

METROPOLITAN COUNCIL
CLEAN WATER FUND GRANT AGREEMENT NO. _____

This Clean Water fund Grant Agreement ("Grant Agreement") is entered into this _____ [date of signature by both parties] between the Metropolitan Council, a public corporation and political subdivision of the State of Minnesota ("Met Council") and the City of _____, a municipal corporation ("Grantee").

RECITALS

1. The Minnesota Legislature, by Minnesota Laws 2013, chapter 137, article 2, section 9, appropriated to the Met Council funds from the Legacy Amendment's Clean Water Fund ("Clean Water Fund" or "clean water fund") for State fiscal years 2014 and 2015, for grants and loans for local sanitary sewer inflow and infiltration reduction ("I/I") programs addressing high priority areas in the metropolitan area as defined in Minnesota Statutes section 473.121, subdivision 2.

2. The Met Council is authorized by Minnesota Statutes sections 473.129, subdivision 4 and 473.504, subdivision 5 to apply for and use grants from the State for any Metropolitan Council purpose and may dispose of the money in accordance with the terms of the appropriation.

3. The Grantee is authorized by [statutory or other authority] to receive grants from the Clean Water Fund to protect, enhance and restore water quality in lakes, rivers and streams, to protect groundwater from degradation and protect drinking water sources.

4. On September 25, 2013, Met Council authorized the granting of portions of the appropriation to the Grantees for completion of the grant program, the portion for Grantee defined ahead in this Agreement as "Grantee Program."

5. The Grantee represents that it is duly qualified and agrees to perform all services described in this Grant Agreement to the reasonable satisfaction of the Met Council.

GRANT AGREEMENT

1. Term of Grant Agreement.

1.1. Effective Date. The effective date of this Grant Agreement is the date on which the Grant Agreement has been duly executed by both parties.

1.2. Grant Activity Period. The first day of the month following the Effective Date through and including the expiration date.

1.3. Expiration Date. The latter of (i) 2 years after final distribution of funds to Grantee; or (ii) until all obligations have been satisfactorily fulfilled, whichever occurs first.

1.4. Survival of Terms. The following clauses survive the expiration, termination or cancellation of this Grant Agreement; 9. Liability and Insurance; 10. Audits; 11. Government Data Practices; 13. Data Availability; 14. Governing Law, Jurisdiction and Venues; 16. Data Disclosure; 18. Future Eligibility.

2. Duties, Representations and Warranties of Grantee and Use of Grant Funds.

2.1. The Grantee agrees to conduct, administer and complete in a satisfactory manner the program ("Grantee Program") which is described in Grantee's application to Met Council for assistance under the Met Council's Clean Water Fund grant program, which application is incorporated into this Grant Agreement as **Exhibit A**, and in accordance with the terms and conditions of this Grant Agreement. Specifically, the Grantee agrees to perform the "Grantee Program" in accordance with a specific timeline, all as described in **Exhibit A** and to undertake the financial responsibilities described in **Exhibit A** to this Grant Agreement. The Grantee has the responsibility for and obligation to complete the "Grantee Program" as described in **Exhibit A**. The Met Council makes no representation or warranties with respect to the success and effectiveness of the "Grantee Program". The Met Council acknowledges that "Grantee Program" work may be limited to soliciting participation by building owners in the "Grantee Program" and requires additional work by the Grantee only to the extent that building owners choose to participate in the "Grantee Program", all as described in the Grantee's application attached as **Exhibit A**.

The Grant Funds cannot be used for:

- Normal municipal operating or overhead costs, including such related to the Grantee Program;
- Grantee's own public sewer infrastructure costs, except for: (i) service laterals to connect city buildings to sewer pipes, or (ii) city owned portions of service laterals under right-of-way;
- The cost of studies;
- Engineering costs;
- Planning costs; and
- For equipment, machinery, supplies or other property to conduct the Grantee Program, except for equipment, supplies or other property which is used primarily for the Grantee Program and is specifically listed in **Exhibit A**.

2.2. Grantee Representations and Warranties. The Grantee further covenants with and represents and warrants to Met Council, as follows:

A. It has the legal authority to enter into, execute and deliver this Grant Agreement and all documents referred to herein, has taken all actions necessary to its execution and delivery of such documents and has provided to Met Council a copy of the resolution by its governing body which authorizes Grantee to enter into this Agreement, to undertake the Clean Water Fund Grant Program, including the Grantee financial responsibilities as shown in **Exhibit A** and which also designates an authorized representative for the Grantee Program who is authorized to provide certifications required in this Grant Agreement and submit pay claims for reimbursement of Grantee Program costs.

