Conservation Partners Legacy Grant Program Program Manual

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Section A General Grant Requirements

1. General Requirements

Applicants must follow Federal, State, and local laws, regulations, policies, and codes, as applicable, and must obtain all required approvals and permits. Applicants must coordinate and obtain approvals from public land managers and/or private landowners before any work begins.

2. Requirements for All Projects

The Commissioner of Natural Resources must approve all projects, and all projects must conform to the MN Statewide Conservation and Preservation Plan. Wildlife habitat projects must conform to the State Wildlife Action Plan.

3. Grantee's Duties

Grantee's must be willing and able to perform all work required to complete the projects they are requesting funds for. This includes managing any bid, contract or purchase process needed to complete work under the grant. The grantee is also responsible for project oversight and management. DNR or other public land managers, or private landowners and easement holders will provide technical guidance to the grantee, but are not responsible for the work.

4. Assigning Duties Back to DNR

Grantees may, with DNR consent, assign duties and associated grant funds for work on state lands back to DNR by letter, with DNR consent.

5. Conflict of Interest

State Grant Policy 08-01, <u>Conflict of Interest for State Grant-Making</u>, also applies to grantees. These conflicts of interest are generally considered organizational conflicts of interest. Organizational conflicts of interest occur when:

- a. a grantee is unable or potentially unable to render impartial assistance or advice to the State due to competing duties or loyalties
- b. a grantee's objectivity in carrying out the grant is or might be otherwise impaired due to competing duties or loyalties
- a grantee or potential grantee has an unfair competitive advantage through being furnished unauthorized proprietary information or source selection information that is not available to all competitors.

Please review and follow this policy to ensure there are no conflicts of interest.

6. Tax Identification Number Required

All applicants receiving a grant must provide their federal tax identification number so that a grant agreement can be developed. This is required to do business with the State of Minnesota. If you are required to have a State tax identification number, provide that as well.

7. Work on public lands or waters

Public lands and waters are governed by a variety of policies, regulations, rules and statutes. Applicants must follow these and work with the public land manager on all projects. See Working on DNR Lands for more information.

8. Work on private land

Work may only be done on private land that is protected by a permanent conservation easement. Any work is on private lands must be consistent with the terms of the easement, and approved by both the private land owner and the easement holder. See <u>Working on Private Lands</u>.

9. Use of the Minnesota Conservation Corps (MCC)

Under 2009 MN Session Law <u>Chapter 172</u>, Section 2, Subd. 10(8), applicants must make written contact with MCC and consider the use of their services for restoration and enhancement work. This should be done prior to submitting the final application.

10. Purchase of Recycled and Recyclable Materials

Grantees and any subgrantees must use grant funds in compliance with Minnesota Statutes, sections <u>16B.121</u>, regarding purchase of recycled, repairable, and durable materials, and <u>16B.122</u>, regarding purchase and use of paper stock and printing.

11. Accessibility

Structural and nonstructural facilities must meet the design standards in the Americans with Disabilities Act (ADA) accessibility guidelines.

12. Insurance

All grantees must carry insurance. A copy of the Certificate of Insurance must be submitted to Grant Program Staff before the grant agreement is executed. Insurance requirements are discussed in detail in Section VI, B. The level of insurance coverage that a **grantee** must have is based upon the work they will be performing. Examples of the work activities are also given. Final determination of the insurance level required will be based upon the activities in the approved grant work program. It is strongly recommended that grantees require any subcontractor to carry equal or greater insurance. The State of Minnesota must be named as Additional Insured on all policies.

13. Grantee's Past Performance

State Grant Policy 08-13, <u>Grant Closeout Evaluation</u>, requires State agencies to consider a grant applicant's performance on prior grants from that agency before making a new grant award of over \$5,000.

Section B Restoration and Enhancement Projects

All restoration and enhancement projects must meet the requirements below.

