\_\_\_\_  
E54485EBE2AE4D8...  
Date: May 13, 2020

**3. BOA SOIL RESOURCES**

DocuSigned by:  
*Jeremy Olson*  
By: \_\_\_\_\_  
43D7AD2299DC4F8...  
(with delegated authority)  
Title: Chief Financial officer  
Date: May 13, 2020

**2. NATURAL RESOURCES**

DocuSigned by:  
*Peter Hark*  
By: \_\_\_\_\_  
349A17A3066441C...  
(With delegated authority)  
Title: Bureau Administrator  
Date: May 13, 2020

## Exhibit A

### **COST PROPOSAL**

Costs are estimated using hourly rate per resource category. Costs are approximate for new enhancements because of the need for a more detailed functional requirements defined prior to development.

Hourly Rates are valid through June 30, 2017.

- Senior Project Manager: \$175/hr
- Developer: \$140/hr
- Oracle Database Specialist: \$140/hr
- ArcGIS for Server Specialist: \$140/hr

#### **Task 1: Maintenance**

Costs would be invoiced by hourly rates. Expected costs consist of troubleshooting diagnostics or requirements discovery, resolution plan preparation, and development. This task would also include costs for a kick-off meeting for introductions and to establish a project work plan and standard procedures.

Cost Estimate for Kick-off Meeting with consultant team: **\$3,200**

#### **Task 2: Software Enhancement Development**

- Enhance existing plan and compliance modules: **240 hours (\$35,000)**
- Develop a new web interface for public access to data, reports, and maps: **240 hours (\$35,000)**
- Develop a new module for collecting the Biennial Budget Request (BBR): **200 hours (\$29,400)**
- Contact management enhancement (data and report export functionality): **140 hours (\$21,000)**
- Reports: Development of up to five new dynamic reports: **140 hours (\$21,000)**
- Analyze and design process improvements to grants management: **240 hours (\$35,000)**

#### **Task 3: Code Review and Documentation Maintenance:**

This task includes hours to review existing code, and system architecture, monitor third-party technology, project management, and update documentation.

September 1, 2015 through June 30, 2016: **300 hours (\$42,000)**

July 1, 2016 through June 30, 2017: **150 hours (\$14,000)**

MNIT/BWSR eLINK Support Maintenance 71330

**STATE OF MINNESOTA**  
**MNSITE Work Order Contract**  
**18ASK**

This Work Order Contract is between the State of Minnesota, acting through its Office of MNIT Services ("State") and Houston Engineering, Inc, 1401 21st Avenue North, Fargo, North Dakota, 58102 ("Contractor"). This Work Order Contract is issued under the authority of Master Contract T-Number 18ASK, SWIFT Contract Number 143993, and is subject to all provisions of the Master Contract which is incorporated by reference.

**Work Order**

**1. Term of Work Order**

- 1.1. Effective date: The Effective Date of this Work Order Contract is July 1, 2020, or the date the State obtains all required signatures under Minn. Stat. § 16C.05, subd. 2, whichever is later. The Contractor must not begin work under this Work Order Contract until it is fully executed and the Contractor has been notified by the State's Authorized Representative to begin the work.
- 1.2. Expiration date: The Expiration Date of this Work Order Contract is June 30, 2022, or until all obligations have been satisfactorily fulfilled, whichever occurs first.
- 1.3. Incorporation of Terms: Master Contract T-Number 18ASK, SWIFT Contract Number 143993 as signed by the State and Contractor, is incorporated herein in its entirety, by reference, and is available upon request from the State's Authorized Representative or the Office of State Procurement.

**2. Contractor's Duties**

- 2.1. Contractor will perform a Background Check, as detailed in the Event, on any Consultant assigned to this Work Order Contract, prior to the performance of any work by that Consultant under this agreement.
- 2.2. The Contractor, who is not a state employee, shall provide state-approved individual resources who meet the requirements set forth in this Work Order (Consultants). Consultants, who are not state employees, shall perform duties as follows:
  - 2.2.1. Assist MNIT and BWSR staff with support, upgrades, migrations, and maintenance of the eLINK Grants Management System.
  - 2.2.2. Provide knowledge transfer and documentation to MNIT-BWSR for the eLINK Grants Management System.

## MNIT/BWSR eLINK Support Maintenance 71330

### 2.2.3. Provide MNIT-BWSR Development Support:

- Custom development/integration
- Debugging
- Code review

2.2.4. Provide MNIT-BWSR Technical staff ad hoc/as needed “on call” support during set business hours (M-F 8:00 – 4:30 PM Central Time).

2.2.5. Provide MNIT-BWSR pre-planned and scheduled Non-Business Hours support via an on-call developer.

2.2.6. Provide access to software ticket system/ collaboration tool(s) to track and document work.

2.3. Contractor shall provide one Primary Developer and one Backup Developer. If a Consultant is not acceptable to the State, for any reason, a replacement candidate will be provided by the Contractor. The State reserves the right to accept or reject any replacement candidate.

### 2.4. Consultant(s) Qualifications and Skill Sets:

- Two (2) years’ experience in .NET Framework
- Two (2) years’ experience in Javascript
- One (1) year experience in Windward auto Tag

## 3. Consideration and Payment

3.1. Consideration. The State will pay for all services performed by the Contractor under this Work Order Contract as follows:

3.1.1. Compensation. The Contractor will be paid an hourly rate of \$150.00, up to a maximum of 333 hours, not to exceed \$49,950.00.

3.1.2. Total Obligation. The total obligation of the State for all compensation and reimbursements to the Contractor under this Work Order Contract will not exceed \$49,950.00.

3.2. Invoices. The State will promptly pay the Contractor after the Contractor presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted timely and according to the following schedule: On a monthly basis following the preceding month in which services have been delivered. Invoices must be sent via email to the MNIT Accounts Payable e-mail address at [mnit.accountspayable@state.mn.us](mailto:mnit.accountspayable@state.mn.us). All invoices must include the SWIFT Contract Number and Purchase Order Number.

MNIT/BWSR eLINK Support Maintenance 71330

#### **4. Work Order Authorized Representative and Project Managers**

4.1. The State's Authorized Representative/Project Manager is:

The State's Work Order Authorized Representative/Project Manager (or his/her successor) has the responsibility to monitor the Contractor's performance and the authority to accept the services provided under this Work Order. If the services are satisfactory, the State's Authorized Representative/Project Manager will certify acceptance on each invoice submitted for payment. The State's Authorized Representative/Project Manager is:

Name: Robert Wehausen

Title:

Email: Robert.Wehausen@state.mn.us

Phone: 651-757-2813

4.2. The Contractor's Project Manager is:

Name: Brian Fischer

Title: Technology Sector Lead

Email: bfischer@houstoneng.com

Phone: +1 763-493-6664

If the Contractor's Project Manager changes at any time during this work order, the Contractor must immediately notify the State.

#### **5. Liability/Indemnification**

In the performance of this Work Order Contract by Contractor, or Contractor's agents or employees, the Contractor must indemnify, save, and hold harmless the State, its agents, and employees, from any claims or causes of action, including attorney's fees incurred by the state, to the extent caused by Contractor's:

1. Intentional, willful, or negligent acts or omissions; or
2. Actions that give rise to strict liability; or
3. Breach of contract or warranty.

The indemnification obligations of this section do not apply in the event the claim or cause of action is the result of the State's sole negligence. This clause will not be construed to bar any legal remedies the Contractor may have for the State's failure to fulfill its obligation under this Work Order Contract.

MNIT/BWSR eLINK Support Maintenance 71330

**1. STATE ENCUMBRANCE VERIFICATION**

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

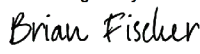
Signed: DocuSigned by:  
  
1BF2773FD90C4B3...

Date: 6/12/2020

SWIFT Contract ID: 178215 PO # 3000034400

**2. Houston Engineering, Inc (CONTRACTOR)**

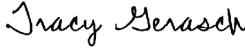
The Contractor certifies that the appropriate person(s) have executed the contract on behalf of the Contractor as required by applicable articles or bylaws.

By: DocuSigned by:  
  
1C9F104454464C8...

Title: vice president

Date: 6/12/2020

**3. Office of MNIT Services (STATE AGENCY)**

By: DocuSigned by:  
  
58BF08075AF6441... (with delegated authority)

Title: Procurement Director

Date: 6/12/2020

**4. COMMISSIONER OF ADMINISTRATION**

As delegated to the Office of State Procurement

By: DocuSigned by:  
  
27F2E3577E6D4CB...

Date: 6/12/2020



# Professional and Technical Services Contract

**State of Minnesota**

SWIFT Contract No.: 184728

## ***Conservation Tracking Application - BWSR.***

This Contract is between the State of Minnesota, acting through its Commissioner of the Office of MNIT Services or (“State”) and Houston Engineering, Inc. whose designated business address is 1401 21<sup>st</sup>. Avenue North, Fargo, ND 58102 (“Contractor”).

## **Recitals**

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1. Under Minn. Stat. § 15.061 & 16E.01 the State is empowered to engage such assistance as deemed necessary.
2. The State is in need of replacement the current eLINK Grants Management application with a new system that reflects current business requirements and complies with the latest security and accessibility standards for the Board of Water & Soil Resources (BWSR).
3. The Contractor represents that it is duly qualified and agrees to perform all services described in this Contract to the satisfaction of the State.

## **Contract**

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### **1. Term of Contract**

- 1.1 Effective date:** October 20, 2020 or the date the State obtains all required signatures under Minn. Stat. § 16C.05, subd. 2, whichever is later. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by the State’s Authorized Representative to begin the work.
- 1.2 Expiration date:** October 19, 2022 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 Contract: 8. Indemnification; 9. State audits; 10. Government data practices and intellectual property; 14. Publicity and endorsement; 15. Governing law, jurisdiction, and venue; and 16. Data disclosure.

### **2. Contractor’s duties**

The Contractor, who is not a State employee, will complete planning, analysis, and design for a new grants management and conservation tracking system as established in the Business Requirements document, which is incorporated by reference and completing the duties as outlined in *Exhibit A Project Schedule*, which is attached and incorporated into this contract, including but not limited to the following:

#### **2.1.1 Requirements**

- User Contact and Organization Management
- Plan Management
  - One Watershed One Plan (complex relationships with multiple organizations per plan and multiple plans per organization)
  - Local Water Planning (legacy plan tracking with 1:1 relationship between orgs and plans)
- Compliance
  - Tracking compliance of organizations, plans, and grants to provide real-time data on whether grantees are eligible for grants or payments

- Grant Management
  - Workflow
  - Deadline tracking (new)
  - Ticklers (new)
  - Applications
  - Grant Agreement Management
  - Payments
  - Work Plans
  - Reporting
  - GIS interface for proposed and actual practice mapping, along with shapefile uploader
  - Amendments
  - Permissions-driven dashboard
  - User Interface (UI) Visualization tools
- User data portal
  - Ability to export formatted or basic .csv reports of users' own data
  - Geographic Information System (GIS) viewer and export tools
- Technical Training
- Program Reporting
  - Wetland Conservation Act (WCA).

#### **2.1.2 User Experience Improvements:**

- Create a role/permissions-specific dashboard that makes it very clear which items require action from the user
- Minimize the number of clicks or windows through which a user must “drill down” to enter information
- Integrate more accordions to show/hide information on one page
- Improve the visual display of Activities so that the hierarchy between parent Activities and their respective child Activity Budgets and Activity Details is more intuitive and data entry into those child records is more readily accessible.

2.1.3 Provide the ability to interface with select external products which includes the Application Program Interface (APIs), a reporting engine and email server.

2.1.4. Provide implementation and testing of new or modified systems to ensure it matches current infrastructure.

2.1.5. Manage data migration from current Oracle based system (12.2.0.1 Standard Edition). Current database size is 0.71GB and consists of 151 tables, 371 views, and 7 stored procedures.

2.1.6. Provide a data dictionary that describes the architecture of the new database.

2.1.7 Provide ongoing support and maintenance.

2.1.8 Provide training to MNIT and BWSR Staff as required.

2.1.9 Complete system documentation (i.e. System Diagram, Data Dictionary, IIS configuration, ER Model, etc.)

2.1.10 Provide knowledge transfer.

2.1.11 Provide a 90-day warranty period upon completion of deployment into production.

#### **2.1.12 Assumptions**

- The State will provide best effort for testing after receiving source code committed within a repository and a build of the web application running on the test server.
- The State will enter bugs into Assembla as they are discovered.



- The Contractor will monitor Assembla and develop agreeable update releases within the fixes to best manage testing and schedules.

### 3. Time

The Contractor must comply with all the time requirements described in this Contract. In the performance of this Contract, time is of the essence.

### 4. Consideration and payment

**4.1 Consideration.** The State will pay for all services performed by the Contractor under this Contract as follows:

- (a) *Compensation.* The Contractor will be paid for completion of deliverables as outlined in *Exhibit B*, which is attached and incorporated into this contract.
- (b) *Travel expenses.* Reimbursement for travel and subsistence expenses actually and necessarily incurred by the Contractor as a result of this Contract will not exceed \$0.00.
- (c) *Total obligation.* The total obligation of the State for all compensation and reimbursements to the Contractor under this Contract will not exceed \$515,630.00.

#### 4.2 Payment.

- (a) *Invoices.* The State will promptly pay the Contractor after the Contractor presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted timely and according to the following schedule: Upon the completion of each deliverable as outlined in Exhibit B to the satisfaction of the Project Manager.
- (b) *Retainage.* Under Minn. Stat. § 16C.08, subd. 2 (10), no more than 90 percent of the amount due under this Contract may be paid until the final product of this Contract has been reviewed by the State's agency head. The balance due will be paid when the State's agency head determines that the Contractor has satisfactorily fulfilled all the terms of this Contract.
- (c) *Federal funds.* NA

### 5. Conditions of payment

All services provided by the Contractor under this 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 including business registration requirements of the Office of the Secretary of State. The Contractor 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 Robert Wehausen, 651-757-2813 [Robert.Wehausen@state.mn.us](mailto:Robert.Wehausen@state.mn.us), or his/her successor, and has the responsibility to monitor the Contractor's performance and the authority to accept the services provided under this Contract. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Contractor's Authorized Representative is Brian Fischer at the following business address and telephone number: 1401 21<sup>st</sup>. Avenue North, Fargo, ND 58102, 1-763-493-6664, [bfischer@houstoneng.com](mailto:bfischer@houstoneng.com), or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify the State.

### 7. Assignment, amendments, waiver, and contract complete

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

**7.2 Amendments.** Any amendment to this 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 Contract, or their successors in office.

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

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

**8. Indemnification**

In the performance of this Contract by Contractor, or Contractor's agents or employees, the Contractor must indemnify, save, and hold harmless the State, its agents, and employees, from any claims or causes of action, including attorney's fees incurred by the State, to the extent caused by Contractor's:

- a) Intentional, willful, or negligent acts or omissions; or
- b) Actions that give rise to strict liability; or
- c) Breach of contract or warranty.

The indemnification obligations of this section do not apply in the event the claim or cause of action is the result of the State's sole negligence. This clause will not be construed to bar any legal remedies the Contractor may have for the State's failure to fulfill its obligation under this Contract.

**9. State audits**

Under Minn. Stat. § 16C.05, subd. 5, the Contractor's books, records, documents, and accounting procedures and practices relevant to this Contract 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 Contract.

**10. Government data practices and intellectual property**

**10.1 Government data practices.** The Contractor and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. ch. 13, (or, if the State contracting party is part of the Judicial Branch, with the Rules of Public Access to Records of the Judicial Branch promulgated by the Minnesota Supreme Court as the same may be amended from time to time) as it applies to all data provided by the State under this Contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Contractor under this Contract. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data governed by the Minnesota Government Practices Act, Minn. Stat. ch. 13, by either the Contractor or the State.

If the Contractor receives a request to release the data referred to in this clause, the Contractor must immediately notify and consult with the State's Authorized Representative as to how the Contractor should respond to the request. The Contractor's response to the request shall comply with applicable law.

**10.2 Intellectual property rights.**

*(a) Intellectual property rights.* The State owns all rights, title, and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks, and service marks in the works and documents created and paid for under this Contract. The "works" means all inventions, improvements, discoveries (whether or not patentable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, and disks conceived, reduced to practice, created or originated by the Contractor, its employees, agents, and subcontractors, either individually or jointly with others in the performance of this Contract. "Works" includes documents. The "documents" are the originals of any databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks, or other materials, whether in tangible or electronic forms, prepared by the Contractor, its employees, agents, or subcontractors, in the performance of this Contract. The documents will be the exclusive property of the State and all such documents must be immediately returned to the State by the Contractor upon completion or cancellation of this Contract. To the extent possible, those works eligible for copyright protection under the United States Copyright Act will be deemed to be "works made for hire." The Contractor assigns all right, title, and interest it may have in the works and the documents to the State. The Contractor must, at the request of the State, execute all papers and perform all other acts necessary to transfer or record the State's ownership interest in the works and documents.

