

**MADISON COUNTY FISCAL COURT
MADISON COUNTY, KY
RESOLUTION 2024-105**

**A RESOLUTION APPROVING A SUBAWARD AGREEMENT BETWEEN THE COUNTY
OF MADISON, KENTUCKY (THE "GRANTEE") AND NORTHERN MADISON COUNTY
SANITATION DISTRICT ("SUBRECIPIENT") (COLLECTIVELY, THE "PARTIES")**

WHEREAS, the Grantee is the recipient of aid from the Treasury through the Coronavirus State and Local Fiscal Recovery Funds program ("SLFRF"), one of the programs established by the American Rescue Plan Act of 2021 ("ARPA"), for, among other goals, permitting recipients to pursue drinking water and wastewater infrastructure projects; and

WHEREAS, the Grantee wishes to engage Subrecipient to assist the Grantee in utilizing such funds to carry out a part of the Grantee's Federal award on behalf of the Grantee by committing a portion of the award, pursuant to this Subaward Agreement (this "Agreement"); and

WHEREAS, the Subrecipient has legal authority to enter into this Agreement, and the Subrecipient's governing body has duly authorized Subrecipient to enter into this Agreement with Grantee, and by signing this Agreement, to assure the Grantee that it will comply with all the requirements of the subaward described herein; and

WHEREAS, in consideration of the need for recovery from the COVID-19 pandemic and the premises and mutual covenants described herein, the Parties mutually agree to the terms described in this Agreement, which is attached hereto this Resolution;

NOW, THEREFORE, BE IT RESOLVED THAT THE FISCAL COURT DOES HEREBY APPROVE THIS RESOLUTION AND AUTHORIZES THE JUDGE EXECUTIVE AND/OR HIS DESIGNEE TO EXECUTE AND NEGOTIATE CONTRACTS ON BEHALF OF THE COUNTY.

Motion made by Bathui, seconded by Combs.

Vote:

Yes

No

Judge Executive Reagan Taylor
Magistrate James Brian Combs
Magistrate Stephen Lochmueller
Magistrate Billy Ray Hughes
Magistrate Tom Botkin

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Signed:

R-Taylor
Reagan Taylor
Madison County Judge Executive

Attested:

Kenny Barger MCC
Kenny Barger
Madison County Clerk

10-8-2024
Date

10-8-2024
Date

SUBAWARD AGREEMENT

This Subaward Agreement is entered on the day first set forth below ("Effective Date") by and between County of Madison, Kentucky ("the Grantee") and the Northern Madison County Sanitation District ("Subrecipient") (collectively, "the Parties").

RECITALS

WHEREAS, the Grantee is the recipient of aid from the Treasury through the Coronavirus State and Local Fiscal Recovery Funds program ("SLFRF"), one of the programs established by the American Rescue Plan Act of 2021 ("ARPA"), for, among other goals, permitting recipients to pursue drinking water and wastewater infrastructure projects;

WHEREAS, Grantee received the SLFRF funds in May 2021, identified as Federal Award Assistance Listing Number 21.027 and Federal Award Identification Number (FAIN) SLFRP0002;

WHEREAS, Grantee wishes to engage Subrecipient to assist Grantee in utilizing such funds to carry out a part of Grantee's Federal award on behalf of the Grantee by committing a portion of the award, pursuant to this Subaward Agreement ("this Agreement"); and

WHEREAS, the federal funds made available for use by Subrecipient under this Agreement constitute a subaward of Grantee's federal award, the use of which must be in accordance with requirements imposed by federal statutes, regulations, and the terms and conditions of Grantee's federal award; and

WHEREAS, Subrecipient has legal authority to enter this Agreement, and the Subrecipient's governing body has duly authorized Subrecipient to enter into this Agreement with Grantee, and by signing this Agreement, to assure Grantee that it will comply with all the requirements of the subaward described herein; and

NOW, THEREFORE, in consideration of the need for recovery from the COVID-19 pandemic and the premises and mutual covenants described herein, the Parties mutually agree to the terms described in this Agreement.

1. Definitions

1.1 "Closeout" is process that is triggered when the federal awarding agency or Grantee determines that all applicable administrative actions and all required work of the federal award have been completed by non-Federal entities, which includes Grantee and subrecipients. Subrecipient's obligations under this Agreement shall not end until all close-out requirements are completed. Activities in closeout may include, but are not limited to: making final payments, disposing of program assets (including return of unused materials), equipment, unspent cash advances, program income balances, and accounts receivable to the Grantee and determining custodianship of records. Subrecipient shall submit to the Grantee no later than sixty (60) calendar days after the end of the period of performance of this Agreement all financial, performance, and other reports required by this Agreement.

