

MINNESOTA DEPARTMENT OF COMMERCE

REQUEST FOR PROPOSAL

COMM-SPB03-20250519

Minnesota Solar on Public Buildings Program

Step 1: Readiness Assessment

Date of Issue: Monday, May 19, 2025

Due: Monday, June 30, 2025

Readiness Eligibility Notification: Monday, July 28, 2025

Step 2: Full Grant Application

Application Open: Upon Notification
Application Due: Monday, November 17, December 1, 2025
Application Notification: Monday, December 15, Wednesday, December 31, 2025

Updated October 21, 2025

The following are changes to the RFP:

- Application Due: Monday, December 1, 2025
- Application Notification: Wednesday, December 31, 2025

Changes can be found in the following sections:

- Section I. Introduction
- Section XI. Timeline

RFP: COMM-SBP03-20250519 Page 1 of 27

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RFP: COMM-SBP03-20250519 Page 2 of 27

Table of Contents

I.	Introduction	4
	A. Background	5
II.	Eligibility	5
	A. Public Buildings	5
	B. Use of Funds	6
III.	Application Overview	7
IV.	Grant Application List of Questions	8
	Step 1: Readiness Assessment	8
	Step 2: Full Grant Application	13
٧.	Application Submission Instructions	16
VI.	Evaluation and Priority	17
	A. Readiness Assessment Screening	17
	B. Readiness Assessment Priority	18
	C. Full Grant Application	19
VII.	Notifications and Next Steps	20
VIII.	Technical Assistance and Questions	21
	A. Technical Assistance Available through CERTs	22
IX.	RFP Questions	23
Χ.	Exhibits and Attachments	23
XI.	Timeline	24
XII.	General Requirements	24

REQUEST FOR PROPOSAL (RFP)

COMM-SPB03-20250519

Minnesota Solar on Public Buildings Program

I. Introduction

The Minnesota Department of Commerce ("Department") seeks proposals from local units of government for qualified public buildings throughout Minnesota for the Solar on Public Buildings Grant Program. The Department, in accordance with Minn. Stat. § 216C.377, will distribute \$4.3M in grants to local governments in Xcel Energy Electric Service Territory to build solar energy generating systems on or adjacent to publicly owned and operated buildings. This funding application process is comprised of two (2) steps: 1) A Readiness Assessment ("Assessment") that will be used to demonstrate readiness to implement the solar project; and 2) The Full Grant Application that will determine the final award amount for eligible public buildings. Applicants that pass the Readiness Assessment will be invited to submit a full application. For this RFP, or legislative funding round, the following dates apply:

Step 1: Public Building Readiness Assessment (completed by the local unit of government)

- Application Open: Monday, May 19, 2025
- Application Due: Monday, June 30, 2025
- Notification Readiness Assessment: Monday, July 28, 2025

Step 2: Full Grant Application (can be completed by the developer or electric utility)

- Application Open: Upon Notification (by Monday, July 28, 2025)
- Application Due: Monday, November 17, December 31, 2025

The purpose of this RFP is to provide a process for local units of government to apply to the Solar on Public Buildings program. The application process requires technical information about the proposed solar energy generating system including, but not limited to:

- The capacity of a proposed system
- Current energy demand of the public building
- An estimate of energy savings derived from the proposed system
- Cost of the system, installation, and disposal
- Written statement on the likely success of interconnection from the utility
- A formal agreement between the local unit of government and the utility or solar developer

Due to the number of steps required in the enabling statute, this application process is comprised of two (2) steps:

- 1. First is the Readiness Assessment ("Assessment") that will be used to demonstrate the readiness to implement the solar project. As local units of government demonstrate their readiness to proceed with a solar energy generating system, applicants will be invited to submit a full grant application.
- 2. Second is a Full Grant Application ("Application") that will determine the final award amount for those local governments' public buildings selected to submit Full Grant Applications.

The RFP is posted publicly online on the <u>Department's RFP page</u> beginning on May 19, 2025 and will close June 30, 2025.

RFP: COMM-SBP03-20250519 Page 4 of 27

A. Background

During the 2023 legislative session, the Minnesota Legislature established the Solar on Public Buildings Grant Program to provide grants to stimulate the installation of solar energy generating systems on public buildings. The current funding for the program must be used only to provide grants for public buildings in Xcel Energy Electric Service Territory. 2023 Minn. Laws ch. 60, art. 11, § 2, subd. 7. Questions pertaining to this RFP should be directed to: energy.contracts@state.mn.us. See Section VIII. Technical Assistance and Questions below.

II. Eligibility

According to Minn. Stat. § 216C.377. Subd. 5. Eligible system.

- (a) A grant may be awarded to a local unit of government under this section only if the solar energy generating system that is the subject of the grant:
 - (1) is installed (i) on or adjacent to a public building that consumes the electricity generated by the solar energy generating system, and (ii) on property within the service territory of the utility currently providing electric service to the public building; and
 - (2) has a capacity that does not exceed the lesser of 40 kilowatts or 120 percent of the average annual electricity consumption, measured over the most recent three calendar years, of the public building at which the solar energy generating system is installed.
- (b) A public building that receives a rebate or other financial incentive under section Minn. Stat. 216B.241 for a solar energy generating system is eligible for a grant under this section for the same solar energy generating system.
- (c) Before filing an application for a grant under this section, a local unit of government or public building that is served by a municipal electric utility or cooperative electric association must inform the municipal electric utility or cooperative electric association of the local unit of government's or public building's intention to do so. A municipal electric utility may, under an agreement with a local unit of government, own and operate a solar energy generating system awarded a grant under this section on behalf of and for the benefit of the local unit of government.

A. Public Buildings

Eligible applicants for this grant (Applicant) are local units of government owning and operating public buildings. This includes a county, city, town or other local government jurisdiction, federally recognized Indian Tribes in Minnesota, excluding school districts eligible to receive financial assistance under the Solar for Schools program (Minn. Stat. § 216C.375). Federally owned and operated public buildings are not eligible. (Solar on Public Buildings / Minnesota Department of Commerce - Energy (mn.gov).

Local units of government may apply for multiple buildings, but each building must be submitted as separate applications. Furthermore, local governments will be required to prioritize those projects, and in the event of oversubscription, projects receive prioritization points based on that priority (with first priority receiving the most points). This will help ensure fairness and equity in optimizing the use of funds among the applicants.

The system must have a capacity that does not exceed the lesser of 40 kW alternating current (AC) or 120% of the average annual electricity consumption, measured over the most recent three calendar years, of the public buildings at which the solar energy generated system is installed.

RFP: COMM-SBP03-20250519 Page 5 of 27

The system must be installed on or adjacent to the public building that consumes the electricity generated by the system and on property within the service territory of the utility currently providing electric service to the public building. Applicants must own the building for which the system will be providing electric service. A public building that receives a rebate, or other financial incentive under Minn. Stat. 216B.241, for a solar energy generating system is eligible to apply to this program for the same solar energy generating system.

