

SHOW LOW CITY COUNCIL
REGULAR MEETING - TUESDAY, OCTOBER 1, 2024

PURSUANT to A.R.S. Section 38-431.02, notice is hereby given to the Show Low City Council and to the general public, that a **Regular Meeting** of the Show Low City Council will be held on Tuesday, October 1, 2024, at 7:00 PM in the City Council Chambers, 181 North 9th Street, Show Low, Navajo County, Arizona. The agenda for this meeting is as follows:

1. Call to Order.
2. Roll Call.
3. Invocation.
4. Pledge of Allegiance.
5. **CALL TO THE PUBLIC:**

Any citizen desiring to speak on a matter that is within the jurisdiction of the City Council may do so at this time. Comments may be limited to three minutes per person and shall be addressed to the City Council as a whole, and not to any individual member. Issues raised shall be limited to those within the jurisdiction of the City Council. Pursuant to the Arizona Open Meeting Law, the City Council cannot discuss or act on items presented at this time. At the conclusion of the call to the public, individual City Council members may (1) respond to criticism made by those who have spoken, (2) ask staff to review a matter, and (3) ask that a matter be put on a future agenda.

6. **SPECIAL EVENTS:**

- A. Presentation by Show Low Chamber of Commerce

7. **CONSENT CALENDAR:**

- A. Consideration of Acceptance of Show Low Bluff Well #17 Waterline Improvements, City of Show Low Project No. R-2723 (Shane Hemesath)
- B. Consideration of Resolution No. R2024-30 Approving an Intergovernmental Agreement with Town of Pinetop-Lakeside for Road Maintenance of Portion of Penrod Road (Anna Atencio)
- C. Consideration of Approval of Declaration of Surplus Property for October 2024 Auction (Rick Austin)
- D. Consideration of Acceptance of Grant Funds from Economic Development Administration for Business Incubator Project and Authorization of Associated Budget Transfers (Steve North)
- E. Consideration of Approval of Amended Final Plat for The Hollows Subdivision (Justen Tregaskes)

F. Consideration of Acceptance of Show Low Lake Spillway Campground Utility Improvements, City of Show Low Project No. FM-7124 (Shane Hemesath)

G. Consideration of Minutes of Show Low City Council meetings:

1. Regular Meeting of September 17, 2024

8. **NEW BUSINESS:**

A. Consideration of Award of Contract for Christmas Lighting and Decorations, City of Show Low Project No. FM-1925 (Rick Austin)

B. Consideration of Acceptance of Grant Agreement Between the U.S. Department of Transportation and the City of Show Low, Arizona, Under the Alternate Essential Air Service Program (Bill Kopp)

C. Consideration of Ordinance No. 2024-09 Amending Title 5 Chapter 5.05 of the Show Low City Code by adding Section 5.05.150 "Backyard Fowl Regulation" and Adopting Resolution No. R2024-28 Declaring as Public Record that Document Titled "Revisions to Chapter 5.05, Definitions and General Regulations, of the Show Low City Code" (Anna Atencio)

D. Consideration of Resolution No. R2024-29 Repealing Resolution No. R2007-25 and Adopting New Compensation Rates for Elected Officials (Morgan Brown)

9. **SUMMARY OF CURRENT EVENTS:**

A. Council Members

B. Mayor

C. City Manager

10. **SCHEDULE OF MEETINGS:**

Scheduling of meetings, which may be brought up at this time.

11. **ADJOURNMENT:**

SCHEDULED MEETINGS/EVENTS:

DATE	TIME	EVENT NAME
10/01/2024	7:00 P.M.	CITY COUNCIL - REGULAR MEETING
10/08/2024	7:00 P.M.	P&Z COMMISSION - REGULAR MEETING
10/15/2024	7:00 P.M.	CITY COUNCIL - REGULAR MEETING
10/22/2024	7:00 P.M.	P&Z COMMISSION - REGULAR MEETING

NOTICE TO PARENTS AND LEGAL GUARDIANS: Parents and legal guardians have the right to consent before the City of Show Low makes a video or voice recording of a minor child, pursuant to A.R.S. § 1-602(A)(9). The Show Low City Council regular meetings are recorded and may be viewed on the City of Show Low's website. If you permit your child to attend/participate in a televised City Council

meeting, a recording will be made. You may exercise your right not to consent by not allowing your child to attend/participate in the meeting.

Pursuant to the Americans with Disabilities Act (ADA), the City Council endeavors to ensure the accessibility of its meetings to all persons with disabilities. If you need accommodation for a meeting, please call the City Clerk's office at (928) 532-4061 at least 48 hours prior to the meeting for accommodation.

Council Chambers will open at least fifteen minutes prior to the meeting to allow public access to the room. Council Chambers has a maximum occupancy of 139 people.

Rachael Hall, City Clerk

I, Rachael Hall, do hereby certify that the foregoing notice was posted on Friday, September 27, 2024.

**City of Show Low
STAFF SUMMARY REPORT**

AGENDA TITLE: Consideration of Acceptance of Show Low Bluff Well #17 Waterline Improvements, City of Show Low Project No. R-2723 (Shane Hemesath)

RECOMMENDATION

I **MOVE** to accept the Show Low Bluff Well #17 Waterline Improvements, City of Show Low Project No. R-2723, completed by Navapache Construction, for total project cost of \$136,310.04, release the retainage, and initiate the warranty period.

BACKGROUND

The City's Fiscal Year 2024 Capital Improvements Plan budget includes \$293,000.00 for a waterline improvement project labeled "Show Low Bluff Well Development" to develop Well #17 for use. The scope of work for the project included constructing approximately 700 linear feet of new eight-inch waterline from the Show Low Bluff Well #17 to the ten-inch transmission main in East Bluff Ridge Road. The ten-inch transmission main currently carries well water from Well #13 to the Show Low Bluff Tank #13. This transmission main will also convey Well #17 well water to the Show Low Bluff Tank #13. The actual well pump installation has been procured utilizing the City's current Well Job Order Contract and is currently underway. A construction contract was awarded to Navapache Construction LLC in an amount not to exceed \$181,791.29.

The waterline installation from Well #17 to the transmission main has been completed for final cost of \$136,310.04. Due to the location of construction at Show Low Bluff, large amounts of rock excavation was anticipated. However, minimum rock excavation was encountered during the project, resulting in the savings.

Staff recommends accepting the Show Low Bluff Well #17 Waterline Improvements, City of Show Low Project No. R-2723, completed by Navapache Construction, for total project cost of \$136,310.04, releasing the retainage, and initiating the warranty period.

ATTACHMENTS

None

FISCAL IMPACT

Final cost: \$136,310.04

Funding source (account no.): Show Low Bluff Well Development (43-760-180-1620-0000/7602446)

**City of Show Low
STAFF SUMMARY REPORT**

AGENDA TITLE: Consideration of Resolution No. R2024-30 Approving an Intergovernmental Agreement with Town of Pinetop-Lakeside for Road Maintenance of Portion of Penrod Road (Anna Atencio)

RECOMMENDATION

I **MOVE** to adopt Resolution No. R2024-30 approving and authorizing an Intergovernmental Agreement with Town of Pinetop-Lakeside for road maintenance of a portion of Penrod Road.

BACKGROUND

On July 16, 2024, the City Council approved the deannexation of 70.16 acres. On September 19, the Town of Pinetop-Lakeside Council approved the annexation of the same 70.16 acres. The matter is currently scheduled for a public hearing before the Navajo County Board of Supervisors on October 22, 2024.

A 7.76 acre parcel of the 70.16 acres is owned by Show Low Lake, LLC. Show Low Lake LLC is to deed the 7.76 acre parcel to the Town of Pinetop-Lakeside. The 7.76 acre parcel is adjacent to Penrod Road and is within the Show Low City limits. The Town of Pinetop-Lakeside may use the deeded parcel for a Public Works facility and road yard. The usage as a road yard would substantially increase the wear and tear on that stretch of the road. Therefore, the City and the Town of Pinetop-Lakeside have proposed an intergovernmental agreement for road maintenance of Penrod Road which is adjacent to the 7.76 acre parcel.

ATTACHMENTS

1. Resolution No. R2024-30 IGA for Penrod Road

FISCAL IMPACT

N/A

CITY OF SHOW LOW RESOLUTION NO. R2024-30

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF
SHOW LOW, ARIZONA, APPROVING AN INTERGOVERNMENTAL
AGREEMENT WITH THE TOWN OF PINETOP-LAKESIDE FOR
ROAD MAINTENANCE**

RECITALS:

WHEREAS, the City of Show Low and the Town of Pinetop-Lakeside are authorized pursuant to A.R.S. §11-952 to enter into this agreement; and

WHEREAS, the City of Show Low has approved to deannex 70.16 acres and the Town of Pinetop-Lakeside has approved annexing said 70.16 acres, and the matter is pending final approval before the Navajo County Board of Supervisors; and

WHEREAS, a portion of Penrod Road that is adjacent to the annexed parcels is within the Show Low City limits; and

WHEREAS, the City of Show Low and the Town of Pinetop-Lakeside are in agreement with the terms and conditions of the Intergovernmental Agreement, "Exhibit A," for the purposes of establishing access, maintenance and repair of said portion of Penrod Road as outlined in "Exhibit B."

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED that the Mayor and Council of the City of Show Low, Arizona, approve the Intergovernmental Agreement between the City of Show Low and the Town of Pinetop-Lakeside.

BE IT FURTHER RESOLVED that the Mayor is authorized to sign said Intergovernmental Agreement.

PASSED AND ADOPTED this 1st day of October, 2024, by the Mayor and Council of the City of Show Low, Arizona.

John Leech, Jr., Mayor

ATTEST:

Rachael Hall, City Clerk

APPROVED AS TO FORM:

Anna M. Atencio, City Attorney

Exhibit A

**INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE CITY OF SHOW LOW, NAVAJO COUNTY, ARIZONA
AND
THE TOWN OF PINETOP-LAKESIDE, NAVAJO COUNTY, ARIZONA**

THIS AGREEMENT ("Agreement") is entered into on _____ ("Effective Date") Pursuant to Arizona Revised Statute A.R.S. 11-952 between the City of Show Low, an Arizona Municipal Corporation ("Show Low") and the Town of Pinetop-Lakeside, an Arizona Municipal Corporation ("Pinetop-Lakeside"), collectively referred to as the "Parties".

1. Purpose

The purpose of this Agreement is to establish access, maintenance and repair for a specific portion of Penrod Road.

2. Terms and Conditions

- a. Upon approval by the Navajo County Board of Supervisors and recording by the Navajo County Recorder of (i) the annexation by the Town of Pinetop-Lakeside of 70.16 ± acres which was deannexed by the City of Show Low on July 16, 2024, and legally described in "Exhibit A". Show Low Lake LLC will then deed 7.76 acres (the "Show Low Lake Parcel") to the Town of Pinetop-Lakeside. Legal Description and Map attached hereto as "Exhibit B".
- b. Upon the Town of Pinetop-Lakeside recording the deed for the Show Low Lake Parcel, the Town of Pinetop-Lakeside shall henceforth be responsible for and pay all the costs associated with the maintenance and repair of that portion of Penrod Road within the Show Low City limits (the "Penrod Road Segment") that is adjacent to the Show Low Lake Parcel as depicted in "Exhibit B". The Penrod Road Segment is legally described in "Exhibit B". Maintenance and repair includes but is not limited to snow management, snow/ice removal, repair and reconstruction.
- c. The City of Show Low shall grant the Town of Pinetop-Lakeside access to the Penrod Road Segment to allow the Town of Pinetop-Lakeside to accomplish the maintenance and repair required by Section 2.b of this Agreement without the requirement of an additional right of way permit.
- d. Whenever a notice is required or permitted to be given, it shall be given in writing and delivered personally, or delivered by the postal service, certified mail, return receipt requested, to the other party at the address indicated below, or at such other address as may be designated by either party:

If to the Town of Pinetop-Lakeside:

Town of Pinetop-Lakeside
325 W. White Mountain Blvd.
Lakeside, AZ 85929

If to the City of Show Low:

City of Show Low
180 N. 9th Street
Show Low, AZ 95901

e. This Agreement is subject to termination pursuant to A.R.S. § 38-511

IN WITNESS WHEREOF, the authorized representatives of the Parties have executed this Agreement pursuant to approval of their respective governing boards and have executed this Agreement as of the Effective Date.

CITY OF SHOW LOW

John Leech, Jr., Mayor

ATTEST:

Rachael Hall, MMC, City Clerk

APPROVED AS TO FORM:

Anna M. Atencio, City Attorney

TOWN OF PINETOP-LAKESIDE

Stephanie Irwin, Mayor

ATTEST:

Mackenzie Valichnac,
Deputy Town Clerk

APPROVED AS TO FORM:

William J. Sims III, Town Attorney

EXHIBIT A

LEGAL DESCRIPTION

±70.16 ACRES

A portion of Sections 2 and 3, Township 9 North, Range 22 East of the Gila and Salt River Base and Meridian, Navajo County, Arizona, more particularly described as follows:

PARCEL I:

All that portion of the West-half of the Southwest-quarter of the Southwest-quarter of said Section 2.

Containing 20 acres, more or less.

RESERVING, SUBJECT TO, AND TOGETHER WITH all easements of record.

PARCEL II:

All that portion of U.S.F.S. Lot 12, as shown on survey Recording Fee #2010-04390, Records of Navajo County, being the Southeast-quarter of the Southeast-quarter of said Section 3, more particularly described as follows:

BEGINNING at the East 1/16 corner of said Section 3, said corner also being the Southwest corner of said Lot 12;

Thence South 89°38'39" East, along the South line of said Lot 12, a distance of 1333.20 feet to the Southeast corner of said Section 3;

Thence North 02°15'44" West, along the East line of said Section 3, a distance of 1396.40 feet to the South 1/16 corner;

Thence South 89°33'17" West, along the North line of said Lot 12, a distance of 1332.02 feet to the Southeast 1/16 corner;

Thence South 02°14'36" East, along the West line of said Lot 12, a distance of 1377.73 feet to **THE POINT OF BEGINNING**;

Containing 42.40 acres, more or less.

RESERVING, SUBJECT TO, AND TOGETHER WITH all easements of record.

PARCEL III

All that portion of the Southwest-quarter of the Southeast-quarter of Section 3, Township 9 North, Range 22 East of the Gila and Salt River Base and Meridian, Navajo County, Arizona, lying East of Penrod Road, more particularly described as follows:

COMMENCING at the South 1/4 corner of said section, said corner also being the Southwest corner of Lot 11, as shown in survey recorded in Fee#2010-4390. Records of Navajo County;

Thence South 89°38'21" East, along the South line of said Lot 11, a distance of 1333.24 feet to the E1/16 corner of said section;

Thence North 02°14'36" West, along the East line of said Lot 11, a distance of 138.31 feet to a point lying on the West right-of-way of Penrod Road;

Thence continuing North $02^{\circ}14'36''$ West, along said East line, a distance of 169.16 feet to a point lying on the East right-of-way of Penrod Road, and **THE POINT OF BEGINNING**;

Thence continuing North $02^{\circ}14'36''$ West, along said East line, a distance of 1070.26 feet to the Northeast corner of said Lot 11;

Thence South $89^{\circ}33'17''$ West, along the North line of said Lot 11, a distance of 567.64 feet to a point lying on said East right-of-way of Penrod Road, said point also lying on a non-tangent curve to the left, having a radius of 4500.29 feet;

Thence 1230.94 feet, along said curve to the left, having a central angle of $15^{\circ}40'18''$, and a chord bearing South $29^{\circ}46'57''$ East, 1227.11 feet to **THE TRUE POINT OF BEGINNING**;

Containing 7.76 acres, more or less.

RESERVING. SUBJECT TO, AND TOGETHER WITH all easements of record.

EXHIBIT B

LEGAL DESCRIPTION
±7.76 ACRES

All that portion of the Southwest-quarter of the Southeast-quarter of Section 3, Township 9 North, Range 22 East of the Gila and Salt River Base and Meridian, Navajo County, Arizona, lying East of Penrod Road, more particularly described as follows:

COMMENCING at the South 1/4 corner of said section, said corner also being the Southwest corner of Lot 11, as shown in survey recorded in Fee#2010-4390, Records of Navajo County;

Thence South 89°38'21" East, along the South line of said Lot 11, a distance of 1333.24 feet to the E1/16 corner of said section;

Thence North 02°14'36" West, along the East line of said Lot 11, a distance of 138.31 feet to a point lying on the West right-of-way of Penrod Road;

Thence continuing North 02°14'36" West, along said East line, a distance of 169.16 feet to a point lying on the East right-of-way of Penrod Road, and **THE POINT OF BEGINNING**;

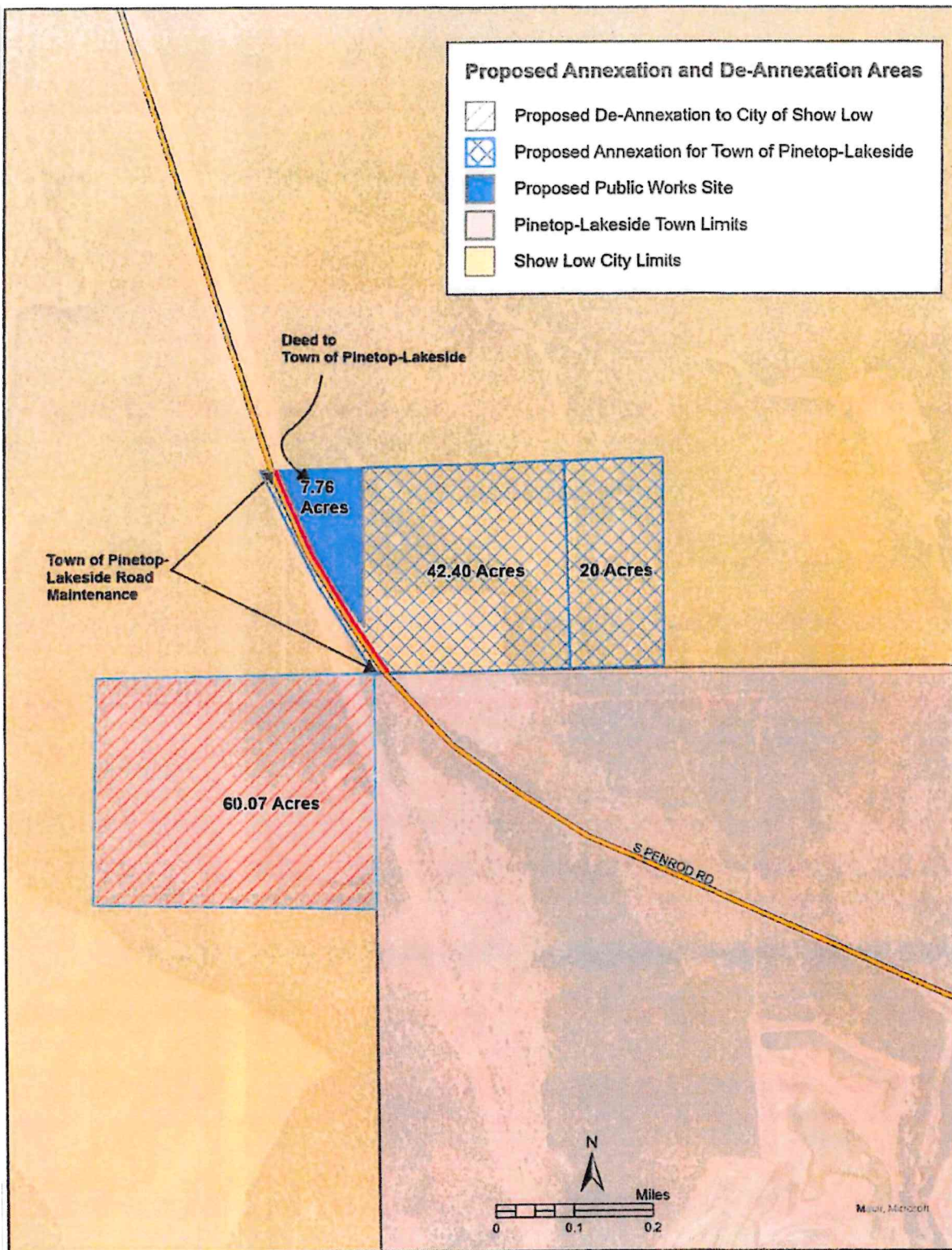
Thence continuing North 02°14'36" West, along said East line, a distance of 1070.26 feet to the Northeast corner of said Lot 11;

Thence South 89°33'17" West, along the North line of said Lot 11, a distance of 567.64 feet to a point lying on said East right-of-way of Penrod Road, said point also lying on a non-tangent curve to the left, having a radius of 4500.29 feet;

Thence 1230.94 feet, along said curve to the left, having a central angle of 15°40'18", and a chord bearing South 29°46'57" East, 1227.11 feet to **THE TRUE POINT OF BEGINNING**;

Containing 7.76 acres, more or less.

RESERVING, SUBJECT TO, AND TOGETHER WITH all easements of record.



Disclaimer:
While every effort has been made to ensure the accuracy of this information, the Town of Pinetop-Lakeside makes no warranty, expressed or implied, as to its absolute accuracy and expressly disclaims liability for the accuracy thereof.

Sources:
Navajo County Roads GIS Data;
State of Arizona Government Units GIS Data

Date of Map Production:
3/5/2024

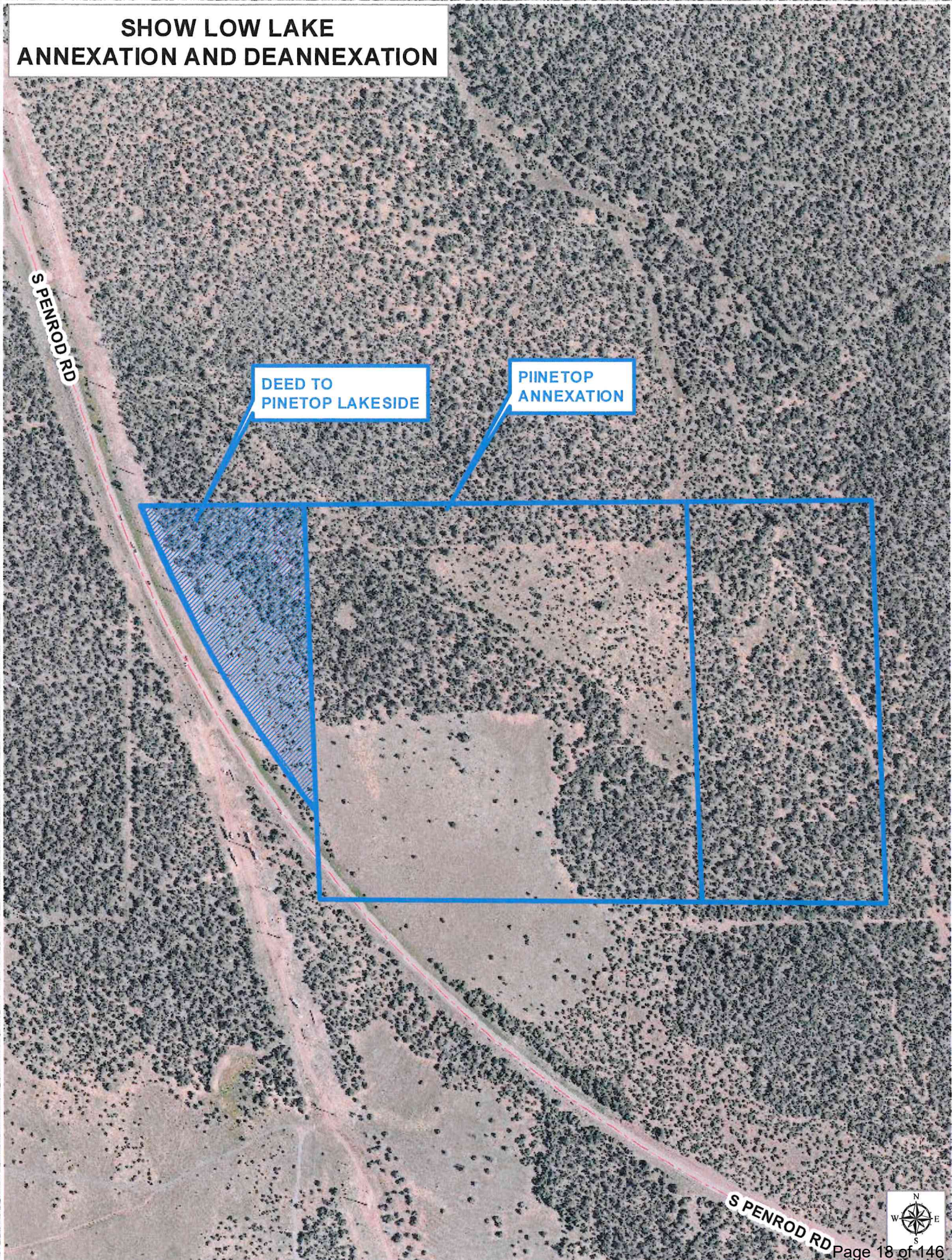


TOWN OF PINETOP-LAKESIDE
Public Works
654 S. Woodward Road
Lakeside, AZ 85625
(602) 358-8525
www.pinetop-lakeside.gov



Exhibit B

**SHOW LOW LAKE
ANNEXATION AND DEANNEXATION**



**City of Show Low
STAFF SUMMARY REPORT**

AGENDA TITLE: Consideration of Approval of Declaration of Surplus Property for October 2024 Auction (Rick Austin)

RECOMMENDATION

I MOVE to approve and declare the attached list of items surplus property.

BACKGROUND

Staff has gathered unused items from each department to be sold at auction. The attached list of equipment and items was forwarded to all department heads for review. This surplus has been deemed no longer useful to the City.

Residents wishing to view and/or participate in the auction can go to www.publicsurplus.com, where they can bid on any item via the web.

If approved by the Council, staff will proceed with disposal at public auction and will again utilize the services of Public Surplus Auction. The auction is scheduled for October 2024. If no bids are received on items, the City will offer the items to other government entities such as the school district, fire district or county and then to local non-profits that work with the City such as Meals on Wheels, the Historical Society, or the City's Sister City Imuris, etc. If these entities do not want the items, they will be disposed of appropriately.

ATTACHMENTS

1. October Surplus Auction List

FISCAL IMPACT

N/A

SURPLUS ITEMS FOR OCTOBER 2024 AUCTION

DPT	Inventory Number	Title	Description	Starting Price
ENGINEERING	EN-01	Drone	Drone DJI Phantom 4 Pro, includes back pack, two batteries and extra set of blades. Sold as is.	\$250.00
ENGINEERING	EN-02	Hanging Plans Storage Cabinet	A lot of two hanging plan file storage cabinets with pull-out drawer. Holds 24"x36" D size plans. Each cabinet is 47" tall, 32" wide and 21" deep. Sold as is.	\$10.00
FINANCE	FN-01	Office Chairs	One lot of 2 black, wheeled office chair with arms, works, mesh on one chair seat section is a little torn; Sold as is.	\$1.00
FINANCE	FN-02	Reception desk	Slightly damaged reception desk. Esquire glass top from National Business Furniture. Laminate desktop; .25" thick tempered glass top, dimensions 63"Wx31.5"Dx41.3"H SOLD AS IS	\$1.00
FINANCE	FN-03	Microwave	2007 1.4 cu ft General Electric, black in good working condition. SOLD AS IS	\$1.00
FINANCE	FN-04	Desks	One Lot of 6 wood desks in various conditions and sizes. Some with drawers, filing cabinets, keyboard trays. Sold as is.	\$1.00
FINANCE	FN-05	Wood Cabinets	One lot of wood cabinets; upper cabinets, lower cabinets, pantry cabinet in various condition. Sold as is.	\$1.00
FINANCE	FN-07	Chairs	One lot of plastic and metal office chairs (32). Green color.Sold as is.	\$1.00
FINANCE	FN-08	Tables	One lot of folding tables (2). Beige color. Sold as is.	\$1.00
FINANCE	FN-09	Chairs	One lot of chairs (13). Sold as is.	\$1.00
FINANCE	FN-10	Chairs	One lot of gray fabric and wood chairs (6). Sold as is.	\$1.00
HUMAN RESOURCES	HR-01	Wood two-door locking cabinet.	One wood two-door locking cabinet. Includes keys. Sold as is.	
IT	IT-01	One Lot of Computers	One Lot of 25 computers with no hard drives; 1x Dell Precision T3500, 2x Dell Precision T3600, 2x Dell Optiplex 7010, 1x Dell Precision Tower 3420, 5x Dell Optiplex 3040, 12x Dell Optiplex 3050, 1x Dell Latitude 14 Rugged 5414, 1x Toshiba Satellite A205-S5000 SOLD AS IS	\$1.00
IT	IT-02	One Lot of Computer Monitors	One Lot of 15 monitors. 11x Viewsonic VA2446-m LED Monitors, 1x Dell E176FPm Monitor, 1x Dell P170St Monitor, 1x Dell 1704 FPVt Monitor, 1x Viewsonic VA703mb SOLD AS IS	\$1.00
IT	IT-03	Lateral Filing Cabinet - 4 Drawers	Functional lateral 4-drawer filing cabinet, some cosmetic damage SOLD AS IS	\$1.00
IT	IT-04	Dell Poweredge R430 Server	Dell Poweredge R430 Server. SOLD AS IS	\$20.00
IT	IT-05	ID Badge Printer - IDP Smart50	IDP Smart50 ID Badge Printer-Smart-50D, no power cord; worked at the time it was taken out of commission SOLD AS IS	\$1.00
IT	IT-06	Whiteboard	Whiteboard 8' x 4'. SOLD AS IS	\$1.00

SURPLUS ITEMS FOR OCTOBER 2024 AUCTION

IT	IT-07	Polaroid FLM-323B Television	Polaroid FLM-323B Television. SOLD AS IS	\$5.00
IT	IT-08	Sony DVP-SR500H CD/DVD PLAYER	Sony DVP-SR500H CD/DVD Player. SOLD AS IS	\$5.00
IT	IT-09	Television Stand	Wood television stand, with two shelves and wheels. SOLD AS IS	\$5.00
IT	IT-10	Office Chairs	One lot of office chairs (3). All have wheels. SOLD AS IS.	\$5.00
LIBRARY	LB-01	One Lot of Laptops	One Acer Travelmate 5742 Laptop-No Hard Drive;One Lenovo G780 Laptop-No Hard Drive; 1 Toshiba Satellite L15W-B1120 Laptop-No Hard Drive SOLD AS IS	\$5.00
LIBRARY	LB-02	Printer	Ender 3-D Printer SOLD AS IS	\$1.00
LIBRARY	LB-03	Cash Register	Sam4s ER-290 electronic cash register with a box of ribbons SOLD AS IS	\$1.00
LIBRARY	LB-04	Printer	Epson St-C8000 Printer with ink. SOLD AS IS	\$1.00
LIBRARY	LB-05	Printer	HP Laserjet P3015 printer SOLD AS IS	\$1.00
LIBRARY	LB-06	Headset	Oculus headset with case. SOLD AS IS	\$10.00
LIBRARY	LB-07	Printer	Ricoh SPC440DN printer. SOLD AS IS	\$1.00
LIBRARY	LB-08	One Lot of Desktop Computers	Seven Lenovo Desktop Computers	\$1.00
POLICE DPT	PD-01	Chevrolet Impala Rear Bench Seats	One lot of 9 Chevy Impala Rear Bench Sets (8 Vinyl, 1 Blue Cloth). Year 2004-2014. Sold as is	\$1.00
POLICE DPT	PD-02	Chevrolet Impala Rear Seatbelts	One lot of Chevy Imapla rear seatbelts. Number unknown-4 boxes. Year 2007-2016; Sold as is	\$1.00
POLICE DPT	PD-03	Laptop Stand Plates	One lot of 3 laptop stand plates only, sold as is	\$1.00
POLICE DPT	PD-04	Chevrolet Impala Spare Tire Covers and Trunk Mats	One lot of Chevy Impala Spare Tire Covers and Trunk Mats; Years 2007-2016; sold as is	\$1.00
POLICE DPT	PD-05	Chevrolet Impala Back Seats (plastic)	Lot of 6 Plastic back seats for a Chevy Impala, sold as is	\$1.00
POLICE DPT	PD-06	Chevrolet Impala Push Bumper	Push bumper for Chevy Impala, unknown if in working condition, sold as is	\$1.00
POLICE DPT	PD-07	DVD/VCR Player	DVD/VCR player, unknown if in working condition, sold as it	\$1.00
POLICE DPT	PD-08	Scooters, skateboard, hover board, baseball helmet	Spiderman Scooter (1), Razor Scooters (2), Kryptonics Skateboard (1), Hoverboard (1), Baseball Helmet (1), unknown if in working condition, sold as it	\$10.00
POLICE DPT	PD-09	Fishing poles	Ugly stick fishing poles (2), unknown condition, sold as it	\$1.00
POLICE DPT	PD-10	Fit Wall	Fit wall, blue in color, sold as is	\$1.00
POLICE DPT	PD-11	Dodge Ram (2004) Center Console Seats	2004 Dodge Ram, Center Console Seats (Black) Part #354152AMDV). Sold as it.	\$1.00
POLICE DPT	PD-12	Ford Expedition Parts	2019-2024 Ford Expedition Center Consoles (5), Rear Door Speakers (13), Mounting Brackets, Floor Mats (4), Headrest (1), Hub Cabs (2). Sold as is.	\$1.00
POLICE DPT	PD-13	Ford Second and Third Row Seats	HON file cabinet with side drawer lock bar. Sold as is.	\$1.00
POLICE DPT	PD-14	Mountain Bikes	One lot of four mountain bikes (One FUJI Mountain Bike, One Blue, One Green, One, White), unknown condition. Sold as is.	\$15.00
POLICE DPT	PD-15	GM Center Console Seat	One GM Center Console Seat, gray fabric, sold as is	\$1.00

