



**REGULAR CITY COUNCIL MEETING
RICHFIELD MUNICIPAL CENTER, COUNCIL CHAMBERS
MARCH 25, 2025
7:00 PM**

INTRODUCTORY PROCEEDINGS

Call to order

Pledge of Allegiance

Open forum

Participants can share their comments in person, by voicemail, or email, and may also request to participate virtually. For more information on submitting comments, refer to the Council Agenda and Minutes page on richfieldmn.gov/citycouncil

Approval of the Minutes of the (1) City Council Special Meeting from January 31, 2025, and (2) City Council Special Meeting from February 1, 2025, and (3) City Council/RBWMO Special Meeting from March 11, 2025, and (4) City Council Regular Meeting from March 11, 2025.

AGENDA APPROVAL

1. Approval of the Agenda
2. **Consent Calendar contains several separate items, which are acted upon by the City Council in one motion. Once the Consent Calendar has been approved, the individual items and recommended actions have also been approved. No further Council action on these items is necessary. However, any Council Member may request that an item be removed from the Consent Calendar and placed on the regular agenda for Council discussion and action. All items listed on the Consent Calendar are recommended for approval.**
 - A. Consideration of the approval of a resolution authorizing staff to submit an application for a Hennepin County Youth Equipment Grant in the amount of \$10,000 for the purchase of skate aids, hockey equipment, rental skates, and rink dividers and authorizing staff to enter into a grant agreement, if awarded.

Staff Report No. 38
 - B. Consider the adoption of a resolution authorizing the acceptance of a Hose Roller 1 unit from First Response Fire and Safety.

Staff Report No. 39
 - C. Consider approval of the contract with Becker Arena Products to provide and install new Dasher Boards on Rink 2 for \$251,067.

Staff Report No. 40
 - D. Consider a resolution authorizing the execution of an agreement with the State of Minnesota to release the 2023 appropriations bill funds awarded to the Wood Lake Nature Center Building Project in the amount of \$12,000,000 and authorizing staff to administer the funds in accordance with all terms as prescribed by the State of Minnesota.

3. Consideration of items, if any, removed from Consent Calendar

CITY MANAGER'S REPORT

4. City Manager's Report

CLAIMS AND PAYROLLS

5. Claims and Payroll

COUNCIL DISCUSSION

6. Hats Off to Hometown Hits
7. Adjournment

Auxiliary aids for individuals with disabilities are available upon request. Requests must be made at least 96 hours in advance to the City Clerk at 612-861-9739.



CITY COUNCIL MEETING MINUTES

Richfield, Minnesota

Work Session: Council and Staff Team Building Retreat January 31, 2025

CALL TO ORDER

The work session was called to order by Mayor Supple at 12:00 p.m., at the Richfield Municipal Center, in the Bartholomew Room.

Council Present: Mary Supple, Mayor; Walter Burk; Sharon Christensen; Rori Coleman-Woods; and Sean Hayford Oleary

Staff Present: Katie Rodriguez, City Manager; Sack Thongvanh, Assistant City Manager; Mary Bogie, Finance Director; Karl Huemiller, Recreation Services Director; Mike Dobesh, Fire Chief; Jay Henthorne, Police Chief; Melissa Poehlman, Community Development Director; and Kristin Asher, Public Works Director

Others Present: Craig Rapp, Rapp Consulting Group

Item #1	CITY COUNCIL AND TEAM BUILDING RETREAT
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Craig Rapp facilitated conversations with Council and staff regarding team building exercises and activities and incorporating into city departments.

ADJOURNMENT

The work session was adjourned by unanimous consent at 4:00 p.m.

Date Approved: March 25, 2025

Mary Supple
Mayor

Michelle Friedrich
City Clerk

Katie Rodriguez
City Manager



CITY COUNCIL MEETING MINUTES

Richfield, Minnesota

Work Session: Council and Staff Strategic Planning February 1, 2025

CALL TO ORDER

The work session was called to order by Mayor Supple at 8:00 a.m., at the Richfield Municipal Center, in the Bartholomew Room.

Council Present: Mary Supple, Mayor; Walter Burk; Sharon Christensen; Rori Coleman-Woods; and Sean Hayford Oleary

Staff Present: Katie Rodriguez, City Manager; Sack Thongvanh, Assistant City Manager; Mary Bogie, Finance Director; Karl Huemiller, Recreation Services Director; Mike Dobesh, Fire Chief; Jay Henthorne, Police Chief; Melissa Poehlman, Community Development Director; Kristin Asher, Public Works Director; Senior Analyst, Courtney Miller; and Mark McKinley, Administrative Assistant.

Others Present: Craig Rapp, Rapp Consulting Group

Item #1	CITY COUNCIL AND STAFF RETREAT
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Mayor Supple introduced Craig Rapp from Rapp Consulting Group, who emphasized the importance of building on the existing strategic plan. Craig facilitated discussions with the Council and staff on topics such as maintaining a positive culture, setting measurable team performance goals with collaborative feedback, strategic planning processes, communication, and monitoring outcomes. He highlighted the Council's ownership of the city's strategic plan, including its purpose, priorities, direction, and accountability. Staff, under the Council's direction, is responsible for the implementation, methods, and performance related to the strategic plan's goals and action plans.

Staff discussed opportunities for improvement with current strategic plan measuring tools, communicating updates and changes with the public, and how to effectively convey progress on the city's initiatives. Staff provided constructive feedback to simplify the current reporting processes included on the website.

Craig Rapp summarized the current processes, noted changes within existing staffing, and the revisions made to the strategic plan as the city progresses and works through the strategic planning cycles.

ADJOURNMENT

The work session was adjourned by unanimous consent at 11:45 a.m.

Date Approved: March 25, 2025

Mary Supple
Mayor

Michelle Friedrich
City Clerk

Katie Rodriguez
City Manager



CITY COUNCIL MEETING MINUTES

Richfield, Minnesota

City Council Special Meeting: RBWMO Annual Meeting

March 11, 2025

CALL TO ORDER

Mayor Supple opened the RBWMO Annual Meeting at 6:00 p.m. in the Bartholomew Room.

Council Present: Mary Supple, Mayor and acting RBWMO Chair; Sharon Christensen; Walter Burk, Sean Hayford O'leary, Rori A. Coleman-Woods

Bloomington

Council Present: Shawn Nelson, Dwayne Lowman arrived at 6:35 pm.

Staff Present:

Katie Rodriguez, City Manager; Kristin Asher, Public Works Director; Chad Donnelly, Assistant Public Works Director; Mattias Oddsson, Water Resources Engineer and RBWMO Executive Director; Joe Powers, City Engineer; Kayla Beckstrom, Senior Office Assistant; Scott Kulzer, Senior Analyst; and Michelle Friedrich, City Clerk.

Bloomington

Staff Present:

Kathy Hedin, Interim City Manager; Bryan Gruidl, Water Resources Manager & RBWMO Assistant Director; Rena Weis, Water Resources Engineer; Jack Distel, Water Resources Specialist; Julie Long, Bloomington City Engineer.

Guests:

Jen Dullum, Board Conservationist, MN Board of Water and Soil Resources.

ITEM #1	RICHFIELD-BLOOMINGTON WATERSHED MANAGEMENT ORGANIZATION (RBWMO) ANNUAL MEETING. ATTENDEES WILL TAKE ANY NECESSARY OFFICIAL ACTIONS AS RBWMO BOARD MEMBERS, HOLD A PUBLIC HEARING ON A PROPOSED AMENDMENT TO THE RBWMO COMPREHENSIVE WATERSHED MANAGEMENT PLAN, AND ASK QUESTIONS OF STAFF OR AGENCY REPRESENTATIVES.
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Mayor Supple explained that a quorum is necessary to call the meeting to order, and the RBWMO Commission is currently waiting for one member to arrive; however, the RBWMO Commission can unofficially review the topic.

RWMBO Director Oddsson gave an informational report on the topic. He described the functions of RBWMO and discussed the purpose of the Technical Advisory Commission and the Community Advisory Commission. He described the monitoring program and the water quality parameters in the program.

RBWMO Assistant Executive Director Gruidl presented the data collected from various bodies of water in each city.

RWMBO Director Oddsson provided an overview of the 2024 activities the RBWMO participated in and implemented. He discussed funding for fiscal year 2024 and explained the 2025 work plan. He noted there are several projects that could be completed using Watershed-Based Implementation Funding. RWMBO Director Oddsson reviewed community outreach activities and educational projects. RWMBO Director Oddsson added that the RBWMO was awarded \$114,644 for fiscal year 24-25. RWMBO Director Oddsson noted that a minor amendment to RBWMO Watershed Management Plan is required.

Mayor Supple called for a recess at 6:12 pm due to lack of quorum.

Mayor Supple opened the floor to public comments.

Ava McKnight, no address given, expressed the importance of the watershed district, and noted there is high community interest in the water management grant program.

Mayor Supple extended the speakers time past 3 minutes.

Ms. McKnight noted support of option two, Lawns to Legumes.

Mayor Supple read a written comment from Kris Anderson. Ms. Anderson is in favor of option two of the water management grant program and is advocating for more residents to be able to receive individual grant funding through the program. As a certified pollinator steward, Ms. Anderson described the many benefits of native plants in the community and the importance of additional resources being available for residents.

Bloomington Council Member Lowman arrived at 6:35 pm.

Mayor Supple reconvened the recess at 6:35 pm.

Official Call to Order

Mayor Supple officially called the meeting to order at 6:35 pm.

MOTION: made by Council Member Hayford O'Leary, seconded by Council Member Nelson to approve the April 2, 2024 annual meeting minutes.

Motion carried: 7-0

Approval of Agenda

MOTION: made by Council Member Hayford O'Leary, second by Council Member Nelson to approve the agenda as amended with review of presentation and public comment prior to quorum of commission.

Motion carried: 7-0

Board Nominations

Mayor Supple asked for nominations for Chair from the Bloomington Council.

MOTION: made by Council Member Lowman, seconded by Council Member Hayford Oleary to nominate Council Member Dallessandro as Chair for 2025.

Motion carried: 7-0

Mayor Supple asked for nominations for Vice Chair from the Richfield Council.

MOTION: made by Council Member Hayford Oleary, seconded by Council Member Nelson to nominate Council Member Burk as Vice Chair for 2025.

Motion carried: 7-0

Mayor Supple asked for nominations for Secretary from the Richfield Council.

MOTION: made by Council Member Hayford Oleary, seconded by Council Member Coleman Woods to nominate Council Member Christensen as Secretary for 2025.

Motion carried: 7-0

Mayor Supple asked for nominations for Treasurer from Bloomington Council.

MOTION: made by Council Member Nelson, seconded by Council Member Lowman to nominate Council Member Lowman as Treasurer for 2025.

Motion carried: 7-0

Public Hearing - Residential Grant Program Minor Plan Amendment

RBWMO Executive Director Oddsson gave an overview of the residential grant program. He reviewed the minor amendment to the plan and described the two options for the residential grant program.

Mayor Supple opened the public hearing at 6:43 p.m.

MOTION: made by Council Member Hayford Oleary, seconded by Council Member Burk to close the public hearing.

Motion carried: 7-0

RBWMO Assistant Executive Director Gruidl provided the staff recommendations for the grant program noting upcoming deadlines for grant funding.

MOTION: made by Council Member Hayford Oleary, seconded by Council Member Coleman Woods to adopt a minor plan amendment to incorporate a residential grant program into the RBWMO Watershed Management Plan, thereby amending Section 5 of the Watershed Management Plan.

Motion carried: 7-0

Council and staff discussed grant matching fee requirements and noted the matching fee is the responsibility of the applicant.

Council Member Hayford Oleary asked if pollinator gardens, and the Lawns to Legumes program, are good for the watershed or just a generally good thing. RBWMO Executive Director Oddsson noted that the programs are beneficial to the watershed and reviewed the benefits.

Council Member Hayford Oleary asked if there is a significant difficulty in residents getting grant money from other organizations. RBWMO Executive Director Oddsson responded that there are more applications received than money available. Council Member Hayford Oleary added that he is

in support of option two if they can receive the funding. He noted that option one is a good fallback option.

Council Member Burk noted that he would be in favor of a possible third option, or additional options that provide more education in the grant program.

Mayor Supple noted that she is also in favor of option two and noted community interest in option two. Mayor Supple added that many community members have offered to help in any way they can.

RBWMO Executive Director Oddsson noted if the program is successful, it can continue in the future.

2024 Annual Report

RBWMO Assistant Executive Director Gruidl noted the overview of the 2024 annual report was discussed in the business section of the meeting, and the full report is included in the packet.

MOTION: made by Council Member Hayford Oleary, seconded by Council Member Christensen to approve the 2024 annual report.

Motion carried: 7-0

MOTION: made by Council Member Coleman Woods, seconded by Council Member Burk to approve the public notice for publication in the *Sun Current*.

Motion carried: 7-0

RBWMO Assistant Executive Director Gruidl explained that the insurance costs will be split between the two cities.

ADJOURNMENT

Mayor Supple adjourned the Annual Meeting at 6:56 pm.

Date Approved: March 25, 2025

Mary B. Supple
Mayor

Michelle Friedrich
City Clerk

Katie Rodriguez
City Manager



CITY COUNCIL MEETING MINUTES

Richfield, Minnesota

Regular Council Meeting

March 11, 2025

CALL TO ORDER

The meeting was called to order by Mayor Supple at 7:05 p.m. in the Council Chambers.

Council Present: Mary Supple, Mayor; Sharon Christensen; Walter Burk; Sean Hayford O'Leary; and Rori A. Coleman-Woods.

Staff Present: Katie Rodriguez, City Manager; Mary Tietjen, City Attorney; Melissa Poehlman, Community Development Director; Kristin Asher, Public Works Director; Michelle Friedrich, City Clerk; Jay Henthorne, Police Chief; and Rachel Lindholm, Sustainability Specialist.

Others Present: None

PLEDGE OF ALLEGIANCE

Mayor Supple led the Pledge of Allegiance.

OPEN FORUM

Mayor Supple reviewed the participation options for residents at the Council meeting including in-person comments, comments by voicemail or email, and an option to request to participate virtually with advance notice. Mayor Supple noted more information on submitting comments can be reviewed at www.richfieldmn.gov/citycouncil.

Leule Assmrew discussed his concern about the proposals for new rules that would affect how short-term rentals are operated. He commented on the benefits of having short-term rentals in the community.

Sarah Marasigan noted that she is a short-term rental owner. She discussed that they have set many rules to ensure that guests are respectful.

APPROVAL OF MINUTES

MOTION: made by Council Member Hayford Oleary, seconded by Council Member Christensen to approve the minutes of the: (1) City Council Work Session Meeting from February 25, 2025, and (2) City Council Regular Meeting from February 25, 2025.

Motion carried: 5-0

ITEM #1	COMMUNITY MEMBERS COMMENDATION
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Police Chief Henthorne noted that he is here tonight to honor two outstanding community members who helped save someone's life. He read aloud a letter of commendation. The two community members, Aubrey Carlson and Chase Simpson, called 911 swiftly on a very cold night in February to report someone lying in the road. He presented each with their commendations.

ITEM #2	APPROVAL OF AGENDA
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MOTION: made by Council Member Coleman-Woods, seconded by Council Member Burk to approve Agenda as presented.

Motion carried: 5-0

ITEM #3	CONSENT CALENDAR
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City Manager Rodriguez presented the consent calendar.