1.2 “Subaward” means an award provided by a non-federal entity to a subrecipient to carry out part of a federal award received by the non-federal entity. Under this Agreement, the non-federal entity is the Grantee, the Subrecipient is the subrecipient, and the federal award is the Grantee’s award received under the State and Local Fiscal Recovery Fund, ALN 21.027 and FAIN SLFRP0002.

2. Allocation and Use of Funds

2.1 Subaward amount. The total amount of funds awarded to Subrecipient under this Agreement is: a sum not to exceed Six Hundred Thousand Dollars (\$600,000) (“Subaward Amount”).

2.2 Disbursement of Funds. The Subrecipient shall invoice the Grantee monthly for the reimbursement of actual expenditures incurred on the Project. Subrecipient’s invoices shall be only for eligible expenses as defined herein and in 2 CFR Part 200 and contemplated by the Budget included in Exhibit A. As applicable, Subrecipient’s invoices must include copies of employee timesheets, payroll reports, invoices, payment applications, receipts, documentation of payroll taxes and fringe benefits, and copies of competitive quotations or proposals for all expenses included in an invoice. Failure to submit one of the foregoing invoices may result in termination of this Agreement and reallocation of unspent Subaward Amount funds at the Grantee’s sole discretion. Neither Grantee’s approval of a payment application or invoice nor a disbursement shall constitute an acknowledgment that Subrecipient has complied with applicable law or the requirements of this Agreement, nor shall it waive any of Grantee’s rights hereunder. Funding for the Subaward Amount is contingent upon the Grantee’s access to funds awarded by the federal government. If Grantee’s funding is withdrawn, reduced, suspended, or reallocated, the Grantee shall notify the Subrecipient, and in such event, Grantee may terminate the Agreement, withdraw funding, or renegotiate the Agreement subject to any new funding limitations or conditions. If the source of funding for this Agreement is eliminated on a temporary or permanent basis, the Grantee shall not be responsible for reimbursing the Subrecipient for any work performed after receipt of the Grantee’s notice.

2.2.1 The Subrecipient shall submit the invoice within twenty-one (21) working days following the month in which the Subrecipient has incurred expenditures for services and costs as outlined in this Agreement. The Grantee shall issue payment no later than twenty-five (25) working days after the receipt of complete and accurate billing information as determined by the Grantee. Invoices must be signed with an original or electronic signature and received prior to payment.

2.2.2 Due to Grantee fiscal year end and Agreement closeout requirements, the Subrecipient shall:

- (a) Submit the final invoice for the calendar year (CY) in the month of January. The actual date will be determined and communicated to the Subrecipient by the Grantee.
- (b) When the term of the Agreement ends in any month other than December, the Subrecipient shall submit the final billing for the Agreement, based on the date determined by

the Grantee. The Grantee will provide timely written notification, via a formal letter or an e-mail, of the submission requirements for these time frames.

(c) Failure to follow the year end and/or final invoice instructions, may result in a delayed payment or nonpayment for the given month.

2.3 Accounting and Allowable Costs. The Subrecipient shall expend and account for all funds received under this Agreement in accordance with 2 CFR part 200, including 2 CFR part 200, subpart D, which covers Standards for Financial and Program Management and agrees to adhere to the accounting principles and procedures required therein, use adequate internal controls, and maintain necessary source documentation for all costs incurred. At a minimum, this shall include an accounting system and standards that: (1) separately identifies all funding sources and all application of funds associated with providing the required services including, but not limited to, local, state, and federal grants, fees, donations, federal funds, and all other funds, public or private; (2) provides a means to gather fiscal data necessary to determine; a) the cost of a unit of service; b) the bid price; and c) if funds were generated in excess of allowable costs; and (3) accurately identifies all costs incurred by Subrecipient, even when no revenue is received from services. Costs incurred, whether charged on a direct or an indirect basis, must be in conformance with 2 CFR part 200, subpart E. If Subrecipient has a current, approved, federally negotiated indirect cost rate, Subrecipient shall use that rate in charging indirect costs, if any, to the Project or Subaward Amount. If Subrecipient has never had an approved, federally-negotiated indirect cost rate, and it does not receive more than thirty-five million dollars (\$35,000,000) in direct federal funding as described in paragraph D.1.b of Appendix VII to 2 CFR Part 200, it may use the *de minimis* ten percent (10%) of modified total direct costs rate described at 2 CFR 200.68. Otherwise, Subrecipient shall not charge indirect costs to the Project or Subaward Amount.