SURPLUS ITEMS FOR OCTOBER 2024 AUCTION

POLICE DPT	PD-16	GMC Rear Flooring Insert	One GMC SUV rear flooring insert, black, sold as is	\$1.00
POLICE DPT	PD-17	Gun Safe (Stack-On Brand) NO KEYS	Gun safe, Stack-On brand, green, unknown condition, NO KEYS, sold as is	\$1.00
POLICE DPT	PD-18	Headrests (vehicle)	One lot of two (2) grey cloth headrests, sold as is	\$1.00
POLICE DPT	PD-19	IGLOO Playmate 16-quart cooler	IGLOO Playmate Cooler, 16 quart, red and white, used, sold as is	\$1.00
POLICE DPT	PD-20	Police Helmet	Police helmet blue in color, sold as is	\$1.00
POLICE DPT	PD-21	Ford F350 Radio	2013 Ford F350 radio, unknown if working condition, sold as is	\$1.00
POLICE DPT	PD-22	Television	32" television, unknown if working condition, sold as is	\$1.00
POLICE DPT	PD-23	Projector	Epson projector, black in color, unknown condition, sold as is	\$1.00
POLICE DPT	PD-24	HON File Cabinet	HON four-drawer file cabinet with side drawer lock bar. Beige color. Sold as is.	\$1.00
POLICE DPT	PD-25	Light Bars	One lot of 3 Light bars, red and blue, sold as is	\$1.00
POLICE DPT	PD-26	2018-2024 Ford Explorer/Expedition Rear Door Panels	2018-2024 Ford Expedition/Explorer rear door panel sets (16) black color, sold as is	\$1.00
POLICE DPT	PD-27	Televisions	One lot of 7 Vizio Televisions (3-40", 4-32"), unknown condition, sold as is	\$1.00
POLICE DPT	PD-28	Weed Eaters	One lot of three (3) ECHO brand weed eaters, unknown condition, sold as is	\$1.00
POLICE DPT	PD-29	RYOBI Tools	Bag of assorted RYOBI tools (Carry Bag (1), Saw (1), Flashlights (2), Batteries (2), Charger (1), Power Strip (1) , unknown condition, sold as is	\$25.00
POLICE DPT	PD-30	Television Mounts	One lot of four (4) television mounts, unknown working condition, sold as is	\$1.00
POLICE DPT	PD-31	Printer	One RICOH printer, unknown working condition, sold as is.	\$1.00
POLICE DPT	PD-32	Lockers	One lot of two (2), 3-unit black locker units, sold as is.	\$10.00
POLICE DPT	PD-33	DVD Player	DVD player, unknown working condition, sold as is	\$1.00
POLICE DPT	PD-34	Cassette Tape Copier	Cassette tape copier, unknown working condition, sold as is	\$1.00
POLICE DPT	PD-35	Paint Ball Kit	Paint ball kit, unknown working condition, sold as is	\$1.00
POLICE DPT	PD-36	Light Bar	Light bar, red, blue and amber, sold as is	\$1.00
POLICE DPT	PD-37	Light Bar	Light bar, red, blue and amber, sold as is	\$1.00
POLICE DPT	PD-38	Seat cushion	Grey fabric seat cushion, sold as is	\$1.00
POLICE DPT	PD-39	2017-2024 Ford Expedition/Explorers Interior Parts	2017-2024 Ford Expedition/Explorer rear cargo inserts, 10 consoles with brackets, 2 dome light assemblies, one set of exterior trim part #62512956, sold as is	\$1.00
POLICE DPT	PD-40	Ford F-350 Console and Headrest	2013 Ford F-350 Console and Headrest, light grey. sold as is	\$1.00
POLICE DPT	PD-41	One Lot Of Radio Scanners	One lot of 10 radio scanners, sold as is	\$1.00
POLICE DPT	PD-41B	One Lot of Light Bars	A lot of two light bars, amber with wiring, sold as is	\$1.00
POLICE DPT	PD-42	Gun Rack For Chevy Impala	Gun rack for Chevy Impala, unknown working condition, sold as is	\$1.00
POLICE DPT	PD-43	One lot of Code 3 Controls	Lot of 9 code 3 controls with wiring and PA mics, sold as is	\$1.00

SURPLUS ITEMS FOR OCTOBER 2024 AUCTION

POLICE DPT	PD-49	Dome Lights	Dome lights, lot of 5 with wiring & brackets	\$1.00
POLICE DPT	PD-51	Speakers	Lot of six Motorola speakers with wiring, and one set of NADY speakers, sold as is	\$1.00
POLICE DPT	PD-56	Push Bar	Push bars for Chevy Impala, sold as is	\$1.00
POLICE DPT	PD-59	Vehicle Dividers	Lot of three vehicle dividers for Chevy Impalas, sold as is	\$1.00
POLICE DPT	PD-64	Window Metal Mesh for Impala	One Lot of Two Pair of window metal mesh for a Chevy Impala, sold as is	\$1.00
POLICE DPT	PD-66	Window Metal Bars for Impala	One lot of two pairs of window metal bars for Chevy Impala, sold as is	\$1.00
POLICE DPT	PD-73	Office Chair	Office chair, black and blue, sold as is	\$1.00
POLICE DPT	PD-75	2004 Chevrolet Impala	2004 Chevrolet Impala, 87,726 miles, will start but has mechanical issues. Sold as is. VIN: 2G1WF55K049316678	\$500.00
PUBLIC WORKS	PW-01	Printer/Copier	Brother MFC-L861 OCDW Copier/Printer. No printer cartridges and paper tray is broken.	\$1.00
SLTV	TV-01	Encoder and Decoder	Teradek Slice 656 H.264 Rackmount H.264 Encoder (used) - A rack mountable HD-SDI high profile H.264 encoder and decoder solution. Broadcast low latency high definition 1080p video for IPTV, streaming servers, OTT content, set-top boxes, or recorders. SOLD AS IS	\$300.00
SLTV	TV-02	HDD Recorder	Datavideo HDR-70 320GB HDD recorder for SD/HD-SDI with removeable drive bay SOLD AS IS	\$300.00
SLTV	TV-03	LCD Monitor	Marshall V-LCD17HR 17" LCD rack mount monitor 3G HD SDI SOLD AS IS	\$200.00
SLTV	TV-04	Video Logo Generator	Burst Electronics LG-4 Video Logo Generator SOLD AS IS	\$20.00
SLTV	TV-05	Video Logo Generator	Burst Electronics HDLG HD/SD SDI Color Logo Generator SOLD AS IS	\$50.00
SLTV	TV-06	Tricaster TC-410 Plus	Tricaster TC-410 Plus without hard drive, and TC1 Small Panel Control Surface, USB cable, power cable, user guide. Sold as is.	\$2,000.00
SLTV	TV-07	Monitors	Lot of Monitors - 3 Viewsonic DVI/VGA Monitors - No cables included SOLD AS IS	\$5.00
STREETS	ST-01	Fencing	A lot of chainlink fencing including posts, gates, parts.SOLD AS IS	\$300.00
STREETS	ST-02	Snowplow	Large snow plow for use with older CAT equipment. 15.8 feet wide and 4.9 feet tall at the tallest point SOLD AS IS	\$50.00
STREETS	ST-03	2000 Freightliner 10-Wheel Dump Truck	2000 Freightliner 10-Wheel Dump Truck SOLD AS IS	\$5,000.00
STREETS	ST-04	2005 Leeboy Tack Pot Trailer	2005 Leeboy Tack Oil Pot Trailer VIN-250T-44773. Needs new pump; material inside that needs to be cleaned out. Sold as is.	\$500.00
STREETS	ST-05	Fuel Tank	Fuel tank.	\$50.00
WASTEWATER	WA-01	2001 GMC Sierra Pick Up Truck	2001 GMC Sierra Pick Up Truck SOLD AS IS	\$500.00
WATER	WA-02	2013 Ford F350 Pick Up Truck	2013 Ford F350 Pick Up Truck 111,274 miles SOLD AS IS	\$500.00
WATER	WA-03	2007 F150 XLT Pick Up Truck	2007 F150 XLT Pick Up Truck 112,264 miles SOLD AS IS	\$500.00
WATER	WA-04	Toolbox	Stainless steel toolbox for pick up truck.	\$100.00
WATER	WA-05	PVC Pipes	One Lot of PVC pipes. Sold as is.	\$100.00

9/26/2024

SURPLUS ITEMS FOR OCTOBER 2024 AUCTION

WATER	WA-06	Water fittings	Assorted water fittings.	\$100.00
WASTEWATER	WW-04	2001 GMC Sierra Pick Up Truck	2001 GMC Sierra Pick Up Truck unknown mileage SOLD AS IS	\$500.00
WASTEWATER	WW-03	2004 F250 3/4 Ton Pick Up Truck	2004 F250 3/4 Ton Pick Up Truck. Mileage 154,720. Back tires in good condition; front tires in poor condition; exterior is good. SOLD AS IS	\$500.00
WASTEWATER	WW-06	Manhole parts	One Lot of Manhole Parts. SOLD AS IS	\$250.00
WASTEWATER	WW-01	Teledyne 4700 Sampler	Teledyne 4700 Sampler previously used for wastewater composite samples. It is configured for 24 bottles. Sold as is.	\$500.00
WASTEWATER	WW-02	Teledyne ISCO 6700 Sampler	Teledyne ISCO 6700 Sampler used primarily for wastewater. It is a 24-hour composite sampler configured for 24 bottles. Sold as is.	\$500.00
WASTEWATER	WW-05	1983 Ford	1983 Ford FL 9000 Boom Crane 1FDZU90WXDVA27859 Condition is fair; tires in poor condition. Hours is	\$500.00
PW-PK	PK-01	2008 F350 Diesel Pick Up Truck with Dump Bed	??Blown engine??2008 F350 Diesel Pick Up Truck with Dump Bed 94,238 miles SOLD AS IS	\$500.00
PARKS	PK-02	2008 GMC 3500 4x4 Pick Up Truck with Utility Bed	2008 GMC 3500 4x4 Pick Up Truck with Utility Bed Unknown mileage SOLD AS IS	\$500.00
PARKS	PK-03	2004 Ford F-250	2004 Ford F-250 SOLD AS IS	\$500.00

**City of Show Low
STAFF SUMMARY REPORT**

AGENDA TITLE: Consideration of Acceptance of Grant Funds from Economic Development Administration for Business Incubator Project and Authorization of Associated Budget Transfers (Steve North)

RECOMMENDATION

I **MOVE** to accept Planning Grant from the Economic Development Administration to perform planning activities for the business incubator project and authorize the associated budget transfers.

BACKGROUND

The City of Show Low was awarded a \$25,000 grant from the Utilities' Grant Funding Program in the summer of 2023 to help fund a feasibility study for a business incubator in Show Low. Yelton & Associates was selected to perform the study and completed it in March 2024. The result of the study was a "Conditional Go" in which it was determined that further exploration was necessary. Staff then applied for a Planning Grant through the Economic Development Administration (EDA) to fund the development of a business plan, economic impact report, preliminary architecture, structural assessment and environmental assessment of the proposed building on the City Campus site. The City of Show Low was awarded a \$275,000 grant and will contribute \$73,309 in-kind match of staff time to administer and manage all activities associated with the grant.

Staff recommends accepting the \$275,000 EDA Planning Grant for the business incubator project, approving a City grant match of \$73,309 in-kind, and authorizing the associated budget transfers.

ATTACHMENTS

1. EDA Agreement

FISCAL IMPACT

Anticipated cost: 348,309 (Grant Revenue \$275,000)

Funding source (account no.): Business Incubator EDA Planning Grant (22-402-430-3300-2558)

Description	Account	Approved Budget	Transfer	Amended Budget
Unanticipated Grant Rev	22-402-350-3903-0000	\$3,400,000	(348,309)	\$3,051,691
Business Incubator EDA Planning Grant	22-402-360-3342-2558	\$0.00	348,309	\$348,309

Rev				
Unanticipated Grant Exp	22-402-430-8150-0000	\$3,400,000	(348,309)	\$3,051,691
Business Incubator EDA Planning Grant Exp	22-402-430-3300-2558	\$0.00	348,309	\$348,309
Total		\$6,800,000	\$0.00	\$6,800,000



Department of Commerce
Economic Development Administration

Notice of Award (NoA)
ED24SEAOG0475

RECIPIENT INFORMATION

1. **Recipient Name(s)**
City of Show Low
180 N 9th Street
Show Low, AZ 85901-5116 US
2. **Congressional District of Recipient**
AZ-02
3. **Employer Identification Number (EIN)**
86-6002836
4. **UEI**
LK7PIRNTVKT1
5. **Recipient POC**
Lisa Robertson
lrobertson@showlowaz.gov
6. **Authorized Official**
F. Morgan Brown
mbrown@showlowaz.gov

FEDERAL AGENCY CONTACT INFORMATION

7. **Grant Specialist**
LaTarché Collins
lcollins@eda.gov
8. **Program Officer**
Richard Berndt
rberndt@eda.gov
9. **Grant Officer**
Sheba Person-Whitley
sperson@eda.gov

FEDERAL AWARD INFORMATION

10. **Award Number / FAIN**
ED24SEAOG0475
11. **Award Type**
Grant
12. **Period of performance Start Date & End Date**
09/09/2024 - 09/30/2025
13. **Federal Share of Cost**
\$ 275,000
14. **Recipient Share of Cost**
\$ 73,309
15. **Total Federal and Recipient Cost**
\$ 348,309
16. **Statutory Authority**
42 U.S.C. 3149 and 3233, Sections 209 and 703 of the Public Works and Economic Development Act of 1965 (Public Law 89-136), as amended by the Economic Development Administration Reauthorization Act of 2004 (Public Law 108-373).
17. **NOFO/RFA #**
PWEAA2023
18. **Project Title**
Show Low Business Incubator - Planning
19. **Assistance Listing Number and Name**
11.307 - Economic Adjustment Assistance
20. **Award Action Type**
New Competing
21. **Multiyear Award?**
No
22. **R&D Award?**
No
23. **Construction Award?**
No
24. **Grants Officer – Signature and Date**
– SHEBA PERSON-WHITLEY
Digitally signed by SHEBA PERSON-WHITLEY
Date: 2024.09.06 05:49:15 -07'00'
25. **Recipient – Signature and Date**
–

BY ACCEPTING THIS AWARD, THE RECIPIENT IS AFFIRMING THAT IT WILL COMPLY WITH ALL THE TERMS AND CONDITIONS OF THE AWARD. THE AWARD MUST BE ACCEPTED BY THE APPLICANT'S AUTHORIZED OFFICIAL.

RECIPIENT NAME: City of Show Low
PROJECT TITLE: Show Low Business Incubator - Planning
AWARD NUMBER: ED24SEA0G0475

This Notice of Award includes the following sections and incorporates all regulations, documents and authorities referenced therein.

- I. BUDGET INFORMATION
- II. STANDARD TERMS AND CONDITIONS
- III. SPECIFIC AWARD CONDITIONS
- IV. OTHER

Should there be a discrepancy among these documents, the Specific Award Conditions, including any references, shall control.

SECTION I – BUDGET INFORMATION

The following is the Authorized Budget for this award. Reference Section III – Specific Award Conditions for conditions related to the Authorized Budget.

Estimated Funding (\$)	Proposed	Approved
Federal Share (EDA Amount)	\$ 275,000.00	\$ 275,000.00
Non-Federal Matching Share	\$ 55,403.18	\$ 73,308.00
Total Project Costs	\$ 330,304.18	\$ 348,308.00

Non-Construction

Cost Classification	Proposed	Approved
Personnel	\$ 42,541.68	\$ 56,391.00
Fringe Benefit	\$ 12,762.50	\$ 16,917.00
Travel	\$ 0.00	\$ 0.00
Equipment	\$ 0.00	\$ 0.00
Supplies	\$ 0.00	\$ 0.00
Contractual	\$ 100,000.00	\$ 100,000.00
Construction	\$ 0.00	\$ 0.00
Other	\$ 175,000.00	\$ 175,000.00
Indirect Charges	\$ 0.00	\$ 0.00
Total Project Costs	\$ 330,304.18	\$ 348,308.00

SECTION II – STANDARD TERMS AND CONDITIONS

The following regulations and standard terms and conditions apply to this award:

- ☐ 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements, as Adopted Pursuant to 2 CFR § 1327.101 for Federal Awards
- ☐ Department of Commerce Financial Assistance Standard Terms and Conditions
- ☐ Department of Commerce Pre-Award Notification Requirements for Grants and Cooperative Agreements
- ☐ 13 CFR Chapter III Economic Development Administration, Department of Commerce Regulations
- ☐ Other:

SECTION III – SPECIFIC AWARD CONDITIONS

The following Specific Award Conditions apply to this award:

Please refer to the Specific Award Conditions attached below.

SECTION IV – OTHER

Specific Award Conditions - City of Show Low ED24SEA0G0475

No.	Term	Term Description
1	Waste, Fraud, and Abuse	Consistent with 2 C.F.R. part 200, at EDA's direction, at any time(s) during the estimated useful life of the Project, Recipient's key personnel will take a training on preventing waste, fraud and abuse as provided by the Government. Key personnel include those responsible for managing the Recipient's finances and overseeing any contractors, sub-contractors, or sub-grantees (for financial matters and/or general oversight related to this Project). EDA will provide instructions on when and how to take the training. Within 60 days of the date of Award, the Recipient shall provide to the Project Officer all Certificates of Completion for the Waste, Fraud, and Abuse training. In the event there are co-recipients of this Award, the obligations in the Specific Award Condition shall apply to all recipients whether or not designated in this Award as the Lead Recipient. Further, Recipient will monitor award activities for common fraud schemes (hereinafter "Fraud Schemes"), such as but not limited to: false claims for materials and labor, bribes related to the acquisition of materials and labor, product substitution, mislabeling or mislabeling on products and materials, and time and materials overcharging. Should Recipient detect any Fraud Schemes or any other suspicious activity, Recipient will contact the EDA staff listed above and the Department of Commerce, Office of Inspector General, as indicated at https://www.oig.doc.gov/Pages/Contact-Us.aspx, as soon as possible.
2	Project Contact Information	Recipient agrees to notify EDA promptly of any changes to Recipient's contact information as specified in the Notice of Award.
3	Matching Share	The Recipient agrees to provide the Recipient's Non-Federal Matching Share contribution for eligible project expenses in proportion to the Federal Share requested for such project expenses. The EDA participation in total eligible project costs will be limited to the EDA grant amount or the EDA share of total allowable project costs, as stated on the Notice of Award, whichever is less. By accepting the Award, the Recipient also certifies that the Matching Share of the project costs is committed to the project, is not encumbered in any way that would prevent its use for the project and will be available as needed for the project.
4	Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards	Along with other controlling law, this Award is governed by the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) as set forth in 2 C.F.R. part 200.
5	Federal Share	The EDA participation in total eligible project costs will be limited to the lesser of the EDA grant amount or the EDA share of total allowable project costs (as stated on the Notice of Award or the most recent Amendment).

6	Refund Checks, Interest, or Unused Fund	If the Recipient needs to return money to EDA, it may use one of the following two methods: i. The first is the pay.gov website, which allows the Recipient to pay EDA online. The Recipient will have the option to make a one-time payment or to set up an account to make regular payments. ii. The second is paper check conversion. All checks must be made payable to Department of Commerce, Economic Development Administration and include the award number and a description of no more than two words identifying the reason for the payment. A copy of the check should be provided to the EDA Project Officer. The check should be mailed to NOAA's Accounting Office, which processes EDA's accounting functions, at the following address: NOAA OCFO Attn: Finance Office, Travel Dept. 1315 East West Highway, SSMC3 Silver Spring, MD 20910 When funds are remitted to EDA by check, the check will be converted into an electronic funds transfer (EFT) by using the account information on the check to debit the payor's account electronically. The debit from the payor's account will usually occur within 24 hours. If the EFT cannot be completed because of insufficient funds, EDA will charge a one-time fee of \$25.00, which will be collected by EFT.
7	Financial Reports	Financial Status Reports (SF-425) must be submitted to EDA on a semi-annual basis via EDA's Grants Management Portal for the reporting periods ending March 31 and September 30, or any portion thereof if applicable, for the period of performance set forth in the Notice of Award or as later memorialized through a mutually agreed-upon Amendment to the Award. Form SF-425 (and instructions for completing this form) is available at: https://www.grants.gov/forms/post-award-reporting-forms.html. Reports are due no later than 30 calendar days following the end of the reporting period.
8	Final Financial Report (Non-Construction)	A final Form SF-425 must be submitted no more than 120 calendar days after the Authorized Award End Date specified on the Notice of Award (or any subsequently executed Amendment to the Notice of Award), unless an extension is granted in writing by EDA pursuant to 2 CFR § 200.344. Final Financial Reports should follow the instructions for submitting mid-term financial reports, but should ensure that all fields accurately reflect the total outlays for the entire project period and that all matching funds and program income (if applicable) are fully reported. Determination of the final grant rate and final balances owed to the government will be determined based on the information on the final Form SF-425, so it is imperative that it be submitted in a timely and accurate manner.

9	Recipient's Duty to Refrain from Employing Certain Government Employees	For the two-year period beginning on the date the EDA executes this Award, any Recipient(s) that is a nonprofit organization or District Organization agrees that it will not employ, offer any office or employment to, or retain for professional services any person who, on the date the EDA executes this Award or within the one-year period ending on that date: a. Served as an officer, attorney, agent, or employee of the Department of Commerce; and b. Occupied a position or engaged in activities that the Assistant Secretary of Commerce determines involved discretion with respect to the Award of Investment Assistance under PWEDA. In addition to nonprofit organizations or District Organizations, EDA may require another Eligible Recipient to execute an agreement to abide by the above-described post-employment restriction on a case-by-case basis; for example, when an institution of higher education implements activities under or related to the Award through a separate nonprofit organization or association. The two-year period and associated restrictions referenced above also shall apply beginning on the date the EDA executes any cost amendment to this Award that provides additional funds to the Recipient(s).
10	Staffing Changes	For the two-year period beginning on the date the EDA executes this Award, any Recipient(s) that is a nonprofit organization or District Organization agrees that it will not employ, offer any office or employment to, or retain for professional services any person who, on the date the EDA executes this Award or within the one-year period ending on that date: a. Served as an officer, attorney, agent, or employee of the Department of Commerce; and b. Occupied a position or engaged in activities that the Assistant Secretary of Commerce determines involved discretion with respect to the Award of Investment Assistance under PWEDA. In addition to nonprofit organizations or District Organizations, EDA may require another Eligible Recipient to execute an agreement to abide by the above-described post-employment restriction on a case-by-case basis; for example, when an institution of higher education implements activities under or related to the Award through a separate nonprofit organization or association. The two-year period and associated restrictions referenced above also shall apply beginning on the date the EDA executes any cost amendment to this Award that provides additional funds to the Recipient(s).
11	Planning Coordination	In keeping with regional economic development principles, Recipient should coordinate economic development planning and implementation projects with other economic development organizations affecting the area, especially EDA-funded recipients such as State and urban planning grantees, adjoining Economic Development Districts (EDDs) and Indian Tribes, and University Centers (UCs).
12	Procurement	The Recipient agrees that all procurement transactions will be in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 C.F.R. §§ 200.317, 200.327.

13	Nonrelocation (Nonconstruction)	In signing this Award, Recipient(s) attests that EDA funding is not intended by the Recipient to assist its efforts to induce the relocation of existing jobs within the U.S. that are located outside of its jurisdiction to within its jurisdiction in competition with other U.S. jurisdictions for those same jobs. In the event that EDA determines that its assistance was used for those purposes, EDA retains the right to pursue appropriate enforcement action in accord with 2 C.F.R. §§ 200.339 through 200.343 and the DOC STCs, including suspension of disbursements and termination of the Award, which may include the establishment of a debt requiring the Recipient to reimburse EDA.
14	Reaffirmation of Application	In signing this Award, Recipient(s) attests that EDA funding is not intended by the Recipient to assist its efforts to induce the relocation of existing jobs within the U.S. that are located outside of its jurisdiction to within its jurisdiction in competition with other U.S. jurisdictions for those same jobs. In the event that EDA determines that its assistance was used for those purposes, EDA retains the right to pursue appropriate enforcement action in accord with 2 C.F.R. §§ 200.339 through 200.343 and the DOC STCs, including suspension of disbursements and termination of the Award, which may include the establishment of a debt requiring the Recipient to reimburse EDA.
15	Freedom of Information Act (FOIA)	EDA is responsible for meeting its Freedom of Information Act (FOIA) (5 U.S.C. § 552) responsibilities for its records. DOC regulations at 15 C.F.R. part 4 set forth the requirements and procedures that EDA must follow in order to make the requested material, information, and records publicly available. Unless prohibited by law and to the extent required under the FOIA, contents of applications and other information submitted by applicants and recipients may be released in response to a FOIA request. The Recipient should be aware that EDA may make certain application information publicly available. Accordingly, the Recipient should notify EDA if it believes any Application information to be confidential.
16		Recipient may use the EDA logo pursuant to the below terms and conditions for the following limited purposes: • Press releases, social media posts, and websites that build awareness of this Award (note that some advertising and marketing activities are not allowable costs under federal awards as provided at 2 CFR 200.421); and • Work products and deliverables developed under this Award (e.g. tools, publications, resource guides, brochures, PowerPoint presentations, technical assistance materials). Recipient may not use the EDA logo for other purposes, including lobbying or issue advocacy, endorsing a product or organization, or communications to elected officials or federal agencies. Recipient may not use the EDA logo in a negative or defamatory manner. Recipient must

on federal agencies. Recipient may not use the EDA logo in a negative or defamatory manner. Recipient must request and obtain EDA permission prior to certain uses of the EDA logo (see section B, below). A. Grant of License: EDA hereby grants to Recipient a non-exclusive, royalty-free right to use the EDA logo for the limited purposes described above (the "License"). Recipient agrees that: (1) the EDA logo will not be used in a way that would suggest that it is the property of Recipient or any other third party, and (2) Recipient will include the following notice in conjunction with its use of the EDA logo, as appropriate: "The EDA logo is a trademark of the Economic Development Administration, used with permission." This License does not grant Recipient the right to use any seal, emblem, logo, or other symbol of the U.S. Department of Commerce or EDA that is not the EDA logo. B. Required Approvals for Certain Uses of the EDA Logo: Before Recipient uses the EDA logo for press releases and related materials, Recipient shall send a sample of each print, product, design, or other work to show the proposed use to the EDA Regional Office Public Affairs Specialist (whose contact information may be obtained from the Project Officer for this Award). Recipient shall not use the EDA logo for the above uses until receiving written approval (including via email) from EDA of the proposed use. C. Quality Control: EDA shall have the right, at all reasonable times, to inspect Recipient's goods, services, and promotional activities employing the EDA logo to ensure that such use is of proper quality and otherwise consistent with this License. D. Duration and Termination: The License shall terminate on the Award End Date. Recipient may request a renewal of the License for an additional term subject to the express written consent of EDA. Such consent shall be in the form of a properly executed agreement signed by authorized signatories of EDA and Recipient. Upon termination of the License, all rights of Recipient to use the EDA logo shall immediately terminate. EDA may terminate the License unilaterally and without cause at any time, including if EDA determines that Recipient's use of the EDA logo is inconsistent with the License. E. Validity and Ownership of EDA Logo: Recipient acknowledges and agrees that EDA is the owner of all right, title, and interest in the EDA logo, and all such right, title, interest, and ownership shall remain with EDA. Recipient further acknowledges that Recipient shall not acquire any right, title, interest, or ownership in the EDA logo by virtue of the License or use other than the license granted hereunder and disclaims any such right, title, interest, or ownership. Recipient is prohibited from interfering with EDA's rights in the EDA logo, including challenging EDA's use, registration of, or application to register the EDA logo alone or in combination with other words or designs, as a U.S. or foreign trademark anywhere in the world. Recipient is further prohibited

Use of EDA Logo (Non-Construction)

		from attempting to register the EDA logo, any derivatives thereof, or any confusingly similar mark, whether or not registered by EDA, alone or in combination with other words or designs, as a U.S. or foreign trademark or as a part of a domain name. F. Assignments and Sub-Licenses: The License is not assignable, and any attempt by Recipient to assign any portion of the License shall be deemed a breach of the License and will result in immediate termination of the License. Recipient may subcontract, thereby engaging in a limited sublicensing arrangement as applicable, for manufacturing and distribution activities under the License; Recipient shall provide notice to EDA—and must receive prior approval from EDA—of any such subcontract prior to manufacturing and distribution activities. G. Governing Law: The License shall be interpreted and implemented in accordance with the Federal common law as interpreted by the U.S. District Court for the District of Columbia, without giving effect to any conflict of law principle that would result in the application of the substantive law of another jurisdiction. H. Indemnification: Recipient agrees to indemnify and hold EDA harmless from any and all claims, damages, and attorneys' fees arising from the use of the EDA logo by the Recipient and its operations, except to the extent that any such claims, damages, or attorneys' fees arose in connection with any act or failure to act by the U.S. Department of Commerce or any agency, department, or subdivision thereof. I. Obtaining the EDA Logo: For an electronic version of the EDA logo, Recipient should contact the EDA Regional Office Public Affairs Specialist (whose contact information may be obtained from the Project Officer for this Award).
17	Allowable Costs and Authorized Budget	Total allowable costs will be determined after the final financial documents are submitted in accordance with the applicable authorities specified on the Notice of Award, including the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 C.F.R. part 200, and the Authorized Budget. Except as otherwise expressly provided for within these Specific Award Conditions, the federal share of the allowable costs will be based on the Investment Rate for the Award, as established on the Notice of Award or any subsequent Amendment. In the event of an underrun in total allowable costs for this project, the federal share of allowable costs will be determined by the Investment Rate. The federal share of total allowable costs may not exceed the dollar amount specified on the original Award or any subsequent amendments.
18	Scope of Work	This EDA Award supports the work described in the approved final scope of work, which is incorporated by reference into this Award, as the Authorized Scope of Work (Attachment 1). All work on this project must be consistent with the Authorized Scope of Work, unless the Grants Officer has authorized a modification of the scope of work memorialized in writing through execution of an amendment to the Notice of Award.
19	Additional Included Documents (Nonconstruction)	This EDA Award supports the work described in the approved final scope of work, which is incorporated by reference into this Award, as the Authorized Scope of Work (Attachment 1). All work on this project must be consistent with the Authorized Scope of Work, unless the Grants Officer has authorized a modification of the scope of work memorialized in writing through execution of an amendment to the Notice of Award.

