



STAFF REPORT

DATE: March 2, 2021

CONSENT

AGENDA ITEM: Operational Capacity Grant Amendment

SUBMITTED BY: Kristina Handt, City Administrator

BACKGROUND:

In early 2019 the city council approved a grant agreement with the MPCA to cover technical work by the city engineer on the 3M workgroups and subgroups. In the resolution adopted by Council on December 1, 2020, the city asked the State fully fund a water distribution system review and analysis, by the City's water system engineering consultant, to fully understand additional water distribution system impacts and improvements that may be required by an alternative water source location. As the City has previously indicated, the PFAS impacts to the City's public drinking water system includes the water system distribution hydraulics and operations in addition to the future supply source and potential treatment. The Council authorized engineering services for the water modeling in December and have been waiting to begin work until we received the grant.

ISSUE BEFORE COUNCIL:

Who should the Council approve the Operational Capacity Grant Agreement Amendment with MPCA?

PROPOSAL:

Included in your packet is a copy of the grant agreement amendment that would increase the total funding available to \$100,000. This is an increase of \$45,000.

FISCAL IMPACT:

The grant will cover the cost of the water modeling which is not expected to exceed \$45,000.

RECOMMENDATION:

If removed from the consent agenda:

“Motion to approve the Operational Capacity Grant Agreement Amendment with MPCA.”

ATTACHMENT:

- Operational Capacity Grant Agreement Amendment



520 Lafayette Road North
St. Paul, MN 55155-4194

Grant Agreement Amendment #3

State of Minnesota

Doc Type: Contract

SWIFT Contract Number: 150592

Purchase Order Number: 3000022855

AI: 90810

Activity ID: PRO20180002

Contract Start Date:	<u>December 1, 2018</u>	Total Contract Amount:	<u>\$ 100,000.00</u>
Original Contract Expiration Date:	<u>December 31, 2019</u>	Original Contract:	<u>\$ 25,000.00</u>
Current Contract Expiration Date:	<u>June 30, 2022</u>	Previous Amendment(s) Total:	<u>\$ 30,000.00</u>
Requested Contract Expiration Date:	<u>N/A</u>	This Amendment:	<u>\$ 45,000.00</u>

This amendment is by and between the State of Minnesota, acting through its Commissioner of the **Minnesota Pollution Control Agency**, 520 Lafayette Road North, St. Paul, MN 55155-4194 ("MPCA" or "State"), and **City of Lake Elmo**, 3800 Laverne Avenue N, Lake Elmo, MN 55042 ("Grantee").

Recitals

1. The State has a grant contract with the Grantee identified as SWIFT Contract Number 150592 "Original Grant Contract") to provide the **Operational Capacity Financial Support for Communities Related to implementation of the Agreement and Order dated February 20, 2018, between the State of Minnesota and 3M Company (3M Settlement)**.
2. The Original Agreement is being amended to increase funds to allow for a water distribution system review and analysis and further assistance in meeting 3M Settlement goals.
3. The State and the Grantee are willing to amend the Original Grant Contract as stated below.

Grant Contract Amendment

In this Amendment, changes to pre-existing Agreement language will use ~~strike through~~ for deletions and underlining for insertions.

REVISION 1. Clause 2 "**Grantee's Duties**" is amended as follows:

2. Grantee's Duties

The Grantee, who is not a state employee, will receive operational capacity financial support to promote successful participation in the implementation of the 3M Settlement. The purpose of the Grant is to allow participation by municipalities, and other relevant entities, in discussion in the subgroups on how to ensure clean drinking water in sufficient supply to residents and businesses in the entire East Metropolitan Area to meet their current and future needs and meet Priority 1 goals as outlined in the 3M Settlement.

Grant funds may only be used to successfully accomplish the following activities related to the 3M Settlement:

- a. Participation in 3M subgroup meetings
- b. Preparation for 3M subgroup meetings
- c. Completion of meeting follow-up tasks
- d. Performance of limited technical work, including hiring of contractors, required for meeting preparation and participation, and/or completion of tasks which assist development of the conceptual drinking water supply plan.

Grant funds may not be used to plan or design individual municipal water treatment or delivery systems.

REVISION 2. Clause 4.1 "**Consideration**" is amended as follows:

4.1 Consideration. The State will pay for all activities performed by the Grantee under this grant agreement as follows:

- (a) Compensation.** The Grantee will be reimbursed after participants complete the allowable activities and documentation of incurred costs are accepted.
- (b) Travel Expenses.** Reimbursement for travel and subsistence expenses actually and necessarily incurred by the Grantee as a result of this grant agreement are allowable provided that the Grantee will be reimbursed for travel and subsistence expenses in the same manner and in no greater amount than provided in the current "Commissioner's Plan" promulgated by the Commissioner of Minnesota Management and Budget (MMB), is located at <http://www.mmd.admin.state.mn.us/commissionersplan.htm>.
- (c) Total Obligation.** The total obligation of the State for all compensation and reimbursements to the Grantee under this grant agreement will not exceed ~~\$55,000.00 (Fifty-five Thousand Dollars and Zero Cents)~~ \$100,000.00 (One Hundred Thousand Dollars and Zero Cents).

Except as amended herein, the terms and conditions of the Original Grant Agreement and all previous amendments and change orders remain in full force and effect. The Original Grant Agreement and any previous amendments and change orders are incorporated into this amendment by reference.

Signatures

Title	Name	Signature	Date
Encumbrance Verification	Katie Shea	<div>DocuSigned by:</div> <div><i>Katie Shea</i></div> <div>1C7A9AE6E72C42D...</div>	February 11, 2021
City Administrator	Kristina Handt		