All Solar on Public Buildings grant recipients and their selected Developers must follow the applicable *Grantee Duties Task 6. System Component Reporting and End of Life Recycling* requirements as detailed in *RFP Exhibit A. Sample State of Minnesota Grant Contract for Solar on Public Buildings, Contract Exhibit A. Grantee's Duties.*

Within the constraints of the statute, efforts have been made to advance a fair and equitable distribution of solar arrays to local governments where possible. This includes prioritizing grants to those local units of government that have the lowest financial capacity.

B. Use of Funds

Grants awarded to an Applicant may only be used to purchase and install a solar energy generating system including removal and disposal after decommissioning the eligible system described in this application. The project cost is the amount as stated on the selected proposal.

Financial Need

The Department of Commerce has been instructed to consider the financial capacity of the local unit of government when determining the amount of the grant award. For counties, cities, and townships, the department will use a tiered system of financial capacity, assessed by the Adjusted Net Tax Capacity / capita, determined with data from the MN Department of Revenue. This data (for local governments with some of its jurisdiction in Xcel Energy Electric Service Territory) is provided by the Minnesota Department of Revenue. There should just be one ANTC number per local unit of government in that data. Other local government jurisdictions like Watershed Districts and Housing Authorities will be assessed based on the counties or cities' ANTC/Capita within the respective jurisdiction. Tribal Nations are eligible for a top tier grant award (see Table 1).

Table 1: Maximum Allowable Grant						
	Adjusted Net Tax Capacity / Capita	Up to % System Cost	Not to Exceed*			
Tier 1	Under \$1,000	70%	\$84,000			
Tier 2	>\$1,000	60%	\$72,000			
Tier 3	>\$2,000	50%	\$60,000			
Tier 4	>\$3,500	40%	\$48,000			
Tier 5	Over \$4,500	30%	\$36,000			
	Tribal Nations	70%	\$84,000			

^{*} Based on a \$120,000 40kWh system assessed from average system costs in Minnesota. A 40kWh system can reasonably expect a \$3/W cost, totaling \$120,000.

Federal-State Stacking Opportunity

The federal government is offering a 30% Tax Credit for solar arrays, currently available to local governments and non-profits through Elective/Direct Pay. Depending on the project, additional credits

RFP: COMM-SBP03-20250519 Page 6 of 27

totaling up to 70% of the project cost are available. Local governments may be able to combine this with the funding from the Minnesota Solar on Public Buildings funding, potentially covering a majority of the costs of the project. Learn more in the MN Commerce <u>Guide to Elective/Direct Pay Processes</u> and Available Technical Assistance.

Federal Tax Credit Details 2023-2033:

Base Credit (must meet labor standards)	30%
Domestic Content Bonus	10%
Energy Community Bonus	10%
Low-Income Bonus (in Lower-Middle Income communities or Indian	10-20%
land) OR Qualified low-income residential building project /	
Qualified low-income economic benefit project*	

^{*} One low-income bonus is available per project (not both). These bonuses are capped at 1.8 GW/yr. nationally.

III. Application Overview

Pre-Step: Project ID Number

Prior to completing the Assessment, Applicants must first obtain a unique project ID number ("ID") by emailing the Department at SolarOnPublicBuildings.COMM@state.mn.us to request an ID and must do so for each application/building. The email must include:

Local unit of government's primary point of contact

Primary contact title

Primary contact email

Planned installation site (e.g. county, city, town, other local government jurisdiction, Tribal government and building)

Step 1: Readiness Assessment

Completing the Assessment is the first required step towards receiving a Solar on Public Buildings grant and must be filled out by the county, city, town, other local government jurisdiction or Tribal government's <u>representative or entity with the authority to make an application on their behalf</u>. This representative or entity should register as an "Applicant," in the Department's online submission portal (see <u>Section V. Applicant Submission Instructions below</u>). Applicants must complete all required sections of the Assessment between May 19, 2025 and June 30, 2025. The Assessment collects required information, determines estimated financial need, and assesses the Applicant's readiness to complete a Full Grant Application. The preliminary maximum allowable grant amount will be identified at this stage for eligible Applicants. The Assessment must be completed online via the Department's RFP online submission portal GrantVantage (gygrantcloud.com). Applications must be submitted through an account on the Department's online submission portal. An Applicant may submit applications for more than one building, but <u>each building must be a separate application</u>.

Step 2: Full Grant Application

Applicants selected and invited to complete a Full Grant Application must submit required components of the Full Grant Application no later than November 17, 2025. It may be completed by the applicant or by a utility or developer ("Developer") on behalf of the Applicant. In this case, a utility or developer

RFP: COMM-SBP03-20250519 Page 7 of 27

completing the Full Application for the local government applicant should register as "Applicant Delegate" when creating an account in the Department's online submission portal. The Full Grant Application shall be completed after the Applicant has completed the procurement process for selecting a project proposal from a Solar Developer. The final grant award value will be determined by the Department at this stage based upon the Applicant's financial need, and final system cost.

Step 3: Notification and Next Steps

Applicants submitting Full Grant Applications that meet all application and eligibility requirements will be notified of their final Solar on Public Buildings grant award amount after review is complete. If a queue is instated by the Department, Applicants will be organized into cohorts and notified with updates and further instructions on expectations and potential grant award delays.

Step 4: If selected for funding

Upon being selected for funding, the grant recipient ("Grantee") would enter into a Grant Contract with the Department. The Grant Contract term will be for up to eighteen (18) months. If deemed necessary by the Department, one (1) extension of no more than six (6) months may be possible, as long as the Grantee is making satisfactory progress toward the completion of the project as determined by Department staff and the funds are not set to statutorily expire. Selected Grantees will be responsible for the scope of work described in *RFP Exhibit A. Sample State of Minnesota Grant Contract for Solar on Public Buildings, Contract Exhibit A. Grantee's Duties.*

IV. Grant Application List of Questions

The following is a list of questions that will be asked in the Department's online submission portal.

Step 1: Readiness Assessment

Section 1. Building and Project Basics

Project Name:

List the name of the local unit of government followed by the individual building name where the System will be installed. Example: "City of Esko – Public Works Building."

Solar on Public Buildings Unique Project ID Number:

SPB Unique Project ID Number (including hyphens "-" using the format SPB25-####).

Application Priority:

Indicate the priority of this System application out of all applications submitted by the local unit of government in this funding round, with '1' being highest priority. If only one application submitted this round, type 1. If the Applicant received one or more grants in a previous round of Solar on Public Buildings, the prioritization should start after the number of grants the Applicant received. For example, if an Applicant received two grants in a previous Solar on Public Buildings Round, their highest priority application in the current round should be identified as the third project.

Existing Solar:

Applicants must specify the type and amount of existing solar on public buildings owned and operated by the Applicant. In the event of a tie in prioritization points allotted to applications, the percentage of buildings with existing solar will be used as a secondary prioritization mechanism. The intent of this

RFP: COMM-SBP03-20250519 Page 8 of 27

metric is to encourage a geographic distribution of solar installations, maximizing the number of communities exposed to the benefits of solar.