2.4 No Duplication of Benefits. Subrecipient agrees that the funds provided under this Agreement are intended to supplement, not supplant any other form of federal assistance. Subaward Amount funds may not be used for general administration or operation of the Subrecipient and may not replace non-federal funds in any jointly funded project. Subrecipient agrees that it shall develop and maintain adequate procedures to prevent a duplication of benefits to assess whether the funds received under this Agreement duplicate any other federal benefit. Subrecipient agrees that it shall develop and maintain adequate procedures to ensure that all assistance the Subrecipient provides using funding under this Agreement shall not exceed any person's total need. The Subrecipient further agrees that it shall maintain records showing how the Subrecipient prevented Duplication of Benefits, as defined by Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. § 5155) and in accordance with Section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115–254; 132 Stat. 3442), which amended section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. § 5155). If the Subrecipient at any time uses funds provided under this Agreement in any manner that results in a duplication of any other federal benefit, it shall repay to the Grantee an amount equal to the amount of funds it received under this Agreement that were used in duplication of any other federal benefit.

3. Project

Subrecipient will be responsible for completing the wastewater infrastructure project(s) detailed in Exhibit A (collectively referred to herein as “the Project”), which may be amended from time to time upon mutual agreement of the Parties, and is hereby incorporated by reference (“Subrecipient Project Description”).

The Subrecipient shall competitively procure all goods and services contemplated by the Project through a procurement method selected and conducted in accordance with both Kentucky law and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR 200 Subpart D. Upon selection of a qualified and responsible contractor to complete the Project through the competitive procurement process (a “Contractor”), the Subrecipient and Contractor shall enter into an agreement for construction of the Project in a form compliant with both Kentucky law and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR 200 Subpart D. The Subrecipient shall impose the Subrecipient’s obligations under this Agreement on all Contractors, specifically or by reference, so that such obligations will be binding upon each of Subrecipient’s Contractors. Grantee shall have the right, but not the obligation, to review and approve or reject the terms of the any contract between Subrecipient and its Contractors. Notwithstanding the foregoing, Grantee’s approval of such a contract, if given, shall not constitute Grantee’s acknowledgement of Subrecipient’s compliance with applicable law or its obligations under this Agreement, nor shall it waive any of Grantee’s rights hereunder.

Subrecipient shall cause the Project to be completed in a good, safe, and workmanlike manner and in accordance with all applicable codes, ordinances, laws, and regulations. Subrecipient shall take necessary action to protect the life, health, safety, and property of all personnel on the job site, members of the public, and personnel. Subrecipient shall ensure the Project is completed free from all liens and encumbrances, including but not limited to mechanic’s and materialmen’s liens and claims. This Agreement will not be construed to make the Grantee liable to materialmen, contractors, craftsmen, laborers or others for goods and services delivered by them to or upon the property on which the Project is constructed, or for debts or claims accruing to said parties against the Subrecipient. There are no contractual relationships, either express or implied, between the Grantee and any materialman, contractors, craftsmen, laborers or any other persons supplying work, labor or materials on the job, nor will any third person or persons, individual or corporate, be deemed to be beneficiaries of this Agreement or any term, condition or provisions hereof or on account of any actions taken or omitted by the Grantee pursuant hereto.

4. Period of Performance and Term

Time is of the essence in the performance of this Agreement. Subrecipient must expend all Subaward Amount funds by no later than September 30, 2026 (“Period for Performance”). This Agreement and its terms and conditions shall remain in effect during any period the Subrecipient has control over SLFRF funds provided through this Agreement. Subrecipient shall spend the entire amount of funds awarded under this Agreement during the Period for

Performance set forth herein, but Grantee shall only be obligated to reimburse Subrecipient as provided by this Agreement.

5. Scope of the Project

- 5.1 Eligible Use of Funds. As a condition of receiving this subaward, the Subrecipient shall complete the Project in a manner satisfactory to the Grantee and consistent with the terms and conditions of this Agreement and applicable federal statutes and regulations.
- 5.2 Prohibited Uses. The Subrecipient may only use the subaward to carry out the Project. Subrecipient is prohibited from charging to the subaward the costs of ineligible uses under ARPA and the implementing SLFRF regulations, including but not limited to unallowable costs under 2 CFR Part 200 and activities Grantee deems political, inherently religious, or lobbying.

6. Budget

Subrecipient shall complete the Project, as described in Exhibit A, in accordance with the Budget outlined therein. Upon request, Subrecipient shall supply Grantee with a detailed breakdown of the Project Budget, as well as report on expenditures and balances in the Budget in Subrecipient's quarterly progress and financial reports, and upon submission of the Contractor's payment applications or invoices for Grantee review.

7. Debarment/Suspension

As a condition to this Agreement, Subrecipient represents and warrants that it is not currently excluded, debarred, suspended, or disqualified from participating in covered transactions, as that term is defined in 2 CFR 180.020, or transactions covered under the Federal Acquisition Regulation in 48 CFR Chapter 1. Subrecipient acknowledges and agrees that, as a recipient of the Subaward, Subrecipient is subject to 2 CFR Part 180 and the Treasury's implementing regulation at 31 CFR Part 19.