- A. Consider: Approval of Part 1 of the West Metro Multi-Community Wellhead Protection Plan; and Adoption of a resolution authorizing participation in the development of Part 2 of the West Metro Multi-Community Wellhead Protection Plan. (Staff Report No. 32)

RESOLUTION NO. 12305

RESOLUTION APPROVING WEST METRO MULTI-COMMUNITY WELLHEAD PROTECTION PLAN (PART 1) AND AUTHORIZING CONTINUED PARTICIPATION IN THE DEVELOPMENT AND IMPLEMENTATION OF THE REMAINDER OF THE PLAN (PART 2)

- B. Consider approval of a Temporary On-Sale Intoxicating Liquor license for the Richfield Foundation's A Toast to Richfield event to take place on Thursday, May 1, 2025, in the atrium area of Woodlake Center, located at 6601 Lyndale Ave South. (Staff Report No. 33)
- C. Consider the approval of an agreement allowing Richfield Department of Public Safety to accept grant monies from the U.S. Department of Justice, Office of Justice Programs, the Edward Byrne Memorial Justice Assistance Grant (JAG) Program. (Staff Report No. 34)

RESOLUTION NO. 12306

RESOLUTION AUTHORIZING THE DEPARTMENT OF PUBLIC SAFETY/POLICE TO ACCEPT THE EDWARDS BYRNE MEMORIAL GRANT (JAG) FOR FROM THE OFFICE OF JUSTICE PROGRAMS TO PURCHASE LAPTOPS FOR PUBLIC SAFETY EMPLOYEES

MOTION: made by Council Member Christensen, seconded by Council Member Hayford Oleary to approve the consent calendar.

Motion carried: 5-0

ITEM #4	CONSIDERATION OF ITEMS, IF ANY, REMOVED FROM CONSENT CALENDAR
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None.

ITEM #5	PUBLIC HEARING AND CONSIDER THE RATIFICATION OF PREVIOUSLY APPROVED ORDINANCE AMENDMENTS TO CITY CODE SECTION 550: FLOODPLAIN MANAGEMENT REGULATIONS PREVIOUSLY ADOPTED BY THE CITY COUNCIL ON JANUARY 14, 2025. (STAFF REPORT NO. 35)
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Council Member Hayford Oleary presented Staff Report 35 and opened the public hearing.

MOTION: made by Council Member Hayford Oleary, seconded by Council Member Coleman-Woods to close the public hearing.

Motion carried: 5-0

MOTION: made by Council Member Hayford Oleary, seconded by Council Member Burk to approve an ordinance amending Chapter V of the Richfield Code of Ordinances pertaining to floodplain management regulations.

BILL NO. 2024-16

AN ORDINANCE AMENDING CHAPTER V OF THE RICHFIELD CODE OF ORDINANCES PERTAINING TO FLOODPLAIN MANAGEMENT REGULATIONS

Motion carried: 5-0

ITEM #6	CONSIDER THE APPROVAL OF THE SECOND READING OF AN ORDINANCE UPDATING REQUIREMENTS FOR MAINTENANCE OF FOWL, AUTHORIZE A RESOLUTION TO ADD THE PERMIT APPLICATION FEE TO THE EXISTING FEE SCHEDULE, AND AUTHORIZE A SUMMARY ORDINANCE PUBLICATION VIA RESOLUTION. (STAFF REPORT NO. 36)
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Council Member Christensen presented Staff Report 36.

Clerk Friedrich presented a public comment submitted through email from Kathy B. She discussed the increased number of mice due to the many chickens in the area. She noted that Richfield needs to regulate the coops.

Council Member Burke asked a question regarding the three-year period relating to permits. Sustainability Specialist Lindholm explained within the three-year period, if there is an issue, the process will then restart and will require proof the issue has been resolved.

Mayor Supple asked for clarification of language changes from the first reading to the second reading. Sustainability Specialist Lindholm explained the ordinance changes and noted the permit will last three years, and the permit fee has been reduced.

Mayor Supple asked if the issues discussed in the public comment about large flock sizes would be addressed in the permit process. Sustainability Specialist Lindholm noted information will be included within permit process and education. Sustainability Specialist Lindholm also discussed the rehoming process and rules for fowl.

Mayor Supple inquired about the City's plans for rolling this out, considering there are already many residents with flocks in place. Specialist Lindholm noted communication resources include City webpages, Facebook pages, and newsletters to let residents know and relay the fowl ordinance permit requirements.

MOTION: made by Council Member Burk, seconded by Council Member Hayford Oleary to allow staff to amend section subdivision 5g., to make the process clear when a permit is revoked.

Motion carried: 5-0

MOTION: made by Council Member Christensen, seconded by Council Member Hayford Oleary to approve the second reading of an ordinance updating requirements for maintenance of fowl, adopt a resolution to add the permit application fee to the existing fee schedule, and authorize a summary ordinance publication via resolution.

RESOLUTION NO. 12307

RESOLUTION ESTABLISHING FOWL AND BIRD REGISTRATION AND INSPECTION FEES PURSUANT TO THE PROVISIONS OF APPENDIX D OF THE ORDINANCE CODE OF THE CITY OF RICHFIELD

BILL NO. 2025-01

AN ORDINANCE AMENDING CHAPTER IX OF THE RICHFIELD CODE OF ORDINANCES PERTAINING TO MAINTENANCE OF FOWL; SUBSECTION 905.37 OF THE RICHFIELD CITY CODE

RESOLUTION NO. 12308

RESOLUTION APPROVING SUMMARY PUBLICATION OF AN ORDINANCE REPEALING AND REPLACING SECTION 905.37 OF THE CITY CODE PERTAINING TO MAINTENANCE OF FOWL

Motion carried: 5-0

ITEM #7	CITY MANAGER'S REPORT
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City Manager Rodriguez provided details about a public comment from a previous meeting concerning Consent Calendar items. City Manager Rodriguez also discussed a new legislative bill that would allow multi-family housing in any commercially zoned district, and could impact the City, highlighting that the financial and stability outlooks at both the state and federal levels have deteriorated since the last discussion. City Manager Rodriguez updated the Council on the 4d tax status eligible for the Penn Station and Beacon developments, noting 4d developments are taxed at a lower percentage which shifts the burden onto other Richfield property taxpayers.

Community Development Director Poehlman added additional context regarding the proposed bill and noted the bullet points provided to Council prior to the meeting are cause for concern. Community Development Director Poehlman noted the lack of flexibility regarding our most valuable commercial land within the city. Community Development Director Poehlman noted the proposed bill to allow housing in primary commercial corridors, is at odds with Council's strategic

goal to diversify and increase the commercial tax base percentage. Community Development Director Poehlman noted studies from the EPA and the American Medical Association reference long-term health impacts of citizens living near busy roads near commercially zoned districts. Community Development Director Poehlman indicated review of the next comprehensive plan will include consideration of housing along Interstate-494.

City Manager Rodriguez added Richfield has a strong reputation supporting affordable housing and would be an effective voice to discussions at the legislative level.

Mayor Supple indicated support of staff's position regarding the bill, with some compromises in amending the proposed legislation to be purposeful in not impacting cities, like Richfield, that support affordable housing but also protecting cities with limited commercially zoned districts.

Council Member Hayford Oleary explained the context behind the bill to the new Council Members. He also explained his position on the bill. He noted that he would rather see a position that is limited to the City's issue rather than blanket opposition to the bill.

Council Member Hayford Oleary offered context to Council Members Burk and Coleman-Woods from previous Council discussion, noting they were not yet sworn in as Council. Council Member Hayford Oleary noted the Council had previously talked about this bill when the legislative platform was under review. He noted, at that time, much of the Council decided not to take a position on it, and it wasn't included in the platform. Council Member Hayford Oleary indicated hesitation to revisit this topic so soon. Council Member Hayford Oleary noted while the bill is being considered, and personally being somewhat open to it, added the importance of understanding that many cities reserve large commercial areas, and have refused to allow affordable housing or apartments. Council Member Hayford Oleary noted this bill proposed to make such land available for housing in areas that need it in Minnesota. Council Member Hayford Oleary indicated the foremost responsibility to Richfield, but the State is pursuing this bill to increase affordable housing availability across Minnesota.

Council Member Hayford Oleary disagreed with the staff's environmental justice reasoning, and noted the city has long allowed housing along I-494, and if better options are sought, there should be focus on designating land farther from freeways for multi-family housing, not banning more areas from housing. Council Member Hayford Oleary noted Richfield's limited commercial land is unique and would prefer advocating for an exemption for cities with a low percentage of commercial land. Council Member Hayford Oleary concluded this position would better represent Richfield's interests while still supporting the broader goal of affordable housing in Minnesota.

Council Member Coleman-Woods noted agreement with Council Member Hayford Oleary's stance.

Council Member Burk also noted his agreement with Council Member Hayford Oleary.

Council Member Christensen stated she agrees with Council Member Hayford Oleary, and mentioned the city needs to keep a healthy mix of commercial and affordable housing.

Mayor Supple clarified the Council discussion and noted a compromise for Richfield regarding the bill would be to include language that specifies cities with less than 20 percent commercial tax base would be exempt from the multi-family requirement being placed in a commercially zoned area.

Council Member Hayford Oleary briefly mentioned two legislative items he is personally involved in. Council Member Hayford Oleary noted the first legislative item allows cities to use different

design manuals for streets; and noted he will provide feedback to the legislation regarding his own personal experience with the street variance process. Council Member Hayford Oleary noted the second legislative item he will comment on is a state ban on cities having parking minimums. Council Member Hayford Oleary noted he supported last year, and while Richfield doesn't have a position on this, he will be speaking in favor of it and wanted to make everyone aware.

ITEM #8	CLAIMS AND PAYROLL
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MOTION: made by Council Member Hayford Oleary, seconded by Council Member Christensen to approve the following claims and payrolls:

<u>U.S. BANK</u>	<u>03/06/2024</u>
A/P Checks: 334834-335082	\$1,007,391.51
<u>U.S. BANK</u>	<u>03/07/2024</u>
Payroll: 194913-195228; 44131-44133 manual checks	\$1,146,472.44
TOTAL	\$2,153,863.95

Motion carried: 5-0

ITEM #9	HATS OFF TO HOMETOWN HITS
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Council Member Burk stated he had nothing to report.

Council Member Hayford Oleary noted that Richfield hosted the Transportation Summit last week and staff gave a great presentation about Public Works winter snowplowing operations. Council Member Hayford Oleary thanked the community and staff for supporting and promoting Richfield in the Strongest Town contest.

Council Member Christensen added that over the past few weeks, she has been involved in the Citizen Police Academy. She shared that it has been a great learning experience.

Council Member Coleman-Woods congratulated the Athena Award finalists at Richfield High School, and included Aniya Johnson, Zarihana Rennie, Desirai Chappell, Mandy Mendelblatt, Emma Govenat, and Audrey Olson.

Mayor Supple gave hats off to Director Poehlman and the Youth Frontiers Program. Mayor Supple noted that Community Development Director Poehlman was invited to participate in a women's leadership conference for high schoolers. Mayor Supple also thanked the Public Works Department for plowing the heavy snow.

ITEM #10	A CLOSED SESSION MEETING PURSUANT TO MINNESOTA STATUTES, SECTION 13D.05, SUBD. 3(B) FOR AND ATTORNEY-CLIENT PRIVILEGED MEETING TO DISCUSS PENDING LITIGATION; MICHAEL P. KLABUNDE VS. CITY OF RICHFIELD, ET AL., U.S. DISTRICT COURT, DISTRICT OF MINNESOTA. COUNCIL WILL MOVE TO THE EXECUTIVE CONFERENCE
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	ROOM FOR THE CLOSED SESSION PORTION OF THE MEETING. (STAFF REPORT NO. 37)
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Mayor Supple stated, "Council is moving into a closed-session meeting pursuant to Minnesota Statutes, Section 13D.05, Subd. 3(b) for an attorney-client privilege discussion regarding pending litigation; Michael P. Klabunde vs. City of Richfield, et al., U.S. District Court, District of Minnesota.

MOTION: made by Council Member Burk, seconded by Council Member Coleman-Woods to recess the regular meeting and move into a closed session meeting.

Motion carried: 5-0

The regular meeting was recessed to closed session at 8:05 p.m.

Mayor Supple stated, "The Council will now reconvene the regular meeting following the closed-session meeting."

The Council meeting was reconvened at 8:55 p.m.

ITEM #11	ADJOURNMENT
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MOTION: made by Council Member Coleman-Woods, seconded by Council Member Christensen to adjourn the meeting at 8:55 p.m.

Motion carried: 5-0

Date Approved: March 25, 2025

Mary Supple
Mayor

Michelle Friedrich
City Clerk

Katie Rodriguez
City Manager



STAFF REPORT NO. 38
CITY COUNCIL MEETING
3/25/2025

REPORT PREPARED BY:
DEPARTMENT DIRECTOR REVIEW:
OTHER DEPARTMENT REVIEW:
CITYMANAGER REVIEW:

John Evans, Analyst
Karl Huemiller, Recreation Services Director

Katie Rodriguez, City Manager
3/19/2025

ITEM FOR COUNCIL CONSIDERATION:

Consideration of the approval of a resolution authorizing staff to submit an application for a Hennepin County Youth Equipment Grant in the amount of \$10,000 for the purchase of skate aids, hockey equipment, rental skates, and rink dividers and authorizing staff to enter into a grant agreement, if awarded.

EXECUTIVE SUMMARY:

The Richfield Ice Arena has a primary mission to help teach youth how to skate through the Learn to Skate program. Additionally, promotion of the sport of hockey is another fundamental mission through the Little Spartans program.

These efforts have continued to see strong participation in recent years, which means that some of the equipment used for these programs has been heavily used and is in need of replacement. Skate aids, which skaters hold in front of them for balance, are dwindling in numbers at the Arena as they can break from heavy use. Also, these programs depend on a full supply of properly-fitting skates for visitors, hockey equipment, and dividers that allow different skill levels to work in separate parts of the ice.

This grant, which focuses on equipment for youth athletics and recreation, would provide staff with the funds to upgrade and replace this broken equipment for these in-demand programs.

RECOMMENDED ACTION:

By motion: Approve a resolution authorizing staff to submit an application for a Hennepin County Youth Equipment Grant in the amount of \$10,000 for the purchase of skate aids, hockey equipment, rental skates, and rink dividers, and authorizing staff to enter into a grant agreement, if awarded.

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT

- The Richfield Recreation Services Department has received a number of youth sports grants from Hennepin County in the past including Lincoln Athletic Complex, School District #287 soccer field and running track, Academy of Holy Angels Synthetic Turf Field, archery equipment and soccer goals.
- The grant would enable Ice Arena staff to continue their ongoing mission to introduce kids to ice skating and hockey in a safe and effective way.

B. EQUITABLE OR STRATEGIC CONSIDERATIONS OR IMPACTS

Equity: This grant will allow the City to better provide programming both the "learn to skate" and "Little Spartans" programs to residents of all social and economic backgrounds. The success of these programs has grown skating and hockey in groups traditionally excluded from skating and hockey.

Strategic: This grant helps to meet the strategic priority of equity and inclusion by reducing barriers for traditionally excluded groups.

C. **POLICIES (resolutions, ordinances, regulations, statutes, exc):**

The grant application requires a resolution of authorization from the City Council to accompany the application.

D. **CRITICAL TIMING ISSUES:**

There are no critical timing issues associated with this item.

E. **FINANCIAL IMPACT:**

The grant would enable staff to make these equipment upgrades without straining the operating budget of the Richfield Ice Arena.

F. **LEGAL CONSIDERATION:**

The grant application requires a resolution of authorization from the City Council to accompany the application.

ALTERNATIVE RECOMMENDATION(S):

Reject the resolution, requiring staff to find another source of funding for this important equipment.

PRINCIPAL PARTIES EXPECTED AT MEETING:

None

ATTACHMENTS:

Description	Type
□ Resolution authorizing Arena grant	Resolution Letter

RESOLUTION NO. ____

RESOLUTION AUTHORIZING STAFF TO SUBMIT AN APPLICATION FOR A HENNEPIN YOUTH EQUIPMENT GRANT IN THE AMOUNT OF \$10,000 FOR THE PURCHASE OF SKATING AIDS AND HOCKEY EQUIPMENT FOR THE RICHFIELD ICE ARENA'S LEARN TO SKATE AND LITTLE SPARTAN HOCKEY PROGRAMS, AND TO EXECUTE A GRANT AGREEMENT, IF AWARDED.

