LOCAL BRIDGE REPLACEMENT PROGRAM (LBRP) GENERAL FUND GRANT AGREEMENT

This Agreement between the Minnesota Department of Transportation ("MnDOT") and the Grantee named below is made pursuant to Minnesota Statutes Section 174.50 and pursuant to Minn. Laws 2014 Chapter 295, HF 1068. The provisions in that section and the Exhibits attached hereto and incorporated by reference constitute this Agreement and the persons signing below agree to fully comply with all of the requirements of this Agreement. This Agreement will be effective on the date the State obtains all required signatures under Minnesota Statutes §16C.05, subdivision 2.

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

City of Saint Paul Department of Public Works 800 CHA 25 W 4th Street Saint Paul, MN 55102

Contact: Glenn Pagel, City Bridge Engineer

2. Project(s):

Name of Project (See Exhibit C for location)	Amount of LBRP Funds	Amount of Required Matching Funds	Completion Date
SP 164-158-020	\$1,493,026.22	\$1,495,748.74	Dec. 31, 2016
New Br. 62650			
New Br. 62651			
Old Br. 92798			
SP 164-158-021	\$2,329.345.40	\$4,067,548.58	Dec. 31, 2016
SP 164-158-022			
New Br. 62649			
Old Br. 92797			

- 3. Total Amount of LBRP Grant for all projects under this Agreement: \$ 3,822,371.62
- 4. The following Exhibits for each project are attached and incorporated by reference as part of this Agreement:

Exhibit A-1, A-2

Exhibit B-1, B-2

Exhibit C

Exhibit D-1a, D-1b, D-2

Exhibit E

Exhibit E

Completed Sources and Uses of Funds Schedule

Project Completion Schedule

General Fund Financed Property Certification

Grant Application

Grantee Resolution Approving Grant Agreement

Exhibit F

General Terms and Conditions

Revised: 6/8/15

5.	Additional requirements, if any:
	n/a
6.	Any modification of this Agreement must be in writing and signed by both parties.
	(The remaining portion of this page was intentionally left blank.)

DEPARTMENT OF TRANSPORTATION

City of Saint Paul PUBLIC ENTITY (GRANTEE)

B _W	By:
By: Title: City Attorney	Title: State Aid Program Engineer
Date:	OFFICE OF CONTRACT MANAGEMENT
By:	By:Contract Administrator
Title: Director of Office of Financial Services	Date:
Date:	
By:	
Title: Division Manager (Bridges)	
Date:	
By:	
Title: Director of Public Works	
Date:	

EXHIBIT A-1 (SP 164-158-020)

SOURCES AND USES OF FUNDS SCHEDULE

SOURCES OF FUNDS USES OF FUNDS

Entity Supplying Funds	Amount	Expenses	Amount
State Funds:		State Funds:	
LBRP Grant	\$1,493,026.22	LBRP Grant	\$1,493,026.22
(Bridge Bond Acct 271)		(Bridge Bond Acct 271)	
Federal Funds	\$1,400,000.00	Federal Funds	\$1,400,000.00
Subtotal	\$2,893,026.22	Subtotal	\$2,893,026.22
Public Entity Funds:		Public Entity Funds:	
Local	\$95,748.74	Local	\$95,748.74
Subtotal	\$95,748.74	Subtotal	\$95,748.74
TOTAL FUNDS	\$2,988,774.96	= TOTAL PROJECT COSTS	\$2,988,774.96

EXHIBIT A-2 (SP 164-158-021)

SOURCES AND USES OF FUNDS SCHEDULE

SOURCES OF FUNDS USES OF FUNDS

Entity Supplying Funds	Amount	Expenses	Amount
State Funds:		State Funds:	
LBRP Grant	\$2,329,345.40	LBRP Grant	\$2,329,345.40
(Bridge Bond Acct 271)		(Bridge Bond Acct 271)	
Federal Funds	\$2,745,600.00	Federal Funds	\$2,745,600.00
Subtotal	\$5,074,945.40	Subtotal	\$5,074,945.40
Public Entity Funds:		Public Entity Funds:	
City Local	\$4,119.60	Local	\$1,321,948.58
MSAS SP 164-158-021	223,401.61	MSAS SP 164-158-021	223,401.61
MSAS SP 164-158-022	1,094,427.37	MSAS SP 164-158-022	1,094,427.37
Subtotal	\$1,321,948.58	Subtotal	\$1,321,948.58
TOTAL FUNDS	\$6,396,893.98	= TOTAL PROJECT	\$6,396,893.98
TOTAL FUNDS	\$0,390,693.96	COSTS	\$0,390,693.96

EXHIBIT B-1 (SP 164-158-020)

PROJECT COMPLETION SCHEDULE

Start of Construction April 1, 2015

Roadway re-opened to traffic Dec. 31, 2015

Completion date for state aid pay requests Dec. 31, 2016

EXHIBIT B-2 (SP 164-158-021)

PROJECT COMPLETION SCHEDULE

Start of Construction April 1, 2015

Roadway re-opened to traffic Dec. 31, 2015

Completion date for state aid pay requests Dec. 31, 2016

EXHIBIT C

GENERAL FUND FINANCED PROPERTY CERTIFICATION SP 164-158-020, SP 164-158-021, SP 164-158-022

State of Minnesota General Fund Financed Property

ple title, a lease, or an easement interest in the real tate of Minnesota that is generally described in as situated thereon (the "Restricted Property") and does hereby declare that such interest in the ons, requirements, restrictions, and encumbrances nent Construction Grant for the Local Bridge
PUBLIC ENTITY (GRANTEE) City of Saint Paul, a political subdivision of the State of Minnesota
By: Title: Division Manager (Bridges) Date:
By: Title: Director of Public Works
֡֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜

Attachment I to Exhibit C

GENERAL DESCRIPTION OF RESTRICTED PROPERTY

From Market Street at the west, to Wabasha Street at the east, including Kellogg Boulevard between city right-of-way boundaries.

