

## Application for Minnesota State Community and Technical College Community House Project

Applicant's Full Name: \_\_\_\_\_  
Applicant's Current Address: \_\_\_\_\_  
Applicant's Proposed Address for Building: \_\_\_\_\_  
Applicant's Telephone Number: \_\_\_\_\_

In making application for construction of a residential dwelling by Minnesota State Community and Technical College (M State), I hereby acknowledge that the successful applicant will be required to:

1. Make an earnest money payment in the sum of five hundred dollars (\$500.00) within 15 days of notification that his/her plan has been accepted for construction. Additional fees as applicable are detailed in the attached sample residential construction contract. This earnest money shall be non-refundable and shall be applied to the twenty-five percent (25%) service charge that is charged by M State.
2. Provide an adequate number of detailed plans appropriate to the construction of the project.

This application should be accompanied by a preliminary floor plan, and elevation or picture and probable location of project, as well as the estimated distance from the M State Campus at 1900 28<sup>th</sup> Avenue South, Moorhead, MN.

### **Application deadline and drop off location:**

- 3:00 p.m., April 1 or the following Monday if April 1 falls on a weekend
- M State Moorhead Business Office, 1110 14<sup>th</sup> St S, Moorhead, MN

If selected, the final house plans must be submitted to the M Sate Moorhead Business Office located at 1110 14<sup>th</sup> Street South, Moorhead, MN, no later than 3:00 p.m. on April 30 or the following Monday if April 30 falls on a weekend.

**Note:** Date may be extended if deemed necessary by M Sate.

For additional information please contact the following:

Chris Swenby, Carpentry Instructor  
[chris.swenby@minnesota.edu](mailto:chris.swenby@minnesota.edu)  
218-790-5244 or 218-945-3741

Brooks Pederson, Carpentry Instructor  
[brooks.pederson@minnesota.edu](mailto:brooks.pederson@minnesota.edu)  
218-866-2545

## **GUIDING CRITERIA FOR HOME SELECTION**

1. Project location should be within 15 minutes from M State.
  2. Project should be 1200-1500 finished square feet.
  3. Project should have at least one stairway.
  4. Project must coincide with course schedules and academic calendar.
  5. Project roof pitch should not exceed 8/12 pitch.
  6. Project should have attached garage.
  7. Project may have fireplace.
  8. Project should have complexity of cabinets to be constructed by students.
  9. Project exteriors should have alternative finishes.
  10. Project should have a variety of interiors finishes.
  11. Project must be of size and complexity for completion in academic year.
  12. Final layout and complexity must be mutually agreed upon.
  13. Project selection will take into consideration relevant safety factors.
  14. Preliminary blueprints need to be supplied in application.
  15. Selected party must have lot purchased or purchase agreement on lot.
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## **THIS RESIDENTIAL CONSTRUCTION MEMORANDUM OF UNDERSTANDING (MOU)**

("MOU") is made as of this \_\_\_\_\_ day of, 20\_\_\_\_, by and between \_\_\_\_\_ (whether one or more, "Owner"), and the STATE OF MINNESOTA, by and through the Board of Trustees of the Minnesota State Colleges and Universities, on behalf of Minnesota State Community and Technical College- Moorhead campus ("College").

### **RECITALS**

- A. Owner owns fee title to land located in Clay or Cass County, Minnesota or North Dakota which has a street address of, and which is legally described (the "Site").
- B. College offers a carpentry program course, which is designed to give its students practical experience in constructing residential dwellings and related improvements.
- C. Owner desires to have College's carpentry program students provide certain services in connection with the construction of a residential dwelling and related improvements on the Site, as specifically set forth in this Contract.

### **AGREEMENT**

**NOW, THEREFORE**, in consideration of the foregoing recitals, the agreements set forth in this Contract and other good and valuable consideration, and pursuant to the authority granted in Minnesota Statutes, Section 136F.36, subdivision 1 (2000), Owner and College agree as follows:

- 1. WORK TO BE PERFORMED BY COLLEGE'S STUDENTS; SUPERVISION OF STUDENTS.** Subject to the provisions of this Contract, students enrolled in College's Carpentry, Construction Electricity, HVAC (Heating, Ventilation, and Air Conditioning) (the "Students"), under the supervision of College's instructor(s) (whether one or more, the "Instructors"), shall provide usual and customary labor and equipment to accomplish the carpentry, electrical, and HVAC (the "Work") needed to complete the house as shown on, and in reasonable accordance with, the final plans and specifications attached hereto (the "Plans"), which are incorporated into this Contract, as modified by any Change Orders (defined in Section 2 of this Contract) requested by Owner and approved by College and the municipal or county building inspector, as applicable. College anticipates that the Work will commence on September 1 (the "Commencement Date"), or as soon thereafter as College deems feasible. Owner acknowledges that the Work is to be performed by the Students, under the supervision of the Instructors, as part of an educational process, and that College shall not be held to any greater standard, duty or quality of workmanship than what can reasonably be expected under such circumstances.