B. It has legal authority to conduct and administer the Grantee Program and use the Grant Funds for the purpose or purposes described in this Agreement.

C. This Grant Agreement and all other documents referred to herein are the legal, valid and binding obligations of the Grantee enforceable against the Grantee in accordance with their respective terms.

D. It will comply with all of the terms, conditions, provisions, covenants, requirements, and warranties in this Agreement, and all other documents referred to herein.

E. It will comply with all of the provisions and requirements contained in and imposed by the Clean Water Funding legislation and appropriations from Clean Water Fund legislation, except as explicitly stated in this Grant Agreement that compliance will be handled by the Council.

F. It has made no material false statement or misstatement of fact in connection with the Grant Funds, and all of the information it has submitted or will submit to the Council relating to the Grant Funds or the disbursement of any of the Grant Funds is and will be true and correct. It agrees that all representations contained in its application for the Clean Water Fund Grant are material representations of fact upon which the Council relied in awarding this Grant and are incorporated into this Agreement by reference.

G. It is not in violation of any provisions of its charter or of the laws of the State of Minnesota, and there are no material actions, suits, or proceedings pending, or to its knowledge threatened, before any judicial body or governmental authority against or affecting it and 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 this Grant Agreement or any document referred to herein, or to perform any of the acts required of it in such documents.

H. Neither the execution and delivery of this Grant Agreement or any document referred to herein nor compliance with any of the terms, conditions, requirements, or provisions contained in any of such documents is prevented by, is a breach of, or will result in a breach of, any term, condition, or provision of any agreement or document to which it is now a party or by which it is bound.

I. The Grantee Program will not violate any applicable zoning or use statute, ordinance, building code, rule or regulation, or any covenant or agreement of record relating thereto.

J. The Grantee Program will be conducted in full compliance with all applicable laws, statutes, rules, ordinances, and regulations issued by any federal, state, or other political subdivisions having jurisdiction over the Grantee Program.

K. It has complied with the financial responsibility requirements contained in **Exhibit A**.

L. The Grantee Program will be conducted substantially in accordance with **Exhibit A** by the Completion Date as stated in **Exhibit A**.

M. It shall furnish such satisfactory evidence regarding the representations described herein as may be required and requested by the Met Council.

3. Time.

Grantee must comply with all time requirements described in this Grant Agreement. In the performance of this Grant Agreement, time is of the essence.

4. Eligible Costs.

Eligible costs are those costs incurred by parties within the jurisdiction of the Grantee generally only for sewer service lateral repairs or replacements and foundation drain disconnections as described in **Exhibit A**. The Grantee shall not be reimbursed for non-eligible costs. Any cost not defined as an

eligible cost or not included in the Grant Grantee Program or approved in writing by the Council is a non-eligible cost.

5. Consideration and Payment.

5.1 **Consideration.** The Met Council will reimburse Grantee for eligible costs performed by the Grantee during the Grant Period in an amount of up to the prequalified work's grant amount ("Grant Amount"). The Met Council shall bear no responsibility for any cost overruns that may be incurred by the Grantee or subrecipients of any tier in the performance of the Grantee Program. The initial Grant amount to Grantee under this Grant Agreement is _____. The Grantee will be eligible to receive additional Grant amounts or an adjustment in Grant amount in accordance with the procedure set forth in the Grant Amendment Form attached hereto and made a part hereof as Exhibit B. Upon signature by both Grantee and Met Council on Exhibit B this Grant is amended by the amount of increase or decrease approved by Met Council in Exhibit(s) B.

5.2. **Advance.** The Met Council will make no advance of the Grant Amount to Grantee. The disbursement of the Grant Amount shall be in the form of reimbursement for eligible costs as provided ahead in this Section 5.

5.3. **Payment.** To obtain payment under this Grant Agreement, the Grantee shall submit a Reimbursement Request/Progress Report on forms provided by or acceptable to the Met Council. Reimbursement Request/Progress Reports may be submitted once per month after this grant agreement has been executed, but must be submitted at least semi-annually by December 1 and June 1 of each calendar year of the grant period. The Grantee shall describe its compliance with its the financial requirements and construction work completed and specific addresses where work was undertaken in connection with the grant and shall provide sufficient documentation of grant eligible expenditures and such other information as the Met Council's staff reasonably requests. The Met Council will promptly pay the Grantee after the Grantee presents to the Met Council a Reimbursement Request/Progress Report and an itemized invoice for all eligible services actually performed and the Met Council's Authorized Representative accepts the invoiced services.