WHEREAS, the Hennepin County Board of Commissioners, via the Hennepin Youth Sports Program, provides for capital funds to assist local government units of Hennepin County for the development of sports or recreational facilities, and

WHEREAS, the City of Richfield (local government unit, hereinafter "LGU") operates the Richfield Ice Arena, with the core mission of promoting skating and hockey and teaching these skills to youth; and

WHEREAS, to continue this mission, the LGU needs to replace equipment that is fundamental to their work, including skate aids, skates, hockey equipment, and rink dividers.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richfield, Minnesota, the authorizing entity of the LGU, that:

1. The estimated cost of replacing this equipment is \$10,000. The LGU is requesting \$10,000 through the Hennepin County Youth Equipment Grant Program for these purchases.
2. LGU is the owner of the Richfield Ice Arena. The LGU will own the property where PROJECT is located for at least the functional life of the facility.
3. LGU agrees to assume one hundred (100) percent of operational and maintenance costs for PROJECT. LGU will operate PROJECT for its intended purpose as stated in the PROJECT application for the functional life of the facility.
4. LGU agrees to enter into necessary and required agreements with Hennepin County for the specific purpose of developing PROJECT and managing its long-term operation.
5. Karl Huemiller, Recreational Services Director for the LGU, is authorized and directed to execute the application for the Hennepin Youth Sports Program grant.

Adopted by the City Council of the City of Richfield, Minnesota this 25th day of March, 2025.

Mary Supple, Mayor

ATTEST:

Michelle Friedrich, City Clerk



STAFF REPORT NO. 39
CITY COUNCIL MEETING
3/25/2025

REPORT PREPARED BY:
DEPARTMENT DIRECTOR REVIEW:
OTHER DEPARTMENT REVIEW:
CITYMANAGER REVIEW:

Kelly Wynn, Administrative Assistant
Mike Dobesh, Fire Chief

Katie Rodriguez, City Manager
3/19/2025

ITEM FOR COUNCIL CONSIDERATION:

Consider the adoption of a resolution authorizing the acceptance of a Hose Roller 1 unit from First Response Fire and Safety.

EXECUTIVE SUMMARY:

Recently the Fire Department was contacted by First Response Fire and Safety regarding the donation of a Hose Roller 1 unit as part of their Community Give Back Program. The company donates multiple units throughout the year in cities where trainings have taken place.

In the three years since the program was implemented, the company has given away about 10 of these units to area fire departments.

RECOMMENDED ACTION:

By motion: Adopt a resolution authorizing the acceptance of the unit from First Response Fire and Safety for the Fire Department.

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT

The Fire Department is occasionally approached to be the recipient of funds and equipment from a variety of organizations and fundraising events. The department works closely with the donors to find a suitable use of the funds that aligns with the donors' mission or intention.

The roots of the Hose Roller company are in firefighting. First Response Fire & Safety was founded and is owned by a retired firefighter. In addition, all First Response instructors are either current or retired firefighters. Because of this, the company has established a Community Give Back Program, so they can support the communities by donating a Hose Roller 1 to select fire departments.

Starting in 2022, each year First Response Fire and Safety for the Fire Department donates Hose Roller 1 units to select communities where they have conducted a training.

B. EQUITABLE OR STRATEGIC CONSIDERATIONS OR IMPACTS

C. POLICIES (resolutions, ordinances, regulations, statutes, exc):

- Minnesota Statute 465.03 requires every acceptance of a grant or devise of real or personal property on terms prescribed by the donor be made by resolution and adopted by two-thirds majority of the City Council.
- The Administrative Services Department issued a memo on November 9, 2004 requiring that all grants and restricted donations to departments be received by resolution and adopted by two-thirds majority of the City Council in accordance with Minnesota Statute 465.03.

D. CRITICAL TIMING ISSUES:

E. FINANCIAL IMPACT:

This donation has a value of \$3,900.00.

F. LEGAL CONSIDERATION:

Minnesota Statute 465.03 requires every acceptance of a grant or devise of real or personal property by received by resolution and adopted by two-thirds majority of the City Council.

ALTERNATIVE RECOMMENDATION(S):

PRINCIPAL PARTIES EXPECTED AT MEETING:

ATTACHMENTS:

Description		Type
<input type="checkbox"/>	Resolution	Resolution Letter

RESOLUTION NO.

**RESOLUTION AUTHORIZING THE ACCEPTANCE OF
A DONTATED HOSE ROLLER 1 UNIT FROM FIRST RESPONSE FIRE AND SAFETY**

WHEREAS, the Richfield Fire Department was the beneficiary of a donation from First Response Fire and Safety; and

WHEREAS, the Richfield Fire Department has designated to receive a Hose Roller 1 unit~~y~~ to be used to benefit the firefighters and equipment;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Richfield, Minnesota, that the Fire Chief will accept the unit designated for the Richfield Fire Department as listed above.

Adopted by the City Council of the City of Richfield, Minnesota this 25th day of March, 2025.

Mary Supple, Mayor

ATTEST:

Michelle Friedrich, City Clerk



STAFF REPORT NO. 40
CITY COUNCIL MEETING
3/25/2025

REPORT PREPARED BY:
 DEPARTMENT DIRECTOR REVIEW:

Karl Huemiller, Recreation Services Director
 Karl Huemiller, Recreation Services Director
 3/20/2025

OTHER DEPARTMENT REVIEW:
 CITYMANAGER REVIEW:

Katie Rodriguez, City Manager
 3/19/2025

ITEM FOR COUNCIL CONSIDERATION:

Consider approval of the contract with Becker Arena Products to provide and install new Dasher Boards on Rink 2 for \$251,067.

EXECUTIVE SUMMARY:

Ice rink dasher boards are designed to protect players and fans from injury during games. The current dasher boards were installed when Rink 2 was constructed in 1999. Dasher boards are expected to last 20 - 25 years and the current boards are showing their age.

New dasher boards can only be installed when there is no ice on a rink. The Ice Arena replaces one of the two ice sheets every year. The ice on Rink 2 is scheduled to be replaced in October. Manufacturing of dasher boards takes 3 - 4 months but orders must be scheduled with more lead time.

Staff solicited two quotes through the SourceWell joint purchasing program. Becker Arena Products was the lower of the two quotes and was the company that installed the boards on Rink 1. Having boards from the same manufacturer will reduce maintenance complexity, allowing the City to maintain a smaller inventory of replacement parts (glass, kickplate, and posts).

RECOMMENDED ACTION:

By Motion: Authorize the Mayor and City Manager to finalize and execute a contract agreement between the City of Richfield and Becker Arena Products in the amount of \$251,067 for the replacement of dasher boards on Rink 2 of the Richfield Ice Arena.

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT

The Richfield Ice Arena is home to Holy Angels High School, Southwest Christian/Richfield High School, Minneapolis Hockey Association, Jefferson Youth Hockey Association, Little Spartan Program, and Adult Hockey Association. The Richfield Ice Arena is also home to Fortis Academy. They offer athletic training to our user groups and wellness programs to our residents. The arena host fourteen hockey tournaments and several figure skating championships on a yearly basis. It has over 500,000 visitors come through our facility each year.

The Ice Arena offers Learn to Skate lessons, public skate, stick/puck time, and open hockey sessions for our residents. Along with in door walking around the concourse of Rink 1. The main

rink, Rink 1, was built in 1971 and the addition of Rink 2 was in 1999.

B. **EQUITABLE OR STRATEGIC CONSIDERATIONS OR IMPACTS**

We use rink 2 for our skate lessons for all the first and fourth graders that attend Richfield Elementary schools. The dasher boards need to be safe and maintained correctly for all our user groups.

C. **POLICIES (resolutions, ordinances, regulations, statutes, exc):**

Contracts require Council approval.

D. **CRITICAL TIMING ISSUES:**

The dasher boards need to be installed in October during our ice out maintenance period. The manufacture needs 3-4 months of lead time to construct the new dasher boards.

E. **FINANCIAL IMPACT:**

The new dasher boards are being funded by the Local Option Sales Tax for Veterans Park that was passed in November 2024.

The base price for the dasher boards is \$245,679 an additional cost of \$5,388 is for removal of the current boards after their trade in value. Staff do not recommend adding on the acrylic terminations for the player's box dividers.

F. **LEGAL CONSIDERATION:**

ALTERNATIVE RECOMMENDATION(S):

Delay or reject approval of the contract agreement.

PRINCIPAL PARTIES EXPECTED AT MEETING:

ATTACHMENTS:

Description	Type
□ Contract with Becker Arena Products for Dasher Boards	Cover Memo

Quotation #: Richfield Ice Arena BAP 6.0S
Customer #: 201552
Sourcwell ID: 32614
Revision #:
Date: March 14, 2025
Proposal Expiration Date: April 14, 2025
Sales Consultant: Dan Mehren

Prepared For:
Bob Baltgalvis
City of Richfield
636 E 66th St
Richfield, MN 55423

Project Location:
Richfield Ice Arena
636 E 66th St
Richfield, MN 55423

Thank you for considering Becker Arena Products, Inc., we appreciate the opportunity...

Benefits of Choosing to Partner with Becker Arena Products

- A stable and reliable company since 1988
- Staff with in-depth knowledge of the industry and products
- Quality products that last
- Experienced and professional installers
- Excellent customer service
- Worry Free Projects – Guaranteed

This system is available through the Sourcwell Cooperative Purchasing Program at discounted pricing. BECKER ARENA PRODUCTS, INC – VENDOR CONTRACT #120320 - ATH

- Sourcwell is a municipal contracting government agency that serves education and government agencies nationally through competitively bid and awarded contract purchasing solutions. Over 47,000 Member agencies enjoy the value and commitment of the world-class Sourcwell awarded Vendors. Take advantage of the cooperative purchasing discounts shown here in this quotation mentioning our contract **#120320 - ATH** when ordering. You must be a member and contracting authority. Ask your salesperson for a copy of the Sourcwell Contract Purchasing information

Per our discussions, please see the below dasher pricing and details to replace the existing dashers with a new BAP Signature Series 6.0 steel frame dasher system.

BAP Signature Series 6.0 Steel Dasher Systems - 200 ft long by 85 ft wide, with 20 ft radius corners.

Becker Arena Products, Inc. shall furnish and install the following new custom-built BAP 6.0S dasher system. Pricing is based on the information provided and will include the following items and features.

FRAME

- Frames to be structural steel, 41" high. Typical 96" length for straights and 88" for curved panels.
- Existing anchors to be re-used. New anchors to be drilled where necessary.
- Floor thickness to be 5" min.
- 4 player gates 30" wide.
- 2 penalty gates 30" wide.
- 2 double leaf gate 120" wide, straight
- 1 general access gates 36" wide for the perimeter of the rink.
- 1 general access gates 48" wide for the perimeter of the rink.
- 1 double leaf gate 72" wide, straight for the perimeter of the rink.

BOARD CLADDING

- .500" thick CrystaPlex® Stay-White polyethylene board facing.
- .500" thick polyethylene Cap Rail, Dark Blue
- .500" thick x 8" high, polyethylene, standard overlaid kick plate
- Kick plate color to be yellow.

BACKER PANEL

- Approximately 260 lineal feet .375" thick Black polyethylene Backer Panel for spectator side of rink.
- H mullions closure strips, Black
- Backer panel to be full height with partial height along bleacher walkway.

POLY GAP CLOSURE

- .500" thick x 3" x 3" Black poly angle gap closure along to match backer panel locations.
- Approximately 260 lineal feet

TEMPERED GLASS SHIELDING

- 242 lineal feet of 15mm (5/8") x 6'-0" high tempered glass shielding for the ends and radius corners of the rink, complete with Full Height two-piece Quick release, round aluminum shield supports
- 291 lineal feet of 12mm (1/2") x 6'-0" high tempered glass shielding for straight sides and dividers, complete with Full Height two-piece Quick release, round aluminum shield supports
- Shielding in front of the scorer's table shall have a 2-1/2" diameter speak hole.

PLAYERS, PENALTY AND TIMEKEEPERS - BOXES

- Player boxes are to be 33 ft long and 5'6" deep with side walls. 65" back wall per box, no divider gates.
- Penalty boxes are to be 8 ft long and 5'6" deep with side and back walls. No divider gates
- Timers' box is to be 8 ft long and 5'6" deep with half-depth side walls. Back walls with 48" opening
- .375" thick half height backer panel and water bottle shelf to be included for the player's and penalty boxes.
- Penalty and timers' boxes are to be located on the same side as the player benches.

PLAYERS, PENALTY AND TIMEKEEPERS - FLOORS

- Floors for the players, penalty and timers' boxes are to remain elevated concrete.
- Approximately 920 sqft of Rubber flooring, 10mm NWR Stamina to be loose laid throughout box area and walkway
- Coach's walkway, 8" high x 30" deep x 24' wide to be provided for each player box.

PLAYERS, PENALTY AND TIMEKEEPERS - BENCHES

- Benches are 3/4" thick polyethylene top fastened to a 9 1/2" wide aluminum channel.
- Player box benches are to be 27 ft long.
- Benches in the penalty boxes are to be 6 ft long.
- Player and penalty benches are to be removable.
- Timekeeper table, 8' in length, to be provided.

PUCK CONTROL NETTING

- Two each, 12' x 121' White Nylon puck control netting above the shielding on the ends and radius corners of the rink.
- Netting hardware, cable, and conduit frame included

ADDITIONAL ITEMS INCLUDED IN BASE BID

- Costs included for Field Measure existing site conditions by a qualified Becker Arena Products representative.

COMPLETE INSTALLATION:

An approved Becker Arena Products installation team (non-union/non-prevailing labor rates) to install the new system onto the existing refrigerated concrete foundation.

The site must be accessible by a tractor-trailer and industrial forklift and driveways to the rink slab/surface must support all necessary equipment. Power outlets with no less than a 30amp breaker must be within 50' of the rink slab/surface or a portable generator with a minimum of 5KW power rating. The surface will be broomed clean, and the work area will be free of all materials and debris. A dumpster (minimum size of 10 yards) and/or an area for trash must be available within 100' of the rink slab/surface so the installers can remove their debris.

Indoor - The rink slab/surface must support at least a 5000lb forklift. Becker Arena Products will accept no responsibility for damage to the rink slab/surface caused by driving a forklift on the rink slab/surface. All overhead work, including but not limited to painting, electrical, HVAC, and insulation must be completed in the rink and the building must be enclosed and lockable. Adequate lighting must be in and operational. When the job is completed or nearing completion, the purchaser must be available for a final walk-through to inspect the rink with a Becker Arena Products installation supervisor. This will be the purchaser's chance to formulate a final punch list of items left unfinished or needing to be changed. All items not listed on the punch list will not be considered a punch list item, and unless covered by Becker Arena Products warranty, will be replaced at the purchaser's expense. Delays or extra work and expenses caused by the site not being ready will be charged to the purchaser.

TOTAL BASE PRICE DELIVERED & INSTALLED Accept _____ \$ 245,679.00

Option A: CURVED ACRYLIC TERMINATIONS FOR BOX DIVIDERS

- Provide 2 NHL approved curved acrylic terminations for player's box dividers.
- Provide 1 spare curved acrylic termination assemblies (acrylic and posts).

TOTAL ADD to BASE BID PRICE (material, freight, installation) Accept _____ \$ 8,158.00

OPTION B: Removal of Existing Dasher System and Shielding & Trade In

Becker Arena Products proposes to remove the existing dasher system and provide a trade in credit. All labor and transportation costs associated with the used system would be the responsibility of BAP.

Total Removal Price (material, labor, freight)	\$ 15,388.00
Total Trade in Value (credit)	<u>\$ 10,000.00</u>
Grand Total	\$ 5,388.00

Total of the Above Selected Options \$ _____

Please Note: Taxes are the responsibility of the purchaser. Prices do not include special insurance requirements, bonding, or applicable permits and/or license fees. Prices subject to site visit and/or receipt of final construction drawings and specifications. If sales tax is applicable, it will be added to the proposal totals and noted on a Contract Summary Sheet that will be sent back with your executed contract.