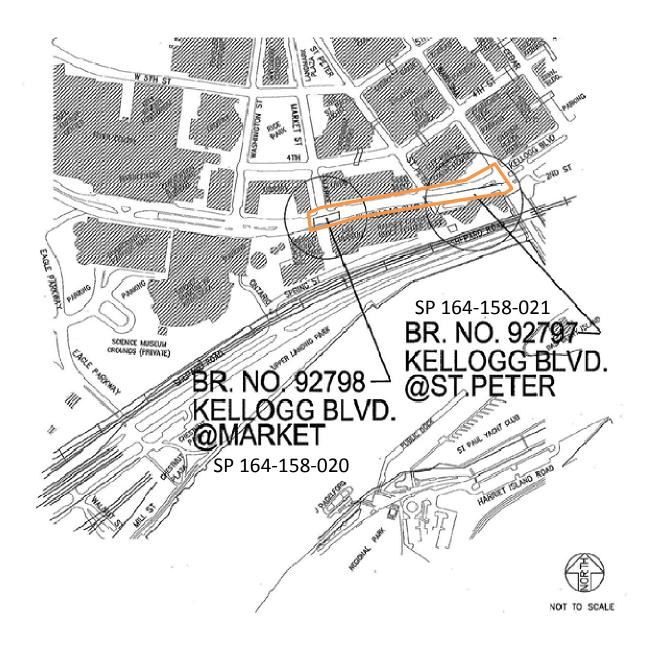


EXHIBIT D-1a (SP 164-158-020)

GRANT APPLICATION

MnDOT 30809(6/14)



APPLICATION FOR BRIDGE FUNDS

State Transportation Fund Grants & Town Bridge Funds
State of Minnesota - Department of Transportation
State Aid for Local Transportation

. ,	Project Number,	S.P. 164-158-020	Old Bridge Number	er 92798				
Ť	New Bridge No.	62650	Over	River Bluff				
ij	County of	Ramsey	Road or Street No	MSA 158				
dentification	Municipality of	City of Saint Paul	Road or Street Na	me Kellogg Bou	llevard			
ř	Township of		Proposed Const Y					
Eliaibility	Is this a road-in-lieu of	Structure Inventory Structural school prioritizing this bridge 12/1	7/2014	nctionally Obsolete	□ Adequate			
		importance of replacing this bridge						
tion	Kellogg Blvd is essential as a Streets, and for access to sig	Kellogg Blvd is essential as an arterial roadway serving multiple modes, for local to interstate connections, for river crossing at Wabasha and Robert Streets, and for access to significant facilities including City Hall, County Courthouse, Xcel Energy Center, RiverCentre, Science Museum.						
Prioritization	Is the road designated or planned to be designated as a Minimum Maintenance road? U Yes © No (Attach additional sheets for explanation if necessary)							
₫		Is the township net tax capacity less than \$300,000? ☐ Yes ☐ No						
	Is the bridge listed on the National Register of Historic Places or been determined to be eligible? You National Register of Historic Places link here: http://www.nps.gow/history/nt/fesearch/							
_		Eligible Amou	int	Ineligible	Amount			
	Structure Costs	\$1,106,777		2,789				
æ	Approach Costs	\$54,306	\$0					
E	Engineering Costs	\$0	\$ 32	24,466				
귱	Total Costs	\$ 1,161,083		7,255				
Cost Estimate	Total Project Cost	\$	1,678,33	38				
8	Ilum 1	lage O		1/9/2015				
	Geuely#City Engineer FM.			Da	ale			
	DISTRICT STATE AID E	NGINEER RECOMMENDATION						
DSAE	Replace	Defer	the Dresil		1/9/15			
+			t State Aid Engineer S		Date			
- 1	STATE AID USE ONLY	Federal-		\$				
_		State-Ai	-	\$				
2		Local/Ot		\$				
Approval		Town Br		\$				
뤽			ted Town Bridge dge Funds	\$				
			uge runus					
		Total		\$				

EXHIBIT D-1b (SP 164-158-020)

GRANT APPLICATION

MnDOT 30809(6/14)



APPLICATION FOR BRIDGE FUNDS

State Transportation Fund Grants & Town Bridge Funds
State of Minnesota - Department of Transportation
State Aid for Local Transportation

٠,	Project Number	S.P. 164-158-021 02.0	χγιώ) Old Bridge Number	92798	
dentification	New Bridge No.	62651	Over	River Bluff	
į	County of	Ramsey	Road or Street No.	MSA 158	
1	Municipality of	City of Saint Paul	Road or Street Nam	e Kellogg Boulevard	
ै	Township of		Proposed Const Yea	*****	
Prioritization	Is this a road-in-lieu of the How many people are a Describe the economic Kellogg Bird is essential as a Streets, and for access to significant in the road designated of (Attach additional sheets for its the township net tax of the bridge listed on the streets.	Structure Inventory Structure Inventory Structure Inventory Structure Inventory Interest Indiana India	sturally Deficient	ead? ☐ Yes 60 No	
	Structure Costs	Eligible A \$613,000	mount \$6,39	Ineligible Amount	
ą	Approach Costs	\$0	\$0		
E	Engineering Costs	\$0	\$154,		
S	Total Costs	\$ 613,000		\$ 160,776	
Cost Estimate	Total Project Cost		773,776		
ŏ	MO. P	20		1/9/2015	
	County/City Engineer			Date	
	Fue				
Щ	DISTRICT STATE AID E	NGINEER RECOMMENDAT	ION		
DSAE	Replace X	Defer	Doci Brus O	1/2/16	
	replace	COC D	istrict State Aid Engineer Sig	nature Date	
- 1	STATE AID USE ONLY	Fed	eral-Aid \$		
- 1	OWNER OF CHE	State	e-Aid §		
힌			l/Other _\$		
2			n Bridge \$		
Approval			located Town Bridge \$		
		State	Bridge Funds		
		Tota	\$		

EXHIBIT D-2 (SP 164-158-021)

GRANT APPLICATION

MnDOT 30809(6/14)