20	Award Disbursements (Non Construction Reimbursement)	Reimbursement basis only. EDA will make disbursements using the Department of the Treasury's Automated Standard Application for Payments (ASAP) system. The Recipient is required to furnish documentation required by ASAP. Complete information concerning the ASAP system may be obtained by visiting https://www.fiscal.treasury.gov/asap/ . To receive disbursements, the Recipient must submit a "Request for Advance or Reimbursement" (Form SF-270 or any successor form) for the applicable period electronically to the Project Officer, who will review and process the request. Prior to the initial disbursement, Recipients must complete a Form SF-3881, "ACH Vendor/Miscellaneous Payment Enrollment Form." The form must be completed by the respective parties (EDA, Recipient Bank, and Recipient) at the start of each new award. Instructions for submitting the form will be provided during the project kick-off conference.
21	Project Progress Reports (Nonconstruction)	The Recipient agrees to provide the Project Officer with project progress reports, communicating the important activities and accomplishments of the project, on a semi-annual basis for the periods ending March 31 and September 30, or any portion thereof, for the entire project period. Reports are due no later than one month following the end of the semi-annual period. Progress Reports must be submitted to EDA via EDA's Grants Management Portal in a concise, clear format that outlines the following information in three to six pages: a. a clear, concise overview of the activities undertaken during the reporting period; b. descriptions of accomplishments, benefits, and impacts of the Project and activities, including specific outcomes of Project activities such as job creation/retention, private investment, increased regional collaboration, engagement with historically excluded groups or regions, enhanced regional capacity, and other positive economic benefits; c. upcoming or potential press events or opportunities for collaborative press events to highlight Project activities and benefits; d. a comparison of Project progress with the Project timeline and explanations of any departures from the targeted schedule, descriptions of how these departures will be remedied, and projections of the course of work for the next period; e. an outline of challenges that currently impact or could impact progress on the Project over the next reporting period and means of mitigating this risk; and f. an outline of any areas where EDA assistance (e.g., connections to subject matter experts or other resources, amplifications of activities or impacts) is needed to support the Project; and g. any other key information that would be helpful to your EDA Project Officer.
22	Final Project Progress Report (Non Construction)	A final project progress report must be submitted no more than 120 calendar days after the Authorized Award End Date, unless an extension is granted in writing by EDA. Final Project Reports may be posted on EDA's website, used for promotional materials or policy reviews, or otherwise shared. Recipients should not include any copyrighted or other sensitive business information in these reports. There is no page limit for Final Project Reports; however, such reports should concisely communicate key project information and should: i. Provide a high-level overview of the activities undertaken; ii. Outline the specific regional need the project was designed to address and explain how the project addressed that need and advanced economic development; iii. Document the expected and actual economic benefits of the project as of the time the report is written; iv. Detail lessons learned during the project that may be of assistance to EDA or other communities undertaking similar efforts; and v. Provide any other information necessary to understand the project and its impacts.

Performance Measures Requirements (Non-construction)

The Annual Program Outputs Questionnaire for EDA Grantees (Non-Infrastructure Programs) (Form ED-916) must be submitted by Recipient to EDA on an annual basis during the period of performance of this Award, or as otherwise directed by EDA. EDA will provide Recipient with the first electronic Outputs Questionnaire approximately one year after the date the period of performance starts, as set forth in the Notice of Award. EDA will then provide Recipient subsequent electronic Outputs Questionnaires approximately every year thereafter through the end of the period of performance, or any portion thereof if applicable. Recipient must complete and submit to EDA each electronic Outputs Questionnaire within 30 days of receipt.

The Annual Capacity Outcomes Questionnaire for EDA Grantees Serving Clients (Non-Infrastructure Programs) (Form ED-917) or the Annual Capacity Outcomes Questionnaire for EDA Grantees not Serving Clients (Non-Infrastructure Programs) (Form ED-918) must be submitted by Recipient to EDA on an annual basis for five years, or as otherwise directed by EDA. For the Planning, University Center and Trade Adjustment Assistance for Firms programs, the ED-917 or ED-918 forms must be submitted by Recipient to EDA on an annual basis, through the end of the period of performance, or any portion thereof if applicable. If Recipient will directly serve clients (i.e. beneficiaries) under the Authorized Scope of Work, Recipient must submit Form ED-917; if Recipient will not directly serve clients under the Authorized Scope of Work, Recipient must submit Form ED-918. (Recipient should consult the EDA project officer listed on the Notice of Award if Recipient is unsure whether activities in the Authorized Scope of Work constitute serving clients.) Recipient will automatically receive whichever Outcomes Questionnaire is most appropriate, as determined by the EDA project officer, for the Authorized Scope of Work. EDA will provide Recipient with the first electronic Outcomes Questionnaire approximately one year after the date the period of performance starts, as set forth in the Notice of Award. EDA will then provide Recipient subsequent electronic Outcomes Questionnaires approximately every 12 months thereafter for a total of five years, notwithstanding the end of the period of performance. Recipient must complete and submit to EDA each Outcomes Questionnaire within 30 days of receipt.

EDA may revise or replace the Outputs Questionnaire and/or the Outcomes Questionnaire at any time during or following the period of performance of this Award. Recipient agrees to report on program performance measures and program outcomes in such form and at such intervals as may be prescribed by EDA in compliance with the Government Performance and Results Act (GPRA) of 1993 and the Government Performance and Results Modernization Act of 2010 (collectively, GPRA Reports). Recipient must collect sufficient data and retain sufficient documentation to enable Recipient to complete required GPRA Reports. Failure to submit to EDA required GPRA Reports might adversely impact the ability of the Recipient

24	Project Development Time Schedule (Nonconstruction)	Recipient agrees to the following project development time schedule: i. Return of executed Notice of Award due no later than 30 calendar days after receipt of Notice of Award ii. Authorized Award End Date is as indicated on the Notice of Award or most recent Amendment iii. Submission of final reports, including Federal Financial Report (Form SF-425) due no later than 120 calendar days from the Authorized Award End Date Recipient shall diligently pursue the development and implementation of the project upon receipt of the Award so as to ensure completion within this time schedule. Recipient shall promptly notify EDA in writing of any event which could substantially delay meeting any of the prescribed time limits for the project set forth in the Award, including those set forth above. Recipient further acknowledges that failure to meet the development time schedule may result in EDA taking action to terminate the Award in accordance with the regulations set forth at 2 CFR §§ 200.339 through 200.343, as applicable.
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25	Certain activities undertaken as part of the Project funded under this Award will be accomplished through subawards by Recipient to: Local First Arizona Foundation, Northern Arizona University, White Mountain Economic Development, and a yet to be identified entity. Prior EDA permission is needed to include, add, or change a subrecipient. Prior to the award of any subaward or a subrecipient performing any work funded through this Award, the Recipient must provide documentation satisfactory to EDA that the proposed subrecipient(s) and any additional or successor subrecipient(s) are eligible to receive EDA assistance. EDA will provide written notice regarding whether the documentation is satisfactory to EDA. Once identified, Recipient must submit this information for the yet to be identified subawardee. No change may be made to the identity of the subrecipient or the scope of the proposed subaward without prior EDA approval. Subawards are not permitted without prior EDA approval. Before a subrecipient undertakes any work to be funded through this Award, the Recipient must enter into a written subaward agreement with the subrecipient that meets the requirements of 2 C.F.R. § 200.332(a) and includes a requirement that the subrecipient comply with all of the terms and conditions of this Award, including but not limited to the Standard and Specific Award conditions and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 C.F.R. part 200). EDA may disallow any costs incurred by the subrecipient prior to executing the subaward agreement. The Recipient shall be responsible for monitoring the subrecipient's performance under the subaward in accordance with the requirements of 2 C.F.R. § 200.332. The Recipient is also responsible for ensuring that any subrecipient of a subaward exceeding \$100,000 executes form CD-511, Certification Regarding Lobbying, and for retaining a copy of the executed certification. As required by form CD-511, subrecipients must report lobbying activities, if any, to the Recipient on Form SF-LLL. The Recipient is responsible for promptly providing EDA with a copy of any Form SF-LLL submitted by a subrecipient. The Recipient is responsible for reporting to the Federal Subaward Reporting System (FSRS), available at www.FSRS.gov, on all subawards over \$30,000. Please see the OMB guidance published at 2 C.F.R. part 170, which can be accessed at https://www.ecfr.gov/current/title-2/subtitle-A/chapter-I/part-170. Appendix A of 2 C.F.R. part 170 is incorporated by reference into these Specific Award Conditions.
26	Subawards Controlling Specific Award Conditions Should there be a discrepancy between the Specific Award Conditions in EDGE and those in the Notice of Award, the Specific Award Conditions in EDGE shall control.

DEPARTMENT OF COMMERCE
FINANCIAL ASSISTANCE
STANDARD TERMS AND CONDITIONS



12 November 2020

**DEPARTMENT OF COMMERCE
FINANCIAL ASSISTANCE STANDARD TERMS AND CONDITIONS**

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PREFACE

This document sets out the standard terms and conditions (ST&Cs) applicable to this U.S. Department of Commerce (DOC or Commerce) financial assistance award (hereinafter referred to as the DOC ST&Cs or Standard Terms). A non-Federal entity¹ receiving a DOC financial assistance award must, in addition to the assurances made as part of the application, comply and require each of its subrecipients, contractors, and subcontractors employed in the completion of the project to comply with all applicable statutes, regulations, executive orders (E.O.s), Office of Management and Budget (OMB) circulars, provisions of the OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (codified at 2 C.F.R. Part 200) (OMB Uniform Guidance), provisions of these Standard Terms, and any other terms and conditions incorporated into this DOC financial assistance award. In addition, unless otherwise provided by the terms and conditions of this DOC financial assistance award, Subparts A through E of 2 C.F.R. Part 200 and the Standard Terms are applicable to for-profit entities, foreign public entities and to foreign organizations that carry out a DOC financial assistance award.²

This award is subject to the laws and regulations of the United States. Any inconsistency or conflict in terms and conditions specified in the award will be resolved according to the following order of precedence: federal laws and regulations, applicable notices published in the *Federal Register*, E.O.s, OMB circulars, DOC ST&Cs, agency standard award conditions (if any), and specific award conditions. A specific award condition may amend or take precedence over a Standard Term on a case-by-case basis, when indicated by the specific award condition.

Some of the Standard Terms herein contain, by reference or substance, a summary of the pertinent statutes, regulations published in the *Federal Register* or Code of Federal Regulations (C.F.R.), E.O.s, OMB circulars, or the certifications and assurances provided by applicants through Standard Forms (e.g., SF-424s) or through DOC forms (e.g. Form CD-511). To the extent that it is a summary, such Standard Term provision is not in derogation of, or an amendment to, any such statute, regulation, E.O., OMB circular, certification, or assurance.

¹ Note that the OMB Uniform Guidance uses the term “non-Federal entity” to generally refer to an entity that carries out a Federal award as a recipient or subrecipient. Because some of the provisions of these DOC ST&Cs apply to recipients rather than subrecipients, or vice versa, for clarity, these DOC ST&Cs use the terms “non-Federal entity,” “recipient,” and “subrecipient” consistent with their meanings in the OMB Uniform Guidance. In addition, the OMB Uniform Guidance uses the term “pass-through entity” to refer to a non-Federal entity that makes a subaward. As defined at 2 C.F.R. § 200.1:

“Non-Federal entity” is “a state, local government, Indian tribe, institution of higher education (IHE), or nonprofit organization that carries out a Federal award as a recipient or subrecipient.”

“Recipient” is “an entity, usually but not limited to non-Federal entities, that receives a Federal award directly from a Federal awarding agency. The term recipient does not include subrecipients or individuals that are beneficiaries of the award.”

“Subrecipient” is “an entity, usually but not limited to non-Federal entities, that receives a subaward from a pass-through entity to carry out part of a Federal award; but does not include an individual that is a beneficiary of such award. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.”

“Pass-through entity” is “a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.”

² See 2 C.F.R. § 200.1 for the definitions of “foreign public entity” and “foreign organization.”

DOC commenced implementation of the Research Terms and Conditions (RT&Cs) for Federal awards effective October 1, 2017; the RT&Cs address and implement the Uniform Guidance issued by OMB. For awards designated on the Form CD-450 (Financial Assistance Award) as Research, both the DOC ST&Cs and the RT&Cs as implemented by DOC apply to the award. The RT&Cs as well as the DOC implementation statement, agency specific requirements, prior approval matrix, subaward requirements, and national policy requirements are posted on the National Science Foundation's website – <https://www.nsf.gov/awards/managing/rtc.jsp>. The DOC ST&Cs and the RT&Cs are generally intended to harmonize with each other; however, where the DOC ST&Cs and the RT&Cs differ in a Research award, the RT&Cs prevail, unless otherwise indicated in a specific award condition.

A. PROGRAMMATIC REQUIREMENTS

.01 Reporting Requirements

a. Recipients must submit all reports as required by DOC, electronically or, if unable to submit electronically, in hard copy, as outlined below and as may be supplemented by the terms and conditions of a specific DOC award.

b. Performance (Technical) Reports. Recipients must submit performance (technical) reports to the Program Officer. Performance (technical) reports should be submitted in the same frequency as the Form SF-425 (Federal Financial Report), unless otherwise directed by the Grants Officer.

1. Performance (technical) reports must contain the information prescribed in 2 C.F.R. § 200.329 (Monitoring and reporting program performance), unless otherwise specified in the award conditions.

2. As appropriate and in accordance with the format provided by the Program Officer (or other OMB-approved information collections, including the Research Program Performance Report [RPPR] as adopted by DOC for use in research awards), recipients are required to relate financial data to the performance accomplishments of this Federal award. When applicable, recipients must also provide cost information to demonstrate cost effective practices (e.g., through unit cost data). The recipient's performance will be measured in a way that will help DOC to improve program outcomes, share lessons learned, and spread the adoption of best or promising practices. As described in 2 C.F.R. § 200.211 (Information contained in a Federal award), DOC will identify the timing and scope of expected performance by the recipient as related to the outcomes intended to be achieved by the Federal program.

3. Recipients (or pass-through entities as applicable) must submit a final performance report within 120 calendar days after the expiration of the period of performance. The subrecipient is required to submit its final performance report to the pass-through entity within 90 calendar days unless an extension has been granted.

c. Financial Reports. In accordance with 2 C.F.R. § 200.328 (Financial reporting), the recipient must submit a Form SF-425 (Federal Financial Report) or any successor form on a semi-annual basis for the periods ending March 31 and September 30, or any portion thereof, unless otherwise specified in a specific award condition. Reports must be submitted to DOC as directed by the Grants Officer, in accordance with the award conditions and are due no later than 30 calendar days following the end of each reporting period. Recipients (or pass-through entities as applicable) must submit a final Form SF-425 within 120 calendar days after the expiration of the period of performance. The subrecipient is required to submit its financial report to the pass-through entity within 90 calendar days unless an extension has been granted. A recipient may submit a final financial report in lieu of an interim financial report due at the end of the period of performance (e.g., in lieu of submitting a financial report for the last semi-annual or other reporting under an award, a recipient may submit a final (cumulative) financial report covering the entire award period).

d. Real Property, Tangible Personal Property and Intangible Property Reports and Requests for Dispositions. Unless otherwise required by the terms and conditions of a DOC financial assistance award, where real property, tangible personal property or intangible property is acquired or improved (in the case of real property or tangible personal property), or produced or acquired (in the case of intangible property), pursuant to a DOC award, non-Federal entities are required to submit the following real property, tangible personal property and intangible property reports (as appropriate):

1. Real Property Status Reports and Requests for Dispositions: Non-Federal entities must submit reports using Form SF-429 (Real Property Status Report) or any successor form, including appropriate attachments thereto, at least annually disclosing the status of real property that is Federally-owned property or real property in which the Federal Government retains a Federal Interest, unless the Federal Interest in the real property extends 15 years or longer. In cases where the Federal Interest attached is for a period of 15 years or more, the DOC or pass-through entity, at its option, may require the non-Federal entity to report at various multi-year frequencies (e.g., every two years or every three years, not to exceed a five-year reporting period; or, the DOC or pass-through entity may require annual reporting for the first three years of a Federal award and thereafter require reporting every five years). In addition, DOC or a pass-through entity may require a non-Federal entity to submit Form SF-429, with appropriate attachments, relating to a non-Federal entity's request to acquire, improve or contribute real property under a DOC financial assistance award.

Non-Federal entities wishing to dispose of real property acquired or improved, in whole or in part, pursuant to a DOC award must request disposition instructions, including the submission of Form SF-429, with appropriate attachments, from the Grants Officer in accordance with the requirements set forth in 2 C.F.R. § 200.311(c). *See also* the real property standards set forth in Section C. of these Standard Terms (Property Standards).

2. Tangible Personal Property Status Reports and Requests for Dispositions: DOC or a pass-through entity may also require a non-Federal entity to submit periodic reports using Form SF-428 (Tangible Personal Property Report) or any successor form, including appropriate attachments thereto, concerning tangible personal property that is Federally-owned or tangible personal property in which the Federal Government retains an interest. In

addition, DOC or a pass-through entity may require a non-Federal entity to submit Form SF-428 in connection with a non-Federal entity's request to dispose of tangible personal property acquired under a DOC financial assistance award. Non-Federal entities wishing to dispose of tangible personal property acquired or improved, in whole or in part, pursuant to a DOC award must request disposition instructions, including the submission of Form SF-428, with appropriate attachments, from the Grants Officer in accordance with the requirements set forth in 2 C.F.R. § 200.313(e). *See also* the tangible property standards set forth in Section C. of these Standard Terms (Property Standards).

3. Intangible Property Status Reports and Requests for Dispositions: The specific requirements governing the development, reporting, and disposition of rights to intangible property, including inventions and patents resulting from DOC awards, are set forth in 37 C.F.R. Part 401, which is hereby incorporated by reference into this award. Non-Federal entities are required to submit their disclosures, elections, and requests for waiver from any requirement for substantial U.S. manufacture, electronically using the Interagency Edison extramural invention reporting system (iEdison) at www.iedison.gov. Non-Federal entities may obtain a waiver of this electronic submission requirement by providing to the Grants Officer compelling reasons for allowing the submission of paper reports. When no longer needed for the originally authorized purpose, disposition of the intangible property must occur in accordance with the provisions in 2 C.F.R. § 200.313(e). *See also* the intangible property standards set forth in Section C. of these Standard Terms (Property Standards).

e. Subawards and Executive Compensation Reports. For reporting requirements on subawards and Executive Compensation, see paragraph G.05.o of these Standard Terms (The Federal Funding Accountability and Transparency Act (FFATA) (31 U.S.C. § 6101 note)).

f. Recipient Integrity and Performance Matters. For reporting requirements pertaining to integrity and performance matters, see paragraph G.05.p of these Standard Terms (Recipient Integrity and Performance Matters (Appendix XII to 2 C.F.R. Part 200)).

g. Research Performance Progress Reports. All research awards shall submit the Research Performance Progress Report (RPPR) in accordance with instructions set forth in the following link: [RPPR Instructions](#).

.02 Revisions of Program Plans

In accordance with 2 C.F.R. § 200.308 (Revision of budget and program plans) and 2 C.F.R. § 200.407 (Prior written approval (prior approval)), the recipient must obtain prior written approval from the DOC Grants Officer for certain proposed programmatic change requests, unless otherwise provided by the terms and conditions of a DOC award. Requests for prior approval for changes to program plans must be submitted to the Federal Program Officer (or electronically for awards administered through Grants Online). Requests requiring prior DOC approval are not effective unless and until approved in writing by the DOC Grants Officer.

.03 Other Federal Awards with Similar Programmatic Activities

The recipient must immediately provide written notification to the DOC Program Officer and the DOC Grants Officer if, subsequent to receipt of the DOC award, other financial assistance is received to support or fund any portion of the scope of work incorporated into the DOC award. DOC will not pay for costs that are funded by other sources.

.04 Prohibition against Assignment by a Non-Federal Entity

A non-Federal entity must not transfer, pledge, mortgage, assign, encumber or hypothecate a DOC financial assistance award or subaward, or any rights to, interests therein or claims arising thereunder, to any party or parties, including but not limited to banks, trust companies, other financing or financial institutions, or any other public or private organizations or individuals without the express prior written approval of the DOC Grants Officer or the pass-through entity (which, in turn, may need to obtain prior approval from the DOC Grants Officer).

.05 Disclaimer Provisions

a. The United States expressly disclaims all responsibility or liability to the non-Federal entity or third persons (including but not limited to contractors) for the actions of the non-Federal entity or third persons resulting in death, bodily injury, property damages, or any other losses resulting in any way from the performance of this award or any subaward, contract, or subcontract under this award.

b. The acceptance of this award or any subaward by the non-Federal entity does not in any way constitute an agency relationship between the United States and the non-Federal entity or the non-Federal entity's contractors or subcontractors.

.06 Unsatisfactory Performance or Non-Compliance with Award Provisions

a. Failure to perform the work in accordance with the terms of the award and maintain satisfactory performance as determined by DOC may result in the imposition of additional award conditions pursuant to 2 C.F.R. § 200.208 (Specific conditions) or other appropriate enforcement action as specified in 2 C.F.R. § 200.339 (Remedies for noncompliance).

b. Failure to comply with the provisions of an award will be considered grounds for appropriate enforcement action pursuant to 2 C.F.R. § 200.339 (Remedies for noncompliance), including but not limited to: the imposition of additional award conditions in accordance with 2 C.F.R. § 200.208 (Specific conditions); temporarily withholding award payments pending the correction of the deficiency; changing the payment method to reimbursement only; the disallowance of award costs and the establishment of an accounts receivable; wholly or partially suspending or terminating an award; initiating suspension or debarment proceedings in accordance with 2 C.F.R. Parts 180 and 1326; and such other remedies as may be legally available.

c. 2 C.F.R. §§ 200.340 (Termination) through 200.343 (Effects of suspension and termination) apply to an award that is terminated prior to the end of the period of performance

due to the non-federal entity's material failure to comply with the award terms and conditions. In addition, the failure to comply with the provisions of a DOC award may adversely impact the availability of funding under other active DOC or Federal awards and may also have a negative impact on a non-Federal entity's eligibility for future DOC or Federal awards.

B. FINANCIAL REQUIREMENTS

.01 Financial Management

a. In accordance with 2 C.F.R. § 200.302(a) (Financial Management), each State must expend and account for the Federal award in accordance with State laws and procedures for expending and accounting for the State's own funds. In addition, the State's and any other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used in accordance with Federal statutes, regulations, and the terms and conditions applicable to the Federal award. *See also* 2 C.F.R. § 200.450 (Lobbying) for additional management requirements to verify that Federal funds are not used for unallowable lobbying costs.

b. The financial management system of each non-Federal entity must provide all information required by 2 C.F.R. § 200.302(b). *See also* 2 C.F.R. §§ 200.334 (Retention requirements for records); 200.335 (Requests for transfer of records); 200.336 (Methods for collection, transmission and storage of information); 200.337 (Access to records); and 200.338 (Restrictions on public access to records).

.02 Award Payments

a. Consistent with 2 C.F.R. § 200.305(a) (Federal payment), for States, payments are governed by Treasury-State Cash Management Improvement Act (CMIA) agreements and default procedures codified at 31 C.F.R. Part 205 (Rules and Procedures for Efficient Federal-State Funds Transfers) and Treasury Financial Manual Volume I, 4A-2000 (Overall Disbursing Rules for All Federal Agencies).

b. Consistent with 2 C.F.R. § 200.305(b), for non-Federal entities other than States, payment methods must minimize the amount of time elapsing between the transfer of funds from the U.S. Treasury or the pass-through entity and the disbursement by the non-Federal entity.

1. The Grants Officer determines the appropriate method of payment and, unless otherwise stated in a specific award condition, the advance method of payment must be authorized. Advances must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the non-Federal entity in carrying out the purpose of the approved program or project. Unless otherwise provided by the terms and conditions of a DOC award, non-Federal entities must time advance payment requests so that Federal funds are on hand for a maximum of 30 calendar days before being disbursed by the

non-Federal entity for allowable award costs.

2. If a non-Federal entity demonstrates an unwillingness or inability to establish procedures that will minimize the time elapsing between the transfer of funds and disbursement by the non-Federal entity or if a non-Federal entity otherwise fails to continue to qualify for the advance method of payment, the Grants Officer or the pass-through entity may change the method of payment to reimbursement only.

c. Unless otherwise provided for in the award terms, payments from DOC to recipients under this award will be made using the Department of Treasury's Automated Standard Application for Payment (ASAP) system. Under the ASAP system, payments are made through preauthorized electronic funds transfers directly to the recipient's bank account, in accordance with the requirements of the Debt Collection Improvement Act of 1996. To receive payments under ASAP, recipients are required to enroll with the Department of Treasury, Financial Management Service, Regional Financial Centers, which allows them to use the on-line and Voice Response System (VRS) method of withdrawing funds from their ASAP established accounts. The following information will be required to make withdrawals under ASAP:

1. ASAP account number – the Federal award identification number found on the cover sheet of the award;
2. Agency Location Code (ALC); and
3. Region Code.

d. Recipients enrolled in the ASAP system do not need to submit a Form SF-270 (Request for Advance or Reimbursement) for payments relating to their award. Awards paid under the ASAP system will contain a specific award condition, clause, or provision describing enrollment requirements and any controls or withdrawal limits set in the ASAP system.

e. When the Form SF-270 or successor form is used to request payment, the recipient must submit the request no more than monthly, and advances must be approved for periods to cover only expenses reasonably anticipated over the next 30 calendar days. Prior to receiving payments via the Form SF-270, the recipient must complete and submit to the Grants Officer the Form SF-3881 (ACH Vendor Miscellaneous Payment Enrollment Form) or successor form along with the initial Form SF-270. Form SF-3881 enrollment must be completed before the first award payment can be made via a Form SF-270 request.

f. The Federal award identification number must be included on all payment-related correspondence, information, and forms.

g. Non-Federal entities receiving advance award payments must adhere to the depository requirements set forth in 2 C.F.R. §§ 200.305(b)(7) through (b)(11). Interest amounts up to \$500 per non-Federal entity's fiscal year may be retained by the non-Federal entity for administrative expenses.

.03 Federal and Non-Federal Sharing

a. Awards that include Federal and non-Federal sharing incorporate a budget consisting of shared allowable costs. If actual allowable costs are less than the total approved budget, the Federal and non-Federal cost shares must be calculated by applying the approved Federal and non-Federal cost share ratios to actual allowable costs. If actual allowable costs exceed the total approved budget, the Federal share must not exceed the total Federal dollar amount authorized by the award.

b. The non-Federal share, whether in cash or third-party in-kind contributions, is to be paid out at the same general rate as the Federal share. Exceptions to this requirement may be granted by the Grants Officer based on sufficient documentation demonstrating previously determined plans for, or later commitment of, cash or third-party in-kind contributions. In any case, the recipient must meet its cost share commitment as set forth in the terms and conditions of the award; failure to do so may result in the assignment of specific award conditions or other further action as specified in Standard Term A.06 (Unsatisfactory Performance or Non-Compliance with Award Provisions). The non-Federal entity must create and maintain sufficient records justifying all non-Federal sharing requirements to facilitate questions and audits; see Section D of these Standard Terms (Audits), for audit requirements. *See* 2 C.F.R. § 200.306 for additional requirements regarding cost sharing.

.04 Budget Changes and Transfer of Funds among Categories

a. Recipients are required to report deviations from the approved award budget and request prior written approval from DOC in accordance with 2 C.F.R. § 200.308 (Revision of budget and program plans) and 2 C.F.R. § 200.407 (Prior written approval (prior approval)). Requests for such budget changes must be submitted to the Grants Officer (or electronically for awards serviced through Grants Online) who will notify the recipient of the final determination in writing. Requests requiring prior DOC approval do not become effective unless and until approved in writing by the DOC Grants Officer.

b. In accordance with 2 C.F.R. § 200.308(f), transfers of funds by the recipient among direct cost categories are permitted for awards in which the Federal share of the project is equal to or less than the simplified acquisition threshold. For awards in which the Federal share of the project exceeds the simplified acquisition threshold, transfers of funds among direct cost categories must be approved in writing by the Grants Officer when the cumulative amount of such direct costs transfers exceeds 10 percent of the total budget as last approved by the Grants Officer. The 10 percent threshold applies to the total Federal and non-Federal funds authorized by the Grants Officer at the time of the transfer request. This is the accumulated amount of Federal funding obligated to date by the Grants Officer along with any non-Federal share. The same requirements apply to the cumulative amount of transfer of funds among programs, functions, and activities. This transfer authority does not authorize the recipient to create new budget categories within an approved budget without Grants Officer approval. Any transfer that causes any Federal appropriation, or part thereof, to be used for an unauthorized purpose is not and will not be permitted. In addition, this provision does not prohibit the recipient from requesting Grants Officer approval for revisions to the budget. *See* 2 C.F.R. § 200.308 (Revision

of budget and program plans) (as applicable) for specific requirements concerning budget revisions and transfer of funds between budget categories.

.05 Program Income

Unless otherwise indicated in the award terms, program income may be used for any required cost sharing or added to the project budget, consistent with 2 C.F.R. § 200.307 (Program income).

.06 Indirect or Facilities and Administrative Costs

a. Indirect costs (or facilities and administration costs (F&A)) for major institutions of higher education and major nonprofit organizations can generally be defined as costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefited, without effort disproportionate to the results achieved. Indirect costs will not be allowable charges against an award unless permitted under the award and specifically included as a line item in the award's approved budget.

b. Unrecovered indirect costs, including unrecovered indirect costs on cost sharing or matching, may be included as part of cost sharing or matching as allowed under 2 C.F.R. § 200.306(c) (Cost sharing or matching) or the terms and conditions of a DOC award.

c. Cognizant Agency for Indirect (F&A) Costs. OMB established the cognizant agency concept, under which a single agency represents all others in dealing with non-Federal entities in common areas. The cognizant agency for indirect costs reviews and approves non-Federal entities' indirect cost rates. In accordance with Appendices III – VII to 2 C.F.R. Part 200 the cognizant agency for indirect costs reviews and approves non-Federal entities' indirect cost rates. With respect to for-profit organizations, the term cognizant Federal agency generally is defined as the agency that provides the largest dollar amount of negotiated contracts, including options. *See* 48 C.F.R. § 42.003. If the only Federal funds received by a commercial organization are DOC award funds, then DOC becomes the cognizant Federal agency for indirect cost negotiations.

1. General Review Procedures Where DOC is the Cognizant Agency.

i. Within 90 calendar days of the award start date, the recipient must submit to the Grants Officer any documentation (indirect cost proposal, cost allocation plan, etc.) necessary to allow DOC to perform the indirect cost rate proposal review. Below are two sources available for guidance on how to put an indirect cost plan together:

- (A) Department of Labor: <https://www.dol.gov/oasam/boc/dcd/np-comm-guide.htm>
or
- (B) Department of the Interior: <https://www.doi.gov/ibc/services/finance/indirect-Cost-Services/>.

ii. The recipient may use the rate proposed in the indirect cost plan as a provisional rate until the DOC provides a response to the submitted plan.

iii. The recipient is required to annually submit indirect cost proposals no later than six months after the recipient's fiscal year end, except as otherwise provided by 2 C.F.R. § 200.414(g).

2. When DOC is not the oversight or cognizant Federal agency, the recipient must provide the Grants Officer with a copy of a negotiated rate agreement or a copy of the transmittal letter submitted to the cognizant or oversight Federal agency requesting a negotiated rate agreement within 30 calendar days of receipt of a negotiated rate agreement or submission of a negotiated rate proposal.

3. If the recipient is proposing indirect costs as part of a project budget, but is not required to have a negotiated rate agreement pursuant to 2 C.F.R. Part 200, Appendix VII, Paragraph D.1.b (*i.e.*, a governmental department or agency that receives \$35 million or less in direct Federal funding), the recipient may be required to provide the Grants Officer with a copy of its Certificate of Indirect Costs as referenced in 2 C.F.R. Part 200, Appendix VII, Paragraph D.3. or such other documentation, acceptable in form and substance to the Grants Officer, sufficient to confirm that proposed indirect costs are calculated and supported by documentation in accordance with 2 C.F.R. Part 200, Appendix VII. In cases where the DOC is the recipient's cognizant Federal agency, the DOC reserves the right, pursuant to 2 C.F.R. Part 200, Appendix VII, Paragraph D.1.b, to require the recipient to submit its indirect cost rate proposal for review by DOC.

d. If the recipient fails to submit required documentation to DOC within 90 calendar days of the award start date, the Grants Officer may amend the award to preclude the recovery of any indirect costs under the award. If the DOC, oversight, or cognizant Federal agency determines there is a finding of good and sufficient cause to excuse the recipient's delay in submitting the documentation, an extension of the 90-day due date may be approved by the Grants Officer.

e. The maximum dollar amount of allocable indirect costs for which DOC will reimburse the recipient is the lesser of:

1. The line item amount for the Federal share of indirect costs contained in the approved award budget, including all budget revisions approved in writing by the Grants Officer; or

2. The Federal share of the total indirect costs allocable to the award based on the indirect cost rate approved by the cognizant agency for indirect costs and applicable to the period in which the cost was incurred, in accordance with 2 C.F.R. 200 Appendix III, C.7, provided that the rate is approved on or before the award end date.

f. In accordance with 2 CFR § 200.414(c)(3), DOC set forth policies, procedures, and general decision-making criteria for deviations from negotiated indirect cost rates. These policies and procedures are applicable to all Federal financial assistance programs awarded and administered by DOC bureaus as Federal awarding agencies and may be found at http://www.osec.doc.gov/oam/grants_management/policy/documents/FAM%202015-02.pdf.

g. In accordance with 2 CFR § 200.414(g), any non-Federal entity that has a negotiated indirect cost rate may apply to the entity's cognizant agency for indirect costs for a one-time extension of a currently negotiated indirect cost rate for a period of up to four years, reducing the frequency of rate calculations and negotiations between an institution and its cognizant agency.

h. In accordance with 2 CFR § 200.414(f), any non-Federal entity that does not have a current negotiated (including provisional) rate, except for those non-Federal entities described in paragraph D.1.b of Appendix VII to 2 CFR Part 200, may elect to charge a de minimis rate of 10 percent of modified total direct costs. No documentation is required to justify the 10 percent de minimis indirect cost rate.