8. Reporting

Subrecipient shall submit quarterly progress and financial reports to the Grantee to enable Grantee to make necessary reports to the Treasury in compliance with ARPA and the SLFRF regulations. At a minimum, the reports must contain the following:

- 8.1 Project status. Status updates should fall into one of the following categories: (1) Not started, (2) Completed less than 50 percent, (3) Completed 50% or more, or (4) Completed.
- 8.2 Performance Indicators: Status updates shall include, but not be limited to, the following performance indicators measuring programs supported with the Subaward Amount:
 - (a) Total number of individuals served
 - (b) Demographic information (age, gender, race/ethnicity, location, income, etc.)

(c) Outcomes over time of how the program positively impacted the target audience (e.g., total percent increase in service, water quality, etc.)

8.3 Obligations and Expenditures. Status updates should identify the obligations and expenditures (as those terms are defined for purposes of the SLFRF) incurred since the prior progress report and for the Project as a whole.

Subrecipient agrees to comply with any further reporting obligations established by the United States Department of Treasury, including the Treasury Office of Inspector General, as it relates to the Subaward or this Agreement, including but not limited to: (i) reporting of information to be used by the Grantee and/or Treasury to comply with its public reporting obligations under ARPA; (ii) any reporting of information to be used by the Grantee and/or Treasury to comply with its public reporting obligations under Section 501 of the Consolidated Appropriations Act of 2021 (hereinafter “Section 501”); and (iii) any reporting to Treasury and the Pandemic Response Accountability Committee that may be required pursuant to Section 15011(b)(2) of Division B of the Coronavirus Aid, Relief, and Economic Security Act (Pub. L. No. 116-136), as amended by Section 801 of Division O of the Consolidated Appropriations Act, 2021 (Pub. L. No. 116-260). Subrecipient acknowledges that any such information required to be reported pursuant to this section may be publicly disclosed. Grantee reserves the right to change the reporting frequency as needed and request additional performance measures, output measures, or other information regarding service delivery data for the funding awarded to the Subrecipient for the purpose of ARPA reporting.

9. Compliance with the Law

The Subrecipient understands that it is responsible for reviewing all applicable federal laws and regulations, as well as any guidance issued by any federal agency, and agrees that it shall comply with the requirements of ARPA, Treasury interpretive guidance, and all other applicable federal statutes, regulations, and executive orders. Subrecipient shall also provide for such compliance in any agreements it enters with other parties relating to this subaward. Subrecipient shall comply with all applicable provisions of ARPA, as amended, and the SLFRF regulations, as modified by Federal Register notices and as interpreted in the Treasury’s guidance. Subrecipient shall also comply with all other applicable Federal, state, and local laws, regulations, and policies that apply to the activities under this Agreement, including all environmental laws and regulations applicable to the Project. To the extent applicable, the Subrecipient shall comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 USC §§ 7401–7671q) and the Federal Water Pollution Control Act (33 USC §§ 1251–1387), as amended. Other Federal regulations applicable to this subaward may include, without limitation, the following:

- a) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR Part 200, other than such provisions as Treasury may determine are inapplicable to this subaward and subject to such exceptions as may be otherwise

provided by Treasury. Subpart F – Audit Requirements of the Uniform Guidance, implementing the Single Audit Act, shall apply to this award.

- b) Universal Identifier and System for Award Management (SAM), 2 C.F.R. Part 25 and pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 25 is hereby incorporated by reference.
- c) Reporting Subaward and Executive Compensation Information, 2 C.F.R. Part 170, pursuant to which the subaward term set forth in Appendix A to 2 C.F.R. Part 170 is hereby incorporated by reference.
- d) OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement), 2 C.F.R. Part 180 (including the requirement to include a termor condition in all lower tier covered transactions (contracts and subcontracts) described in 2 C.F.R. Part 180, subpart B) that the award is subject to 2 C.F.R. Part 180 and Treasury's implementing regulation at 31 C.F.R. Part 19.
- e) Recipient Integrity and Performance Matters, pursuant to which the award term set forth in 2 C.F.R. Part 200, Appendix XII to Part 200 is hereby incorporated by reference.
- f) Governmentwide Requirements for Drug-Free Workplace, 31 C.F.R. Part 20.
- g) New Restrictions on Lobbying, 31 C.F.R. Part 21.