Existing Solar List:

Applicants must provide a full list of any existing solar on public buildings owned by the Applicant, including installation year, system size, and system installation location.

CERTs Pre-Application Consultation:

List the date of a Clean Energy Resource Teams (CERTs) pre-application consultation if applicable. Detail the CERTs staff person, Applicant attendee(s), and topics discussed. If no consultation took place, state 'none.'

Your Solar Story:

Detail the story leading up to the submission of this Solar on Public Buildings grant application. Was this a recent development or in plans for a long time? Who first initiated discussions considering solar installations? What planning, research, or conversations have taken place to date? Have constituents/residents been involved at any stage? Have you been in discussions with any solar installers or other jurisdictions?

Local Unit of Government Information:

- Local Unit of Government and building
- Mailing/Office Address
- System Installation Site: Building Name
- Proposed System Site Address

Building Ownership Eligibility:

Does Applicant own and operate the building for which the System will be providing electric service?

Eligible entities must meet the following statutory requirements: Minn. Stat. 216C.377 Subd. 1.:

- (f) "Public building" means:
- (1) a building owned and operated by a local unit of government; or
- (2) a building owned by a federally recognized Indian Tribe in Minnesota whose primary purpose is Tribal government operations.

Please briefly explain how the building meets this requirement. At a minimum, we expect that this would require a local government to pay the building's electric utility bill and have some oversight over the management of the facility.

Local Unit of Government Contacts:

Provide the name, title, and email address for each of the key project contacts below.

- Authorized Local Unit of Government Representative: The Authorized Representative who supports
 this application for funding and will serve as the primary signatory related to this application
 process and subsequent funding agreement with the Department.
- Primary Contact: Enter if different from Authorized Local Unit of Government Representative above.

Authority to Apply:

Upload a letter signed by an authorized local unit of government representative (City Manager, County Administrator, Tribal Council Chair, for example) indicating approval for the Primary Contact to pursue this grant application. The letter should also indicate any specific efforts already undertaken by the Applicant to pursue a solar project to demonstrate readiness to apply and verify the accuracy of the application.

Section 2. Energy Use and Production

The capacity of the planned solar array must not exceed the lesser of 40 kilowatts or 120 percent of the average annual electricity consumption of the building, measured over the most recent three calendar years.

To determine the eligible system size for your building, you will need the following:

Three Years of Electricity Use:

Upload (1) PDF file containing a spreadsheet detailing (3) years of monthly electricity use in kWh for the building for which the solar will be installed. For each year, provide and prominently highlight the annual total kWh usage. If (3) years of electrical data is unavailable (e.g., if new construction), upload a PDF detailing the reason and providing an estimated annual energy consumption in kWh of the building based on known factors (e.g., energy estimates, similar building size, etc.).

Recent Electrical Bill:

Upload (1) PDF of a recent electrical bill for the installation site. Bill must state (and Applicant must highlight) the following information: name on the bill, total energy use (in kWh) that month on the meter the System will be attached to, the electric meter number, and the name of the electric utility. If no recent electric bill (e.g., new construction), Applicant should upload a PDF providing electric meter number, electric utility name, \$ / kWh rate(s), and demand charge rate(s) (\$ / kW).

Existing Distributed Energy Resource:

Describe any existing distributed energy resource that currently provides electricity to the individual public building as well as the local government system including any subscriptions to a community solar garden. For each, specify year installed/subscribed, system size, and system location (ground, roof, offsite).

Energy Production Site Assessment Report:

Upload a PDF estimated annual energy production report for the System at the proposed site. Applicants can upload a report from PVwatts (https://pvwatts.nrel.gov/), an alternate modeling program report, or a copy of a virtual or preliminary site assessment done through a developer or consultant. Be sure to take into account any known production losses (e.g., snow, shade). A video and pdf tutorial for PVWatts can be found on the Solar on Public Buildings webpage.

Energy Production and Usage Worksheet

Once you have compiled the above information, use Attachment 8: Energy Production and Usage Worksheet to show the estimated size and energy production of the array meet program requirements (the planned solar array must not exceed the lesser of 40 kilowatts or 120 percent of the average annual electricity consumption of the building). In the Worksheet:

RFP: COMM-SBP03-20250519 Page 10 of 27

- B2: Enter the average annual energy usage (based on three years of data) in kWh of the building (or an estimate if a new build). This should be detailed in the Three Years of Electricity Use spreadsheet you attach.
- B3: Enter the anticipated system size of the array (maximum 40 kWac).
- B4: Enter the estimated annual energy production from the PV Watts (or alternate modeling program) report.
- B5: If applicable, enter the average annual production of any existing distributed energy resource (including any community solar garden subscriptions) for the building.
- B6: Will automatically generate the total estimated energy production (combined estimate of the solar array and existing energy resource; B4+B5).
- B7: Will automatically generate the percentage of the total estimated energy production of the average annual energy usage. This should not be more than 120% (B6/B2).

Energy Production and Usage Values

Enter the numeric value of the information from *Attachment 8: Energy Production and Usage Worksheet*.

- Average Annual Energy Use of the building (kWh).
- Anticipated System size/capacity (kWac).
- Estimated Energy Production of the solar array (kWh).
- Average Annual Energy Production of existing energy resource including CSG (kWh).
- Total estimated annual energy production (C+D).
- Percentage of total energy production of average annual energy usage (E/A).

Section 3. System Procurement Process

System Procurement Commitment:

What is your procurement commitment for this project? For procurement resources, see the webinar slides on the <u>Solar on Public Buildings webpage</u>.

- We will release a public Request for Proposals (RFP) [12 pts].
 - a. Distributed to the CERTs list of Developers
 - b. Distributed through the State Master Contract
 - c. Distributed and publicly announced by the local unit of government
 - d. Unknown
- We will seek multiple bids (but not a public RFP process) [6 pts].
- We will utilize the Guaranteed Energy Savings Contract with a developer [0 pts]. (See statute requirements Minn. Stat. §16C.144)

Prevailing Wage Requirement:

Applicants will be held to Subd. 11 Contractor conditions of the enabling legislation:

"A contractor or subcontractor performing construction work on a project supported by a grant awarded under this section:

(1) must pay employees working on the project no less than the prevailing wage rate, as defined in section <u>177.42</u>; and

RFP: COMM-SBP03-20250519 Page 11 of 27

(2) is subject to the requirements and enforcement provisions of sections $\underline{177.27}$, $\underline{177.30}$, $\underline{177.32}$, $\underline{177.41}$ to $\underline{177.435}$, and $\underline{177.45}$."

The Solar on Public Buildings program requires contractors to pay no less than the prevailing wage. Contractors will be required to commit in writing to this and submit wage and payment details to the local unit of government to keep for no less than three years.

Section 4. System Funding / Financial Need

Planned Ownership:

Identify the type of planned financing/ownership of the System if known.