- 1. Restoration and enhancement activities will be considered permanent work and a conservation easement must be placed on private land impacted before work may begin. Funding for the easement/deed restriction and associated costs may be paid for with grant or match funds.
- All conservation easements (either new or existing) must meet MS <u>84C</u>.
- 3. Vegetation and seed used in these projects must be from ecotypes native to Minnesota, and preferably of the local ecotype, using a high diversity of species originating from as close to the restoration site as possible. Existing native prairies must be protected from genetic contamination to the extent possible. See additional vegetation and seed information below.
- 4. A restoration and management plan must be prepared for all restorations that is consistent with the highest quality conservation and ecological goals for the restoration site. DNR will provide a template for this. The plan shall include:
 - a. Consideration of the following factors that provide the best chance for long-term success of the project, including but not limited to:
 - i. soils:
 - ii. geology; and
 - iii. topography.
 - b. The proposed timetable for implementing the restoration, including
 - i. site preparation;
 - ii. establishment of diverse plant species;
 - iii. maintenance: and
 - iv. additional enhancement to establish the restoration.
- 5. Identify long-term maintenance and management needs of the restoration and how the maintenance, management, and enhancement will be financed; and
- 6. Use the best available science to achieve the best restoration.

Local Ecotype Vegetation and Seed Guidelines

- 1. Only seed that is yellow tag certified (so the origin is known and clear) should be purchased. The seed tags should be provided to the land manager for review.
- 2. Cultivars or varieties that have undergone an intentional selection process are not allowed.
- 3. If working near the state's borders, it may be more appropriate to look for seed with origins in an adjacent state (like ND, SD, WI, IA). Consult with the public land manager for more information.

Eligible Costs for Restoration and Enhancement Projects

All costs must be directly and solely tied to the approved grant project.

Eligible costs include:

- a. Materials;
- b. Supplies;
- c. Equipment (includes rental or lease costs). Capital equipment expenditures in excess of \$10,000 must be approved as part of the final application;
- d. Salary for staff to write the restoration and management plan (which may be transferred to DNR by letter);
- e. Stewardship costs for easements;
- f. Project monitoring and evaluation costs specifically related to the project that are incurred during the grant project period

See the Eligible and Non-Eligible Expense document for more information.

Section C Land Protection Projects

For acquisition projects:

- 1. All acquisitions must be from willing sellers.
- 2. Each potential tract must be identified in the final application.
- 3. The Commissioner of Natural Resources must agree to each proposed acquisition of land or interest in land. For fee title acquisitions, the final title holder and land manager must be specified. Lands that will be conveyed to a public agency must be donated to that agency.
- 4. Acquisitions must be completed by the end of the project period.
- 5. Lands already protected by permanent conservation easement are not eligible for fee title acquisition.
- 6. The minimum standard for all appraisals is the Uniform Standards of Professional Appraisal Practice (USPAP) standards.
- 7. All easements must:
 - a. Meet MS 84C;
 - b. Be permanent;
 - c. Specify the parties to an easement in the easement;
 - d. Specify all of the provisions of an agreement that are permanent;
 - e. Be sent to the office of the Lessard-Sams Outdoor Heritage Council; and
 - f. Include a long-term stewardship plan and funding for monitoring and enforcing the agreement.
- 8. For all easements, the following information must be provided at the time of application:
 - a. What organization will monitor the easement;
 - b. Who the easement will revert to in the event the primary easement holder ceases to exist;
 - c. What easement monitoring standards will be used;
 - d. A long-term stewardship plan;
 - e. The amount, funding source, and holder of the stewardship endowment dedicated to the easement;
 - f. Any restrictions, allowed structures, allowed activities, and reserved rights.
- A restoration and management plan must be prepared for all newly acquired lands as described under Section B, Restoration and Enhancement Work. Sufficient funding for implementation of the plan must also be identified.
- 10. All acquisition selection processes and related transactions costs for all parties involved in the acquisition must be reported to the LSOHC in the grantees' final accomplishment report, including but not limited to:
 - a. Appraisals;
 - b. Legal fees;
 - c. Recording fees;
 - d. Commissions:
 - e. Other similar costs;
 - f. Donations.

- 11. Grantees acquiring land (either fee title or easement) must report to LSOHC the difference between the acquisition amount paid to the seller and the statecertified or state-reviewed appraisal.
- 12. An analysis of increased operations and maintenance costs likely to be incurred by public entities as a result of the acquisition and how these costs may be paid for must be provided to the LSOHC, commissioner of finance, and appropriate public agency.