Material Price Escalation & De-Escalation Clause (Due to the volatility of all components of the above dasher board system)

- In the event that the price of any of the material(s) used in the Becker Arena Products, Inc. production of the above product increase or decrease by 3% or greater from the price used for that material(s) at the time the quote was signed, then the price for the material(s) in the contract between Becker Arena Products, Inc. and the purchaser shall be increased or decreased to reflect the additional or reduced cost to obtain that material or materials. Purchaser agrees that Becker Arena Products, Inc. shall be entitled to an adjustment to the contract price to reflect and price increases of material(s) that occur as a result of Becker Arena Products, Inc. incurring additional costs when ordering materials.

All payment terms are based on credit approval. Taxes are not Included and will be added if applicable.

Our Standard Payment terms are:

45% due upon placement of order	(\$ _____)
45% due 10 days prior to delivery	(\$ _____)
10% due upon delivery and installation	(\$ _____)

The above payment amounts will be filled in based on total contract price and any applicable sales tax and sent back on the Contract Summary Sheet with your executed contract.

We are looking forward to the opportunity of working with you on your project and if we can be of further assistance please do not hesitate to call.

This proposal is subject to Becker Arena Products, Inc. Standard Terms and Conditions and Limited Warranty and may be withdrawn without penalty at any time before contract execution. If accepted, please sign, and return this copy to Becker Arena Products. When approved and signed by one of our officers a fully executed copy will be forwarded for your records. This proposal is subject to change, withdrawal, or cancellation until accepted by you. If Becker Arena Products, Inc. have not received your acceptance within 60 days from the date hereof, this proposal shall automatically expire. Becker Arena Products, Inc. retains a security interest in all products covered in this agreement until all payment terms have been met. In addition, the purchaser agrees to sign any additional documents for Becker Arena Products, Inc. to perfect its security interest in the products.

Proposal/Contract # **Richfield Ice Arena BAP 6.0S** is accepted with initialed options:

Purchaser Signature

Title

Print Name

Today's Date

32614
Sourcewell ID

Becker Arena Products, Inc.

VP of Sales and Operations
Title

Jeff Brosz
Print Name

Today's Date

#120320 - ATH
Sourcewell Contract ID

BECKER ARENA PRODUCTS INC. STANDARD TERMS AND CONDITIONS OF SALE - EFFECTIVE JANUARY 2021

1. Definitions. In these terms "Seller" means the seller of the Goods as defined herein; "Buyer" means the entity purchasing the Goods, including any successors thereof; "Goods" means the goods, products and materials manufactured, imported, supplied and/or delivered for or by Seller to Buyer, as such were approved by Seller in reply to Buyer's order and accordingly listed in the Approval of Order; "Approval of Order", in respect of any Buyer's order, means the instrument issued by Seller, bearing the same reference number of such order and specifying, *among any other terms*, the items of Goods, including their respective price and quantity, which shall be supplied to Buyer upon such order; "Contract" means the contract for the supply of Goods which have been ordered by Buyer and specified in Seller's Approval of Order, which contract is concluded based on these Terms and Conditions of Sale unless otherwise specified in the Approval of Order.

2. Payment. Payment for Goods shall be due on or prior to the delivery date of Goods and no discount may be given. Payments received after the due date thereof shall bear a service charge from their due date, at the maximum lawful interest rate applicable, and if none – at the annual rate of 5% above the base rate from time to time of the central bank of the place of Buyer's incorporation. All payments shall be made to Seller's designated bank account in the same currency and for the same amounts as specified in the Approval of Order.

3. Prices, Duties and Taxes. Prices specified in the Approval of Order are net, excluding packaging, and shall be deemed Ex-works (Incoterms 2000 as amended). Prices are based, inter alia, on production costs for supplies, labor, deliveries, duties, and services current on the order date. In the event of material increase in any such costs, Seller reserves the right either to adjust the prices for Goods accordingly, or to cancel any certain part of the sales relating to undelivered Goods. Duties, taxes, fees, levies and other compulsory payments applicable to the sale of Goods at any time, as well as freight, express, insurance and delivery charges, shall all be borne and paid in full by Buyer, unless otherwise expressly stipulated.

4. Delivery. Delivery dates noted on the Approval of Order are estimates only, and are not guaranteed, and are all subject to adjustment as determined by the Seller acting reasonably. The acceptance of shipment by a common carrier or by any licensed public truckman shall constitute proper delivery. Risks associated with the Goods shall pass to Buyer on delivery or with the passing of title in the Goods, whichever occurs first; provided however, that where delivery is delayed due to circumstances caused by or within the responsibility of Buyer, risk of loss shall pass to Buyer upon Seller's notification that Goods are ready for dispatch.

5. Retention of Title. Title shall pass to Buyer only upon full payment by Buyer for the Goods and following payment of any other outstanding debt by Buyer to Seller. Buyer shall, at Seller's request, take any measures necessary under applicable law to protect Seller's title in the Goods, and lawfully notify Buyer's present or potential creditors of Seller's title on and interest in the Goods. Buyer acknowledges that so long as title has not been transferred in the Goods, it holds the Goods as bailee and fiduciary agent for the Seller and shall safely and securely store and keep the Goods separate and in good condition, clearly showing the Seller's ownership of the Goods and shall respectively record the Seller's ownership of the Goods in its books. Notwithstanding the above, Buyer may use Goods for its own use, or sell Goods, as fiduciary agent for the Seller, to a third party in the normal course of business by bona fide sale at market value, whereby proceeds of such usage or sale of Goods, as the case may be, shall, to the extent of the amount being owed by Buyer to Seller at the time of receipt of such proceeds, be held by Buyer on trust for Seller and specifically ascertained, until payment in full for all payable debts by Buyer to Seller.

6. Warranty.

a) If applicable, Seller warrants that Goods as set out in the warranty applicable thereto given by Seller to Buyer, subject always to the terms and conditions thereof, and subject to use, storage, and application thereof in accordance with and based on Seller's standard tolerances, instructions of use and recommendations. b) Unless otherwise restricted by mandatory applicable law, THE WARRANTY SET FORTH HEREIN IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY AND ALL WARRANTIES OF MERCHANTABILITY, QUALITY AND FITNESS FOR USE AND FOR PURPOSE, ANY ADVICE AND RECOMMENDATION AND ANY OBLIGATIONS OR LIABILITIES WHICH MAY BE IMPUTED TO SELLER, ANY AND ALL OF WHICH ARE HEREBY EXPRESSLY DISCLAIMED, DENIED AND EXCLUDED. BUYER EXPRESSLY AGREES THAT NO WARRANTY THAT IS NOT SPECIFICALLY STATED IN THIS AGREEMENT WILL BE CLAIMED OR OTHERWISE ADHERED TO BY BUYER AND/OR BY ANYONE ACTING ON BUYER'S BEHALF AND/OR BY ANYONE DERIVING THE LEGALITY OF ITS CLAIM FROM BUYER, NOR THAT WILL ANY SUCH WARRANTY BE VALID. SELLER NEITHER ASSUMES NOR AUTHORIZES ANY OTHER PERSON TO ASSUME FOR IT, ANY OTHER LIABILITY IN CONNECTION WITH THE SALE, USE OR HANDLING OF ANY AND ALL GOODS SPECIFIED OR CONTEMPLATED BY THIS CONTRACT. NO WARRANTY IS MADE WITH RESPECT TO ANY OF THESE GOODS WHICH HAVE BEEN SUBJECT TO ACCIDENT, NEGLIGENCE, ALTERATION, IMPROPER CARE, IMPROPER STORAGE, IMPROPER MAINTENANCE, ABUSE OR MISUSE.

7. Claims and Liability.

a) Unless Seller shall within 30 days after delivery of the Goods, receive from Buyer written notice of any matter or thing by reason whereof it is alleged that Goods are not in accordance with the Contract, Goods delivered shall be deemed to have been supplied, delivered and accepted in all respects in full conformity with the Contract and Buyer shall be entitled neither to reject the same nor to raise any claim for damages or for other remedy in respect of any alleged negligence and/or breach of warranty and/or any condition. b) In any claim, brought subject to the conditions above, Buyer must prove to the satisfaction of Seller that it followed Seller's instructions for use, care, storage, maintenance, handling, and application of the Goods. c) Unless otherwise specifically restricted by mandatory applicable law, Seller's liability under any claim and in connection with any possible allegation, whether based on negligence, contract, or any other cause of action, shall, if the Seller shall be liable hereunder, be limited to either (i) the replacement of the Goods or the supply of equivalent goods; (ii) the repair, or payment of the cost of repair, of the Goods; or (iii) credit in an amount equal to the purchase price specified in Seller's pertinent invoice, or in an amount of equivalent goods, all at Seller's sole option. Buyer acknowledges that the remedy available to him as specified herein, is in lieu of any remedies that may be otherwise available to him, now or in the future, whether in law or in equity, relating to any loss or damage, whether directly or indirectly, arising from the purchase and/or the use of Goods, including without limitation, any actual or contingent damages, loss of production, loss of profit, loss of use, loss of contracts or any other consequential or indirect loss whatsoever, whether pecuniary or non-pecuniary, and it is acknowledged and agreed by Buyer that in no circumstances shall Seller be liable for any such damages. Should any limitation on Seller's liability hereunder be held ineffective under applicable law, than Seller's liability shall in any event be limited to the minimum amount of damages to which Seller may limit its liability, where such is greater than the purchase price as specified in Seller's pertinent invoice. Additionally, any action against Seller must be commenced within one year after the cause of action accrues. d) Buyer, for himself and for any other party which may claim either under or through Buyer, or independently of Buyer, including Buyer's employees, directors, officers, representatives and personnel, shall indemnify and hold Seller harmless, from and against any claim or liability for damages in any way relating to the supply or use of the Goods, including claims for negligence and including but not limited to, any claim in connection with the design, manufacture, use, care, storage, delivery, application or maintenance of any Goods sold hereunder, whether alleged to have been committed by Seller or by any other person whatsoever. Buyer's undertaking as specified in this subsection shall extend and inure to the benefit of Seller and of Seller's successors at any time, as well as to Seller's personnel, representatives, managers, directors, and officers. Nothing contained herein shall take effect to exclude or limit liability where liability may not be excluded or limited under applicable law, including, without limitation, for death, personal injury, and fraudulent misrepresentations. e) Any and all warranties, undertakings, guarantees, or assurances provided herein by Seller, are specifically limited to Buyer herein, and not imputed by Seller, whether directly or indirectly, expressly, or impliedly, to any other person or entity, including any subsequent buyer or user, bailee, licensee, assignee, employee and agent of Buyer.

8. Default. Upon failure of Buyer to pay any amounts due to Seller, or in the event of any breach or anticipated breach by Buyer of any Contract with Seller, or if Buyer shall either (i) become insolvent, (ii) call a meeting of its creditors, or (iii) make any assignment for the benefit of creditors, or if (iv) a bankruptcy, insolvency, reorganization, receivership or reorganization proceeding shall be commenced by or against Buyer, then, in each such occasion, Seller may, at its sole discretion, opt

to (1) cancel this and any other Contract with Buyer (without waiving any of Seller's rights to pursue any remedy against Buyer); (2) claim return of any Goods in the possession of Buyer, the title of which has not passed to Buyer, and enter Buyer's premises (or the premises of any associated company or agent where such Goods are located), without liability for trespass or any alleged damage, to retake possession of such Goods; (3) defer any shipment hereunder; (4) declare forthwith due and payable all outstanding bills of Buyer under this or any Contract; and/or (5) sell all or part of the undelivered Goods, without notice at public and/or on private sale, while Buyer shall be responsible for all costs and expenses of such sale and be liable to Seller for any shortfall in the discharge of the amounts due to Seller.

9. Independent Delivery. Each delivery of Goods shall (without prejudice to Seller's rights under clause 8 hereinabove) be considered a separate contract and the failure of any delivery shall not vitiate any contract as to deliveries of other Goods and payment therefore.

10. Cancellation. Orders manufactured in whole or in part, pursuant to Buyer's specifications, may not be cancelled except with Seller's prior written consent, on terms which will compensate Seller for any resulting losses.

11. No-Assignment. No rights or obligations of Buyer arising out of this Contract may be assigned without the express prior written consent of Seller.

12. Force Majeure. Should Seller be prevented from effecting deliveries of the Goods or any of them by reason of either an act of god, insurrection, riot, war hostilities, terror attacks, warlike operations, piracy, arrests, restraints or detentions by any competent authority, strikes or combinations or lock-out of workmen, fire, floods, droughts, earthquakes, permanent or temporary delay or inability to obtain labor, material or services through Seller's usual and regular sources, or any other circumstances (whether of a nature similar to those specified, or not) beyond the absolute control of the Seller, then, in each such cases, the obligation of the Seller to effect deliveries hereunder shall be suspended until after such prevention shall cease to continue. Should any deliveries under this Contract be suspended under this clause for more than 90 days – either party may withdraw from this Contract and be relieved from any liability; provided however, that Buyer shall nevertheless accept delivery and pay for such Goods once the Seller is able to deliver in accordance with the period(s) of shipment named in this Contract. Seller shall not be liable for, and be relieved from, any loss or damage of any kind resulting from the causes mentioned hereinabove.

13. Advice. Any provisions specified or implied by herein or elsewhere notwithstanding, any advice, recommendation, information, assistance or service provided by Seller in relation to the Goods or in respect of their use or application is given in good faith, shall be deemed accepted by Buyer without imputation of any liability to Seller, and it shall be the responsibility of Buyer to confirm the accuracy and reliability of the same in light of the use of which Buyer makes or intends to make of the Goods.

14. Entire Agreement. This Contract merges the entire terms and conditions for sale of the Goods. In the event of any conflict between the terms herein and any provisions included in the Approval of Order, the latter shall govern and prevail. Subject to the foregoing, nothing specified in, or referred to by, any other document, record or instrument whatsoever, which relates to and/or which otherwise subsists in connection with the sale of Goods herein, whether expressly or impliedly, including any written order, request or other standard or specific terms of any entity, shall or may be interpreted to attribute to Seller and/or to Seller's affiliates or representatives (i) any liability, obligation, commitment and/or undertaking, and/or (ii) any waiver in connection with or of any right, whether contractual, proprietary, in-person am and/or equitable, including but not limited to, any and all intellectual property rights in connection with the Goods, which are and shall always remain in the Seller's exclusive and complete ownership under all circumstances whatsoever, notwithstanding any sale of Goods hereunder and whether the Goods shall be standard Goods or manufactured to a specific order. No modification or waiver of any provision hereof shall become valid and effective except upon a written instrument duly signed beforehand by Seller. No waiver by either party of any default of the other party shall be deemed a waiver of any subsequent or other default. If any provision of this Contract becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable, or void, the balance of this Contract shall continue in full force and effect without the provision.

15. Law and Arbitration. This Contract shall be governed by and construed in accordance with the laws of the state of Seller's incorporation. Any dispute arising out of or in connection with this Contract shall, if so, determined by the Seller, be finally settled by arbitration in accordance with the Rules of Conciliation and Arbitration of the International Chamber of Commerce ("ICC"), as shall be in effect from time to time, and if so determined, the balance of this Section shall apply. The arbitration shall be held at such location in the state of Seller's incorporation as shall be determined by Seller, in its sole discretion. The arbitrator shall be mutually appointed by Seller and Buyer within 21 (twenty-one) days following a written demand for arbitration by either of the parties. Failing to reach an agreement regarding the nomination of an arbitrator, the head of the relevant ICC national committee (located in the Seller's country of incorporation; and absent such local committee in that specific country – the ICC UK Committee (www.iccuk.net)) shall appoint an arbitrator at the request of any of the parties, a copy of which request for the appointment of an arbitrator shall be provided by the requesting party to the other party. Awards may be enforced in accordance with the 1958 New York Convention and judgment may be entered upon any award in any court having jurisdiction over the parties and/or their assets. The arbitrator's fees shall be paid by both parties in equal parts unless otherwise determined by the arbitrator. This provision shall survive any termination of any of the terms and conditions herein and shall be deemed to constitute an independent arbitration agreement between Buyer and Seller for all purposes and intents.

