

# Addendum No. 1

11/19/2024

**Heartland State Trail Trailhead**  
**SP 117-080-006**  
City of Detroit Lakes, MN

Apex Project No. 23.178.0094

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**This Addendum shall be considered part of the Contract Documents. Receipt of Addendum shall be acknowledged by Bidder on the outside of the Bid Envelope. Failure to acknowledge the Addendum shall render the bid non-responsive.**

**Plans:**

- Add the following note to Detail 4 – Construct Meter Station on Sheet 9
  - 4. Enclosure shall be 34" long by 16" wide by 26" tall and manufactured by Dekorra
    - Model: Medium Long Plastic Two Piece Green Turf Backflow Cover

**Specifications:**

- Replace the City of Detroit Lakes DMRA Legacy Grant Purchasing Agent Agreement with the attached.

**END OF ADDENDUM NO. 1**

City of Detroit Lakes, MN  
DMRA Legacy Grant  
Purchasing Agent Agreement (Revised per Addendum 1)

THIS AGREEMENT is made by and between CONTRACTOR NAME ("Agent") and the City of Detroit Lakes, acting by and through the DMRA - Detroit Lakes, MN Commission ("Owner"), a Minnesota joint powers generally exempt from paying state sales and use tax under Minn. Stat. § 297A.70; and

WHEREAS, Owner is undertaking the construction on its property of certain improvements generally described as the Detroit Lakes DMRA Legacy Grant ("the Project");

WHEREAS, Owner wishes to purchase on its own account materials, supplies and equipment for the Project (collectively "Tax-Exempt Materials") from Sourcewell as described in Exhibit A, attached hereto;

WHEREAS, Agent is the successful bidder for the Tax-Exempt Materials; and

WHEREAS, Agent desires to act as Owner's purchasing agent for purposes of acquiring the Tax-Exempt Materials from Sourcewell for use exclusively in the Project.

IT IS THEREFORE AGREED between the parties hereto that:

1. This Agreement is made with reference to, and where applicable shall be governed by, the specifications and provisions set forth in the Contract Documents as such are defined in the Owner/Contractor Agreement for the Project.
2. Owner appoints Agent to act as its purchasing agent for purchasing the Tax-Exempt Materials, and further authorizes Agent to appoint such subagents as Agent deems appropriate for carrying out the purposes of this Agreement, which subagents shall have similar powers of appointment.
3. It is understood and agreed that: (a) Owner takes title to the Tax-Exempt Materials at the point of delivery; (b) Owner assumes the risk of loss for all Tax-Exempt Materials; and (c) Owner bears all risk for defects in the Tax-Exempt Materials, including Tax-Exempt Materials incorporated into the real estate.
4. Agent (and any subagents) shall include the following Notice to Vendors/Suppliers in all purchase orders and other documents furnished to a vendor or supplier in connection with the purchase of any Tax-Exempt Materials:

NOTICE TO VENDORS/SUPPLIERS

The materials to which this document relates are being purchased by (name of the Agent or subagent) as the purchasing agent of the City of Detroit Lakes, MN (“the Owner”). It is the Owner’s obligation, not the purchasing agent’s, to pay for the materials. Because the Owner is a joint powers board created under Minnesota statute, this purchase is exempt from sales tax under Minn. Stat. § 297A.70.

5. Agent shall exercise reasonable care in performance of its duties as purchasing agent, including the inspection of the Tax-Exempt Materials for obvious or apparent defects or the failure of such materials to conform to the plans, specifications and all Contract Documents relating to the Project.

6. Owner shall pay for all of the Tax-Exempt Materials purchased by Agent under this Agreement through the construction contract.

Agent shall direct vendors and suppliers to deliver invoices for the Tax-Exempt Materials to Owner in care of Agent at 1759 North Tower Road, Detroit Lakes, MN 56501. Agent shall submit invoices for payment to Owner’s Engineer, which invoices shall be due and payable upon Owner’s receipt of the invoices.

7. Agent shall promptly notify Owner of any sales and use tax audit by the Minnesota commissioner of Revenue or of the threatened imposition or assessment of any sales or use taxes. Owner may, at its sole option and cost, dispute, contest or otherwise resist the imposition or assessment of any such taxes. Upon reasonable notice to Owner, Agent may (but is not obligated to) take such actions as it deems reasonable in response to the threatened imposition or assessment of taxes, which actions shall be deemed to have been taken on Owner’s behalf. If any Minnesota sales or use taxes are imposed or assessed with respect to any Tax-Exempt Materials purchased pursuant to this Agreement, Owner shall be solely responsible for the payment of such taxes, including any related penalties and interest, and shall hold Agent harmless and indemnify Agent from any such cost or expense related thereto, including any legal fees and costs incurred by Agent in connection therewith or in connection with the enforcement of this paragraph.

8. The agency relationship created by this Agreement is intended to be in compliance with Minnesota Rule 8130.1200 and its current interpretation by the Minnesota Department of Revenue.

9. The alternative dispute resolution provisions (if any) in the Owner/Contractor Agreement are incorporated herein by reference and are applicable to any dispute between the parties hereto arising out of this Agreement.

10. Owner may terminate this Agreement at any time and for any reason. Upon receiving notice of termination, Agent shall cease making any purchases and shall promptly notify any subagents it has appointed that such appointment has likewise been terminated, that they are to cease initiating any new purchases, and that they are to likewise notify any subagents they have appointed that they are to cease initiating any new purchases. Any purchases that were initiated by Agent or subagent prior to its receiving notice of termination and that cannot be

reasonably reversed after it received notice of termination shall be deemed to have been made with authority.

11. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, legal representatives, assigns, and any subagents appointed pursuant to this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

OWNER: By: \_\_\_\_\_

Its: City Administrator

AGENT: By: \_\_\_\_\_

Its: \_\_\_\_\_