Land Acquisition Restrictions

The following restrictions apply to land acquisitions:

2009 MN Session Law Chapter 172, Article 1, Subd. 14:

- a) An interest in real property, including but not limited to an easement or fee title, that is acquired with money appropriated under this section must be used in perpetuity or for the specific term of an easement interest for the purpose for which the appropriation was made.
- b) A recipient of funding who acquires an interest in real property subject to this subdivision may not alter the intended use of the interest in real property or convey any interest in the real property acquired with the appropriation without the prior review and approval of the Lessard Outdoor Heritage Council or its successor. The council shall establish procedures to review requests from recipients to alter the use of or convey an interest in real property. These procedures shall allow for the replacement of the interest in real property with another interest in real property meeting the following criteria:
 - the interest is at least equal in fair market value, as certified by the commissioner of natural resources, to the interest being replaced; and
 the interest is in a reasonably equivalent location and has a reasonably
 - equivalent useful conservation purpose compared to the interest being replaced.
- c) A recipient of funding who acquires an interest in real property under paragraph (a) must separately record a notice of funding restrictions in the appropriate local government office where the conveyance of the interest in real property is filed. The notice of funding agreement must contain:
 - (1) a legal description of the interest in real property covered by the funding agreement:
 - (2) a reference to the underlying funding agreement;
 - (3) a reference to this section; and
 - (4) the following statement: "This interest in real property shall be administered in accordance with the terms, conditions, and purposes of the grant agreement controlling the acquisition of the property. The interest in real property, or any portion of the interest in real property, shall not be sold, transferred, pledged, or otherwise disposed of or further encumbered without obtaining the prior written approval of the Lessard Outdoor Heritage Council or its successor. If the holder of the interest in real property fails to comply

with the terms and conditions of the grant agreement or accomplishment plan, ownership of the interest in real property shall transfer to the state.

Real Property Interest Report

For all lands that are acquired under this program, the grantee must make the following report:

2009 MN Session Law Chapter 172, Article 1, Subd. 15:

By December 1 each year, a recipient of money appropriated under this section that

is used for the acquisition of an interest in real property, including but not limited to an easement or fee title, must submit annual reports on the status of the real property to the Lessard Outdoor Heritage Council or its successor in a form determined by the council. The responsibility for reporting under this section may be transferred by the recipient of the appropriation to another person or entity that holds the interest in the real property. To complete the transfer of

reporting responsibility, the recipient of the appropriation must:

- (1) inform the person to whom the responsibility is transferred of that person's reporting responsibility;
- (2) inform the person to whom the responsibility is transferred of the property restrictions under subdivision 14; and
- (3) provide written notice to the council of the transfer of reporting responsibility,

including contact information for the person to whom the responsibility is transferred.

Before the transfer, the entity receiving the transfer of property must certify to the

Lessard Outdoor Heritage Council, or its successor, acceptance of all obligations and responsibilities held by the prior owner. After the transfer, the person or entity that holds the interest in the real property is responsible for reporting requirements under this section.

Acquisitions That Will Be Conveyed to DNR

Grantees acquiring land that will be conveyed to DNR will be required to follow <u>Land Acquisition Procedures for Land to Be Conveyed to DNR</u>. Lands that will be conveyed to a DNR for long-term management must be brought up to the agency's minimum operating standards before being conveyed. For potential WMA lands, see <u>DNR's Development Standards for WMAs</u>. The costs for this work must be identified in the application and may be paid for with either grant or match funds.

Acquisitions That Will Be Conveyed to Other Public Agencies

Grantees acquiring land that will be not be conveyed to DNR will be required to follow Land Acquisition Procedures for Land NOT Conveyed to DNR. All acquisition work such as appraisals, appraisal review, etc., must be done to the receiving agency's standards. Lands that will be conveyed to a state agency for long-term management must be brought up to the agency's minimum operating standards before being

conveyed. The costs for this work must be identified in the application and may be paid for with match funds. Work on state lands may be paid for with grant funds.

Acquisition costs

Applicants should specify each tract they are interested in acquiring. Each tract must be approved for acquisition in the final work program; costs related to tracts that are not approved are ineligible for payment.