.07 Incurring Costs or Obligating Federal Funds Before and After the Period of Performance

a. In accordance with 2 C.F.R. § 200.309 (Modifications to Period of Performance) and the terms and conditions of a DOC award, a non-Federal entity may charge to the Federal award only allowable costs incurred during the period of performance, which is established in the award document. As defined at 2 C.F.R. § 200.1, the "period of performance" means the total estimated time interval between the start of an initial Federal award and the planned end date, which may include one or more funded portions, or budget periods. Identification of the Period of Performance in the Federal award per § 200.211(b)(5) does not commit the awarding agency to fund the award beyond the currently approved budget period." The period of performance may sometimes be referred to as the project period or award period. This Standard Term is subject to exceptions for allowable costs pertaining to: (i) pre-award costs (*see* 2 C.F.R. § 200.458); (ii) publication and printing costs (*see* 2 C.F.R. § 200.461); and administrative costs incurred relating to the close-out of an award (*see* 2 C.F.R. § 200.344).

b. Reasonable, necessary, allowable and allocable administrative award closeout costs are authorized for a period of up to 120 calendar days following the end of the period of performance. For this purpose, award closeout costs are those strictly associated with close-out activities and are typically limited to the preparation of final progress, financial, and required project audit reports, unless otherwise approved in writing by the Grants Officer. A non-Federal entity may request an extension of the 120-day closeout period, as provided in 2 C.F.R. § 200.344 (Closeout).

c. Unless authorized by a specific award condition, any extension of the period of performance may only be authorized by the Grants Officer in writing. This is not a delegable authority. Verbal or written assurances of funding from anyone other than the Grants Officer does not constitute authority to obligate funds for programmatic activities beyond the end of the period of performance.

d. The DOC has no obligation to provide any additional prospective funding. Any amendment of the award to increase funding and to extend the period of performance is at the sole discretion of DOC.

.08 Tax Refunds

The non-Federal entity shall contact the Grants Officer immediately upon receipt of the refund of any taxes, including but not limited to Federal Insurance Contributions Act (FICA) taxes, Federal Unemployment Tax Act (FUTA) taxes, or Value Added Taxes (VAT) that were allowed as charges to a DOC award, regardless of whether such refunds are received by the non-Federal entity during or after the period of performance. The Grants Officer will provide written disposition instructions to the non-Federal entity, which may include the refunded taxes being credited to the award as either a cost reduction or a cash refund, or may allow the non-Federal entity to use such refunds for approved activities and costs under a DOC award. *See* 2 C.F.R. § 200.470 (Taxes (including Value Added Tax)).

.09 Internal Controls

Each recipient must comply with standards for internal controls described at 2 C.F.R. § 200.303 (Internal controls). The “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States referenced in § 200.303 are available online at <http://www.gao.gov/assets/80/76455.pdf> and the “Internal Control Integrated Framework” issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) is available online at [Internal Control Guidance](#).

C. PROPERTY STANDARDS

.01 Standards

Each non-Federal entity must comply with the Property Standards set forth in 2 C.F.R. §§ 200.310 (Insurance coverage) through 200.316 (Property trust relationship).

.02 Real and Personal Property

a. In accordance with 2 C.F.R. § 200.316 (Property trust relationship), real property, equipment, and other personal property acquired or improved with a Federal award must be held in trust by the non-Federal entity as trustee for the beneficiaries of the project or program under which the property was acquired or improved. This trust relationship exists throughout the duration of the property’s estimated useful life, as determined by the Grants Officer in consultation with the Program Office, during which time the Federal Government retains an undivided, equitable reversionary interest in the property (Federal Interest). During the duration of the Federal Interest, the non-Federal entity must comply with all use and disposition requirements and restrictions as set forth in 2 C.F.R. §§ 200.310 (Insurance coverage) through 200.316 (Property trust relationship), as applicable, and in the terms and conditions of the Federal award.

b. The Grants Officer may require a non-Federal entity to execute and to record (as applicable) a statement of interest, financing statement (form UCC-1), lien, mortgage or other public notice of record to indicate that real or personal property acquired or improved in whole or in part with Federal funds is subject to the Federal Interest, and that certain use and disposition

requirements apply to the property. The statement of interest, financing statement (Form UCC 1), lien, mortgage or other public notice must be acceptable in form and substance to the DOC and must be placed on record in accordance with applicable State and local law, with continuances re-filed as appropriate. In such cases, the Grants Officer may further require the non-Federal entity to provide the DOC with a written statement from a licensed attorney in the jurisdiction where the property is located, certifying that the Federal Interest has been protected, as required under the award and in accordance with applicable State and local law. The attorney's statement, along with a copy of the instrument reflecting the recordation of the Federal Interest, must be returned to the Grants Officer. Without releasing or excusing the non-Federal entity from these obligations, the non-Federal entity, by execution of the financial assistance award or by expending Federal financial assistance funds (in the case of a subrecipient), authorizes the Grants Officer and/or program office to file such notices and continuations as it determines to be necessary or convenient to disclose and protect the Federal Interest in the property. The Grants Officer may elect not to release any or a portion of the Federal award funds until the non-Federal entity has complied with this provision and any other applicable award terms or conditions, unless other arrangements satisfactory to the Grants Officer are made.

.03 Intellectual Property Rights

a. General. The rights to any work or other intangible property produced or acquired under a Federal award are determined by 2 C.F.R. § 200.315 (Intangible property). The non-Federal entity owns any work produced or purchased under a Federal award subject to the DOC's royalty-free, nonexclusive, and irrevocable right to obtain, reproduce, publish, or otherwise use the work or authorize others to receive, reproduce, publish, or otherwise use the work for Government purposes.

b. Inventions. Unless otherwise provided by law, the rights to any invention made by a non-Federal entity under a DOC financial assistance award are determined by the Bayh-Dole Act, Pub. L. No. 96-517, as amended, and as codified in 35 U.S.C. § 200 *et seq.*, and modified by E.O. 12591 (52 FR 13414), as amended by E.O. 12618 (52 FR 48661). 35 U.S.C. § 201(h) defines "small business firm" as "a small business concern as defined at section 2 of Public Law 85-536 (15 U.S.C. 632) and implementing regulations of the Administrator of the Small Business Administration." Section 1(b)(4) of E.O. 12591 extended the Bayh-Dole Act to non-Federal entities "regardless of size" to the extent permitted by law. The specific requirements governing the development, reporting, and disposition of rights to inventions and patents resulting from Federal awards are described in more detail in 37 C.F.R. Part 401, which implements 35 U.S.C. 202 through 204 and includes standard patent rights clauses in 37 C.F.R. § 401.14, which is hereby incorporated by reference into this award.

The Bayh-Dole regulations set forth in 37 C.F.R. parts 401 and 404 were amended by 83 FR 15954, with an effective date of May 14, 2018 (Amended Bayh-Dole Regulations). The Amended Bayh-Dole Regulations apply to all new financial assistance awards issued on or after May 14, 2018. The Amended Bayh-Dole Regulations do not apply to financial assistance awards issued prior to May 14, 2018, including amendments made to such awards, unless an award amendment includes a specific condition incorporating the Amended Bayh-Dole Regulations into the terms and conditions of the subject award.

1. Ownership. A non-Federal entity may have rights to inventions in accordance with 37 C.F.R. Part 401. These requirements are technical in nature and non-Federal entities are encouraged to consult with their Intellectual Property counsel to ensure the proper interpretation of and adherence to the ownership rules. Unresolved questions pertaining to a non-Federal entities' ownership rights may further be addressed to the Grants Officer.

2. Responsibilities - iEdison. The non-Federal entity must comply with all the requirements of the standard patent rights clause and 37 C.F.R. Part 401, including the standard patent rights clause in 37 C.F.R. § 401.14. Non-Federal entities are required to submit their disclosures, elections, and requests for waiver from any requirement for substantial U.S. manufacture, electronically using the Interagency Edison extramural invention reporting system (iEdison) at www.iedison.gov. Non-Federal entities may obtain a waiver of this electronic submission requirement by providing the Grants Officer with compelling reasons for allowing the submission of paper reports.

c. Patent Notification Procedures. Pursuant to E.O. 12889 (58 FR 69681), the DOC is required to notify the owner of any valid patent covering technology whenever the DOC or a non-Federal entity, without making a patent search, knows (or has demonstrable reasonable grounds to know) that technology covered by a valid United States patent has been or will be used without a license from the owner. To ensure proper notification, if the non-Federal entity uses or has used patented technology under this award without a license or permission from the owner, the non-Federal entity must notify the Grants Officer.

This notice does not constitute authorization or consent by the Government to any copyright or patent infringement occurring under the award.

d. A non-Federal entity may copyright any work produced under a Federal award, subject to the DOC's royalty-free, nonexclusive, and irrevocable right to obtain, reproduce, publish, or otherwise use the work, or authorize others to do so for Government purposes. Works jointly authored by DOC and non-Federal entity employees may be copyrighted, but only the part of such works authored by the non-Federal entity is protectable in the United States because, under 17 U.S.C. § 105, copyright protection is not available within the United States for any work of the United States Government. On occasion and as permitted under 17 U.S.C. § 105, DOC may require the non-Federal entity to transfer to DOC a copyright in a particular work for Government purposes or when DOC is undertaking primary dissemination of the work.

e. Freedom of Information Act (FOIA). In response to a FOIA request for research data relating to published research findings (as defined by 2 C.F.R. § 200.315(e)(2)) produced under a Federal award that were used by the Federal government in developing an agency action that has the force and effect of law, the DOC will request, and the non-Federal entity must provide, within a reasonable time, the research data so that they can be made available to the public through the procedures established under the FOIA.

D. AUDITS

Under the Inspector General Act of 1978, as amended, 5 U.S.C. App. 3, §§ 1 *et seq.*, an audit of the award may be conducted at any time. The Inspector General of the DOC, or any of his or her duly authorized representatives, must have the right to access any pertinent books, documents, papers, and records of the non-Federal entity, whether written, printed, recorded, produced, or reproduced by any electronic, mechanical, magnetic, or other process or medium, to make audits, inspections, excerpts, transcripts, or other examinations as authorized by law. This right also includes timely and reasonable access to the non-Federal entity's personnel for interview and discussion related to such documents. *See* 2 C.F.R. § 200.337 (Access to records). When the DOC Office of Inspector General (OIG) requires a program audit on a DOC award, the OIG will usually make the arrangements to audit the award, whether the audit is performed by OIG personnel, an independent accountant under contract with DOC, or any other Federal, State, or local audit entity.

.01 Organization-Wide, Program-Specific, and Project Audits

a. A recipient must, within 90 days of the end of its fiscal year, notify the Grants Officer of the amount of Federal awards, including all DOC and non-DOC awards, that the recipient expended during its fiscal year.

b. Recipients that are subject to the provisions of Subpart F of 2 C.F.R. Part 200 and that expend \$750,000 or more in a year in Federal awards during their fiscal year must have an audit conducted for that year in accordance with the requirements contained in Subpart F of 2 C.F.R. Part 200. Within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period, unless a different period is specified in a program-specific audit guide, a copy of the audit must be submitted electronically to the Federal Audit Clearinghouse (FAC) through the FAC's Internet Data Entry System (IDES) (<https://harvester.census.gov/facides/>). In accordance with 2 C.F.R. § 200.425 (Audit services), the recipient may include a line item in the budget for the allowable costs associated with the audit, which is subject to the approval of the Grants Officer.

c. Unless otherwise specified in the terms and conditions of the award, entities that are not subject to Subpart F of 2 C.F.R. Part 200 (e.g., for-profit entities, foreign public entities and foreign organizations) and that expend \$750,000 or more in DOC funds during their fiscal year (including both as a recipient and a subrecipient) must submit to the Grants Officer either: (i) a financial related audit of each DOC award or subaward in accordance with Generally Accepted Government Auditing Standards (GAGAS); or (ii) a project specific audit for each award or subaward in accordance with the requirements contained in 2 C.F.R. § 200.507. Within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period, unless a different period is specified in a program-specific audit guide, a copy of the audit must be submitted to the Grants Officer. In accordance with 2 C.F.R. § 200.425, the recipient may include a line item in the budget for the allowable costs associated with the audit, which is subject to the approval of the Grants Officer. Entities that are not subject to Subpart F of 2 C.F.R. Part 200 and that expend less than \$750,000 in DOC funds in a given fiscal year are

not required to submit an audit(s) for that year, but must make their award-related records available to DOC or other designated officials for review and audit.

d. Recipients are responsible for compliance with the above audit requirements and for informing the Grants Officer of the status of their audit, including when the relevant audit has been completed and submitted in accordance with the requirements of this section. Failure to provide audit reports within the timeframes specified above may result in appropriate enforcement action, up to and including termination of the award, and may jeopardize eligibility for receiving future DOC awards.

e. In accordance with 2 C.F.R. § 200.332(d)(3), pass-through entities are responsible for issuing a management decision for applicable audit findings pertaining only to the Federal award provided by the pass-through entity to a subrecipient.

.02 Audit Resolution Process

a. An audit of the award may result in the disallowance of costs incurred by the recipient and the establishment of a debt (account receivable) due to DOC. For this reason, the recipient should take seriously its responsibility to respond to all audit findings and recommendations with adequate explanations and supporting evidence whenever audit results are disputed.

b. A recipient whose award is audited has the following opportunities to dispute the proposed disallowance of costs and the establishment of a debt:

1. The recipient has 30 calendar days from the date of the transmittal of the draft audit report to submit written comments and documentary evidence.

2. The recipient has 30 calendar days from the date of the transmittal of the final audit report to submit written comments and documentary evidence.

3. The DOC will review the documentary evidence submitted by the recipient and will notify the recipient of the results in an *Audit Resolution Determination Letter*. The recipient has 30 calendar days from the date of receipt of the *Audit Resolution Determination Letter* to submit a written appeal, unless this deadline is extended in writing by the DOC. The appeal is the last opportunity for the recipient to submit written comments and documentary evidence to the DOC to dispute the validity of the audit resolution determination.

4. An appeal of the Audit Resolution Determination does not prevent the establishment of the audit-related debt nor does it prevent the accrual of applicable interest, penalties and administrative fees on the debt in accordance with 15 C.F.R. Part 19. If the Audit Resolution Determination is overruled or modified on appeal, appropriate corrective action will be taken retroactively.

5. The DOC will review the recipient's appeal and notify the recipient of the results in an *Appeal Determination Letter*. After the opportunity to appeal has expired or after the appeal determination has been rendered, DOC will not accept any further documentary evidence from the recipient. No other administrative appeals are available in DOC.

E. DEBTS

.01 Payment of Debts Owed to the Federal Government

a. The non-Federal entity must promptly pay any debts determined to be owed to the Federal Government. Any funds paid to a non-Federal entity in excess of the amount to which the non-Federal entity is finally determined to be entitled under the terms of the Federal award constitute a debt to the Federal government. In accordance with 2 C.F.R. § 200.346 (Collection of amounts due), if not paid within 90 calendar days after demand, DOC may reduce a debt owed to the Federal Government by:

1. Making an administrative offset against other requests for reimbursement;
2. Withholding advance payments otherwise due to the non-Federal entity; or
3. Taking any other action permitted by Federal statute.

The foregoing does not waive any claim on a debt that DOC may have against another entity, and all rights and remedies to pursue other parties are preserved.

b. DOC debt collection procedures are set out in 15 C.F.R. Part 19. In accordance with 2 C.F.R. § 200.346 (Collection of amounts due) and 31 U.S.C. § 3717, failure to pay a debt owed to the Federal Government must result in the assessment of interest, penalties and administrative costs in accordance with the provisions of 31 U.S.C. § 3717 and 31 C.F.R. § 901.9. Commerce entities will transfer any Commerce debt that is delinquent for more than 120 calendar days to the U.S. Department of the Treasury's Financial Management Service for debt collection services, a process known as cross-servicing, pursuant to 31 U.S.C. § 3711(g), 31 C.F.R. § 285.12, and 15 C.F.R. § 19.9. DOC may also take further action as specified in DOC ST&C A.06 (Unsatisfactory Performance or Non-Compliance with Award Provisions). Funds for payment of a debt must not come from other Federally-sponsored programs, and the DOC may conduct on-site visits, audits, and other reviews to verify that other Federal funds have not been used to pay a debt.

.02 Late Payment Charges

a. Interest will be assessed on the delinquent debt in accordance with section 11 of the Debt Collection Act of 1982, as amended (31 U.S.C. § 3717(a)). The minimum annual interest rate to be assessed is the U.S. Department of the Treasury's Current Value of Funds Rate (CVFR). The CVFR is available online at https://www.fiscal.treasury.gov/fsreports/rpt/cvfr/cvfr_home.htm and also published by the Department of the Treasury in the *Federal Register* (<http://www.gpo.gov/fdsys/browse/collection.action?collectionCode=FR>) and in the *Treasury Financial Manual Bulletin*. The assessed rate must remain fixed for the duration of the indebtedness.

b. Penalties will accrue at a rate of not more than six percent per year or such other higher rate as authorized by law.

c. Administrative charges, i.e., the costs of processing and handling a delinquent debt, will be determined by the Commerce entity collecting the debt, as directed by the Office of the Chief Financial Officer and Assistant Secretary for Administration.

.03 Barring Delinquent Federal Debtors from Obtaining Federal Loans or Loan Insurance Guarantees

Pursuant to 31 U.S.C. § 3720B and 31 C.F.R. § 901.6, unless waived by DOC, the DOC is not permitted to extend financial assistance in the form of a loan, loan guarantee, or loan insurance to any person delinquent on a nontax debt owed to a Federal agency. This prohibition does not apply to disaster loans.

.04 Effect of Judgment Lien on Eligibility for Federal Grants, Loans, or Programs

Pursuant to 28 U.S.C. § 3201(e), unless waived by the DOC, a debtor who has a judgment lien against the debtor's property for a debt to the United States is not eligible to receive any grant or loan that is made, insured, guaranteed, or financed directly or indirectly by the United States or to receive funds directly from the Federal Government in any program, except funds to which the debtor is entitled as beneficiary, until the judgment is paid in full or otherwise satisfied.

F. CONFLICT OF INTEREST, CODE OF CONDUCT AND OTHER REQUIREMENTS PERTAINING TO DOC FINANCIAL ASSISTANCE AWARDS, INCLUDING SUBAWARD AND PROCUREMENT ACTIONS

.01 Conflict of Interest and Code of Conduct

a. DOC Conflict of Interest Policy. In accordance with 2 C.F.R. § 200.112 (Conflict of interest), the non-Federal entity must disclose in writing any potential conflict of interest to the DOC or pass-through entity. In addition, a non-Federal entity will establish and maintain written standards of conduct that include safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain in the administration of an award. It is the DOC's policy to maintain the highest standards of conduct and to prevent real or apparent conflicts of interest in connection with DOC financial assistance awards.

b. A conflict of interest generally exists when an interested party participates in a matter that has a direct and predictable effect on the interested party's personal or financial interests. A financial interest may include employment, stock ownership, a creditor or debtor relationship, or prospective employment with the organization selected or to be selected for a subaward. A conflict also may exist where there is an appearance that an interested party's objectivity in performing his or her responsibilities under the project is impaired. For example, an appearance of impairment of objectivity may result from an organizational conflict where, because of other activities or relationships with other persons or entities, an interested party is unable to render

impartial assistance, services or advice to the recipient, a participant in the project or to the Federal Government. Additionally, a conflict of interest may result from non-financial gain to an interested party, such as benefit to reputation or prestige in a professional field. For purposes of the DOC Conflict of Interest Policy, an interested party includes, but is not necessarily limited to, any officer, employee or member of the board of directors or other governing board of a non-Federal entity, including any other parties that advise, approve, recommend, or otherwise participate in the business decisions of the recipient, such as agents, advisors, consultants, attorneys, accountants or shareholders. This also includes immediate family and other persons directly connected to the interested party by law or through a business arrangement.

c. Procurement-related conflict of interest. In accordance with 2 C.F.R. § 200.318 (General procurement standards), non-Federal entities must maintain written standards of conduct covering conflicts of interest and governing the performance of their employees engaged in the selection, award and administration of contracts. *See* paragraph F.04 of these Standard Terms (Requirements for Procurements).

.02 Nonprocurement Debarment and Suspension

Non-Federal entities must comply with the provisions of 2 C.F.R. Part 1326 (Nonprocurement Debarment and Suspension), which generally prohibit entities that have been debarred, suspended, or voluntarily excluded from participating in Federal nonprocurement transactions either through primary or lower tier covered transactions, and which set forth the responsibilities of recipients of Federal financial assistance regarding transactions with other persons, including subrecipients and contractors.

.03 Requirements for Subawards

a. The recipient or pass-through entity must require all subrecipients, including lower tier subrecipients, to comply with the terms and conditions of a DOC financial assistance award, including applicable provisions of the OMB Uniform Guidance (2 C.F.R. Part 200), and all associated Terms and Conditions set forth herein. *See* 2 C.F.R. § 200.101(b)(2) (Applicability to different types of Federal awards), which describes the applicability of 2 C.F.R. Part 200 to various types of Federal awards and §§ 200.331-333 (Subrecipient monitoring and management).

b. The recipient or pass through entity may have more restrictive policies for the RTC *waived* prior approvals (no-cost extensions, re-budgeting, etc.) for their subaward recipients. Such restrictive policies must be addressed in their subaward agreements and in accordance with §200.331.

.04 Requirements for Procurements

a. States. Pursuant to 2 C.F.R. § 200.317 (Procurements by states), when procuring property and services under this Federal award, a State must follow the same policies and procedures it uses for procurements from its non-Federal funds. The State must comply with 2 C.F.R. §§ 200.321 (Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms), 200.322 (Domestic preferences for procurements), and

200.323 (Procurement of recovered materials), and ensure that every purchase order or other contract includes any clauses required by 2 C.F.R. § 200.327 (Contract provisions).

b. Other Non-Federal Entities. All other non-Federal entities, including subrecipients of a State, must follow the procurement standards in 2 C.F.R. §§ 200.318 (General procurement standards) through 200.327 (Contract provisions) which include the requirement that non-Federal entities maintain written standards of conduct covering conflicts of interest and governing the performance of their employees engaged in the selection, award, and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest.

.05 Whistleblower Protections

This award is subject to the whistleblower protections afforded by 41 U.S.C. § 4712 (Enhancement of contractor protection from reprisal for disclosure of certain information), which generally provide that an employee or contractor (including subcontractors and personal services contractors) of a non-Federal entity may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body information that the employee reasonably believes is evidence of gross mismanagement of a Federal award, subaward, or a contract under a Federal award or subaward, a gross waste of Federal funds, an abuse of authority relating to a Federal award or subaward or contract under a Federal award or subaward, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a Federal award, subaward, or contract under a Federal award or subaward. These persons or bodies include:

- a. A Member of Congress or a representative of a committee of Congress.
- b. An Inspector General.
- c. The Government Accountability Office.
- d. A Federal employee responsible for contract or grant oversight or management at the relevant agency.
- e. An authorized official of the Department of Justice or other law enforcement agency.
- f. A court or grand jury.
- g. A management official or other employee of the contractor, subcontractor, or grantee who has the responsibility to investigate, discover, or address misconduct.

Non-Federal entities and contractors under Federal awards and subawards must inform their employees in writing of the rights and remedies provided under 41 U.S.C. § 4712, in the predominant native language of the workforce.

.06 Small Businesses, Minority Business Enterprises and Women's Business Enterprises

In accordance with 2 C.F.R. § 200.321 (Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms), the recipient must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. DOC encourages non-Federal entities to use small

businesses, minority business enterprises and women's business enterprises in contracts under financial assistance awards. The Minority Business Development Agency within the DOC will assist non-Federal entities in matching qualified minority business enterprises with contract opportunities. For further information visit MBDA's website at <http://www.mbda.gov>. If you do not have access to the Internet, you may contact MBDA via telephone or mail:

U.S. Department of Commerce
Minority Business Development Agency
Herbert C. Hoover Building
14th Street and Constitution Avenue, N.W.
Washington, D.C. 20230
(202) 482-0101

G. NATIONAL POLICY REQUIREMENTS

.01 United States Laws and Regulations

This award is subject to the laws and regulations of the United States. The recipient must comply with all applicable requirements of all other Federal laws, executive orders, regulations and policies governing this program.

.02 Non-Discrimination Requirements

No person in the United States may, on the ground of race, color, national origin, handicap, age, religion, or sex, be excluded from participation in, be denied the benefits of, or be subject to discrimination under, any program or activity receiving Federal financial assistance. The recipient agrees to comply with the non-discrimination requirements below:

a. Statutory Provisions

1. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d *et seq.*) and DOC implementing regulations published at 15 C.F.R. Part 8 prohibiting discrimination on the grounds of race, color, or national origin under programs or activities receiving Federal financial assistance;
2. Title IX of the Education Amendments of 1972 (20 U.S.C. §§ 1681 *et seq.*) prohibiting discrimination on the basis of sex under Federally assisted education programs or activities;
3. The Americans with Disabilities Act of 1990 (42 U.S.C. §§ 12101 *et seq.*) prohibiting discrimination on the basis of disability under programs, activities, and services provided or made available by State and local governments or instrumentalities or agencies thereto, as well as public or private entities that provide public transportation;
4. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), and DOC implementing regulations published at 15 C.F.R. Part 8b prohibiting discrimination on the

basis of handicap under any program or activity receiving or benefiting from Federal assistance.

For purposes of complying with the accessibility standards set forth in 15 C.F.R. § 8b.18(c), non-federal entities must adhere to the regulations, published by the U.S. Department of Justice, implementing Title II of the Americans with Disabilities Act (ADA) (28 C.F.R. part 35; 75 FR 56164, as amended by 76 FR 13285) and Title III of the ADA (28 C.F.R. part 36; 75 FR 56164, as amended by 76 FR 13286). The revised regulations adopted new enforceable accessibility standards called the “2010 ADA Standards for Accessible Design” (2010 Standards), which replace and supersede the former Uniform Federal Accessibility Standards for new construction and alteration projects;

5. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 *et seq.*), and DOC implementing regulations published at 15 C.F.R. Part 20 prohibiting discrimination on the basis of age in programs or activities receiving Federal financial assistance; and

6. Any other applicable non-discrimination law(s).

b. Other Provisions

1. Parts II and III of E.O. 11246 (Equal Employment Opportunity, 30 FR 12319),³ which requires Federally assisted construction contracts to include the nondiscrimination provisions of §§ 202 and 203 of E.O. 11246 and Department of Labor regulations implementing E.O. 11246 (41 C.F.R. § 60-1.4(b)).

2. E.O. 13166 (65 FR 50121, Improving Access to Services for Persons with Limited English Proficiency), requiring Federal agencies to examine the services provided, identify any need for services to those with limited English proficiency (LEP), and develop and implement a system to provide those services so LEP persons can have meaningful access to them. The DOC issued policy guidance on March 24, 2003 (68 FR 14180) to articulate the Title VI prohibition against national origin discrimination affecting LEP persons and to help ensure that non-Federal entities provide meaningful access to their LEP applicants and beneficiaries.

3. In accordance with E.O. 13798 and Office of Management and Budget, M-20-09 – Guidance Regarding Federal Grants, states or other public grantees may not condition sub-awards of Federal grant money in a manner that would disadvantage grant applicants based on their religious character.

³ As amended by E.O. 11375(32 FR 14303), E.O. 11478 (34 FR 12985), E.O. 12086 (43 FR 46501), E.O. 12107 (44 FR 1055), E.O. 13279 (F67 FR 77141), E.O. 13665 (79 FR 20749), and E.O. 13672 (79 FR 42971).

c. Title VII Exemption for Religious Organizations

Generally, Title VII of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000e *et seq.*, provides that it is an unlawful employment practice for an employer to discharge any individual or otherwise to discriminate against an individual with respect to compensation, terms, conditions, or privileges of employment because of such individual's race, color, religion, sex, or national origin. However, Title VII, 42 U.S.C. § 2000e-1(a), expressly exempts from the prohibition against discrimination based on religion, "a religious corporation, association, educational institution, or society with respect to the employment of individuals of a particular religion to perform work connected with the carrying on by such corporation, association, educational institution, or society of its activities."

.03 LOBBYING RESTRICTIONS

a. Statutory Provisions

Non-Federal entities must comply with 2 C.F.R. § 200.450 (Lobbying), which incorporates the provisions of 31 U.S.C. § 1352; and OMB guidance and notices on lobbying restrictions. In addition, non-Federal entities must comply with the DOC regulations published at 15 C.F.R. Part 28, which implement the New Restrictions on Lobbying. These provisions prohibit the use of Federal funds for lobbying the executive or legislative branches of the Federal Government in connection with the award and require the disclosure of the use of non-Federal funds for lobbying. Lobbying includes attempting to improperly influence, meaning any influence that induces or tends to induce a Federal employee or officer to give consideration or to act regarding a Federal award or regulatory matter on any basis other than the merits of the matter, either directly or indirectly. Costs incurred to improperly influence are unallowable. *See* 2 C.F.R. § 200.450(b) and (c).

b. Disclosure of Lobbying Activities

Any recipient that receives more than \$100,000 in Federal funding and conducts lobbying with non-federal funds relating to a covered Federal action must submit a completed Form SF-LLL (Disclosure of Lobbying Activities). The Form SF-LLL must be submitted within 30 calendar days following the end of the calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed. The recipient must submit any required SF-LLL forms, including those received from subrecipients, contractors, and subcontractors, to the Grants Officer.

.04 Environmental Requirements

Environmental impacts must be considered by Federal decision makers in their decisions whether or not to approve: (1) a proposal for Federal assistance; (2) the proposal with mitigation; or (3) a different proposal having less adverse environmental impacts. Federal environmental laws require that the funding agency initiate an early planning process that considers potential impacts that projects funded with Federal assistance may have on the environment. Each non-Federal entity must comply with all environmental standards, to include those prescribed under

the following statutes and E.O.s and must identify to the awarding agency any impact the award may have on the environment. In some cases, award funds can be withheld by the Grants Officer under a specific award condition requiring the non-Federal entity to submit additional environmental compliance information sufficient to enable the DOC to make an assessment on any impacts that a project may have on the environment.

a. The National Environmental Policy Act (42 U.S.C. §§ 4321 *et seq.*)

The National Environmental Policy Act (NEPA) and the Council on Environmental Quality (CEQ) implementing regulations (40 C.F.R. Parts 1500 through 1508) require that an environmental analysis be completed for all major Federal actions to determine whether they have significant impacts on the environment. NEPA applies to the actions of Federal agencies and may include a Federal agency's decision to fund non-Federal projects under grants and cooperative agreements when the award activities remain subject to Federal authority and control. Non-Federal entities are required to identify to the awarding agency any direct, indirect or cumulative impact an award will have on the quality of the human environment and assist the agency in complying with NEPA. Non-Federal entities may also be requested to assist DOC in drafting an environmental assessment or environmental impact statement if DOC determines such documentation is required, but DOC remains responsible for the sufficiency and approval of the final documentation. Until the appropriate NEPA documentation is complete and in the event that any additional information is required during the period of performance to assess project environmental impacts, funds can be withheld by the Grants Officer under a specific award condition requiring the non-Federal entity to submit the appropriate environmental information and NEPA documentation sufficient to enable DOC to make an assessment on any impacts that a project may have on the environment.

b. The National Historic Preservation Act (16 U.S.C. §§ 470 *et seq.*)

Section 106 of the National Historic Preservation Act (NHPA) (16 U.S.C. § 470f) and the Advisory Council on Historic Preservation (ACHP) implementing regulations (36 C.F.R. Part 800) require that Federal agencies take into account the effects of their undertakings on historic properties and, when appropriate, provide the ACHP with a reasonable opportunity to comment. Historic properties include but are not necessarily limited to districts, buildings, structures, sites and objects. In this connection, archeological resources and sites that may be of traditional religious and cultural importance to Federally-recognized Indian Tribes, Alaskan Native Villages and Native Hawaiian Organizations may be considered historic properties. Non-Federal entities are required to identify to the awarding agency any effects the award may have on properties included on or eligible for inclusion on the National Register of Historic Places. Non-Federal entities may also be requested to assist DOC in consulting with State or Tribal Historic Preservation Officers, ACHPs or other applicable interested parties necessary to identify, assess, and resolve adverse effects to historic properties. Until such time as the appropriate NHPA consultations and documentation are complete and in the event that any additional information is required during the period of performance in order to assess project impacts on historic properties, funds can be withheld by the Grants Officer under a specific award condition requiring the non-Federal entity to

submit any information sufficient to enable DOC to make the requisite assessment under the NHPA.