APPLICATION FOR BRIDGE FUNDS

State Transportation Fund Grants & Town Bridge Funds

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

- 5	Project Number	S.P. 164-158-021	Old Bridge Number	92797	
Identification	New Bridge No.	62649	Over	River Bluff	
ģ	County of	Ramsey	Road or Street No.	MSA 158	
- 5	Municipality of	City of Saint Paul	Road or Street Name	Kellogg Boulevard	
	Township of		Proposed Const Year	2015	
Eliaibility	Bridge Sufficiency Ra Adequacy Status from Date of Council/Board Is this a road-in-lieu o	Structure Inventory Structure Structure Structure action prioritizing this bridge_12		y deficient? ☐ Yes 🖼 No nally Obsolete ☐ Adequate ☐ Yes 🖼 No	
Įo,	How many people are affected by this deficiency? 22,200 What is the ADT on this bridge? 22,200 Describe the economic importance of replacing this bridge. Kellogg Blvd is essential as an effected roadway serving multiple modes, for local to interstate connections, for river crossing at Wabasha and Robert Streets, and for access to significant facilities including City Hall, County Courthouse, Xeel Energy Center, RiverCentre, Science Museum.				
Prioritization	is the bridge listed on	or planned to be designated as for explanation if necessary) capacity less than \$300,000? the National Register of Historio ric Places link here: http://www.nps	Places or been determined to	☐ Yes ■ No	
		Eligible Am	nount	Ineligible Amount	
	Structure Costs	\$3,110,169	\$231,09	4	
숍	Approach Costs	\$ 166,479	\$0		
E	Engineering Costs	\$0	\$864,38	3	
Cost Estimate	Total Costs	\$ 3,276,648	\$1,095,4	77	
븅	Total Project Cost	\$	4,372,125	and a second service	
S	Blue C Gounty/City Engineer	0		9/2015 Date	
DSAE					
Approval	STATE AID USE ONLY	Feder State- Local/ Town Unallo State	Aid \$ Other \$ Bridge \$ scated Town Bridge \$ Bridge Funds \$	lure Date	
'n.		Total	\$		

EXHIBIT E

GRANTEE RESOLUTION APPROVING GRANT AGREEMENT

RESOLUTION

Exhibit E for Grant Agreement to State Transportation Fund (Bridge Bonds)

Grant Terms and Conditions

SP 164-158-020, SP 164-158-021, SP 164-158-022

Date

WHEREAS, the City of Saint Paul has applied to the Commissioner of Transportation for a grant from the Minnesota State Transportation Fund for construction of Bridge Nos. 62649, 62650 and 62651; and

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

WHEREAS, the amount of the grant has been determined to be \$3,822,371.62 by reason of the lowest responsible bid;

NOW THEREFORE, be it resolved that the City of Saint Paul does hereby agree to the terms and conditions of the grant consistent with Minnesota Statutes, section 174.50, subdivision 5, clause (3), and will pay any additional amount by which the cost exceeds the estimate, and will return to the Minnesota State Transportation Fund any amount appropriated for the bridge but not required. The proper City officers are authorized to execute a grant agreement with the Commissioner of Transportation concerning the above-referenced grant.

BE IT FURTHER RESOLVED, that whereas federal-aid funds are being used to participate in the cost of the bridge, the Minnesota State Transportation Fund grant shall be deposited directly into the federal-aid agency account and that the records of the City shall so state.

EXHIBIT F

GENERAL TERMS AND CONDITIONS FOR LOCAL BRIDGE REPLACEMENT PROGRAM (LBRP) GENERAL FUND GRANTS (Applicable to each project.)

Article I DEFINITIONS

- Section 1.01 **Defined Terms.** The following terms shall have the meanings set out respectively after each such term (the meanings to be equally applicable to both the singular and plural forms of the terms defined) unless the context specifically indicates otherwise:
- "Advance(s)" means an advance made or to be made by MnDOT to the Public Entity and disbursed in accordance with the provisions contained in Article III hereof.
- "Agreement" means the Local Bridge Replacement Program Grant Agreement between the Public Entity and the Minnesota Department of Transportation to which this Exhibit is attached.
- "Certification" means the certification, in the form attached as **Exhibit C**, in which the Public Entity acknowledges that its interest in the Real subject to the provisions in this Agreement.
 - "Commissioner" means the Commissioner of Minnesota Management & Budget.
- "Completion Date" means the projected date for completion of the Project as indicated in the Agreement.
- "Construction Contract Documents" means the document or documents, in form and substance acceptable to MnDOT, including but not limited to any construction plans and specifications and any exhibits, amendments, change orders, modifications thereof or supplements thereto, which collectively form the contract between the Public Entity and the Contractor(s) for the completion of the Construction Items on or before the Completion Date for either a fixed price or a guaranteed maximum price.
- "Construction Items" means the work to be performed under the Construction Contract Documents.
- "Contractor" means any person engaged to work on or to furnish materials and supplies for the Construction Items including, if applicable, a general contractor.
- "Draw Requisition" means a draw requisition that the Public Entity, or its designee, submits to MnDOT when an Advance is requested, as referred to in Section 3.02.
 - "Event of Default" means those events delineated in Section 2.09.
- "Fair Market Value" means either (i) the price that would be paid by a willing and qualified buyer to a willing and qualified seller as determined by an appraisal which assumes that all mortgage liens or encumbrances on the property being sold, which negatively affect the value of such property, will be released, or (ii) the price bid by a purchaser under a public bid procedure after reasonable public notice,

with the proviso that all mortgage liens or encumbrances of the property being sold, which negatively affect the value of such property, will be released at the time of acquisition by the purchaser.

"Grant Application" - means the grant application that the Public Entity submitted to MnDOT which is attached as **Exhibits D-1a, D-1b and D-2**.

"Inspecting Engineer", - means MnDOT's construction inspector or its designated consulting engineer.

"LBRP Grant" - means a grant from MnDOT to the Public Entity under the LBRP in the amount specified in the Agreement, as such amount may be modified under the provisions hereof.

"LBRP" - means the Local Bridges Replacement Program pursuant to Minn. Stat. Sec. 174.50 and rules relating thereto.

"MnDOT" - means the Minnesota Department of Transportation.

"Outstanding Balance of the LBRP Grant" - means the portion of the LBRP Grant that has been disbursed to the Public Entity minus any amounts returned to the Commissioner.

"Project" - means the Project identified in the Agreement to be totally or partially funded with a LBRP grant.

"Public Entity" - means the grantee of the LBRP Grant and identified as the Public Entity in the Agreement.

"Real Property" - means the real property identified in the Agreement on which the Project is located.

Article II GRANT

Section 2.01 **Grant of Monies.** MnDOT shall make the LBRP Grant to the Public Entity, and disburse the proceeds in accordance with the terms and conditions herein.