6. Conditions of Payment.

6.1. The Grantee must certify to the Council that work at each site for which payment is requested is done, that Grantee has received receipts for such work, that the work was not performed in violation of federal, Met Council, or local law or regulation and that Grantee has issued the appropriate permits for the work completed in the Grantee Program.

6.2. **Conditions Precedent to Any Reimbursement Request.** The obligation of the Met Council to make reimbursement payments hereunder shall be subject to the following conditions precedent:

A. The Met Council shall have received a Reimbursement Request/Progress Report for such amount of funds being requested for which the amounts for each individual site have been pre-qualified by Met Council.

B. The Met Council shall have received evidence upon request, and in form and substance acceptable to the Met Council, that (i) the Grantee has legal authority to and has taken all actions necessary to enter into this Agreement and (ii) this Agreement is binding on and enforceable against the Grantee.

C. The Met Council shall have received evidence upon request, and in form and substance acceptable to the Met Council, that all applicable and required building permits, other permits, bonds and licenses necessary for each site included in the Grantee Program including, where applicable, operation of the site, have been paid for, issued and obtained, other than those permits, bonds and licenses which may not lawfully be obtained until a future date or those permits, bonds and licenses which in the ordinary course of business would normally not be obtained until a later date and that each site under the Grantee Program is active and serving an occupied building.

D. No Event of Default under this Grant 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.

E. The Grantee has supplied to the Met Council all other items that the Met Council may reasonably require to assure good fiscal oversight of state's funding through the Clean Water Fund.

7. Authorized Representative.

The Met Council's Authorized Representative is:

Name: John Atkins or successor
Title: MCES Manager, Budget
Mailing Address: 390 North Robert Street
St. Paul, MN 55101
Phone: (651) 602-1020
E-Mail Address: john.atkins@metc.state.mn.us

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

The Grantee's Authorized Representative is:

Name:
Mailing Address:
Phone:
E-Mail Address:

If the Grantee's Authorized Representative changes at any time during this Grant Agreement, the Grantee must immediately notify the Met Council and within 30 days provide a new City resolution (if such resolution is necessary) specifying the new Representative.

8. Assignment, Amendments, Waiver, and Grant contract Complete.

8.1 Assignment. The Grantee may neither assign nor transfer any rights or obligations under this Grant Agreement without the prior consent of the Met Council 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.

8.2 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.

8.3 Waiver. If the Met Council fails to enforce any provision of this Grant Agreement, that failure does not waive the provision or its right to enforce it.

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

9. Liability and Insurance.

9.1 Liability. The Grantee and the Met Council agree that they will, subject to any indemnifications provided herein, be responsible for their own acts and the results thereof to the extent authorized by law, and they shall not be responsible for the acts of the other party and the results thereof. The liability of the Met Council is governed by the provisions contained in Minn. Stat. Chapter 466 as it may be amended, modified or replaced from time to time. The liability of the Grantee, including but not limited to the indemnification provided under Section 10.2 is governed by the provisions contained in such Chapter 466.

9.2 Indemnification by the Grantee. The Grantee shall bear all losses, expenses (including attorneys' fees) and damages in connection with the Grantee Program and agrees to indemnify and hold harmless the Met Council, its agents, servants and employees from all claims, demands and judgments made or recovered against the Met Council, its agents, servants and employees, because of bodily injuries, including death at any time resulting therefrom, or because of damages to property, or others (including loss of use) from any cause whatsoever, arising out of, incidental to, or in connection with the Grantee Program whether or not due to any act of omission or commission, including negligence of the Grantee 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 Met Council, its employees, servants or agents.

Grantee further agrees to indemnify, save and hold the Met Council, its agents and employees, harmless from all claims arising out of, resulting from, or in any manner attributable to any violation by the Grantee, its officers, employees, or agents, or any provision of the Minnesota Government Data Practices Act, including legal fees and disbursements paid or incurred to enforce the provisions contained in Section 11.

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

The Grantee shall maintain or require to be maintained adequate insurance coverage for the Grantee Program in such amounts with such limits as it determines in good faith to be reasonable or in such amounts and with such limits as may be reasonably required for participating cities by the Met Council from time to time.

