

CHALLENGE PARTNERSHIP AGREEMENT
BETWEEN
THE US ARMY CORPS OF ENGINEERS, ST. PAUL DISTRICT
AND
THE GULL CHAIN OF LAKES ASSOCIATION

This Partnership Agreement is for the mutual benefit of all parties and is between the United States Army Corps of Engineers, St. Paul District (hereinafter the "Government"), and the Gull Chain of Lakes Association (hereinafter the "Partner").

WITNESSETH, THAT:

WHEREAS, the Government manages lands and waters at the Gull Lake Recreation Area, which management includes the protection of natural resources, and

WHEREAS, the purchase and operation of a power wash station would help protect the Gull Lake Chain of Lakes and other waters from the spread of aquatic invasive species, and

WHEREAS the Partner is interested in assisting the Government in providing and operating a power wash station to inhibit the transport and migration of certain invasive aquatic species, and

WHEREAS, it is mutually beneficial to the Government and the Partner to work cooperatively to enable a power wash station to be put into operation at the Gull Lake Recreation Area during the summer 2012 boating season (through Labor Day 2012), and

WHEREAS, the Partner, in order to assist the Government in this project has voluntarily agreed to provide personnel to operate the wash station and disseminate educational information on invasive species, and

WHEREAS, Section 225 of the Water Resources Development Act of 1992, PL 102-580, (Oct 31, 1992), authorizes the Secretary of the Army to accept contributions from the Partner and apply those contributions to the management of natural resources at Corps of Engineers civil works projects, and

WHEREAS, the Government and the Partner have the full authority and capability to perform as hereinafter set forth and intend to cooperate in financing and resourcing the challenge partnership in accordance with the terms of this agreement;

NOW THEREFORE, the Government and the Partner agree as follows:

ARTICLE I - DEFINITIONS AND GENERAL PROVISIONS

For purposes of this agreement:

- a. The term "project" shall mean the purchase of equipment, training of operators, and operation of the power wash station at Gull Lake Recreation Area for the 2012 summer boating season.
- b. The term "total project contributions" shall mean all labor, goods, and services provided by the Government and the Partner directly related to implementation of the project.
- c. This agreement in no way restricts the Government from participating in similar activities or arrangements with, or accepting contributions from, other public and private agencies, organizations, and individuals.
- d. All donated property, facilities and improvements placed on Government land as well as the fruits of any work accomplished under this agreement shall become the property of the Government.

ARTICLE II - OBLIGATIONS OF THE PARTIES

- a. The Government, subject to and using funds appropriated by the Congress of the United States (hereinafter the "Congress"), shall expeditiously purchase the equipment, applying those procedures usually applied to Federal projects, pursuant to Federal laws, regulations, and policies. The award and administration of contracts and performance of all work on the Project (whether the work is performed by Corps of Engineers contract or by Government personnel) shall be exclusively within the control of the Government.
- b. In particular, the Government shall provide:
 - A power wash station suitable for removal of invasive species
 - Fuel for operation of the wash station
 - Coordination on the location and operation of the wash station
 - Power wash station manuals/operating instructions to the Partner
 - Personal protective equipment (PPE) needed to operate the power wash station
 - Signage to inform and direct the public to the wash station
 - Brochures on the identification of invasive species and water safety to disseminate to the public
 - A Student Conservation Association Intern will be provided as an operator of the power wash station for a minimum of 32 hours a week for the 2012 summer boating season (not to exceed a total of 16 weeks) (All work will be in compliance with the agreement between the Student Conservation Association and the Department of the Army dated 31 July 2007.)

c. The Partner shall provide:

- Properly trained operators to operate the power wash station on a schedule acceptable to the Government for a minimum of 20 hours per week from the commencement of operations through Labor Day 2012.

d. The Government shall perform a final accounting to determine the contributions provided by all parties to this agreement and to determine whether each has met its minimum obligations under paragraphs b and c of this Article. Nothing herein precludes the Government or the Partner from exceeding its minimum obligations under this Article.

e. No Federal funds may be used to meet the Partner's contributions under this Agreement.

f. The Partner shall not use Government-supplied materials and equipment, or allow their use, for other than authorized work under this Agreement.

ARTICLE III - METHOD OF PAYMENT

a. The Government shall maintain current records of contributions provided by the Partner and a current projection of total project contributions. At least quarterly, the Government shall provide the Partner with a report setting forth all contributions provided to date and the current projection of total project contributions, of the components of total project contributions, of each party's share of total project contributions, and of the Partner's contribution required in accordance with Article II.c of this Agreement. In the event that the Government or the Partner are not meeting their minimum contributions under Article II of this agreement, the parties to this agreement will discuss the matter and agree upon a method of bringing the contributions into balance or, if agreement cannot be reached, proceed to the suspension and termination provisions of this Agreement. Nothing in this paragraph excuses the Partner from its responsibility to provide the minimum contribution identified in this Article or to pay the Government damages in the event that it fails to provide its minimum contribution.

b. Upon completion of the Project and resolution of all relevant claims and appeals, the Government shall conduct a final accounting and furnish the Partner with the results of the final accounting. The final accounting shall establish total project contributions and identify any shortages.

