

**FIRST AMENDMENT TO THE COOPERATIVE AGREEMENT**  
(Northwood Lake Improvement Project)

This First Amendment to the Cooperative Agreement (“Amendment”) is made as of this \_\_\_ day of \_\_\_\_\_, 2016 by and between the Bassett Creek Watershed Management Commission, a joint powers watershed management organization (hereinafter the “Commission”), and the City of New Hope, a Minnesota municipal corporation (hereinafter the “City”).

**RECITALS**

- A. The Commission and the City entered into a cooperative agreement effective August 20, 2015 (“Agreement”) to provide funding for a water quality improvement project described as the Northwood Lake Improvement Project (NL-1) in the City (the “Project”);
- B. Since the execution of that Agreement, the proposed cost of the Project has increased from \$1,422,140 to \$1,696,140, and the Commission has secured \$400,000 in additional funding through a new Clean Water Fund grant from the Minnesota Board of Water and Soil Resources;
- C. The parties desire to amend the Agreement to reflect the changed circumstances.

**AMENDMENT**

The Commission and the City hereby agree to amend the Agreement as follows:

- I. Section 5 of the Agreement is hereby amended by deleting it in its entirety and replacing it with the following:
  - 5. Commission Reimbursement. The Commission will pay grant funds received from a Minnesota Pollution Control Agency Clean Water Partnership Grant in the amount of Three Hundred Thousand Dollars (\$300,000) and grant funds received from a Minnesota Board of Water and Soil Resources Clean Water Fund Grant in the amount of Four Hundred Thousand Dollars (\$400,000). The Commission will use its best efforts to secure payment from the County in accordance with Minn. Stat. § 103B.251 in the amount of Four Hundred Eleven Thousand Seventy Dollars (\$411,070) by tax levy in 2015 for collection in 2016, and up to Four Hundred Eleven Thousand Seventy Dollars (\$411,070) by tax levy in 2016 for collection in 2017. The total reimbursement paid by the Commission will not exceed One Million Three Hundred Ninety-Six Thousand One Hundred Forty Dollars (\$1,396,140), less Commission expenses.

Out-of-pocket costs related to the Project, incurred and paid by the Commission including, but not limited to, feasibility studies, publication of notices, securing County tax levy, preparation of contracts, review of proposed contract documents, administration of this Agreement and up to a 2.5% administrative charge shall be repaid from the reimbursement amounts specified above. All such funds in excess of such expenses are

available for reimbursement to the City for costs incurred by the City in the design and construction of the Project. Reimbursement to the City will be made as soon as funds are available, provided a request for payment has been received from the City that contains such detailed information as may be requested by the Commission to substantiate costs and expenses. The City shall complete and submit with its final reimbursement request to the Commission a final report on the Project using the Commission's final reporting form and providing such other information as may be requested by the Commission.

II. Section 6 of the Agreement is hereby amended by deleting it in its entirety and replacing it with the following:

6. Limits on Reimbursement. Reimbursement to the City will not exceed the amount specified above from the amounts received from the County and the Minnesota Pollution Control Agency for the Project, less any amounts retained by the Commission for Commission expenses. The additional grant received from the Minnesota Board of Water and Soil Resources should offset the city's original contribution of 21.1% of the total project costs by that same percentage to \$215,600. If additional grants are received for the Project, grant funds will be used to offset this new City contribution of \$215,600 and Commission costs, on a pro-rated basis. Reimbursement will not exceed the costs and expenses incurred by the City for the Project, less any amounts the City receives for the Project as grants from other sources. All costs of the Project incurred by the City in excess of such reimbursement, which are currently estimated to be Two Hundred and Fifteen Thousand Six Hundred Dollars (\$215,600) shall be borne by the City or secured by the City from other sources. If the total actual cost of the Project is less than the total estimated cost, the City shall remain responsible for its entire contribution toward the Project and the amount of the Commission's reimbursement to the City shall be reduced by the amount of the savings on the Project.

III. Section 12 of the Agreement is hereby amended by deleting it in its entirety and replacing it with the following:

12. Sub-Grant Agreement. The City is required to enter into a Subgrant Agreement with the Commission related to the Clean Water Partnership Project Grant and the Clean Water Fund Grant received for the Project and to comply with the terms of the Subgrant Agreement, which are incorporated into this Agreement by reference and made a part hereof.

IV. The capitalized terms shall have the meaning given them in the Agreement.

V. No other amendments to the Agreement are intended by this Amendment.

IN WITNESS WHEREOF, the parties have caused this Amendment be executed by their duly authorized officers on behalf of the parties as of the day and date first above written.

BASSETT CREEK WATERSHED  
MANAGEMENT COMMISSION

By: \_\_\_\_\_  
Its Chair

And by: \_\_\_\_\_  
Its Secretary

Date: \_\_\_\_\_

CITY OF NEW HOPE

By: \_\_\_\_\_  
Its Mayor

And by: \_\_\_\_\_  
Its Manager

Date: \_\_\_\_\_