9.3 Relationship of the Parties. Nothing contained in this Grant Agreement is intended or should be construed in any manner as creating or establishing the relationship of co-partners or a joint venture between the Grantee and the Met Council, nor shall the Grantee be considered or deemed to be an agent, representative, or employee of the Met Council in the performance of this Grant Agreement, or the Grantee Program.

The Grantee represents that it has already or will secure or cause to be secured all personnel required for the performance of this Grant Agreement and the Grantee Program. All personnel of the Grantee or

other persons while engaging in the performance of this Grant Agreement the Grantee Program shall not have any contractual relationship with the Met Council related to the work of the Grantee Program and shall not be considered employees of the Met Council. In addition, all claims that may arise on behalf of said personnel or other persons out of employment or alleged employment including, but not limited to, claims under the Workers' Compensation Act of the State of Minnesota, claims of discrimination against the Grantee, its officers, agents, contractors, or employees shall in no way be the responsibility of the Met Council. Such personnel or other persons shall not require nor be entitled to any compensation, rights or benefits of any kind whatsoever from the Met Council, including but not limited to, tenure rights, medical and hospital care, sick and vacation leave, disability benefits, severance pay and retirement benefits.

10. Audits.

Under Minn. Stat. § 16C.05, subd. 5, the Grantee's books, records, documents, and accounting procedures and practices relevant to this grant contract are subject to examination by the Met Council and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the termination date of this Grant Agreement.

11. Government Data Practices.

The Grantee and Met Council must comply with the Minnesota Government Data Practices Act, Minn. Stat. Chapter 13, as it applies to all data provided by the Met Council under this grant contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this Grant 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 Met Council. If the Grantee receives a request to release the data referred to in this Clause, the Grantee must immediately notify the Met Council.

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 Met Council 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 Met Council's obligation or responsibility.

13. Data Availability.

To the extent and as requested by the Council, Grantee agrees to comply with Minn. Stat. § 114D.50, subd. 5 requirements for data collected by the Grantee Programs funded with money from the Clean Water Fund that have value for planning and management of natural resources, emergency preparedness and infrastructure investments, including but not limited to the requirement that to the extent practicable, summary data and results of Grantee Programs funded with money from the Clean Water Fund should be readily accessible on the internet and identified as a Clean Water Fund Grantee Program. The Council will put overall summary information on the internet and will not request that the Grantee put its city information on the web if Grantee receives total Grant funds pursuant to this Agreement in an amount of under one hundred thousand dollars (\$100,000). Grantee understands and agrees that Council may list its name and summary information on the internet or in any other Grantor reporting.

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 contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

15. Termination.

The Met Council 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 for services prequalified and satisfactorily performed before the termination notice.

16. Data Disclosure.

Under Minn. Stat. § 270C.65, subd. 3, and other applicable law, the Grantee consents to disclosure of its federal employer tax identification number, and/or Minnesota tax identification number, already provided to the Met Council, to federal and state tax agencies and Met Council personnel involved in the payment of Met Council obligations. Grantee will require compliance with this Section 16 by Grantee's subrecipient of Grant funds and shall submit evidence of such compliance to Met Council as requested.

17. 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 shall be sufficient if personally served or sent by prepaid, registered, or certified mail (return receipt requested), to the business address of the party to whom it is directed. Such business address shall be that address specified below or such different address as may hereafter be specified, by either party by written notice to the other:

To the Grantee at:

_____, MN _____
Attention: _____

To the Met Council at:

Metropolitan Council
390 Robert Street North
St. Paul, MN 55101
Attention: Regional Administrator

With copy to:

MCES General Manager
Metropolitan Council Environmental Services
390 Robert Street North
St. Paul, MN 55101

MCES Finance Director
Metropolitan Council Environmental Services
390 Robert Street North
St. Paul, MN 55101

18. Miscellaneous.

18.1 Report to Legislature. As provided in Minn. Stat. § 3.195, the Met Council must submit a report on the expenditure and use of money appropriated under the Clean Water Fund to the legislature by January 15 of each year. The report must detail the outcomes in terms of additional use of Clean Water Fund resources, user satisfaction surveys, and other appropriate outcomes. The grantee agrees to provide to the Met Council by January 1 of each year a report on any user satisfaction surveys it has related to this Grantee Program, and other appropriate outcomes of the Grantee Program as prescribed in Section 18.3 of this Agreement.