- Power Purchase Agreement (PPA)
- Direct Ownership, No Debt
- Debt Financed
- Other
- Unknown

System Budget:

Upload a full System budget plan and any other details pertaining to a financing plan. List each funding source/type (e.g., bank loan, operating budget, fundraised dollars), the amount (range or specific amount) and whether it is secured or not. Include the Solar on Public Buildings grant value on this list.

Most Recent ANTC/APU Value:

List the local unit of government's ANTC/Capita as sourced from the table populated with the most recent data from the <u>Minnesota Department of Revenue</u> made available for Applicants under Additional Documents on Commerce's RFP Website.

<u>Identify the Maximum Allowable Grant:</u>

Identify the **maximum allowable** grant, based on financial need as defined via Table 1. Note: the final grant value will be determined in combination with the final System cost not to exceed the full project cost.

Section 5. Utility and Interconnection

Electric Utility Contact Information:

- Electric Utility Provider
- Electric Utility Contact Name (First and Last)
- Title
- Email Address

Utility Funding Support Under Statute:

Note and describe any utility support being pursued as authorized by Minn. Stat. § 216B.241 in addition to this grant. If none is being pursued, write 'none.'

Utility Acknowledgement to Pursue Project:

The MOU, see RFP Attachment 2: Utility MOU Template, must make clear that the utility currently foresees no significant issues that would impact the interconnection of the System as outlined with proposed Developer. The MOU must be in PDF format and signed by the Authorized representative of the potential Grantee and an authorized representative from the utility.

RFP: COMM-SBP03-20250519 Page 12 of 27

If a completed MOU has not been obtained by the deadline for this Readiness Assessment, Applicants must upload a document explaining the ongoing communications and issues with an estimated timeline to obtain the MOU. *Full Applications will not be considered until a completed MOU has been submitted*.

PLEASE NOTE: For the purpose of preparation and transparency, the process for Step 2: Full Grant Application, is described below. The Full Grant Application process will be a different application, in the Department's online submission portal.

Step 2: Full Grant Application

SWIFT Vendor Number and Location ID:

If the Applicant (the local unit of government) has had a contract with the State of Minnesota before, list the SWIFT Vendor Number and Location ID (for example: 000012345_Loc 001). Applicants deemed eligible and ready to proceed will need to have a State of Minnesota Vendor Number before entering into a grant agreement. Information on how to register for a Vendor Number: Overview for Vendors / Minnesota Office of State Procurement (mn.gov).

<u>Upload W9 Form (PDF):</u> Upload the Applicant's W-9.

Applicant Exceptions to State of Minnesota Sample Grant Contract:

An example of the State of Minnesota Grant Contract is attached to the RFP as Exhibit A or can be found at Request for Proposals (RFP) / Minnesota Department of Commerce - Business (mn.gov) by scrolling down to the attachments listed under the RFP posting. Only those exceptions indicated in your response to the RFP will be available for discussion or negotiation.

Developer Primary Contact Information

Developer Contact Information:

Selected Developer
Primary Contact (First and Last)
Title
Email Address

Project Information

Final System Size (kWdc)

Final System Size (kWac)

Estimated Y1 System Energy Production (kWh)

Final System Energy Production Estimate Report

Upload a final PDF report detailing the System's annual energy production at the final system site as calculated by the Developer and using their preferred modeling program. All assumptions and financial inputs, including production loss estimates due to snow and shade, should be clearly listed.

Note: All financial assumptions used need not be detailed and justified in this report, only listed.

Note: All financial assumptions used need not be detailed and justified in this report, only listed. However, these assumptions must be detailed and justified in system contract between Applicant and

RFP: COMM-SBP03-20250519 Page 13 of 27

Developer. See <u>Upload Copy of System Contract Agreement Including Developer System Proposal</u> question below for details and requirements.

Updates to System Site

The Applicant's system site description from Step 1 has been populated below for your reference. Describe the final system design, describe and justify any changes to the installation site, describe any known needs or issues which impacted the installation timeline and/or cost.

System Project Details

System Modules:

List the number used, type/model, reusability/recyclability, and rates capacity of the system's modules.

System Inverters:

List the number, type/model, and reusability/recyclability of inverters used.

Describe the permitting and interconnection process for the System:

Detail the Developer's processes and estimated timelines in combination with all relevant information gathered via *ongoing* communications with the Applicant as well as the Applicant's electric utility provider. Do you anticipate any delays or issues related to interconnection of the System (related to the Developer, Applicant, electric utility, or otherwise)?

System Site Plan:

Upload the System's site plan.

Upload Copy of System Contract Agreement Including Developer System Proposal:

Contract **must include** a signed and completed PDF **System 25Y Cashflow Analysis** form. The 25Y Cashflow Analysis must include the following (See RFP Attachment 3: System 25Y Cashflow Template document for further details and instructions):

- 1. Financial Assumptions: (a) Indicate and justify losses to production due to snow, shade, and total losses used in modeling of System energy production. (b) Indicate and justify degradation rate used in modeling of System 25Y energy production. (c) Use only the electric rate less any demand charges specific to Applicant when calculating 25Y electric savings value from System production. If Developer wants to run a second analysis using some level of demand charge savings, they must indicate and justify the level of demand charge savings modeled.
- 2. Expenses: List all Applicant expenses pertaining to the System including, but not limited to, installation costs, end-of-life decommissioning and recycling, fair market value provisions, inverter replacement, operations and maintenance costs.
- 3. Savings/Income: List all sources of savings or income pertaining to the System including, but not limited to, Solar on Public Buildings grant value, other grants or incentives, 25Y electric savings value.

In (1) combined PDF document, upload a copy of the System proposal and proposed contract agreement between the Applicant and the Developer. Contract must:

RFP: COMM-SBP03-20250519 Page 14 of 27

- Identify where and how the full grant value is being passed to the Applicant by clearly indicating System costs and System lifetime values prior to as well as after the grant.
- Clearly identify which parties are responsible for System O&M throughout a 25Y analysis.
- Provide estimates and/or known System O&M costs throughout the 25Y analysis period, including recycling costs for any failed components replaced during an O&M contract period.
- Provide estimates for System end-of-life decommissioning and component recycling costs.
- Provide estimates and/or known recycling costs for failed System components replaced during the lifetime of the System that are outside any O&M contract period.
- Include description of the reusability/recyclability of the system components (panel, inverter, balance of system). Include a detailed breakdown and explanation of the rationale behind the Fair Market Value (FMV) calculation methodology for the system (if third-party financed or PPA)
- Include all applicable System Reporting and Recycling clauses, outlined in RFP Exhibit A: Sample State of Minnesota Grant Contract for Solar on Public Buildings, Contract Exhibit A: Grantee's Duties

Financing and Procurement

System's Full Project Budget:

Upload <u>Applicant's</u> full budget plan to finance the System and any other details pertaining to a financing plan. List each funding source/type (e.g., bank loan, operating budget, fundraised dollars), the amount (range or specific amount) and whether it is secured or not. Be sure to include the Solar on Public Buildings grant value on this list as well as any federal incentives such as the Federal Investment Tax Credit and Bonus Credits now available to local governments and Tribal Nations through the Elective Pay.