Any obligation to purchase property made before the grant agreement is executed is made at the grantee's risk. Costs incurred before the grant agreement is executed are not eligible for reimbursement with grant funds or for use as match.

Eligible acquisition costs include:

- 1. Appraisal fees;
- 2. Appraisal review fees;
- 3. Acquisition negotiations;
- 4. Acquisition legal costs;
- 5. Deed fees;
- 6. Boundary surveys;
- 7. Travel and transportation
- 8. The cost of the property being acquired.

Easements

A copy of the proposed easement and stewardship plan should be sent to DNR for review, prior to closing. If DNR will be a party to the easement, appropriate DNR staff need to be involved in easement discussions from the start.

Other Land Protection Activities

Land protection also includes preserving ecological systems and preventing future degradation of those systems. This include initial site development of newly acquired lands to eliminate encroachment, prevent unauthorized vehicle travel and groundwater contamination by developing access roads, parking lots, conducting boundary surveys and installing signs, well/septic closure, building site cleanup, and covering bare ground with vegetation.

See <u>DNR Development Standards for WMA/AMAs</u> for more information for lands that will be conveyed to DNR as Wildlife Management Areas (WMAs) or Aquatic Management Areas (AMAs). Contact the appropriate public land manager for information on other public lands.

Section D Administrative and Environmental Compliance

The information in this section is intended to help applicants understand the administrative and environmental compliance process associated with CPL projects. This section applies to all restoration, enhancement, and acquisition projects.

As part of the application approval process for work on **public** lands, the grant applicant and DNR or appropriate public land manager will:

- 1. Evaluate the project idea to see if it meets guidelines for the public land management unit where the work will be done;
- 2. Perform a Natural Heritage Database Review to check for any federally or state listed threatened or endangered species or critical habitats;
- 3. Discuss other applicable administrative or environmental compliance needed, and the cost and timelines to complete this work.

As part of the application approval process for work on **private** lands, the grant applicant and private landowner must work with the easement holder to:

- 1. Evaluate the project idea to see if it is allowed under the terms of the easement;
- 2. Request a Natural Heritage Database Review to check for any federally or state listed threatened or endangered species or critical habitats;
- 3. Discuss other applicable administrative or environmental compliance needed, and the cost and timelines to complete this work.

Budgeting for Administrative and Environmental Compliance
Applicants for CPL grant funding must include a line item in their budget estimating the cost of administrative and environmental compliance for their project. The amount budgeted should be based on the actual expected administrative and/or environmental compliance costs, but should be equal to at least 2 percent of the total project costs. If less than 2 percent is budgeted, applicants must provide justification. See Administrative and Environmental Compliance Cost Estimates.

During the application review and evaluation process, the application will be examined to determine whether any significant administrative and/or environmental issues are involved in the project, and if the applicant has budgeted appropriately for compliance. Applications will be scored based on whether the amount budgeted appears reasonable.

Administrative and environmental compliance costs that are included in the applicant's budget application are considered project costs and may be paid with either grant or match funds. These duties and associated grant funds for work on state lands may be assigned back to DNR by letter, with DNR consent. Any actual costs above the amount granted to the applicant must be paid for solely by the applicant and may be used for

match. Actual costs that come in under budget and have been assigned to the DNR by letter will be returned to the Outdoor Heritage Fund.

Section E Match Information

Match can come from a variety of public and private sources and can include in-kind goods and services and volunteer labor. See In-kind Information and Rates. Applicants are permitted to combine contributions from non-state partners to meet the 10% match level, as long as the contributions are not being used to match any other state funds and are available within the stated project period. One eligible applicant must lead the partnership effort and assume program and financial responsibility for all work in the application.

Match funding must be supported with letters of commitment. A sample letter is included on the grant website. Letters of commitment (preferably on the organization's letterhead) should:

- 1. Identify the amount of funding commitment;
- 2. Identify the source of the funds;
- 3. Describe any time constraints on the availability of funds; and
- 4. Describe any other contingencies associated with the funding commitment.
- 5. Be signed by member(s) of the organization with authority to bind the organization to the match.

