

STATE OF MINNESOTA GRANT CONTRACT

This grant contract is between the State of Minnesota, acting through its Commissioner of Minnesota Department of Agriculture ("STATE") and Bolton Bees, 1130 Charles Ave, Saint Paul, MN 55104 ("GRANTEE").

Recitals

1. Under Minn. Stat. [41A.12](#) State is empowered to enter into this grant.
2. The State is in need of increasing sales of Minnesota agricultural products by diversifying markets, increasing market access and increasing food safety.
3. The Grantee represents that it is duly qualified and agrees to perform all services described in this grant contract to the satisfaction of the State. Pursuant to [Minn.Stat.§16B.98](#), Subd.1, the Grantee agrees to minimize administrative costs as a condition of this grant.

Grant Contract

1 Term of Grant Contract

1.1 *Effective date:*

May 22, 2017, or the date the State obtains all required signatures under [Minn. Stat.§16B.98](#), Subd. 5, whichever is later. Per, [Minn.Stat.§16B.98](#) Subd. 7, no payments will be made to the Grantee until this grant contract is fully executed.

1.2 *Expiration date:*

November 1, 2018, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

1.3 *Survival of Terms.*

The following clauses survive the expiration or cancellation of this grant contract: 8. Liability; 9. State Audits; 10. Government Data Practices and Intellectual Property; 12. Publicity and Endorsement; 13. Governing Law, Jurisdiction, and Venue; and 15. Data Disclosure.

2 Grantee's Duties

The Grantee, who is not a state employee, will:

Comply with required grants management policies and procedures set forth through [Minn.Stat.§16B.97](#), Subd. 4 (a) (1).

The Grantee agrees to perform the duties specified in both their work plan (Appendix 1) and budget (Appendix 2) which are attached and incorporated into this grant contract that define the grant project as described in their AGRI Value Added Grant application. The grantee agrees to supply the State with invoices containing descriptions of their purchases and proofs of payments relating to their work plan and budget and paid for on or after **4/20/2017** and on or before the grant contract expiration date. Failure to adequately prove project payments will disqualify the Grantee from receiving Fiscal Year 2017 grant funds. The grantee also agrees that funds are for no more than twenty-five percent (25%) of the total amount they have paid and are not being reimbursed for or cost-shared with any other entity, and that all duties have been performed to the State's satisfaction.

In addition the Grantee agrees to provide information to the State at twelve month intervals for three years regarding the impact the grant project has had on their business (including but not limited to how much the grant project has increased the sales of Minnesota agricultural products, improved food safety, increased production and gross sales of value-added products, number of employees, and number and type of new markets and whether new products can be produced).

3 Time

The Grantee must comply with all the time requirements described in this grant contract. In the performance of this grant contract, time is of the essence.

4 Consideration and Payment

4.1 Consideration.

The State will pay for all services performed by the Grantee under this grant contract as follows:

(a) Compensation

After completion of the necessary signatures, the Grantee will be paid up to \$13,211.00 as a reimbursement of 25% of the eligible grant expenditures when proof that the duties outlined in Appendix 1 and 2 have been performed to the State's satisfaction.

(b) Travel Expenses

Reimbursement for travel and subsistence expenses actually and necessarily incurred by the Grantee as a result of this grant contract will not exceed \$0.00.

(c) Total Obligation.

The total obligation of the State for all compensation and reimbursements to the Grantee under this grant contract will not exceed \$13,211.00.

4.2 Payment

(a) Invoices

The State will promptly pay the Grantee after the Grantee presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted timely and according to the following schedule: Upon completion of the services, up to 1 year after the expiration of the contract.

(b) Unexpended Funds

The Grantee must promptly return to the State any unexpended funds that have not been accounted for annually in a financial report to the State due at grant closeout.

4.3 Contracting and Bidding Requirements

(a) Any services and/or materials that are expected to cost \$25,000 or more must undergo a formal notice and bidding process.

(b) Any services and/or materials that are expected to cost between \$10,000 and \$24,999 must be scoped out in writing and offered to a minimum of three (3) bidders.

(c) Any services and/or materials that are expected to cost between \$5,000 and \$9,999 must be competitively based on a minimum of three (3) verbal quotes. Support documentation of the bidding process utilized to contract services must be included in the grantee's financial records, including support documentation justifying a single/sole source bid, if applicable.

(d) Support documentation of the bidding process utilized to contract services must be included in the grantee's financial records, including support documentation justifying a single/sole source bid, if applicable.

5 Conditions of Payment

All services provided by the Grantee under this grant contract must be performed to the State's satisfaction, as determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Grantee will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local

law.

6 Authorized Representative

The State's Authorized Representative is Ann Kuzj, Grants Specialist, 625 Robert St North, St. Paul, MN 55155, 651-201-6028; Ann.Kuzj@state.mn.us, or his/her successor, and has the responsibility to monitor the Grantee's performance and the authority to accept the services provided under this grant contract. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Grantee's Authorized Representative is Chiara Bolton, Bolton Bees, 1130 Charles Ave, Saint Paul MN 55104, boltonbees@gmail.com. If the Grantee's Authorized Representative changes at any time during this grant contract, the Grantee must immediately notify the State.

7 Assignment, Amendments, Waiver, and Grant Contract Complete

7.1 Assignment

The Grantee shall neither assign nor transfer any rights or obligations under this grant contract without the prior written consent of the State, approved by the same parties who executed and approved this grant contract, or their successors in office.

7.2 Amendments

Any amendments to this grant contract must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original grant contract, or their successors in office.

7.3 Waiver

If the State fails to enforce any provision of this grant contract, that failure does not waive the provision or the State's right to enforce it.