16. Dasher Board Systems

1. Seller may choose whether or not to produce the rink according to its production schedule. If they produce the rink on schedule, it will be stored at Becker Arena Product's location of business and storage fees will be charged to the Purchaser at the rate of US \$300 per week. All payments will be due according to the terms from the original ship date. If the Seller chooses to delay production to coincide with the new ship date, no storage fees will apply, and payment will be due according to the terms from the original ship date. If contract terms are paid in full prior to shipping, the time will start from the original ship date and not the adjusted ship date.
2. A new shipping installation date will be coordinated with Seller's installation department and confirmed with the Purchaser. The Seller will reschedule the installation for the next available date according to the Seller's installation schedule. In some cases, the site delay may cause additional charges. This includes, but is not limited to, wages, remobilization, and equipment rental, to be paid by the Purchaser.
3. If the Purchaser's site is not ready when the Seller's installation crew arrives, additional costs will be charged to the Purchaser. This includes, but is not limited to wages, travel, lodging, meals, equipment rental and changes in Becker Arena Product's installation schedule.

17. General Site Requirements.

The following criteria must be met or extra charges may apply, and delays will be incurred, if the site is not in compliance when Seller is ready to deliver and install the goods:

1. Concrete and Floor Work: All concrete work is to be completed and allowed to cure, according to job specifications and/or refrigeration contractors requirements, before the date installation is scheduled to begin.

2. The levelness of the perimeter concrete, where the rink is to be installed, must be within 1/8" of levelness for every 10' in length and no more than 1/4" difference in height over the length and width of the perimeter surface.
3. For sand floors, the first 6" from the front of the curb, where the rink is to be installed, must be within 1/16" of flatness from the inside edge outward and meet the levelness and flatness conditions specified above. Sand floors are not to be final graded prior to dasher board installation.
4. Expansion joints, which are to be covered completely by the rink, are to be within 1/2" of straightness from end to end and side to side. The distance from side to side and end to end of the outside edge of the expansion joint is to be within 1/2" of the required dimension for the frame to cover it.
5. If, upon arrival, the perimeter concrete is inspected and does not meet the specifications for levelness, flatness, straightness and size, the following will occur:
6. Seller's Representative will determine if rink can be shimmed or adjusted/cut to achieve desired levelness, fit and/or expansion joint coverage while maintaining the structural integrity of the rink. If so, the additional time and materials to do this will be paid by the Purchaser. A change order must be filled out by the Seller's Representative and signed by the Purchaser before any work commences.
7. If the rink cannot be shimmed or adjusted to the desired levelness and/or coverage while maintaining the structural integrity of the rink, the Purchaser will be responsible for fixing the surface to meet specifications. All associated costs for this are the sole responsibility of the Purchaser.
8. The Seller will accept contracts that are retrofit projects with the understanding that the condition of the underlying perimeter concrete work meets the specifications stated above. If, after removal of the existing rink, the concrete does not meet these conditions, points "1" and "2" from above will apply.

18. Requirements for Rink Installations:

(Refer to the enclosed Site Requirements)

1. Walk Through Inspection. When Seller's work is complete or near complete, Purchaser or the Purchaser's Representative (including general contractors and architects) must be available for a final walk-through inspection with the Seller's Representative. Any parties who do not attend the walk through will forfeit their right to submit punch list items. A final punch list of items to be completed or repaired will be prepared as a result of this walk through. Any item not included on the final "punch list" will not be the responsibility of the Seller unless it is covered by the Seller's Warranty.
2. Shop Drawings and Non-standard Shielding. Preparation of shop drawings will not commence until after the signed contract has been delivered to Seller. Production will not commence until Seller receives approved shop drawings. Field measured; tempered glass (non-standard sizes) may require an additional 3-4 weeks for delivery after completion of installation. Any field measured tempered glass to be installed by purchaser.
3. Polyethylene. All polyethylene used to manufacture the rink shall be virgin material. All colors shall match within manufacturer's tolerance.
4. Seller will not be responsible for replacing polyethylene that conforms to manufacturers color tolerance. During manufacturing, all panels shall have a polyethylene overhang past the frame a minimum of 1/16" on each end to allow for contraction of the material due to temperature change in the field. Seller shall not be responsible for material contraction gaps between panels due to temperature change if it adheres to these manufacturing requirements.
5. Material Check-in. (Installation supervision and supply only contracts) The Purchaser shall be responsible to verify the shipment for quantities and any damage caused from shipping for jobs that include installation supervision or are supply only. Any quantity variances and/or damage must be noted and reported to the Project Manager by filling out the Material Check-in Form and faxing it to the Project Manager. Missing/damaged items must be reported within 24 hours of receipt to receive credit. All boxes will be clearly marked by the Seller. The Ship list will clearly identify the contents and quantities of the shipment. It is the responsibility of the Purchaser to verify that all box numbers in the hardware crate are accounted for, not to open and count each individual item per box. The Purchaser must count anything that is not boxed.



STAFF REPORT NO. 41
CITY COUNCIL MEETING
3/25/2025

REPORT PREPARED BY:
DEPARTMENT DIRECTOR REVIEW:
OTHER DEPARTMENT REVIEW:
CITYMANAGER REVIEW:

John Evans, Analyst
Karl Huemiller, Recreation Services Director

Katie Rodriguez, City Manager
3/19/2025

ITEM FOR COUNCIL CONSIDERATION:

Consider a resolution authorizing the execution of an agreement with the State of Minnesota to release the 2023 appropriations bill funds awarded to the Wood Lake Nature Center Building Project in the amount of \$12,000,000 and authorizing staff to administer the funds in accordance with all terms as prescribed by the State of Minnesota.

EXECUTIVE SUMMARY:

The State of Minnesota has allocated \$12,000,000 in 2023 appropriations bill funds for the Wood Lake Nature Center Building Project. Staff has submitted all necessary budget and project information and is required to authorize the attached agreement by resolution.

The City of Richfield will provide the additional funding of \$14,225,000 for the project from a Local Sales Tax bond (\$11m), a HUD Community Project grant (\$3m), and Richfield capital improvement special revenue funds (\$225,000).

The funds allocated in the 2023 Minnesota Appropriations Bill are administered by the Minnesota Department of Employment and Economic Development.

RECOMMENDED ACTION:

By motion: Approve a resolution authorizing the execution of an agreement with the State of Minnesota to release the 2023 appropriations bill funds awarded to the Wood Lake Nature Center Building Project in the amount of \$12,000,000 and authorizing staff to administer the funds in accordance with all terms as prescribed by the State of Minnesota.

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT

The Wood Lake Nature Center Building Project will replace the existing building, built in 1971, and ensure the continuation of the provision of services and public facilities that have promoted interaction with the natural environment and have provided environmental education and recreation for 54 years.

B. EQUITABLE OR STRATEGIC CONSIDERATIONS OR IMPACTS

Impact:

Wood Lake Nature Center is an amenity that is free to the public and has been heavily utilized for over 50 years. Habitat restoration and preservation is vital to ensuring the continuation of these services for many years to come.

People:

The Recreation Services Department has an ongoing commitment to provide programs and facilities that are accessible and inviting to all people, regardless of ethnicity, gender identification, or economic status. Wood Lake Nature Center is uniquely located to provide access to nature for all members of our community.

Consequences:

The Recreation Services Department has been proactive about creating a welcoming environment for all people and we have seen diverse participation. Staff realizes that these facilities are made possible by all of Richfield residents and strives to take steps to ensure that our participants reflect that diversity and individuality.

Strategic Outcome Considerations:

A new and efficient building and surrounding infrastructure is a vital piece of ensuring the success of Wood Lake's environmental education programs into the future.

C. POLICIES (resolutions, ordinances, regulations, statutes, exc):

M.S. § 412.201 requires the Mayor and Council of all statutory cities to to authorize by resolution the execution of all grant agreements and the administration of grant funds.

D. CRITICAL TIMING ISSUES:

Staff will need to proceed with the administration of the grant agreement and the release of grant funds in order to proceed with the building project in a timely manner.

E. FINANCIAL IMPACT:

The grant provides nearly half of the funds necessary to proceed with, and complete, the Wood Lake Nature Center Building Project.

F. LEGAL CONSIDERATION:

There are no legal considerations for this item.

ALTERNATIVE RECOMMENDATION(S):

Reject the resolution and the \$12,000,000 grant award.

PRINCIPAL PARTIES EXPECTED AT MEETING:

ATTACHMENTS:

Description		Type
□	Resolution authorizing grant agreement with state of MN	Resolution Letter
□	Grant agreement with State of MN for Wood Lake Building Project	Contract/Agreement

RESOLUTION NO.

RESOLUTION AUTHORIZING STAFF TO EXECUTE AN AGREEMENT WITH THE STATE OF MINNESOTA TO RELEASE FUNDS FROM THE 2023 STATE OF MINNESOTA APPROPRIATIONS BILL, ADMINISTERED BY THE MN DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT, IN THE AMOUNT OF \$12,000,000, AND DESIGNATED FOR THE WOOD LAKE NATURE CENTER BUILDING PROJECT, AND AUTHORIZING CITY OF RICHFIELD STAFF TO ADMINISTER THE FUNDS IN ACCORDANCE WITH GRANT AGREEMENTS AND TERMS PRESCRIBED BY DONORS.

WHEREAS, the City of Richfield acts as the legal sponsor for the Wood Lake Nature Center Building Project and has the legal authority to receive financial assistance, and the institutional, managerial, and financial capability to ensure adequate project administration; and

WHEREAS, the State of Minnesota allocated \$12,000,000 in 2023 Appropriations Bill for the Wood Lake Nature Center Building Project; and

WHEREAS, M.S. § 412.201 requires the Mayor and Council of all statutory cities to authorize by resolution the execution of all grant agreements and the administration of grant funds; and

WHEREAS, the non-DEED source(s) of funds identified in the sources and uses outline in the application total the amount of \$14,225,000 and these matching funds are committed and adequate to fully fund or provide the match for the project identified in the application; and

WHEREAS, the City of Richfield has not violated any Federal, State or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice; and

WHEREAS, upon approval of its development proposal by the state, the City of Richfield may enter into an agreement with the State of Minnesota for the above-referenced project(s), and that the City of Richfield certifies that it will comply with all applicable laws and regulation as stated in all contract agreements; and

WHEREAS, any source(s) of the Applicant's fund(s) to fully fund the project shall be from the project account as designated by the City of Richfield, which has an adequate amount of funds to cover the commitment.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Richfield, Minnesota, as follows:

The Richfield City Council hereby approves the agreement with the State of Minnesota for the release of \$12,000,000 in funds appropriated for the Wood Lake Nature Center Building Project, and authorizes City staff to implement the funds for the project.

Adopted by the City Council of the City of Richfield, Minnesota this 25th day of March, 2025.

ATTEST:

Mary Supple, Mayor

Michelle Friedrich, City Clerk

2025-3-25 MN Funds-Wood Lake

General Fund

Grant Agreement – Construction Grant

for the

Wood Lake Nature Center

Project

SPAP-23-0047-P-FY25

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General Fund
Grant Agreement - Construction Grant
for the
Wood Lake Nature Center
Project

THIS AGREEMENT shall be effective as of June 2nd, 2023, and is between the city of Richfield, a Home Rule Charter city(the “Grant Recipient”), and the Minnesota Department of Employment and Economic Development (the “State Entity”).

RECITALS

A. Under the provisions contained in MN Session Laws 2023, Chapter 71, Article 1, Section 14, Subdivision 33 the State of Minnesota has allocated \$12,000,000, which is to be given to the Grant Recipient as a grant to assist it in the design and construction of a new nature center building, and for the renovation of the site and trails at Wood Lake Nature Center. This appropriation may also be used for demolition costs associated with completing the project described in this subdivision; and

B. The monies allocated to fund the grant to the Grant Recipient are appropriated money from the State of Minnesota’s general fund; and

C. The Grant Recipient and the State Entity desire to set forth herein the provisions relating to the granting of such monies and the disbursement thereof to the Grant Recipient.

IN CONSIDERATION of the grant described and other provisions in this Agreement, the parties to this Agreement agree as follows.

Article I - Definitions

Section 1.01 Defined Terms. As used in this Agreement, 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 a disbursement of funds made or to be made by the State Entity to the Grant Recipient and disbursed in accordance with the provisions contained in Article IV hereof.

“Agreement” - means this General Funds Grant Agreement Construction Grant for the Wood Lake Nature Center Project.

“Architect”, if any – means N/A, which will administer the Construction Contract Documents on behalf of the Grant Recipient.

“Commissioner of Management and Budget” - means the State of Minnesota acting through its Commissioner of Management and Budget, and any designated representatives thereof.

“Completion Date” – means 12/31/2028 the date of projected completion of the Project as specified in the Construction Contract Documents.

“Contractor” - means any person engaged to work on or to furnish materials and supplies for the Project including, if applicable, a general contractor.

“Construction Contract Documents” - means the document or documents, in form and substance acceptable to the State Entity, including but not limited to any construction plans and specifications and any exhibits, amendments, change orders or supplements thereto, which collectively form the contract between the Grant Recipient and the Contractor or Contractors concerning the Project and which provide for the completion of the Project on or before the Completion Date for either a fixed price or a guaranteed maximum price.

“Declaration” - means a declaration, or declarations, in the form as **Attachment I** and all amendments thereto, indicating that the Grant Recipient’s interest in the Real Property and, if applicable, the Facility is subject to the provisions of this Agreement.

“Draw Requisition” - means a draw requisition that the Grant Recipient, or its designee, will submit to the State Entity when an Advance is requested, and which is referred to in Section 4.02.

“Event of Default” - means those events delineated in Section 2.05.

“Facility”, if applicable, - means Wood Lake Nature Center, which is located, or will be constructed and located, on the Real Property.

“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 on the property being sold, which negatively affect the value of such property, will be released at the time of acquisition by the purchaser.

“Grant” - means a grant of monies from the State Entity to the Grant Recipient in an amount of \$12,000,000.

“Grant Recipient” - means the city of Richfield, a Home Rule Charter City.

“Inspecting Engineer”, if any - means the State Entity’s construction inspector, or its designated consulting engineer.

“Project” - means the acquisition of an interest in the Real Property and, if applicable, the Facility, along with the performance of those activities indicated in Section 2.03.

“Real Property” - means the real property located in the County of Hennepin, State of Minnesota, legally described in **Attachment II**.

“State Entity” - means the Minnesota Department of Employment and Economic Development.

“Use Contract” - means a lease, management contract or other similar contract between Grant Recipient and any other entity, and which involves or relates to the Real Property and, if applicable, the Facility.

“Use” - means any entity with which the Grant Recipient contracts under a Use Contract.

“Useful Life of the Real Property and, if applicable, the Facility” – means the term set forth in Section 2.04.T. of this Agreement.

Article II - GRANT

Section 2.01 Grant of Monies. The State Entity shall issue the Grant to the Grant Recipient and disburse the proceeds in accordance with the provisions of this Agreement. The Grant is not intended to be a loan.

Section 2.02 Use of Grant Proceeds. The Grant Recipient shall use the Grant solely to reimburse itself for expenditures it has already made, or will make, in the performance of the following activities:

(Check all appropriate boxes.)

- ☐ Acquisition of fee simple title to the Real Property;
- ☐ Acquisition of a leasehold interest in the Real Property;
- ☐ Acquisition of an easement on the Real Property;
- ☐ Improvement of the Real Property;
- ☐ Acquisition of the Facility;
- ☐ Improvement of the Facility;
- ☒ Renovation or rehabilitation of the Facility;
- ☒ Construction of the Facility; or
- ☐

Section 2.03 Operation of the Real Property and Facility. The Grant Recipient shall operate the Real Property and, if applicable, the Facility, or cause it to be operated, as a nature

center, or for such other use as the Minnesota legislature may from time to time designate, and may enter into Use Contracts with Usees to so operate the Real Property and, if applicable, the Facility; provided that such Use Contracts must fully comply with all of the provisions contained in Section 3.01. The Grant Recipient shall also annually determine that the Real Property and, if applicable, the Facility are being so used, and shall annually supply a statement, sworn to before a notary public, to such effect to the State Entity.