18.2 Supplement. The funds granted under this agreement are to supplement and shall not substitute for traditional sources of funding. Therefore, the Grantee hereby certifies to the Met Council that there was and is no traditional Grantee sources of funding for the City to help fund one-third (1/3) of the subject I/I mitigation work. Further the City agrees it will inform the Council immediately if other funds for this type of work become available.

18.3 Measureable Outcomes. To the extent and upon request of the Council, Grantee agrees to demonstrate compliance with the following: A Grantee Program or program receiving funding from the Clean Water Fund must meet or exceed the constitutional requirement to protect, enhance, and restore water quality in lakes, rivers and streams and to protect groundwater and drinking water from degradation. A Grantee Program or program receiving funding from the Clean Water Fund must include measurable outcomes, as defined in section 3.303, subdivision 10, and a plan for measuring and evaluating the results. A Grantee Program or program must be consistent with current science and incorporate state-of-the-art technology. All information for funded Grantee Program work, including the proposed measurable outcomes, must be made available for publication on the Web site required under section 3.303, subdivision 10, as soon as practicable and forwarded to the Met Council and the Legislative Coordinating Commission under the provisions of Minn. Stat. § 3.303, subd. 10. The Grantee must compile and submit all information for funded Grantee Programs or programs, including the proposed measurable outcomes and all other items required under section 3.303, subdivision 10, to the Met Council and, if requested by the Council, the Legislative Coordinating Commission as soon as practicable or by January 15 of the applicable fiscal year, whichever comes first.

18.4 Minn. Stat. § 16B.98. Grants funded by the Clean Water Fund must be implemented according to section 16B.98 and must account for all expenditures.

18.5 Benefit to Minnesota Waters. Money from the Clean Water Fund may only be spent on Grantee Programs that benefit Minnesota waters.

18.6 Website. If the Grantee has information on its website about the I/I grant program pursuant to Minn. Stat. § 114D.50, the Grantee shall, when practicable, prominently display on the Grantee's Website 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 Council's and Legislative Coordinating Commission Website required under section 3.303, subdivision 10.

18.7 Future Eligibility. Future eligibility for money from the Clean Water Fund is contingent upon the Grantee satisfying all application requirements related to Council's fulfillment of Minn. Stat. § 114D.50 as well as any additional requirements contained in 2013 Session Laws chapter 137, article 2, section 9.

18.8 Data Availability. Data collected by the Grantee Programs, if any, funded with money from the Clean Water Fund that have value for planning and management of natural resources, emergency preparedness, and infrastructure investments must conform to the enterprise information architecture developed by the Office of MN.IT Services. Spatial data must conform to geographic information system guidelines and standards outlined in that architecture and adopted by the Minnesota Geographic Data Clearinghouse at the Minnesota Geospatial Information Office. A description of these data that adheres to the Office of MN.IT Services geographic metadata standards must be submitted to the Minnesota Geospatial Information Office to be made available online through the clearinghouse and the data must be accessible and free to the public unless made private under chapter 13. To the extent practicable, summary data and results of the Grantee Program funded with money from the clean water fund should be readily accessible on the Internet and identified as a Clean Water Fund Grantee Program.

18.9 Constitutionally Dedicated Funding Accountability. Pursuant to Minnesota Statutes § 3.03, subd. 10, the Grantee shall submit the following additional information as deemed necessary by the Met Council to comply with Minn. Stat. § 3.03 subd. 10, to the Met Council by January 15 of each fiscal year:

- (i) the name of the Grantee Program and a Grantee Program description;
- (ii) the name, telephone number, members of the City Council or equivalent governing body, and e-mail address of the funding recipient and, when applicable, the Website address where the public can directly access detailed information on the recipient's receipt and use of money for the Grantee Program;
- (iii) the amount and source of funding, including the state fiscal year of the appropriation;
- (iv) the amount and source of any additional funding or leverage;
- (v) the duration of the Grantee Program;
- (vi) the number of full-time equivalents funded under the Grantee Program. 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;
- (vii) the direct expenses and administration costs of the Grantee Program;
- (viii) proposed measurable outcomes and the plan for measuring and evaluating the results;
- (ix) for pass-through, noncompetitive grants, the entity acting as the fiscal agent or administering agency and a point of contact for additional information;

(x) actual measured outcomes and evaluation of Grantee Programs as required under 114D.50, subdivision 4; and

(xi) education about the areas and issues the Grantee Programs address, including, when feasible, maps of where Grantee Programs have been undertaken;

All information for proposed and funded Grantee Programs, including the proposed measurable outcomes, must be made available on the Web site as soon as practicable. Information on the measured outcomes and evaluation must be posted as soon as it becomes available. For purposes of this section, "measurable outcomes" means outcomes, indicators, or other performance measures that may be quantified or otherwise measured in order to measure the effectiveness of a Grantee Program or program in meeting its intended goal or purpose.