Additionally, non-Federal entities are required to assist the DOC in assuring compliance with the Archeological and Historic Preservation Act of 1974 (54 U.S.C. § 312502 *et seq.*, formerly 16 U.S.C. § 469a-1 *et seq.*); Executive Order 11593 (Protection and Enhancement of the Cultural Environment, May 13, 1971); Executive Order 13006 (Locating Federal Facilities on Historic Properties in Our Nation's Central Cities, May 21, 1996); and Executive Order 13007 (Indian Sacred Sites, May 24, 1996).

c. Executive Order 11988 (Floodplain Management) and Executive Order 11990 (Protection of Wetlands)

Non-Federal entities must identify proposed actions in Federally defined floodplains and wetlands to enable DOC to decide whether there is an alternative to minimize any potential harm.

d. Clean Air Act (42 U.S.C. §§ 7401 *et seq.*), Federal Water Pollution Control Act (33 U.S.C. §§ 1251 *et seq.*) (Clean Water Act), and Executive Order 11738 ("Providing for administration of the Clean Air Act and the Federal Water Pollution Control Act with respect to Federal contracts, grants or loans")

Non-Federal entities must comply with the provisions of the Clean Air Act (42 U.S.C. §§ 7401 *et seq.*), Clean Water Act (33 U.S.C. §§ 1251 *et seq.*), and E.O. 11738 (38 FR 25161), and must not use a facility on the Excluded Parties List (EPL) (located on the System for Award Management (SAM) website, SAM.gov) in performing any award that is nonexempt under 2 C.F.R. § 1532, and must notify the Program Officer in writing if it intends to use a facility that is on the EPL or knows that the facility has been recommended to be placed on the EPL.

e. The Flood Disaster Protection Act (42 U.S.C. §§ 4002 *et seq.*)

Flood insurance, when available, is required for Federally assisted construction or acquisition in flood-prone areas. Per 2 C.F.R. § 200.447(a), the cost of required flood insurance is an allowable expense, if it is reflected in the approved project budget.

f. The Endangered Species Act (16 U.S.C. §§ 1531 *et seq.*)

Non-Federal entities must identify any impact or activities that may involve a threatened or endangered species. Federal agencies have the responsibility to ensure that no adverse effects to a protected species or habitat occur from actions under Federal assistance awards and conduct the reviews required under the Endangered Species Act, as applicable.

g. The Coastal Zone Management Act (16 U.S.C. §§ 1451 *et seq.*)

Funded projects must be consistent with a coastal State's approved management program for the coastal zone.

h. The Coastal Barriers Resources Act (16 U.S.C. §§ 3501 *et seq.*)

Only in certain circumstances can Federal funding be provided for actions within a Coastal Barrier System.

i. The Wild and Scenic Rivers Act (16 U.S.C. §§ 1271 *et seq.*)

This Act applies to awards that may affect existing or proposed components of the National Wild and Scenic Rivers system.

j. The Safe Drinking Water Act of 1974, as amended, (42 U.S.C. §§ 300f *et seq.*)

This Act precludes Federal assistance for any project that the EPA determines may contaminate a sole source aquifer which threatens public health.

k. The Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 *et seq.*)

This Act regulates the generation, transportation, treatment, and disposal of hazardous wastes, and provides that non-Federal entities give preference in their procurement programs to the purchase of recycled products pursuant to EPA guidelines.

l. The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA, commonly known as Superfund) (42 U.S.C. §§ 9601 *et seq.*) and the Community Environmental Response Facilitation Act (42 U.S.C. § 9601 note *et seq.*)

These requirements address responsibilities related to hazardous substance releases, threatened releases and environmental cleanup. There are also reporting and community involvement requirements designed to ensure disclosure of the release or disposal of regulated substances and cleanup of hazards to state and local emergency responders.

m. Executive Order 12898 (“Federal Actions to Address Environmental Justice in Minority Populations and Low Income Populations”)

Federal agencies are required to identify and address the disproportionately high and adverse human health or environmental effects of Federal programs, policies, and activities on low income and minority populations.

n. The Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. § 1801 *et seq.*)

Non-Federal entities must identify to DOC any effects the award may have on essential fish habitat (EFH). Federal agencies which fund, permit, or carry out activities that may adversely impact EFH are required to consult with the National Marine Fisheries Service (NMFS) regarding the potential effects of their actions and respond in writing to NMFS recommendations. These recommendations may include measures to avoid, minimize, mitigate, or otherwise offset adverse effects on EFH. In addition, NMFS is required to comment on any state agency activities that would impact EFH. Provided the specifications outlined in the regulations are met, EFH consultations will be incorporated into interagency

procedures previously established under NEPA, the ESA, Clean Water Act, Fish and Wildlife Coordination Act, or other applicable statutes.

o. Clean Water Act (CWA) Section 404 (33 U.S.C. § 1344)

CWA Section 404 regulates the discharge of dredged or fill material into waters of the United States, including wetlands. Activities in waters of the United States regulated under this program include fill for development, water resource projects (such as levees and some coastal restoration activities), and infrastructure development (such as highways and airports). CWA Section 404 requires a permit from the U.S. Army Corps of Engineers before dredged or fill material may be discharged into waters of the United States, unless the activity is exempt from Section 404 regulation (e.g., certain farming and forestry activities).

p. Rivers and Harbors Act (33 U.S.C. § 407)

A permit may be required from the U.S. Army Corps of Engineers if the proposed activity involves any work in, over or under navigable waters of the United States. Recipients must identify any work (including structures) that will occur in, over or under navigable waters of the United States and obtain the appropriate permit, if applicable.

q. The Migratory Bird Treaty Act (16 U.S.C. §§ 703-712), Bald and Golden Eagle Protection Act (16 U.S.C. § 668 *et seq.*), and Executive Order 13186 (Responsibilities of Federal Agencies to Protect Migratory Birds, January 10, 2001)

Many prohibitions and limitations apply to projects that adversely impact migratory birds and bald and golden eagles. Executive Order 13186 directs Federal agencies to enter a Memorandum of Understanding with the U.S. Fish and Wildlife Service to promote conservation of migratory bird populations when a Federal action will have a measurable negative impact on migratory birds.

r. Executive Order 13112 (Invasive Species, February 3, 1999)

Federal agencies must identify actions that may affect the status of invasive species and use relevant programs and authorities to: (i) prevent the introduction of invasive species; (ii) detect and respond rapidly to and control populations of such species in a cost-effective and environmentally sound manner; (iii) monitor invasive species populations accurately and reliably; (iv) provide for restoration of native species and habitat conditions in ecosystems that have been invaded; (v) conduct research on invasive species and develop technologies to prevent introduction and provide for environmentally sound control of invasive species; and (vi) promote public education on invasive species and the means to address them. In addition, an agency may not authorize, fund, or carry out actions that it believes are likely to cause or promote the introduction or spread of invasive species in the United States or elsewhere.

s. Fish and Wildlife Coordination Act (16 U.S.C. § 661 *et seq.*)

During the planning of water resource development projects, agencies are required to give fish and wildlife resources equal consideration with other values. Additionally, the U.S.

Fish and Wildlife Service and fish and wildlife agencies of states must be consulted whenever waters of any stream or other body of water are “proposed or authorized, permitted or licensed to be impounded, diverted... or otherwise controlled or modified” by any agency under a Federal permit or license.

.05 OTHER NATIONAL POLICY REQUIREMENTS

a. Buy-American Preferences

Strengthening Buy-American Preferences for Infrastructure Projects. Recipients of covered programs (as defined in Executive Order 13858, 31 January 2019, and 2 C.F.R. §200.322 (Domestic preferences for procurements)) are hereby notified that they are encouraged to use, to the greatest extent practicable, iron and aluminum as well as steel, cement, and other manufactured products produced in the United States in every contract, subcontract, purchase order, or subaward that is chargeable under this Award.

b. Criminal and Prohibited Activities

1. The Program Fraud Civil Remedies Act (31 U.S.C. § 3801 *et seq.*), provides for the imposition of civil penalties against persons who make false, fictitious, or fraudulent claims to the Federal Government for money (including money representing grants, loans, or other benefits).
2. The False Claims Amendments Act of 1986 and the False Statements Accountability Act of 1996 (18 U.S.C. §§ 287 and 1001, respectively), provide that whoever makes or presents any false, fictitious, or fraudulent statement, representation, or claim against the United States must be subject to imprisonment of not more than five years and must be subject to a fine in the amount provided by 18 U.S.C. § 287.
3. The Civil False Claims Act (31 U.S.C. §§ 3729 - 3733), provides that suits can be brought by the government, or a person on behalf of the government, for false claims made under Federal assistance programs.
4. The Copeland Anti-Kickback Act (18 U.S.C. § 874), prohibits a person or organization engaged in a Federally supported project from enticing an employee working on the project from giving up a part of his compensation under an employment contract. The Copeland Anti-Kickback Act also applies to contractors and subcontractors pursuant to 40 U.S.C. § 3145.
5. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. § 4601 *et seq.*) and implementing regulations issued at 15 C.F.R. Part 11, which provides for fair and equitable treatment of displaced persons or persons whose property is acquired as a result of Federal or Federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

6. The Hatch Act (5 U.S.C. §§ 1501-1508 and 7321-7326), which limits the political activities of employees or officers of state or local governments whose principal employment activities are funded in whole or in part with Federal funds.

7. To ensure compliance with Federal law pertaining to financial assistance awards, an authorized representative of a non-Federal entity may be required to periodically provide certain certifications to the DOC regarding Federal felony and Federal criminal tax convictions, unpaid federal tax assessments, delinquent Federal tax returns and such other certifications that may be required by Federal law.

c. Drug-Free Workplace

The non-Federal entity must comply with the provisions of the Drug-Free Workplace Act of 1988 (41 U.S.C. § 8102) and DOC implementing regulations published at 2 C.F.R. Part 1329 (Requirements for Drug-Free Workplace (Financial Assistance)), which require that the non-Federal entity take certain actions to provide a drug-free workplace.

d. Foreign Travel

1. Each non-Federal entity must comply with the provisions of the Fly America Act (49 U.S.C. § 40118). The implementing regulations of the Fly America Act are found at 41 C.F.R. §§ 301-10.131 through 301-10.143.

2. The Fly America Act requires that Federal travelers and others performing U.S. Government-financed air travel must use U.S. flag air carriers, to the extent that service by such carriers is available. Foreign air carriers may be used only in specific instances, such as when a U.S. flag air carrier is unavailable or use of U.S. flag air carrier service will not accomplish the agency's mission.

3. One exception to the requirement to fly U.S. flag carriers is transportation provided under a bilateral or multilateral air transport agreement, to which the United States Government and the government of a foreign country are parties, and which the Department of Transportation has determined meets the requirements of the Fly America Act pursuant to 49 U.S.C. § 40118(b). The United States Government has entered into bilateral/multilateral "Open Skies Agreements" (U.S. Government Procured Transportation) that allow federal funded transportation services for travel and cargo movements to use foreign air carriers under certain circumstances. There are multiple "Open Skies Agreements" currently in effect. For more information about the current bilateral and multilateral agreements, visit the [GSA website](#). Information on the Open Skies agreements (U.S. Government Procured Transportation) and other specific country agreements may be accessed via the Department of State's [website](#).

4. If a foreign air carrier is anticipated to be used for any portion of travel under a DOC financial assistance award, the non-Federal entity must receive prior approval from the Grants Officer. When requesting such approval, the non-Federal entity must provide a justification in accordance with guidance provided by 41 C.F.R. § 301-10.142, which requires the non-Federal entity to provide the Grants Officer with the following: name; dates

of travel; origin and destination of travel; detailed itinerary of travel; name of the air carrier and flight number for each leg of the trip; and a statement explaining why the non-Federal entity meets one of the exceptions to the regulations. If the use of a foreign air carrier is pursuant to a bilateral agreement, the non-Federal entity must provide the Grants Officer with a copy of the agreement or a citation to the official agreement available on the GSA website. The Grants Officer must make the final determination and notify the non-Federal entity in writing (which may be done through the recipient in the case of subrecipient travel). Failure to adhere to the provisions of the Fly America Act will result in the non-Federal entity not being reimbursed for any transportation costs for which any non-Federal entity improperly used a foreign air carrier.

Note: When using code-sharing flights (two or more airlines having flight numbers assigned to the same flight) involving U.S. flag carriers and non-U.S. flag carriers, the airline symbol and flight number of the U.S. flag carrier must be used on the ticket to qualify as a U.S. flag carrier (e.g. "*Delta Airlines Flight XXXX, operated by KLM*"). Conversely, if the ticket shows "[*Foreign Air Carrier*] XXX, operated by Delta," that travel is using a foreign air carrier and is subject to the Fly America Act and must receive prior approval from the Grants Officer as outlined in paragraph G.05.d.4.

e. Increasing Seat Belt Use in the United States

Pursuant to E.O. 13043 (62 FR 19217), non-Federal entities should encourage employees and contractors to enforce on-the-job seat belt policies and programs when operating company-owned, rented, or personally owned vehicles.

f. Federal Employee Expenses and Subawards or Contracts Issued to Federal Employees or Agencies

1. Use of award funds (Federal or non-Federal) or the non-Federal entity's provision of in-kind goods or services for the purposes of transportation, travel, or any other expenses for any Federal employee may raise appropriation augmentation issues. In addition, DOC policy may prohibit the acceptance of gifts, including travel payments for federal employees, from non-Federal entities regardless of the source. Therefore, before award funds may be used by Federal employees, non-Federal entities must submit requests for approval of such action to the Federal Program Officer who must review and make a recommendation to the Grants Officer. The Grants Officer will notify the non-Federal entity in writing (generally through the recipient) of the final determination.

2. A non-Federal entity or its contractor may not issue a subaward, contract or subcontract of any part of a DOC award to any agency or employee of DOC or to other Federal employee, department, agency, or instrumentality, without the advance prior written approval of the DOC Grants Officer.

g. Minority Serving Institutions Initiative

Pursuant to E.O.s 13555 (White House Initiative on Educational Excellence for Hispanics) (75 FR 65417), 13592 (Improving American Indian and Alaska Native

Educational Opportunities and Strengthening Tribal Colleges and Universities) (76 FR 76603), and 13779 (White House Initiative to Promote Excellence and Innovation at Historically Black Colleges and Universities) (82 FR 12499), DOC is strongly committed to broadening the participation of minority serving institutions (MSIs) in its financial assistance programs. DOC's goals include achieving full participation of MSIs to advance the development of human potential, strengthen the Nation's capacity to provide high-quality education, and increase opportunities for MSIs to participate in and benefit from Federal financial assistance programs. DOC encourages all applicants and non-Federal entities to include meaningful participation of MSIs. Institutions eligible to be considered MSIs are listed on the Department of Education website.

h. Research Misconduct

The DOC adopts, and applies to financial assistance awards for research, the Federal Policy on Research Misconduct (Federal Policy) issued by the Executive Office of the President's Office of Science and Technology Policy on December 6, 2000 (65 FR 76260). As provided for in the Federal Policy, research misconduct refers to the fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results. Research misconduct does not include honest errors or differences of opinion. Non-Federal entities that conduct extramural research funded by DOC must foster an atmosphere conducive to the responsible conduct of sponsored research by safeguarding against and resolving allegations of research misconduct. Non-Federal entities also have the primary responsibility to prevent, detect, and investigate allegations of research misconduct and, for this purpose, may rely on their internal policies and procedures, as appropriate, to do so. Non-Federal entities must notify the Grants Officer of any allegation that meets the definition of research misconduct and detail the entity's inquiry to determine whether there is sufficient evidence to proceed with an investigation, as well as the results of any investigation. The DOC may take appropriate administrative or enforcement action at any time under the award, up to and including award termination and possible suspension or debarment, and referral to the Commerce OIG, the U.S. Department of Justice, or other appropriate investigative body.

i. Research Involving Human Subjects

1. All proposed research involving human subjects must be conducted in accordance with 15 C.F.R. Part 27 (Protection of Human Subjects). No research involving human subjects is permitted under this award unless expressly authorized by specific award condition, or otherwise in writing by the Grants Officer.
2. Federal policy defines a human subject as a living individual about whom an investigator (whether professional or student) conducting research (1) Obtains information or biospecimens through intervention or interaction with the individual, and uses, studies, or analyzes the information or biospecimens; or (2) Obtains, uses, studies, analyzes, or generates identifiable private information or identifiable biospecimens. Research means a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to generalizable knowledge.

3. DOC regulations at 15 C.F.R. Part 27 require that non-Federal entities maintain appropriate policies and procedures for the protection of human subjects. In the event it becomes evident that human subjects may be involved in this project, the non-Federal entity (generally through the recipient) must submit appropriate documentation to the Federal Program Officer for approval by the appropriate DOC officials. As applicable, this documentation must include:

- i. Documentation establishing approval of an activity in the project by an Institutional Review Board (IRB) under a Federal wide Assurance issued by Department of Health and Human Services or other Federal agency guidelines (*see also* 15 C.F.R. § 27.103);
- ii. Documentation to support an exemption for an activity in the project under 15 C.F.R. § 27.104(d);
- iii. Documentation of IRB approval of any modification to a prior approved protocol or to an informed consent form;
- iv. Documentation of an IRB approval of continuing review approved prior to the expiration date of the previous IRB determination; and
- v. Documentation of any reportable events, such as serious adverse events, unanticipated problems resulting in risk to subjects or others, and instances of noncompliance.

4. No work involving human subjects may be undertaken, conducted, or costs incurred and/or charged for human subjects research, until the appropriate documentation is approved in writing by the Grants Officer. In accordance with 15 C.F.R. § 27.118, if research involving human subjects is proposed after an award is made, the non-Federal entity must contact the Federal Program Officer and provide required documentation. Notwithstanding this prohibition, work may be initiated or costs incurred and/or charged to the project for protocol or instrument development related to human subjects research.

j. Care and Use of Live Vertebrate Animals

Non-Federal entities must comply with the Laboratory Animal Welfare Act of 1966, as amended, (Pub. L. No. 89-544, 7 U.S.C. §§ 2131 *et seq.*) (animal acquisition, transport, care, handling, and use in projects), and implementing regulations (9 C.F.R. Parts 1, 2, and 3); the Endangered Species Act (16 U.S.C. §§ 1531 *et seq.*); Marine Mammal Protection Act (16 U.S.C. §§ 1361 *et seq.*) (taking possession, transport, purchase, sale, export or import of wildlife and plants); the Nonindigenous Aquatic Nuisance Prevention and Control Act (16 U.S.C. §§ 4701 *et seq.*) (ensure preventive measures are taken or that probable harm of using species is minimal if there is an escape or release); and all other applicable statutes pertaining to the care, handling, and treatment of warm-blooded animals held for research, teaching, or other activities supported by Federal financial assistance. No research involving vertebrate animals is permitted under any DOC financial assistance award unless authorized by the Grants Officer.

k. Management and Access to Data and Publications

1. In General. The recipient acknowledges and understands that information and data contained in applications for financial assistance, as well as information and data contained in financial, performance and other reports submitted by recipients, may be used by the DOC in conducting reviews and evaluations of its financial assistance programs. For this purpose, recipient information and data may be accessed, reviewed and evaluated by DOC employees, other Federal employees, Federal agents and contractors, and/or by non-Federal personnel, all of who enter into appropriate or are otherwise subject to confidentiality and nondisclosure agreements covering the use of such information. Recipients are expected to support program reviews and evaluations by submitting required financial and performance information and data in an accurate and timely manner, and by cooperating with DOC and external program evaluators. In accordance with 2 C.F.R. § 200.303(e), recipients are reminded that they must take reasonable measures to safeguard protected personally identifiable information and other confidential or sensitive personal or business information created or obtained relating to a DOC financial assistance award.

2. Scientific Data. Non-Federal entities must comply with the data management and access to data requirements established by the DOC funding agency as set forth in the applicable Notice of Funding Opportunity and/or in Specific Award Conditions.

3. Publications, Videos, and Acknowledgment of Sponsorship.

i. Publication of results or findings in appropriate professional journals and production of video or other media is encouraged as an important method of recording, reporting and otherwise disseminating information and expanding public access to federally-funded projects (e.g., scientific research). Non-Federal entities must comply with the data management and access to data requirements established by the DOC funding agency as set forth in the applicable Notice of Funding Opportunity and/or in Specific Award Conditions.

ii. Non-Federal entities may be required to submit a copy of any publication materials, including but not limited to print, recorded, or Internet materials, to the funding agency.

iii. When releasing information related to a funded project, non-Federal entities must include a statement that the project or effort undertaken was or is sponsored by DOC and must also include the applicable financial assistance award number.

iv. Non-Federal entities are responsible for assuring that every publication of material based on, developed under, or otherwise produced pursuant to a DOC financial assistance award contains the following disclaimer or other disclaimer approved by the Grants Officer:

This [report/video/etc.] was prepared by [recipient name] using Federal funds under award [number] from [name of operating unit], U.S. Department of Commerce. The statements, findings, conclusions, and recommendations are those of the author(s) and do

not necessarily reflect the views of the [name of operating unit] or the U.S. Department of Commerce.

I. Homeland Security Presidential Directive

If the performance of this DOC financial assistance award requires non-Federal entity personnel to have routine access to Federally-controlled facilities and/or Federally-controlled information systems (for purpose of this term “routine access” is defined as more than 180 calendar days), such personnel must undergo the personal identity verification credential process. In the case of foreign nationals, the DOC will conduct a check with U.S. Citizenship and Immigration Services’ (USCIS) Verification Division, a component of the Department of Homeland Security (DHS), to ensure the individual is in a lawful immigration status and that he or she is eligible for employment within the United States. Any items or services delivered under a financial assistance award must comply with DOC personal identity verification procedures that implement Homeland Security Presidential Directive 12 (Policy for a Common Identification Standard for Federal Employees and Contractors), Federal Information Processing Standard (FIPS) PUB 201, and OMB Memorandum M-05-24. The recipient must ensure that its subrecipients and contractors (at all tiers) performing work under this award comply with the requirements contained in this term. The Grants Officer may delay final payment under an award if the subrecipient or contractor fails to comply with the requirements listed in the term below. The recipient must insert the following term in all subawards and contracts when the subaward recipient or contractor is required to have routine physical access to a Federally-controlled facility or routine access to a Federally-controlled information system:

The subrecipient or contractor must comply with DOC personal identity verification procedures identified in the subaward or contract that implement Homeland Security Presidential Directive 12 (HSPD-12), Office of Management and Budget (OMB) Guidance M-05-24, as amended, and Federal Information Processing Standards Publication (FIPS PUB) Number 201, as amended, for all employees under this subaward or contract who require routine physical access to a Federally-controlled facility or routine access to a Federally-controlled information system.

The subrecipient or contractor must account for all forms of Government-provided identification issued to the subrecipient or contractor employees in connection with performance under this subaward or contract. The subrecipient or contractor must return such identification to the issuing agency at the earliest of any of the following, unless otherwise determined by DOC: (1) When no longer needed for subaward or contract performance; (2) Upon completion of the subrecipient or contractor employee’s employment; (3) Upon subaward or contract completion or termination.

m. Compliance with Department of Commerce Bureau of Industry and Security Export Administration Regulations

1. This clause applies to the extent that this financial assistance award encompasses activities that involve export-controlled items.

2. In performing this financial assistance award, a non-Federal entity may participate in activities involving items subject to export control (export-controlled items) under the Export Administration Regulations (EAR). The non-Federal entity is responsible for compliance with all applicable laws and regulations regarding export-controlled items, including the EAR's deemed exports and re-exports provisions. The non-Federal entity must establish and maintain effective export compliance procedures at DOC and non-DOC facilities, including facilities located abroad, throughout performance of the financial assistance award. At a minimum, these export compliance procedures must include adequate restrictions on export-controlled items, to guard against any unauthorized exports, including in the form of releases or transfers to foreign nationals. Such releases or transfers may occur through visual inspection, including technology transmitted electronically, and oral or written communications.

3. Definitions

- i. Export-controlled items. Items (commodities, software, or technology), that are subject to the EAR (15 C.F.R. §§ 730-774), implemented by the DOC's Bureau of Industry and Security. These are generally known as "dual-use" items, items with a military and commercial application. The export (shipment, transmission, or release/transfer) of export-controlled items may require a license from DOC.
 - ii. Deemed Export/Re-export. The EAR defines a deemed export as a release or transfer of export-controlled items (specifically, technology or source code) to a foreign person (foreign national) in the U.S. Such release is "deemed" to be an export to the foreign person's most recent country of citizenship or permanent residency (*see* 15 C.F.R. § 734.13(a)(2) & (b)). A release may take the form of visual inspection or oral or written exchange of information. *See* 15 C.F.R. § 734.15(a). If such a release or transfer is made abroad to a foreign person of a country other than the country where the release occurs, it is considered a deemed re-export to the foreign person's most recent country of citizenship or permanent residency. *See* 15 C.F.R. § 734.14(a)(2). Licenses from DOC may be required for deemed exports or re-exports. An act causing the release of export-controlled items to a foreign person (e.g., providing or using an access key or code) may require authorization from DOC to the same extent that an export or re-export of such items to the foreign person would. *See* 15 C.F.R. § 734.15(b).
4. The non-Federal entity must secure all export-controlled items that it possesses or that comes into its possession in performance of this financial assistance award, to ensure that the export of such items, including in the form of release or transfer to foreign persons, is prevented, or licensed, as required by applicable Federal laws, E.O.s, and/or regulations, including the EAR.
5. As applicable, non-Federal entity personnel and associates at DOC sites will be informed of any procedures to identify and protect export-controlled items from unauthorized export.

6. To the extent the non-Federal entity wishes to release or transfer export-controlled items to foreign persons, the non-Federal entity will be responsible for obtaining any necessary licenses, including licenses required under the EAR for deemed exports or deemed re-exports. Failure to obtain any export licenses required under the EAR may subject the non-Federal entity to administrative or criminal enforcement. See 15 C.F.R. part 764.
7. Nothing in the terms of this financial assistance award is intended to change, supersede, or waive the requirements of applicable Federal laws, E.O.s or regulations.
8. Compliance with this term will not satisfy any legal obligations the non-Federal entity may have regarding items that may be subject to export controls administered by other agencies such as the Department of State, which has jurisdiction over exports and re-exports of defense articles and services subject to the International Traffic in Arms Regulations (ITAR) (22 C.F.R. §§ 120-130), including the release of defense articles to foreign persons in the United States and abroad.
9. The non-Federal entity must include the provisions contained in this term in all lower tier transactions (subawards, contracts, and subcontracts) under this financial assistance award that may involve research or other activities that implicate export-controlled items.

n. The Trafficking Victims Protection Act of 2000 (22 U.S.C. § 7104(g)), as amended, and the implementing regulations at 2 C.F.R. Part 175

The Trafficking Victims Protection Act of 2000 authorizes termination of financial assistance provided to a private entity, without penalty to the Federal Government, if any non-Federal entity engages in certain activities related to trafficking in persons. The DOC hereby incorporates the following award term required by 2 C.F.R. § 175.15(b):

Trafficking in persons.

a. Provisions applicable to a recipient that is a private entity.

1. You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not—

- i. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;***
- ii. Procure a commercial sex act during the period of time that the award is in effect; or***
- iii. Use forced labor in the performance of the award or subawards under the award.***

2. *We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity —*

- i. *Is determined to have violated a prohibition in paragraph a.1 of this award term; or*
- ii. *Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either— (A) Associated with performance under this award; or (B) Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 C.F.R. Part 180 (OMB Guidelines to Agencies on Governmentwide Debarment and Suspension – Nonprocurement), as implemented by DOC at 2 C.F.R. Part 1326 (Nonprocurement Debarment and Suspension).*

b. **Provision applicable to a recipient other than a private entity.** *We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity—*

- 1. *Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or*
- 2. *Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either—*
 - i. *Associated with performance under this award; or*
 - ii. *Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 C.F.R. Part 180 (OMB Guidelines to Agencies on Governmentwide Debarment and Suspension – Nonprocurement), as implemented by DOC at 2 C.F.R. Part 1326, (Nonprocurement Debarment and Suspension).*

c. **Provisions applicable to any recipient.**

- 1. *You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term.*
- 2. *Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:*
 - i. *Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and*
 - ii. *Is in addition to all other remedies for noncompliance that are available to us under this award.*

3. *You must include the requirements of paragraph a.1 of this award term in any subaward you make to a private entity.*

d. Definitions. For purposes of this award term:

1. *"Employee" means either:*

i. *An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or*

ii. *Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.*

2. *"Forced labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.*

3. *"Private entity":*

i. *Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 C.F.R. § 175.25;*

ii. *Includes: (A) A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 C.F.R. § 175.25(b); and (B) A for-profit organization.*

4. *"Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. § 7102).*

o. The Federal Funding Accountability and Transparency Act (FFATA) (31 U.S.C. § 6101 note)

1. **Reporting Subawards and Executive Compensation.** Under FFATA, recipients of financial assistance awards of \$30,000 or more are required to report periodically on executive compensation and subawards, as described in the following term from 2 C.F.R. Part 170, Appendix A, which is incorporated into this award:

Reporting Subawards and Executive Compensation

a. Reporting of first-tier subawards.

1. *Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that equals or exceeds \$30,000 in Federal funds for a subaward*

to a non-Federal entity or Federal agency (see definitions in paragraph e. of this award term).

2. Where and when to report.

i. You must report each obligating action described in paragraph a.1. of this award term to <http://www.fsrs.gov>.

ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. What to report. You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov> specify.

b. Reporting Total Compensation of Recipient Executives for non-Federal entities.

1. Applicability and what to report. You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if—

i. the total Federal funding authorized to date under this Federal award equals or exceeds \$30,000 as defined in 2 C.F.R. § 170.320;

ii. in the preceding fiscal year, you received—

(A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 C.F.R. § 170.320 (and subawards), and

(B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 C.F.R. § 170.320 (and subawards); and,

iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. § 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. Where and when to report. You must report executive total compensation described in paragraph b.1. of this award term:

i. As part of your registration profile found at the System for Award Management (SAM) website located at <https://www.sam.gov>.

- ii. By the end of the month following the month in which this award is made, and annually thereafter.

c. Reporting of Total Compensation of Subrecipient Executives.

1. *Applicability and what to report.* Unless you are exempt as provided in paragraph d. of this award term, for each first-tier non-Federal entity subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if—

- i. in the subrecipient's preceding fiscal year, the subrecipient received—

- (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 C.F.R. § 170.320 (and subawards) and,

- (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and

- ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

See also 2 C.F.R. § 200.300(b).

2. *Where and when to report.* You must report subrecipient executive total compensation described in paragraph c.1. of this award term:

- i. To the recipient.

- ii. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

d. **Exemptions.** If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report: i. Subawards, and ii. The total compensation of the five most highly compensated executives of any subrecipient.

e. Definitions. For purposes of this award term:

1. Federal Agency means a Federal agency as defined at 5 U.S.C. 551(1) and further clarified by 5 U.S.C. 552(f).

2. Non-Federal entity means all of the following, as defined in 2 C.F.R. Part 25:

i. A Governmental organization, which is a State, local government, or Indian tribe;

ii. A foreign public entity;

iii. A domestic or foreign nonprofit organization; and,

iv. A domestic or foreign for-profit organization.

3. Executive means officers, managing partners, or any other employees in management positions.

4. Subaward:

i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.

ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see 2 C.F.R. § 200.331).

iii. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.

5. Subrecipient means a non-Federal entity or Federal agency that:

i. Receives a subaward from you (the recipient) under this award; and

ii. Is accountable to you for the use of the Federal funds provided by the subaward.

6. Total compensation means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 C.F.R. § 229.402(c)(2)):

i. Salary and bonus.

ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

- iii. *Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.*
- iv. *Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.*
- v. *Above-market earnings on deferred compensation which is not tax-qualified.*
- vi. *Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.*

2. **System for Award Management (SAM) and Universal Identifier Requirements** -- as described in 2 C.F.R. Part 25, Appendix A, which is incorporated into this award:

System for Award Management (SAM) and Universal Identifier Requirements

a. ***Requirement for System for Award Management.*** *Unless you are exempted from this requirement under 2 C.F.R. § 25.110, you as the recipient must maintain current information in the SAM. This includes information on your immediate and highest level owner and subsidiaries, as well as on all of your predecessors that have been awarded a Federal contract or Federal financial assistance within the last three years, if applicable, until you submit the final financial report required under this Federal award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another Federal award term.*

b. ***Requirement for Unique Entity Identifier.*** *If you are authorized to make subawards under this Federal award, you:*

- 1. *Must notify potential subrecipients that no entity (see definition in paragraph c of this award term) may receive a subaward from you until the entity has provided its Unique Entity Identifier to you.*
- 2. *May not make a subaward to an entity unless the entity has provided its Unique Entity Identifier to you. Subrecipients are not required to obtain an active SAM registration, but must obtain a Unique Entity Identifier.*

c. ***Definitions for purposes of this term:***

- 1. *SAM means the Federal repository into which a recipient must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at <https://www.SAM.gov>).*

2. *Unique Entity Identifier means the identifier assigned by SAM to uniquely identify business entities.*
3. *Entity includes non-Federal entities as defined at 2 C.F.R. § 200.1 and also includes all of the following, for purposes of this part:*
 - i. *A foreign organization;*
 - ii. *A foreign public entity;*
 - iii. *A domestic for-profit organization; and*
 - iv. *A Federal agency.*
4. *Subaward has the meaning given in 2 C.F.R § 200.1.*
5. *Subrecipient has the meaning given in 2 C.F.R § 200.1.*

See also 2 C.F.R. § 200.300(b).

p. Recipient Integrity and Performance Matters (Appendix XII to 2 C.F.R. Part 200)

Reporting of Matters Related to Recipient Integrity and Performance

1. **General Reporting Requirement.** If the total value of your currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of this Federal award, then you as the recipient during that period of time must maintain the currency of information reported to the System for Award Management (SAM) that is made available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)) about civil, criminal, or administrative proceedings described in paragraph 2 of this award term and condition. This is a statutory requirement under section 872 of Public Law 110-417, as amended (41 U.S.C. 2313). As required by section 3010 of Public Law 111-212, all information posted in the designated integrity and performance system on or after April 15, 2011, except past performance reviews required for Federal procurement contracts, will be publicly available.
2. **Proceedings About Which You Must Report.** Submit the information required about each proceeding that:
 - i. Is relating to the award or performance of a grant, cooperative agreement, or procurement contract from the Federal Government;
 - ii. Reached its final disposition during the most recent five-year period; and

iii. Is one of the following:

- (A) A criminal proceeding that resulted in a conviction, as defined in paragraph 5 of this award term and condition;
- (B) A civil proceeding that resulted in a finding of fault and liability and payment of a monetary fine, penalty, reimbursement, restitution, or damages of \$5,000 or more;
- (C) An administrative proceeding, as defined in paragraph 5 of this award term and condition, that resulted in a finding of fault and liability and your payment of either a monetary fine or penalty of \$5,000 or more or reimbursement, restitution, or damages in excess of \$100,000; or
- (D) Any other criminal, civil, or administrative proceeding if:
 - I. It could have led to an outcome described in paragraph 2.c.(1), (2), or (3) of this award term and condition;
 - II. It had a different disposition arrived at by consent or compromise with an acknowledgment of fault on your part; and
 - III. The requirement in this award term and condition to disclose information about the proceeding does not conflict with applicable laws and regulations.

3. Reporting Procedures. Enter in the SAM Entity Management area the information that SAM requires about each proceeding described in paragraph 2 of this award term and condition. You do not need to submit the information a second time under assistance awards that you received if you already provided the information through SAM because you were required to do so under Federal procurement contracts that you were awarded.

4. Reporting Frequency. During any period when you are subject to the requirement in paragraph 1 of this award term and condition, you must report proceedings information through SAM for the most recent five-year period, either to report new information about any proceeding(s) that you have not reported previously or affirm that there is no new information to report. Recipients that have Federal contract, grant, and cooperative agreement awards with a cumulative total value greater than \$10,000,000 must disclose semiannually any information about the criminal, civil, and administrative proceedings.

5. Definitions. For purposes of this award term and condition:

- i. Administrative proceeding means a non-judicial process that is adjudicatory in nature to make a determination of fault or liability (e.g., Securities and Exchange Commission Administrative proceedings, Civilian Board of Contract Appeals proceedings, and Armed Services Board of Contract Appeals proceedings). This includes proceedings at the Federal and State level but only in connection with performance of a Federal contract or grant. It does not include audits, site visits, corrective plans, or inspection of deliverables.

ii. Conviction, for purposes of this award term and condition, means a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere.

iii. Total value of currently active grants, cooperative agreements, and procurement contracts includes:

(A) Only the Federal share of the funding under any Federal award with a recipient cost share or match; and

(B) The value of all expected funding increments under a Federal award and options, even if not yet exercised.

q. Never Contract with the Enemy (2 C.F.R Part 183; 2 C.F.R. § 200.215)

Under 2 C.F.R. § 200.215 (Never contract with the enemy) Federal awarding agencies and recipients are subject to the regulations implementing Never Contract with the Enemy in 2 C.F.R. Part 183. These regulations affect covered contracts, grants and cooperative agreements that are expected to exceed \$50,000 within the period of performance, are performed outside the United States and its territories, and are in support of a contingency operation in which members of the Armed Forces are actively engaged in hostilities.

1. **Applicability.** This term applies only to recipients of covered grants or cooperative agreements, as defined in 2 C.F.R. § 183.35 Definitions.

2. **Requirements.** As applicable, recipients must fulfill the requirements as described in the following terms from 2 C.F.R. Part 183, Appendix A, which is incorporated into this award:

a. Term 1. Prohibition on Providing Funds to the Enemy.

1. The recipient must—

i. Exercise due diligence to ensure that none of the funds, including supplies and services, received under this grant or cooperative agreement are provided directly or indirectly (including through subawards or contracts) to a person or entity who is actively opposing the United States or coalition forces involved in a contingency operation in which members of the Armed Forces are actively engaged in hostilities, which must be completed through 2 CFR Part 180.300 prior to issuing a subaward or contract and;

ii. Terminate or void in whole or in part any subaward or contract with a person or entity listed in SAM as a prohibited or restricted source pursuant to subtitle E of Title VIII of the NDAA for FY 2015, unless the Federal awarding agency provides written approval to continue the subaward or contract.

2. *The recipient may include the substance of this clause, including this paragraph (1), in subawards under this grant or cooperative agreement that have an estimated value over \$50,000 and will be performed outside the United States, including its outlying areas.*

3. *The Federal awarding agency has the authority to terminate or void this grant or cooperative agreement, in whole or in part, if the Federal awarding agency becomes aware that the recipient failed to exercise due diligence as required by paragraph (1) of this clause or if the Federal awarding agency becomes aware that any funds received under this grant or cooperative agreement have been provided directly or indirectly to a person or entity who is actively opposing coalition forces involved in a contingency operation in which members of the Armed Forces are actively engaged in hostilities*

b. Term 2. Additional Access to Recipient Records.

1. *In addition to any other existing examination-of-records authority, the Federal Government is authorized to examine any records of the recipient and its subawards or contracts to the extent necessary to ensure that funds, including supplies and services, available under this grant or cooperative agreement are not provided, directly or indirectly, to a person or entity that is actively opposing United States or coalition forces involved in a contingency operation in which members of the Armed Forces are actively engaged in hostilities, except for awards awarded by the Department of Defense on or before Dec 19, 2017 that will be performed in the United States Central Command (USCENTCOM) theater of operations*

2. *The substance of this clause, including this paragraph (2), is required to be included in subawards or contracts under this grant or cooperative agreement that have an estimated value over \$50,000 and will be performed outside the United States, including its outlying areas.*

r. Prohibition on certain telecommunications and video surveillance services or equipment (Public Law 115-232, section 889; 2 C.F.R. § 200.216)

(a) Recipients and subrecipients are prohibited from obligating or expending loan or grant funds to:

- (1) Procure or obtain,
- (2) Extend or renew a contract to procure or obtain, or
- (3) Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

- (i). For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).
- (ii). Telecommunications or video surveillance services provided by such entities or using such equipment.
- (iii). Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

(b) In implementing the prohibition under Public Law 115-232, section 889, subsection (f), paragraph (1), heads of executive agencies administering loan, grant, or subsidy programs shall prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered communications equipment and services, to procure replacement equipment and services, and to ensure that communications service to users and customers is sustained.

(c) See Public Law 115-232, section 889 for additional information.

(d) See also §200.471.

s. Federal Financial Assistance Planning During a Funding Hiatus or Government Shutdown

This term sets forth initial guidance that will be implemented for Federal assistance awards in the event of a lapse in appropriations, or a government shutdown. The Grants Officer may issue further guidance prior to an anticipated shutdown.

1. Unless there is an actual rescission of funds for specific grant or cooperative agreement obligations, non-Federal entities under Federal financial assistance awards for which funds have been obligated generally will be able to continue to perform and incur allowable expenses under the award during a funding hiatus. Non-Federal entities are advised that ongoing activities by Federal employees involved in grant or cooperative agreement administration (including payment processing) or similar operational and administrative work cannot continue when there is a funding lapse. Therefore, there may be delays, including payment processing delays, in the event of a shutdown.

2. All award actions will be delayed during a government shutdown; if it appears that a non-Federal entity's performance under a grant or cooperative agreement will require agency involvement, direction, or clearance during the period of a possible government shutdown, the Program Officer or Grants Officer, as appropriate, may attempt to provide such involvement, direction, or clearance prior to the shutdown or advise non-Federal entities that such involvement, direction, or clearance will not be forthcoming during the shutdown. Accordingly, non-Federal entities whose ability to withdraw funds is subject to prior agency approval, which in general are non-Federal entities that have been designated high risk, non-Federal entities under construction awards, or are otherwise limited to reimbursements or subject to agency review, will be able to draw funds down from the relevant Automatic Standard Application for Payment (ASAP) account only if agency approval is given and coded into ASAP prior to any government shutdown or closure. This limitation may not be lifted during a government shutdown. Non-Federal entities should plan to work with the Grants Officer to request prior approvals in advance of a shutdown wherever possible. Non-Federal entities whose authority to draw down award funds is restricted may decide to suspend work until the government reopens.
3. The ASAP system should remain operational during a government shutdown. Non-Federal entities that do not require any Grants Officer or agency approval to draw down advance funds from their ASAP accounts should be able to do so during a shutdown. The 30-day limitation on the drawdown of advance funds will still apply notwithstanding a government shutdown (see section B.02.b.1 of these terms).

**City of Show Low
STAFF SUMMARY REPORT**

AGENDA TITLE: Consideration of Approval of Amended Final Plat for The Hollows Subdivision (Justen Tregaskes)

RECOMMENDATION

I **MOVE** to approve the Amended Final Plat for The Hollows and authorize the Mayor to sign all related documents.

BACKGROUND

At their regular meeting of July 28, 2020, the City Council approved the final plat for The Hollows. This subdivision consists of three lots within the Bison Crossing development. The owner has submitted a revised plat with the total number of lots and size of the subdivision remaining the same as the existing plat. As stated by the applicant, the purpose of this revision is to redraw several of the existing property lines within the development. Based on the changes, staff felt that a revised plat is required. Drainage and public infrastructure remain unaffected.

During the review of the application, staff noted several corrections that will be required prior to recording the amended plat. These include labeling of easements, verification of total area, and providing an electronic version of the plat for inclusion into the City's mapping system. Based on the minor nature of these items, staff is recommending that the Council approve the revised plat and authorize the Mayor to sign all related documents once all items have been addressed.

ATTACHMENTS

1. The Hollows Application
2. The Hollows Original Plat Map
3. 602-02-81A - AMENDED FINAL PLAT

FISCAL IMPACT

N/A



City of Show Low Planning & Zoning
180 N. 9th Street, Show Low, AZ 85901
(928) 532-4040

Final Plat Application
(Filing Fee: see page 3)

For Office Use Only

Date received: 8.29.24
Time received: 3 AM/PM
Received by: KBF

Title 17.15.050 of the Land Development Ordinance

Please complete this application after a review of the referenced section of the Land Development Ordinance. Incomplete applications will not be considered accepted and may delay consideration of your project by the Planning and Zoning Commission. If you have questions regarding the process or requirements, please contact the Planning and Zoning Department at (928) 532-4042.

OWNER INFORMATION

Name: Scott Martinson
Address: 5 N Bison Preserve
Street Address
Show Low AZ 85901
City State ZIP Code
Phone: 480-276-6428 Email: SM Cambric @ gmail

APPLICANT INFORMATION (If different)

Name: _____
Address: _____
Street Address
SAME _____
City State ZIP Code
Phone: _____ Email: _____

PROPERTY INFORMATION

Address of Property: Lots 11213 - Hollows Parcel Number: _____
Legal Description of Property: See Attached

PROPOSAL

Name of proposed subdivision: THE Hollow Number of proposed lots: 3
Current Zoning Classification: Residential Is a zone change proposed or required? ☐ Yes ☒ No
Provide a brief description of the proposed land development: Lot Line Adjustment

AUTHORIZED REPRESENTATIVES

PLEASE NOTE: In accordance with City Code, Title 19.15.010 D and E, you or your authorized representative must be present at all Planning and Zoning and/or City Council hearings or public meetings regarding this application. Below please list any person(s) authorized to represent you during this application process. Representations made during those meetings or hearings and designated in the record shall be deemed conditions of approval.

Derek William - Cambria

CERTIFICATION

I certify that the information on this application form and attachments are true and correct to the best of my knowledge.

Signature of
Owner(s):

[Signature]

Date: 8/29/24

Signature of
Owner(s):

Date:

Signature of
Applicant:

Date:

Waiver of Claims Under Arizona Revised Statutes § 12-1134

I, GARY MARTINSON, the owner of the property described as A.P.N. Follows
Show Low, Arizona, hereby waive any and all claims for diminution in value to my property which may arise
under A.R.S. § 12-1134 as a result of my request and application for a FINAL PLAT. Further, I agree to defend,
indemnify and hold harmless the City of Show Low, its officers, employees, and agents from and against any
and all such claims for diminution in value to my property as defined in A.R.S. § 12-1134 arising out of my
application or request for the applicable land use action as described above.

DATED this 29 day of Aug, 2024.

[Signature]
Signature of Property Owner

STATE OF ARIZONA)

) ss.

County of Navajo)

SUBSCRIBED AND SWORN before me this 29th day of August, 2024

by Gary Martinson

Name of Signer

[Signature]

Notary Public

[Notary Seal]



PRELIMINARY PLAT CONDITIONS

Have you reviewed the conditions of the preliminary plat approval? ☒ Yes ☐ No

Is a copy of the conditions of the preliminary plat approval attached? ☐ Yes ☒ No

SUBMITTAL CHECKLIST *(Please ensure that your submittal is complete in order to avoid delays)*

Please be aware that your final plat will not be placed on the agenda until applicable information has been received and improvement plans have been approved and all other requirements are satisfied.

- ☒ Final Plat application fee (see page 3 for fee schedule).
- ☒ A final copy of the protective covenants and restrictions (CC&R's) for the subdivision.
- ☒ Assurances: In order to ensure proper installation of subdivision improvements, the sub-divider shall designate the type of assurance in a form and method acceptable to the City Attorney and approved by City Council in conjunction with a review of the Final Plat.
- ☒ A waiver of any and all claims for diminution in fair market value as defined by A.R.S. § [12-1134](#) arising out of the application.
- ☒ A certificate or letter from each utility company providing service to the area indicating approval of the method of the proposed utility installations and confirming the availability of services.
- ☐ An Arizona Department of Transportation access permit, where required.
- ☒ If not already completed in Stage III, an Infrastructure Improvement Agreement (IIA) shall be consummated between the developer and the city. During this process, an IIA payment shall be presented to the planning and zoning director prior to scheduling the items for review by the city council.
- ☐ A completion date for the construction of the improvements shall be declared and notice given to the director, which date shall be approved by the city council. The completion date for the improvements shall not exceed two (2) years from the date of such approval. Failure to complete the improvements by the completion date may cause the forfeiture of the assurances described hereafter, in subsection [\(B\)\(12\)](#) of this section.
- ☐ A final plat, in recordable form, on disk in digital format compatible with the City of Show Low computer database to facilitate the inclusion of the final plat into the city parcel database. Typically, the form of these files will be in DXF, DWG or other similar industry standards digital file developed in AutoCAD R13 or greater.
- ☒ (1) One (1) half-scale copy of the final plat sized eleven (11) inches by seventeen (17) inches and six (6) full-scale copies sized twenty-four (24) inches by thirty-six (36) inches (**please call to confirm actual number of copies desired**), with the scale not to exceed one hundred (100) feet to one (1) inch. If more than two (2) sheets are required for the drafting of the final plat, an index sheet of the same dimensions illustrating the layout of the entire subdivision shall be shown.
- ☐ Identification and Descriptive Data.
 - North arrow, scale, and date.
 - A title which includes the name of the subdivision and its location by section, township, range and county.
 - Name, address, registration number, and valid seal of the registered land surveyor preparing the plat.
- ☐ Survey Data.
 - Subdivision boundary lines and corners, together with courses and distances and all curve or angle data. Subdivision corners must be shown and must close on the ground within 0.05 foot per one hundred (100) feet; other monuments, lot corners, and other survey points must also be described and located. One (1) tie must be made by true course and distance to a GLO corner, or, if none exists, to a corner of common acceptance. Proposed subdivisions adjacent to existing subdivisions must tie to the corners of the existing subdivisions. Adjoining property must be identified by subdivision name, or if unsubdivided, and Forest Service lands noted. All connecting streets, private and public and Forest Service roads must be shown and named.

- Name, courses, length and width of all public streets and street cross sections; radii, points of tangency, and central angles of all curvilinear streets; radii of all rounded street line intersections; location, dimensions, bearings, radii, arcs, and central angles of all sites to be dedicated to the public; and a statement noting that the streets dedicated on the plat will not be accepted for city maintenance until they are brought up to minimum city standards.
- A registered professional land surveyor must certify that all lots are staked, or will be staked within six (6) months.
- Existing Conditions Data.
 - Utility easements intended to remain on the property: The notation as described in Section [17.15.050\(A\)\(3\)](#) shall be on the final plat.
 - Drainage easements intended to remain on the property, with the following notation:
 - Natural, unimpeded flow is preferred in all drainage ways, wherever practical. No structure of any kind may be constructed or placed, nor may any vegetation be planted nor be allowed to grow within, on or over any drainage easement which would obstruct or divert the flow of storm water. The city may construct and/or maintain drainage facilities on or under the land in any drainage easement.
- Descriptive Data Required.
 - Name, right-of-way lines, courses, lengths, width of all public streets, crosswalks, and utility easements; radii, points of tangency and central angles of all curvilinear streets and rounded street line intersections.
 - Utility easements needed in conjunction with the new plat to include the notation as cited in Section [17.15.050\(A\)\(3\)](#).
 - All drainage ways shall be shown on the plat. The rights-of-way or easements for all major drainage ways, as designated by the public works director, shall be dedicated to the public.
 - Location and dimension of all residential lots, including identification of each lot by number and size of each lot, total number of lots and average and minimum lot sizes.
 - All residential lots shall be numbered by consecutive numbers throughout the plat. "Exception," "tracts," and parks shall be so designated, lettered or named and clearly dimensioned.
 - Locations, dimensions, bearings, radii, arcs, and central angles of all sites to be dedicated to the public with the use clearly indicated.
 - Location of all adjoining subdivisions with date, map and page number of recordation noted, or, if unrecorded or unsubdivided, so marked.

APPLICATION TIMELINE *(Final Plat)*

- 1) **The Director of Planning and Zoning shall confirm whether your application is complete within five (5) working days of receipt.**
- 2) **City Council shall consider the final plat at a regularly scheduled meeting no sooner than 21 days after confirmation of complete application submission. The final plat will not be placed on the agenda until the improvement plans have been approved and all other requirements are satisfied.**
- 3) **Recordation - Upon receipt of the required assurances, and proof of adequate water supply, the applicant will provide the City with three (3) copies of the approved final plat drawn in permanent ink on Mylar approximately 4 mil in thickness, the final plat recorded and provide a recorded copy of the plat to the applicant.**

FINAL PLAT & DEVELOPMENT PLAN FEE SCHEDULE *(Per resolution No. 2012-01)*

# Proposed Lots or Units	Flat Fee
1-25	\$150.00
26-50	\$250.00
51 and over	\$400.00
Amended/Revised	\$250.00

DEDICATION

KNOWN ALL MEN BY THESE PRESENTS:

Scott Martinson and Heather Martinson, husband and wife, as owners, have subdivided in the name of THE HOLLOWS, a FINAL DEVELOPMENT PLAN in a portion of Section 24, Township 10 North, Range 21 East, of the Gila and Salt River Base and Meridian, Navajo County, Arizona, as shown on the plat hereon, and hereby publishes this plat as and for the Plat of said "THE HOLLOWS", and hereby declares that said plat sets forth the location and gives the dimensions of the lots, and tracts constituting the same, and that each lot, and tract shall be known by the number or letter given to each respectively on said FINAL DEVELOPMENT PLAN. As soon as practicable following the recordation of this plan, the lots and tract within this subdivision shall be subjected to restrictive deed restrictions for the development of this land which are dated this _____ day of _____, 20____, and will be recorded separately.

Tract "A" is hereby dedicated to the public and conveyed to the City of Show Low, Arizona, for use as a public right of way and for public utility easements, along with the right for said City of Show Low and for utility companies to enter said property for purposes of installation, operation, maintenance, repair, relocation and access as is necessary with respect to roadways, utility lines and appurtenant facilities upon, across, over and under the surface thereof.

Other easements shown platted hereon are hereby dedicated for the purpose shown hereon.

In witness whereof:

Scott Martinson and Heather Martinson, husband and wife have hereunto caused their names to be affixed and the same to be attested by the signature of the undersigned on this _____ day of _____, 2019.

By: Scott Martinson _____

By: Heather Martinson _____

STATE OF ARIZONA)
) ss.

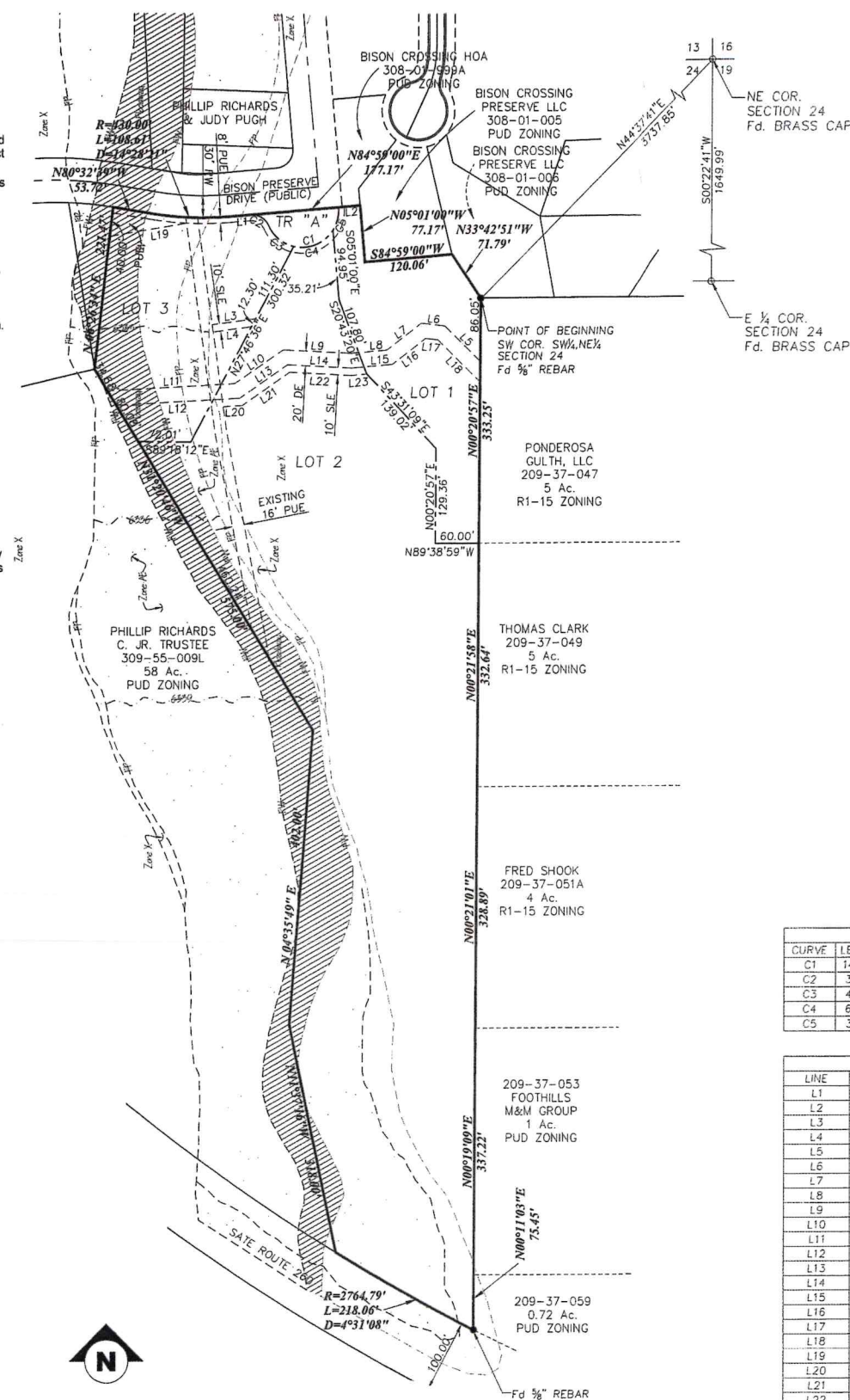
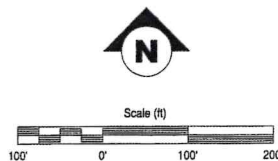
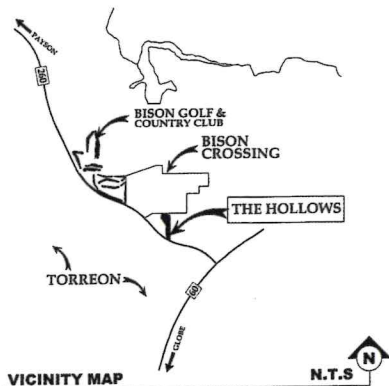
County of Navajo)

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Scott Martinson and Heather Martinson, known to me to be the persons whose name is subscribed to the foregoing instrument, and acknowledged to me that they executed the same.

My Commission Expires: _____

LEGEND

—	Plat Boundary
—	ROW
- - -	Lot Line/Tract Boundary
- - -	Building Setback/Easement
- - -	Prop. Centerline
•	Set 1/2" Rebar, LS 31588
o	Found 2" Alum. Cap, LS 16165
o	Set Roadway CL Monument
PUE	Public Utility Easement
DE	Drainage Easement
SLE	Sewer Line Easement
RW	Right of Way
N68°06'27"E	Plat Boundary Dimension
N68°06'27"E	Lot/Tract Boundary Dimension



LEGAL DESCRIPTION

A parcel of land located in Section 24, Township 10 North, Range 21 East of the Gila and Salt River Base and Meridian, City of Show Low, Navajo County, Arizona, being more particularly described as follows:
Commencing at BLM brass cap marking the northeast corner of said Section 24;
THENCE S44°37'41"W 3737.85 feet to a found 5/8-inch iron pin at the southwest corner of the SW 1/4 NE 1/4 of said Section 24, also being the Point of Beginning and the southwest corner of lot 6 of the final plat of "Preserve Unit No. 1A at Bison Crossing" as recorded in book 29, pages 3 & 4 of plats at the office of the Navajo County recorder;
THENCE S00°20'57"W 333.25 feet;
THENCE S00°21'58"W 332.64 feet;
THENCE S00°21'01"W 328.89 feet;
THENCE S00°19'09"W 337.22 feet;
THENCE S00°11'03"W 75.45 feet to a point on a non-tangential curve on the northerly right of way boundary of State Highway 260;
THENCE along said State Highway right of way boundary 218.06 feet along a curve to the right, having a central angle of 4°31'08", a radius of 2764.79 feet, and a chord which bears N60°23'20"W 218.00 feet to a point of intersection with a non-tangential line.
THENCE N11°37'16"W 318.00 feet;
THENCE N04°35'49"E 402.00 feet;
THENCE N31°20'46"W 575.00 feet;
THENCE N06°26'34"E 221.47 feet to the southerly right of way boundary of public street known as "Bison Preserve" also located on the southerly boundary of said final plat Preserve Unit No. 1A;
THENCE along said southerly boundary of Preserve Unit No. 1A, S80°32'39"E 53.73 feet;
THENCE along said southerly boundary of Preserve Unit No. 1A, 108.61 feet along a curve to the left having a central angle of 14°28'21", having a radius of 430.00 feet, and a chord which bears S87°46'49"E 108.33 feet;
THENCE along said southerly boundary of Preserve Unit No. 1A, N84°59'00"E 177.17 feet;
THENCE along said southerly boundary of Preserve Unit No. 1A, S05°01'00"E 77.17 feet;
THENCE along said southerly boundary of Preserve Unit No. 1A, N84°59'00"E 120.06 feet;
THENCE along said southerly boundary of Preserve Unit No. 1A, S33°42'51"E 71.79 feet to the POINT OF BEGINNING; containing 10.6 Acres, more or less.

CURVE TABLE				
CURVE	LENGTH	RADIUS	DELTA	CHORD
C1	140.09	50.00	160°31'44"	98.56 N75°14'52"E
C2	30.77	25.00	70°31'44"	28.87 N59°45'08"W
C3	45.85	50.00	52°32'07"	44.26 S50°45'20"E
C4	62.07	50.00	71°07'25"	58.16 N67°24'54"E
C5	32.17	50.00	36°52'11"	31.62 N13°25'06"E

LINE TABLE		
LINE	LENGTH	BEARING
L1	26.46	S84°59'00"W
L2	30.00	S84°59'00"W
L3	60.08	S82°08'54"W
L4	52.92	S82°08'54"W
L5	68.71	N45°27'13"W
L6	32.49	N83°22'30"W
L7	60.14	S52°31'56"W
L8	48.85	S84°59'00"W
L9	93.15	S87°12'20"E
L10	80.63	N55°13'31"E
L11	173.58	N86°48'36"E
L12	168.53	N86°48'36"E
L13	79.48	N55°13'31"E
L14	87.71	N87°12'20"W
L15	56.04	S84°59'00"W
L16	57.86	S52°31'56"W
L17	17.51	N83°22'30"W
L18	81.29	N45°27'13"W
L19	106.22	N80°24'19"E
L20	25.96	S86°48'36"W
L21	78.91	S55°13'31"W
L22	84.99	N87°12'20"W
L23	21.14	S84°59'00"W

Final Development Plan

FOR THE HOLLOWS

Located in a portion of Section 24, Township 10 North, Range 21 East
of the Gila and Salt River Base and Meridian, Navajo County, Show Low, Arizona
OCTOBER 2019

SITE DATA

Land Use / Zoning _____ PUD
Proposed Land Use: Lots 1-3 Single Family Residential
Tract "A": 0.09 Acres Public Street (Dedicated),
Public Utilities, & Drainage easement
Building Setbacks: As shown herein on this plan in detail-
Front: 20' minimum
Rear: Varies- 15-35' as shown
Side: 10' minimum
Gross Area _____ 10.6 Acres
Total No. of Lots _____ 3 Lots
Total No. of Tracts _____ 1 Tract
Max Lot Size _____ 8.01 Acres
Min Lot Size _____ 1.13 Acres
Avg Lot Size _____ 3.49 Acres
Private Streets _____ 0 Miles

TRACT & PARCEL INFO

LOT 1 48,148 SF 1.13 AC
LOT 2 348,762 SF 8.01 AC
LOT 3 58,476 SF 1.34 AC
TR "A" 3,965 SF 0.09 AC

OWNER / DEVELOPER

Scott & Heather Martinson
12099 East Arabian Park Drive
Scottsdale, AZ 85259
Phone: (480) 276-6428
Email: smcambri@gmail.com

SURVEYOR

Bruce T. Butler, PE, PLS DS West, LLC
P.O. box 19736
Fountain Hills, AZ 85269
Phone: (928) 242-1498

FLOOD PLAIN

In accordance with FEMA's Flood Insurance Rate Map (FIRM) Community-Panel Number 040069 0001 C, map revised August 3, 1992 this plat lies within the following Flood Zones as shown on FIRM:

Zone X (unshaded): Areas determined to be outside 500-year flood plain.

Zone X (shaded): Areas of 500-year flood plain; areas of 100-year flood with average depths of less than 1 foot.

Zone AE: Special flood hazard areas inundated by 100-year flood plain; Base flood elevations determined.

Basis of Bearings

Survey Was Conducted Using Survey Grade Receivers In Real Time Kinetic Mode. Basis of Bearing Was Derived From GPS Observations And Distances Shown As Measured Have Been Reduced To Horizontal Field Distances.

APPROVALS

Approved by the Council of the City of Show Low, Arizona

This _____ day of _____, 2019

By: _____ Mayor

Attest: _____ City Clerk

Approved by the Director of Public Works of Show Low, Arizona this _____ day of _____, 2019.