*(b) Obligations*

- (1) Notification. Whenever any invention, improvement, or discovery (whether or not patentable) is made or conceived for the first time or actually or constructively reduced to practice by the Contractor, including its employees and subcontractors, in the performance of this Contract, the Contractor will immediately give the State's Authorized Representative written notice thereof, and must promptly furnish the State's Authorized Representative with complete information and/or disclosure thereon.
- (2) Representation. The Contractor must perform all acts, and take all steps necessary to ensure that all intellectual property rights in the works and documents are the sole property of the State, and that neither Contractor nor its employees, agents, or subcontractors retain any interest in and to the works and documents. The Contractor represents and warrants that the works and documents do not and will not infringe upon any intellectual property rights of other persons or entities. Notwithstanding Clause 8, the Contractor will indemnify; defend, to the extent permitted by the Attorney General; and hold harmless the State, at the Contractor's expense, from any action or claim brought against the State to the extent that it is based on a claim that all or part of the works or documents infringe upon the intellectual property rights of others. The Contractor will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages, including but not limited to, attorney fees. If such a claim or action arises, or in the Contractor's or the State's opinion is likely to arise, the Contractor must, at the State's discretion, either procure for the State the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing works or documents as necessary and appropriate to obviate the infringement claim. This remedy of the State will be in addition to and not exclusive of other remedies provided by law.

#### **11. Workers' compensation and other insurance**

Contractor certifies that it is in compliance with all insurance requirements specified in the solicitation document relevant to this Contract. Contractor shall not commence work under the Contract until they have obtained all the insurance specified in the solicitation document. Contractor shall maintain such insurance in force and effect throughout the term of the Contract.

Further, the Contractor certifies that it is in compliance with Minn. Stat. § 176.181, subd. 2, pertaining to workers' compensation insurance coverage. The Contractor'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 or agents and any claims made by any third party as a consequence of any act or omission on the part of these employees or agents are in no way the State's obligation or responsibility.

#### **12. Debarment by State, its departments, commissions, agencies, or political subdivisions**

Contractor certifies that neither it nor its principals is presently debarred or suspended by the State, or any of its departments, commissions, agencies, or political subdivisions. Contractor's certification is a material representation upon which the Contract award was based. Contractor shall provide immediate written notice to the State's Authorized Representative if at any time it learns that this certification was erroneous when submitted or becomes erroneous by reason of changed circumstances.

#### **13. Certification regarding debarment, suspension, ineligibility, and voluntary exclusion**

Federal money will be used or may potentially be used to pay for all or part of the work under the Contract, therefore Contractor certifies that it is in compliance with federal requirements on debarment, suspension, ineligibility and voluntary exclusion specified in the solicitation document implementing Executive Order 12549. Contractor's certification is a material representation upon which the Contract award was based.

#### **14. Publicity and endorsement**

**14.1 Publicity.** Any publicity regarding the subject matter of this 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 Contractor individually or

jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

**14.2 Endorsement.** The Contractor must not claim that the State endorses its products or services.

**15. Governing law, jurisdiction, and venue**

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

**16. Data disclosure**

Under Minn. Stat. § 270C.65, subd. 3 and other applicable law, the Contractor 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 agencies, and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state laws which could result in action requiring the Contractor to file state tax returns, pay delinquent state tax liabilities, if any, or pay other state liabilities.

**17. Payment to subcontractors**

As required by Minn. Stat. § 16A.1245, the prime Contractor must pay all subcontractors, less any retainage, within 10 calendar days of the prime Contractor's receipt of payment from the State for undisputed services provided by the subcontractor(s) and must pay interest at the rate of one and one-half percent per month or any part of a month to the subcontractor(s) on any undisputed amount not paid on time to the subcontractor(s).

**18. Termination**

**18.1 Termination by the State.** The State or Commissioner of Administration may cancel this Contract at any time, with or without cause, upon 30 days' written notice to the Contractor. Upon termination, the Contractor will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

**18.2 Termination for insufficient funding.** The State may immediately terminate this Contract 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 covered here. Termination must be by written or fax notice to the Contractor. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Contractor 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 Contractor notice of the lack of funding within a reasonable time of the State's receiving that notice.

**19. Non-discrimination (In accordance with Minn. Stat. § 181.59)**

The Contractor will comply with the provisions of Minn. Stat. § 181.59 which require:

*“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 shall contain provisions by which the 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, shall, 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, shall, 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, county, city, town, school board, or any other person authorized to grant the 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 contract."*

**20. Affirmative action requirements for contracts in excess of \$100,000 and if the Contractor has more than 40 full-time employees in Minnesota or its principal place of business**

The State intends to carry out its responsibility for requiring affirmative action by its contractors.

**20.1 Covered contracts and contractors.** If the Contract exceeds \$100,000 and the Contractor employed more than 40 full-time employees on a single working day during the previous 12 months in Minnesota or in the state where it has its principal place of business, then the Contractor must comply with the requirements of Minn. Stat. § 363A.36 and Minn. R. 5000.3400-5000.3600. A contractor covered by Minn. Stat. § 363A.36 because it employed more than 40 full-time employees in another state and does not have a certificate of compliance, must certify that it is in compliance with federal affirmative action requirements.

**20.2 Minn. Stat. § 363A.36.** Minn. Stat. § 363A.36 requires the Contractor to have an affirmative action plan for the employment of minority persons, women, and qualified disabled individuals approved by the Minnesota Commissioner of Human Rights ("Commissioner") as indicated by a certificate of compliance. The law addresses suspension or revocation of a certificate of compliance and contract consequences in that event. A contract awarded without a certificate of compliance may be voided.

**20.3 Minn. R. 5000.3400-5000.3600.**

- (a) *General.* Minn. R. 5000.3400-5000.3600 implements Minn. Stat. § 363A.36. These rules include, but are not limited to, criteria for contents, approval, and implementation of affirmative action plans; procedures for issuing certificates of compliance and criteria for determining a contractor's compliance status; procedures for addressing deficiencies, sanctions, and notice and hearing; annual compliance reports; procedures for compliance review; and contract consequences for non-compliance. The specific criteria for approval or rejection of an affirmative action plan are contained in various provisions of Minn. R. 5000.3400-5000.3600 including, but not limited to, Minn. R. 5000.3420-5000.3500 and 5000.3552-5000.3559.
- (b) *Disabled Workers.* The Contractor must comply with the following affirmative action requirements for disabled workers.
- (1) The Contractor must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The Contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
  - (2) The Contractor agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.
  - (3) In the event of the Contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with Minn. Stat. § 363A.36, and the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.
  - (4) The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Commissioner. Such notices must state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified disabled employees and applicants for employment, and the rights of applicants and employees.
  - (5) The Contractor must notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of Minn. Stat. § 363A.36, of the Minnesota Human Rights Act and is committed to take affirmative action to employ and advance in employment physically and mentally disabled persons.

- (c) *Consequences.* The consequences for the Contractor's failure to implement its affirmative action plan or make a good faith effort to do so include, but are not limited to, suspension or revocation of a certificate of compliance by the Commissioner, refusal by the Commissioner to approve subsequent plans, and termination of all or part of this Contract by the Commissioner or the State.
- (d) *Certification.* The Contractor hereby certifies that it is in compliance with the requirements of Minn. Stat. § 363A.36 and Minn. R. 5000.3400-5000.3600 and is aware of the consequences for noncompliance.

**21. E-Verify certification (In accordance with Minn. Stat. § 16C.075)**

For services valued in excess of \$50,000, Contractor certifies that as of the date of services performed on behalf of the State, Contractor and all its subcontractors will have implemented or be in the process of implementing the federal E-Verify Program for all newly hired employees in the United States who will perform work on behalf of the State. Contractor is responsible for collecting all subcontractor certifications and may do so utilizing the *E-Verify Subcontractor Certification Form* available at <http://www.mmd.admin.state.mn.us/doc/EVerifySubCertForm.doc>. All subcontractor certifications must be kept on file with Contractor and made available to the State upon request.

**22. Certification of Nondiscrimination (In accordance with Minn. Stat. § 16C.053)**

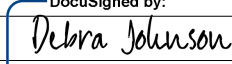
The following term applies to any contract for which the value, including all extensions, is \$50,000 or more: Contractor certifies it does not engage in and has no present plans to engage in discrimination against Israel, or against persons or entities doing business in Israel, when making decisions related to the operation of the vendor's business. For purposes of this section, "discrimination" includes but is not limited to engaging in refusals to deal, terminating business activities, or other actions that are intended to limit commercial relations with Israel, or persons or entities doing business in Israel, when such actions are taken in a manner that in any way discriminates on the basis of nationality or national origin and is not based on a valid business reason.

**23. Subcontractor Reporting**

If the total value of this contract may exceed \$500,000, including all extension options, Contractor must track and report, on a quarterly basis, the amount spent with diverse small businesses. When this applies, Contractor will be provided free access to a portal for this purpose, and the requirement will continue as long as the contract is in effect.

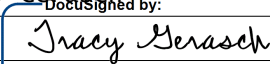
**1. State Encumbrance Verification**

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

Print name: Debra Johnson  
 Signature:   
 Title: Contract Manager Date: 10/22/2020  
 SWIFT Contract No.: 184728 PO No.: 3000035770

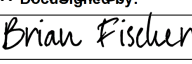
**3. State Agency**

*With delegated authority*

Print name: Tracy Gerasch  
 Signature:   
 Title: Procurement Director Date: 10/22/2020

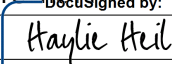
**2. Contractor**

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

Print name: Brian Fischer  
 Signature:   
 Title: Vice President Date: 10/22/2020  
 Print name: \_\_\_\_\_  
 Signature: \_\_\_\_\_  
 Title: \_\_\_\_\_ Date: \_\_\_\_\_

**4. Commissioner of Administration**

*As delegated to The Office of State Procurement*

Print name: Haylie Heil  
 Signature:   
 Title: Contracts Specialist Date: 10/22/2020  
 Print name: \_\_\_\_\_  
 Signature: \_\_\_\_\_  
 Title: \_\_\_\_\_ Date: \_\_\_\_\_



## EXHIBIT B

### COST DETAIL

Milestone/Task	Invoice Schedule	Total Costs
<b>Milestone 1: Project Initiation</b>		
<b>Task 1:</b> Kick-off Meeting	After Deliverables	\$3,120
<b>Task 2:</b> Server Access and Project Collaboration Tools Set-up	After Deliverables	\$8,428
<b>Milestone 1 Subtotal</b>		<b>\$11,548</b>
<b>Milestone 2: Development of Login System, Contact/Organization Management, and Plan Management Modules</b>		
<b>Task 1:</b> Planning, Analysis, and Design	After Deliverables	\$16,114
<b>Task 2:</b> Implementation	50% After Deliverables	\$72,600
<b>Task 3 and 4:</b> Data Migration, Testing, Revisions, and Deployment	50% of Task 2 and 100% of Task 3-4 After Deliverables	\$15,072
<b>Milestone 2 Subtotal</b>		<b>\$103,786</b>
<b>Milestone 3: Development of Grant Management Module</b>		
<b>Task 1:</b> Planning, Analysis, and Design	After Deliverables	\$18,050
<b>Task 2:</b> Implementation	50% After Deliverables	\$141,912
<b>Task 3 and 4:</b> Data Migration, Testing, Revisions, and Deployment	50% of Task 2 and 100% of Task 3-4 After Deliverables	\$18,720
<b>Milestone 3 Subtotal</b>		<b>\$178,682</b>
<b>Milestone 4: Development of Compliance and User Data Portal Modules</b>		
<b>Task 1:</b> Planning, Analysis, and Design	After Deliverables	\$10,970
<b>Task 2:</b> Implementation	50% After Deliverables	\$33,944
<b>Task 3 and 4:</b> Data Migration, Testing, Revisions, and Deployment	50% of Task 2 and 100% of Task 3-4 After Deliverables	\$8,938
<b>Milestone 4 Subtotal</b>		<b>\$53,852</b>
<b>Milestone 5: Development of Technical Training, Program Reporting, and Staff Administration Modules</b>		
<b>Task 1:</b> Planning, Analysis, and Design	After Deliverables	\$10,306
<b>Task 2:</b> Implementation	50% After Deliverables	\$79,152
<b>Task 3 and 4:</b> Data Migration, Testing, Revisions, and Deployment	50% of Task 2 and 100% of Task 3-4 After Deliverables	\$16,192
<b>Milestone 5 Subtotal</b>		<b>\$105,650</b>
<b>Milestone 6: Testing and Revisions</b>		
<b>Task 1:</b> Testing and Revisions	After Deliverables	\$28,160



Milestone/Task	Invoice Schedule	Total Costs
Milestone 6 Subtotal		\$28,160
<b>Milestone 7: Data Migration, Final Documentation, and Deployment</b>		
<b>Task 1:</b> Historic Data Migration	After Deliverables	\$6,760
<b>Task 2:</b> Final Documentation	After Deliverables	\$6,124
<b>Task 3:</b> Deployment	After Deliverables	\$1,184
Milestone 7 Subtotal		\$14,068
<b>Milestone 8: Maintenance and Support</b>		
Milestone 8 (3-month warranty period is included in costs.)	<b>End of Contract</b>	\$19,884
<b>TOTALS</b>		<b>\$515,630</b>

# Professional and Technical Services Contract

State of Minnesota

SWIFT Contract No.: 146576

## **CPRS 52948 PTMAPP BWSR**

This Contract is between the State of Minnesota, acting through its Commissioner of the Office of MNIT Services ("State" and/or "MNIT") and Houston Engineering Inc. whose designated business address is 6901 East Fish Lake Blvd, #140, Maple Grove, MN 55369 ("Contractor").

## **Recitals**

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1. Under Minn. Stat. § 15.061 and 16E.01 the State is empowered to engage such assistance as deemed necessary.
2. The State is in need of enhancements to the PTMApp Desktop Toolbar for the Board of Water and Soil Resources (BWSR).
3. The Contractor represents that it is duly qualified and agrees to perform all services described in this Contract to the satisfaction of the State.

## **Contract**

---

### **1. Term of Contract**

- 1.1 **Effective date:** September 1, 2018, or the date the State obtains all required signatures under Minn. Stat. § 16C.05, subd. 2, whichever is later. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by the State's Authorized Representative to begin the work.
- 1.2 **Expiration date:** June 30, 2020, 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 Contract: 8. Indemnification; 9. State audits; 10. Government data practices and intellectual property; 14. Publicity and endorsement; 15. Governing law, jurisdiction, and venue; and 16. Data disclosure.

### **2. Contractor's duties**

The Contractor, who is not a State employee, will complete the following tasks to the PTMApp web application for BWSR, which includes but is not limited to the following:

### **PTMApp Web Application**

#### **A. Development Server Hosting:**

Maintain and serve a development instance of the PTMApp web application. All new development or code changes will be transferred to MnGeo. Software Development Life Cycle (SDLC) practices will be utilized when developing and maintaining the system.

- B. System Maintenance:** Program upgrades to address general maintenance and bug fixes, in order to ensure the system runs efficiently and to minimize system downtime.

- C. MNIT and MnGeo Support of Web Application:** Provide technical support to MnGeo and MNIT staff regarding deployment of new code and system functionality. This includes providing support for preparing, loading, and deploying new watershed data to the system.

- D. Application Testing:** Test new system functionality and maintenance items in the development environment before deploying updated versions.

#### **E. Web Enhancements will be completed for the following:**

- I. **Support of PTMApp Raster Files:** Develop and implement the capability of PTMApp Web to view PTMApp Desktop and terrain analysis raster based products.

- II. **Scenario Builder and Grant Reports:** Design and develop a web-based best management practice (BMP) scenario builder module, which allows individuals the ability to develop on-the-fly implementation plans using the data generated through PTMApp Desktop. Conceptualize and develop reports to assist with informing BWSR Clean Water Fund grant programs.
- III. **Reports:** Create a series of standard reports that are used by local professionals, which display data in tabular, graphical, and geographic formats. A minimum of 3 new reports will be developed. Topical areas to consider, but not limited to: watershed (8 digit HUC) or sub-watershed (12 digit HUC) based summary reports, catchment level BMP suitability report, best management practice (BMP) effectiveness ranking report, and field map report.
- IV. **Table Generator:** Update the functionality of the table generator module to increase the generation speed and functionality of the reports.
- V. **Admin Interface and Functionality:** Increase functionality and usability of the PTMApp Web admin interface.