In the event a local unit of government receives a state Solar on Public Buildings grant and federal tax credits that combined total more than 100% of the cost of the system and installation, the local government must return the surplus funds to the Minnesota Department of Commerce.

Payment Schedule to Developer:

Detail the payment schedule between the Applicant and Developer as provided in System contract.

Developer's Plan to Reduce Capital Expenses:

Describe any Developer efforts or commitments to provide financial assistance to the Applicant by (1) reducing the Applicant's initial capital expense to purchase and install the System and/or (2) helping to maximize the lifetime value of the System for the Applicant. Examples include but are not limited to, detailing (1) Specific discounts or services provided free of charge not typically offered by Developer, (2) any value or savings passed onto the Applicant via depreciation or ITC (where applicable), and (3) any other direct means or discounts the Developer is using to reduce the Applicant's capital expense, helping maximize the System's lifetime value.

Applicant Procurement Process:

Describe the procurement process that was undertaken by the Applicant prior to selecting final proposal and Developer, including dates, timelines, number of proposals received and reviewed, etc., and how that meets the Procurement Commitment the Applicant made in the Readiness Assessment stage.

RFP: COMM-SBP03-20250519 Page 15 of 27

Developer Prevailing Wage Assurance:

Applicants will be held to Subd. 11 Contractor conditions of the enabling legislation "A contractor or subcontractor performing construction work on a project supported by a grant awarded under this section:

- (1) must pay employees working on the project no less than the prevailing wage rate, as defined in section <u>177.42</u>; and
- (2) is subject to the requirements and enforcement provisions of sections $\frac{177.27}{177.30}$, $\frac{177.30}{177.41}$ to $\frac{177.43}{177.43}$, and $\frac{177.45}{177.45}$."

MPCA Recycling form:

As part of the Minnesota Department of Commerce's (Department) <u>Solar on Public Buildings program</u>, under the terms of the State of Minnesota Grant Contract, Task 2 *Grantee's Duties*, Exhibit A denotes Grantee and/or Developer responsibility for tracking and recycling all System equipment that ceases to function as intended (for any reason), including counts of module and inverter type. This must be reported on an annual basis, by March 31 for the previous calendar year, to the Minnesota Pollution Control Agency (MPCA). Per the terms of Exhibit A, *Grantee Duties*, Task 6, reporting is required for projects (6.1) at system level work order execution, (6.2) throughout an operations and maintenance contract, (6.3) while system components are under warranty, (6.4) throughout a third-party ownership contract, and (6.5) at the system's end of life decommissioning. This applies to all Grantees under the Department's Solar on Public Buildings Program.

V. Application Submission Instructions

An application *must* be submitted online using the Department's RFP submission portal, *Attachment 1: Step-by-Step Application Guide*. Tips to submitting a successful application include:

- 1. Create an Account on the submission portal. GrantVantage (gvgrantcloud.com) is the link to the application submission portal. To submit a response to this RFP, you must first create an account on the submission portal, unless you have previously created an account. For Step 1: Public Building Readiness, please create only one account and register one user per applicant. All submissions need to go through that one user account and person. More than one application may be submitted per account. Please create an "Applicant" user profile when registering in the system. Attachment 1: Step-by-Step Applicant Guide is available on the Department's Request for Proposals (RFP) / Minnesota Department of Commerce Business (mn.gov) webpage.
- 2. **Applicant Name.** When applying to this announcement, in "Organization Name," please enter the applicant's local unit of government's legal name; and in "Project Name," use the name of the local unit of government followed by the individual building name where the System will be installed. Example: "City of Esko Public Works Building."
- 3. Complete the application in the submission portal. Log into your account with the user credentials you created in Step 1. View the application form and respond to all applicable questions under each of the sections in the form.
- 4. **Application Due Date**: All Proposals for the Readiness Assessment must be submitted in the submission portal by Monday, June 30, 2025 at 5:00 p.m. CT. Please take note of the following recommendations:
 - **Prepare**. Read the step-by-step applicant user guide which will instruct Applicants how to begin, complete, and apply. Familiarize yourself with the submission portal and Step 1:

RFP: COMM-SBP03-20250519 Page 16 of 27

- Public Building Readiness application form well before it is due to make sure you are well-prepared and familiar with the form and the system.
- Read carefully. Please read the questions carefully and answer thoroughly, yet briefly. If
 more information is needed for your Readiness Assessment, the Department will reach out
 to you.
- Allow adequate time to complete the online application. A recommended approach is for Responders to draft a Word document with the responses to each question. The questions are in Section IV. Grant Application List of Questions above, including any preferred formatting. When ready, copy and paste your responses into the online application form in the submission portal. Responders may save an in-process application in the submission portal as often as desired and come back to it later to revise or add to it. However, once the application has been submitted in the submission portal, it may not be revised or updated. If the initial submittal is prior to the submittal deadline, Responders may resubmit the entire application with the correction(s) or addition(s). In that case, the Responder should email energy.contracts@state.mn.us to inform the Department that the initially submitted application has been resubmitted and to disregard the initial submittal.
- Submit the application at least two hours ahead of deadline. It is *strongly* recommended that you allow plenty of time to submit your application. Since the submission portal is a cloud-based application, multiple Applicants attempting to simultaneously apply on the submission portal at the same time may slow the process for each Applicant. In addition, due to varying applicant internet speeds, applications may take time to process. If you submit your application minutes before the deadline, the announcement may close in the middle of processing your application (i.e., while the "Processing" indicator is still active). If this occurs, the Department will not receive your application.
- Responders who encounter what they believe are technical system errors must report to
 the GrantVantage Support desk (<u>ApplicantSupport@grantvantage.com</u>) allowing for *at*least two hours for the technical assistance team to respond to any technical system errors
 reported with the actual submission.

The following will **not** be considered:

- Proposals submitted after the deadline
- Emailed proposals (except in extenuating circumstances at the sole discretion of the Department)
- Mailed proposals
- Faxed proposals

All costs incurred in responding to this RFP will be borne by Applicant. The State reserves the right to accept or reject any and all proposals.

VI. Evaluation and Priority

A. Readiness Assessment Screening

All responses received by the deadline will be screened for Readiness. Assessment submissions will be screened according to whether they successfully meet each indicator (each question in the application) or fail to meet each indicator. Assessments must meet all required components of the Readiness Assessment to be considered.

RFP: COMM-SBP03-20250519 Page 17 of 27

The Department may choose to contact the Applicant to address simple clarification, omission, or a technical fix. Applicants will have no more than five (5) business days to respond to the Department's request. If there is difficulty in meeting this five (5) day timeframe, please contact SolaronPublicBuildings@state.mn.us, and copy Energy.Contracts@state.mn.us with your intention to respond as soon as possible. Reaching out to ask clarifying questions of the Department's request will be considered meeting the five (5) day timeframe. Failing to respond within the timeframe will be considered withdrawing from consideration.