REVISIONS	
NO.	DATE
1	
2	
3	
4	
5	

DS West, LLC
Engineering & Project Management
PO Box 19736 • Fountain Hills, AZ
Civil Engineering And Land Surveying
P.O. BOX 3581 Show Low, AZ 86902

PROJECT TEAM	
DRAWN BY	PAS
CHECKED BY	BTB
PROJECT NO.	
ISSUE DATE	10/21/2019
SCALE	1" = 100'
DWG FILE	THDP.DWG

THE HOLLOWS
FINAL DEVELOPMENT PLAN

SHEET
1 of 1

RECEIVED
OCT 23 2019
SARAH DEWITT

MTG DATE: 10/1/2024
ITEM: 7.F

**City of Show Low
STAFF SUMMARY REPORT**

AGENDA TITLE: Consideration of Acceptance of Show Low Lake Spillway Campground Utility Improvements, City of Show Low Project No. FM-7124 (Shane Hemesath)

RECOMMENDATION

I **MOVE** to accept the Show Low Lake Spillway Campground Utility Improvements, City of Show Low Project No. FM-7124, completed by Western Grade LLC, for final cost of \$239,870.51 release the retainage, and initiate the warranty period.

BACKGROUND

The City's fiscal year 2024 Capital Improvements Plan budget included \$300,000.00 for a utility improvement project labeled Show Low Lake Spillway Campground Restroom and Utilities. The group campground located across the spillway at Show Low Lake did not have any utilities or restroom facilities. The first phase of the project was designed to extend power, water, and sewer utilities from Show Low Lake Road across the spillway to the campground. A restroom will be constructed as a separate project at a later date.

At the April 16, 2024 City Council meeting, a construction contract for the improvements was awarded to Western Grade LLC for an amount not to exceed \$250,408.51. The improvements have been completed for a total cost of \$239,870.51

Staff recommends accepting the Show Low Lake Spillway Campground Utility Improvements, City of Show Low Project No. FM-7124, completed by Western Grade LLC, for a final cost of \$239,870.51, releasing the retainage, and initiating the warranty period.

ATTACHMENTS

None

FISCAL IMPACT

Final cost: \$239,870.51

Funding source (account no.): Show Low Lake Spillway Restroom & Utilities (11-445-495-7310-2308/4452308)

**MINUTES OF THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL
HELD ON TUESDAY, SEPTEMBER 17, 2024, AT 7:00 PM IN THE CITY COUNCIL
CHAMBERS, 181 NORTH 9TH STREET, SHOW LOW, NAVAJO COUNTY,
ARIZONA**

1. Call to Order.

Vice Mayor Kakavas called the meeting to order at 7:00 p.m.

2. Roll Call.

COUNCIL MEMBERS PRESENT: Vice Mayor Kakavas, Councilman Adams, Councilman Clark, Councilman Hatch, and Councilman Whipple

COUNCIL MEMBERS ABSENT: Mayor Leech and Councilman Judd.

STAFF MEMBERS PRESENT: F. Morgan Brown, City Manager; Anna Atencio, City Attorney; Justin Johnson, Deputy City Manager; Jeff McNeil, Police Commander; Jacob Allen, Airport Manager; Rick Austin, Public Works Operations Manager; Lisa Robertson, Grants Manager; and Rachael Hall, City Clerk.

GUESTS: Doug Roberts, Patricia Bertain and others.

3. Invocation.

Councilman Whipple gave the invocation.

4. Pledge of Allegiance.

Councilman Hatch led the Council and audience in the pledge of allegiance.

5. **CALL TO THE PUBLIC:**

Any citizen desiring to speak on a matter that is within the jurisdiction of the City Council may do so at this time. Comments may be limited to three minutes per person and shall be addressed to the City Council as a whole, and not to any individual member. Issues raised shall be limited to those within the jurisdiction of the City Council. Pursuant to the Arizona Open Meeting Law, the City Council cannot discuss or act on items presented at this time. At the conclusion of the call to the public, individual City Council members may (1) respond to criticism made by those who have spoken, (2) ask staff to review a matter, and (3) ask that a matter be put on a future agenda.

Floyd Durbin, 500 North 16th Place, discussed flood control issues. He said years ago a 40-inch culvert was installed near 16th Place and there were several issues with the culvert and flooding in the area.

Doug Roberts, 1441 North 36th Drive, Show Low, said the Run to the Pines Car

Show and cavalcade of cars would be held on September 27-29 and invited all to attend the events.

Patricia Bertain, 800 North 1st Avenue, discussed issues with a TLC Supported Living Services group home located next to her residence.

6. **CONSENT CALENDAR:**

- A. Proclamation by the Mayor Proclaiming September 17 through 23, 2024 as **CONSTITUTION WEEK** in the City of Show Low (Rachael Hall)
- B. Consideration of Resolution No. R2024-27 Rescinding Resolution No. R2022-04 and Adopting Revised Title VI Policy Statement and Implementation Plan Regarding Non-Discrimination in City Programs and Activities (Lisa Robertson)
- C. Consideration of Minutes of Show Low City Council meetings:
 - 1. Regular Meeting of September 3, 2024

COUNCILMAN ADAMS MOVED TO APPROVE THE CONSENT CALENDAR AS PRESENTED; SECONDED BY COUNCILMAN WHIPPLE; PASSED 5 TO 0 WITH VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN CLARK, COUNCILMAN HATCH, AND COUNCILMAN WHIPPLE VOTING IN FAVOR.

7. **NEW BUSINESS:**

- A. Consideration of Award of Contract for Carpet and Tile Cleaning Services for City Buildings, City of Show Low Project No. FM-5924 (Rick Austin)
Mr. Austin said on June 7, 2024, a Request for Sealed Quotes was posted to the City's website for carpet and tile cleaning services for nine City facilities. Two companies submitted sealed quotes with the following results:

<u>Contractor</u>	<u>Total Bid</u>
Navapache ChemDry	\$23,847.20
The D.M. Caldwell Corporation (dba Environmental Management)	\$15,815.10

Mr. Austin said staff recommended awarding the services contract for the City's carpet and tile cleaning, City of Show Low Project No. FM-5924, to The D.M. Caldwell Corporation, dba Environmental Management in an amount of \$15,815.10 per year, \$63,260.40 for a four-year period.

COUNCILMAN ADAMS MOVED TO AWARD THE CONTRACT FOR THE CITY'S CARPET AND TILE CLEANING SERVICES, CITY OF SHOW LOW PROJECT NO. FM-5924, TO THE D. M. CALDWELL CORPORATION, DBA ENVIRONMENTAL MANAGEMENT IN THE

AMOUNT OF \$15,815.10 ANNUALLY FOR A FOUR-YEAR TOTAL OF \$63,260.40; SECONDED BY COUNCILMAN HATCH; PASSED 5 TO 0 WITH VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN CLARK, COUNCILMAN HATCH, AND COUNCILMAN WHIPPLE VOTING IN FAVOR.

- B. Consideration of Approval of Agreement for Air Services with Corporate Flight Management, Inc. D/B/A Contour Airlines, and Authorize Associated Budget Transfers (Jacob Allen)

Mr. Allen said on June 18, 2024, the City Council voted to approve the application to the United States Department of Transportation (DOT) requesting Alternate Essential Air Service (AEAS) through Contour Airlines.

Mr. Allen said on August 22, 2024, staff was notified of DOT Order 2024-8-17, approving the application submitted by the City of Show Low, Arizona, for the Show Low Regional Airport. The order issued by DOT stated that the City of Show Low was eligible to receive grant funding for the requested air service outlined in the AEAS application, beginning October 1, 2024. The total amount of the grant would be \$24,312,381.00 for a four-year period. Contour Airlines had confirmed they were able to begin air service starting October 1, 2024. Southern Airways Express submitted their letter of termination as of September 30, 2024.

Mr. Allen said before Contour Airlines could begin services, the airport sponsor (City of Show Low) must enter into an air service agreement with the air carrier directly. The costs associated with this agreement were 100% reimbursable via the AEAS grant. The grant agreement was currently processing, and Contour Airlines had agreed to begin operating "at risk" until the grant agreement was in place. The air service agreement with Contour Airlines contained minimum performance standards which would allow the City to terminate the agreement if performance standards were not being met.

Mr. Allen said staff recommended approving the Agreement for Air Services with Corporate Flight Management, Inc. DBA Contour Airlines, and authorize associated budget transfers.

COUNCILMAN HATCH MOVED TO APPROVE THE AGREEMENT FOR AIR SERVICES WITH CORPORATE FLIGHT MANAGEMENT, INC. D/B/A CONTOUR AIRLINES, AND AUTHORIZE ASSOCIATED BUDGET TRANSFERS.; SECONDED BY COUNCILMAN WHIPPLE; PASSED 5 TO 0 WITH VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN CLARK, COUNCILMAN HATCH, AND COUNCILMAN WHIPPLE VOTING IN FAVOR.

- C. Consideration of Approval of Commercial Airport Lease and Operating Agreement with Corporate Flight Management, Inc. D/B/A Contour Airlines

at Show Low Regional Airport (Jacob Allen)

Mr. Allen said on August 22, 2024, the U. S. Department of Transportation awarded the City of Show Low a grant for Alternate Essential Air Service (AEAS) allowing the City to contract with Corporate Flight Management, Inc. D/B/A Contour Airlines (Contour) to provide scheduled commuter air service between Show Low and Phoenix using a 30-seat regional jet.

Mr. Allen said as a result, on September 30, 2024, the current EAS carrier, Southern Airways Express, would no longer be the carrier in Show Low and the commercial airport lease and operating agreement would expire. Contour was scheduled to begin service October 1, 2024, and would enter into a new Lease and Operating Agreement.

Mr. Allen said Contour would pay the City \$8,809.33 per month to lease the airline ticket counter, a portion of the baggage makeup area, and a small office. The lease included applicable user fees, airport landing fees, and overnight parking fees. The lease would run for the duration of the AEAS contract with Contour.

COUNCILMAN CLARK MOVED TO APPROVE A COMMERCIAL AIRPORT LEASE AND OPERATING AGREEMENT WITH CORPORATE FLIGHT MANAGEMENT, INC. D/B/A CONTOUR AIRLINES CONCURRENT WITH THE ALTERNATIVE ESSENTIAL AIR SERVICE CONTRACT WITH THE UNITED STATES DEPARTMENT OF TRANSPORTATION; SECONDED BY COUNCILMAN HATCH; PASSED 5 TO 0 WITH VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN CLARK, COUNCILMAN HATCH, AND COUNCILMAN WHIPPLE VOTING IN FAVOR.

8. **SUMMARY OF CURRENT EVENTS:**

A. Council Members

None.

B. Mayor

None.

C. City Manager

Mr. Brown said the Show Low Public Library had been closed the last few weeks would be re-opening this Thursday. Also, on September 26, the library was hosting a "Meet the Authors" event and were proud to have authors Deborah Goodacre and Tyler Kelley attend the event.

Mr. Brown said the recreation department was hosting the Scarecrow Walk

and Contest. Individuals, families, businesses, and groups were all invited to join in and enter the contest. Registration was going on now through October 9. Contact the recreation department for more information at 532-4130.

Mr. Brown said in public works projects, the city's contractor continued work on the Citywide paving project. Work on the Woolford Reconstruction was scheduled for September 23rd. He thanked citizens for their patience as these important projects were completed.

Mr. Brown said there would be a ribbon cutting event on October 1 for the start of the new airline service with Contour Airlines at Show Low Regional Airport and all were invited to attend.

9. **SCHEDULE OF MEETINGS:**

Scheduling of meetings, which may be brought up at this time.

The Council Retreat would be held on October 23, 2024.

COUNCILMAN ADAMS MOVED TO RECESS INTO EXECUTIVE SESSION FOR DISCUSSION WITH THE CITY ATTORNEY REGARDING DISCUSSION REGARDING THE TYCO AND BASF WATER SETTLEMENTS; SECONDED BY COUNCILMAN CLARK PASSED 5 TO 0 WITH VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN CLARK, COUNCILMAN HATCH, AND COUNCILMAN WHIPPLE VOTING IN FAVOR.

The Show Low City Council recessed into Executive Session at 7:29 p.m.

10. **EXECUTIVE SESSION:**

A. Confidentiality Statement.

B. City Council may hold an executive session pursuant to A.R.S. § 38-431.03(A)(3), (4) & (6), discussion or consultation with the attorney or attorneys of the public body for legal advice; to consider its position and instruct its attorneys regarding contemplated litigation or settlement discussions conducted in order to avoid or resolve litigation; or negotiations with members of a tribal council.

(1) Discussion regarding the Tyco and BASF water settlements

11. **POST EXECUTIVE SESSION:**

A. Consideration of any item on the Executive Session portion of this agenda, which the Council may wish to take action upon in Open Session.

The Show Low City Council reconvened to Open Session at 7:38 p.m.

12. **ADJOURNMENT:**

There being no further business to be brought before the Council, **VICE MAYOR KAKAVAS ADJOURNED THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL OF SEPTEMBER 17, 2024, AT 7:38 P.M.**

ATTEST:

APPROVED:

Rachael Hall, City Clerk

John Leech, Jr., Mayor

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the City Council of Show Low held on September 17, 2024. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 20____.

Rachael Hall, City Clerk

**City of Show Low
STAFF SUMMARY REPORT**

AGENDA TITLE: Consideration of Award of Contract for Christmas Lighting and Decorations, City of Show Low Project No. FM-1925 (Rick Austin)

RECOMMENDATION

I **MOVE** to award the contract for Christmas lighting and decorations, City of Show Low Project No. FM-1925, to HLC Productions dba Holiday Lighting Company AZ, Inc. for an amount not to exceed \$38,670.00 per year for the first three years and authorize staff to approve up to two one-year renewals.

BACKGROUND

The City's budget includes funding for Christmas lighting and decorations at City facilities. This work includes design, installation, maintenance, removal, packaging, storage and transport of seasonal lighting decorations. The decorations will be installed in six public locations: City Hall, Library, Public Safety Building, Reidhead House, City Park and Festival Marketplace.

This is the second time that the City has contracted for this service. The last five-year contract has expired. The last contract was for decorating at four locations. The new contract also includes the Reidhead House and City Park.

A request for proposals was published per statutory requirements. Two proposals were received. Staff reviewed the proposals for compliance with the selection criteria and determined that HLC Productions met the requirements and also provided the lowest price.

<u>Contractor</u>	<u>Total Bid</u>
HLC Productions dba Holiday Lighting Company AZ, Inc.	\$38,670.00
M & M Holiday Lighting Pro's	\$72,297.08

Staff recommends awarding the contract for Christmas lighting and decorations to HLC Productions in an amount not to exceed \$38,670.00 per year for a term of three years and authorizing staff to approve up to two one-year renewals after the original term.

ATTACHMENTS

1. HLC Proposal

FISCAL IMPACT

Anticipated cost: \$38,670.00
Funding source (account no.): Christmas Lights (11-445-430-8111-0000)

ESTIMATE

Holiday Lighting Company
PO Box 61013
PHOENIX, AZ 85082

email@hlcaz.com
602-431-2253
www.hlcaz.com



Bill to

City of Show Low
180 North 9th Street
Show Low, AZ 85901

Estimate details

Sales Rep: Alex

Estimate no.: 24172

Estimate date: 09/16/2024

#	Description	Amount
1.	City of Show Low, Barb Hines, 1281 E Thornton Road, Show Low, AZ 85901.	
2.	Christmas Lighting City of Show Low Project #FM-1925	
3.	AREA ONE - Show Low City Hall. 180 N. 9th Street.	
4.	Trees to be decorated are 9 deciduous in the entry plaza area, and 4 maple trees on the north lawn area. Must include, approx. 575' LED C-9 lights warm white on the building, and LED multicolored mini lights averaging 15 strands per tree, and all the hardware to complete task. One 25' spruce tree that is the Cities designated Christmas tree for the lighting Ceremony.	
5.	LED C-9 lights, warm white, appx 575'.	\$1,150.00
6.	LED Mini Lights, multi colored, avg 15 strings per tree.	\$2,340.00
7.	Decor and lights for 25' spruce tree.	\$1,450.00
8.	Hardware and electrical accessory package, clips, extension cords, 3-ways, adapters and timers if needed.	\$25.00
9.	Labor for installation/removal.	\$2,800.00
10.	AREA TWO - City Library 181 N. 9th Street.	
11.	Decorated areas include the building roof edges. Must include approx. 800' of LED C-9 warm white lights and the hardware to complete task	
12.	LED C-9 lights, warm white, appx 800'.	\$1,600.00
13.	Hardware and electrical accessory package, clips, extension cords, 3-ways, adapters and timers if needed.	\$25.00

14. Labor for installation/removal. (requires extra securing under eaves or lights will fall off when it snows)	\$1,680.00
15. AREA THREE - Show Low Public Safety building 411 E. Deuce of Clubs.	
16. String tree of lights on north face from roof to ground.	
17. LED Mini Lights, red and green, approximate 40 strings.	\$480.00
18. Hardware and electrical accessory package, clips, extension cords, 3-ways, adapters and timers if needed.	\$25.00
19. Labor for installation/removal.	\$1,400.00
20. AREA FOUR – Festival Marketplace Park, 1033 E. Deuce of Clubs,	
21. Decorated areas include 10 trees within the park area with trunk and limb wrap using 20 strands of LED mini lights per tree. These trees line a brick pathway in the center of the park, five on each side.	
22. LED Mini Lights, multi colored, avg 20 strings per tree.	\$2,400.00
23. Hardware and electrical accessory package, clips, extension cords, 3-ways, adapters and timers if needed.	\$25.00
24. Labor for installation/removal.	\$1,400.00
25. AREA FIVE – Reidhead House, 780 E. Deuce of Clubs.	
26. Decorated areas include the buildings roof edges using approximately 500 red and pure white lights with all non-evasive hardware and clips. Trees to be decorated are a large juniper tree east of the Reidhead house a minimum of 300 pure white G50 bulbs and 50 pure white G50 flashing lights, 4 large Aspen trees south of the house with alternating red and white mini-LED's approx. 10 strands per tree, install 2 twinkly light pro sets with 300 pixels per set on Plumb tree east of the house, and 6 small trees North of the Deuce of Clubs and West of the driveway with alternating red and white Mini LEDs 4 strands per tree.	
27. LED C-9 lights, red and pure white, appx 500'.	\$1,000.00
28. 300 pure white G50 bulbs and 50 pure white G50 flashing lights	\$175.00
29. LED Mini Lights, red and white approx. 10 strands per tree.	\$480.00
30. 2 twinkly light pro sets with 300 pixels per sets.	\$780.00
31. LED Mini Lights, red and white approx. 4 strands per tree.	\$300.00
32. Hardware and electrical accessory package, clips, extension cords, 3-ways, adapters and timers if needed.	\$25.00
33. Labor for installation/removal.	\$2,660.00
34. AREA SIX – City Park, 751 S. Clark Road.	
35. Decorated areas include Senior Field Concession Stand with 250 C9 pure white lights, seven trees at the west entrance of Clark Rd. including 2 large pines with a minimum of 10 strands per tree of C9 LED lights, one patch of oak trees south of the entrance with 15 strands of pure white mini LEDs, 2 small pine trees North of the entrance with 8 strands per tree of red mini LEDs, and 2 juniper trees North of the entrance	

with 8 strands per tree of red mini LEDs, wrap 7 pine trees at the concession stand with 5 strands each of a mixture of red and white LEDs, install 15 strands of red mini LEDs on the juniper patch South of the concession building, place 300 G50 lights on the large pine tree on the east side of building, install 10 strands of pure white LEDs on the patch of oak trees on the North side of the building, and 6 strands per tree on the three junipers on the North-East side of the building (mix of red and white). Supply and install a Show Low Shines sign facing South-West toward the corner of Clark and Deuce of Clubs 4' tall of 30 C9 multi colored lights per letter and all the hardware to hang.

36. LED C-9 lights, pure white, appx 250'.	\$500.00
37. LED Mini Lights, pure white approx. 300 strands for all trees.	\$3,600.00
38. LED Mini Lights, red approx.100 strands for all trees.	\$1,200.00
39. 300 G50 bulbs.	\$150.00
40. "Show Low Shines" Sign 4' high.	\$1,250.00
41. Hardware and electrical accessory package, clips, extension cords, 3-ways, adapters and timers if needed.	\$25.00
42. Trip and equipment charges for installation and removal.	\$4,800.00
43. Lift cost, install and removal	\$4,925.00

Total	\$38,670.00
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Note to customer

50% deposit due on acceptance.
Balance due on completion of service.

Accepted date

Accepted by

ADDENDUM NUMBER 1

Christmas Lighting City of Show Low Project FM-1925 September 13, 2024

Prospective bidders and interested parties are hereby directed to make the following changes or clarifications to the Request for Bids for the above reference project. This Addendum shall be affixed to the Contract Documents, and the bidder shall acknowledge receipt of same on the Bid Form page BF-1.

This addendum consists of 1 page. The Addendum addresses written questions submitted by bidders prior to the question deadline

- 1) Q: In Area 1, the 8 deciduous trees by the (entry plaza area) are located outside the entrance to the City Hall building and South of the main light up tree, Is that correct?

A: Correction: There are 9 deciduous trees in the plaza area to be decorated and 4 maple trees in the north lawn of city hall to be decorated.

- 2) Q: Area Three: On that building there is the lower roof line and the higher roof line on top of the hill. Would the City like both roof lines included? I can do the C9 lights in Red, Pure white, and Green. I believe the tree shape was in those colors last year.

A: The proposal says roofline OR lighted tree and we would like to see blue strands mixed in with other colors of your choice. **Please do not provide pricing for the roof line. Only provide pricing for the tree shape.**

- 3) Q: In Area 1 does the contractor or the City provide the 25 foot spruce tree?

A: The tree is an existing, live tree.

**City of Show Low
STAFF SUMMARY REPORT**

AGENDA TITLE: Consideration of Acceptance of Grant Agreement Between the U.S. Department of Transportation and the City of Show Low, Arizona, Under the Alternate Essential Air Service Program (Bill Kopp)

RECOMMENDATION

I **MOVE** to approve the Grant Agreement Between the U.S. Department of Transportation and the City of Show Low, Arizona, Under the Alternate Essential Air Service Program.

BACKGROUND

On June 18, 2024, the City Council voted to approve the application to the United States Department of Transportation (DOT) requesting Alternate Essential Air Service (AEAS) through Contour Airlines.

On August 22, 2024, staff was notified of DOT Order 2024-8-17, approving the application submitted by the City of Show Low, Arizona, for the Show Low Regional Airport. The order issued by DOT states that the City of Show Low is eligible to receive grant funding for the requested air service outlined in the AEAS application, beginning October 1, 2024.

On September 17, 2024, Council approved the Agreement for Air Services with Corporate Flight Management, Inc. DBA Contour Airlines, and authorized associated budget transfers.

On September 24, 2024, staff received the grant agreement from DOT. The grant awards to the City of Show Low \$24,312,381 to be used for AEAS for a 48-month term, payable in an amount not to exceed \$5,640,760 for the first year, \$5,922,798 for the second year, \$6,218,938 for the third year, and \$6,529,885 for the fourth year. This Grant Agreement shall be effective as of October 1, 2024.

Staff recommends approving the grant agreement between the U.S. Department of Transportation and the City of Show Low, Arizona, under the Alternate Essential Air Service Program.

ATTACHMENTS

1. USDOT Grant Agreement for AEAS

FISCAL IMPACT

\$24,312,381 over a 48-month term, payable in an amount not to exceed \$5,640,760 for the first year, \$5,922,798 for the second year, \$6,218,938 for the third year, and \$6,529,885 for the fourth year.

**GRANT AGREEMENT BETWEEN THE
U.S. DEPARTMENT OF TRANSPORTATION
AND THE CITY OF SHOW LOW, ARIZONA, ACTING FOR THE COMMUNITY OF
SHOW LOW, ARIZONA, UNDER THE ALTERNATE ESSENTIAL AIR SERVICE
PROGRAM
CDFA 20.901 FAIN: 69A3452560562
DOCKET #: DOT-OST-1998-4409**

WHEREAS the City of Show Low, Arizona (hereinafter referred to as the Recipient), serving the Essential Air Service (EAS) eligible community of Show Low, Arizona, has submitted an application for participation in the Alternate Essential Air Service (AEAS) Program (June 24, 2024), and the U.S. Department of Transportation (DOT) has approved that application by Order 2024-8-18 (August 22, 2024). NOW, THEREFORE, DOT, acting for the UNITED STATES, presents this Grant Award and Agreement to the Recipient for \$24,312,381 for AEAS at the community for a 48-month term, payable in an amount not to exceed \$5,640,760 for the first year, \$5,922,798 for the second year, \$6,218,938 for the third year, and \$6,529,885 for the fourth year. This Grant Agreement shall be effective as of October 1, 2024. Unless otherwise defined in this Grant Agreement, capitalized terms shall have the meanings assigned to such terms in Section D hereof.

**THIS GRANT AWARD AND AGREEMENT IS MADE ON AND SUBJECT TO THE
FOLLOWING TERMS AND CONDITIONS:**

A. GENERAL CONDITIONS

1. The eligibility of Show Low, Arizona, for financial assistance under the AEAS Program shall be contingent upon its continued eligibility for subsidized EAS under 49 U.S.C. § 41731 and the Recipient's compliance with this Agreement and other statutory requirements.
2. The Recipient will forgo participation in the traditional EAS Program for a 48-month period, from October 1, 2024, through September 30, 2028, except as otherwise prescribed in section B.3.d.
3. The Recipient will contract with a public charter operator operating under 14 CFR Part 380 to provide air transportation from the Show Low Regional Airport (SOW) to Phoenix Sky Harbor International Airport (PHX), or an alternate hub airport designated by the community. The maximum obligation of the United States reimbursable under this Grant Agreement shall be \$24,312,381, payable in an amount not to exceed \$5,640,760 for the first year, \$5,922,798 for the second year, \$6,218,938 for the third year, and \$6,529,885 for the fourth year, subject to the availability of funds.
4. Payment by the United States for AEAS will be made pursuant to and in accordance with the provisions of such regulations and procedures as DOT may prescribe, including, without limitation, 2 CFR Parts 200 and 1201.
5. The Recipient, including any third parties, shall provide AEAS without undue delays and in accordance with the terms hereof and pursuant to any regulations and procedures as DOT may prescribe.

6. This Grant Award constitutes an obligation of Federal funding, in the amount of \$5,640,760 for the first year, \$5,922,798 for the second year, \$6,218,938 for the third year, and \$6,529,885 for the fourth year, subject to the availability of funding. This Grant Award shall expire, and the United States shall not be obligated to reimburse any part of the costs of the project unless the Recipient signs this Grant Agreement on or before **October 1, 2024**, or such subsequent date as may be prescribed in writing by DOT. If the Recipient makes any substantive changes to this Grant Agreement, such changes shall constitute amendments to this Grant Agreement and further action on the part of DOT is required in order for DOT to accept such amendments to the initial grant award obligation. If a signed version is not returned to DOT without modification by the Recipient on or before **October 1, 2024**, DOT may unilaterally terminate this Grant Agreement. The period of performance for this Grant Award is October 1, 2024, through September 30, 2028.
7. The Recipient shall take all steps, including litigation, if necessary, to recover Federal funds when DOT determines, after consultation with the Recipient, that such funds have been spent fraudulently, wastefully, or in violation of Federal laws, or misused in any manner in any project upon which Federal funds have been expended. For the purposes of this Grant Agreement, the term "Federal funds" means funds however used or disbursed by the Recipient that were originally paid pursuant to this Grant Agreement.
8. The Recipient shall retain all documents relevant to the Grant Award and Agreement for a period of three (3) years after air service undertaken pursuant to the Grant Agreement and receipt of final reimbursement from the U.S. Treasury, whichever is later. It shall furnish DOT, upon request, all documents and records pertaining to the determination of the amount of the Federal funds or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Recipient, in court or otherwise, involving the recovery of such Federal funds shall be approved in advance by DOT.
9. The United States shall not be responsible or liable for damage to property or injury to persons that may arise from, or be incident to, compliance with this Grant Agreement.
10. The Recipient shall ensure compliance with Federal regulations requiring conduct of a Federally-approved audit of any expenditure of funds of \$750,000 or more in a year in Federal awards.
11. The provisions of 2 CFR parts 200 and 1201 apply to this award. Sections 200.318 to 200.327 (Procurement Standards), as implemented and modified by 2 CFR 1201, shall apply to the extent that the Recipient procures property and services in carrying out AEAS.
12. This award is not for research and development.
13. The Recipient shall ensure that Federal funding is expended in full accordance with the U.S. Constitution, Federal Law, and statutory and public policy requirements: including but not limited to, those protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination.

B. APPLICATION OF SPECIFIC CONDITIONS

1. Recipient: The City of Show Low, Arizona, as the Recipient under the AEAS Program, shall administer the Grant according to the conditions set forth in this Grant Agreement.

Primary Recipient Contact:

Mr. Jacob Allen
Airport Manager
Show Low Regional Airport
180 North 9th Street
Show Low, AZ 85901
Office: (928) 532-4192
Email: jallen@showlowaz.gov

UEI Number: DBBNGDJMYNC5

2. Purpose: For the Recipient to contract with a public charter operator operating under 14 CFR Part 380 to provide air transportation from the Community to Phoenix Sky Harbor International Airport (PHX), or an alternate hub airport designated by the community. The Grant Award will comprise reimbursement of costs incurred per completed flight segment for a period of 48 months, as set forth in Section B.3 below.
3. Alternate Essential Air Service:
 - a. The public charter operator operating under 14 CFR Part 380 shall contract with a direct air carrier using 30-seat regional jet aircraft, or equivalent twin-engine aircraft.
 - b. The public charter operator operating under 14 CFR Part 380 shall contract with a direct air carrier that will provide equivalent service with substitute aircraft in the event of mechanical problems or other unforeseen circumstances.
 - c. The public charter operator shall disclose in its solicitation materials for this Alternate EAS community that the flights are public charters, and consistent with 14 CFR 380.30(a), (i) the name of the public charter operator; and (ii) the name of the direct air carrier that directly engages in the operation of the aircraft for the public charter flight.
 - d. Subsidy per completed flight is to be calculated as follows: the yearly grant amount (\$5,640,760 for the first year, \$5,922,798 for the second year, \$6,218,938 for the third year, and \$6,528,885 for the fourth year), divided by the number of scheduled annual flight segments (1,248) multiplied by the flight completion factor of 97 percent (1,211 completed flight segments).
 - e. In the event of early termination of the contract with the public charter operator by the Recipient, the Recipient shall immediately notify DOT whether it intends to continue to maintain its link to the national air transportation system through AEAS by finding a new air carrier to provide the service described herein for the

remainder of this Grant Agreement's term or to re-enter the traditional EAS program.

- f. Subject to the terms set forth in this Grant Agreement, DOT reserves the right to terminate the Grant Agreement, and DOT's obligations hereunder, on 30 days' prior written notice, unless otherwise agreed between the Recipient and DOT, if the Recipient does not meet the conditions and obligations specified under this Grant Agreement, and/or DOT determines that termination is in the public interest.
- g. Either party may seek to amend or modify this Grant Agreement on 30 days' prior written notice to the other party. The Grant Agreement will be amended or modified only on mutual written agreement by both parties.
- h. Upon termination or expiration of this Grant Agreement, DOT will retain any remaining unliquidated funds.

4. Reimbursement:

- a. Allowable Maximum: All payments by DOT to the Recipient for AEAS at the community will be made on a reimbursable basis and shall not exceed \$5,640,760 for the first year, \$5,922,798 for the second year, \$6,218,938 for the third year, and \$6,529,885 for the fourth year.
- b. Completed Flight Segments: Such payments shall be based on invoices submitted by the Recipient documenting completed flights and previously agreed upon subsidy-per-flight calculations as described in Section B.3.d above, at \$4,658 per completed flight segment for year one, \$4,891 for year two, \$5,135 for year three, and \$5,392 for year four.
- c. Requirements:
 - i. **The Recipient shall pay the costs associated with the Grant Project prior to seeking reimbursement from DOT.** To receive reimbursements for completed flight segments, the Recipient must first submit to DOT documentary evidence of expenditures. DOT will review the documentary evidence of expenditures provided by the Recipient and will promptly process appropriate reimbursements to the Recipient. DOT will reimburse the Recipient on a monthly basis for all valid expenditures submitted in accordance with Section 3 above.
 - ii. All reimbursement requests to DOT shall include sufficient documentation to justify reimbursement of the Recipient, including invoices and proof of payment of the invoice. DOT may reduce individual subsidy payments if demonstrated expenditures do not match or exceed the subsidy amount.
NOTE: Expenditures incurred by third parties are not directly reimbursable to such third parties under this grant program. The Recipient **must have paid all costs** associated with eligible invoices, including costs incurred by third parties, prior to seeking reimbursement from the Department. The Recipient may **not** seek reimbursement from the Department in any case where a third party (such as, but not limited to, an Economic Development Board, a Visitors' Bureau, or a Chamber of Commerce) has paid for such services instead of the Recipient. In seeking reimbursements, grant recipients must provide invoices or other evidence

of the expenditure, details about the expenditure and how it relates to the grant project, and evidence of payment. In addition, the Recipient is required to certify that each invoice is relevant to the authorized grant project and has been paid. In addition, for grants involving marketing of services conducted under an air service contract or revenue guarantee, the Recipient may seek reimbursement only for marketing activities that are market-specific to the city pairs shown in the air service agreement or revenue guarantee with the air carrier, and not for general marketing of the city or airport at issue in this Grant Agreement. Specifically, all marketing materials that are for route-specific grants must display the destination city and/or airport name.