Section 2.02 **Public Ownership.** The Public Entity acknowledges and agrees that the LBRP Grant is being funded under the LBRP, and as a result all of the Real Property must be owned by one or more public entities. The Public Entity represents and warrants to MnDOT that it has one or more of the following ownership interests in the Real Property: (i) fee simple ownership, (ii) an easement that is for a term that extends beyond the date that is 37.5 years from the Agreement effective date, or such shorter term as authorized by statute, and which cannot be modified or terminated early without the prior written consent of MnDOT; and/or (iii) a prescriptive easement for a term that extends beyond the date that is 37.5 years from the Agreement effective date.

Section 2.03 **Use of Grant Proceeds.** The Public Entity shall use the LBRP Grant solely to reimburse itself for expenditures it has already made, or will make, to pay the costs of one or more of the following activities: (i) constructing or reconstructing a bridge, (ii) preliminary engineering and environmental studies authorized under Minn. Stat. Sec. 174.50, subdiv. 6a, (iii) abandoning an existing bridge that is deficient and in need of replacement, but where no replacement will be made, or (iv) constructing a road to facilitate the abandonment or removal of an existing bridge determined to be

deficient. The Public Entity shall not use the LBRP Grant for any other purpose, including but not limited to, any work to be done on a state trunk highway or within a trunk highway easement.

Section 2.04 **Operation of the Real Property.** The Real Property must be used by the Public Entity in conjunction with or for the operation of a county highway, county state-aid highway, town road, or city street and for other uses customarily associated therewith, such as trails and utility corridors, and for no other purposes or uses. The Public Entity shall have no intention on the effective date of the Agreement to use the Real Property as a trunk highway or any part of a trunk highway. The Public Entity must annually determine that the Real Property is being used for the purposes specified in this Section and, upon written request by MnDOT, shall supply a notarized statement to that effect.

Section 2.05 **Lease of Real Property.** The Public Entity shall not lease out or enter into any contract that would allow another entity ("Usee") to use or operate the Real Property unless the lease or contract complies with the following requirements:

- A. The purpose for which such agreement was entered into must be for the purpose of the LBRP, and must recite the purpose.
- B. The agreement must cite the statutory authority under which the Public Entity is entering into the agreement, and must comply with the substantive and procedural provisions of such statute.
- C. It must be for a term, including any renewals that are solely at the option of the Usee, that is, if applicable, substantially less than the useful life of the Real Property, but may allow for renewals beyond the original term upon a determination by the Public Entity that the use continues to carry out the specific purpose for which the LBRP Grant was allocated. A term that is equal to or shorter than 50% of the useful life of the Real Property will meet the requirement that it be for a time period that is substantially shorter than the useful life of such structures and improvements.
- D. It must allow for termination by the Public Entity in the event of a default thereunder by the Usee, or in the event that the specific purpose for which the LBRP Grant was allocated is terminated or changed.
- E. It must require the Usee to pay all costs of operation and maintenance of the Real Property, unless the Public Entity is authorized by law to pay such costs and agrees to pay such costs.
- F. If the amount of the LBRP Grant exceeds \$200,000.00 then it must contain a provision requiring the Usee to list any vacant or new positions it may have with state workforce centers as required by Minn. Stat. § 116L.66. Subd. 1, as it may be amended, modified or replaced from time to time, for the term of the agreement.

Section 2.06 **Sale.** The Public Entity shall not sell any part of its ownership interest in the Real Property unless all of the following provisions have been complied with fully.

A. The Public Entity determines, by official action that it is no longer usable or needed for those purposes required by the LBRP and in accordance with the information contained in the Grant

Application, or for such other purposes and uses as the Minnesota legislature may from time to time designate.

- B. The sale is made as authorized by law.
- C. The sale is for Fair Market Value.
- D. Written notice of such proposed sale has been supplied to both the MnDOT and the Commissioner of Management and Budget at least 30 days prior thereto.

Section 2.07 **Proceeds of a Sale.** Upon the sale of the Public Entity's interest in the Real Property the net proceeds thereof shall be disbursed in the following manner and order.

- A. The first distribution shall be to the Commissioner in an amount equal to the amount of the LBRP Grant actually disbursed, and if the amount of such net proceeds shall be less than the amount of the LBRP Grant actually disbursed then all of such net proceeds shall be distributed to the Commissioner.
- B. The remaining portion, after the distribution specified in Section 2.07.A. shall be distributed to pay in full any outstanding public or private debt incurred to acquire the Public Entity's interest in or for the betterment of the Real Property in the order of priority of such debt.
- C. Any remaining portion, after the distributions specified in Sections 2.07.A. and B. shall be divided and distributed in proportion to the shares contributed to the acquisition of the Public Entity's interest in or for the betterment of the Real Property by public and private entities, including MnDOT buy not including any private entity that has been paid in full, that supplied funds in either real monies or like-kind contributions for such acquisition and betterment, and MnDOT's distribution shall be made to the Commissioner. Such public and private entities may agree amongst themselves as to any redistribution of such distributed funds.

The Public Entity shall not be required to pay or reimburse MnDOT for any funds above and beyond the full net proceeds of such sale, even if such net proceeds are less than the amount of the LBRP Grant actually disbursed.

Section 2.08 **Public Entity's Representations and Warranties.** The Public Entity represents and warrants to MnDOT that:

- A. It has legal authority to execute, deliver and perform the Agreement and all documents referred to therein, and it has taken all actions necessary to its execution and delivery of such documents.
- B. It has the ability and a plan to fund the operation of the Real Property for the purposes specified in Section 2.04, and will include in its annual budget all funds necessary for the operation of the Real Property for such purposes.
- C. The Agreement and all other documents referred to therein are the legal, valid and binding obligations of the Public Entity enforceable against the Public Entity in accordance with their respective terms.