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

18.11. E-Verification. The Grantee agrees and acknowledges that it is aware of Governor's Executive Order 08-01 regarding e-verification of employment of all newly hired employees to confirm that such employees are legally entitled to work in the United States, and that it will, if and when applicable, fully comply with such order.

18.12. General Provisions.

(i) Grants. The Grantee shall implement this Grant Agreement according to Minnesota Statutes, section 16B.98, and shall account for all expenditures of funds.

(ii) Lawsuit. This Grant shall be canceled to the extent that a court determines that the appropriation unconstitutionally substitutes for a traditional source of funding.

(iii) Termination Due to Lack of Funds. Grantee recognizes that Council's obligation to reimburse Grantee for eligible Grantee Program costs is dependent upon Council's receipt of funds from the State of Minnesota appropriated to Council under 2013 Session Laws Chapter 137, Section 17. Should the State of Minnesota terminate such appropriation or should such funds become unavailable to Council for any reason, Council shall, upon written notice to Grantee of termination or unavailability of such funds, have no further obligations for reimbursement or otherwise under this Grant Agreement. In the event of such written notice to Grantee by Council of termination or unavailability of funds, Grantee has no further obligation to complete the Grantee Program as required by this Grant Agreement.

19. Default and Remedies.

19.1 Defaults. The Grantee's failure to fully comply with all of the provisions contained in this Grant Agreement shall be an event of default hereunder ("Event of Default").

19.2. Remedies. Upon an event of default, the Met Council may exercise any one or more of the following remedies:

- a. Refrain from disbursing the Grant;
- b. Demand that all or any portion of the Grant already disbursed be repaid to it, and upon such demand the Grantee shall repay such amount to the Met Council.
- c. Enforce any additional remedies the Met Council may have at law or in equity.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed by their duly authorized representatives on or as of the date first above written.

METROPOLITAN COUNCIL

By: _____
Regional Administrator

Date: _____

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: _____

Date: _____

EXHIBIT A

METROPOLITAN COUNCIL ENVIRONMENTAL SERVICES

2013 CLEAN WATER FUND INFLOW & INFILTRATION (I&I) GRANT APPLICATION FORM

NOTICE TO APPLICANTS: Submission of this application form confirms your city's intention to participate in the Metropolitan Council Environmental Services (MCES) 2013 Clean Water Fund I/I Grant program (Grantee Program).

Applicants must review the Program design and process details which, along with other valuable information on the MCES Inflow and Infiltration (I&I) Program, can be found at the following link:

[http://www.metrocouncil.org/Wastewater-Water/Funding-Finance/Rates-Charges/MCES-Inflow-and-Infiltration-\(I-I\)-Program.aspx](http://www.metrocouncil.org/Wastewater-Water/Funding-Finance/Rates-Charges/MCES-Inflow-and-Infiltration-(I-I)-Program.aspx)

Pre-qualification of individual projects is mandatory and becomes the basis for determining initial grant agreement amounts. The pre-qualification information submitted, whether with this form or submitted separately, becomes a part of Exhibit A.

Grant agreements will be sent for signature 1) on December 15, 2013, 2) when your city submits at least 15 pre-qualification requests that meet the requirements for funding, or 3) when the total amount of funding available from the Clean Water Fund has been encumbered, whichever occurs first. Funds are available on a 'first qualified, first serve' basis.

MCES will accept and review pre-qualification requests from cities that have completed this application process until all of the funds appropriated in 2013 from the Clean Water Fund have been encumbered. After the initial grant agreement is signed, additional submittals will result in follow up letters from MCES which become part of this Agreement specifying the additional amounts the Council will encumber. Grant agreements include an Exhibit B which is the anticipated letter for readily adding additional pre-qualified projects (assuming funding is available).

CITY NAME: _____

The City's designated authorized representative (all correspondence and city responsibility regarding participation in the Grantee Program should be addressed to individual named below) is:

NAME: _____
TITLE: _____
STREET: _____
CITY, ZIP: _____
PHONE: _____
EMAIL: _____

Please attach a city resolution confirming this individual's authority and certification that s/he has read the program details documents.