Applicants whose applications are selected for funding will be bound by the percentage of match reflected in the grant agreement. Successful applicants should be prepared to carefully document matching contributions, including the overall number of volunteers and in-kind participation hours on individual projects.

Contractors vs. Volunteers

Contractors (including subgrantees) are individuals, groups or companies <u>paid</u> by a grantee to perform all or portions of the work as outlined in the grant. Contractors are subject to the same restrictions and responsibilities as the grantee. It is strongly recommended that all contractors meet the same insurance requirements as the grantee. Volunteers are individuals or groups who perform the work as outlined in the grant and are not paid.

Volunteers working on DNR lands must register as DNR volunteers and are then covered by DNR's Worker's Compensation Insurance. Volunteers working on other public lands must follow the volunteer guidelines for the agency that manages the land. Work performed by unregistered volunteers on either DNR or other public lands will not be counted as in-kind match.

Section F Application Information

Applicants should thoroughly read the RFP, Program Manual, and all associated documents. A valid email address for your organization's project manager is required.

The first step in the application process is to complete as much of the Project Planning Form as possible, and schedule a meeting with the public land manager, or private landowner and easement holder. Print the Project Planning Form after completing it, and bring it with you to this meeting. The public land manager or private landowner and easement holder must approve the project before the final application is started.

The following information is required in both the Project Planning Form and Application:

- 1. Organization information:
 - a. Project name;
 - b. Organization name:
 - c. Organization contact person;
 - d. Mailing address;
 - e. Phone; and
 - f. Email address.
- 2. Project location information:
 - a. Project site name;
 - b. Land manager or easement holder;
 - c. Land owner, if different than land manager;
 - d. County;
 - e. Legal description;
 - f. Amount of work (acres, miles, etc.);
 - g. Activity (enhancement, restoration, acquisition);
 - h. Predominant type of habitat or ecosystem (forest, wetland, prairie, other habitat)
- 3. Overall project description
 - a. Project timeline:
 - b. Project budget;
 - c. Project match;
 - d. Project benefits.

Online Application System

At the time of posting the RFP, the online application system is still being developed. It is anticipated that it will be up and running by mid-September.

To use the online application system, applicants must complete an online form with the organization's information, project location information, and overall project description. Supporting documents will be uploaded as electronic files. There will also be a mapping system that will allow applicants to make a map to show where projects are located.

The application will require the same information as the Project Planning Form, with more details. The following additional information is also:

- 1. For lands acquired in fee title that will be turned over to a public agency for longterm management, a description of the work necessary to bring the land up to agency standards and an estimate of the associated cost.
- 2. Answers to the following questions:
 - a. Who is/will be the long-term manager for the project site?
 - b. What short- and long-term maintenance work is required to sustain the habitat work you will do?
 - c. What short- and long-term work is required to manage the land you acquire?
 - d. Who will complete this work, and how will it be funded?
 - e. Will the CPL funds supplant any existing funds?

Section G

Application Criteria and Scoring Table

NOTES: Criteria 1 – 14 are required under 2009 MN Session Law <u>Chapter 172</u>. A minimum score may be set that an application needs to receive in order to be funded.

Quantity = Amount of work in acres, miles, etc.

Scale = Reviewers will be able to score the proposal on a scale of 0 - 10, 0 - 20, etc.

Y/N = Yes or No. The proposal meets either meets the criteria, or it doesn't.

	Criteria	Definition	Scoring
1	Amount of habitat restored	Number of acres, miles, etc.	Quantity
2	Amount of habitat enhanced	Number of acres, miles, etc.	Quantity
3	Amount of habitat protected	Number of acres, miles, etc.	Quantity
4	Local support	Is the proposal supported by adjacent landowners, local governments, local organizations, etc.? Any opposition?	Y/N
5	Degree of collaboration	Besides the applicant, is any other group, government, private individual, etc., contributing funds or in-kind services to the proposal?	Y/N
6	Urgency	How important is it to fund this proposal now? If project is not funded, will listed or game species be lost? Are critical habitats likely to be lost? Is development encroaching on this site?	Scale
7	Multiple benefits	Will multiple or diverse species benefit? Will habitat or water quality be improved?	Scale
8	Habitat benefits	Will the proposed work benefit the intended habitats? What is the quality of the habitat impacted? Is there native prairie, or a high biodiversity site?	Scale
9	Consistency with sound conservation science	Is the proposal consistent with sound conservation science? Does it follow the appropriate public land management guidelines or private land easement requirements?	Scale
10	Adjacent to protected lands	Will the work be done on land or water that is adjacent to other protected lands? Per legislation, acquisitions meeting this criterion may be given higher priority.	Y/N If yes, then scale
11	Full funding of project	Are all costs of the proposal identified? Are there sufficient funds available to cover them? Do match contributions follow guidelines, and are there letters of commitment?	Y/N
12	Supplements existing funding	Does the proposal supplement or supplant traditional funding?	Y/N