10. Recordkeeping

Subrecipient shall establish and maintain records sufficient to enable Grantee to (1) determine whether the Subrecipient has complied with this Agreement, applicable federal statutes and regulations, and the terms and conditions of Grantee's award and (2) satisfy recordkeeping requirements. At a minimum, this includes documentation supporting determinations of costs, accounting records, and records demonstrating compliance with the SLFRF regulations, ARPA, the terms and conditions of Grantee's award, and other applicable regulatory and statutory requirements. Subrecipient shall also maintain records showing how the Subrecipient prevented Duplication of Benefits, as defined by Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. § 5155) and in accordance with Section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115–254; 132 Stat. 3442), which amended section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. § 5155). Subrecipient further agrees to maintain the following records:

- a) Any and all records specified in this Agreement, any Exhibits to this Agreement, and any Addenda to this Agreement;
- b) Any and all timesheets and payroll records for all employees who are paid with funds provided pursuant to this Agreement;
- c) All documents indicating the cost to the Subrecipient for payment of employees' fringe benefits, if those benefits were paid with funds provided pursuant to this Agreement;

- d) Any and all documents generated during the procurement process;
- e) Any and all receipts for all purchases made using funds provided pursuant to this Agreement;
- f) Any and all documents specifically requested by Grantee.

Subrecipient shall retain all records required by this Agreement or created in conjunction with or pursuant to this Agreement, including but not limited to expenditures incurred under this Agreement, for a period of six (6) years after the termination of all activities funded by this Agreement, unless litigation, claims, audits, negotiations or other actions involving such records are pending at the end of the aforementioned six (6) year period, in which case, Subrecipient shall retain such records until completion of the actions and resolution of the issues.

The Subrecipient also recognizes that any books, documents, papers, records, or other evidence created with respect to this Agreement shall be subject to the Kentucky Open Records Act, KRS 61.870 to 61.884, and the federal Freedom of Information Act, 5 USC § 552.

11. Audits, Inspections, and Monitoring

To the extent applicable, Subrecipient must be audited pursuant to the Single Audit Act and its implementing regulations at 2 CFR Part 200, Subpart F. If Subrecipient has a Single Audit performed, Subrecipient shall submit a copy of the audit report to Grantee within thirty (30) days of issuance of such report. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within thirty (30) days after receipt of the report by the Subrecipient. Failure of the Subrecipient to comply with these audit requirements will constitute a material breach of this Agreement and may result in the Grantee withholding future payments.

In addition, and even if a Single Audit of Subrecipient is not required by applicable law, Subrecipient shall permit Grantee and auditors to have access to Subrecipient's records and financial statements as necessary for Grantee to meet the requirements of 2 CFR Part 200. Subrecipient must submit to monitoring of its activities by Grantee as Grantee deems necessary to ensure the subaward is used for authorized purposes, in compliance with federal statutes, regulations, and the terms and conditions of this agreement. This review must include: (1) reviewing financial and performance reports required by Grantee and (2) following-up and ensuring Subrecipient takes timely and appropriate action on all deficiencies, if any, pertaining to the Federal award provided to Subrecipient from Grantee detected through on-site reviews and other means.

Subrecipients who are not required to obtain a single or program-specific audit that meets the requirements of 2 CFR 200.500-507 or do not have audited financial statements prepared, are required at a minimum to have a reviewed financial statement prepared annually by an independent Certified Public Accountant (CPA). Subrecipient shall inform the Grantee's representative in advance of the date and time of the independent auditor's exit interview with Subrecipient so that a Grantee representative can be present if the Grantee so desires. Audits and/or reviewed financial statements must be submitted to the Grantee within thirty (30) calendar days of issuance. The review must be conducted in accordance with the Statements and Standards for Accounting and Review Services issued by the American Institute of Certified

Public Accountants for non-profits or the Government Auditing Standards issued by the Comptroller General of the United States for government entities. In the event Subrecipient's independent auditor does not provide the assurances necessary to satisfy relevant legal audit requirements, Grantee retains the right to request a full audit and Subrecipient will be responsible for any and all costs incurred in order to provide the required audit and assurances. For Subrecipients who are not required to obtain a Single Audit, Grantee, at its discretion, may require the Subrecipient to obtain an independent review or an independent audit, at the Subrecipient's expense, conducted by an independent CPA.

Grantee may designate such persons as may be necessary to monitor and evaluate the services rendered by the Subrecipient. The Grantee, its agents and employees, shall, at all times, have unrestricted access to all places where or in which the services required hereunder are being carried on and conducted. Inspection and monitoring of the work by these authorities shall in no manner be presumed to relieve in any degree the responsibility or obligations of Subrecipient, or to constitute Subrecipient an agent of the Grantee.

12. Lobbying Certification

Subrecipient hereby certifies that: (i) no Federal funds have been paid or will be paid, by or on behalf of it, 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; (ii) if any funds other than Federal 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, it will immediately complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and (iii) 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 required by section 1352, title 31, U.S.C. Subrecipient acknowledges that its failure to file the required certification will subject it to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. Without limiting the foregoing, Subrecipient shall comply with any additional lobbying restrictions in 31 CFR Part 21.

