

**8895.1000 ASSISTANCE AGREEMENT, REQUIRED PROVISIONS.**

Subpart 1. **Maximum funds.** The maximum amount of assistance funds agreed to by the commissioner must be stated in the assistance agreement for the project.

Subp. 2. **Liability; insurance.** The assistance agreement must require an assistance recipient to save and hold the commissioner and Mn/DOT harmless from and against all liability, damage, loss, claims, demands, and actions of any nature that may be related to the project. The assistance recipient shall provide, at its own expense, a comprehensive general liability insurance policy, with per-occurrence limits to be determined by the commissioner.

Subp. 3. **Bonds.** The assistance agreement must require an assistance recipient to provide evidence of performance and payment bonds for the full amount of construction contracts let by the applicant in connection with the project.

Subp. 4. **Records; audit.** The assistance agreement must require an assistance recipient to maintain project-related books and records according to Mn/DOT specifications contained in the agreement and make the records available to the commissioner for audit purposes. In addition, assistance recipients shall make periodic progress reports to the commissioner. The content and timing of these reports must be as specified in the grant or loan agreement.

Subp. 5. **Inspection.** The assistance agreement must require an assistance recipient to permit the commissioner to inspect projects or request applicants to provide independent inspection at any time.

Subp. 6. **Criteria for repaying funds.** The commissioner shall notify a recipient of program grants or loans that the recipient is required to repay, if:

A. the project for which the assistance funds are awarded is not completed in accordance with all terms of the assistance agreement, including required completion dates; or

B. a commercial navigation facility for which funds were awarded is converted during the time established in the agreement to a use inconsistent with the purposes of the program or inconsistent with the terms of the agreement or is converted during that period to a use not approved in writing by the commissioner.

**Statutory Authority:** *MS s 457A.05*

**History:** *17 SR 570*

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