Once a city is approved to participate in the Program, the following information is required for each project submitted for pre-qualification:

- Owner name and building address
- Date and copy of contractor bid/estimate (date we will use in ranking first qualified, first served)
- Type of building (Single Family, Multi-family, Commercial)
- Type of work proposed
- Affirmative statement of the City that the building is in use.

MCES will email the City's authorized representative notification of the funding determination for each project submitted for pre-qualification within 10 working days of submission. This allows your city the option of remitting to property owners with the timing at your discretion and under your terms.

Work must be done and claims for pre-qualified projects must be submitted within one (1) year of contractor bid/estimate, unless, prior to expiration, MCES receives and approves a written justification for extension, including a new proposed completion date.

To receive payment for completed projects, cities must submit a claim (in a format of your choosing) that includes all of the following information:

- Owner name and building address
- Total project cost
- Date of city inspection (to certify work was completed)
- Statement attesting to retention of auditable records

Within 30 days of receipt of claim, MCES will remit to cities in amounts identifiable to specific projects, subject to limits as prescribed by program design and grant agreement (i.e. 1/3 of total eligible project costs to a maximum of \$2,000 per site).

Questions may be directed to the MCES Program Administrator:

John Atkins
MCES Budget Manager
390 Robert Street North
St. Paul, MN 55101-1805
Phone: (651) 602-1020
Email: john.atkins@metc.state.mn.us

QUICK REFERENCE FACT SHEET: I/I Clean Water Fund Grant Program

(this is for reference only; should anything herein be contradicted by the Agreement language, the Agreement terms prevail).

1. Community Eligibility:

- a) Communities eligible include:
 - The 50 metro area communities eligible under the Public Infrastructure bond grant program offered in 2012(and ongoing)
 - In addition, during 2013 and during the grant program any communities that receive an I/I surcharge notice for the first time from MCES and are required to take some action will also be eligible.
- b) Communities eligible per (a) above must also must pre-apply and sign a standard Council grant agreement, before any eligible expenses can be submitted for reimbursement. Agreements shall require that communities:
 - Entirely pass through grants received (as is being done by MCES).
 - Cooperate with pre-qualification requirements of MCES, and screening of eligibility.
 - Sign certifications of work done to receive grants.
 - Retain records, and cooperate with any audit.
 - Do communications with retail applicants.
 - Issue plumbing permits for all eligible repairs.
 - Report quantitative info of fixes, for MCES reporting to state.

2. Repair Eligibility:

- a) Grants are only for non-municipal sewer infrastructure (i.e. municipally owned trunks and lateral pipes, lift stations and other related appurtenances are **not** eligible).
- b) A prequalification is mandatory. Retail applicants will submit a dated contractors bid/estimate for the repair to their City.
- c) Types of repairs eligible include:
 - i. Any rehabilitation or service line replacement, either in part, or in its entirety that is owned and maintained by the property owner (private, governmental, institutional), between its connection to the municipally owned trunk or lateral system and the first cleanout inside the building shall be eligible for grant reimbursement., and
 - ii. In addition, foundation drain disconnections will be eligible.
 - iii. City owned service laterals under 'Right of Way' qualify subject to all terms and conditions herein as long as the full connection to service line is repaired.
- d) The private service line or foundation drain must be active and serving an occupied building.
- e) All repairs and replacements must be made with materials and methods consistent with local codes.

- f) The completed improvement must be inspected and found acceptable *by the city* having jurisdiction for said improvements.

3. **Eligible Costs:**

- a. Eligible expenses are for out-of-pocket costs of a repair only, may not include any owner labor costs.
- b. Inspection costs are allowable ONLY if the service line inspected results in eligible repairs.
- c. Eligible expenses are eligible for reimbursement for work inspected no sooner than July 1, 2013.
- d. MCES grants are **1/3 of actual, reasonable and verifiable eligible repair costs**, but limited to \$2000 maximum per site. Note: Given the regional sewer, city sewer and private benefit, a City and private match are proposed so funding would be 1/3 regional, 1/3 municipal, and 1/3 private (if total cost is \$6000 or less). However, the City match is not mandatory (this does not change the MCES grant limit of 1/3 of eligible costs and max of \$2000 per site).