The Instructors shall supervise the Work. Owner agrees that only the Instructors or other employees, representatives or agents of College shall have the right to give instructions and directions to the Students. Owner shall contact the Instructors regarding any complaints, inquiries or suggestions relating to the Work. If Owner interferes with or attempts to instruct or direct any Student, and if such activity continues after College delivers written notice to Owner, then in addition to any other right or remedy College may have, College shall have the right at any time thereafter to terminate this Contract by giving written notice of such termination to Owner, and upon such termination, Owner shall pay College the Service Charge (as defined in Section 8 of this Contract), and thereafter, the parties hereto shall have no further obligations under this Contract.

2. **CHANGE ORDERS.** If Owner desires any changes or modifications to the Plans, Owner shall submit to College a written change order, on a form acceptable to College, which shall describe in detail the proposed changes or modifications and such other information relating thereto as College may require (the "Change Order(s)"). Each Change Order submitted to College shall be accompanied by a cashier's check payable to College in the amount of \$200 (the "Change Order Fee"). All Change Orders shall be subject to the approval of College and the municipal or county building inspector, as applicable. If any such Change Order is so approved, then the Change Order Fee shall be retained by College and applied to the Service Charge (as defined in Section 8 of this Contract). If the approval for any such Change Order is denied, then the Change Order Fee shall be promptly returned to Owner.
  
  3. **OWNER'S OBLIGATIONS AND RESPONSIBILITIES.** Owner shall act as general contractor in connection with the construction of the improvements shown on the Plans (the "Improvements"), and in addition to other obligations and responsibilities of Owner set forth in this Contract, Owner shall be obligated and responsible for each of the following matters:
    - (a) **Subcontractors.** Owner shall contract or subcontract for all labor and services necessary to complete the Improvements, other than the Work, including, without limitation, all plumbing, sheet rock and taping, floor covering, wall finishing, and landscaping work. The providers of all such labor and services (collectively, the "Subcontractors") shall be duly qualified and licensed, if required by law. Owner shall provide College with a true, correct and complete list of the Subcontractors no later than ten (10) days before the Commencement Date. Owner shall cause each Subcontractor to perform its work to the Improvements in compliance with all laws and in a good and workman-like manner. Owner shall coordinate with College regarding the order and priority of construction of the Improvements, and shall cause all of the Subcontractors to cooperate with College, so that the construction of the Improvements, including, without limitation, the Work, shall be completed in an orderly manner and in accordance with such schedule as College may require to complete the Work on or before the Completion Date (as defined in Section 7 of this Contract).
  
    - (b) **Vendor Accounts.** Owner shall open accounts in Owner's name with such material suppliers as College may deem necessary or desirable. The Instructors shall have the right to charge to such account all materials obtained for the Work. No materials obtained in connection with the Improvements, including, without limitation, the Work, shall be charged to the College.
  
    - (c) **Utilities, Other Services and Access.** Owner shall provide at the Site, on or before the Commencement Date, all utilities and other services that College deems necessary or desirable to perform the Work and all other work needed to complete the Improvements, including, without limitation, electricity, lighting, water, heating, telephone, toilets, trash disposal, refuse removal, snow removal, hoisting, scaffolding, and rental equipment if necessary. Owner shall also provide, on or before the Commencement Date, a roadway reasonably acceptable to College from an existing public road to that portion of the Site on which the Improvements will be located.
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- (d) **Permits, Approvals and Licenses.** Owner shall obtain, no later than ten (10) days before the Commencement Date, all permits, approvals and licenses necessary to construct the Improvements.
- (e) **Soil Report.** Owner shall obtain, no later than ten (10) days before the Commencement Date, a soil compaction report indicating that the Improvements can be constructed without the need for any extraordinary soil compaction procedures. Owner assumes full responsibility for the adequacy of the soils, and the adequacy, form and content of any such soil report. No review or approval of such soil report by the Instructors, Students or any other representative, employee, agent or student of College shall make College responsible for the adequacy of the soils, or the adequacy, form or content of any such soil report.
- (f) **Site Preparation.** On or before the Commencement Date, Owner shall stake the Site and the area where the Improvement will be constructed, and shall grade, set and otherwise have such area ready for construction. Prior to such Site preparation, Owner shall obtain a survey and/or such other information needed to assure that the Improvements, when constructed, will not encroach on any adjoining land or right-of-way, nor violate any applicable set back requirements. Owner assumes full responsibility for any resulting encroachment or set back violation.
- (g) **Compliance of the Plans and Change Orders with Laws.** Owner assumes full responsibility for the compliance of the Plans and any Change Orders with all applicable laws, and with sound building and engineering practices. No approval of the Plans or any Change Order by College or the Instructors, Students or any other representative, employee, agent or student of College shall make College responsible for the adequacy, form or content of the Plans or any Change Order.