12	Public access for hunting and fishing	Is the land is open to the public for hunting and fishing during open seasons (unless otherwise provided by state law)?	Y/N
13	Sustainability	What is the life expectancy of the work in this proposal? Is the proposal sustainable? Are there short- or long-term maintenance issues?	Scale
14	Use of native plant materials	Is any vegetation or seed used only of ecotypes native to MN? Are they of local ecotype? What is the diversity of the seed mix?	Y/N
15	Budget and cost effectiveness	Is the budget complete and appropriate? Is the cost per unit reasonable?	Y/N
16	Applicants capacity to successfully complete work	Has this applicant successfully completed similar projects? Do they have the fiscal capability to manage the grant?	Scale
17	Supports existing landscape level plans	Does the proposal implement priorities within existing landscape level plans (i.e., focus areas; watersheds plans, regional or landscape level priorities, etc.)? Are the links to the plans clear?	Scale
18	Supports species plans	Does the proposal support specie plans for game or endangered species? Are the links to the plans clear?	Scale
19	Conforms to the Statewide conservation and preservation plan.	Proposer describes a clear link to recommendations from the plan	Y/N
20	Conforms to the State Wildlife Action Plan (wildlife projects)	Proposer identifies which species of greatest conservation need and key habitats by ecological subsection that project will benefit.	Y/N

Section H Application Review and Selection

1. Initial Screening

Grants Program staff will work with grant applicants as much as possible to ensure that grant applications are complete during the application period. After the application due date, staff will screen applications to ensure that:

- a. The application meets the requirements of the Announcement package, including submission of planned accomplishments, a funding plan, letter(s) of commitment, and related forms;
- b. The applicant meets the eligibility requirements stated in this document;
- c. The applicant (and partners) meets the required 10% non-state match using cash or in-kind goods and services;
- d. The application meets the description of eligible projects in Sections B and C of this document and is within the scope of the Conservation Partners Legacy Grant Program; and
- e. The project can be accomplished within the grant period. The project must be able to accomplish measurable, on-the-ground improvements annually.

A site visit may also be done by Grant Program Staff. An application must pass all initial screening criteria in order for it to be forwarded for further consideration at the Technical Review phase. Applications that do not pass the initial screening are considered ineligible. The applicant will be notified within 15 calendar days of the ineligibility determination.

2. Technical Review

Grants Program Staff will do preliminary scoring of applications based on criteria established by the LSOHC, MN State Legislature, and DNR.

A Technical Guidance Committee selected by the Commissioner of Natural Resources will complete the scoring and recommend projects and funding levels. This committee will consist of no more than nine people and may include representatives from DNR, BWSR, the University of MN, and the US Fish and Wildlife Service, and other appropriate members.

In making the final funding recommendations from among the most highly scored applications, the Technical Advisory Committee may also consider one or more of the following factors:

- a. A public agency's ability and/or readiness to support proposed project activities;
- b. Geographic distribution of funding;
- c. Balance of grants under \$125,000 and over \$125,000.

3. Commissioner's Approval

As provided in the appropriating language, the Commissioner of the Department of Natural Resources will make the final decision on projects to be funded, and the funding levels. The Commissioner may approve all or part of a grant.