7.4 Grant Contract Complete

This grant contract contains all negotiations and agreements between the State and the Grantee. No other understanding regarding this grant contract, whether written or oral, may be used to bind either party.

8 Liability

The Grantee must indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the State, arising from the performance of this grant contract by the Grantee or the Grantee's agents or employees. This clause will not be construed to bar any legal remedies the Grantee may have for the State's failure to fulfill its obligations under this grant contract.

9 State Audits

Under [Minn. Stat. § 16B.98](#), Subd.8, the Grantee's books, records, documents, and accounting procedures and practices of the Grantee or other party relevant to this grant agreement or transaction are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this grant agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

10 Government Data Practices and Intellectual Property Rights

10.1 Government Data Practices

The Grantee and State must comply with the Minnesota Government Data Practices Act, [Minn. Stat. Ch. 13](#), as it applies to all data provided by the State under this grant contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this grant contract. The civil remedies of [Minn. Stat. §13.08](#) apply to the release of the data referred to in this

clause by either the Grantee or the State. If the Grantee receives a request to release the data referred to in this Clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before the data is released. The Grantee's response to the request shall comply with applicable law.

10.2 *Intellectual Property Rights*

The Grantee shall own all rights, title, and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks, and service marks in the Works and Documents. Works shall mean all inventions, improvements or discoveries (whether or not patentable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, and disks, conceived, reduced to practices, created or originated by the grantee, its employees, and subcontractors, either individually or jointly with others, in the performance of the contract. Works shall include the Documents. The Documents are the originals of any databases, computer programs, reports, notes, or other materials and documents, whether intangible or electronic forms, prepared by the Grantee, its employees, or subcontractors, in the performance of this Grant Agreement. The Documents shall be the exclusive property of the Grantee. The State agrees to, and hereby does, assign all rights, title, and interest it may have in the Works and the Documents to the Grantee. The State shall, at the request of the Grantee, execute all papers and perform all other acts necessary to transfer or record the Grantee's ownership interest in the Works and the Documents.

10.3 *Obligations.*

The Grantee represents and warrants to the State that the Works and Documents do not and shall not infringe upon any intellectual property rights of others. The Grantee shall indemnify, defend and hold harmless the State at the Grantee's expense, from any action or claim brought against the State to the extent that it is based on a claim that all or part of the Works or Documents infringe upon intellectual property rights of others. The Grantee shall be responsible for payment of any and all such claims, demands, obligations, liabilities, costs and damages including but not limited to, attorney fees. If such a claim or action arises, or in the Grantee or State's opinion is likely to arise, the Grantee shall, at the State's discretion, either attempt to procure for the State on commercially reasonable terms the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing Works or Documents as necessary and appropriate to obviate the infringement claim. This remedy of the State shall be in addition to and shall not be exclusive to other remedies provided by law. Nothing in this Article 10.3 shall constitute or be construed to constitute a waiver by either the State or the Grantee of the sovereign immunity of each party from certain suits or remedies relating to infringement claims. Grantee may assert the immunities of the State in connection with Grantee's defense of any infringement claim brought against the State. The State shall reasonably cooperate with the Grantee in connection with the Grantee's defense of any claim or suit, and the State shall discontinue use of any allegedly infringing Works or Documents at Grantee's reasonable request.

10.4 *License to State.*

Subject to the terms and conditions of this Agreement, the Grantee hereby grants to the State a perpetual, irrevocable, no-fee right and license to make, have made, reproduce, modify, distribute, perform, and otherwise use the Works and Documents for any and all purposes, in all forms and manners that the State, in its sole discretion, deems appropriate. The Grantee shall, upon the request of the State, execute all papers and perform all other acts necessary, to document and secure said right and license to the Works and Documents by the State. At the request of the State, the Grantee shall permit the State to inspect the original Documents and provide a copy of any of the Documents to the State, without cost, for use by the State in any manner the State, in its sole discretion, deems appropriate.

10.5 *Survivability.*

The rights and duties of the State and the Grantee, provided for above, shall survive the expiration or cancellation of this Grant Agreement.

11 Workers Compensation

The Grantee certifies that it is in compliance with [Minn. Stat. §176.181](#), Subd. 2, pertaining to workers' compensation insurance coverage. The Grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

12 Publicity and Endorsement

12.1 *Publicity*

Any publicity regarding the subject matter of this grant contract must identify the State as the sponsoring agency and must not be released without prior written approval from the State's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this grant contract. All projects primarily funded by state grant appropriation must publicly credit the State of Minnesota, including on the grantee's website when practicable.

12.2 *Endorsement*

The Grantee must not claim that the State endorses its products or services.

13 Governing Law, Jurisdiction, and Venue

Minnesota law, without regard to its choice-of-law provisions, governs this grant contract. Venue for all legal proceedings out of this grant contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

14 Termination

14.1 *Termination by the State*

The State may immediately terminate this grant contract with or without cause, upon 30 days' written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

15 Data Disclosure

Under [Minn. Stat. § 270C.65](#), Subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

1. STATE ENCUMBRANCE VERIFICATION

Individual certifies that funds have been encumbered as required by Minn. Stat. ' ' 16A.15 and 16C.05

Signed: _____

Date: _____

SWIFT Contract/PO No(s). _____

2. GRANTEE

The Grantee certifies that the appropriate person(s) have executed the grant contract on behalf of the Grantee as required by applicable articles, bylaws, resolutions, or ordinances.

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

3. STATE AGENCY

By: _____

Title: _____

Date: _____

Distribution:
Agency
Grantee
State's Authorized Representative