- D. It will comply with all of the terms, conditions, provisions, covenants, requirements, and warranties in the Agreement, the LBRP and all other documents referred to herein. It has legal authority to use the General Fund Grant for the purpose or purposes described in this agreement.
- E. All of the information it has submitted or will submit to MnDOT or the Commissioner relating to the LBRP Grant or the disbursement of the LBRP Grant is and will be true and correct.
- F. It is not in violation of any provisions of its charter or of the laws of the State of Minnesota, and there are no actions or proceedings pending, or to its knowledge threatened, before any judicial body or governmental authority against or affecting it relating to the Real Property, or its ownership interest therein, and it is not in default with respect to any order, writ, injunction, decree, or demand of any court or any governmental authority which would impair its ability to enter into the Agreement or any document referred to herein, or to perform any of the acts required of it in such documents.
- G. Neither the execution and delivery of the Agreement or any document referred to herein nor compliance with any of the provisions or requirements of any of such documents is prevented by, is a breach of, or will result in a breach of, any provision of any agreement or document to which it is now a party or by which it is bound.
- H. The contemplated use of the Real Property will not violate any applicable zoning or use statute, ordinance, building code, rule or regulation, or any covenant or agreement of record relating thereto.
- I. The Project will be completed and the Real Property will be operated in full compliance with all applicable laws, rules, ordinances, and regulations of any federal, state, or local political subdivision having jurisdiction over the Project and the Real Property.
- J. All applicable licenses, permits and bonds required for the performance and completion of the Project and for the operation of the Real Property as specified in Section 2.04 have been, or will be, obtained.
- K. It reasonably expects to possess its ownership interest in the Real Property described in Section 2.02 for at least 37.5 years, and it does not expect to sell such ownership interest.
- L. It does not expect to lease out or enter into any contract that would allow another entity to use or operate the Real Property.
- M. It will supply whatever funds are needed in addition to the LBRP Grant to complete and fully pay for the Project.
- N. The Construction Items will be completed substantially in accordance with the Construction Contract Documents by the Completion Date and all such items will be situated entirely on the Real Property.
- O. It will require the Contractor or Contractors to comply with all rules, regulations, ordinances, and laws bearing on its performance under the Construction Contract Documents.

- P. It shall furnish such satisfactory evidence regarding the representations and warranties described herein as may be required and requested by MnDOT.
- Q. It has made no material false statement or misstatement of fact in connection with its receipt of the Grant.

Section 2.09 **Event(s) of Default.** The following events shall, unless waived in writing by MnDOT, constitute an Event of Default under the Agreement upon either MnDOT or the Commissioner giving the Public Entity 30 days' written notice of such event and the Public Entity's failure to cure such event during such 30-day time period for those Events of Default that can be cured within 30 days or within whatever time period is needed to cure those Events of Default that cannot be cured within 30 days as long as the Public Entity is using its best efforts to cure and is making reasonable progress in curing such Events of Default; however, in no event shall the time period to cure any Event of Default exceed six (6) months unless otherwise consented to, in writing, by MnDOT.

- A. If any representation, covenant, or warranty made by the Public Entity herein or in any other document furnished pursuant to the Agreement, or to induce MnDOT to disburse the LBRP Grant, shall prove to have been untrue or incorrect in any material respect or materially misleading as of the time such representation, covenant, or warranty was made.
- B. If the Public Entity fails to fully comply with any provision, covenant, or warranty contained herein or in the LBRP.
- C. If the Public Entity fails to use the proceeds of the LBRP Grant for the purposes set forth in Section 2.03, the Grant Application, and in accordance with the LBRP.
- D. If the Public Entity fails to operate the Real Property for the purposes specified in Section 2.04.
- E. If the Public Entity fails to complete the Project by the Completion Date.
- F. If the Public Entity sells or transfers any portion of its ownership interest in the Real Property without notifying both MnDOT and the Commissioner.
- G. If the Public Entity fails to provide any additional funds needed to fully pay for the Project.
- H. If the Public Entity fails to supply the funds needed to operate the Real Property in the manner specified in Section 2.04.

Notwithstanding the foregoing, any of the above events that cannot be cured shall, unless waived in writing by MnDOT, constitute an Event of Default under the Agreement immediately upon either MnDOT giving the Public Entity written notice of such event.

Section 2.10 **Remedies.** Upon the occurrence of an Event of Default and at any time thereafter until such Event of Default is cured to the satisfaction of MnDOT, MnDOT or the Commissioner may enforce any or all of the following remedies.

A. MnDOT may refrain from disbursing the LBRP Grant; provided, however, MnDOT may make such disbursements after the occurrence of an Event of Default without waiving its rights and remedies hereunder.

- B. If the Event of Default involves a sale of the Public Entity's interest in the Real Property in violation of Section 2.06 or 2.07 herein, then the Commissioner, as a third party beneficiary of the Agreement, may require that the Public Entity pay the amounts that would have been paid if there had been compliance with such provisions. For other Events of Default, the Commissioner may require that the Outstanding Balance of the LBRP Grant be returned to it.
- C. Either MnDOT or the Commissioner, as a third party beneficiary of the Agreement, may enforce any additional remedies it may have in law or equity.

The rights and remedies specified herein are cumulative and not exclusive of any rights or remedies that MnDOT or the Commissioner would otherwise possess.

If the Public Entity does not repay the amounts required to be paid under this Section or under any other provision contained herein within 30 days of demand by the Commissioner, or any amount ordered by a court of competent jurisdiction within 30 days of entry of judgment against the Public Entity and in favor of MnDOT and/or the Commissioner, then such amount may, unless precluded by law, be offset against any aids or other monies that the Public Entity is entitled to receive from the State of Minnesota.

- Section 2.11 **Notification of Event of Default.** The Public Entity shall furnish to MnDOT and the Commissioner, as soon as possible and in any event within seven (7) days after it has obtained knowledge of the occurrence of each Event of Default, a statement setting forth details of each Event of Default and the action which the Public Entity proposes to take with respect thereto.
- Section 2.12 **Effect of Event of Default.** The Agreement shall survive Events of Default and remain in full force and effect, even upon full disbursement of the LBRP Grant, and shall only be terminated under the circumstances set forth in Section 2.11.

Section 2.13 Termination of Agreement and Modification of LBRP Grant.

- A. If the Project is not started within five (5) years after the effective date of the Agreement or the LBRP Grant has not been disbursed within four (4) years after the date the Project was started, MnDOT's obligation to fund the LBRP Grant shall terminate. In such event, (i) if none of the LBRP Grant has been disbursed by such date, MnDOT shall have no obligation to fund the LBRP Grant and the Agreement will terminate, and (ii) if some but not all of the LBRP Grant has been disbursed by such date, MnDOT shall have no further obligation to provide any additional funding for the LBRP Grant and the Agreement shall remain in force but shall be modified to reflect the amount of the LBRP Grant that was actually disbursed and the Public Entity is still obligated to complete the Project by the Completion Date.
- B. The Agreement shall terminate upon the Public Entity's sale of its interest in the Real Property and transmittal of the required portion of the proceeds of the sale to the Commissioner in compliance with the provisions contained in Section 2.07 herein or upon the termination of the Public Entity's ownership interest in the Real Property if such ownership interest is an easement.
- Section 2.14 **Excess Funds.** If the full amount of the LBRP Grant and any matching funds referred to in Section 4.13 are not needed to complete the Project, then, unless language in the LBRP indicates otherwise, the LBRP Grant shall be reduced by the amount not needed.