13. Eligibility & Compliance with the Federal Funding and Transparency Act

Subrecipient shall comply with the requirements of the Universal Identifier and System for Award Management ("SAM") regulations (2 CFR Part 25) and the Federal Funding Accountability and Transparency Act (Pub. L. 109-282) and its implementing regulations (2 CFR Part 170), which includes reporting obligations related to Subrecipient's executive compensation. In accordance with Part 25, Subrecipient certifies that it has a valid, active registration with SAM on SAM.gov. If it does not have a valid registration with SAM, Subrecipient shall register with SAM before submitting any mandatory reports. Subrecipient

also certifies that it has a Data Universal Numbering System (DUNS) number or Unique Entity Identifier (UEI) number.

14. Termination

14.1 Termination for Convenience. Grantee may terminate this Agreement in whole or in part at any time in its discretion. In the event of Grantee's termination for convenience, the Subrecipient shall be entitled to receive payment for work and services properly executed prior to the date of termination, and actual costs incurred by reason of such termination.

14.2 Termination for Cause. In addition, Grantee may terminate this Agreement in whole or in part upon ten (10) days' written notice in the event Subrecipient fails to comply with any term, condition, requirement, or provision of this Agreement. Failure to comply with any terms of this Agreement, includes but is not limited to the following:

- (a) Failure to comply with ARPA, the SLFRF regulations, or any other rules, regulations, statutes, Treasury guidelines, policies, or directives as may become applicable at any time;
- (b) Failure to comply with any terms or conditions of this Agreement, or when Subrecipient fails to substantiate Subrecipient's compliance with this Agreement following a request by the Grantee.
- (c) Failure of Subrecipient to timely and properly fulfill its obligations under this Agreement for any or no reason;
- (d) Ineffective or improper use of funds provided under this Agreement; or
- (e) Submission by Subrecipient to Grantee reports that are inaccurate, incomplete, or falsified in any material respect.

Upon Grantee's termination for cause, Subrecipient shall immediately cease performance, place no further orders for goods, services, or facilities, assign to the Grantee all of Subrecipient's rights, title, and interest under the orders and agreements placed by Subrecipient to complete the performance now terminated, deliver or convey title to all property (real and personal) produced by the work terminated or in which the Grantee has a secured interest, and return the remainder of the Subaward Amount to Grantee. Grantee shall have the right, but not the obligation, to complete the Project. If the cost to finish the Project, or the portion of the Project for which the Subaward Amount was granted, including compensation for any damages, costs, or expenses Grantee incurs due to Subrecipient's default and/or the termination, exceeds the balance of the Subaward Amount returned to Grantee, the Subrecipient shall pay the difference to the Grantee.

14.3 If, after Subrecipient has been terminated pursuant to Section 14.2 herein, it is determined that none of the circumstances set forth in Section 14.2 exist, then such termination shall be deemed a termination for convenience pursuant to Section 14.1.

14.4 Mutual Termination. Under 2 CFR § 200.340, this Agreement may be terminated at any time and for any or no reason upon the consent of both parties, provided the parties agree

on the termination conditions, including the effective date, and, in the case of partial termination, the portion to be terminated.

15. Publications

Any publications produced, whether in whole or in part, with funds from the Subaward must display, in a conspicuous manner, the following language: "This project [is being] [was] supported, in whole or in part, by funds awarded to Madison County, Kentucky by the U.S. Department of the Treasury through the 2021 American Rescue Plan Act."

16. Return of Unexpended Funds

Unless this Agreement is earlier terminated, Subrecipient agrees to return any amount of funds provided to Subrecipient, but not spent, during the Period of Performance to Grantee within thirty (30) days of the expiration of the Period for Performance.

17. Record Retention and Transmission of Records to Grantee

Prior to Closeout, Subrecipient must transmit to Grantee records sufficient for Grantee to demonstrate all costs under this Agreement met the requirements of the federal award.

18. Protected Personally Identifiable Information and Other Sensitive Information

Subrecipient is required to maintain data demonstrating client eligibility for activities provided under this Agreement. Such data may include, but not be limited to, client name, address, income level, or other basis for determining eligibility, and description of activities provided. Pursuant to 2 CFR § 200.303, Subrecipient must take reasonable measures to safeguard protected personally identifiable information, as defined in 2 CFR § 200.1, and other information Grantee designates as sensitive or Subrecipient considers sensitive consistent with applicable Federal, state, local, and tribal laws regarding privacy and responsibility over confidentiality.