### PTMApp Desktop Application

- A. **System Maintenance:** Provide maintenance to the PTMApp Desktop application. This work will include general maintenance to the program code, as well as upgrading the code to be compatible with the most current version ESRI ArcGIS software. Maintain the supported version(s) of PTMApp code.
- B. **User Support and Access:** Provide user technical support to eligible users of the system (approximately 150 users). This includes local, State, and federal agency staff in Minnesota, private consultants developing 1W1Ps in Minnesota, and University staff working at public or private institution in Minnesota. Provide PTMApp Desktop user personal identification numbers (PINs) to users.
- C. **Increase System Performance:** Develop steps to improve system performance to include, but not limited to, increased system speed, increased system stability, and enhanced system work flow. Evaluate means of increasing system performance. Computation efficiency will be analyzed and options to increase efficiency will be developed.
- D. **Desktop Enhancements will be completed for the following:**
  - I. **Incorporate Crop Rotation into Sediment Analysis:** Develop a crop rotation and residue management approach to adjusting and accounting for Revised Universal Soil Loss Equation (RUSLE) parameters.
  - II. **Modify Sediment Loss Calculations:** USDA-NRCS is transitioning from support of the Revised Universal Soil Loss Equation (RUSLE2) to the Water Erosion Prediction Project (WEPP) model. Develop a strategy and timetable to migrate utilizing WEPP.
  - III. **Upgrade Benefits Analysis:** Estimate Benefits for Each NRCS Practice Code and Revise Cost Equations by Practice Code. This enhancement will build upon recent upgrades to the suitability analysis component.
  - IV. **Improve Nitrogen Routing Routines:** Assess and enhance the equations, addressing nitrogen for agricultural the sub-surface drainage practices.
  - V. **Improve Total Phosphorus and Total Nitrogen Load Estimation Methods:** Current loads leaving the landscape are based on literature yield coefficients, based on National Land Cover Dataset (NLCD). This limits the spatial scale of the estimate because of the NLCD layer. Modify the layer to use the estimated two-year runoff depth and an Event Mean Concentration tied to land use.
  - VI. **Altered Hydrology and Drainage:** Develop conceptual design and determine feasibility, to address the impacts of altered hydrology and agricultural drainage tile within the work flow.
  - VII. **Near Channel Sediment Delivery:** Develop a conceptual design and determine feasibility for incorporating near channel sediment delivery from stream banks, bluff lands, and gullies within the work flow.

### PTMApp Training

- A. **In-person training:** Assist BWSR staff in training users on using PTMApp Web and Desktop. Conduct approximately eight (8) PTMApp workshop trainings during the course of the contract. The Contractor will be responsible for developing and updating training materials for these workshops and developing any associated documentation.
- B. **Interactive or remote training:** Assist BWSR staff in developing interactive training modules for PTMApp Web and Desktop. This may include, but not be limited to, short videos modules (3-10 minutes), longer video modules

(longer than 10 minutes), and live and recorded webinars. Develop all materials or documentation for these trainings. Prepare all audio equipment and editing software for recorded sessions to the PTMApp website.

**Statewide Adoption of PTMApp Needs Assessment:** Develop a report by December 31, 2018 that provides an action plan and cost estimate for creating the needed PTMApp data inputs to run PTMApp statewide by 2023.

**Meetings with MNIT@BWSR, MnGeo, and BWSR Staff**

- I. In-Person Meetings: The Contractor will meet with State agency staff in person on a quarterly basis. Also, the Contractor may be asked to attend BWSR PTMApp Team and a PTMApp Advisory Stakeholder Committee meetings 2-4 times per year.
- II. Skype Meetings and Conference Calls: The Contractor will communicate with State agency staff frequently and will utilize Skype or other interactive methods of electronic communication 2-3 times per month.

**3. Time**

The Contractor must comply with all the time requirements described in this Contract. In the performance of this Contract, time is of the essence.

**4. Consideration and payment**

**4.1 Consideration.** The State will pay for all services performed by the Contractor under this Contract as follows:

- (a) *Compensation.* The Contractor will be paid according to the tasks and hours outlined in *Exhibit A*, which is attached and incorporated into this contract, not to exceed \$495,842.00
- (b) *Travel expenses.* Reimbursement for travel and subsistence expenses actually and necessarily incurred by the Contractor as a result of this Contract will not exceed \$3,013.00; provided that the Contractor 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" established by the Commissioner of Minnesota Management and Budget which is incorporated in to this Contract by reference. The Contractor 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 Contractor under this Contract will not exceed \$498,855.00  
{Four Hundred Ninety Eight Thousand, Eight Hundred Fifty Five Dollars}.

**4.2 Payment.**

- (a) *Invoices.* The State will promptly pay the Contractor after the Contractor presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted timely and according to the following schedule: Upon the completion of tasks and services as outlined in *Exhibit A*. Invoices may be sent via email to the MN.IT Accounts Payable e-mail address at [mnit.accountspayable@state.mn.us](mailto:mnit.accountspayable@state.mn.us). All invoices must include the Swift Contract Number and the Purchase Order.
- (b) *Retainage.* Under Minn. Stat. § 16C.08, subd. 2 (10), no more than 90 percent of the amount due under this Contract may be paid until the final product of this Contract has been reviewed by the State's agency head. The balance due will be paid when the State's agency head determines that the Contractor has satisfactorily fulfilled all the terms of this Contract.
- (c) *Federal funds.* Not Applicable.

**5. Conditions of payment**

All services provided by the Contractor under this 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 including business registration requirements of the Office of the Secretary of State. The Contractor 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 Robert Wehausen, 520 Lafayette Road North, St. Paul, MN 55155, 651-757-2813, [Robert.Wehausen@state.mn.us](mailto:Robert.Wehausen@state.mn.us), or his/her successor, and has the responsibility to monitor the Contractor's performance and the authority to accept the services provided under this Contract. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Contractor's Authorized Representative is Mark Deutschman at the following business address and telephone number: 6901 East Fish Lake Road, #140, Maple Grove, MN 55369, 763-493-6679,

[Mdeutschman@houstoneng.com](mailto:Mdeutschman@houstoneng.com), or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify the State.

**7. Assignment, amendments, waiver, and contract complete**

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

**7.2 Amendments.** Any amendment to this 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 Contract, or their successors in office.

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

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

**8. Indemnification**

In the performance of this Contract by Contractor, or Contractor's agents or employees, the Contractor must indemnify, save, and hold harmless the State, its agents, and employees, from any claims or causes of action, including attorney's fees incurred by the State, to the extent caused by Contractor's:

- a) Intentional, willful, or negligent acts or omissions; or
- b) Actions that give rise to strict liability; or
- c) Breach of contract or warranty.

The indemnification obligations of this section do not apply in the event the claim or cause of action is the result of the State's sole negligence. This clause will not be construed to bar any legal remedies the Contractor may have for the State's failure to fulfill its obligation under this Contract.

**9. State audits**

Under Minn. Stat. § 16C.05, subd. 5, the Contractor's books, records, documents, and accounting procedures and practices relevant to this Contract 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 Contract.

**10. Government data practices and intellectual property**

**10.1 Government data practices.** The Contractor and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. ch. 13, (or, if the State contracting party is part of the Judicial Branch, with the Rules of Public Access to Records of the Judicial Branch promulgated by the Minnesota Supreme Court as the same may be amended from time to time) as it applies to all data provided by the State under this Contract, and as it applies to all data created, collected, received, used, stored, maintained, or disseminated by the Contractor under this Contract. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data governed by the Minnesota Government Practices Act, Minn. Stat. ch. 13, by either the Contractor or the State.

If the Contractor receives a request to release the data referred to in this clause, the Contractor must immediately notify and consult with the State's Authorized Representative as to how the Contractor should respond to the request. The Contractor's response to the request shall comply with applicable law.

**10.2 Intellectual property rights.**

(a) *Intellectual property rights.* The State owns all rights, title, and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks, and service marks in the works and documents created and paid for under this Contract. The "works" means all inventions, improvements, discoveries (whether or not patentable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, and disks conceived, reduced to practice, created or originated by the Contractor, its employees, agents, and subcontractors, either individually or jointly with others in the performance of this Contract. "Works" includes documents. The "documents" are the originals of any databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks, or other materials, whether in tangible or electronic forms, prepared by the Contractor, its employees, agents, or subcontractors, in the performance of this Contract. The documents will be the exclusive property of the State and all such documents must be immediately returned to the State by the Contractor upon completion or cancellation of this Contract. To the extent possible, those works eligible for copyright protection under the United States Copyright Act will be deemed to be "works made for hire." The Contractor assigns all right, title, and interest it may have in the works and the documents to the State.

The Contractor must, at the request of the State, execute all papers and perform all other acts necessary to transfer or record the State's ownership interest in the works and documents.

**(b) Obligations**

- (1) Notification. Whenever any invention, improvement, or discovery (whether or not patentable) is made or conceived for the first time or actually or constructively reduced to practice by the Contractor, including its employees and subcontractors, in the performance of this Contract, the Contractor will immediately give the State's Authorized Representative written notice thereof, and must promptly furnish the State's Authorized Representative with complete information and/or disclosure thereon.
- (2) Representation. The Contractor must perform all acts, and take all steps necessary to ensure that all intellectual property rights in the works and documents are the sole property of the State, and that neither Contractor nor its employees, agents, or subcontractors retain any interest in and to the works and documents. The Contractor represents and warrants that the works and documents do not and will not infringe upon any intellectual property rights of other persons or entities. Notwithstanding Clause 8, the Contractor will indemnify, defend, to the extent permitted by the Attorney General; and hold harmless the State, at the Contractor's expense, from any action or claim brought against the State to the extent that it is based on a claim that all or part of the works or documents infringe upon the intellectual property rights of others. The Contractor will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages, including but not limited to, attorney fees. If such a claim or action arises, or in the Contractor's or the State's opinion is likely to arise, the Contractor must, at the State's discretion, either procure for the State the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing works or documents as necessary and appropriate to obviate the infringement claim. This remedy of the State will be in addition to and not exclusive of other remedies provided by law.

**11. Workers' compensation and other insurance**

Contractor certifies that it is in compliance with all insurance requirements specified in the solicitation document relevant to this Contract. Contractor shall not commence work under the Contract until they have obtained all the insurance specified in the solicitation document. Contractor shall maintain such insurance in force and effect throughout the term of the Contract.

Further, the Contractor certifies that it is in compliance with Minn. Stat. § 176.181, subd. 2, pertaining to workers' compensation insurance coverage. The Contractor'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 or agents and any claims made by any third party as a consequence of any act or omission on the part of these employees or agents are in no way the State's obligation or responsibility.

**12. Debarment by State, its departments, commissions, agencies, or political subdivisions**

Contractor certifies that neither it nor its principals is presently debarred or suspended by the State, or any of its departments, commissions, agencies, or political subdivisions. Contractor's certification is a material representation upon which the Contract award was based. Contractor shall provide immediate written notice to the State's Authorized Representative if at any time it learns that this certification was erroneous when submitted or becomes erroneous by reason of changed circumstances.

**13. Certification regarding debarment, suspension, ineligibility, and voluntary exclusion**

Federal money will be used or may potentially be used to pay for all or part of the work under the Contract, therefore Contractor certifies that it is in compliance with federal requirements on debarment, suspension, ineligibility and voluntary exclusion specified in the solicitation document implementing Executive Order 12549. Contractor's certification is a material representation upon which the Contract award was based.

**14. Publicity and endorsement**

**14.1 Publicity.** Any publicity regarding the subject matter of this 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 Contractor individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

**14.2 Endorsement.** The Contractor must not claim that the State endorses its products or services.

**15. Governing law, jurisdiction, and venue**

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

**16. Data disclosure**

Under Minn. Stat. § 270C.65, subd. 3 and other applicable law, the Contractor 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 agencies, and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state laws which could result in action requiring the Contractor to file state tax returns, pay delinquent state tax liabilities, if any, or pay other state liabilities.

**17. Payment to subcontractors**

As required by Minn. Stat. § 16A.1245, the prime Contractor must pay all subcontractors, less any retainage, within 10 calendar days of the prime Contractor's receipt of payment from the State for undisputed services provided by the subcontractor(s) and must pay interest at the rate of one and one-half percent per month or any part of a month to the subcontractor(s) on any undisputed amount not paid on time to the subcontractor(s).

**18. Termination**

**18.1 Termination by the State.** The State or Commissioner of Administration may cancel this Contract at any time, with or without cause, upon 30 days' written notice to the Contractor. Upon termination, the Contractor will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

**18.2 Termination for insufficient funding.** The State may immediately terminate this Contract 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 covered here. Termination must be by written or fax notice to the Contractor. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Contractor 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 Contractor notice of the lack of funding within a reasonable time of the State's receiving that notice.

**19. Non-discrimination (In accordance with Minn. Stat. § 181.59)**

The Contractor will comply with the provisions of Minn. Stat. § 181.59 which require:

*"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 shall contain provisions by which the 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, shall, 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, shall, 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, county, city, town, school board, or any other person authorized to grant the 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 contract."*

**20. Affirmative action requirements for contracts in excess of \$100,000 and if the Contractor has more than 40 full-time employees in Minnesota or its principal place of business**

The State intends to carry out its responsibility for requiring affirmative action by its contractors.

**20.1 Covered contracts and contractors.** If the Contract exceeds \$100,000 and the Contractor employed more than 40 full-time employees on a single working day during the previous 12 months in Minnesota or in the state where it has its principle place of business, then the Contractor must comply with the requirements of Minn. Stat. § 363A.36 and Minn. R. 5000.3400-5000.3600. A contractor covered by Minn. Stat. § 363A.36 because it employed more than 40 full-time employees in another state and does not have a certificate of compliance, must certify that it is in compliance with federal affirmative action requirements.

**20.2 Minn. Stat. § 363A.36.** Minn. Stat. § 363A.36 requires the Contractor to have an affirmative action plan for the employment of minority persons, women, and qualified disabled individuals approved by the Minnesota Commissioner of Human Rights ("Commissioner") as indicated by a certificate of compliance. The law

addresses suspension or revocation of a certificate of compliance and contract consequences in that event. A contract awarded without a certificate of compliance may be voided.

**20.3 Minn. R. 5000.3400-5000.3600.**

- (a) *General.* Minn. R. 5000.3400-5000.3600 implements Minn. Stat. § 363A.36. These rules include, but are not limited to, criteria for contents, approval, and implementation of affirmative action plans; procedures for issuing certificates of compliance and criteria for determining a contractor's compliance status; procedures for addressing deficiencies, sanctions, and notice and hearing; annual compliance reports; procedures for compliance review; and contract consequences for non-compliance. The specific criteria for approval or rejection of an affirmative action plan are contained in various provisions of Minn. R. 5000.3400-5000.3600 including, but not limited to, Minn. R. 5000.3420-5000.3500 and 5000.3552-5000.3559.
- (b) *Disabled Workers.* The Contractor must comply with the following affirmative action requirements for disabled workers.
  - (1) The Contractor must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The Contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
  - (2) The Contractor agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.
  - (3) In the event of the Contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with Minn. Stat. § 363A.36, and the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.
  - (4) The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Commissioner. Such notices must state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified disabled employees and applicants for employment, and the rights of applicants and employees.
  - (5) The Contractor must notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of Minn. Stat. § 363A.36, of the Minnesota Human Rights Act and is committed to take affirmative action to employ and advance in employment physically and mentally disabled persons.
- (c) *Consequences.* The consequences for the Contractor's failure to implement its affirmative action plan or make a good faith effort to do so include, but are not limited to, suspension or revocation of a certificate of compliance by the Commissioner, refusal by the Commissioner to approve subsequent plans, and termination of all or part of this Contract by the Commissioner or the State.
- (d) *Certification.* The Contractor hereby certifies that it is in compliance with the requirements of Minn. Stat. § 363A.36 and Minn. R. 5000.3400-5000.3600 and is aware of the consequences for noncompliance.

**21. E-Verify certification (In accordance with Minn. Stat. § 16C.075)**

For services valued in excess of \$50,000, Contractor certifies that as of the date of services performed on behalf of the State, Contractor and all its subcontractors will have implemented or be in the process of implementing the federal E-Verify Program for all newly hired employees in the United States who will perform work on behalf of the State. Contractor is responsible for collecting all subcontractor certifications and may do so utilizing the *E-Verify Subcontractor Certification Form* available at <http://www.mmd.admin.state.mn.us/doc/EVerifySubCertForm.doc>. All subcontractor certifications must be kept on file with Contractor and made available to the State upon request.

**22. Certification of Nondiscrimination (In accordance with Minn. Stat. § 16C.053)**

The following term applies to any contract for which the value, including all extensions, is \$50,000 or more: Contractor certifies it does not engage in and has no present plans to engage in discrimination against Israel, or against persons or entities doing business in Israel, when making decisions related to the operation of the vendor's business. For purposes of this section, "discrimination" includes but is not limited to engaging in refusals to deal, terminating business activities, or other actions that are intended to limit commercial relations with Israel, or persons or entities doing business in Israel, when such actions are taken in a manner that in any way discriminates on the basis of nationality or national origin and is not based on a valid business reason.