Section I

1. General Insurance Requirements

- a. The grantee must submit a copy of the Certificate of Insurance to the Grant Program Staff before the grant agreement is executed. The industry standard Accord form is the typical Certificate of Insurance provided. DNR will send a copy to any non-DNR public land managers.
- b. All policies and certificates shall provide that the policies shall remain in force and effect throughout the term of the service being provided.
- c. Policy shall provide the State of Minnesota with thirty (30) days advance written notice of cancellation.
- d. The policy(ies) shall be primary insurance available to the State of Minnesota with respect to any claim arising out of providing service to the State.
- e. The State of Minnesota must be endorsed as an additional insured on the general liability coverage.
- f. If Grantee is self-insured, a Certificate of Self-Insurance must be attached.
- g. The Insurance Companies used must have an "AM Best" rating of A- (minus), Financial Size Category (FSC) VII or better, and be authorized to do business in the state of Minnesota.
- h. The Grantee's insurance company waives its right to assert the immunity of the State as a defense to any claims made under said insurance.

2. Workers' Compensation Insurance:

- a. Statutory Compensation Coverage
- b. Coverage B Employer's Liability with limits of not less than:
 - i. \$100,000 Bodily Injury by Disease per Employee
 - ii. \$500,000 Bodily Injury by Disease Aggregate
 - iii. \$100,000 Bodily Injury by Accident

The grantee and subcontractors, if any, must provide Workers' Compensation insurance for all employees, in accordance with the statutory requirements of the State of Minnesota, including Coverage B, Employer's Liability.

Evidence of subcontractor insurance shall be filed with the Grantee.

If MN Statute 176.041 exempts Grantee from Workers' Compensation insurance or if the Grantee has no employees in the State of Minnesota, Grantee must provide a written statement, signed by the authorized signer of the contract, stating the qualifying exemption that excludes Grantee from MN Workers' Compensation requirements.

The statement must also include – If during the course of the contract the Grantee becomes eligible for Workers' Compensation, the Grantee will comply with the Workers' Compensation Insurance requirements and provide the State of Minnesota with a certificate of insurance.

3. Automobile Liability Insurance:

a. Minimum Limits of Liability:

Passenger vehicle such as car, van or pickup truck – Minnesota State No-fault If vehicle is towing equipment or anything or is a commercial vehicle – the combined single limit shall be the same as required under the General Liability Insurance, below

- b. Coverages:
 - X Any Auto
 - X All Owned Auto
 - X Scheduled Auto
 - X Hired Auto
 - X Non-owned Auto

The grantee and any subcontractors, if any, shall maintain insurance to cover liability arising out of the operations, use, or maintenance of all owned, non-owned and hired automobiles.

Evidence of subcontractor insurance shall be filed with the grantee.

4. General Liability Insurance:

- a. Minimum Limits of Liability:
 - \$1,500,000 Per Occurrence
 - \$1,500,000 Annual Aggregate
- b. Coverage's
 - X Premises and Operations Bodily Injury and Property Damage
 - X Personal & Advertising Injury
 - X Blanket Contractual
 - X Products and Completed Operations
 - X State of Minnesota and it agencies, officers, and employees (State) endorsed as an Additional Insured
 - <u>X</u> Other (Note: please list, i.e. pollution liability, water or aircraft, chemical liability)

(Aircraft liability limits - \$1,500,000 single limit for each occurrence for bodily injury and property damage combined and \$100,000 single limit for each occurrence for aircraft passenger liability.

The grantee shall maintain insurance to cover claims, which may arise from operations under this contract, whether such operations are by grantee or subcontractor or by anyone directly or indirectly employed under the grant.

An Umbrella or Excess Liability insurance policy may be used to supplement the grantee's policy limit to satisfy the full policy limits required by the contract.

INSURANCE MAY MODIFIED UNDER FOLLOWING CONDITIONS

1. Government Agencies and Utility Companies

Insurance may be waived on all contractual services performed by government agencies and utility companies provided the following clause is included on all contracts over \$500. "Each party agrees that it will be responsible for its own acts

and omissions and the results thereof to the extent authorized by law and will not be responsible for the acts of the other party and results thereof. The State's liability will be governed by the provisions of the Minnesota Tort Claims Act, Minnesota Statute, Section 3.736, and other applicable law."

2. Other Modifications

DNR is currently revising their list of insurance modifications based on activity, remoteness, etc. The updated list should be available soon.