- iii. The Department will consider reimbursement of certain specific fixed line-item costs for non-completed flights at Show Low Regional Airport (SOW) (e.g., due to airfield construction that leads to an extended closure of runway(s)). Such requests must be directly related to fixed auditable expenses incurred despite the flights being cancelled. Any such invoice from the air carrier must be paid by the Recipient before submitting to the Department for review and reimbursement.
 - iv. At the expiration or termination of the grant, unused grant funds may be deobligated from this grant and retained by DOT.
 - v. No reimbursement by DOT will be made until the Recipient has provided DOT with a copy of the air service contract, revenue guarantee, subsidy, or other such agreement between the Recipient and air carrier(s).
 - d. DOT will not reimburse the Recipient for any expenses incurred before the execution of this Grant Agreement.
 - e. DOT will not reimburse the Recipient for any expenses incurred after the expiration or termination of this Grant Agreement.
 - f. The Recipient shall ensure that reimbursements provided by DOT are not misappropriated or misdirected to any other account, need, project, line-item, or the like.
 - g. All requests for reimbursements shall be made by the Recipient within 60 calendar days of the relevant expenditures.
5. Reports: The Recipient shall provide an annual report to DOT at the end of each 12-month period of performance (October 1, 2024, through September 30, 2025; October 1, 2025, through September 30, 2026, October 1, 2026, through September 30, 2027, and October 1, 2027, through September 30, 2028). The report shall include a narrative encompassing: (a) total revenue enplanements and deplanements by each fiscal year (October to September), and (b) successes the Recipient realized from the air service provided for under this Grant. Annual reports are due to the Department no later than 60 days after each period of performance.
6. Recipient Obligations:
- a. The Recipient shall, within 15 calendar days after their execution, provide DOT with a copy of all agreements executed between the Recipient and any air carriers, or other parties related to the Recipient's AEAS. The Recipient shall, within 15

calendar days after execution, also provide DOT with notice of any amendment to, or termination of such agreements. The Recipient shall ensure that all agreements entered into with third parties regarding this grant are consistent with this Grant Agreement and the documents incorporated by reference into the Grant Agreement.

- b. The Recipient shall ensure that the obligations set forth in this Grant Agreement are met. Failure to do so may result in termination of the Grant Agreement by DOT.
- c. The Recipient shall ensure that Federal funding is expended in full accordance with the U.S. Constitution, Federal Law, and statutory and public policy requirements, including but not limited to, those protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination.

C. ASSURANCES

The Recipient shall execute the attached assurances and certifications (Assurances) in conjunction with its signing of this Grant Agreement and shall ensure compliance by the Grant Recipient with these Assurances and any amendments or modifications thereto. The Assurances are integral parts to this Grant Agreement and are deemed to be incorporated by reference into this Grant Agreement.

D. DEFINITIONS

Agreement: Any written contract or obligation between the Recipient and/or all parties identified in the application for AEAS.

Application or AEAS Application: The complete document submitted by the Recipient to DOT in Docket DOT-OST-1998-4409, including any amendments.

Assurances: This term shall have the meaning ascribed to it in Section C of this Grant Agreement.

Community: All parties identified in the Grant Application as participating in AEAS, including the Recipient.

DOT: United States Department of Transportation.

Execution of Grant Agreement: Signing of the written Grant Agreement by DOT and the Recipient.

Grant Agreement: The written agreement between DOT and the Recipient for Alternate EAS, incorporating by reference (a) all attachments and exhibits to this Grant Agreement, including the Assurances, in their entireties; (b) the Grant Application, except to the extent inconsistent with the terms of this written agreement; and (c) the original application filed on June 24, 2024, in Docket DOT-OST-1998-4409, including any amendments.

Grant Application: The complete document submitted to DOT by the Community in Docket DOT-OST-1998-4409, including any amendments.

Grant Recipient/Recipient: The Community receiving Alternate EAS, including the Recipient.

Passenger Seat Flown: The number of seats on the aircraft flown under this AEAS Grant Agreement regardless of whether there is a passenger in the seat.

Party: DOT and/or the Recipient, as the context indicates.

The Alternate Essential Air Service (AEAS) Program: One of the *Community and Regional Choice Programs* originally established under Vision 100—The Century in Aviation Reauthorization Act, P.L. 108-176, and codified in 49 U.S.C. § 41745.

Recipient Obligations

Responsibilities of the Recipient under this Grant Agreement and those documents incorporated by reference into the Grant Agreement as set forth above (see definition of Grant Agreement).

Recipient: A government entity and legal sponsor of the Grant Recipient that agrees pursuant to this Grant Agreement to administer and oversee implementation of this Grant Agreement and the fulfillment of the authorized Alternate EAS.

GRANT AWARD

This Grant Award and Agreement is made in accordance with Title 49 U.S.C. §§ 41731 - 41745 and is subject to the terms and conditions of this Grant Agreement and the Assurances attached hereto and incorporated herein.

Executed as of the _____ day of _____, 2024.

(SEAL)

United States Department of Transportation

CINDY ANN BARABAN

Digitally signed by CINDY ANN

BARABAN

Date: 2024.09.24 11:04:51 -04'00'

By: _____

Cindy A. Baraban

Deputy Assistant Secretary

for Aviation and International Affairs

ACCEPTANCE

The undersigned Recipient agrees to accomplish Alternate Essential Air Service in compliance with the terms and conditions of this Grant Agreement and the Assurances attached hereto and incorporated herein.

Executed as of the _____ day of _____, 2024.

City of Show Low, Arizona

Show Low, Arizona

(SEAL)

By: _____

Signature of Recipient's Designated Official Representative

Printed Name

Title

Attest: _____

Title: _____

CERTIFICATE OF RECIPIENT'S ATTORNEY

I, _____, acting as Attorney for the Recipient do hereby certify:
That in my opinion the Recipient is a government entity empowered to enter into the foregoing Grant Agreement under the laws of the State (or Commonwealth) of _____.
Further, I have examined the foregoing Grant Agreement, and the actions taken by said Recipient relating thereto, and find that the acceptance thereof by said Recipient and Recipient's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said State (or Commonwealth) and Title 49 of the U.S. Code. In addition, for grants involving projects to be carried out on property not owned by the Recipient or where Recipient may make payments to others, there are no legal impediments that will prevent full performance by the Recipient. Further, it is my opinion that the said Grant Agreement, including the Assurances, constitutes a legal and binding obligation of the Recipient in accordance with the terms thereof.

Signature of Recipient's Attorney

Date

Printed or Typed Name

Telephone

ATTACHMENT B

GRANT ASSURANCES

TITLE VI ASSURANCE

(Implementing Title VI of the Civil Rights Act of 1964, as amended)

ASSURANCE CONCERNING NONDISCRIMINATION IN FEDERALLY-ASSISTED PROGRAMS AND ACTIVITIES RECEIVING OR BENEFITING FROM FEDERAL FINANCIAL ASSISTANCE

(Implementing the Rehabilitation Act of 1973, as amended, and the Americans With Disabilities
Act, as amended)

49 C.F.R. Parts 21, 25, 27, 37 and 38

The United States Department of Transportation (USDOT)

Standard Title VI/Non-Discrimination Assurances

DOT Order No. 1050.2A

By signing and submitting the Grant Application and by entering into the Grant Agreement under the Alternate Essential Air Service Program (AEAS), the Recipient (also herein referred to as the “Recipient”), **HEREBY AGREES THAT**, as a condition to receiving any Federal financial assistance from the U.S. Department of Transportation (DOT), the Recipient is subject to and will comply with the following:

Statutory/Regulatory Authorities

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 C.F.R. Part 21 (entitled *Non-discrimination In Federally-Assisted Programs Of The Department Of Transportation—Effectuation Of Title VI Of The Civil Rights Act Of 1964*);
- 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964);

The preceding statutory and regulatory cites hereinafter are referred to as the “Acts” and “Regulations,” respectively.

General Assurances

In accordance with the Acts, the Regulations, and other pertinent directives, circulars, policy, memoranda, and/or guidance, the Recipient hereby gives assurance that it will promptly take any measures necessary to ensure that:

“No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity,” for which the Recipient receives Federal financial assistance from DOT.

The Civil Rights Restoration Act of 1987 clarified the original intent of Congress, with respect to Title VI and other Non-discrimination requirements (The Age Discrimination Act of 1975, and Section 504 of the Rehabilitation Act of 1973), by restoring the broad, institutional-wide scope and coverage of these non-discrimination statutes and requirements to include all programs and activities of the Recipient, so long as any portion of the program is Federally assisted.

Specific Assurances

More specifically, and without limiting the above general Assurance, the Recipient agrees with and gives the following Assurances with respect to its Federally assisted AEAS Grant program:

1. The Recipient agrees that each “activity,” “facility,” or “program,” as defined in §§ 21.23 (b) and 21.23 (e) of 49 C.F.R. § 21 will be (with regard to an “activity”) facilitated, or will be (with regard to a “facility”) operated, or will be (with regard to a “program”) conducted in compliance with all requirements imposed by, or pursuant to the Acts and the Regulations.
2. The Recipient will insert the following notification in all solicitations for bids, Requests For Proposals for work, or material subject to the Acts and the Regulations made in connection with the AEAS Grant and, in adapted form, in all proposals for negotiated agreements regardless of funding source:

“The Recipient, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”

3. The Recipient will insert the clauses of Appendix A and E of this Assurance in every contract or agreement subject to the Acts and the Regulations.
4. The Recipient will insert the clauses of Appendix B of this Assurance, as a covenant running with the land, in any deed from the United States effecting or recording a transfer

of real property, structures, use, or improvements thereon or interest therein to a Recipient.

5. That where the Recipient receives Federal financial assistance to construct a facility, or part of a facility, the Assurance will extend to the entire facility and facilities operated in connection therewith.
6. That where the Recipient receives Federal financial assistance in the form, or for the acquisition of real property or an interest in real property, the Assurance will extend to rights to space on, over, or under such property.
7. That the Recipient will include the clauses set forth in Appendix C and Appendix D of this Assurance, as a covenant running with the land, in any future deeds, leases, licenses, permits, or similar instruments entered into by the Recipient with other parties:
 - a. for the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b. for the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
8. That this Assurance obligates the Recipient for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the Assurance obligates the Recipient, or any transferee for the longer of the following periods:
 - a. the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or
 - b. the period during which the Recipient retains ownership or possession of the property.
9. The Recipient will provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he/she delegates specific authority to give reasonable guarantee that it, other recipients, sub-recipients, sub-Recipients, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Acts, the Regulations, and this Assurance.
10. The Recipient agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Acts, the Regulations, and this Assurance.

By signing this ASSURANCE, the Recipient also agrees to comply (and require any sub-recipients, sub-Recipients, contractors, successors, transferees, and/or assignees to comply) with all applicable provisions governing DOT's access to records, accounts, documents, information,

facilities, and staff. You also recognize that you must comply with any program or compliance reviews, and/or complaint investigations conducted by DOT. You must keep records, reports, and submit the material for review upon request to DOT, or its designee in a timely, complete, and accurate way. Additionally, you must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.

The Recipient gives this ASSURANCE in consideration of and for obtaining any Federal grants, loans, contracts, agreements, property, and/or discounts, or other Federal-aid and Federal financial assistance extended after the date hereof to the recipients by the U.S. Department of Transportation under the AEAS Grant Program. This ASSURANCE is binding on the Recipient, other recipients, sub-recipients, sub-Recipients, contractors, subcontractors and their subcontractors, transferees, successors in interest, and any other participants in the AEAS Grant Program.

APPENDIX A

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “contractor”) agrees as follows:

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Acts and the Regulations relative to Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Non-discrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor’s obligations under this contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Recipient or DOT to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the

information, the contractor will so certify to the Recipient or DOT, as appropriate, and will set forth what efforts it has made to obtain the information.

5. **Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the Non-discrimination provisions of this contract, the Recipient will impose such contract sanctions as it or DOT may determine to be appropriate, including, but not limited to:
 - a. withholding payments to the contractor under the contract until the contractor complies; and/or
 - b. cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the Recipient or DOT may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

APPENDIX B

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

Pertinent Non-Discrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 *et seq.*), (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act

of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 C.F.R. Parts 37 and 38;
- The Federal Aviation Administration’s Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898 (as amended by Executive Order 12948), Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 *et seq*).

Signature

Date

Title

Grant Recipient

**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
OFFICE OF AVIATION ANALYSIS**

CERTIFICATION REGARDING INFLUENCING ACTIVITIES

Certification for Contracts, Grants, Loans,
and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Influencing Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signature

Date

Title

Grant Recipient

**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
OFFICE OF AVIATION ANALYSIS**

**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS
IN THE PERFORMANCE OF AEAS PURSUANT TO GRANT AWARD UNDER THE AEAS GRANT PROGRAM**

A. The grant recipient certifies that it will, or will continue, to provide a drug-free workplace by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grant recipient's workplace, and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing an ongoing drug-free awareness program to inform employees about--
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grant recipient's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) Making it a requirement that each employee to be engaged in the performance of work supported by the grant award be given a copy of the statement required by paragraph (a);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment supported by the grant award, the employee will--
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- (e) Notifying the agency in writing, within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of conviction. Employers of convicted employees must provide notice, including position title, to the Office of Aviation Analysis. Notice shall include the order number of the grant award;
- (f) Taking one of the following actions, within 30 days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted--
 - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended, or
 - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State or local health, law enforcement, or other appropriate agency;
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

B. The grant recipient *may*, but is not required to, insert in the space provided below the site for the performance of work done in connection with the specific grant.

Places of Performance (street address, city, county, state, zip code). For the provision of air service pursuant to the grant award, workplaces include outstations, maintenance sites, headquarters office locations, training sites and any other worksites where work is performed that is supported by the grant award.

Check [] if there are workplaces on file that are not identified here.

Grant Recipient Signature

Date

OFFICE OF THE SECRETARY OF TRANSPORTATION

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS -- PRIMARY COVERED TRANSACTIONS

2 C.F.R. Part 1200, 2 C.F.R. Part 180

Instructions for Certification

1. By entering in the AEAS Grant Agreement and signing below, the Recipient is providing the assurance and certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The Recipient shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the Recipient to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the Recipient knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.
4. The Recipient shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the Recipient learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
6. The Recipient agrees that it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction pursuant to 2 CFR Parts 180 or 1200 or 48 CFR Part 9, Subpart 9.4, unless authorized by the department or agency entering into this transaction.
7. The Recipient further agrees that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Covered Transaction," available from the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction pursuant to 2 CFR Parts 180 or 1200 or 48 CFR Part 9, Subpart 9.4, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its

principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction pursuant to 2 CFR Parts 180 or 1200 or 48 CFR Part 9, Subpart 9.4, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

**Certification Regarding Debarment, Suspension, and Other Responsibility Matters --
Primary Covered Transactions**

(1) The Recipient certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

(b) Have not within a three-year period preceding this Grant Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this Grant Agreement had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the Recipient is unable to certify to any of the statements in this certification, such Recipient shall attach an explanation to this proposal.

Name

Affiliation

Title

Date

**OFFICE OF THE SECRETARY OF TRANSPORTATION
CERTIFICATION REGARDING DEBARMENT, SUSPENSION,
INELIGIBILITY AND VOLUNTARY EXCLUSION -- LOWER TIER COVERED
TRANSACTIONS**

Instructions for Certification

1. By entering into the AEAS Grant Agreement and signing below, the Recipient is providing the assurance and certification set out below.
2. The certification required by a prospective lower tier participant is a material representation of fact upon which reliance is placed when a transaction is entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which the certification is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant shall agree that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction pursuant to 2 CFR Parts 180 or 1200 or 48 CFR Part 9, Subpart 9.4, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant shall further agree that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment, debarred, suspended, declared ineligible, or voluntarily excluded from participation in the covered transaction pursuant to 2 CFR Parts 180 or 1200 or 48 CFR Part 9, Subpart 9.4, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment, debarred, suspended, declared ineligible, or voluntarily excluded from participation in the covered transaction pursuant to 2 CFR Parts 180 or 1200 or 48 CFR Part 9, Subpart 9.4, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Covered Transactions

By entering into the AEAS Grant Agreement and signing below, the Recipient is providing the assurance set forth in paragraphs (1) and (2) below.

(1) The Recipient shall ensure that any prospective lower tier participant certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in the Grant Project by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in the certification, the Recipient shall ensure that such lower tier prospective participant attaches an explanation to the certification.

Name

Title

Affiliation

Date

REQUIREMENTS REGARDING DELINQUENT TAX LIABILITY OR A FELONY CONVICTION UNDER ANY FEDERAL LAW

As required by sections 744 and 745 of Title VII, Division B of the Consolidated Appropriations Act, 2024, Pub. L. No. 118-47 (Mar. 23, 2024), and implemented through USDOT Order 4200.6, the funds provided under this award shall not be used to enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to, any corporation that:

- (1) Has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, where the awarding agency is aware of the unpaid tax liability, unless a Federal agency has considered suspension or debarment of the corporation and made a determination that suspension or debarment is not necessary to protect the interests of the Government; or
- (2) Was convicted of a felony criminal violation under any Federal law within the preceding 24 months, where the awarding agency is aware of the conviction, unless a Federal agency has considered suspension or debarment of the corporation and made a determination that suspension or debarment is not necessary to protect the interests of the Government.

The Recipient therefore agrees:

1. **Definitions.** For the purposes of this exhibit, the following definitions apply:

“Covered Transaction” means a transaction that uses any funds under this award and that is a contract, memorandum of understanding, cooperative agreement, grant, loan, or loan guarantee.

“Felony Conviction” means a conviction within the preceding 24 months of a felony criminal violation under any Federal law and includes conviction of an offense defined in a section of the United States Code that specifically classifies the offense as a felony and conviction of an offense that is classified as a felony under 18 U.S.C. 3559.

“Participant” means the Recipient, an entity who submits a proposal for a Covered Transaction, or an entity who enters into a Covered Transaction.

“Tax Delinquency” means an unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted, or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.

2. **Mandatory Check in the System for Award Management.** Before entering a Covered Transaction with another entity, a Participant shall check the System for Award Management (the “SAM”) at <http://www.sam.gov/> for an entry describing that entity.
3. **Mandatory Certifications.** Before entering a Covered Transaction with another entity, a Participant shall require that entity to:
 - (1) Certify whether the entity has a Tax Delinquency; and
 - (2) Certify whether the entity has a Felony Conviction.
4. **Prohibition.** If
 - (1) the SAM entry for an entity indicates that the entity has a Tax Delinquency or a Federal Conviction;
 - (2) an entity provides an affirmative response to either certification in section 3; or
 - (3) an entity’s certification under section 3 was inaccurate when made or became inaccurate after being madethen a Participant shall not enter or continue a Covered Transaction with that entity unless the USDOT has determined in writing that suspension or debarment of that entity are not necessary to protect the interests of the Government.
5. **Mandatory Notice to the USDOT.**
 - (a) If the SAM entry for a Participant indicates that the Participant has a Tax Delinquency or a Felony Conviction, the Recipient shall notify the USDOT in writing of that entry.
 - (b) If a Participant provides an affirmative response to either certification in section 1, the Recipient shall notify the USDOT in writing of that affirmative response.
 - (c) If the Recipient knows that a Participant’s certification under section 1 was inaccurate when made or became inaccurate after being made, the Recipient shall notify the USDOT in writing of that inaccuracy.
6. **Flow Down.** For all Covered Transactions, including all tiers of subcontracts and subawards, the Recipient shall:
 - (1) require the SAM check in section 2;

- (2) require the certifications in section 3;
- (3) include the prohibition in section 4; and
- (4) require all Participants to notify the Recipient in writing of any information that would require the Recipient to notify the USDOT under section 5.

RECIPIENT POLICY TO BAN TEXT MESSAGING WHILE DRIVING

(a) *Definitions.* The following definitions are intended to be consistent with the definitions in DOT Order 3902.10, Text Messaging While Driving (Dec. 30, 2009) and Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving (Oct. 1, 2009). For clarification purposes, they may expand upon the definitions in the executive order.

For the purpose of this Term B.4, “**Motor Vehicles**” means any vehicle, self-propelled or drawn by mechanical power, designed and operated principally for use on a local, State or Federal roadway, but does not include a military design motor vehicle or any other vehicle excluded under Federal Management Regulation 102-34-15.

For the purpose of this Term B.4, “**Driving**” means operating a motor vehicle on a roadway, including while temporarily stationary because of traffic congestion, a traffic signal, a stop sign, another traffic control device, or otherwise. It does not include being in your vehicle (with or without the motor running) in a location off the roadway where it is safe and legal to remain stationary.

For the purpose of this Term B.4, “**Text messaging**” means reading from or entering data into any handheld or other electronic device (including, but not limited to, cell phones, navigational tools, laptop computers, or other electronic devices), including for the purpose of Short Message Service (SMS) texting, e-mailing, instant messaging, obtaining navigational information, or engaging in any other form of electronic data retrieval or electronic data communication. The term does not include the use of a cell phone or other electronic device for the limited purpose of entering a telephone number to make an outgoing call or answer an incoming call, unless this practice is prohibited by State or local law. The term also does not include glancing at or listening to a navigational device that is secured in a commercially designed holder affixed to the vehicle, provided that the destination and route are programmed into the device either before driving or while stopped in a location off the roadway where it is safe and legal to remain stationary.

For the purpose of this Term B.4, the “**Government**” includes the United States Government and State, local, and tribal governments at all levels.

(b) *Workplace Safety*. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving (Oct. 1, 2009) and DOT Order 3902.10, Text Messaging While

Driving (Dec. 30, 2009), the Recipient, subrecipients, contractors, and subcontractors are encouraged to:

(1) adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving—

(i) Company-owned or -rented vehicles or Government-owned, leased or rented vehicles; or

(ii) Privately-owned vehicles when on official Government business or when performing any work for or on behalf of the Government.

(2) Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as—

(i) Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and

(ii) Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

(c) *Subawards and Contracts*. To the extent permitted by law, the Recipient shall insert the substance of this exhibit, including this paragraph (c), in all subawards, contracts, and subcontracts under this award that exceed the micro-purchase threshold, other than contracts and subcontracts for the acquisition of commercially available off-the-shelf items.

**City of Show Low
STAFF SUMMARY REPORT**

AGENDA TITLE: Consideration of Ordinance No. 2024-09 Amending Title 5 Chapter 5.05 of the Show Low City Code by adding Section 5.05.150 "Backyard Fowl Regulation" and Adopting Resolution No. R2024-28 Declaring as Public Record that Document Titled "Revisions to Chapter 5.05, Definitions and General Regulations, of the Show Low City Code" (Anna Atencio)

RECOMMENDATION

By unanimous consent, read Ordinance No. 2024-09 by title only, as all Council members have a copy.

I **MOVE** to adopt Ordinance No. 2024-09, amending Chapter 5.05 of the Show Low City Code, by adding Section 5.05.150, Backyard Fowl Regulation, and adopting Resolution No. R2024-28 declaring as a public record that document titled "Revisions to Chapter 5.05, Definitions and General Regulations, of the Show Low City Code."

BACKGROUND

The 2024 Arizona Legislative Session passed House Bill 2325 restricting municipalities' ability to regulate backyard fowl by a resident of a single-family detached residence on a lot that is one-half acres or less in size; however, the bill did allow for municipalities to impose some restrictions on fowl ownership. Amending Chapter 5.05 of the Show Low City Code, adding 5.05.150, Backyard Fowl Regulation, is consistent with the State of Arizona's new requirements.

The new Section 5.05.150 would set requirements for fowl ownership by a resident of a single-family detached residence on a lot that is one-half acres or less in size, including precluding male fowl (roosters) within city limits; require enclosures for the fowl to be located in the rear or side yard of a residence, enclosures would be required to be at least twenty feet from a neighboring property; enclosure size restrictions; maintenance of waste, food and water sources; and prohibiting fowl from roaming at large.

Section 5.10.010 of the City Code as currently written would continue to apply to the ownership, maintenance and care of fowl on property greater than one-half acre.

To conform with the State's requirements for backyard fowl on single-family detached residences on lot sizes one-half acre or less, staff recommends adopting Ordinance No. 2024-09 and adopting Resolution No. R2024-28.

ATTACHMENTS

1. Ordinance No. 2024-09
2. Resolution No. R2024-28

FISCAL IMPACT

N/A

CITY OF SHOW LOW ORDINANCE NO. 2024-09

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF SHOW LOW, NAVAJO COUNTY, ARIZONA, AMENDING THE SHOW LOW CITY CODE BY ADDING 5.05.150, PROVIDING FOR RESTRICTIONS ON KEEPING BACKYARD FOWL WITHIN THE CITY; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY.

RECITALS:

WHEREAS, the 2024 Arizona Legislative Session passed House Bill 2325 restricting municipalities' ability to regulate backyard fowl by a resident of a single-family detached residence on a lot that is one-half acres or less in size; however, the bill did allow for municipalities to impose some restrictions on fowl ownership; and

WHEREAS, amending Chapter 5.05 of the Show Low City Code, adding 5.05.150, Backyard Fowl Regulation, is consistent with the State of Arizona's new requirements.

ENACTMENTS:

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Show Low, Navajo County, Arizona, as follows:

Section 1

Title 5, Animals, of the City Code for the City of Show Low, Arizona, is hereby amended as outlined in Resolution No. R2024-28.

Section 2

All ordinances and parts of ordinances in conflict with the provisions of this Ordinance or any part of the Code adopted herein by reference, are hereby repealed.

Section 3

The effective date of this Ordinance shall be 30 days following adoption by the City Council.

Section 4

That certain document titled "Revisions to Chapter 5.05, Definitions and General Regulations, of the Show Low City Code" of the Show Low City Code, three copies of which are on file in the office of the City Clerk of the City of Show Low, Arizona, which document was made a public record by Resolution R2024-28 of the City of Show Low,

Arizona, is hereby referred to, adopted, and made a part hereof as if fully set out in this Ordinance.

Section 5

If any section, subsection, clause, phrase, or portion of this Ordinance or any part of the Code adopted herein by reference is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Mayor and Council of the City of Show Low, Arizona, this 1st day of October, 2024.

John Leech, Jr., Mayor

ATTEST:

Rachael Hall, City Clerk

APPROVED AS TO FORM:

Anna M. Atencio, City Attorney

CITY OF SHOW LOW RESOLUTION NO. R2024-28

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SHOW LOW, ARIZONA, DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK AND TITLED "CHAPTER 5.05, DEFINITIONS AND GENERAL REGULATIONS," OF THE SHOW LOW CITY CODE

RECITALS:

WHEREAS, the Arizona Revised Statutes §9-802 provides for the adoption of a code or public record by reference; and

WHEREAS, it is the purpose of this Resolution to declare the document titled "Revisions to Chapter 5.05, Definitions and General Regulations, of the Show Low City Code" to be a public record for adoption by reference.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED that the Mayor and Council of the City of Show Low, Arizona, as follows:

THAT certain document titled "Revisions to Chapter 5.05, Definitions and General Regulations, of the Show Low City Code," three copies which are on file in the office of the City Clerk, is hereby declared to be a public record, and said copies are ordered to remain on file with the City Clerk.

PASSED AND ADOPTED this 1st day of October 2024, by the Mayor and Council of the City of Show Low, Arizona.

John Leech, Jr., Mayor

ATTEST:

Rachael Hall, City Clerk

APPROVED AS TO FORM:

Anna M. Atencio, City Attorney

Revisions to Chapter 5.05,
Definitions and General Regulations, of the Show Low City Code

Chapter 5.05 Definitions and General Regulations

....

Section 5.05.150 Backyard Fowl Regulation

- A. A resident of a single-family detached residence on a lot that is one-half acre or less in size may keep up to a maximum of six fowl in the backyard of the property, provided that the following conditions are met:
1. All fowl shall be kept in an enclosure located in the rear or side yard of the property at least twenty feet from a neighboring property. The size of the enclosure shall be a maximum of two hundred square feet with a maximum height of eight feet, provided that any enclosure on a lot less than one acre in size to be shorter than the fence line of the property. The enclosure shall be maintained, and manure picked up and disposed of or composted at least twice weekly.
 2. Male fowl, including roosters, are prohibited, unless lawfully existing at the time of adoption of this code or permitted by the zoning district.
 3. Any composted manure shall be kept in a way that prevents migration of insects.
 4. All water sources for fowls shall have adequate overflow drainage.
 5. All feed for fowls shall be stored in insect-proof and rodent-proof containers.
 6. All fowl are prohibited from running at large.
 7. For the purposes of this section, "fowl" means a cock or hen of the domestic chicken.

**City of Show Low
STAFF SUMMARY REPORT**

AGENDA TITLE: Consideration of Resolution No. R2024-29 Repealing Resolution No. R2007-25 and Adopting New Compensation Rates for Elected Officials (Morgan Brown)

RECOMMENDATION

I **MOVE** to adopt Resolution No. R2024-29 repealing Resolution No. R2007-25 and adopting new compensation rates for elected officials.

BACKGROUND

During budget discussions, the City Council and staff discussed compensation rates for Show Low's elected officials. The City Council's current compensation structure has remained unchanged for 17 years. Given the increasing demands of public service, alongside the rising cost of living, staff felt a review of the council members' compensation was warranted. A review of comparable Arizona municipalities indicates that Show Low's council current compensation is below average.

Per direction given at several budget discussions, staff drafted a resolution increasing monthly compensation rates. Due to state provisions, noted below, the increases will not go into effect until December 2024, at the earliest, and December 2026, at the latest:

Article IV, Part 2, Section 17 of the Arizona Constitution states in part that "...nor shall the compensation of any public officer, other than a justice of the peace, be increased or diminished during his term of office." Arizona Revised Statutes §9-304 provides that "No mayor, alderman or councilman of any city or town shall during the term for which he has been elected, knowingly accept any money or other thing of value other than that which is provided to be paid him for his services as such."

An increase in City Council compensation is a necessary step to ensure the sustainability and effectiveness of local governance. It aligns with the city's commitment to public service and reflects the value of the council members' contributions to the community. This increase has been accounted for in the FY25 budget and will total approximately \$4,825 this year. Resolution No. R2024-29 follows the exact procedure used when Resolution No. R2007-25 repealed the previous resolution and adopted new compensation rates for the Council.

ATTACHMENTS

1. Resolution No. R2024-29

FISCAL IMPACT

Anticipated cost: \$4,825.00

Funding source (account no.): Council Salaries (11-400-420-1100-0000)

CITY OF SHOW LOW RESOLUTION NO. R2024-29

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SHOW LOW, ARIZONA, REPEALING RESOLUTION NO. R2007-25 AND ADOPTING NEW COMPENSATION RATES FOR ELECTED OFFICIALS

RECITALS:

WHEREAS, Section 2.05.050 of the Show Low City Code allows the City Council to adjust, by resolution, the compensation of elected officials of the City; and

WHEREAS, Article IV, Part 2, Section 17 of the Arizona Constitution states in part that "...nor shall the compensation of any public officer, other than a justice of the peace, be increased or diminished during his term of office" and, further, Arizona Revised Statutes Section 9-304 provides that "No mayor, alderman or councilman of any city or town shall during the term for which he has been elected, knowingly accept any money or other thing of value other than that which is provided to be paid him for his services as such."; and

WHEREAS, Resolution No. R2007-25, which previously adopted the current compensation for elected officials, was adopted by the Show Low City Council on June 2007 and became effective June 1, 2008.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Show Low, Arizona, as follows:

Section 1

Resolution No. R2007-25 is hereby repealed effective December 3, 2024.

Section 2

The elected officials of the City of Show Low, whose terms begin December 3, 2024, shall be compensated as follows:

Mayor	\$1,125 per month (\$13,500 per year)
Vice Mayor	\$ 779 per month (\$ 9,350 per year)
Councilmembers	\$ 650 per month (\$ 7,800 per year)

Section 3

The elected officials of the City of Show Low, whose terms expire December 2026, shall continue to be compensated at the current rate, as follows:

Councilmembers	\$500 per month (\$6,000 per year)
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The elected officials with terms beginning December 2026 will then receive the new compensation schedule outlined in Section 2 above.

PASSED AND ADOPTED this 1st day of October, 2024, by the Mayor and Council of the City of Show Low, Arizona.

John Leech, Jr., Mayor

ATTEST:

Rachael Hall, City Clerk

APPROVED AS TO FORM:

Anna M. Atencio, City Attorney