**23. Subcontractor Reporting**

If the total value of this contract may exceed \$500,000, including all extension options, Contractor must track and report, on a quarterly basis, the amount spent with diverse small businesses. When this applies, Contractor will be



provided free access to a portal for this purpose, and the requirement will continue as long as the contract is in effect.

**1. State Encumbrance Verification**

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

Print name: Deb Digitally signed by \_\_\_\_\_  
Signature: \_\_\_\_\_ Date: 2018.08.27  
Title: Johnson Date: 08:56:48 -05'00'

SWIFT Contract No.: 146576 PO # 3000026006

**2. Contractor**

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

Print name: Mark R. Deutschman  
Signature: [Signature]  
Title: Project Mgr Date: 8-27-18  
Print name: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Title: \_\_\_\_\_ Date: \_\_\_\_\_

**Distribution:**

- Agency
- Contractor
- State's Authorized Representative – photo copy

**3. State Agency**

*With delegated authority*

Print name: Tu Tong - CFO Digitally signed by Tu Tong - CFO  
Signature: \_\_\_\_\_ Date: 2018.08.27 10:32:14 -05'00'  
Title: \_\_\_\_\_ Date: \_\_\_\_\_

**4. Commissioner of Administration**

*As delegated to The Office of State Procurement*

Print name: Hauilie Heil  
Signature: [Signature]  
Title: Contracts Spec. Date: 8-29-18  
Print name: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Title: \_\_\_\_\_ Date: \_\_\_\_\_

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**AMENDMENT NO. 1 TO CONTRACT NUMBER 146576**

Contract Start Date:	<u>September 1, 2018</u>	Total Contract Amount:	<u>\$498,855.00</u>
Original Contract Expiration Date:	<u>June 30, 2020</u>	Original Contract:	<u>\$498,855.00</u>
Current Contract Expiration Date:	<u>June 30, 2020</u>	Previous Amendment(s) Total:	<u>\$ 0.00</u>
Requested Contract Expiration Date:	<u>N/A</u>	This Amendment:	<u>\$ 0.00</u>

This amendment is by and between the State of Minnesota, through its Commissioner of the Office of MNIT Services ("State") and Houston Engineering Inc., whose designated address is ~~6901 East Fish Lake Blvd. #140~~ 7550 Meridian Circle North, Suite 120, Maple Grove, MN 55369 ("Contractor").

**Recitals**

1. The State has a contract with the Contractor identified as SWIFT Contract Number 146576 ("Original Contract") to provide enhancements to the PTMApp system web and desktop applications for the Board of Water and Soil Resources (BWSR).
2. This contract is being amended to adjust work item budgets and duties based upon a recently published Needs Assessment document that was developed through this contract.
3. The State and the Contractor are willing to amend the Original Contract as stated below.

**Contract Amendment**

In this Amendment, changes to pre-existing Contract language will use ~~strike through~~ for deletions and underlining for insertions.

**REVISION 1.** Clause 2. "**Contractors Duties**" is amended as follows:

The Contractor, who is not a State employee, will complete the following tasks to the PTMApp web application for BWSR, which includes but is not limited to the following:

**PTMApp Web Application****A. Development Server Hosting:**

Maintain and serve a development instance of the PTMApp web application. All new development or code changes will be transferred to MnGeo. Software Development Life Cycle (SDLC) practices will be utilized when developing and maintaining the system.

**B. System Maintenance:** Program upgrades to address general maintenance and bug fixes, in order to ensure the system runs efficiently and to minimize system downtime.**C. MNIT and MnGeo Support of Web Application:** Provide technical support to MnGeo and MNIT staff regarding deployment of new code and system functionality. This includes providing support for preparing, loading, and deploying new watershed data to the system.**D. Application Testing:** Test new system functionality and maintenance items in the development environment before deploying updated versions.**E. Web Enhancements will be completed for the following:**

I. **Support of PTMApp Raster Files:** Develop and implement the capability of PTMApp Web to view PTMApp Desktop and terrain analysis raster based products.

II. **Scenario Builder and Grant Reports:** Design and develop a web-based best management practice (BMP) scenario builder module, which allows individuals the ability to develop on-the-fly implementation plans using the data generated through PTMApp Desktop. Conceptualize and develop reports to assist with informing BWSR Clean Water Fund grant programs.

III. **Reports:** Create a series of standard reports that are used by local professionals, which display data in tabular, graphical, and geographic formats. A minimum of 3 new reports will be developed. Topical areas to consider, but not limited to: watershed (8 digit HUC) or sub-watershed (12 digit HUC) based summary reports, catchment level BMP suitability report, best management practice (BMP) effectiveness ranking report, and field map report,

**AMENDMENT NO. 1 TO CONTRACT NUMBER 146576**

- IV. **Table Generator:** Update the functionality of the table generator module to increase the generation speed and functionality of the reports.
- V. **Admin Interface and Functionality:** Increase functionality and usability of the PTMApp Web admin interface.

**PTMApp Desktop Application**

- A. **System Maintenance:** Provide maintenance to the PTMApp Desktop application. This work will include general maintenance to the program code, as well as upgrading the code to be compatible with the most current version ESRI ArcGIS software. Maintain the supported version(s) of PTMApp code.
- B. **User Support and Access:** Provide user technical support to eligible users of the system (approximately 150 users). This includes local, State, and federal agency staff in Minnesota, private consultants developing 1W1Ps in Minnesota, and University staff working at public or private institution in Minnesota. Provide PTMApp Desktop user personal identification numbers (PINs) to users.
- C. **Increase System Performance:** Develop steps to improve system performance to include, but not limited to, increased system speed, increased system stability, and enhanced system work flow. Evaluate means of increasing system performance. Computation efficiency will be analyzed and options to increase efficiency will be developed.
- D. **Desktop Enhancements will be completed for the following:**
  - I. ~~**Incorporate Crop Rotation into Sediment Analysis:** Develop a crop rotation and residue management approach to adjusting and accounting for Revised Universal Soil Loss Equation (RUSLE) parameters.~~
  - II. ~~**Modify Sediment Loss Calculations:** USDA NRCS is transitioning from support of the Revised Universal Soil Loss Equation (RUSLE2) to the Water Erosion Prediction Project (WEPP) model. Develop a strategy and timetable to migrate utilizing WEPP.~~
  - III. **Upgrade Benefits Analysis:** Estimate Benefits for Each NRCS Practice Code and Revise Cost Equations by Practice Code. This enhancement will build upon recent upgrades to the suitability analysis component.
  - IV. ~~**Improve Nitrogen Routing Routines:** Assess and enhance the equations, addressing nitrogen for agricultural the sub-surface drainage practices.~~
  - V. ~~**Improve Total Phosphorus and Total Nitrogen Load Estimation Methods:** Current loads leaving the landscape are based on literature yield coefficients, based on National Land Cover Dataset (NLCD). This limits the spatial scale of the estimate because of the NLCD layer. Modify the layer to use the estimated two-year runoff depth and an Event Mean Concentration tied to land use.~~
  - VI. **Altered Hydrology and Drainage:** Develop conceptual design and determine feasibility, to address the impacts of altered hydrology and agricultural drainage tile within the work flow.
  - VII. **Near Channel Sediment Delivery:** Develop a conceptual design and determine feasibility for incorporating near channel sediment delivery from stream banks, bluff lands, and gullies within the work flow.

**PTMApp Training**

- A. **In-person training:** Assist BWSR staff in training users on using PTMApp Web and Desktop. Conduct approximately eight (8) PTMApp workshop trainings during the course of the contract. The Contractor will be responsible for developing and updating training materials for these workshops and developing any associated documentation.
- B. **Interactive or remote training:** Assist BWSR staff in developing interactive training modules for PTMApp Web and Desktop. This may include, but not be limited to, short videos modules (3-10 minutes), longer video modules (longer than 10 minutes), and live and recorded webinars. Develop all materials or documentation for these trainings. Prepare all audio equipment and editing software for recorded sessions to the PTMApp website.

**Statewide Adoption of PTMApp Needs Assessment:** Develop a report by December 31, 2018 that provides an action plan and cost estimate for creating the needed PTMApp data inputs to run PTMApp statewide by 2023.

**AMENDMENT NO. 1 TO CONTRACT NUMBER 146576****Meetings with MNIT@BWSR, MnGeo, and BWSR Staff**

- I. In-Person Meetings: The Contractor will meet with State agency staff in person on a quarterly basis. Also, the Contractor may be asked to attend BWSR PTMApp Team and a PTMApp Advisory Stakeholder Committee meetings 2-4 times per year.

Skype Meetings and Conference Calls: The Contractor will communicate with State agency staff frequently and will utilize Skype or other interactive methods of electronic communication 2-3 times per month

**REVISION 2.** Clause 4 (a) **“Compensation”** is amended as follows:

- (a) *Compensation.* The Contractor will be paid according to the tasks and hours outlined in Revised Exhibit A, which is attached and incorporated into this contract, not to exceed ~~\$495,842.00~~ \$495,846.00.

**REVISION 3.** Clause 4 (b) **“Travel Expenses”** is amended as follows:

- (b) Travel expenses. Reimbursement for travel and subsistence expenses actually and necessarily incurred by the Contractor as a result of this Contract will not exceed ~~\$3,013.00~~ \$3,009.00; provided that the Contractor 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" established by the Commissioner of Minnesota Management and Budget which is incorporated in to this Contract by reference. The Contractor 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

**REVISION 4.** Clause 6. **“Authorized Representative”** is amended as follows:

The State's Authorized Representative is Robert Wehausen, 520 Lafayette Road North, St. Paul, MN 55155, 651-757-2813, [Robert.Wehausen@state.mn.us](mailto:Robert.Wehausen@state.mn.us), or his successor, and has the responsibility to monitor the Contractor's performance and the authority to accept the services provided under this Contract. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Contractor's Authorized Representative is ~~Mark Deutschman~~ Brian Fischer at the following business address and telephone number: ~~6901 East Fish Lake Road, #140, Maple Grove, MN 55369, 763-493-6679~~, 7550 Meridian Circle North, Suite 120, Maple Grove, MN 55369, 763-493-6664, [Mdeutschman@houstoneng.com](mailto:Mdeutschman@houstoneng.com) [bfischer@houstoneng.com](mailto:bfischer@houstoneng.com), or his successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify the State.

Except as amended herein, the terms and conditions of the Original Contract and all previous amendments remain in full force and effect.

**AMENDMENT NO. 1 TO CONTRACT NUMBER 146576**

**SIGNATURES**

**1. STATE ENCUMBRANCE VERIFICATION**

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

Name: Debra Johnson

Title: Contract Manager

Signed: 1BF2773FD90C4B3...

Date: 3/16/2020


SWIFT Contract ID: 146576 PO#: 3000026006

**2. VENDOR (CONTRACTOR)**

*The Contractor certifies that the appropriate person(s) have executed the contract on behalf of the Contractor as required by applicable articles or bylaws.*

Name: Brian Fischer

Title: Vice President

Signed: 1C9F104454464C8...

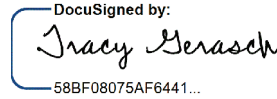
Date: 3/16/2020

**3. Office of MN.IT Services**

*(with delegated authority)*

Name: Tracy Gerasch

Title: Procurement Director

Signed: 58BF08075AF6441...

Date: 3/16/2020

**4. COMMISSIONER OF ADMINISTRATION**

*As delegated to the Office of State Procurement*

Name: Haylie Heil

Title: Contracts Specialist

Signed: 4AB4CCB119DA413...

Date: 3/19/2020

**AMENDMENT NO. 2 TO CONTRACT NUMBER 146576**

Contract Start Date:	<u>09/01/2018</u>	Total Contract Amount:	<u>\$498,055.00</u>
Original Contract Expiration Date:	<u>06/30/2020</u>	Original Contract:	<u>\$498,055.00</u>
Current Contract Expiration Date:	<u>06/30/2020</u>	Previous Amendment(s) Total:	<u>\$ 0.00</u>
Requested Contract Expiration Date:	<u>06/30/2021</u>	This Amendment:	<u>\$ 0.00</u>

This amendment is by and between the State of Minnesota, through its Commissioner of the Office of MNIT Services ("State") and Houston Engineering Inc., whose designated address is 7550 Meridian Circle North, Suite 120, Maple Grove, MN 55369 ("Contractor").

**Recitals**

1. The State has a contract with the Contractor identified as SWIFT Contract Number 146576 ("Original Contract") to provide
2. Additional time is required for continued support and revision of duties due to COVID 19.
3. The State and the Contractor are willing to amend the Original Contract as stated below.

**Contract Amendment**

In this Amendment, changes to pre-existing Contract language will use ~~strike through~~ for deletions and underlining for insertions.

**REVISION 1.** Clause 1. "**Term of Contract**" is amended as follows:

- 1.1 Effective date:** September 1, 2018, or the date the State obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later.

**The Contractor must not begin work under this contract until this contract is fully executed and the Contractor has been notified by the State's Authorized Representative to begin the work.**

- 1.2 Expiration date:** ~~June 30, 2020~~, June 30, 2021, 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 Contract: 8. Indemnification; 9. State audits; 10. Government data practices and intellectual property; 14. Publicity and endorsement; 15. Governing law, jurisdiction, and venue; and 16. Data disclosure.

**REVISION 2.** Clause 2. "**Contractor's Duties**" is amended to add:

The Contractor, who is not a State employee, will complete the following tasks to the PTMApp web application for BWSR, which includes but is not limited to the following:

**PTMApp Web Application**

- Development Server Hosting:**  
Maintain and serve a development instance of the PTMApp web application. All new development or code changes will be transferred to MnGeo. Software Development Life Cycle (SDLC) practices will be utilized when developing and maintaining the system.
- System Maintenance:** Program upgrades to address general maintenance and bug fixes, in order to ensure the system runs efficiently and to minimize system downtime.
- MNIT and MnGeo Support of Web Application:** Provide technical support to MnGeo and MNIT staff regarding deployment of new code and system functionality. This includes providing support for preparing, loading, and deploying new watershed data to the system.
- Application Testing:** Test new system functionality and maintenance items in the development environment before deploying updated versions.

**AMENDMENT NO. 2 TO CONTRACT NUMBER 146576****E. Web Enhancements will be completed for the following:**

- I. **Support of PTMApp Raster Files:** Develop and implement the capability of PTMApp Web to view PTMApp Desktop and terrain analysis raster based products.
- II. **Scenario Builder and Grant Reports:** Design and develop a web-based best management practice (BMP) scenario builder module, which allows individuals the ability to develop on-the-fly implementation plans using the data generated through PTMApp Desktop. Conceptualize and develop reports to assist with informing BWSR Clean Water Fund grant programs.
- III. **Reports:** Create a series of standard reports that are used by local professionals, which display data in tabular, graphical, and geographic formats. A minimum of 3 new reports will be developed. Topical areas to consider, but not limited to: watershed (8 digit HUC) or sub-watershed (12 digit HUC) based summary reports, catchment level BMP suitability report, best management practice (BMP) effectiveness ranking report, and field map report,
- IV. **Table Generator:** Update the functionality of the table generator module to increase the generation speed and functionality of the reports.
- V. **Admin Interface and Functionality:** Increase functionality and usability of the PTMApp Web admin interface.

**PTMApp Desktop Application**

- A. **System Maintenance:** Provide maintenance to the PTMApp Desktop application. This work will include general maintenance to the program code, as well as upgrading the code to be compatible with the most current version ESRI ArcGIS software. Maintain the supported version(s) of PTMApp code.
- B. **User Support and Access:** Provide user technical support to eligible users of the system (approximately 150 users). This includes local, State, and federal agency staff in Minnesota, private consultants developing 1W1Ps in Minnesota, and University staff working at public or private institution in Minnesota. Provide PTMApp Desktop user personal identification numbers (PINs) to users.
- C. **Increase System Performance:** Develop steps to improve system performance to include, but not limited to, increased system speed, increased system stability, and enhanced system work flow. Evaluate means of increasing system performance. Computation efficiency will be analyzed and options to increase efficiency will be developed.
- D. **Desktop Enhancements will be completed for the following:**
  - I. **Upgrade Benefits Analysis:** Estimate Benefits for Each NRCS Practice Code and Revise Cost Equations by Practice Code. This enhancement will build upon recent upgrades to the suitability analysis component.
  - II. **Altered Hydrology and Drainage:** Develop conceptual design and determine feasibility, to address the impacts of altered hydrology and agricultural drainage tile within the work flow.
  - III. **Near Channel Sediment Delivery:** Develop a conceptual design and determine feasibility for incorporating near channel sediment delivery from stream banks, bluff lands, and gullies within the work flow.