19. Non-Discrimination

As a recipient of Federal funds, Subrecipient must comply with the requirements of Title VI of the Civil Rights Act of 1964, as amended, and all other applicable Federal and state laws and regulations including, but not limited to, the Fair Housing Act, Title VIII of the Civil Rights Act of 1968; Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act at 1975 and the Treasury's implementing regulations at 31 CFR Part 23; and Title II of the Americans with Disabilities Act of 1990. Such requirements include not denying benefits or services, or otherwise discriminating, on the basis of race, color, national origin, disability, age, or sex and include, but are not limited to, the following.

Assurances of Compliance with Title VI. As a condition of receipt of this federal financial assistance from the Department of the Treasury, the Subrecipient provides the assurances stated herein. The federal financial assistance may include federal grants, loans and contracts to provide assistance to the Subrecipient's beneficiaries, the use or rent of Federal land or property at below market value, Federal training, a loan of Federal personnel, subsidies, and other arrangements

with the intention of providing assistance. Federal financial assistance does not encompass contracts of guarantee or insurance, regulated programs, licenses, procurement contracts by the Federal government at market value, or programs that provide direct benefits. The assurances apply to all federal financial assistance from or funds made available through the Department of the Treasury, including any assistance that the Subrecipient may request in the future. The Civil Rights Restoration Act of 1987 provides that the provisions of the assurances apply to all of the operations of the Subrecipient's program(s) and activity(ies), so long as any portion of the Subrecipient's program(s) or activity(ies) is federally assisted in the manner prescribed above.

- a. Subrecipient ensures its current and future compliance with Title VI of the Civil Rights Act of 1964, as amended, which prohibits exclusion from participation, denial of the benefits of, or subjection to discrimination under programs and activities receiving federal financial assistance, of any person in the United States on the ground of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of the Treasury Title VI regulations at 31 CFR Part 22 and other pertinent executive orders such as Executive Order 13166, directives, circulars, policies, memoranda, and/or guidance documents.
- b. Subrecipient acknowledges that Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency," seeks to improve access to federally assisted programs and activities for individuals who, because of national origin, have Limited English proficiency (LEP). Subrecipient understands that denying a person access to its programs, services, and activities because of LEP is a form of national origin discrimination prohibited under Title VI of the Civil Rights Act of 1964 and the Department of the Treasury's implementing regulations. Accordingly, Subrecipient shall initiate reasonable steps, or comply with the Department of the Treasury's directives, to ensure that LEP persons have meaningful access to its programs, services, and activities. Subrecipient understands and agrees that meaningful access may entail providing free language assistance services, including oral interpretation and written translation where necessary, to ensure effective communication in the Subrecipient's programs, services, and activities.
- c. Subrecipient agrees to consider the need for language services for LEP persons when Recipient develops applicable budgets and conducts programs, services, and activities. As a resource, the Department of the Treasury has published its LEP guidance at 70 FR 6067. For more information on taking reasonable steps to provide meaningful access for LEP persons, please visit <http://www.lep.gov>.
- d. Subrecipient acknowledges and agrees that compliance with the assurances constitutes a condition of continued receipt of federal financial assistance and is binding upon Subrecipient and Subrecipient's successors, transferees, and assignees for the period in which such assistance is provided.
- e. Subrecipient acknowledges and agrees that it must require any sub-grantees, contractors, subcontractors, successors, transferees, and assignees to comply with assurances 1-4 above, and agrees to incorporate the following language in every

contract or agreement subject to Title VI and its regulations between the Subrecipient and the Subrecipient's sub-grantees, contractors, subcontractors, successors, transferees, and assignees: *The sub-grantee, contractor, subcontractor, successor, transferee, and assignee shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, which are herein incorporated by reference and made a part of this contract (or agreement). Title VI also includes protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 U.S.C. § 2000d et seq., as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made a part of this contract or agreement.*

- f. Subrecipient understands and agrees that if any real property or structure is provided or improved with the aid of federal financial assistance by the Department of the Treasury, this assurance obligates the Subrecipient, or in the case of a subsequent transfer, the transferee, for the period during which the real property or structure 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. If any personal property is provided, this assurance obligates the Subrecipient for the period during which it retains ownership or possession of the property.
- g. Subrecipient shall cooperate in any enforcement or compliance review activities by the Department of the Treasury of the aforementioned obligations. Enforcement may include investigation, arbitration, mediation, litigation, and monitoring of any settlement agreements that may result from these actions. The Subrecipient shall comply with information requests, on-site compliance reviews and reporting requirements.
- h. Subrecipient shall maintain a complaint log and inform the Department of the Treasury of any complaints of discrimination on the grounds of race, color, or national origin, and limited English proficiency covered by Title VI of the Civil Rights Act of 1964 and implementing regulations and provide, upon request, a list of all such reviews or proceedings based on the complaint, pending or completed, including outcome. Subrecipient also must inform the Department of the Treasury if Subrecipient has received no complaints under Title VI.
- i. Subrecipient must provide documentation of an administrative agency's or court's findings of non-compliance of Title VI and efforts to address the non-compliance, including any voluntary compliance or other agreements between the Subrecipient and the administrative agency that made the finding. If the Subrecipient settles a case or matter alleging such discrimination, the Subrecipient must provide

documentation of the settlement. If Subrecipient has not been the subject of any court or administrative agency finding of discrimination, please so state.