Section 2.04 Grant Recipient Representations and Warranties. The Grant Recipient further covenants with, and represents and warrants to the State Entity as follows:

A. It has legal authority to enter into, execute, and deliver this Agreement, the Declaration, and all documents referred to herein, and it has taken all actions necessary to its execution and delivery of such documents.

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

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

D. It has made no material false statement or misstatement of fact in connection with its receipt of the Grant, and all of the information it previously submitted to the State Entity or which it will submit to the State Entity in the future relating to the Grant or the disbursement of any of the Grant is and will be true and correct.

E. 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, suits, or proceedings pending, or to its knowledge threatened, before any judicial body or governmental authority against or affecting it relating to the Real Property and, if applicable, the Facility, 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 this Agreement, the Declaration, or any document referred to herein, or to perform any of the acts required of it in such documents.

F. Neither the execution and delivery of this Agreement, the Declaration, 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.

G. The contemplated use of the Real Property and, if applicable, the Facility will not violate any applicable zoning or use statute, ordinance, building code, rule or regulation, or any covenant or agreement of record relating thereto.

H. The Project was, or will be, completed in full compliance with all applicable laws, statutes, rules, ordinances, and regulations issued by any federal, state, or local political subdivisions having jurisdiction over the Project.

I. All applicable licenses, permits and bonds required for the performance and completion of the Project have been, or will be, obtained.

J. All applicable licenses, permits and bonds required for the operation of the Real Property and, if applicable, the Facility in the manner specified in Section 2.03 have been, or will be, obtained.

K. It will operate, maintain, and manage the Real Property and, if applicable, the Facility in compliance with all applicable laws, statutes, rules, ordinances, and regulations issued by any federal, state, or local political subdivisions having jurisdiction over the Real Property and, if applicable, the Facility.

L. It has, or will acquire, the following interest in the Real Property and, if applicable, the Facility, and, in addition, will possess all easements necessary for the operation, maintenance and management of the Real Property and, if applicable, the Facility in the manner specified in Section 2.03:

(Check the appropriate box for the Real Property and, if applicable, for the Facility.)

Ownership Interest in the Real Property:

☒ Fee simple ownership of the Real Property.

☐ A Real Property/Facility Lease for the Real Property, in form and substance acceptable to the State Entity, for a term of at least 125% of the Useful Life of the Real Property and, if applicable, Facility, which cannot be prematurely cancelled or terminated without the prior written consent of the State Entity.

(If the term of the Real Property/Facility Lease is for a term authorized by a Minnesota statute, rule or session law, then insert the citation: _____.)

☐ An easement for the Real Property, in form and substance acceptable to the State Entity, for a term of at least 125% of the Useful Life of the Real Property and, if applicable, Facility, which cannot be prematurely cancelled or terminated without the prior written consent of the State Entity.

(If the term of the easement is for a term authorized by a Minnesota statute, rule or session law, then insert the citation: _____.)

Ownership Interest in, if applicable, the Facility:

☒ Fee simple ownership of the Facility.

☐ A Real Property/Facility Lease for the Facility, in form and substance acceptable to the State Entity, for a term of at least 125% of the Useful Life of the Real Property and, if applicable, Facility, which cannot be prematurely cancelled or terminated without the prior written consent of the State Entity.

(If the term of the Real Property/Facility Lease is for a term authorized by a Minnesota statute, rule or session law, then insert the citation: _____.)

☐ Not applicable because there is no Facility.

and such interests are or will be subject only to those easements, covenants, conditions and restrictions that will not materially interfere with the completion of the Project and the intended operation and use of the Real Property and, if applicable, the Facility, or those easements, covenants, conditions and restrictions which are specifically consented to, in writing, by the State Entity.

M. It will fully enforce the terms and conditions contained in any Use Contract.

N. It has complied with the matching funds requirement, if any, contained in Section 5.23.

O. It will supply, or cause to be supplied, whatever funds are needed above and beyond the amount of the Grant to complete and fully pay for the Project.

P. The Project will be completed substantially in accordance with the Construction Contract Documents by the Completion Date, and will be situated entirely on the Real Property.

Q. It will require the Contractor or Contractors to comply with all rules, regulations, ordinances, and laws bearing on its conduct of work on the Project.

R. It will not allow any lien or encumbrance that is prior and superior to the Declaration to be created on or imposed upon the Real Property, whether such lien or encumbrance is voluntary or involuntary and including but not limited to a mechanic's lien or a mortgage lien, without the prior written consent of the State Entity.

S. It will furnish to the State Entity as soon as possible and in any event within 7 calendar days after the Grant Recipient has obtained knowledge of the occurrence of each Event of Default, or each event which with the giving of notice or lapse of time or both would constitute an Event of Default, a statement setting forth details of each Event of Default, or event which with the giving of notice or upon the lapse of time or both would constitute an Event of Default, and the action which the Grant Recipient proposes to take with respect thereto.

T. The Useful Life of the Real Property and, if applicable, Facility is 30 years.

U. It shall furnish such satisfactory evidence regarding the representations and warranties described herein as may be required and requested in writing by either the State Entity or the Commissioner of Management and Budget.

Section 2.05 Event(s) of Default. The following events shall, unless waived in writing by the State Entity, constitute an Event of Default under this Agreement upon the State Entity giving the Grant Recipient 30 days written notice of such event, and the Grant Recipient'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 Grant Recipient 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 6 months. Notwithstanding the foregoing, any of the following events that cannot be cured shall, unless waived in writing by the State Entity, constitute an Event of Default under this Agreement immediately upon the State Entity giving the Grant Recipient written notice of such event.

A. If any representation, covenant, or warranty made by the Grant Recipient herein, in any Draw Requisition, or in any other document furnished pursuant to this Agreement, or in order to induce the State Entity to make any Advance, 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 Grant Recipient fails to fully comply with any provision, term, condition, covenant, or warranty contained in this Agreement, the Declaration, or any other document referred to herein.

Section 2.06 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 the State Entity, the State Entity or the Commissioner of Management and Budget may enforce any or all of the following remedies.

A. The State Entity may refrain from disbursing the Grant; provided, however, the State Entity may make Advances after the occurrence of an Event of Default without thereby waiving its rights and remedies hereunder.

B. The Commissioner of Management and Budget, as a third party beneficiary of this Agreement, may demand that the portion of the Grant already disbursed to the Grant Recipient be returned to it, and upon such demand the Grant Recipient shall return such portion to the Commissioner of Management and Budget.

C. Either the State Entity or the Commissioner of Management and Budget, as a third party beneficiary of this Agreement, may enforce any additional remedies they may have in law or equity.

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

If the Grant Recipient does not repay any portion of the amount specified in Section 2.06.B within 30 days of demand by either the State Entity or the Commissioner of Management and Budget, then such amount may, unless precluded by law, be taken from or off-set against any aids or other monies that the Grant Recipient is entitled to receive from the State of Minnesota.

Section 2.07 Notification of Event of Default. The Grant Recipient shall furnish to both the State Entity and the Commissioner of Management and Budget, as soon as possible and in any event within 7 calendar days after it has obtained knowledge of the occurrence of each Event of Default or each event which with the giving of notice or lapse of time or both would constitute an Event of Default, a statement setting forth details of each Event of Default or event which with the giving of notice or upon the lapse of time or both would constitute an Event of Default and the action which the Grant Recipient proposes to take with respect thereto.

Section 2.08 Term of Grant Agreement. This Agreement shall, unless earlier terminated in accordance with any of the provisions contained herein, remain in full force and effect for the time period starting on the effective date hereof and ending on the date that corresponds to the date established by adding a time period equal to 125% of Useful Life of the Real Property and, if applicable, Facility to the date on which the Real Property and, if applicable, Facility is first used for the purpose set forth in Section 2.03 after such effective date. If there are no uncured Events of Default as of such date this Agreement shall terminate and no longer be of any force or effect, and the State Entity shall execute whatever documents are needed to release the Real Property and, if applicable, Facility from the effect of this Agreement and the Declaration.

Section 2.09 Modification and/or Early Termination of Grant. If the Project is not started on or before December 31, 2027, or such later date to which the Grant Recipient and the State Entity may agree in writing, then, the State Entity's obligation to fund the Grant shall terminate, and, in such event, (i) if none of the Grant has been disbursed by such date then the State Entity's obligation to fund any portion of the Grant shall terminate and this Agreement shall also terminate and no longer be of any force or effect, and (ii) if some but not all of the Grant has been disbursed by such date then the State shall have no further obligation to provide any additional funding for the Grant and this Agreement shall remain in full force and effect but shall be modified and amended to reflect the amount of the Grant that was actually disbursed as of such date.

In addition, if all of the Grant has not been disbursed on or before the date that is 5 years from the effective date of this Agreement, then the State Entity's obligation to continue to fund the Grant shall terminate, and, in such event, (y) if none of the Grant has been disbursed by such date then the State Entity's obligation to fund any portion of the Grant shall terminate and this Agreement shall also terminate and no longer be of any force or effect, and (z) if some but not all of the Grant has been disbursed by such date then the State Entity shall have no further obligation to provide any additional funding under the Grant and this Agreement shall remain in full force and effect but shall be modified and amended to reflect the amount of the Grant that was actually disbursed as of such date.

This Agreement shall also terminate and no longer be of any force or effect upon (a) the termination of the Grant Recipient's leasehold or easement interest in the Real Property in accordance with the terms of such lease or easement, or (b) the sale of the Grant Recipient's interest in the Real Property and, if applicable, the Facility in accordance with the provisions contained in Section 3.02 and transmittal of all or a portion of the proceeds of such sale to the Commissioner of Management and Budget in compliance with the provisions contained in Section 3.03. Upon such termination the State Entity shall execute and deliver to the Grant Recipient such

documents as are required to release the Real Property and, if applicable, the Facility, from the effect of the Declaration.

In the event that the legislation that authorized the Grant is amended to increase or reduce the amount of the Grant or in any other way, then this Agreement shall be deemed to have been automatically modified in accordance with such amendment and the amount of the Grant shall also be automatically modified in accordance with such amendment.

Section 2.10 Effect of Event of Default. If an Event of Default occurs and the Grant Recipient is required to and does return the amount specified in Section 2.06.B to the Commissioner of Management and Budget, then the following shall occur.

A. This Agreement shall survive and remain in full force and effect.

B. The amount returned by the Grant Recipient shall be credited against any amount that shall be due to the Commissioner of Management and Budget under Section 3.03 and against any amount that becomes due and payable because of any other Event of Default.

Section 2.11 Excess Funds. If the full amount of the Grant and any matching funds referred to in Section 5.23 are not needed to complete the Project, then, unless language in the legislation that authorized the Grant indicates otherwise, the Grant shall be reduced by the amount not needed.

Article III - USE AND SALE

Section 3.01 Use Contracts. Each and every Use Contract that the Grant Recipient enters into must comply with the following requirements:

A. The purpose for which the Use Contract was entered into must be a governmental purpose.

B. It must contain a provision setting forth the statutory authority under which the Grant Recipient is entering into the Use Contract, and must comply with the substantive and procedural provisions of such statute.

C. It must contain a provision stating that the Use Contract is being entered into in order to carry out the purpose for which the Grant was allocated, and must recite the purpose.

D. It must be for a term, including any renewals that are solely at the option of the Grant Recipient, that is, if applicable, substantially less than the useful life of the structures and improvements that make up the Facility, but may allow for renewals beyond the original term upon a determination by the Grant Recipient that the use continues to carry out the specific purpose for which the Grant was allocated. A term that is equal to or shorter than 50% of the useful life of the structures and improvements that make up the Facility will meet the requirement that it be for a time period that is substantially shorter than the useful life of such structures and improvements.

E. It must allow for termination by the Grant Recipient in the event of a default thereunder by the Usee, or in the event that the specific purpose for which the Grant was allocated is terminated or changed.

F. It must require the Usee to pay all costs of operation and maintenance of the Real Property and, if applicable, the Facility, unless the Grant Recipient is authorized by law to pay such costs and agrees to pay such costs.

G. If the amount of the 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 Use Contract.

Section 3.02 Sale. The Grant Recipient shall not sell any part of its ownership interest in the Real Property or, if applicable, the Facility unless all of the following provisions have been complied with fully.

A. The Grant Recipient determines, by official action, that it is no longer usable or needed as a nature center,

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 State Entity and the Commissioner of Management and Budget at least 30 days prior thereto.

The acquisition of the Grant Recipient's interest in the Real Property and, if applicable, the Facility at a foreclosure sale, by acceptance of a deed-in-lieu of foreclosure, or enforcement of a security interest in personal property used in the operation of thereof, by a lender that has provided monies for the acquisition of the Grant Recipient's interest in or betterment of the Real Property and, if applicable, the Facility shall not be considered a sale for the purposes of this Agreement if after such acquisition the lender operates such portion of the Real Property and, if applicable, the Facility in a manner which is not inconsistent with the program specified in Section 2.03 and the lender uses its best efforts to sell such acquired interest to a third party for Fair Market Value. The lender's ultimate sale or disposition of the acquired interest in the Real Property and, if applicable, the Facility shall be deemed to be a sale for the purposes of this Agreement, and the proceeds thereof shall be disbursed in accordance with the provisions contained in Section 3.03.

Section 3.03 Proceeds of a Sale. Upon the sale of the Grant Recipient's interest in the Real Property and, if applicable, the Facility the net proceeds thereof shall be disbursed in the following manner and order.

A. The first distribution shall be to the Commissioner of Management and Budget in an amount equal to the amount of the Grant actually disbursed, and if the amount of such net proceeds shall be less than the amount of the Grant actually disbursed then all of such net proceeds shall be distributed to the Commissioner of Management and Budget.

B. The remaining portion, after the distribution specified in Section 3.03.A, shall be distributed to pay in full any outstanding public or private debt incurred to acquire the Grant Recipient's interest in or for the betterment of the Real Property and, if applicable, the Facility in the order of priority of such debt.

C. Any remaining portion, after the distributions specified in Sections 3.03A and B, shall be divided and distributed in proportion to the shares contributed to the acquisition of the Grant Recipient's interest in or for the betterment of the Real Property and, if applicable, the Facilities by public and private entities, including the State Entity but 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 the State Entity's distribution shall be made to the Commissioner of Management and Budget. Such public and private entities may agree amongst themselves as to any redistribution of such distributed funds.

The Grant Recipient shall not be required to pay or reimburse the State Entity 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 Grant actually disbursed.

Article IV - DISBURSEMENT OF GRANT PROCEEDS

Section 4.01 The Advances. The State Entity agrees, on the terms and subject to the conditions set forth herein, to make Advances from the Grant to the Grant Recipient from time to time in an aggregate total amount equal to the amount of the Grant. Provided, however, in accordance with the provisions contained in Section 2.08, the State Entity's obligation to make Advances shall terminate as of the date which occurs 5 years from the effective date of this Agreement even if all of the Grant has not been disbursed by such date.

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 5.23. Therefore, the cumulative amount of all Advances disbursed by the State Entity 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 5.23 that have been disbursed as of such point in time. This requirement is expressed by way of the following two formulas:

Formula #1

$$\text{Cumulative Advances} \leq (\text{Program Grant}) \times (\text{percentage of matching funds, if any, required under Section 5.23 that have been disbursed})$$

Formula #2

$$\text{Cumulative Advances} \leq (\text{Program Grant}) \times (\text{percentage of Project completed})$$

Section 4.02 Draw Requisitions. Whenever the Grant Recipient desires a disbursement of a portion of the Grant, which shall be no more often than once each calendar month, the Grant Recipient shall submit to the State Entity a Draw Requisition duly executed on behalf of the Grant Recipient or its designee. Each Draw Requisition shall be submitted on or between the 1st day and the 15th day of the month in which an Advance is requested, and shall be submitted at least 7

calendar days before the date the Advance is desired. 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 Grant Recipient and the State Entity, plus (ii) the value of materials and equipment not incorporated in the Project but delivered and suitably stored on or off the Project site in a manner acceptable to the State Entity, 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 Project site will be made by the State Entity unless the Grant Recipient shall advise the State Entity, in writing, of its intention to so store materials prior to their delivery and the State Entity has not objected thereto.