**PTMApp Training**

- A. **In-person training:** Assist BWSR staff in training users on using PTMApp Web and Desktop. Conduct ~~approximately eight (8)~~ PTMApp workshop trainings during the course of the contract. The Contractor will be responsible for developing and updating training materials for these workshops and developing any associated documentation. The number and scale of in person workshops will be dependent on State of Minnesota social distancing guidelines and regulations in response to the COVID-19 pandemic.
- B. **Interactive or remote training:** Assist BWSR staff in developing interactive training modules for PTMApp Web and Desktop. This may include, but not be limited to, short videos modules (3-10 minutes), longer video modules (longer than 10 minutes), and live and recorded webinars. Develop all materials or documentation for these trainings. Prepare all audio equipment and editing software for recorded sessions to the PTMApp website. Remote training, including, but not limited to webinars, recorded sessions, and video modules may replace in person training.

**AMENDMENT NO. 2 TO CONTRACT NUMBER 146576**

**Statewide Adoption of PTMApp Needs Assessment:** Develop a report by December 31, 2018 that provides an action plan and cost estimate for creating the needed PTMApp data inputs to run PTMApp statewide by 2023.

**Meetings with MNIT@BWSR, MnGeo, and BWSR Staff**

- I. In-Person Meetings: The Contractor will meet with State agency staff in person on a quarterly basis. Also, the Contractor may be asked to attend BWSR PTMApp Team and a PTMApp Advisory Stakeholder Committee meetings 2-4 times per year. If social distancing restrictions allow for in person meetings they will be held, otherwise meetings will be conducted remotely.

Skype Meetings and Conference Calls: The Contractor will communicate with State agency staff frequently and will utilize Skype or other interactive methods of electronic communication 2-3 times per month.

**FY 21 Continued Support and Development:** Work to include maintenance to web and desktop code, deployment of code to MnGEO, updates to technical memorandums, continued work on the Scenario Builder enhancement, edits to training videos, and meetings with BWSR staff on project progress,

The Original Contract and any previous amendments are incorporated into this amendment by reference.



**AMENDMENT NO. 2 TO CONTRACT NUMBER 146576**

**SIGNATURES**

**1. STATE ENCUMBRANCE VERIFICATION**

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

Name: Debra Johnson

Title: Contract Manager

Signed: 1BF2773FD90C4B3...

Date: 6/26/2020


SWIFT Contract ID: 146576 PO#: 3000026006

**2. VENDOR (CONTRACTOR)**

*The Contractor certifies that the appropriate person(s) have executed the contract on behalf of the Contractor as required by applicable articles or bylaws.*

Name: Brian Fischer

Title: Vice President

Signed: 1C9F104454464C8...

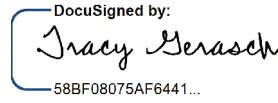
Date: 6/26/2020

**3. Office of MN.IT Services**

*(with delegated authority)*

Name: Tracy Gerasch

Title: Procurement Director

Signed: 58BF08075AF6441...

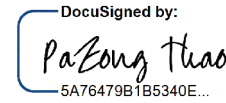
Date: 6/26/2020

**4. COMMISSIONER OF ADMINISTRATION**

*As delegated to the Office of State Procurement*

Name: PaZong Thao

Title: Contracts Specialist

Signed: 5A76479B1B5340E...

Date: 6/26/2020

MNIT/BWSR Intranet Redesign 74925

**STATE OF MINNESOTA**  
**MNSITE Work Order Contract**  
**18ASK**

This Work Order Contract is between the State of Minnesota, acting through its Office of MNIT Services ("State") and Nighthawk Incorporated 100 South 5th Street, Suite 1900, Minneapolis, Minnesota 55402 ("Contractor"). This Work Order Contract is issued under the authority of Master Contract T-Number 18ASK, SWIFT Contract Number 136515, and is subject to all provisions of the Master Contract which is incorporated by reference.

**Work Order**

**1. Term of Work Order**

- 1.1. Effective date: The Effective Date of this Work Order Contract is October 14, 2020, or the date the State obtains all required signatures under Minn. Stat. § 16C.05, subd. 2, whichever is later.  
The Contractor must not begin work under this Work Order Contract until it is fully executed and the Contractor has been notified by the State's Authorized Representative to begin the work.
- 1.2. Expiration date: The Expiration Date of this Work Order Contract is April 6, 2021, or until all obligations have been satisfactorily fulfilled, whichever occurs first.
- 1.3. Incorporation of Terms: Master Contract T-Number 18ASK, SWIFT Contract Number 136515 as signed by the State and Contractor, is incorporated herein in its entirety, by reference, and is available upon request from the State's Authorized Representative or the Office of State Procurement.

**2. Contractor's Duties**

- 2.1. Contractor will perform a Background Check, as detailed in the Event, on any individual assigned to this Work Order Contract prior to the performance of any work under this agreement.
- 2.2. The Contractor, who is not a state employee, shall assign Andrea Douglas, who is also not a state employee, to perform development duties on the intranet redesign for service recipient Board of Water and Soil Resources as follows:
  - 2.2.1. Complete the duties as outlined in Exhibit A, which is attached and incorporated into this contract.
  - 2.2.2. Provide knowledge transfer

**3. Consideration and Payment**

- 3.1. Consideration. The State will pay for all services performed by the Contractor under this Work Order Contract as follows:
  - 3.1.1. Compensation. The Contractor will be paid an hourly rate of \$150.00, up to a maximum of 90.00 hours, not to exceed \$13,500.00.

## MNIT/BWSR Intranet Redesign 74925

3.1.2. Travel Expenses. Reimbursement for travel and subsistence expenses actually and necessarily incurred by the Contractor as a result of this Work Order Contract will not exceed \$0.00; provided that the Contractor 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" established by the Commissioner of Minnesota Management and Budget which is incorporated into this Work Order Contract by reference. The Contractor 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.

3.1.3. Total Obligation. The total obligation of the State for all compensation and reimbursements to the Contractor under this Work Order Contract will not exceed \$13,500.00.

3.2. Invoices. The State will promptly pay the Contractor after the Contractor presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted timely and according to the following schedule: On a monthly basis following the preceding month in which services have been delivered. Invoices must be sent via email to the MNIT Accounts Payable e-mail address at [mnit.accountspayable@state.mn.us](mailto:mnit.accountspayable@state.mn.us). All invoices must include the SWIFT Contract Number and Purchase Order Number.

#### **4. Work Order Authorized Representative and Project Managers**

4.1. The State's Authorized Representative/Project Manager is:

The State's Work Order Authorized Representative/Project Manager (or his/her successor) has the responsibility to monitor the Contractor's performance and the authority to accept the services provided under this Work Order. If the services are satisfactory, the State's Authorized Representative/Project Manager will certify acceptance on each invoice submitted for payment. The State's Authorized Representative/Project Manager is:

Name: Robert Wehausen

Title: Project Manager

Email: [Robert.Wehausen@state.mn.us](mailto:Robert.Wehausen@state.mn.us)

Phone: 651-7572813

4.2. The Contractor's Project Manager is:

Name: Jim Douglas

Title: Chief Marketing Officer

Email: [info@nighthawkmarketing.com](mailto:info@nighthawkmarketing.com)

Phone: +1 952-322-4794

If the Contractor's Project Manager changes at any time during this work order, the Contractor must immediately notify the State.

MNIT/BWSR Intranet Redesign 74925

**5. Liability/Indemnification**

In the performance of this Work Order Contract by Contractor, or Contractor's agents or employees, the Contractor must indemnify, save, and hold harmless the State, its agents, and employees, from any claims or causes of action, including attorney's fees incurred by the state, to the extent caused by Contractor's:

1. Intentional, willful, or negligent acts or omissions; or
2. Actions that give rise to strict liability; or
3. Breach of contract or warranty.

The indemnification obligations of this section do not apply in the event the claim or cause of action is the result of the State's sole negligence. This clause will not be construed to bar any legal remedies the Contractor may have for the State's failure to fulfill its obligation under this Work Order Contract.

MNIT/BWSR Intranet Redesign 74925

**1. STATE ENCUMBRANCE VERIFICATION**

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

Signed   
DocuSigned by:  
1BF2773FD90C4B3...

Date: 10/14/2020

SWIFT Contract ID: 184488 PO# 3000035708

**2. Nighthawk Incorporated (CONTRACTOR)**


The Contractor certifies that the appropriate person(s) have executed the contract on behalf of the Contractor as required by applicable articles or bylaws.

By   
DocuSigned by:  
F411B1AD56964B9...

Title: Chief Marketing officer

Date: 10/14/2020

**3. Office of MNIT Services (STATE AGENCY)**

By   
DocuSigned by:  
58BF08075AF6441  
(with delegated authority)

Title: Procurement Director

Date: 10/14/2020

**4. COMMISSIONER OF ADMINISTRATION**

As delegated to the Office of State Procurement

By   
DocuSigned by:  
27F2E3577E6D4CB...

Date: 10/14/2020

## EXHIBIT A

BWSR wants to redesign/replatform their intranet site. It's approximately 200 pages/pdfs and 120 users, are running on an internal server. The new intranet site will be developed using Drupal CMS platform, leveraging the existing theme template developed for the public-facing website. BWSR's website is hosted with Acquia. The current Drupal instance will be converted to a multi-site Drupal environment where public-facing and intranet sites share a Drupal core codebase but maintain separate databases.

The Consultant will perform the following duties:

- Facilitate one planning session with key internal staff
- Work with BWSR staff to plan and implement internal user research, survey users on how they are using the intranet now and changes they would like to see
- Inventory of the site
  - o Obtain outline of intranet content from BWSR staff
  - o Develop a main menu structure to support the content organization
- Reuse the public-facing website design templates as the basis for the intranet design
  - o Add one new redesigned theme page for intranet home page
  - o Provide Wireframe desktop layout
  - o Design 2 concepts for desktop design and adapt to mobile version upon selection of desktop concept
- Investigate Drupal 8/9 compatibility and install Drupal module(s) that allow out-of-the-box connection to Active Directory LDAP so BWSR staff can authenticate and login to intranet site instance. There are some unknown elements regarding the LDAP and Drupal integration that will be investigated during an initial discovery phase
- Complete the Intranet site to include the same features as public-facing site:
  - o Compliant with state branding guidelines
  - o Evergreen browser support for most current versions of mainstream browsers
  - o Responsive design for mobile device access
  - o Meet state of MN accessibility requirements
  - o Host interactive maps, forms, photos, videos
  - o Allow for static content maintenance by non-technical staff
- Allow reuse of key content areas and features of each page type. Designs created during the 2019 website update can and should be used /modified to reduce time and costs
  - Examples:
    - o Subcategory landing page: <https://bwsr.state.mn.us/pollinator-toolbox>
    - o Table-based search pages: <https://bwsr.state.mn.us/training-calendar>
- Complete front-end custom Drupal theme development. Designs created during the 2019 website update can and should be used to reduce time and costs
- Provide back end development
- Complete site launch
- Provide Staff training – can be web based

- Provide Technical documentation to help state of MN IT staff who may help maintain this system in the future
- Attend meetings with BWSR steering teams to develop the plan for the redesign and provide written and verbal project updates including progress status and budget status
- Manage all project documents, tasks, calendars, updates, etc. using Basecamp
- Provide the themed intranet site whereas BWSR staff will migrate the 200 pages and documents of content into the new site

#### WARRANTY

Programming code within the project scope of this proposal developed by Nighthawk is warranted for a period of 4 months from the website go live date. This includes correcting any errors or deficiencies within the scope of this proposal but does not cover the development of enhancements to the project or other services outside the scope of the proposal. A backup of the website will be created after the new site is launched. If any problems arise while you are maintaining the site, we'll be able to restore the site using the backup files.



# State of Minnesota Contract

SWIFT Contract No.: 171418

65200 BWSR Wetland Mitigation

This Contract is between the State of Minnesota, acting through its Commissioner of the Office of MNIT Services ("State") and TechZavy, Inc. whose designated business address is 221 1<sup>st</sup> Ave SW #202, Rochester, MN 55902 ("Contractor").

## Recitals

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1. Under Minn. Stat. § 15.061 and other applicable law 16E.01 the State is empowered to engage such assistance as deemed necessary.
2. The State is in need of replacement of the current Wetland Mitigation Application (BSuite) for the Board of Water and Soil Resources (BWSR)

## Contract

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### 1. Term of Contract

1.1 Effective date: January 27, 2020, or the date the State obtains all required signatures under Minn. Stat. § 16C.05, subd. 2, whichever is later. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by the State's Authorized Representative to begin the work.

1.2 Expiration date: January 26, 2021, or until all obligations have been satisfactorily fulfilled, whichever occurs first. The contract may be extended for up to an additional 3 years through a duly executed amendment.

1.3 Survival of terms: The following clauses survive the expiration or cancellation of this Contract: Indemnification; State Audits; Government Data Practices and Intellectual Property; Publicity and Endorsement; Governing Law, Jurisdiction, and Venue; and Data Disclosure. Any other Contract term that states it shall survive, shall survive.

### 2. Contractor's duties

The Contractor represents that it is duly qualified and agrees to perform all duties described in this Contract to the satisfaction of the State.

The Contractor, who is not a State employee, will provide a Wetland Mitigation program for BWSR as outlined in Exhibit C, which is attached and incorporated into this contract.

### 3. Time

The Contractor must comply with all the time requirements described in this Contract. In the performance of this Contract, time is of the essence.



#### 4. Consideration and payment

4.1 Consideration. The State will pay for performance by the Contractor under this Contract as follows:

4.1.1 Compensation. The Contractor will be paid after completion of each module, and testing by MNIT or BWSR staff of each module listed in Exhibit D, which is attached and incorporated into this contract.

4.1.2 Total obligation. The total obligation of the State for all compensation and reimbursements to the Contractor under this Contract will not exceed \$155,580.00.

4.2 Payment.

4.2.1 Invoices. The State will promptly pay the Contractor after the Contractor presents an itemized invoice for the goods received or services actually performed, and the State's Authorized Representative accepts the invoiced goods or services. Invoices must be submitted timely and according to the following schedule: On a monthly basis upon the completion of tasks as outlined in Exhibit D. Invoices may be sent via email to the MN.IT Accounts Payable e-mail address at [mnit.accountspayable@state.mn.us](mailto:mnit.accountspayable@state.mn.us). All invoices must include the Swift Contract Number and the Purchase Order Number.

4.2.2 Retainage. Under Minn. Stat. § 16C.08, subd. 2 (10), no more than 90 percent of the amount due under this Contract may be paid until the final product of this Contract has been reviewed by the State's agency head. The balance due will be paid when the State's agency head determines that the Contractor has satisfactorily fulfilled all the terms of this Contract.

4.2.3 Conditions of payment. All services provided by the Contractor under this Contract must be performed to the State's satisfaction and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations including business registration requirements of the Office of the Secretary of State. The Contractor will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law.

#### 5. Authorized Representative

The State's Authorized Representative is Robert Wehausen, 520 Lafayette Road N, St. Paul, MN 55155, 650-757-2813, [Robert.Wehausen@state.mn.us](mailto:Robert.Wehausen@state.mn.us), or his/her successor, and has the responsibility to monitor the Contractor's performance and the authority to accept the services provided under this Contract. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Contractor's Authorized Representative is Shan Ramalingam, at the following business address and telephone number: 221 1<sup>st</sup> Ave SW #202, Rochester, MN 55902, 507-261-9853, [shan@techzavi.com](mailto:shan@techzavi.com), or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify the State.

#### 6. Exhibits

The following documents are attached and incorporated into this contract:

- Exhibit A: Contract Terms
- Exhibit B: Insurance Requirements
- Exhibit C: Specifications, Duties, and Scope of Work
- Exhibit D: Pricing

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

Print name: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Title: Contract Manager Date: 1/24/2020  
SWIFT Contract No.: 171418 PO No.: 3000032565

DocuSigned by:  
*Debra Johnson*  
1BF2773FD90C4B3...

**3. State Agency**  
*With delegated authority*

Print name: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Title: Procurement Director Date: 1/27/2020

DocuSigned by:  
*Tracy Gerasch*  
58BF08075AF6441...

**2. Contractor**  
*The Contractor certifies that the appropriate person(s) have executed the Contract on behalf of the Contractor as required by applicable articles, bylaws, resolutions, or ordinances.*

Print name: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Title: Director Date: 1/24/2020

DocuSigned by:  
*Shan Ramalingam*  
A3E3EF9E56294C5...

**4. Commissioner of Administration**  
*As delegated to The Office of State Procurement*

Print name: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Title: Contracts Specialist Date: 1/27/2020

DocuSigned by:  
*Haylie Heil*  
4AB4CGB119DA413...

- Distribution:
- Agency
  - Contractor
  - State's Authorized Representative – photo copy



# State of Minnesota Contract

SWIFT Contract No.: 171241

## 68429 BWSR Easements

This Contract is between the State of Minnesota, acting through its Commissioner of the Office of MNIT Services (“State”) and Cengea Solutions Corporation [Contractor] whose designated business address is #560, 1188 W. Georgia St, Box 35, Vancouver, BC V6E 4A2 (“Contractor”).

### Recitals

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1. Under Minn. Stat. § 15.061 and other applicable law 16E.01 the State is empowered to engage such assistance as deemed necessary.
2. The State is in need of maintenance and support/troubleshooting on the current Easement Database for the Board of Water and Soil Resources (BWSR).