Article III DISBURSEMENT OF GRANT PROCEEDS

Section 3.01 The Advances. MnDOT agrees, on the terms and subject to the conditions set forth

herein, to make Advances of the LBRP Grant to the Public Entity from time to time in an aggregate total amount not to exceed the amount of the LBRP Grant. If the amount of LBRP Grant that MnDOT cumulatively disburses hereunder to the Public Entity is less than the amount of the LBRP Grant delineated in Section 1.01, then MnDOT and the Public Entity shall enter into and execute whatever documents MnDOT may request in order to amend or modify this Agreement to reduce the amount of the LBRP Grant to the amount actually disbursed. Provided, however, in accordance with the provisions contained in Section 2.11, MnDOT's obligation to make Advances shall terminate as of the dates specified in Section 2.11 even if the entire LBRP Grant has not been disbursed by such dates.

It is the intent of the parties hereto that the rate of disbursement of the Advances shall not exceed the rate of completion of the Project or the rate of disbursement of the matching funds required, if any, under Section 4.13. Therefore, the cumulative amount of all Advances disbursed by the MnDOT at any point in time shall not exceed the portion of the Project that has been completed and the percentage of the matching funds required, if any, under Section 4.13 that have been disbursed as of such point in time. This requirement is expressed by way of the following two formulas:

Formula #1:

Cumulative Advances ≤ (Program Grant) × (percentage of matching funds, if any, required under Section 4.13 that have been disbursed)

Formula #2:

Cumulative Advances < (Program Grant) × (percentage of Project completed)

Section 3.02 **Draw Requisitions.** Whenever the Public Entity desires a disbursement of a portion of the LBRP Grant the Public Entity shall submit to MnDOT a Draw Requisition duly executed on behalf of the Public Entity or its designee. Each Draw Requisition with respect to construction items shall be limited to amounts equal to: (i) the total value of the classes of the work by percentage of completion as approved by the Public Entity and MnDOT, plus (ii) the value of materials and equipment not incorporated in the Project but delivered and suitably stored on or off the Real Property in a manner acceptable to MnDOT, less (iii) any applicable retainage, and less (iv) all prior Advances.

Notwithstanding anything herein to the contrary, no Advances for materials stored on or off the Real Property will be made by MnDOT unless the Public Entity shall advise MnDOT, in writing, of its intention to so store materials prior to their delivery and MnDOT has not objected thereto.

At the time of submission of each Draw Requisition, other than the final Draw Requisition, the Public Entity shall submit to MnDOT such supporting evidence as may be requested by MnDOT to substantiate all payments which are to be made out of the relevant Draw Requisition or to substantiate all payments then made with respect to the Project.

The final Draw Requisition shall not be submitted before completion of the Project, including any correction of material defects in workmanship or materials (other than the completion of punch list items). At the time of submission of the final Draw Requisition the Public Entity shall submit to MnDOT: (i) such supporting evidence as may be requested by MnDOT to substantiate all payments which are to be made out of the final Draw Requisition or to substantiate all payments then made with respect to the Project, and (ii) satisfactory evidence that all work requiring inspection by municipal or other governmental authorities having jurisdiction has been duly inspected and approved by such authorities and that all requisite certificates and other approvals have been issued.

If on the date an Advance is desired the Public Entity has complied with all requirements of this Agreement and MnDOT approves the relevant Draw Requisition, then MnDOT shall disburse the amount of the requested Advance to the Public Entity.

Section 3.03 **Additional Funds.** If MnDOT shall at any time in good faith determine that the sum of the undisbursed amount of the LBRP Grant plus the amount of all other funds committed to the Project is less than the amount required to pay all costs and expenses of any kind which reasonably may be anticipated in connection with the Project, then MnDOT may send written notice thereof to the Public Entity specifying the amount which must be supplied in order to provide sufficient funds to complete the Project. The Public Entity agrees that it will, within 10 calendar days of receipt of any such notice, supply or have some other entity supply the amount of funds specified in MnDOT's notice.

Section 3.04 **Condition Precedent to Any Advance.** The obligation of MnDOT to make any Advance hereunder (including the initial Advance) shall be subject to the following conditions precedent:

- A. MnDOT shall have received a Draw Requisition for such Advance specifying the amount of funds being requested, which such amount when added to all prior requests for an Advance shall not exceed the amount of the LBRP Grant set forth in Section 1.01.
- B. No Event of Default under this Agreement or event which would constitute an Event of Default but for the requirement that notice be given or that a period of grace or time elapse shall have occurred and be continuing.
- C. No determination shall have been made by MnDOT that the amount of funds committed to the Project is less than the amount required to pay all costs and expenses of any kind that may reasonably be anticipated in connection with the Project, or if such a determination has been made and notice thereof sent to the Public Entity under Section 2.03, then the Public Entity has supplied, or has caused some other entity to supply, the necessary funds in accordance with such section or has provided evidence acceptable to MnDOT that sufficient funds are available.
- D. MnDOT shall have received evidence, in form and substance acceptable to MnDOT, that the Public Entity has sufficient funds to fully and completely pay for the Project and all other expenses that may occur in conjunction therewith.
- E. The Public Entity has supplied to MnDOT all other items that MnDOT may reasonably require

Section 3.05 **Processing and Disbursement of Advances.** The Public Entity acknowledges and agrees as follows:

- A. Advances are not made prior to completion of work performed on the Project.
- B. All Advances are processed on a reimbursement basis.
- C. The Public Entity must first document expenditures to obtain an Advance.
- D. Reimbursement requests are made on a partial payment basis or when the Project is completed.

E. All payments are made following the "Delegated Contract Process or State Aid Payment Request" as requested and approved by the appropriate district state aid engineer.

Section 3.06 **Construction Inspections.** The Public Entity shall be responsible for making its own inspections and observations regarding the completion of the Project, and shall determine to its own satisfaction that all work done or materials supplied have been properly done or supplied in accordance with all contracts that the Public Entity has entered into regarding the completion of the Project.