At the time of submission of each Draw Requisition, other than the final Draw Requisition, the Grant Recipient shall submit to the State Entity such supporting evidence as may be requested by the State Entity 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.

At the time of submission of the final Draw Requisition which shall not be submitted before substantial completion of the Project, including all landscape requirements and off-site utilities and streets needed for access to the Project and correction of material defects in workmanship or materials (other than the completion of punch list items) as provided in the Construction Contract Documents, the Grant Recipient shall submit to the State Entity: (i) such supporting evidence as may be requested by the State Entity 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 of occupancy and other approvals have been issued.

If on the date an Advance is desired the Grant Recipient has complied with all requirements of this Agreement and the State Entity approves the relevant Draw Requisition and receives a current construction report from the Inspecting Engineer recommending payment, then the State Entity shall disburse the amount of the requested Advance to the Grant Recipient.

Section 4.03 Additional Funds from Grant Recipient. If the State Entity shall at any time in good faith determine that the sum of the undisbursed amount of the Grant plus the amount of all other funds committed to the completion of 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 completion of the Project, then the State Entity may send written notice thereof to the Grant Recipient specifying the amount which must be supplied in order to provide sufficient funds to complete the Project. The Grant Recipient 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 the State Entity's notice.

Section 4.04 Conditions Precedent to Any Advance. The obligation of the State Entity to make any Advance hereunder (including the initial Advance) shall be subject to the following conditions precedent:

A. The State Entity 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 maximum amount of the Grant set forth in Section 1.01.

B. The State Entity shall have either received a duly executed Declaration that has been duly recorded in the appropriate governmental office, with all of the recording information displayed thereon, or evidence that such Declaration will promptly be recorded and delivered to the State Entity.

C. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that (i) the Grant Recipient has legal authority to and has taken all actions necessary to enter into this Agreement and the Declaration, and (ii) this Agreement and the Declaration are binding on and enforceable against the Grant Recipient.

D. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that that the Grant Recipient has sufficient funds to fully and completely pay for the entire Project and all other expenses that may occur in conjunction therewith.

E. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Grant Recipient is in compliance with the matching funds requirements, if any, contained in Section 5.23.

F. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, showing that the Grant Recipient currently possesses or will use the Grant to acquire the ownership interest delineated in Section 2.04.L.

G. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Real Property and, if applicable, the Facility and the contemplated use thereof are permitted by and will comply with all applicable use or other restrictions and requirements imposed by applicable zoning ordinances or regulations, and have been duly approved by the applicable municipal or governmental authorities having jurisdiction.

H. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that that all applicable and required building permits, other permits, bonds and licenses necessary for the completion of the Project 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.

I. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that that all applicable and required permits, bonds and licenses necessary for the operation of the Real Property and, if applicable, the Facility in the manner specified in Section 2.03 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.

J. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Project will be completed in a manner that will allow the Real Property and, if applicable, the Facility to be operated in the manner specified in Section 2.03.

K. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Grant Recipient has the ability and a plan to fund the program which will be operated on the Real Property and, if applicable, in the Facility.

L. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Construction Contract Documents are in place and are fully and completely enforceable.

M. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Contractor will complete the Project substantially in conformance with the Construction Contract Documents and pay all amounts lawfully owing to all laborers and materialmen who worked on the Project or supplied materials therefor, other than amounts being contested in good faith. Such evidence may be in the form of payment and performance bonds in amounts equal to or greater than the amount of the fixed price or guaranteed maximum price contained in the Construction Contract Documents which name the State Entity and the Grant Recipient dual obligees thereunder, or such other evidence as may be acceptable to the Grant Recipient and the State Entity.

N. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the policies of insurance required under Section 5.01 are in full force and effect.

O. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, of compliance with the provisions and requirements specified in Section 5.10 and all additional applicable provisions and requirements contained in Minn. Stat. § 16B.335 that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time. Such evidence shall include, but not be limited to, evidence that: (i) the predesign package referred to in Section 5.10.B has been reviewed by and received a favorable recommendation from the Commissioner of Administration for the State of Minnesota, (ii) the program plan and cost estimates referred to in Section 5.10.C have received a recommendation by the Chairs of the Minnesota State Senate Finance Committee and Minnesota House of Representatives Ways and Means Committee, and (iii) the Chair and Ranking Minority Member of the Minnesota House of Representatives Capital Investment Committee and the Chair and Ranking Minority Member of the Minnesota Senate Capital Investment Committee have been notified pursuant to Section 5.10.G.

P. No determination shall have been made by the State Entity that the amount of funds committed to the completion of 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 completion of the Project, or if such a determination has been made and notice thereof sent to the Grant Recipient then the Grant Recipient has supplied or has caused some other entity

to supply the necessary funds in accordance with Section 4.03, or to provide evidence acceptable to the State Entity that sufficient funds are available.

Q. 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.

R. The Grant Recipient has supplied to the State Entity all other items that the State Entity may reasonably require.

Section 4.05 Construction Inspections. The Grant Recipient and the Architect, if any, shall be responsible for making their own inspections and observations of the Project, and shall determine to their own satisfaction that the work done or materials supplied by the Contractors to whom payment is to be made out of each Advance has been properly done or supplied in accordance with the applicable contracts with such Contractors. If any work done or materials supplied by a Contractor are not satisfactory to the Grant Recipient and the Architect, if any, or if a Contractor is not in material compliance with the Construction Contract Documents in any respect, then the Grant Recipient shall immediately notify the State Entity, in writing. The State Entity and the Inspecting Engineer may conduct such inspections of the Project as either may deem necessary for the protection of the State Entity's interest, and that any inspections which may be made of the Project by the State Entity or the Inspecting Engineer are made and all certificates issued by the Inspecting Engineer will be issued solely for the benefit and protection of the State Entity, and the Grant Recipient will not rely thereon.

Article V - MISCELLANEOUS

Section 5.01 Insurance. The Grant Recipient shall maintain or cause to be maintained builders risk insurance and fire and extended coverage insurance on the Facility, if such exists, in an amount equal to the full insurable value thereof, and shall name the State Entity as loss payee thereunder. If damages which are covered by such required insurance occurs to the Facility, if such exists, then the Grant Recipient shall, at its sole option and discretion, either: (i) use or cause the insurance proceeds to be used to fully or partially repair such damage and to provide or cause to be provided whatever additional funds that may be needed to fully or partially repair such damage, or (ii) sell its interest in the Real Property and the damaged Facility, if such exists, in accordance with the provisions contained in Section 3.02. If the Grant Recipient elects to only partially repair such damage, then the portion of the insurance proceeds which are not used for such repair shall be applied in accordance with the provisions contained in Section 3.03 as if the Grant Recipient's interest in the Real Property and Facility, if such exists, had been sold, and such amounts shall be credited against the amounts due and owing under Section 3.03 upon the ultimate sale of the Grant Recipient's interest in the Real Property and Facility, if such exists. If the Grant Recipient elects to sell its interest in the Real Property and the damaged Facility, if such exists, then such sale must occur within a reasonable time period from the date the damage occurred and the cumulative sum of the insurance proceeds plus the proceeds of such sale must be applied in accordance with the provisions contained in Section 3.03, with the insurance proceeds being so applied within a reasonable time period from the date they are received by the Grant Recipient.

As loss payee under the insurance required herein the State Entity agrees to and will assign or pay over to the Grant Recipient all insurance proceeds it receives so that the Grant Recipient can comply with the requirements that this Section 5.01 imposes upon the Grant Recipient as to the use of such insurance proceeds.

If the Grant Recipient elects to maintain general comprehensive liability insurance regarding the Real Property and Facility, if such exists, then the Grant Recipient shall have the State Entity named as an additional named insured therein.

At the written request of either the State Entity or the Commissioner of Management and Budget, the Grant Recipient shall promptly furnish thereto all written notices and all paid premium receipts received by the Grant Recipient regarding the required insurance, or certificates of insurance evidencing the existence of such required insurance.

Section 5.02 Condemnation. If all or any portion of the Real Property and, if applicable, the Facility is condemned to an extent that the Grant Recipient can no longer comply with the provisions contained in Section 2.03, then the Grant Recipient shall, at its sole option and discretion, either: (i) use or cause the condemnation proceeds to be used to acquire an interest in additional real property needed for the Grant Recipient to continue to comply with the provisions contained in Section 2.03 and, if applicable, to fully or partially restore the Facility and to provide or cause to be provided whatever additional funds that may be needed for such purposes, or (ii) sell the remaining portion of its interest in the Real Property and, if applicable, the Facility in accordance with the provisions contained in Section 3.02. Any condemnation proceeds which are not used to acquire an interest in additional real property or to restore, if applicable, the Facility shall be applied in accordance with the provisions contained in Section 3.03 as if the Grant Recipient's interest in the Real Property and, if applicable, the Facility had been sold, and such amounts shall be credited against the amounts due and owing under Section 3.03 upon the ultimate sale of the Grant Recipient's interest in the Real Property and, if applicable, the Facility. If the Grant Recipient elects to sell its interest in the portion of the Real Property and, if applicable, the Facility that remains after the condemnation, then such sale must occur within a reasonable time period from the date the condemnation occurred and the cumulative sum of the condemnation proceeds plus the proceeds of such sale must be applied in accordance with the provisions contained in Section 3.03, with the condemnation proceeds being so applied within a reasonable time period from the date they are received by the Grant Recipient.

As recipient of any of condemnation awards or proceeds referred to herein, the State Entity agrees to and will disclaim, assign or pay over to the Grant Recipient all of such condemnation awards or proceeds it receives so that the Grant Recipient can comply with the requirements which this Section 5.02 imposes upon the Grant Recipient as to the use of such condemnation awards or proceeds.

Section 5.03. Use, Maintenance, Repair and Alterations. The Grant Recipient shall not, without the written consent of the State Entity, permit or suffer the use of any of the Real Property and, if applicable, the Facility, for any purpose other than the use for which the same is intended as of the effective date of this Agreement. In addition, the Grant Recipient: (i) shall keep the Real Property and, if applicable, the Facility, in good condition and repair, subject to reasonable and ordinary wear and tear, (ii) shall not, without written consent of the State Entity, remove, demolish

or substantially alter (except such alterations as may be required by laws, ordinances or regulations) any of the Facility, if applicable, (iii) shall not do any act or thing which would unduly impair or depreciate the value of the Real Property and, if applicable, the Facility, (iv) shall not abandon the Real Property and, if applicable, the Facility, (v) shall complete promptly and in good and workmanlike manner any building or other improvement which may be constructed on the Real Property and promptly restore in like manner any portion of the Facility, if applicable, which may be damaged or destroyed thereon and pay when due all claims for labor performed and materials furnished therefor, (vi) shall comply with all laws, ordinances, regulations, requirements, covenants, conditions and restrictions now or hereafter affecting the Real Property and, if applicable, the Facility, or any part thereof, or requiring any alterations or improvements thereto, (vii) shall not commit or permit any waste or deterioration of the Real Property and, if applicable, the Facility, (viii) shall keep and maintain abutting grounds, sidewalks, roads, parking and landscape areas in good and neat order and repair, (ix) shall comply with the provisions of any lease if the Grant Recipient's interest in the Real Property and, if applicable, the Facility, is a leasehold interest, (x) shall comply with the provisions of any condominium documents if the Real Property and, if applicable, the Facility, is part of a condominium regime, (xi) shall not remove any fixtures or personal property from the Real Property and, if applicable, the Facility, that was paid for with the proceeds of the Grant unless the same are immediately replaced with like property of at least equal value and utility, and (xii) shall not commit, suffer or permit any act to be done in or upon the Real Property and, if applicable, the Facility, in violation of any law, ordinance or regulation.

Section 5.04 Records Keeping and Reporting. The Grant Recipient shall maintain or cause to be maintained books, records, documents and other evidence pertaining to the costs or expenses associated with the completion of the Project and operation of the Real Property and, if applicable, the Facility, and compliance with the requirements contained in this Agreement, and upon request shall allow or cause the entity which is maintaining such items to allow the State Entity, auditors for the State Entity, 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 its books, records, papers, or other documents relevant to the Grant. The Grant Recipient shall use or cause the entity which is maintaining such books and records to use generally accepted accounting principles in the maintenance of such books and records, and shall retain or cause to be retained all of such books, records, documents and other evidence for a period of 6 years from the date that the Project is fully completed and placed into operation.

Section 5.05 Inspection of Facility After Completion. Upon reasonable request by the State Entity the Grant Recipient shall allow, and will require any entity to whom it leases, subleases, or enters into a Use Contract for any portion of the Real Property and, if applicable, the Facility to allow, the State Entity to inspect the Real Property and, if applicable, the Facility.

Section 5.06 Data Practices. The Grant Recipient agrees with respect to any data that it possesses regarding the Grant, the Project, or the Real Property and, if applicable, the Facility, to comply with all of the provisions and restrictions contained in the Minnesota Government Data Practices Act contained in Chapter 13 of the Minnesota Statutes that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time.

Section 5.07 Non-Discrimination. The Grant Recipient agrees to not engage in discriminatory employment practices in the completion of the Project, or operation or management of the Real Property and, if applicable, the Facility, and it shall, with respect to such activities, fully comply with all of the provisions contained in Minn. Stat. Chapters 363A and 181 that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time.

Section 5.08 Worker's Compensation. The Grant Recipient agrees to comply with all of the provisions relating to worker's compensation contained in Minn. Stat. §§ 176.181, Subd. 2 and 176.182 that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time, with respect to the completion of the Project, and the operation or management of the Real Property and, if applicable, the Facility.

Section 5.09 Antitrust Claims. The Grant Recipient hereby assigns to the State Entity and the Commissioner of Management and Budget all claims it may have for over charges as to goods or services provided in its completion of the Project, and operation or management of the Real Property and, if applicable, the Facility that arise under the antitrust laws of the State of Minnesota or of the United States of America.

Section 5.10 Review of Plans and Cost Estimates. The Grant Recipient agrees to comply with all applicable provisions and requirements contained in Minn. Stat. § 16B.335 that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time, for the Project, and in accordance therewith the Grant Recipient and the State Entity agree to comply with the following provisions and requirements if such provisions and requirements are applicable.

A. The Grant Recipient shall provide all information that the State Entity may request in order for the State Entity to determine that the Project will comply with the provisions and requirements contained in Minn. Stat. § 16B.335, as it may be amended, modified or replaced from time to time.

B. Prior to its proceeding with design activities for the Project the Grant Recipient shall prepare a predesign package and submit it to the Commissioner of Administration for the State of Minnesota for review and comment. The predesign package must be sufficient to define the purpose, scope, cost, and projected schedule for the Project, and must demonstrate that the Project has been analyzed according to appropriate space and needs standards. Any substantial changes to such predesign package must be submitted to the Commissioner of Administration for the State of Minnesota for review and comment.

C. If the Project includes the construction of a new building, substantial addition to an existing building, a substantial change to the interior configuration of an existing building, or the acquisition of an interest in land, then the Grant Recipient shall not prepare final plans and specifications until it has prepared a program plan and cost estimates for all elements necessary to complete the Project and presented them to the Chairs of the Minnesota State Senate Finance Committee and Minnesota House of Representatives Ways and Means Committee and the chairs have made their recommendations, and it has notified the Chair and Ranking Minority Member of the Minnesota House of Representatives Capital

Investment Committee and the Chair and Ranking Minority Member of the Minnesota State Senate Capital Investment Committee. The program plan and cost estimates must note any significant changes in the work to be performed on the Project, or in its costs, which have arisen since the appropriation from the legislature for the Project was enacted or which differ from any previous predesign submittal.

D. The Grant Recipient must notify the Chairs and Ranking Minority Members of the Minnesota State Senate Finance and Capital Investment Committees, and the Minnesota House of Representatives Capital Investment and Ways and Means Committees of any significant changes to the program plan and cost estimates referred to in Section 5.10.C.