### Contract

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#### 1. Term of Contract

1.1 Effective date: January 15, 2020, or the date the State obtains all required signatures under Minn. Stat. § 16C.05, subd. 2, whichever is later. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by the State’s Authorized Representative to begin the work.

1.2 Expiration date: January 14, 2022, or until all obligations have been satisfactorily fulfilled, whichever occurs first. The contract may be extended for up to an additional 6 months through a duly executed amendment.

1.3 Survival of terms: The following clauses survive the expiration or cancellation of this Contract: Indemnification; State Audits; Government Data Practices and Intellectual Property; Publicity and Endorsement; Governing Law, Jurisdiction, and Venue; and Data Disclosure. Any other Contract term that states it shall survive, shall survive.

#### 2. Contractor’s duties

The Contractor represents that it is duly qualified and agrees to perform all duties described in this Contract to the satisfaction of the State.

The Contractor, who is not a State employee, will provide maintenance/support/troubleshooting in order to keep the current Easement Database reliable as outlined in Exhibit C, which is attached and incorporated into this document.

#### 3. Time

The Contractor must comply with all the time requirements described in this Contract. In the performance of this Contract, time is of the essence.

#### 4. Consideration and payment

4.1 Consideration. The State will pay for performance by the Contractor under this Contract as follows:

4.1.1 Compensation. The Contractor will be paid a yearly fee of \$30,000 for maintenance/support/troubleshooting of the Easement Database.

4.1.2 Total obligation. The total obligation of the State for all compensation and reimbursements to the Contractor under this Contract will not exceed \$60,000.00.

4.2 Payment.

4.2.1 Invoices. The State will promptly pay the Contractor after the Contractor presents an itemized invoice for the goods received or services actually performed, and the State's Authorized Representative accepts the invoiced goods or services. Invoices must be submitted timely and according to the following schedule: On a yearly basis. Invoices may be sent via email to the MN.IT Accounts Payable e-mail address at [mnit.accountspayable@state.mn.us](mailto:mnit.accountspayable@state.mn.us). All invoices must include the Swift Contract Number and the Purchase Order Number.

4.2.2 Retainage. Under Minn. Stat. § 16C.08, subd. 2 (10), no more than 90 percent of the amount due under this Contract may be paid until the final product of this Contract has been reviewed by the State's agency head. The balance due will be paid when the State's agency head determines that the Contractor has satisfactorily fulfilled all the terms of this Contract.

4.2.3 Conditions of payment. All services provided by the Contractor under this Contract must be performed to the State's satisfaction and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations including business registration requirements of the Office of the Secretary of State. The Contractor will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law.

#### 5. Authorized Representative

The State's Authorized Representative is Robert Wehausen, 520 Lafayette Road, St. Paul, MN 55155, 651-757-2813, [Robert.Wehausen@state.mn.us](mailto:Robert.Wehausen@state.mn.us), or his/her successor, and has the responsibility to monitor the Contractor's performance and the authority to accept the services provided under this Contract. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Contractor's Authorized Representative is Rajpal Brar at the following business address and telephone number: #560, 1188 W. Georgia St, Box 35, Vancouver, BC V6E 4A2, 604-697-6425, [rajpal\\_brar@trimble.com](mailto:rajpal_brar@trimble.com), or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify the State.

#### 6. Exhibits

The following documents are attached and incorporated into this contract:

Exhibit A: Contract Terms

Exhibit B: Insurance Requirements

Exhibit C: Specifications, Duties, and Scope of Work

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

Print name: \_\_\_\_\_  
Signature: DocuSigned by: Debra Johnson  
Title: Contract manager Date: 1/21/2020  
SWIFT Contract No.: 171241 PO No.: 3000032502

**3. State Agency**  
*With delegated authority*

Print name: \_\_\_\_\_  
Signature: DocuSigned by: Tracy Gerlach  
Title: Procurement Director Date: 1/21/2020

**2. Contractor**  
*The Contractor certifies that the appropriate person(s) have executed the Contract on behalf of the Contractor as required by applicable articles, bylaws, resolutions, or ordinances.*

Print name: \_\_\_\_\_  
Signature: DocuSigned by: Darcy Bennett  
Title: VP Finance Date: 1/20/2020

**4. Commissioner of Administration**  
*As delegated to The Office of State Procurement*

Print name: \_\_\_\_\_  
Signature: DocuSigned by: Haylie Heil  
Title: Contracts Specialist Date: 1/22/2020

Distribution:  
Agency  
Contractor  
State's Authorized Representative – photo copy

## Exhibit A: Contract Terms

### 1. Prompt Payment and Invoicing.

1.1 Prompt Payment. The State will pay pursuant to Minn. Stat. § 16A.124, which requires payment within 30 days following receipt of an undisputed invoice, or merchandise or service, whichever is later. Terms requesting payment in less than 30 days will be changed to read "Net 30 days." Notwithstanding the foregoing, the State may pay the Contractor in advance for purchases as allowed pursuant to Minn. Stat. §16A.065.

The payment for each order will only be made for goods received or services actually performed that have been accepted by the ordering entity, and meet all terms, conditions, and specifications of the Contract and the ordering document.

1.2 Invoicing. The invoice must be in the same format as the sample invoice form submitted with the solicitation response and approved as an attachment with the Contract, unless an alternative format is approved in writing by the Contract Administrator. Each invoice should at a minimum include:

- a. Customer name
- b. State Contract number field
- c. Service description
- d. Explanation of work performed per charge indicated on the invoice

### 2. Assignment, Amendments, Waiver, and Contract Complete.

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

2.2 Amendments. Any amendment to this Contract must be in writing and will not be effective until it has been executed and approved by the authorized parties or their successors.

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

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

### 3. Termination.

3.1 Termination by the State. The State or Commissioner of Administration may cancel this Contract at any time, with or without cause, upon 30 days' written notice to the Contractor. Upon termination, the Contractor will be entitled to payment, determined on a pro rata basis, for services or goods satisfactorily performed or delivered.

3.2 Termination for Default. If the Contractor fails to perform according to the contract terms and conditions, the State is authorized to immediately cancel the Contract or purchase order, or any portion of it, and may obtain replacement goods or services and charge the difference of costs to the defaulting Contractor. In the event of default, the State reserves the right to pursue any other remedy available by law. A Contractor may be removed from the vendors list, suspended or debarred from receiving a Contract for failure to comply with terms and conditions of the Contract, or for failure to pay the State for the cost incurred on the defaulted Contract.

3.3 Termination for Insufficient Funding. The State may immediately terminate this Contract 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 covered here. Termination must be by written notice to the Contractor. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Contractor will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that dedicated 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 Contractor notice of the lack of funding within a reasonable time of the State's receiving that notice.

**4. Force Majeure.**

Neither party shall be responsible to the other or considered in default of its obligations hereunder to the extent that performance of any such obligations 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 defaulting under this provision must provide the other party prompt written notice of the default and take all necessary steps to bring about performance as soon as practicable.

**5. Indemnification.**

In the performance of this Contract by Contractor, Contractor's reseller, any third party that has a business relationship with the Contractor, or Contractor's agents or employees, and to the fullest extent permitted by law, the Contractor must indemnify, save, and hold harmless the State, its agents, and employees, from any claims or causes of action, including attorney's fees incurred by the State, to the extent caused by Contractor's:

- Intentional, willful, or negligent acts or omissions; or
- Actions that give rise to strict liability; or
- Breach of contract or warranty.

The indemnification obligations of this section do not apply in the event the claim or cause of action is the result of the State's sole negligence. This clause will not be construed to bar any legal remedies the Contractor may have for the State's failure to fulfill its obligation under this Contract.

**6. Governing Law, Jurisdiction, and Venue.**

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

**7. Data Disclosure.**

Under Minn. Stat. § 270C.65, subd. 3 and other applicable law, the Contractor consents to disclosure of its social security number, federal employer tax identification number, and Minnesota tax identification number, already provided to the State, to federal and state agencies, and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state laws which could result in action requiring the Contractor to file state tax returns, pay delinquent state tax liabilities, if any, or pay other state liabilities.

**8. Government Data Practices.**

The Contractor and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, (or, if the State contracting party is part of the Judicial Branch, with the Rules of Public Access to Records of the Judicial Branch promulgated by the Minnesota Supreme Court as the same may be amended from time to time) as it applies to all data provided by the State under this Contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Contractor under this Contract. The civil remedies of Minn. Stat. § 13.08 apply to the

release of the data governed by the Minnesota Government Practices Act, Minn. Stat. Ch. 13, by either the Contractor or the State.

If the Contractor receives a request to release the data referred to in this clause, the Contractor must immediately notify and consult with the State's Authorized Representative as to how the Contractor should respond to the request. The Contractor's response to the request shall comply with applicable law.

## **9. Intellectual Property Rights.**

9.1 Definitions. For the purpose of this Section, the following words and phrases have the assigned definitions:

9.1.1 "Documents" are the originals of any databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks, or other materials, whether in tangible or electronic forms, prepared by the Contractor, its employees, agents, or subcontractors, in the performance of this Contract.

9.1.2 "Pre-Existing Intellectual Property" means intellectual property developed prior to or outside the scope of this Contract, and any derivatives of that intellectual property.

9.1.3 "Works" means all inventions, improvements, discoveries (whether or not patentable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, and disks conceived, reduced to practice, created or originated by the Contractor, its employees, agents, and subcontractors, either individually or jointly with others in the performance of this Contract. "Works" includes Documents.

9.2 Ownership. The State owns all rights, title, and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks, and service marks in the Works and Documents created and paid for under this Contract. The Documents shall be the exclusive property of the State and all such Documents must be immediately returned to the State by the Contractor upon completion or cancellation of this Contract. To the extent possible, those Works eligible for copyright protection under the United States Copyright Act will be deemed to be "works made for hire." The Contractor assigns all right, title, and interest it may have in the Works and the Documents to the State. The Contractor must, at the request of the State, execute all papers and perform all other acts necessary to transfer or record the State's ownership interest in the Works and Documents.

9.3 Pre-existing Intellectual Property. Each Party shall retain ownership of its respective Pre-Existing Intellectual Property. The Contractor grants the State a perpetual, irrevocable, non-exclusive, royalty free license for Contractor's Pre-Existing Intellectual Property that are incorporated in the products, materials, equipment, deliverables, or services that are purchased through the Contract.

9.4 Obligations.

9.4.1 Notification. Whenever any invention, improvement, or discovery (whether or not patentable) is made or conceived for the first time or actually or constructively reduced to practice by the Contractor, including its employees and subcontractors, in the performance of this Contract, the Contractor will immediately give the State's Authorized Representative written notice thereof, and must promptly furnish the State's Authorized Representative with complete information and/or disclosure thereon.

9.4.2 Representation. The Contractor must perform all acts, and take all steps necessary to ensure that all intellectual property rights in the Works and Documents are the sole property of the State, and that neither Contractor nor its employees, agents, or subcontractors retain any interest in and to the works and



documents. The Contractor represents and warrants that the works and documents do not and will not infringe upon any intellectual property rights of other persons or entities.

9.4.3 Indemnification. Notwithstanding any other indemnification obligations set forth herein, the Contractor will indemnify; defend, to the extent permitted by the Attorney General; and hold harmless the State, at the Contractor's expense, from any action or claim brought against the State to the extent that it is based on a claim that all or part of the Works or Documents infringe upon the intellectual property rights of others. The Contractor will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages, including but not limited to, attorney fees. If such a claim or action arises, or in the Contractor's or the State's opinion is likely to arise, the Contractor must, at the State's discretion, either procure for the State the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing works or documents as necessary and appropriate to obviate the infringement claim. This remedy of the State will be in addition to and not exclusive of other remedies provided by law.

## **10. Copyright.**

The Contractor shall save and hold harmless the State of Minnesota, its officers, agents, servants and employees, from liability of any kind or nature, arising from the use of any copyrighted or noncopyrighted compositions, secret process, patented or nonpatented invention, article or appliance furnished or used in the performance of the Contract.

## **11. Order of Precedence.**

Any licensing and maintenance agreement, or any order-specific agreement or document, including any pre-installation, linked or "click through" agreement that is allowed by, referenced within or incorporated within the Contract whenever the Contract is used for a State procurement, whether directly by the Contractor or through a Contractor's agent, subcontractor or reseller, is agreed to only to the extent the terms within any such agreement or document do not conflict with the Contract or applicable Minnesota or Federal law, and only to the extent that the terms do not modify, diminish or derogate the terms of the Contract or create an additional financial obligation to the State. A State employee's decision to choose "accept" or an equivalent option associated with a "click-through" agreement does not constitute the State's concurrence or acceptance of terms, if such terms are in conflict with this section.

## **12. State Audits.**

Under Minn. Stat. § 16C.05, subd. 5, the Contractor's books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by the State, the State Auditor, or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Contract.

**13. Insurance. Contractor must comply with all insurance requirements specified in Exhibit B of the Contract. Prior to execution of the Contract, amendment, or assignment agreement, the State must have a current copy of the Contractor's Certificate of Insurance that meets the Contract insurance requirements.**

## **14. Publicity and Endorsement.**

14.1 Publicity. Any publicity regarding the subject matter of this 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, information posted on corporate or other websites, research, reports, signs, and similar public notices prepared by or for the Contractor individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

14.2 Endorsement. The Contractor must not claim that the State endorses its products or services.

## **15. Debarment by State, its Departments, Commissions, Agencies, or Political Subdivisions.**

Contractor certifies that neither it nor its principals is presently debarred or suspended by the Federal government, the State, or any of the State's departments, commissions, agencies, or political subdivisions. Contractor's certification is a

material representation upon which the Contract award was based. Contractor shall provide immediate written notice to the State's Authorized Representative if at any time it learns that this certification was erroneous when submitted or becomes erroneous by reason of changed circumstances.

**16. Federal Funds.**

Federal money will be used or may potentially be used to pay for all or part of the goods, construction or services under the Contract. The Contractor is responsible for compliance with all federal requirements imposed on the funds and accepts full financial responsibility for any requirements imposed by the Contractor's failure to comply with federal requirements.

**17. Certification regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion.**

Federal money will be used or may potentially be used to pay for all or part of the work under the Contract, therefore Contractor certifies that it is in compliance with federal requirements on debarment, suspension, ineligibility and voluntary exclusion specified in the solicitation document implementing Executive Order 12549. Contractor's certification is a material representation upon which the Contract award was based.

**Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Covered Transactions**

Instructions for Certification

- 17.1 By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
- 17.2 The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
- 17.3 The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
- 17.4 The terms *covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded*, as used in this clause, have the meaning set out in the Definitions and Coverages sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
- 17.5 The prospective lower tier participant agrees by submitting this response that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
- 17.6 The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- 17.7 A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.
- 17.8 Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- 17.9 Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 C.F.R. 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition

to other remedies available to the federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment

**18. Contingency Fees Prohibited.**

Pursuant to Minn. Stat. § 10A.06, no person may act as or employ a lobbyist for compensation that is dependent upon the result or outcome of any legislation or administrative action.

**19. Certification of Nondiscrimination (in accordance with Minn. Stat. § 16C.053).**

If the value of this Contract, including all extensions, is \$50,000 or more, Contractor certifies it does not engage in and has no present plans to engage in discrimination against Israel, or against persons or entities doing business in Israel, when making decisions related to the operation of the vendor's business. For purposes of this section, "discrimination" includes but is not limited to engaging in refusals to deal, terminating business activities, or other actions that are intended to limit commercial relations with Israel, or persons or entities doing business in Israel, when such actions are taken in a manner that in any way discriminates on the basis of nationality or national origin and is not based on a valid business reason.

**20. Non-discrimination (in accordance with Minn. Stat. § 181.59).**

The Contractor will comply with the provisions of Minn. Stat. § 181.59.

**21. E-Verify Certification (in accordance with Minn. Stat. § 16C.075). [Remove if Contract is for Goods only]**

For services valued in excess of \$50,000, Contractor certifies that as of the date of services performed on behalf of the State, Contractor and all its subcontractors will have implemented or be in the process of implementing the federal E-Verify Program for all newly hired employees in the United States who will perform work on behalf of the State. Contractor is responsible for collecting all subcontractor certifications and may do so utilizing the E-Verify Subcontractor Certification Form available at <http://www.mmd.admin.state.mn.us/doc/EVERifySubCertForm.doc>. All subcontractor certifications must be kept on file with Contractor and made available to the State upon request.

**22. Affirmative Action Requirements**

The State intends to carry out its responsibility for requiring affirmative action by its contractors.

22.1 Covered Contracts and Contractors. If the Contract exceeds \$100,000 and the Contractor employed more than 40 full-time employees on a single working day during the previous 12 months in Minnesota or in the state where it has its principal place of business, then the Contractor must comply with the requirements of Minn. Stat. § 363A.36 and Minn. R. 5000.3400-5000.3600. A contractor covered by Minn. Stat. § 363A.36 because it employed more than 40 full-time employees in another state and does not have a certificate of compliance, must certify that it is in compliance with federal affirmative action requirements.