B. Readiness Assessment Priority

In the event the Department receives high volumes of grant applications in any one RFP funding round or if the grant funding is insufficient to meet all grant funding requests, a priority system will be established. Priority will be determined in Step 1 of the RFP process based on the points awarded in the following evaluation criteria as detailed below and listed in *Table 2: Readiness Assessment Evaluation Rubric*. A maximum number of 60 points may be awarded. Applicants with a greater number of points will be given higher priority. If a queue is instated, Applicants will be notified by the Department with updates and further instructions on expectations and potential grant award delays.

- 1. Number of Solar on Public Buildings Applications: Applicants who submit more than one application must self-prioritize the projects, with each subsequent submitted application project receiving decreasing points. If the applicant received one or more grants in a previous round of Solar on Public Buildings, the prioritization should start after the number of grants the applicant received. For example, if an applicant received two grants in a previous Solar on Public Buildings Round, their highest priority application in the current round should be identified as the third project. The intent of this metric is to encourage a geographic distribution of solar installations, maximizing the number of communities exposed to the benefits of solar.
- 2. Pre-Application Consultation: Applicants will be awarded points if they have met with a representative from the University of Minnesota's Clean Energy Resource Teams (CERTs) for a pre-application consultation. The intent of this metric is to provide technical assistance to Applicants and ensure Applicants receive a baseline consultation on solar best practices, and to ensure financial stewardship of taxpayer dollars. Points will be awarded upon verification with CERTs staff.
- 3. **Procurement Commitment:** Applicants will be awarded points based on willingness and ability to commit to solar procurement best practices when seeking proposals from Developers. The intent of this metric is to encourage Applicants to follow solar procurement best practices guidelines, encouraging responsible fiscal use of taxpayer-funded grant dollars. Applicants must submit proof as part of Full Grant Application to remain eligible to receive their Solar on Public Buildings grant.
- 4. **Financial Capacity:** Applicants are assigned tiers of grant awards based on their financial capacity (see *Attachment 7: Local Government Financial Capacity Assessment*). Applicants in Tier 1 (lowest financial capacity units of local government and Tribal Nations) will receive the maximum number of points, with each tier below receiving decreasing points. The intent of this metric is to prioritize those local units of government who would be unable or unlikely to take advantage of the cost and energy savings of solar arrays without state grant dollars.

RFP: COMM-SBP03-20250519 Page 18 of 27

Table 2. Readiness Assessment Evaluation Rubric								
1	Number of SPB Applications in Current Round (24 points)							
Description	Applicant's self-prioritization out of all current funding round applications.							
Rank	First	Sec	cond		Third		Fourth	Fifth+
Points Awarded	Points Awarded 24 18		12		6	0		
Pre-Application Consultation (12 points)								
Applicant met with a CERTs representative for a pre-application consultation.				ion				
Commitment	nt Yes				No			
Points Awarded	12			0				
Procurement Commitment (12 points)								
Description	Applicant's willingness and ability to commit to solar procurement best practices when seeking proposals from Developers.					ement best		
Commitment	Commitment Open Public Solicitation Obta		tained 2+ Proposals No (No Co	Commitment		
Points Awarded	oints Awarded 12		ϵ	6			0	
Financial Capacity (12 points)								
Assigned Grant Award Tier based on financial capacity of local unit of government.								
Award Tier	Tier 1	Tier 2		Tier 3		<u> </u>	Tier 4	Tier 5
Points Awarded	12	9		6	5		3	0

Tie-Breaker - Existing Solar: In the event of a tie in prioritization points allotted to applications, the percentage of buildings with existing solar will be used as a secondary prioritization mechanism. The intent of this metric is to encourage a geographic distribution of solar installations, maximizing the number of communities exposed to the benefits of solar.

C. Full Grant Application

Full Grant Applications will be reviewed on a case-by-case basis and awarded in the order in which they are received (see *Table 3 – Full Grant Application Considerations*, below). As part of the Full Grant Application evaluation, the Department will determine the final grant amount using Applicant financial commitments in combination with system installation cost, as detailed below. If a queue is instated by the Department, Applicants will be organized into cohorts and notified with updates and further instructions on expectations and potential grant award delays.

The State reserves the right to accept or reject any and all proposals.

Table 3. Full Grant Application Considerations						
Full Application Completeness						
Description	Applicant thoroughly answers required components, uploads necessary material, and demonstrates an overall readiness and ability to install the proposed System.					
Readiness Assessment Commitments						
Description	Application provides proof of self-identified commitments from Readiness Assessment evaluation, potentially including CERTs pre-application consultation, proof of financial contribution towards System installation costs, and documentations of procurement commitment.					
	Financial Benefit to Applicant					
Description	Project contract and/or proposal with Developer clearly demonstrates a System lifetime financial benefit to Applicant. All System cashflow assumptions, calculations, and justifications used are reasonable, transparent, thorough, and logical. Uploaded Developer Contract meets all other Full Grant Application guidelines related to financial and production modeling and includes a completed <i>Attachment 3: System 25Y Cashflow</i> , signed by Applicant's Authorized Representative.					
	Electric Utility Engagement					
Description	Application demonstrates ongoing communication and collaboration with Applicant's electric utility, having addressed any potential issues and/or factors related to System interconnection and financial modeling as outlined in the Developer's contract with Applicant. Also demonstrates communication and collaboration in relation to relevant financial assumptions used in <i>System 25Y Cashflow</i> including electric rate escalators, electric rate, demand charge savings, and any electric tariff changes that may result from installation of System. Application includes completed <i>Attachment 2: Utility MOU Template</i> .					

VII. Notifications and Next Steps

A. Notification

Applicants will be notified of application status by the Department no later than July 28, 2025. Upon notification, Applicants will be provided instructions at that time on proceeding to the Full Grant Application, including how to grant a Developer access to the Full Grant Application in the online funder portal. Applicants not invited to submit a full application, may contact the Department for feedback and will be encouraged to continue to develop their Assessments and resubmit in a potential future RFP funding round, should additional rounds be issued.

Applicants invited to submit Full Grant Applications as well as Applicants awarded Solar on Public Building grants will be made public and posted online on the <u>Department's Solar on Public Buildings</u> <u>page</u>.

B. Application Edits and Supplemental Information

For both the Readiness Assessment and the Full Grant Application, the Department may choose to contact the Applicant to address simple clarification, omission, or a technical fix. Applicants will have no more than five (5) business days to respond to the Department's request. If there is difficulty in meeting this five (5) business day timeframe, please contact SolaronPublicBuildings@state.mn.us, and copy Energy.Contracts@state.mn.us with your intention to respond as soon as possible. Reaching out

RFP: COMM-SBP03-20250519 Page 20 of 27

to ask clarifying questions of the Department's request will be considered meeting the five (5) business day timeframe. Failing to respond within the timeframe will be considered withdrawing from consideration.

