

SUB-GRANT AGREEMENT
(Northwood Lake Improvement Project)

THIS SUB-GRANT AGREEMENT (“Agreement”) is made as of this ____ day of _____, 2015, by and between the Bassett Creek Watershed Management Commission, a Minnesota joint powers organization (the “Grantee”), and the City of New Hope, a Minnesota municipal corporation (“Sub-grantee”):

WHEREAS, Grantee has entered into a grant contract with the State of Minnesota effective as of June 8, 2015 (the “Grant Agreement”), a copy of which is attached hereto as Exhibit One and is incorporated herein and made part of this Agreement; and

WHEREAS, the Grant Agreement provides that the Minnesota Pollution Control Agency, shall grant to Grantee a sum not to exceed Three Hundred Thousand and No/100 Dollars (\$300,000.00), which funds shall be used to perform the duties and tasks specified in the Grant Agreement related to the Northwood Lake Water Quality Improvement Project, Project ID Number: PRJO7212-002 (“Project”); and

WHEREAS, the Grantee will be passing a portion of the funds provided in the Grant Agreement through to Sub-grantee to construct the Project; and

WHEREAS, the Grantee and Sub-grantee have agreed for Sub-grantee to assume certain of the duties and responsibilities of Grantee under the Grant Agreement in consideration of receiving funds provided for in the Grant Agreement and subject to the terms, conditions, and limitations set forth therein.

NOW, THEREFORE, in consideration of the premises and the mutual promises set forth herein, the parties hereto covenant and agree as follows:

1. Grant Funds. Grantee will forward to Sub-grantee funds received under the Grant Agreement, in conjunction with other Grantee-designated project funds, upon receipt of approved reimbursement requests and upon the continuing compliance by Sub-grantee with its obligations hereunder.

2. Sub-Grantee Obligations. Sub-grantee will perform and satisfy certain obligations of Grantee under the Grant Agreement. Specifically, but without limiting the foregoing, Sub-grantee will perform all of the following with respect to the Project and in satisfaction of Grant Agreement obligations:

- (a) Sub-grantee will perform, or participate in, all elements of the Project as described in the Clean Water Partnership Project Work Plan (“Work Plan”) of the Grant Agreement, as it may be amended, and will properly document expenses, including time and materials, in the manner expressed in the Work Plan budget and will provide information to the Commission to aid in semi-annual and accurate grant reporting. The Work Plan is incorporated in and made part of this Agreement by reference.

- (b) Sub-grantee will comply with all requirements and conditions of the Grant Agreement applicable to the Project that, by their nature, must be performed by Sub-grantee rather than Grantee and that are conditions of award of funds under the Grant Agreement.
- (c) The times of performance and expiration of the Sub-grantee's obligations under this Agreement shall be as provided in the Grant Agreement.
- (d) Sub-grantee will provide invoices for reimbursement in accordance with the requirements of the Grant Agreement.
- (e) Sub-grantee will take all other actions as are needed to ensure compliance with the Grant Agreement and provide such information and assistance to the Grantee as may be needed to ensure the Grantee can comply with the requirements of the Grant Agreement that, by their nature, must be performed by the Grantee rather than the Sub-grantee.

3. Sub-grantee Reimbursement. Sub-grantee will be reimbursed from the funds received through the Grant Agreement for grant eligible costs incurred in performing its obligations in accordance with this Agreement, the Work Plan, and the Cooperative Agreement entered into between the Grantee and the Sub-grantee, which is incorporated in and made part of this Agreement by reference. The amount of grant funds available to make reimbursement payments to the Sub-grantee are subject to reduction for Grantee expenses and an administrative fee as provided in the Cooperative Agreement. Reimbursements will be forwarded to Sub-grantee following completion of work by the Sub-grantee under the Work Plan from grant funds received by Grantee from the State. Sub-grantee will provide such invoices or other evidence of expenses incurred as may be required by the Grantee or by the State under the Grant Agreement.

4. No Assignment. Sub-grantee may neither assign nor transfer any rights or obligations under this Agreement without the prior consent of the Grantee and an Assignment Agreement executed and approved by the parties.

5. Amendments. Any amendment to this Agreement must be in writing and will not be effective until it has been executed and approved by the parties.

6. No Waiver. If Grantee fails to enforce any provisions of this Agreement, such failure does not waive the provision or Grantee's right to enforce it.

7. Entire Agreement. This Agreement contains all negotiations and agreements between Grantee and Sub-grantee. No other understanding, agreements or understandings regarding the Grant Agreement, or this Agreement, may be used to bind either party.

8. Indemnification. Sub-grantee will indemnify, defend, and hold harmless the State and Grantee, its officers, agents, and employees, from any claims or causes of action, including

attorney's fees incurred by Grantee, arising from the performance of this Agreement by Sub-grantee, or its officers, agents or employees.

9. Audit. Sub-grantee's books, records, documents and accounting procedures and practices relevant to this Agreement are subject to examination by the State of Minnesota and/or the state auditor or legislative auditor, as appropriate, for a minimum of six (6) years from the end of this Agreement.

10. Data Practices. Sub-grantee shall comply with applicable provisions of the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13. If Sub-grantee receives a request to release data referred to in this paragraph, Sub-grantee must immediately notify Grantee. Grantee will give Sub-grantee instructions concerning the release of the data to the requesting party, prior to such release.

11. Workers' Compensation. Sub-grantee certifies that it is in compliance with Minnesota Statutes, Section 176.181, Subd. 2, pertaining to workers' compensation insurance coverage. Sub-grantee's employees and agents will not be considered employees of Grantee. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of employees of Sub-grantee, and any claims made by any third party as a consequence of any act or omission on the part of such employees are in no way the obligation of Grantee or the State of Minnesota.

12. Publicity. Any publicity regarding the subject matter of this Grant Agreement must identify the State and the Bassett Creek Watershed Management Commission as the sponsoring agencies and must not be released without prior written approval from the State's authorized representative as specified in the Grant Agreement. Publicity shall include information identified in the Grant Agreement to the extent required herein. Sub-grantee must not claim that the State or Grantee endorses its products or services.

13. The law governing the obligations of this Agreement and the venue for all legal proceedings associated therewith shall be in accordance with the Grant Agreement.

14. This Agreement is subject to termination in accordance with the termination provision of the Grant Agreement. However, the provisions in the Grant Agreement regarding Liability, State Audits, Government Data Practices, Intellectual Property, and Governing Law, Jurisdiction and Venue will survive termination or cancellation of this Agreement or of the Grant Agreement.

15. This Agreement is conditioned on approval by the State as provided in the Grant Agreement.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands as of _____, 2015.

BASSETT CREEK WATERSHED
MANAGEMENT COMMISSION

By: _____
Its Chair

And by: _____
Its Secretary

Date: _____

CITY OF NEW HOPE

By: _____
Its Mayor

And by: _____
Its Manager

Date: _____

EXHIBIT ONE
Grant Agreement

[attached hereto]