If Owner breaches any of its obligations set forth above, then in addition to any other right or remedy that College may have, College shall have the right to terminate this Contract if Owner fails to cure such breach within ten (10) days after College delivers written notice of such breach to Owner, and upon any such termination, College shall have no further obligations under this Contract.

4. **OWNER'S REPRESENTATIONS AND WARRANTIES.** To induce College to enter into this Contract, Owner represents and warrants as follows:

- (a) **Authority.** Owner has the power and authority to enter into and perform this Contract. This Contract and the obligations of Owner herein are valid and binding obligations of Owner, and are enforceable in accordance with the terms herein.
- (b) **Title to Site.** Owner owns fee title to the Site, free and clear of all liens, encumbrances, easements and other matters affecting title, except as expressly set forth as clear of all lines.
- (c) **Financial Ability.** Owner either has funds in Owner's possession sufficient to pay for the total cost of materials and services to construct the Improvements, or has received a binding commitment from a lender for such funds to pay for such cost as and when due.

Owner shall promptly provide College such information as College may request to verify the validity of any or all of the foregoing representations.

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5. **INSURANCE; WAIVER OF CLAIMS; INDEMNIFICATION.** College will provide insurance by a policy of "builder's all risk" property insurance, in the amount of \$150,000.00 with respect to any occurrence. The first \$5,000.00 of any claim against said policy shall be paid by Owner to satisfy the policy deductible amount.

Owner hereby releases College and the Students, the Instructors, and any other representative, employee, agent or student of College from any and all liability and responsibility (to Owner or anyone claiming through or under Owner by way of subrogation or otherwise) for any loss or damage covered by property insurance or coverall by a customary "builder's all risk" policy required by this Section, even if such loss or damage shall have been caused by the fault or negligence of College or anyone for whom College may be responsible, including, without limitation, the Students, the Instructors, or any other representative, employee, agent or student of College.

Owner shall defend, indemnify and hold College and the Students, the Instructors, and any other representative, employee, agent or student of College, harmless from and against all claims, losses, damages and expenses in connection with:

- (i) the inadequacy or illegality of any portion of the Plans and/or any Change Orders;
- (ii) any defects in any materials used to construct the Improvements, unless such defects result from damage caused by the Students or the Instructors; and
- (iii) any actions or inactions relating to the construction of the Improvements by any person other than the Students, the Instructors, or any other representative, employee, agent or student of College.

Owner's releases and indemnification obligations set forth in this Section shall survive the termination of this Contract.

6. **INSPECTION OF WORK.** On or before May \_\_\_\_\_, 20\_\_\_\_, Owner and the Instructors shall inspect the Improvements to determine what portions of the Work, if any, are defective or remain unfinished. During such inspection, Owner and the Instructors shall prepare a punch list of any defective or unfinished portions of the Work. In addition, at anytime and from time to time during the performance of the Work prior to said inspection, if required by either Owner or College, Owner and the Instructors shall inspect the Improvements to determine whether any portions of the Work performed prior to the date of any such inspections are defective. If there is a dispute as to any alleged defect or any punch list items, Owner and College agree that a final determination regarding any such dispute shall be made by a third party contractor mutually agreed upon. Cost of such inspection is assumed by the Owner.

7. **COMPLETION OF WORK.** College shall use good faith efforts to complete the Work (including any punch list items prepared in accordance with Section 6 of this Contract) on or before May \_\_\_\_\_, 20 \_\_\_\_\_ (the "Completion Date").



**8. COMPENSATION, DEPOSIT, SERVICE CHARGE AND REIMBURSEMENT FOR CERTAIN EXPENSES.**

Simultaneously with executing and delivering this Contract to College, Owner shall deliver to College a cashier's check in the amount of \$500.00, made payable to College, as an earnest money deposit, which shall be nonrefundable. Subject to the completion of the Work in accordance with this Contract, on or before the Completion Date, or upon earlier termination of this contract as provided herein, Owner shall pay College, by a cashier's check made payable to College, the following:

- a) the actual cost of all materials and supplies (the "Materials") that have been used in connection with the Work, except for any materials that have been replaced as a result of damage caused by College's employees or students, plus;
- b) a service charge (the "Service Charge") for the performance of the Work in the amount equal to 25% of the actual cost of all materials and supplies incorporated into or used in connection with the Work; provided that the any Change Order Fee collected by College shall be credited to the Service Charge.