For both the Readiness Assessment and the Full Grant Application, the Department may also choose to contact the Applicant to request supplemental application information. Should the process of meeting any of the above requirements necessitate edits to the potential Grantee's Full Grant Application, including changes to General Information, System Information, or Developer Information, or if Grantee anticipates needing longer than 6-8 weeks to meet these requirements, Grantee must email SolarOnPublicBuildings@state.mn.us detailing their request for an exception. Emails must include all relevant Solar on Public Buildings ID numbers (SPB25-XXX) with a brief explanation of planned edits.

C. Installation Milestones

Grant Contracts between the Department and the Applicant will have a term of no more than eighteen (18) months from date of execution to complete the installation and submit all permit, commissioning, and other System paperwork deemed necessary by the Department. One (1) extension, of no more than six (6) months, may be granted to the Grantee by the Department if extenuating circumstances prevail. As part of the Grant Contract between the Department and the Applicant, Applicant will also be required to meet and submit proof of the following milestones:

- I. End of Month Four (4): All necessary System components ordered or in the physical possession of the Grantee, Developer, or contractor.
- II. End of Month Eight (8): All necessary interconnection paperwork filed.
- III. End of Month Twelve (18): System installed, all permits commissioning, and other System paperwork signed and submitted to Department.

Applicants will submit reports on each of the required milestones, listed in *Table 4. Installation Milestones*, online in the Department grants management system.

Table 4. Installation Milestones				
Form Name	Due No Later Than			
System Components	Month 4			
System Interconnection	Month 8			
System Installation	Month 18			
System Promotion	Month 18			
System Production – Annual Check-in	Annually, throughout System's production lifetime, beginning 12 months after System Commissioning			

D. Next Steps

For responder(s) selected for an award, a Pre-Award Risk Assessment must be completed according to Minn. Stat. 16B.981. The Department will send selected responder(s) the required documents to complete and return based on their type of organization. See Section XII. A. for a complete list of required documents.

VIII. Technical Assistance and Questions

According to Subd. 8.Technical assistance of the enabling legislation. "The commissioner must provide technical assistance to local units of government to develop and execute projects under this section."

RFP: COMM-SBP03-20250519 Page 21 of 27

The Department will provide technical assistance to local governments including, but not limited to, the following:

- 1. Public webinar(s)
- 2. Guidance on additional state and federal clean energy funding opportunities
- 3. Free consultation and support from the University of Minnesota partner Clean Energy Resource Teams (CERTs)
- 4. Ongoing technical assistance through completion of the project.

The Department has contracted with the Clean Energy Resource Teams ("CERTs") to provide general guidance and technical assistance on this project. CERTs, in a statewide partnership with the Department, connects individuals and their communities to the resources they need to identify and implement community-based clean energy projects. CERTs empowers communities and their members to adopt energy conservation, energy efficiency, and renewable energy technologies and practices for their homes, businesses, and local institutions.

Website: Clean Energy Resource Teams

Phone: 612-625-8759

Email: info@cleanenergyresourceteams.org

There are two (2) specific avenues and two (2) different sources for Applicants to obtain further information during the time this RFP is posted and open:

- A. Use Energy.Contracts@state.mn.us for questions specifically about the RFP, submitted by email to the Department, regarding clarification about what is contained in the RFP or using the Department's online RFP submission portal.
- B. Use info@cleanenergyresourceteams.org for technical assistance regarding public building readiness related to project design such as site assessment and site selection or options for curriculum development.

A. Technical Assistance Available through CERTs

Local units of government that are not yet prepared to complete the Assessment are encouraged to reach out to CERTs for unbiased technical and general assistance in preparation to meet the Assessment requirements. As mentioned above, there will be a minimum of two (2) open RFP funding rounds. As a result, local governments can pursue these services free of charge at any time, including before, during, or after the RFP period and CERTs will be available to provide technical assistance until a local unit of government is able to meet the Assessment's readiness requirements to proceed to a Full Grant Application. The following free technical assistance services have been made available for local units of government:

- Solar 101 Training for Local Units of Government
- Virtual Site Assessments and Site Selection
- Assistance with Template Request for Proposals (RFP)
- Tips to Selecting a Solar Contractor
- Financing a System and Ownership Options
- Assistance with Promotion (Ribbon-cutting, storytelling, etc.)

RFP: COMM-SBP03-20250519 Page 22 of 27

 General inquiries to CERTs that are not unique to a specific project and can be useful to other Applicants, will be noted and uploaded to the <u>Department's Solar on Public Buildings page</u>.
 Please visit this website regularly to learn from others' inquiries.

Not sure where to send your questions or inquiries? Send to Energy.Contracts@state.mn.us. If appropriate, they will be forwarded to CERTs.

IX. RFP Questions

The Department welcomes questions from Applicants. All questions about the RFP are to be submitted by email to: energy.contracts@state.mn.us. Please note the Section of the RFP, and the page number, that the question is regarding.

Other Department personnel are **NOT** authorized to discuss this RFP with responders. Contact with <u>SolarOnPublicBuildings.COMM@state.mn.us</u> will be **only to obtain a project ID number.** No further information shall be requested, nor provided, by <u>Solar on Public Buildings</u>.

Grants Staff
Department of Commerce
Division of Energy Resources
energy.contracts@state.mn.us

Responses to questions submitted will be posted to the <u>RFP page of Commerce's website</u>. Commerce will intermittently post responses to all questions and will not be responding to questions individually. (Interested parties who downloaded the RFP from this site, will receive a notice when responses are posted.)

X. Exhibits and Attachments

The following Exhibits must be attached to the application for the application to be considered complete.

Exhibit A: Sample Grant Contract Agreement for Solar on Public Buildings

Exhibit B: Exceptions Form
Exhibit C: Conflict of Interest

Exhibit D: Grantee Budget Template

- Exhibit A & B: Exhibit A is the Sample State of Minnesota Grant Contract Template for Solar on Public Buildings that will be used with selected responders. *If the responder has any exceptions* to the terms and conditions in the Grant Contract Template, Exhibit B must be completed and submitted with the application. The Department is not obligated to consider exceptions to the Grant Contract Template if this form is not submitted with the application.
- Exhibit C is required.

Exhibits B and C are to be completed in Step 2: Full Grant Application.

The following items are attached for reference.

Attachment 1: Step-by-Step Application Guide

Attachment 2: Utility MOU Template

RFP: COMM-SBP03-20250519 Page 23 of 27

Attachment 3: System 25Y Cashflow Template

Attachment 4: Guide for Minnesota Prevailing Wage Statement of Compliance Form

Attachment 5: Sample Minnesota Prevailing Wage Certified Payroll Form

Attachment 6: MPCA Recycling form

Attachment 7: Local Government Financial Capacity Assessment

Attachment 8: Energy Production and Usage Worksheet

XI. Timeline

All times given in this RFP are Central Prevailing Time.