ARTICLE IV - DISPUTE RESOLUTION

As a condition precedent to a party bringing any suit for breach of this Agreement, that party must first notify the other parties in writing of the nature of the purported breach and seek in good faith to resolve the dispute through negotiation. If the parties cannot resolve the dispute through negotiation, they may agree to a mutually acceptable method

of non-binding alternative dispute resolution with a qualified third party acceptable to both parties. The parties shall each pay a pro rata share of any costs for the services provided by such a third party as such costs are incurred. The existence of a dispute shall not excuse the parties from performance pursuant to this Agreement.

ARTICLE V - FEDERAL AND STATE LAWS

In exercise of their respective rights and obligations under this Agreement, the Government and the Partner agree to comply with all applicable Federal and State laws and regulations, including, but not limited to, Section 601 of Title VI of the Civil Rights Act of 1964, PL 88-352, and the Department of Defense Directive 5500.11 issued pursuant thereto and published in Part 300 of Title 32, Code of Federal Regulations, as well as Army Regulations 600.7, entitled "Non-discrimination on the Basis of Handicap in Programs and Activities Assisted or Conducted by the Department of the Army."

ARTICLE VI - RELATIONSHIP OF PARTIES

a. In the exercise of their respective rights and obligations under this Agreement, the Government and the Partner each act in their own independent capacity and none of the parties are to be considered the officer, agent, or employee of any other party to this Agreement.

b. In the exercise of its rights and obligations under this Agreement, no party shall provide, without the consent of the other parties, any contractor with a release that waives or purports to waive any rights such other party may have to seek relief or redress against such contractor either pursuant to any cause of action that such other party may have or for violation of any law.

ARTICLE VII - OFFICIALS NOT TO BENEFIT

No member of or delegate to the Congress, or resident commissioner, shall be admitted to any share or part of this Agreement, or to any benefit that may arise there from.

ARTICLE VIII - INDEMNIFICATION

a. The Partner shall hold and save the Government free from all damages arising from services or work they perform or goods they provide under this Agreement, except for damages due to the fault or negligence of the Government or its contractors.

ARTICLE IX - TERMINATION OR SUSPENSION

a. (1) All of the Government's obligations under this agreement are subject to the availability of funds. If the Government fails to receive funding in amounts sufficient to meet its obligations under this Agreement, the Government shall so notify the Partner, and 5 calendar days thereafter any party may elect without penalty to terminate this Agreement or to suspend future performance under this Agreement. In the event that any

party elects to suspend future performance under this Agreement pursuant to this paragraph, such suspension shall remain in effect until such time as the Government receives sufficient funding or until either the Government or the Partner elects to terminate this Agreement.

(2) If the Partner fails or refuses to provide its minimum contribution under this agreement, the Government may terminate this agreement immediately. Such termination shall not relieve the Partner from liability for damages for failure to meet its minimum contribution requirements.

b. In the event that any party elects to terminate this Agreement pursuant to this Article, all parties shall conclude their activities relating to the Project and proceed to a final accounting in accordance with Article II of this Agreement.

c. Any termination of this Agreement or suspension of future performance under this Agreement in accordance with this Article shall not relieve the parties of liability for any obligation previously incurred.

ARTICLE X - NOTICES

a. Any notice, request, demand, or other communication required or permitted to be given under this Agreement shall be deemed to have been duly given if in writing and delivered personally or by telegram, or mailed either by first-class, registered, or certified mail, as follows:

Gull Chain of Lakes Association
Rosemary Goff
8081 County Road 78
Lake Shore, MN 56468

If to the Government:

US Army Corps of Engineers
Gull Lake Recreation Area
Corrine Hodapp
10867 East Gull Lake Drive
Brainerd, MN 56401

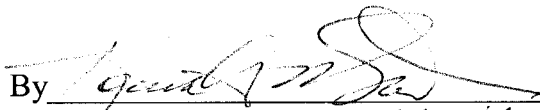
b. A party may change the address to which such communications are to be directed by giving written notice to the other party in the manner provided in this Article.

c. Any notice, request, demand, or other communication made pursuant to this Article shall be deemed to have been received by the addressee at the earlier of such time as it is actually received or seven calendar days after it is mailed.

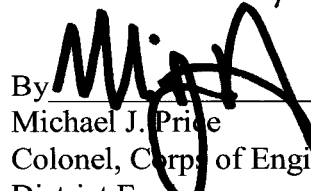
ARTICLE XI – CONFIDENTIALITY

To the extent permitted by the laws governing each party, the parties agree to maintain the confidentiality of exchanged information when requested to do so by the providing party.

IN WITNESS WHEREOF, the Gull Chain of Lakes Association has caused this Agreement to be executed this 18th day of May, 2012.

By 
Marvin Meyer, President Kenneth T. Stover Vice President
The Gull Chain of Lakes Association, a Minnesota nonprofit corporation.

IN WITNESS WHEREOF, the Corps of Engineers has caused this Agreement to be executed this 25th day of May, 2012.

By 
Michael J. Pride
Colonel, Corps of Engineers
District Engineer