22.2 Minn. R. 5000.3400-5000.3600.

22.3 General. Minn. R. 5000.3400-5000.3600 implements Minn. Stat. § 363A.36. These rules include, but are not limited to, criteria for contents, approval, and implementation of affirmative action plans; procedures for issuing certificates of compliance and criteria for determining a contractor's compliance status; procedures for addressing deficiencies, sanctions, and notice and hearing; annual compliance reports; procedures for compliance review; and contract consequences for non-compliance. The specific criteria for approval or rejection of an affirmative action plan are contained in various provisions of Minn. R. 5000.3400-5000.3600 including, but not limited to, Minn. R. 5000.3420-5000.3500 and 5000.3552-5000.3559.

22.4 Disabled Workers. The Contractor must comply with the following affirmative action requirements for disabled workers.

(1) The Contractor must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The Contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

(2) The Contractor agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.

(3) In the event of the Contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with Minn. Stat. § 363A.36, and the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.

(4) The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Commissioner. Such notices must state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified disabled employees and applicants for employment, and the rights of applicants and employees.

(5) The Contractor must notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of Minn. Stat. § 363A.36, of the Minnesota Human Rights Act and is committed to take affirmative action to employ and advance in employment physically and mentally disabled persons.

22.5 Consequences. The consequences for the Contractor's failure to implement its affirmative action plan or make a good faith effort to do so include, but are not limited to, suspension or revocation of a certificate of compliance by the Commissioner, refusal by the Commissioner to approve subsequent plans, and termination of all or part of this Contract by the Commissioner or the State.

22.6 Certification. The Contractor hereby certifies that it is in compliance with the requirements of Minn. Stat. § 363A.36 and Minn. R. 5000.3400-5000.3600 and is aware of the consequences for noncompliance.

### **23. Equal Pay Certification**

If Contractor is required by Minn. Stat. §363A.44 to have a current Equal Pay Certificate, and that Contractor's Equal Pay Certificate expires during the term of this Contract, Contractor must promptly re-apply for an Equal Pay Certificate with the Minnesota Department of Human Rights and notify the State's Authorized Representative once the Contractor has received the renewed Equal Pay Certificate. If Contractor is exempt, the State may require Contractor to verify its exempt status.

### **24. IT Accessibility Standard.**

The State of Minnesota (Executive branch state agencies) has developed IT Accessibility Standard effective September 1, 2010. The standard entails, in part, the Web Content Accessibility Guidelines (WCAG) 2.0 (Level AA) and Section 508 which can be viewed at: <https://mn.gov/mnit/government/policies/accessibility/>.

The Standards apply to web sites, software applications, electronic reports and output documentation, training delivered in electronic formats (including, but not limited to, documents, videos, and webinars), among others. As upgrades are made to the software/products/subscriptions available through this Contract, the Contractor agrees to develop functionality which supports accessibility. If any issues arise due to nonconformance with the above mentioned accessibility Standards, the Contractor agrees to provide alternative solutions upon request at no additional charge to the State.

When updates or upgrades are made to the products or services available through this Contract, the Contractor agrees to document how the changes will impact and/or improve the product's/service's accessibility and usability. This documentation, upon request, must be provided to the State in advance of the change, occurring within an agreed upon timeframe sufficient for the state to review the changes and either approve them or request a remediation plan from the Contractor. If agreed-upon updates fail to improve the product or service's accessibility or usability as planned, the failure to comply with this requirement may be cause for contract cancellation or for the State to consider the Contractor in default.

## **Exhibit B: Insurance Requirements**

### **1. Notice to Contractor.**

- 1.1 The Contractor is required to submit Certificates of Insurance acceptable to the State as evidence of insurance coverage requirements prior to commencing work under the contract.
- 1.2 Contractor shall not commence work under the contract until they have obtained all the insurance described below and the State has approved such insurance. Contractor shall maintain such insurance in force and effect throughout the term of the contract.
- 1.3 The failure of the State to obtain a Certificate of Insurance, for the policies required under this Contract or renewals thereof, or failure of the insurance company to notify the State of the cancellation of policies required under this Contract shall not constitute a waiver by the Owner to the Contractor to provide such insurance.
- 1.4 The State reserves the right to immediately terminate the contract if the contractor is not in compliance with the insurance requirements and retains all rights to pursue any legal remedies against the contractor. All insurance policies must be open to inspection by the State, and copies of policies must be submitted to the State's authorized representative upon written request.

### **2. Notice to Insurer.**

- 2.1 The Contractor's insurance company(ies) waives its right to assert the immunity of the State as a defense to any claims made under said insurance.
- 2.2 Insurance certificate holder should be addressed as follows:

State of Minnesota  
Office of MNIT Services  
658 Cedar Street  
St. Paul, MN 55155

### **3. Additional Insurance Conditions. The following apply to the Contractor, or the Contractor's subcontractor:**

- 3.1 Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to the State with respect to any claim arising out of Contractor's performance under this contract;
- 3.2 If Contractor receives a cancellation notice from an insurance carrier affording coverage herein, Contractor agrees to notify the State within five (5) business days with a copy of the cancellation notice, unless Contractor's policy(ies) contain a provision that coverage afforded under the policy(ies) will not be cancelled without at least thirty (30) days advance written notice to the State;
- 3.3 Contractor is responsible for payment of Contract related insurance premiums and deductibles;
- 3.4 If Contractor is self-insured, a Certificate of Self-Insurance must be attached;
- 3.5 Contractor's policy(ies) shall include legal defense fees in addition to its professional liability policy limits;

3.6 Contractor’s insurance companies must either (1) have an AM Best rating of A- (minus) and a Financial Size Category of VII or better, and be authorized to do business in the State of Minnesota or (2) be domiciled in the State of Minnesota and have a Certificate of Authority/Compliance from the Minnesota Department of Commerce if they are not rated by AM Best; and

3.7 An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor’s policy limits to satisfy the full policy limits required by the Contract.

**4. Coverages. Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:**

**General Insurance Requirements**

4.1 Workers’ Compensation Insurance. Statutory Compensation Coverage. Except as provided below, Contractor must provide Workers’ Compensation insurance for all its employees and, in case any work is subcontracted, Contractor will require the subcontractor to provide Workers’ Compensation insurance in accordance with the statutory requirements of the State, including Coverage B, Employer’s Liability. Insurance **minimum** limits are as follows:

- \$100,000 – Bodily Injury by Disease per employee
- \$500,000 – Bodily Injury by Disease aggregate
- \$100,000 – Bodily Injury by Accident

If Minn. Stat. § 176.041 exempts Contractor from Workers’ Compensation insurance or if the Contractor has no employees in the State, Contractor must provide a written statement, signed by an authorized representative, indicating the qualifying exemption that excludes Contractor from the Minnesota Workers’ Compensation requirements.

If during the course of the contract the Contractor becomes eligible for Workers’ Compensation, the Contractor must comply with the Workers’ Compensation Insurance requirements herein and provide the State with a certificate of insurance.

**General Liability**

4.2 Commercial General Liability Insurance. Contractor is required to maintain insurance protecting it from claims for damages for bodily injury, including sickness or disease, death, and for care and loss of services as well as from claims for property damage, including loss of use which may arise from operations under the Contract whether the operations are by the Contractor or by a subcontractor or by anyone directly or indirectly employed by the Contractor under the contract. Insurance **minimum** limits are as follows:

- \$2,000,000 – per occurrence
- \$2,000,000 – annual aggregate
- \$2,000,000 – annual aggregate – applying to Products/Completed Operations

The following coverages shall be included:

- Premises and Operations Bodily Injury and Property Damage
- Personal and Advertising Injury
- Blanket Contractual Liability
- Products and Completed Operations Liability
- Other; if applicable, please list \_\_\_\_\_

- **State of Minnesota named as an Additional Insured**, to the extent permitted by law

4.3 Commercial Automobile Liability Insurance. Contractor is required to maintain insurance protecting it from claims for damages for bodily injury as well as from claims for property damage resulting from the ownership, operation, maintenance or use of all owned, hired, and non-owned autos which may arise from operations under this contract, and in case any work is subcontracted the contractor will require the subcontractor to maintain Commercial Automobile Liability insurance. Insurance **minimum** limits are as follows:

\$2,000,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage

In addition, the following coverages should be included: Owned, Hired, and Non-owned Automobile.

Evidence of Subcontractor insurance shall be filed with the Contractor.

4.4 Professional Liability, Errors, and Omissions. This policy will provide coverage for all claims the contractor may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Contractor’s professional services required under the contract. Insurance **minimum** limits are as follows:

\$2,000,000 - per claim or event

\$2,000,000 - annual aggregate

Any deductible will be the sole responsibility of the Contractor and may not exceed \$50,000 without the written approval of the State. If the Contractor desires authority from the State to have a deductible in a higher amount, the Contractor shall so request in writing, specifying the amount of the desired deductible and providing financial documentation by submitting the most current audited financial statements so that the State can ascertain the ability of the Contractor to cover the deductible from its own resources.

The retroactive or prior acts date of such coverage shall not be after the effective date of this Contract and Contractor shall maintain such insurance for a period of at least three (3) years, following completion of the work. If such insurance is discontinued, extended reporting period coverage must be obtained by Contractor to fulfill this requirement.

4.5 Network Security and Privacy Liability Insurance (or equivalent). The coverage may be endorsed on another form of liability coverage or written on a standalone policy. Contractor shall maintain insurance to cover claims which may arise from failure of Contractor’s security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data including but not limited to confidential or private information, transmission of a computer virus or denial of service. Insurance minimum limits are as follows:

\$2,000,000 per occurrence

\$2,000,000 annual aggregate

The following coverage shall be included:

State of Minnesota named as an Additional Insured unless the coverage is written under a Professional Liability policy.



### **Exhibit C: Specifications, Duties, and Scope of Work**

The Easement Database is essential to the day-to-day operations of the RIM program as well as for reporting outcomes to decision makers and stakeholders.

The Contractor will provide the following:

1. Provide current reliable software with existing functionality and maintenance, meeting statutory requirements, which includes but is not limited to:
  - Support and troubleshooting
  - Bug fixes
  - Minor user interface enhancements (controls or validation for data entry)
  - Break/fix work
  - Reports
  - Assistance with functional issues that cannot be resolved without Contractor support;
  - Non-maintenance agency requirements; program requirements (Reinvest in Minnesota); State/Federal partnerships (CREP program changes and reporting); security obligations, and changes driven by new or different business rules (such as legislative action).

SWIFT Contract No.: 178627  
Purchase Order No.: 3000012269

STATE OF MINNESOTA  
INTERAGENCY AGREEMENT

This agreement is between the **Minnesota Board of Water and Soil Resources** (“BWSR”) and the **Minnesota Pollution Control Agency** (“MPCA” or “PCA”).

**Agreement**

**1 Term of Agreement**

- 1.1 **Effective date:** **July 1, 2020**, or the date the State obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later.
- 1.2 **Expiration date:** **June 30, 2021**, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

**2 Scope of Work**

**2.1 Background**

The purpose of this project, which is a cooperative effort between BWSR, PCA, and the Minnesota Department of Natural Resources (DNR), is to develop the State’s application for Federal Clean Water Act Section 404 assumption, fulfilling the requirements of a wetland program development grant awarded to BWSR from the U.S. Environmental Protection Agency (Grant No. CD-00E02736-0) (EPA Grant) and Laws of Minnesota 2019, 1st Special Session, Chapter 4, Article 1, Section 2, Subd. 9(a) (2019 legislation). This cooperative project is funded, in part, by an appropriation to the Environmental Quality Board (EQB) associated with the 2019 legislation. In accordance with an agreement between BWSR and EQB (Contract #164667), BWSR is responsible for coordination with DNR and PCA, including any necessary interagency agreements and funding, within budgetary limitations, for the agencies work on this project.

**2.2 PCA's Duties**

- 2.1.1 Participate on the interagency project management team which will be responsible for general project oversight, interagency coordination, providing direction to the BWSR project coordinator, and coordinating project work within PCA. Project management team members will also serve as liaisons to their respective agency leadership, particularly regarding any issues that may require high level decisions or consensus, and for reporting to and coordinating with EQB on tasks relating to the 2019 legislation.
- 2.1.2 Complete various specific tasks related to the agency’s programs as identified by the project management team, including providing to BWSR: timely information and direction; feedback and concurrence on proposed statute, rule, and procedural changes affecting PCA programs; and assistance in assembling 404 assumption application materials relating to PCA and its programs.

- 2.1.3 Serve as subject-matter experts on issues relating to PCA programs for stakeholder meetings and legislative presentations and hearings.
- 2.1.4 Tracking time spent working on the project and providing that information to BWSR for reimbursement in accordance with Articles 3 and 4 of this agreement.
- 2.1.5 Assist with the review of reports and other work-products.

### **2.3 BWSR's Duties**

- 2.3.1 Act as the primary state administrator for the EPA grant in accordance with the grant agreement, and the 2019 legislation in accordance with the BWSR-EQB agreement.
- 2.3.2 Provide for overall project management and coordination, including fulfilling the requirements of the BWSR-EQB agreement and the EPA grant.
- 2.3.3 Lead and coordinate the interagency project management team identified in section 2.2.1.
- 2.3.4 Provide a project coordinator to serve as the primary staff person responsible for completing project tasks and coordinating interagency work based on direction from the project management team.
- 2.3.5 Accept and manage state funds transferred from EQB and federal funds provided through the EPA Grant, including the reimbursement of expenses incurred by PCA for work associated with this project.
- 2.3.6 Make payment to PCA in the amount and manner specified in Articles 3 and 4 of this agreement.
- 2.3.7 Submit complete information regarding costs and in-kind contributions in a manner that meets the reporting requirements of the EPA grant for the purposes of determining reimbursement from grant funds.

### **3 Consideration and Payment**

BWSR agrees to reimburse the PCA for its activities in support of the 2019 legislation and EPA Grant listed under section 2.2. The total obligation of BWSR for all compensation and reimbursements to PCA under this agreement will not exceed **\$45,888.00 (Forty-Five Thousand Eight Hundred Eighty Eight Dollars and Zero Cents)**.

PCA will invoice BWSR quarterly for its project cost share amounts and provide BWSR with the documentation necessary to request reimbursement. Invoices should reference the SWIFT Contract Number and Purchase Order Number, and be sent to [BWSR.Invoices@state.mn.us](mailto:BWSR.Invoices@state.mn.us).

### **4 Conditions of Payment**

All services provided by PCA under this agreement must be performed to BWSR's satisfaction, as determined at the sole discretion of BWSR's Authorized Representative.

### **5 Authorized Representative**

BWSR's Authorized Representative is **Les Lemm**, Wetlands Section Manager, 520 Lafayette Road, St. Paul, MN, 55155, 651-296-6057, [les.lemm@state.mn.us](mailto:les.lemm@state.mn.us), or his successor.

PCA's Authorized Representative is **Melissa Kuskie**, Project Manager, 520 Lafayette Road, St. Paul, MN 55155, 651-757-2512, [Melissa.kuskie@state.mn.us](mailto:Melissa.kuskie@state.mn.us) or her successor.

### **6 Amendments**

Any amendment 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 Liability**

Each party will be responsible for its own acts and behavior and the results thereof.

**8 Termination**

Either party may terminate this agreement at any time, with or without cause, upon 30 days' written notice to the other party.

**1. STATE ENCUMBRANCE VERIFICATION**

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

DocuSigned by:  
Signed: Cathy Seurer  
E54485EBE2AE4D8...

Date: 6/29/2020

**Resources (BWSR)**

DocuSigned by:  
By: Lee Jemm  
D7C31123FFEC4C9...  
(with delegated authority)

Title: Wetlands Section Manager

Date: 6/30/2020

**2. Minnesota Pollution Control Agency**

(MPCA)  
DocuSigned by:  
By: Smith, Katie E  
B98EA695ADE1411...  
(with delegated authority)

Title: Assistant Division Director

Date: 6/30/2020

**3. Minnesota Board of Soil and Water**

**STATE OF MINNESOTA  
INTERAGENCY AGREEMENT**

This Agreement is between **Minnesota Pollution Control Agency**, 520 Lafayette Road N. St. Paul, MN 55155 (MPCA) and **Board of Water and Soil Resources**, 520 Lafayette Road N. St. Paul, MN 55155 (“BWSR”).

**Agreement**

**1 Term of Agreement**

1.1 **Effective date:** **July 1, 2020**, or the date the State obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later.

1.2 **Expiration date:** **June 30, 2021** or until all obligations have been satisfactorily fulfilled, whichever occurs first.