Prior to start of the project an estimate dollar value of materials used in the project shall be completed. The college shall bill the Owner 1/3 of the estimated project service charge on or about the first week of October. The college shall bill the Owner for service charge and standard reimbursements on or near the first week of February. Upon completion of the project the remaining balance of the service charge shall billed subject to the following provision. Owner's payment of the Service Charge shall be accompanied by a copy of invoices for all Materials, or other supporting evidence as College may require, to verify the correct amount of the Service Charge. OWNER AGREES THAT OWNER SHALL NOT OCCUPY THE IMPROVEMENTS OR THE SITE UNTIL OWNER HAS PAID COLLEGE ALL AMOUNTS OWING UNDER THIS SECTION.

9. **OPEN HOUSE.** Owner agrees to allow College to conduct an open house at the Site upon completion of the Improvements on a date selected by College, which date must be reasonably acceptable to Owner. Owner shall clean the Improvements so that they will be in a suitable condition for such open house; provided that College will remove debris generated by the performance of the Work.

10. **NOTICE TO OWNER.** The following notice is provided by College to Owner pursuant to Minn. Stat. § 514.011, Subd. 1:

- (a) Any person or company supplying labor or materials for this improvement to your property may file a lien against your property if that person or company is not paid for the contributions.
  - (b) Under Minnesota law, you have the right to pay persons who supplied labor or materials for this improvement directly and deduct this amount from our contract price, or withhold the amounts due them from us until one hundred twenty (120) days after completion of the improvement unless we give you a lien waiver signed by persons who supplied any labor or material for the improvement and who gave you timely notice.
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**11. NO REPRESENTATIONS OR WARRANTIES.** PURSUANT TO THE AUTHORITY GRANTED BY MINNESOTA STATUTES, SECTION 136F.36, SUBDIVISION 3, COLLEGE ELECTS NOT TO OFFER THE WARRANTIES CONTAINED IN MINNESOTA STATUTES, CHAPTER 327A. OWNER ACKNOWLEDGES THAT THE WARRANTIES CONTAINED IN MINNESOTA STATUTES, CHAPTER 327 A DO NOT APPLY TO ANY PART OF THE WORK. OWNER FURTHER ACKNOWLEDGES THAT, EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS CONTRACT, COLLEGE MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING THE WORK. OCCUPANCY OF THE IMPROVEMENTS BY OWNER SHALL BE CONCLUSIVE EVIDENCE THAT OWNER HAS ACCEPTED THE WORK "AS-IS," SUBJECT ONLY TO THE COMPLETION OF ANY ITEMS IDENTIFIED IN A PUNCH LIST PREPARED IN ACCORDANCE WITH SECTION 6 OF THIS CONTRACT.

**12. NOTICES.** Any notice required or permitted under this Contract shall be in writing and given by personal delivery upon an authorized representative of a party hereto, or by mailing in a sealed wrapper by United States registered or certified mail, return receipt requested, postage prepaid, properly addressed as follows:

Pat Nordic  
Chief Financial Officer  
Minnesota State Community and Technical College  
Moorhead, MN 56560

Deborah A. Rooney  
Minnesota Attorney General's Office 900  
North Central Life Tower  
445 Minnesota Street  
St. Paul, Minnesota 55101-2127

Notices shall be deemed effective on the earlier of the date of receipt or the date of deposit; provided, however, that if notice is given by deposit, the time for response to any notice by the other party shall commence to run two (2) business days after any such deposit. Any party may change its address for the service of notice by giving notice of such change ten (10) days prior to the effective date of such change.

**13. BUSINESS DAYS.** The term "Business Days" as used in this Agreement means any day other than a Saturday, Sunday or a holiday on which the offices (other than emergency services) of the State of Minnesota are closed.

**14. MISCELLANEOUS.** The Section headings or captions appearing in this Contract are for convenience only, are not a part of this Contract and are not to be considered in interpreting this Contract. This Contract, together with the exhibits and the addendum, if any, attached hereto, constitute the entire agreement between the parties, and no other agreements prior to this Contract or contemporaneous herewith shall be effective except as expressly set forth or incorporated herein. This Contract may not be amended or modified except by a written agreement signed and delivered by Owner and an authorized representative of College. This Contract shall be interpreted and governed by the laws of the State of Minnesota. If any provision of this Contract or the application to any circumstance shall be invalid or unenforceable to any extent, the remainder of this

Contract and the application of such provision to any other circumstance shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

IN WITNESS WHEREFOR, Owner and College have exactitude and delivered the Agreement as the date first written above.

**OWNER(S):**

X  
\_\_\_\_\_

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

X  
\_\_\_\_\_

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

Approved as to Form:  
Attorney General

X  
\_\_\_\_\_

By: Assistant Attorney General

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

**COLLEGE:**

STATE OF MINNESOTA Board of Trustees  
of the Minnesota State Colleges and  
Universities

Pat Nordic, CFO  
Minnesota State Community and Technical College

X  
\_\_\_\_\_

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



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## **General Notes:**