Article IV MISCELLANEOUS

Section 4.01 **Insurance.** If the Public Entity elects to maintain general comprehensive liability insurance regarding the Real Property, then the Public Entity shall have MnDOT named as an additional named insured therein.

Section 4.02 **Condemnation.** If, after the Public Entity has acquired the ownership interest set forth in Section 2.02, all or any portion of the Real Property is condemned to an extent that the Public Entity can no longer comply with Section 2.04, then the Public Entity shall, at its sole option, either: (i) use the condemnation proceeds to acquire an interest in additional real property needed for the Public Entity to continue to comply with Section 2.04 and to provide whatever additional funds that may be needed for such purposes, or (ii) submit a request to MnDOT and the Commissioner to allow it to sell the remaining portion of its interest in the Real Property. Any condemnation proceeds which are not used to acquire an interest in additional real property shall be applied in accordance with Section 2.07 herein as if the Public Entity's interest in the Real Property had been sold. If the Public Entity elects to sell its interest in the portion of the Real Property that remains after the condemnation, such sale must occur within a reasonable time period after the date the condemnation occurred and the cumulative sum of the condemnation and sale proceeds applied in accordance with Section 2.07.

If MnDOT receives any condemnation proceeds referred to herein, MnDOT agrees to or pay over to the Public Entity all of such condemnation proceeds so that the Public Entity can comply with the requirements of this Section.

Section 4.03 **Use, Maintenance, Repair and Alterations.** The Public Entity shall not, without the written consent of MnDOT, (i) permit or allow the use of any of the Real Property for any purpose other than the purposes specified in Section 2.04, (ii) substantially alter any of the Real Property except such alterations as may be required by laws, ordinances or regulations, or such other alterations as may improve the Real Property by increasing its value or which improve its ability to be used for the purposes set forth in Section 2.04, (iii) take any action which would unduly impair or depreciate the value of the Real Property, (iv) abandon the Real Property, or (v) commit or permit any act to be done in or on the Real Property in violation of any law, ordinance or regulation.

If the Public Entity fails to maintain the Real Property in accordance with this Section, MnDOT may perform whatever acts and expend whatever funds necessary to so maintain the Real Property, and the Public Entity irrevocably authorizes MnDOT to enter upon the Real Property to perform such acts as may be necessary to so maintain the Real Property. Any actions taken or funds expended by MnDOT shall be at its sole discretion, and nothing contained herein shall require MnDOT to take any action or incur any expense and MnDOT shall not be responsible, or liable to the Public Entity or any other entity, for any such acts that are performed in good faith and not in a negligent manner. Any funds expended by MnDOT pursuant to this Section shall be due and payable on demand by MnDOT and will bear interest from the date of payment by MnDOT at a rate equal to the lesser of the maximum interest rate allowed by law or 18% per year based upon a 365-day year.

Section 4.04 **Recordkeeping and Reporting.** The Public Entity shall maintain books and records pertaining to Project costs and expenses needed to comply with the requirements contained herein, Minn. Stat. Sec. 174.50 and all rules related thereto, and upon request shall allow MnDOT, its auditors, the Legislative Auditor for the State of Minnesota, or the State Auditor for the State of Minnesota, to inspect, audit, copy, or abstract all of such items. The Public Entity shall use generally accepted accounting principles in the maintenance of such items, and shall retain all of such books and records for a period of six years after the date that the Project is fully completed and placed into operation.

Section 4.05 **Inspections by MnDOT.** The Public Entity shall allow MnDOT to inspect the Real Property upon reasonable request by MnDOT and without interfering with the normal use of the Real Property.

Section 4.06 **Liability.** The Public Entity and MnDOT agree that each will be responsible for its own acts and the results thereof to the extent authorized by law, and neither shall be responsible for the acts of the other party and the results thereof. The liability of MnDOT and the Commissioner is governed by the provisions of Minn. Stat. Sec. 3.736. If the Public Entity is a "municipality" as that term is used in Minn. Stat. Chapter 466, then the liability of the Public Entity is governed by the provisions of Chapter 466. The Public Entity's liability hereunder shall not be limited to the extent of insurance carried by or provided by the Public Entity, or subject to any exclusion from coverage in any insurance policy.

Section 4.07 **Relationship of the Parties.** Nothing contained in the Agreement is to be construed as establishing a relationship of co-partners or joint venture among the Public Entity, MnDOT, or the Commissioner, nor shall the Public Entity be considered to be an agent, representative, or employee of MnDOT, the Commissioner, or the State of Minnesota in the performance of the Agreement or the Project.

No employee of the Public Entity or other person engaging in the performance of the Agreement or the Project shall be deemed have any contractual relationship with MnDOT, the Commissioner, or the State of Minnesota and shall not be considered an employee of any of those entities. Any claims that may arise on behalf of said employees or other persons out of employment or alleged employment, including claims under the Workers' Compensation Act of the State of Minnesota, claims of discrimination against the Public Entity or its officers, agents, contractors, or employees shall in no way be the responsibility of MnDOT, the Commissioner, or the State of Minnesota. Such employees or other persons shall not require nor be entitled to any compensation, rights or benefits of any kind whatsoever from MnDOT, the Commissioner, or the State of Minnesota, including tenure rights, medical and hospital care, sick and vacation leave, disability benefits, severance pay and retirement benefits.

Section 4.08 **Notices.** In addition to any notice required under applicable law to be given in another manner, any notices required hereunder must be in writing and personally served or sent by prepaid, registered, or certified mail (return receipt requested), to the address of the party specified below or to such different address as may in the future be specified by a party by written notice to the others:

To the Public Entity: At the address indicated on the first page of the Agreement.

To MnDOT at: Minnesota Department of Transportation

Office of State Aid

395 John Ireland Blvd., MS 500

Saint Paul, MN 55155

Attention: Patti Loken, State Aid Programs Engineer

To the Commissioner at: Minnesota Management & Budget

400 Centennial Office Bldg.

658 Cedar St. St. Paul, MN 55155 Attention: Commissioner

Section 4.09 **Assignment or Modification.** Neither the Public Entity nor MnDOT may assign any of its rights or obligations under the Agreement without the prior written consent of the other party.

Section 4.10 **Waiver.** Neither the failure by the Public Entity, MnDOT, or the Commissioner, as a third party beneficiary of the Agreement, in one or more instances to insist upon the complete observance or performance of any provision hereof, nor the failure of the Public Entity, MnDOT, or the Commissioner to exercise any right or remedy conferred hereunder or afforded by law shall be construed as waiving any breach of such provision or the right to exercise such right or remedy thereafter. In addition, no delay by any of the Public Entity, MnDOT, or the Commissioner in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy preclude other or further exercise thereof or the exercise of any other right or remedy.