**2 Scope of Work**

**A. MPCA Duties:**

MPCA, at its central office location, 520 Lafayette Rd N, St. Paul, MN 55155 will provide the following services to BWSR:

- Reception services
- Security Access Control for office security of employees and guests
- Board meeting parking with up to 15 allotted spaces for meetings
- Lease management services
- Emergency Notification System (Send Word Now) for protecting employee safety in regards to emergencies affecting the office space
- Emergency planning and safety consultation
- Ergonomic assessments
- Conference room coordination
- AV coordination
- Mail processing and package delivery and pick up

**B. BWSR Duties:**

BWSR, at 520 Lafayette Rd N, St. Paul, MN 55155 will provide the following services to MPCA:

- Follow most recent updates of the following MPCA procedures (noted as Attachments A-E):
  - Attachment A – Central Office Emergency Plan
  - Attachment B – Building Access Badge and Key Request
  - Attachment C – Conference Room Scheduling Policy
  - Attachment D – AV Equipment Policy
  - Attachment E –Visitors Policy
- Complete Access Badge Requests for new employees during BWSR onboarding and off boarding process
- Update Send Word Now during BWSR onboarding and off boarding process

- Notify MPCA of staff departures
  - Within two business days for non-contentious departures via the Staff Change Notification Policy
  - Immediately for departures which are contentious to the MPCA Director of Human Resources
- Provide guest lists and BWSR contacts for guests
- Responsible for damages to property, building or equipment

### **3 Consideration and Payment**

The total obligation of BWSR for all compensation and reimbursements to MPCA under this Agreement over the length of this Agreement will not exceed **\$7344.00 (Seven Thousand Three Hundred Forty Four Dollars and Zero Cents)**.

MPCA will invoice BWSR annually on April 1<sup>st</sup>. BWSR will pay within 30 days of receipt of invoice.

### **4 Conditions of Payment**

All services provided by MPCA under this agreement must be performed to BWSR's satisfaction, as determined at the sole discretion of BWSR's Authorized Representative.

### **5 Authorized Representative**

MPCA's Authorized Representative is **Christine Everson**, Operations Assistant Division Director, MPCA, 520 Lafayette Rd N, St. Paul, MN 55155, christine.everson@state.mn.us, 651-757-2782, or her successor. If MPCA's Authorized Representatives change at any time during this agreement, MPCA must notify BWSR within 30 days.

BWSR's Authorized Representative is **Jeremy Olson**, Chief Financial Officer, BWSR, 520 Lafayette Rd N, St. Paul, MN 55155, Jeremy.olson@state.mn.us, 651-282-2929, or his successor. If BWSR's Authorized Representatives change at any time during this agreement BWSR must notify MPCA within 30 days.

### **6 Amendments**

Any amendment 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 Liability**

Each party will be responsible for its own acts and behavior and the results thereof.

### **8 Termination**

Either party may terminate this Agreement at any time, with or without cause, upon 30 days'

written notice to the other party.

**1. STATE ENCUMBRANCE VERIFICATION**

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

Signed: \_\_\_\_\_

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

**2. Minnesota Pollution Control Agency (MPCA)**

By: \_\_\_\_\_  
(With delegated authority)

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

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

**3. Board of Water and Soil Resources (BWSR)**

By: \_\_\_\_\_  
(with delegated authority)

Title: Chief Financial Officer

Date: 06/25/2020

STATE OF MINNESOTA

SUBLEASE

SUBLEASE NO. **12248-A**

THIS SUBLEASE is made by and between State of Minnesota, Department of Administration, hereinafter referred to as SUBLESSOR, acting for the benefit of the Minnesota Pollution Control Agency, and the State of Minnesota, Department of Administration, hereinafter referred to as SUBLESSEE, acting for the benefit of the Board of Water and Soil Resources.

WHEREAS, the Commissioner of Administration is empowered by Minn. Stat. §16B.24, subd. 6, to lease non-state owned property;

WHEREAS, pursuant to the Lease No. 11945, original copies stored at the Department of Administration; hereinafter referred to as "Master Lease", SUBLESSOR has leased a portion of the Building located at 520 Lafayette Road in St. Paul, MN 55155 ("Leased Premises");

WHEREAS, SUBLESSEE desires to lease a portion of the Leased Premises;

WHEREAS, SUBLESSEE is bound by the terms and conditions of the Master Lease, as if it was the lessee under said Master Lease unless otherwise set forth in this Sublease;

NOW, THEREFORE, SUBLESSOR and SUBLESSEE, in consideration of the rents, covenants, and considerations hereinafter specified, do hereby agree each with the other as follows.

1. **SUBLEASED PREMISES** SUBLESSOR grants and SUBLESSEE accepts a sublease of the following described Subleased Premises located in the City of St. Paul, County of Ramsey, Minnesota 55155:

approximately thirteen thousand one hundred eighty-five (13,185) usable square feet of office and storage space in the building located at 520 Lafayette Road hereinafter referred to as "Subleased Premises", allocated as follows:

Level/Suite No.	Usable Square Feet	Use
2nd Floor	9,783	Office
1 <sup>st</sup> Floor	293	Office
Lower Level Floor	89	Storage
Shared Common	3,020	Shared Common
<b>TOTAL</b>	<b>13,185</b>	



2. **USE** SUBLESSEE shall use and occupy the Subleased Premises only as office and related activities.
3. **TERM** The term of this Lease is eight (8) years and six (6) months, commencing July 1, 2019 and continuing through December 31, 2028 ("Sublease Term").
4. **RENT**

4.1 As rent for the Subleased Premises and in consideration for all covenants, representations and conditions of the Sublease, SUBLESSEE agrees to pay to SUBLESSOR for the term of the Sublease in accordance with the rent schedule set forth below:

LEASE PERIOD	SQUARE FEET	RATE PER SQ. FT.	MONTHLY PAYMENT	RENT FOR LEASE PERIOD
7/1/19 - 9/30/19				
Office	10,076	\$ 20.18	\$ 16,944.47	\$ 50,833.41
Heated Storage	89	\$ 6.87	\$ 50.95	\$ 152.85
Shared Common	3,020	\$ 20.18	\$ 5,078.63	\$ 15,235.89
			<b>TOTAL</b>	<b>\$ 66,222.15</b>
10/1/19 9/30/20				
Office	10,076	\$ 20.78	\$ 17,448.27	\$ 209,379.24
Heated Storage	89	\$ 7.07	\$ 52.44	\$ 629.28
Shared Common	3,020	\$ 20.78	\$ 5,229.63	\$ 62,755.56
			<b>TOTAL</b>	<b>\$ 272,764.08</b>
10/1/20 9/30/21				
Office	10,076	\$ 21.41	\$ 17,977.26	\$ 215,727.12
Heated Storage	89	\$ 7.28	\$ 53.99	\$ 647.88
Shared Common	3,020	\$ 21.41	\$ 5,388.18	\$ 64,658.16
				<b>\$ 281,033.16</b>
10/1/21 9/30/22				
Office	10,076	\$ 22.05	\$ 18,514.65	\$ 222,175.80
Heated Storage	89	\$ 7.50	\$ 55.63	\$ 667.56
Shared Common	3,020	\$ 22.05	\$ 5,549.25	\$ 66,591.00
			<b>TOTAL</b>	<b>\$ 289,434.36</b>
10/1/22 9/30/23				
Office	10,076	\$ 22.49	\$ 18,884.10	\$ 226,609.20
Heated Storage	89	\$ 7.50	\$ 55.63	\$ 667.56
Shared Common	3,020	\$ 22.49	\$ 5,659.98	\$ 67,919.76
			<b>TOTAL</b>	<b>\$ 295,196.52</b>

10/1/23	9/30/24				
	Office	10,076	\$ 22.94	\$ 19,261.95	\$ 231,143.40
	Heated Storage	89	\$ 7.50	\$ 55.63	\$ 667.56
	Shared Common	3,020	\$ 22.94	\$ 5,773.23	\$ 69,278.76
				<b>TOTAL</b>	<b>\$ 301,089.72</b>
10/1/24	9/30/25				
	Office	10,076	\$ 23.40	\$ 19,648.20	\$ 235,778.40
	Heated Storage	89	\$ 7.50	\$ 55.63	\$ 667.56
	Shared Common	3,020	\$ 23.40	\$ 5,889.00	\$ 70,668.00
				<b>TOTAL</b>	<b>\$ 307,113.96</b>
10/1/25	6/30/26				
	Office	10,076	\$ 23.87	\$ 20,042.84	\$ 180,385.56
	Heated Storage	89	\$ 7.50	\$ 55.63	\$ 500.67
	Shared Common	3,020	\$ 23.87	\$ 6,007.28	\$ 54,065.52
				<b>TOTAL</b>	<b>\$ 234,951.75</b>
7/1/26	6/30/27				
	Office	10,076	\$ 24.35	\$ 20,445.88	\$ 245,350.56
	Heated Storage	89	\$ 7.50	\$ 55.63	\$ 667.56
	Shared Common	3,020	\$ 24.35	\$ 6,128.08	\$ 73,536.96
				<b>TOTAL</b>	<b>\$ 319,555.08</b>
7/1/27	6/30/28				
	Office	10,076	\$ 24.84	\$ 20,857.32	\$ 250,287.84
	Heated Storage	89	\$ 7.50	\$ 55.63	\$ 667.56
	Shared Common	3,020	\$ 24.84	\$ 6,251.40	\$ 75,016.80
				<b>TOTAL</b>	<b>\$ 325,972.20</b>
7/1/28	12/31/28				
	Office	10,076	\$ 25.34	\$ 21,277.15	\$ 127,662.90
	Heated Storage	89	\$ 7.50	\$ 55.63	\$ 333.78
	Shared Common	3,020	\$ 25.34	\$ 6,377.23	\$ 38,263.38
				<b>TOTAL</b>	<b>\$ 166,260.06</b>
				<b>TOTAL FOR TERM</b>	<b>\$ 2,859,593.04</b>

4.2 All original bills and statements from SUBLESSOR to SUBLESSEE shall be emailed, mailed or personally delivered to:

Administrative Services Division  
Attention: Jeremy Olson, Chief Financial Officer  
Board of Water and Soil Resources  
520 Lafayette Rd  
St Paul MN 55155

4.3 SUBLESSEE agrees to pay SUBLESSOR the monthly rent set forth above at the end of each calendar month via electronic payment, mail or deliver said payments to:

Fiscal Services Accounts Receivable  
Minnesota Pollution Control Agency  
520 Lafayette Rd  
St Paul MN 55155-4194

4.4 SUBLESSOR represents and warrants that it is solely entitled to all of the rents payable under the terms of this Sublease and that SUBLESSEE shall have the quiet enjoyment of the Subleased Premises during the full term of this Sublease and any extension or renewal thereof.

5. **PARKING**

5.1 Subject to availability, SUBLESSOR shall provide for SUBLESSEE forty-six (46) non-reserved parking stalls for parking in the surface parking lot known as the East (Mercury) lot, and three (3) reserved parking stalls in the surface parking lot known as the North (Pluto) lot within Lafayette Park. SUBLESSEE shall contract directly with the management company of said lot(s).

5.2 The cost per contract per month for both Employee and State Owned vehicles is as follows:

LEASE PERIOD	RATE/CONTRACT
7/1/2019 – 9/30/2019	\$35.81/contract/month plus sales tax
10/1/2019 – 9/30/2020	\$36.88/contract/month plus sales tax
10/1/2020 – 9/30/2021	\$37.99/contract/month plus sales tax
10/1/2021 – 9/30/2022	\$39.13/contract/month plus sales tax
10/1/2022 - 6/30/2026	\$40.00/contract/month includes sales tax
7/1/2026-12/31/2028	\$40.00/contract/month includes sales tax

6. **TERMINATION** This Lease may be terminated by either party for any reason at any time upon giving twelve (12) months prior written notice to the other party.

7. **DUTIES OF SUBLESSOR**

7.1 SUBLESSOR shall furnish and provide for the use of SUBLESSEE:

- a. Heat, electricity, air conditioning, gas, sewer and water.
- b. Trash and recycling services, lawn maintenance, snow removal and janitorial services.

7.2 Disability Access Guidelines SUBLESSOR agrees to provide and maintain the Subleased Premises and the building of which the Subleased Premises are a part with accessibility and facilities for persons with disabilities meeting code requirements including, but not limited to: Title II and III of the American with Disabilities Act (ADA), all applicable laws, rules, ordinances and regulations issued by any federal, state or local political subdivisions having jurisdiction and authority in connection with said property.

8. DUTIES OF SUBLESSEE

8.1 Except as otherwise provided herein, SUBLESSEE shall:

- a. Furnish materials and services required for its use of the Subleased Premises.
- b. Maintain the Subleased Premises in a reasonably good condition and state of repair during the continuance of its tenancy.
- c. Abide by the SUBLESSOR's security and building standard procedures, and building guidelines.

8.2 SUBLESSEE agrees to observe reasonable precautions to prevent waste of heat, electricity, water, air conditioning, any other utility, or any service, whether such is furnished by SUBLESSOR or obtained and paid for by SUBLESSEE.

9. SUBLESSEE ALTERATIONS

9.1 In the event Sublessee desires to remodel, make alterations, additions, and/or changes and request design services (hereinafter, "Alterations") to the Subleased Premises, and it is determined that the Alterations are at Sublessee's expense, Sublessee shall obtain written approval for such Alterations from the Sublessor, and such Alterations shall be arranged and managed by Sublessee as follows:

a. Sublessee shall obtain up to three (3) written cost estimates from Sublessor's vendors for desired Alterations.

b. Alterations shall be documented and authorized in advance according to the applicable cost level, as follows:

- (i) Alterations totaling \$2,500.00 or less shall be set forth in and authorized by Sublessee in Sublessee's signed Purchase Order which shall be submitted to Sublessor.
- (ii) Alterations totaling \$2,500.01 through \$8,000.00 shall be set forth in and authorized by Sublessee in a signed Remodeling Request Memo, which shall be submitted to Sublessor.
- (iii) Alterations of \$8,000.01 or more shall be set forth and authorized by Sublessor and Sublessee by way of an executed Amendment to the Lease.

9.2 Upon completion of the Alterations, Master Landlord shall pay the appropriate vendor(s), and Sublessee shall reimburse Sublessor within thirty (30) days following receipt of a detailed invoice from Sublessor.

10. **SMOKING** Pursuant to Minn. Stat. §16B.24, subd. 9, SUBLESSOR and SUBLESSEE shall not permit smoking in the Subleased Premises. In addition SUBLESSEE shall abide by the SUBLESSOR's smoking policy.

11. **INSURANCE**

11.1 SUBLESSOR and SUBLESSEE agree that each party will be responsible for its own acts and the results thereof to the extent authorized by law and shall not be responsible for the acts of any others and the results thereof.

11.2 SUBLESSEE agrees that SUBLESSOR assumes by this Sublease no liability for loss of SUBLESSEE'S personal property resulting from fire, tornado, civil disorder, theft or any cause whatsoever, except as may be attributed to SUBLESSOR'S negligence, acts or omissions as determined by a court of law.

12. **MAINTENANCE AND REPAIRS**

12.1 It shall be the duty of SUBLESSOR to maintain at its own expense, in working condition, all appurtenances within the scope of this Sublease, including the maintenance of plumbing, wiring, heating (and, where applicable, cooling) devices and ductwork.

12.2 SUBLESSOR shall, at its own expense, make such necessary repairs so as to continue to provide all such service appurtenances as are required by this Sublease, provided, however, that SUBLESSOR shall not be responsible for repairs upon implements or articles which are the personal property of SUBLESSEE, nor shall SUBLESSOR bear the expense of repairs to the Subleased Premises necessitated by damage caused by SUBLESSEE beyond normal wear and tear.

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**EXHIBITS:**

Exhibit A      Floor Plans of Leased Premises

IN WITNESS WHEREOF, the parties have set their hands on the date(s) indicated below intending to be bound thereby.

SUBLESSOR:  
STATE OF MINNESOTA  
DEPARTMENT OF ADMINISTRATION  
COMMISSIONER  
acting for the benefit of MINNESOTA  
POLLUTION CONTROL AGENCY

By *Don Follander*  
Real Estate and Construction Services

Date 11-21-19

SUBLESEE:  
STATE OF MINNESOTA  
DEPARTMENT OF ADMINISTRATION  
COMMISSIONER  
acting for the benefit of BOARD OF WATER  
AND SOIL RESOURCES

By *Paul Steeders*  
Real Estate and Construction Services

Date 11-21-19

APPROVED:  
STATE OF MINNESOTA  
MINNESOTA POLLUTION CONTROL  
AGENCY

By *Christina Owen*

Title Asst. Division Director

Date 11-20-19

APPROVED:  
STATE OF MINNESOTA  
BOARD OF WATER AND SOIL RESOURCES

By *JG*

Title Chief Financial Officer

Date November 8<sup>th</sup>, 2019

STATE ENCUMBRANCE VERIFICATION

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

By *Cathy S*

Date 11/8/19

SWIFT P.O. 300010922

Contract No. # 32136