E. The program plan and cost estimates referred to in Section 5.10.C must ensure that the Project will comply with all applicable energy conservation standards contained in law, including Minn. Stat. §§ 216C.19 to 216C.20, as they may be amended, modified or replaced from time to time, and all rules adopted thereunder.

F. If any of the Grant is to be used for the construction or remodeling of the Facility, then both the predesign package referred to in Section 5.10.B and the program plan and cost estimates referred to in Section 5.10.C must include provisions for cost-effective information technology investments that will enable the occupant of the Facility to reduce its need for office space, provide more of its services electronically, and decentralize its operations.

G. If the Project does not involve the construction of a new building, substantial addition to an existing building, substantial change to the interior configuration of an existing building, or the acquisition of an interest in land, then prior to beginning work on the Project the Grant Recipient shall just notify the Chairs and Ranking Minority Members of the Minnesota State Senate Finance and Capital Investment Committees, and the Minnesota House of Representatives Capital Investment and Ways and Means Committees that the work to be performed is ready to begin.

H. The Project must be: (i) completed in accordance with the program plan and cost estimates referred to in Section 5.10.C, (ii) completed in accordance with the time schedule contained in the program plan referred to in Section 5.10.C, and (iii) completed within the budgets contained in the cost estimates referred to in Section 5.10.C.

Provided, however, the provisions and requirements contained in this Section 5.10 only apply to public lands or buildings or other public improvements of a capital nature, and shall not apply to the demolition or decommissioning of state assets, hazardous material projects, utility infrastructure projects, environmental testing, parking lots, parking structures, park and ride facilities, bus rapid transit stations, light rail lines, passenger rail projects, exterior lighting, fencing, highway rest areas, truck stations, storage facilities not consisting primarily of offices or heated work areas, roads, bridges, trails, pathways, campgrounds, athletic fields, dams, floodwater retention systems, water access sites, harbors, sewer separation projects, water and wastewater facilities, port development projects for which the Commissioner of Transportation for the State of Minnesota has entered into an assistance agreement under Minn. Stat. § 457A.04, as it may be amended, modified or replaced from time to time, ice centers, local government projects with a

construction cost of less than \$1,500,000.00, or any other capital project with a construction cost of less than \$750,000.00.

Section 5.11 Prevailing Wages. The Grant Recipient 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 Project and the operation of the Real Property and, if applicable, Facility as intended by the Minnesota Legislature. By agreeing to this provision, the Grant Recipient is not acknowledging or agreeing that the cited provisions apply to the Project or to the operation of the Real Property and, if applicable, Facility.

Section 5.12 Liability. The Grant Recipient and the State Entity 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 both the State Entity and the Commissioner of Management and Budget is governed by the provisions contained in Minn. Stat. § 3.736, as it may be amended, modified or replaced from time to time. If the Grant Recipient is a “municipality” as such term is used in Chapter 466 of the Minnesota Statutes that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time, then the liability of the Grant Recipient, including but not limited to the indemnification provided under Section 5.13, is governed by the provisions contained in such Chapter 466.

Section 5.13 Indemnification by the Grant Recipient. The Grant Recipient 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, if applicable, the Facility, and agrees to indemnify and hold harmless the State Entity, 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 State Entity, the Commissioner of Management and Budget, and the State of Minnesota, their agents, servants and employees, because of bodily injuries, including death at any time resulting therefrom, or because of damages to property of the State Entity, the State of Minnesota, or others (including loss of use) from any cause whatsoever, arising out of, incidental to, or in connection with the completion of the Project or operation of the Real Property and, if applicable, the Facility, whether or not due to any act of omission or commission, including negligence of the Grant Recipient 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 State Entity, the Commissioner of Management and Budget, and the State of Minnesota, their employees, servants or agents.

The Grant Recipient further agrees to indemnify, save, and hold the State Entity, the Commissioner of Management and Budget, 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 Grant Recipient, its officers, employees, or agents, or by any User, 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 5.06.

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

Section 5.14 Relationship of the Parties. Nothing contained in this 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 Grant Recipient, the State Entity, or the Commissioner of Management and Budget, nor shall the Grant Recipient be considered or deemed to be an agent, representative, or employee of either the State Entity, the Commissioner of Management and Budget, or the State of Minnesota in the performance of this Agreement, the completion of the Project, or operation of the Real Property and, if applicable, the Facility.

The Grant Recipient represents that it has already or will secure or cause to be secured all personnel required for the performance of this Agreement and the completion of the Project and the operation and maintenance of the Real Property and, if applicable, the Facility. All personnel of the Grant Recipient or other persons while engaging in the performance of this Agreement, the completion of the Project, or the operation and maintenance of the Real Property and, if applicable, the Facility shall not have any contractual relationship with either the State Entity, the Commissioner of Management and Budget, or the State of Minnesota and shall not be considered employees of any of such entities. 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 Grant Recipient, its officers, agents, contractors, or employees shall in no way be the responsibility of either the State Entity, the Commissioner of Management and Budget, or the State of Minnesota. Such personnel or other persons shall not require nor be entitled to any compensation, rights or benefits of any kind whatsoever from either the State Entity, the Commissioner of Management and Budget, or the State of Minnesota including, but not limited to, tenure rights, medical and hospital care, sick and vacation leave, disability benefits, severance pay and retirement benefits.

Section 5.15 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 Grant Recipient at:
The City of Richfield
7000 Nicollet Ave
Richfield, MN 55423
Attention: Karl Huemiller, or successor

To the State Entity at:
The Minnesota Department of Employment and Economic Development
180 5th Street East
St. Paul, MN 55102

Attention: Community Finance

To the Commissioner of Management and Budget at:

Minnesota Department of Management and Budget
400 Centennial Office Bldg.
658 Cedar St.
St. Paul, MN 55155
Attention: Commissioner of Management and Budget

Section 5.16 Binding Effect and Assignment or Modification. This Agreement and the Declaration shall be binding upon and inure to the benefit of the Grant Recipient and the State Entity, and their respective successors and assigns. Provided, however, that neither the Grant Recipient nor the State Entity may assign any of its rights or obligations under this Agreement or the Declaration without the prior written consent of the other party. No change or modification of the terms or provisions of this Agreement or the Declaration shall be binding on either the Grant Recipient or the State Entity unless such change or modification is in writing and signed by an authorized official of the party against which such change or modification is to be imposed.

Section 5.17 Waiver. Neither the failure by the Grant Recipient, the State Entity, or the Commissioner of Management and Budget, as a third party beneficiary of this Agreement, in any one or more instances, to insist upon the complete and total observance or performance of any term or provision hereof, nor the failure of the Grant Recipient, the State Entity, or the Commissioner of Management and Budget, as a third party beneficiary of this Agreement, to exercise any right, privilege, or remedy conferred hereunder or afforded by law shall be construed as waiving any breach of such term, provision, or the right to exercise such right, privilege, or remedy thereafter. In addition, no delay on the part of either the Grant Recipient, the State Entity, or the Commissioner of Management and Budget, as a third party beneficiary of this Agreement, 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 5.18 Entire Agreement. This Agreement, the Declaration, and the documents, if any, referred to and incorporated herein by reference embody the entire agreement between the Grant Recipient and the State Entity, and there are no other agreements, either oral or written, between the Grant Recipient and the State Entity on the subject matter hereof.

Section 5.19 Choice of Law and Venue. All matters relating to the validity, construction, performance, or enforcement of this Agreement or the Declaration shall be determined in accordance with the laws of the State of Minnesota. All legal actions initiated with respect to or arising from any provision contained in this Agreement shall be initiated, filed and venued in the State of Minnesota District Court located in the City of St. Paul, County of Ramsey, State of Minnesota.

Section 5.20 Severability. If any provision of this 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 5.21 Time of Essence. Time is of the essence with respect to all of the matters contained in this Agreement.

Section 5.22 Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but such counterparts shall together constitute one and the same instrument.

Section 5.23 Matching Funds. The Grant Recipient must obtain and supply the following matching funds, if any, for the completion of the Project:

NONE

Any matching funds which are intended to meet the above requirements 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 complete or pay for the Project. The Grant Recipient shall supply to the Commissioner of Management and Budget whatever documentation the Commissioner of Management and Budget may request to substantiate the availability and source of any matching funds, and the source and terms relating to all matching funds must be consented to, in writing, by the Commissioner of Management and Budget.

Section 5.24 Source and Use of Funds. The Grant Recipient represents to the State Entity and the Commissioner of Management and Budget that **Attachment III** is intended to be and is a source and use of funds statement showing the total cost of the Project and all of the funds that are available for the completion of the Project, and that the information contained in such **Attachment III** correctly and accurately delineates the following information.

A. The total cost of the Project detailing all of the major elements that make up such total cost and how much of such total cost is attributed to each such major element.

B. The source of all funds needed to complete the Project broken down among the following categories:

- (i) State funds including the Grant, identifying the source and amount of such funds.
- (ii) Matching funds, identifying the source and amount of such funds.
- (iii) Other funds supplied by the Grant Recipient, identifying the source and amount of such funds.
- (iv) Loans, identifying each such loan, the entity providing the loan, the amount of each such loan, the terms and conditions of each such loan, and all collateral pledged for repayment of each such loan.
- (v) Other funds, identifying the source and amount of such funds.

C. Such other financial information that is needed to correctly reflect the total funds available for the completion of the Project, the source of such funds and the expected use of such funds.

If any of the funds included under the source of funds have conditions precedent to the release of such funds, then the Grant Recipient must provide to the State Entity and the

Commissioner of Management and Budget a detailed description of such conditions and what is being done to satisfy such conditions.

The Grant Recipient shall also supply whatever other information and documentation that the State Entity or the Commissioner of Management and Budget may request to support or explain any of the information contained in **Attachment III**.

The value of the Grant Recipient's ownership interest in the Real Property and, if applicable, Facility should only be shown in **Attachment III** if such ownership interest is being acquired and paid for with funds shown in such **Attachment III**, and for all other circumstances such value should be shown in the definition for Ownership Value in Section 1.01 and not included in such **Attachment III**.

The funds shown in **Attachment III** and to be supplied for the Project may, subject to any limitations contained in the legislation that authorized the Grant, be provided by either the Grant Recipient or a User under a Use Contract.

Section 5.25 Project Completion Schedule. The Grant Recipient represents to the State Entity and the Commissioner of Management and Budget that **Attachment IV** correctly and accurately delineates the projected schedule for the completion of the Project.

Section 5.26 Third-Party Beneficiary. The public program to be operated in conjunction with the Real Property and, if applicable, the Facility will benefit the State of Minnesota and the provisions and requirements contained herein are for the benefit of both the State Entity and the State of Minnesota. Therefore, the State of Minnesota, by and through its Commissioner of Management and Budget, is and shall be a third-party beneficiary of this Agreement.

Section 5.27 Applicability to Real Property and Facility. This Agreement applies to the Grant Recipient's interest in the Real Property and if a Facility exists to the Facility. The term "if applicable" appearing before the term "Facility" is meant to indicate that this Agreement will apply to a Facility if one exists, and if no Facility exists then this Agreement will only apply to the Grant Recipient's interest in the Real Property.

Section 5.28 E-Verification. The Grant Recipient 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 and impose a similar requirement in any Use Contract to which it is a party.

Section 5.29 Additional Requirements. The Grant Recipient and the State Entity agree to comply with the following additional requirements.

The Grant Recipient shall submit annual and other reports that the State Entity requests on forms provided by the State Entity. Annual reports will be provided to DEED by December 1 of each calendar year.

Conflict of Interest. The State will take steps to prevent individual and organizational conflicts of interest in reference to Grantees per Minn.Stat. §16B.98 and Department of

Administration, Office of Grants Management, Policy Number 08-01 Conflict of Interest Policy for State Grant-Making. When a conflict of interest concerning State grant-making is suspected, disclosed, or discovered, transparency shall be the guiding principle in addressing it.

In cases where a potential or actual individual or organizational conflict of interest is suspected, disclosed, or discovered by the Grantee throughout the life of the grant agreement, they must immediately notify the State for appropriate action steps to be taken, as defined above.

The Grantee must complete a Conflict of Interest Disclosure agreement and attach it to their proposal.

(THE REMAINING PORTION OF THIS PAGE WAS INTENTIONALLY LEFT BLANK)

IN TESTIMONY HEREOF, the Grant Recipient and the State Entity have executed this General Fund Grant Agreement – Construction Grant for the Wood Lake Nature Center Building Project on the day and date indicated immediately below their respective signatures.

GRANT RECIPIENT:

The City of Richfield,
a Home Rule Charter City

By: _____
Mary Supple

Its: Mayor

And: _____
Katie Rodriguez

Its: City Manager

Dated: _____, _____

STATE ENTITY:

The Minnesota Department of Employment and
Economic Development,

By: _____
Kevin McKinnon

Its: Deputy Commissioner

Dated: _____, _____

STATE ENTITY:

Minnesota Department of Employment and Economic
Development-Encumbrance Verification

By: Robin Culbertson

Its: MA 3

Dated: 03/18/2025, _____

PR 92728 PO 3-597774 SC 264857

**Attachment I -
DECLARATION**

The undersigned has the following interest in the real property legally described in **Exhibit A** attached hereto and all facilities situated thereon (the "Restricted Property"):

(Check the appropriate box.)

- ☐ a fee simple title,
- ☐ a lease, or
- ☐ an easement,

and as owner of such fee title, lease or easement, does hereby declare that such interest in the Restricted Property is subject to those provisions, requirements, restrictions, and encumbrances contained in the "General Fund Grant Agreement Construction Grant for the _____ «1» _____ Project" dated _____ «2», _____ «2», between _____ «3» _____ and _____ «5». The Restricted Property shall remain subject to such provisions, requirements, restrictions, and encumbrances until it is released therefrom by a written release in recordable form signed by the Commissioner of _____ «5», and such written release is recorded in the real estate records relating to the Restricted Property.

(SIGNATURE BLOCK AND ACKNOWLEDGMENT)

This Declaration was drafted by:

(Name and address of individual
who drafted the Declaration.)

**Attachment II -
LEGAL DESCRIPTION**

HENNEPIN COUNTY, MINNESOTA

Addition name: UNPLATTED 28 028 24

Approximate parcel size: IRREGULAR

Metes & Bounds:

THAT PART OF GOVT LOT 7 SEC 28 LYING ELY OF INTERSTATE HWY NO 35W AND THAT PART OF GOVT LOT 6 SEC 28 LYING E OF W 20 ACRES THOF AND SLY OF SLY LINE OF FAIRWOOD SHORES LYNNWOOD DUNHAMS ADDN TO RICHFIELD AND THE SLY LINE AND ITS SWLY EXTS OF LOT 7 VEHE ADDN AND THAT PART OF GOVT LOT 1 SEC 28 LYING WLY OF LYNDAL AVE S ALSO BLK B FAIRWOOD SHORES ALSO LOT B LYNWOOD ALSO LOT A WOODDALE ADDN ALSO OUTLOT A M P JOHNSONS LYNDAL SHORES ON WOOD LAKE ALSO BLK 1 AND OUTLOT A AND THAT PART OF LOTS 1 AND 2 BLK 2 LYING N OF S 10 FT THOF ALSO THAT PART OF LOTS 12 AND 13 BLK 2 LYING N OF S 60 FT THOF IRWIN SHORES ALSO

LOTS 11 THRU 20 INCL BLK 7 AND PARK S IN WOOD LAKE SHORES

**Attachment IV -
PROJECT COMPLETION SCHEDULE**

Activity	Finish (mm/yy)
Site control (if necessary)	3/15/25 – tree cutting
All funding (non-DEED funds) for project secured and in place	
Declaration Recorded or Waiver from MMB secured	
All permits in place	7/1/25
Project out for public bid	4/1/25 – for CD docs
Bid accepted	5/15/25
Project started	6/1/25
Project complete	5/15/26 – substantial completion
Project inspected and operational	6/15/26