- Section 4.11 **Choice of Law and Venue.** All matters relating to the validity, interpretation, performance, or enforcement of the Agreement shall be determined in accordance with the laws of the State of Minnesota. All legal actions arising from any provision of the Agreement shall be initiated and venued in the State of Minnesota District Court located in St. Paul, Minnesota.
- Section 4.12 **Severability.** If any provision of the Agreement is finally judged by any court to be invalid, then the remaining provisions shall remain in full force and effect and they shall be interpreted, performed, and enforced as if the invalid provision did not appear herein.
- Section 4.13 **Matching Funds.** Any matching funds as shown on Page 1 of the Grant Agreement that are required to be obtained and supplied by the Public Entity must either be in the form of (i) cash monies, (ii) legally binding commitments for money, or (iii) equivalent funds or contributions, including equity, which have been or will be used to pay for the Project. The Public Entity shall supply to MnDOT whatever documentation MnDOT may request to substantiate the availability and source of any matching funds.
- Section 4.14 **Sources and Uses of Funds.** The Public Entity represents to MnDOT and the Commissioner that the Sources and Uses of Funds Schedule attached as **Exhibits A-1 and A-2** accurately show the total cost of the Project and all of the funds that are available for the completion of the Project. The Public Entity will supply any other information and documentation that MnDOT or the Commissioner may request to support or explain any of the information contained in the Sources and Uses of Funds Schedule. If any of the funds shown in the Sources and Uses of Funds Schedule have conditions precedent to the release of such funds, the Public Entity must provide to MnDOT a detailed description of such conditions and what is being done to satisfy such conditions.
- Section 4.15 **Project Completion Schedule.** The Public Entity represents to MnDOT and the Commissioner that the Project Completion Schedule attached as **Exhibits B-1 and B-2** correctly and accurately sets forth the projected schedule for the completion of the Project.
- Section 4.16 **Third-Party Beneficiary.** The program to be operated in conjunction with the Real Property will benefit the State of Minnesota and the provisions and requirements contained herein are for the benefit of both the MnDOT and the State of Minnesota. Therefore, the State of Minnesota, by and through its Commissioner of MMB, is and shall be a third-party beneficiary of this Agreement.

- Section 4.17 **Public Entity Tasks**. Any tasks that the Agreement imposes upon the Public Entity may be performed by such other entity as the Public Entity may select or designate, provided that the failure of such other entity to perform said tasks shall be deemed to be a failure to perform by the Public Entity.
- Section 4.18 **Data Practices.** The Public Entity agrees with respect to any data that it possesses regarding the LBRP Grant or the Project to comply with all of the provisions and restrictions contained in the Minnesota Government Data Practices Act contained in Minnesota Statutes Chapter 13, as such may subsequently be amended or replaced from time to time.
- Section 4.19 **Non-Discrimination.** The Public Entity agrees to not engage in discriminatory employment practices regarding the Project and it shall fully comply with all of the provisions contained in Minnesota Statutes Chapters 363A and 181, as such may subsequently be amended or replaced from time to time.
- Section 4.20 **Worker's Compensation.** The Public Entity agrees to comply with all of the provisions relating to worker's compensation contained in Minn. Stat. Secs. 176.181 subd. 2 and 176.182, as they may be amended or replaced from time to time with respect to the Project.
- Section 4.21 **Antitrust Claims.** The Public Entity hereby assigns to MnDOT and the Commissioner of MMB all claims it may have for over charges as to goods or services provided with respect to the Project that arise under the antitrust laws of the State of Minnesota or of the United States of America.
- Section 4.22 **Prevailing Wages.** The Public Entity agrees to comply with all of the applicable provisions contained in Minnesota Statutes Chapter 177, and specifically those provisions contained in Minn. Stat. Secs. 177.41 through 177.435 as they may be amended or replaced from time to time with respect to the Project. By agreeing to this provision, the Public Entity is not acknowledging or agreeing that the cited provisions apply to the Project.
- Section 4.23 **Indemnification by the Public Entity.** The Public Entity shall bear all loss, expense (including attorneys' fees), and damage in connection with the completion of the Project or operation of the Real Property and agrees to indemnify and hold harmless the MnDOT, the Commissioner of Management and Budget, and the State of Minnesota, their agents, servants and employees from all claims, demands and judgments made or recovered against the MnDOT, whether or not due to any act of omission or commission, including negligence of the Public Entity or any Contractor or his or their employees, servants or agents, and whether or not due to any act of omission or commission (excluding, however, negligence or breach of statutory duty) of the MnDOT, the Commissioner, and the State of Minnesota, their employees, servants or agents.

The Public Entity further agrees to indemnify, save, and hold the MnDOT, the Commissioner, and the State of Minnesota, their agents and employees, harmless from all claims arising out of, resulting from, or in any manner attributable to any violation by the Public Entity, its officers, employees, or agents, or by any Usee, its officers, employees, or agents, of any provision of the Minnesota Government Data Practices Act, including legal fees and disbursements paid or incurred to enforce the provisions contained in Section 4.18.

The Public Entity's liability hereunder shall not be limited to the extent of insurance carried by or provided by the Public Entity, or subject to any exclusion from coverage in any insurance policy.

Section 4.24 **Entire Agreement.** The Agreement and all of the exhibits attached thereto embody the entire agreement between the Public Entity and MnDOT, and there are no other agreements, either oral or written, between the Public Entity and MnDOT on the subject matter hereof.

Section 4.25 **E-Verification.** The Public Entity agrees and acknowledges that it is aware of Minn.Stat. § 16C.075 regarding e-verification of employment of all newly hired employees to confirm that such employees are legally entitled to work in the United States, and that it will, if and when applicable, fully comply with such statute.

Section 4.26 **American-Made Steel.** Minnesota Laws 2014, chapter 295, Section 21, requires public entities receiving an appropriation of public money for a project in that act to ensure those facilities are built with American-made steel, to the extent practicable. The Public Entity shall comply with this requirement, and shall furnish any documentation pursuant thereto reasonably requested by the MnDOT.

Signature Copy of City Council Resolution will be added to this page