Issue Date of RFP: May 19, 2025 Step 1 Due: June 30, 2025

Step 1 Notification: No Later Than July 28, 2025

Step 2 Open: Upon Notification of Successful Completion of Step 1

Q&A Period Ends: November 10, 2025 Last Q&A Posted: November 12, 2025

Step 2 Due: November 17, December 1, 2025

Step 2 Notification: No Later Than December 15, December 31, 2025

Grant Contracts between the Department and the Applicant will have a term of no more than eighteen (18) months from date of execution to complete the installation and submit all permit, commissioning, and other System paperwork deemed necessary by the Department. One extension, of no more than six (6) months, may be granted to the Grantee by the Department upon written request. Work on the individual contract cannot begin prior to the execution date of the Grant Contract.

XII. General Requirements

Affirmative Action and Non-Discrimination requirements for all Grantees:

- A. The grantee agrees not to discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, sex, marital status, status in regard to public assistance, membership or activity in a local commission, disability, sexual orientation, or age in regard to any position for which the employee or applicant for employment is qualified.

 Minn. Stat. §363A.02. The grantee agrees to take affirmative steps to employ, advance in employment, upgrade, train, and recruit minority persons, women, and persons with disabilities.
- B. The grantee must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The grantee agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Minnesota Rules, part 5000.3500
- C. The grantee agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.

Audits

RFP: COMM-SBP03-20250519 Page 24 of 27

Per Minn. Stat. §16B.98 Subdivision 8, the grantee's books, records, documents, and accounting procedures and practices of the grantee or other party that are relevant to the grant or transaction are subject to examination by the Commissioner of Administration, the state granting agency and either the legislative auditor or the state auditor, as appropriate. This requirement will last for a minimum of six years from the grant contract agreement end date, receipt, and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

Conflicts of Interest

The Department will take steps to prevent individual and organizational conflicts of interest, both in reference to Applicants and reviewers per Minn. Stat. § 16B.98 and Conflict of Interest Policy for State Grant-Making.

Organizational conflicts of interest occur when:

- a Grantee or Applicant is unable or potentially unable to render impartial assistance or advice to the Department due to competing duties or loyalties.
- a Grantee's or Applicant's objectivity in carrying out the grant is or might be otherwise impaired due to competing duties or loyalties.

In cases where a conflict of interest is suspected, disclosed, or discovered, the Applicants or Grantees will be notified and actions may be pursued, including but not limited to disqualification from eligibility for the grant award or termination of the Grant Contract.

Grant Monitoring

Minn. Stat. §16B.97 and Policy 08-10 Grant Monitoring require the following:

- One monitoring visit during the grant period on all state grants of \$50,000 and higher.
- Annual monitoring visits during the grant period on all grants of \$250,000 and higher
- Conducting a financial reconciliation of grantee's expenditures at least once during the grant period on grants of \$50,000 and higher. For this purpose, the grantee must make expense receipts, employee timesheets, invoices, and any other supporting documents available upon request by the State.

Grant Payments

Per <u>Policy 08-08</u> reimbursement is the preferred method for making grant payments. All grantee requests for reimbursement must correspond to the approved grant budget. The State shall review each request for reimbursement against the approved grant budget, grant expenditures to-date and the latest grant progress report before approving payment. Grant payments shall not be made on grants with past due progress reports unless the Department of Commerce has given the grantee a written extension.

Public Data

Per Minn. Stat. § 13.599

- Names and addresses of grant applicants will be public data once proposal responses are opened.
- All remaining data in proposal responses (except trade secret data as defined and classified in <u>Minn. Stat. § 13.37</u>) will be public data after the evaluation process is completed (for the purposes of this grant, when all Grant Contracts have been fully executed).

RFP: COMM-SBP03-20250519 Page 25 of 27

All data created or maintained by the Minnesota Department of Commerce as part of the
evaluation process (except trade secret data as defined and classified in <u>Minn. Stat. § 13.37</u>) will
be public data after the evaluation process is completed (for the purposes of this grant, when
all Grant Contracts have been fully executed).

Required Financial and Grantee Capacity Review

Minn. Stat. §16B.981/<u>Chapter 62 - MN Laws</u>, Article 7, Section 11 requires that a pre-award risk assessment is conducted for grant awards of \$50,000 or more.

All grantees as defined in Minn. Stat. §16B.981 Subd. 1 (c) applying for grants in the state of Minnesota must undergo a financial and capacity review prior to a grant award of \$50,000 and higher.

In order to comply with this requirement, the following information and documents will need to be submitted before the grant contract agreement is fully executed:

I. Capacity Responses: All potential grantees

- a) Please describe your history of performing the work that will be funded by the grant:
 - This includes describing your organization's current staffing, current budget.

II. Certification: No current principals have been convicted of a felony financial crime in the last ten years: All potential Grantees

III. Evidence of good standing: Nonprofit potential grantees:

o For-profit and nonprofit grantees: Filed and up to date with the Secretary of State

IV. Nonprofit grantees as applicable:

- Most recent Form 990 or Form 990-EZ
- Most recent audited financial statement of a charitable organization which has received total revenue in excess of \$750,000 for the 12 months of operations covered by the statement per Minn. Stat. §309.53
- Most recent board-reviewed (or managing group if applicable) financial statements, description of internal controls over business expenditures and outcomes of grant funds, if awarded, and evidence of exemption

The submission of inaccurate or misleading information may be grounds for disqualification from the grant contract agreement award and may subject an organization to suspension or debarment proceedings, as well as other remedies available to the State, by law.

Based on Minn. Stat. §16B.981/<u>Chapter 62 - MN Laws</u>, Article 7, Section 11, Subd. 3-5 establishes the authority for a granting agency to:

- Provide or require enhanced grant oversight
- Request additional information from a potential grantee to determine whether there is a substantial risk that the potential grantee cannot or would not perform the required duties of the grant agreement.
 - The potential grantee has 30 business days to respond

RFP: COMM-SBP03-20250519 Page 26 of 27

- Develop a plan to address the risk or concerns identified
- Not award the grant.
 - The granting agency must provide notice of this determination to not award the grant to the grantee and the Commissioner of Administration.
 - The notice must include the following:
 - The reason for postponing/not awarding the grant
 - The timeline for the process for contesting the agency's decision

Sample State of Minnesota Grant Contract

You should be aware of the State's standard contract terms and conditions in preparing your response. The Sample SPB State of Minnesota Grant Contract is attached for your reference (Exhibit A). Much of the language reflected in the contract is required by statute. If you take exception to any of the terms, conditions, or language in the contract, you must indicate those exceptions in Exhibit B: Exceptions Form; certain exceptions may result in your proposal being disqualified from further review and evaluation. Only those exceptions indicated in your response to the RFP will be available for discussion or negotiation.

Voter Registration Requirement:

The Grantee will comply with Minn. Stat. § 201.162 by providing voter registration services for its employees and for the public served by the grantee.

RFP: COMM-SBP03-20250519 Page 27 of 27