4. **Process:**

- a. Eligible cities need to first apply and be approved to participate in the program.
- b. Monthly, participating cities screen & submit requests in batch for prequalification of individual site work.
 - i. Each individual request must include the following information:
 - Owner name and building address
 - Date of contractor bid/estimate (for use in ranking first come, first served)
 - Type of building (Single Family, Multi-family, Commercial)
 - Type of work proposed
 - City affirmation that the building is being used
- c. MCES reviews technical details and approves by site, within 10 business days. MCES to encumber the amounts prequalified. MCES can only approve up to the full amount of the \$1 million appropriation. If within a month, qualified applications submitted to MCES exceed the amount available, the dates of the contractor bid/estimates will be used to determine the approvals (first qualified, first served) and the remaining projects will be put on waiting list for further funding when available. If there are multiple qualified applications with contractor dates on the same day that cannot be fully funded, MCES will use a random assignment method to select those funded.
- d. Agreements will be sent to cities for signature and, upon return with the first requests for prequalification, signed by Council and executed copies returned to the City.
- e. Cities must notify retail applicants of approval decisions and that the approved amount is the maximum grant from MCES. In addition that following the work completion, that the applicant must submit actual receipts for work to get the rebate.
- f. Cities to send info to MCES, basically certifying that the work was done and records auditable.
- g. Within 30 days, MCES remits to Cities in amounts identified to specific individual site(s). Cities choose when to remit to property owner(s).
- h. MCES to reduce encumbrances. If claims are reimbursed in less than the prequalified amounts, the released funding will become available for next applications in line (by contractor date).

EXHIBIT B

METROPOLITAN COUNCIL ENVIRONMENTAL SERVICES

2013 CLEAN WATER FUND INFLOW & INFILTRATION (I&I) GRANT AMENDMENT FORM

NOTICE TO GRANTEE: Submission of this form is required to modify your city's signed agreement with Metropolitan Council Environmental Services (MCES) 2013 Clean Water Fund I/I Grant program (Grantee Program).

Subsequent to determination of your city's initial grant amount, completion and submission of this form is necessary when: 1) you are submitting additional projects requesting pre-qualification, or 2) when your city has determined that previously approved projects will not be completed, or cost less than the amount for which they were pre-qualified.

You agree you have reviewed the program design and process details which, along with other information on the MCES Inflow and Infiltration (I&I) Program, which can be found at the following link:

[http://www.metrocouncil.org/Wastewater-Water/Funding-Finance/Rates-Charges/MCES-Inflow-and-Infiltration-\(I-I\)-Program.aspx](http://www.metrocouncil.org/Wastewater-Water/Funding-Finance/Rates-Charges/MCES-Inflow-and-Infiltration-(I-I)-Program.aspx)

The process for modifying your agreement is as follows:

1. Your City's designated authorized representative submits Exhibit B to MCES, with an attachment itemizing request(s) for a) pre-qualification of additional projects and/or b) changes to prior prequalified amounts.
2. Upon receipt of signed Exhibit B, MCES's Program Administrator modifies the agreement, simply by inclusion of the Exhibit B in the contract file and sends confirmation of new grant amount to City's designated authorized representative.

These steps will occur electronically and MCES requires City retention of signed documents to be made available upon request.

Instructions: Indicate the date of your change request in #1 box. Indicate the number of this particular change request in #2 box. Enter the current grant agreement amount (as MCES approved) in #3 box. Enter the amount to increase the grant amount by in #4 box. This number must agree with itemized project sites as included in the attachment you submit. Be sure to include all required site information. In #5 box, indicate the amount to decrease the grant agreement due to deleting or changing amounts for previously approved projects. Please provide a written detailed explanation that identifies the specific project(s) removed/changed from funding agreement. Enter in #6 box the amount derived from adding adding #3 to #4 and subtracting #5.

1. Date of change request:

2. Change request number:

3. Current Grant Agreement Amount (as MCES approved):

4. Total request for funding for additional projects:

5.Amount due to deleting/changing previously approved projects:

6. New Grant Agreement Amount total requested:

CITY NAME:_____

The detail information on the attached sheets are true and correct to the best of my knowledge, and I request the above changes (sign and date):

MCES PROGRAM ADMINISTRATOR APPROVAL (signature and date):

Questions may be directed to the MCES Program Administrator:

John Atkins
MCES Budget Manager
390 Robert Street North
St. Paul, MN 55101-1805
Phone: (651) 602-1020
Email: john.atkins@metc.state.mn.us