- j. If the Subrecipient makes sub-awards to other agencies or other entities, the Subrecipient is responsible for ensuring that sub-recipients also comply with Title VI and other applicable authorities covered in this document State agencies that make sub-awards must have in place standard grant assurances and review procedures to demonstrate that they are effectively monitoring the civil rights compliance of sub-recipients.
- k. The Subrecipient understands and agrees that the United States of America has the right to seek judicial enforcement of the terms of this assurances document and nothing in this document alters or limits the federal enforcement measures that the United States may take in order to address violations of this document or applicable federal law.
- l. Under penalty of perjury, the Subrecipient certifies that its authorized official(s) has read and understood the Subrecipient obligations as herein described, that any information submitted in conjunction with this assurances document is accurate and complete, and that the Subrecipient is in compliance with the aforementioned nondiscrimination requirements.

Civil Rights, Nondiscrimination and Equal Opportunity in Participation. The Subrecipient agrees to comply with Title VI of the Civil Rights Act of 1964, as amended, Title VIII of the Civil Rights Act of 1968, as amended, Section 109 of the Title I of the Housing and Community Development Act of 1974, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, and the Age Discrimination Act of 1975, and 41 CFR Chapter 60, including 41 CFR § 60-1.4. The requirements in 24 CFR part 5, subpart A are applicable, including the nondiscrimination and equal opportunity requirements at 24 CFR § 5.105(a). The Subrecipient shall not discriminate against any participant on the ground of race, color, creed, religion, sex, age, handicap, disability, ancestry, national origin, marital status, familial status, sexual orientation, or any other basis prohibited by applicable law. The Subrecipient shall, through affirmative outreach, make known that use of the facilities, assistance, and services are available to all on a nondiscriminatory basis. The Subrecipient must take appropriate steps to ensure effective communication with persons with disabilities.

Nondiscrimination and Equal Employment Opportunity. During the performance under this Agreement, the Subrecipient shall not discriminate against any employee or applicant for employment based on race, color, creed, religion, sex, age, handicap, disability, ancestry, national origin, marital status, familial status, sexual orientation, or any other basis prohibited by applicable law. The Subrecipient shall take affirmative action to ensure that all applicants and employees are treated without regard to race, color, creed, religion, sex, age, handicap, disability, ancestry, national origin, marital status, familial status, and sexual orientation. The Subrecipient shall comply with all provisions of Executive Order 11246, Equal Employment Opportunity, as amended by Executive Orders 11375 and 12086. The Subrecipient will, in all solicitations or advertisements for employees placed or on behalf of the Subrecipient, state that it is an Equal

Opportunity or Affirmative Action employer. Such action shall include, but not be limited to the following:

(1) Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Subrecipient agrees to post inconspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The Subrecipient will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Subrecipient's legal duty to furnish information.

(4) The Subrecipient will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding a notice to be provided advising the said labor union or workers' representatives of the Subrecipient's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The Subrecipient will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The Subrecipient will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the Subrecipient's noncompliance with the nondiscrimination clauses of this Agreement or with any of the said rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part, and the Subrecipient may be declared ineligible for further government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of

September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The Subrecipient will include the portion of the sentence immediately preceding paragraph 19(1) and the provisions of paragraphs (1) through (8) in every contract, subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each contractor, subcontractor or vendor. The Subrecipient will take such action with respect to any contract, subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided, however, that in the event a Subrecipient becomes involved in or is threatened with litigation with a contractor, subcontractor or vendor as a result of such direction by the administering agency, the Subrecipient may request the United States to enter into such litigation to protect the interests of the United States.

Americans with Disabilities Act. The Subrecipient agrees to comply with any federal regulations issued pursuant to compliance with the Americans with Disabilities, Act which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and Local government services, and public accommodations.

20. Contract Work Hours and Safety Standards Act

If the Subrecipient's activities discussed in this Agreement will involve the employment of mechanics or laborers, then the Subrecipient agrees to comply with 40 U.S.C. § 3702 and § 3704. Compliance with this provision requires the following, and the term "contractor" as used in this section shall include both agents, officers, directors, and employees of Subrecipient, Contractor, and any other contractors engaged by Subrecipient to perform the Project or otherwise meet Subrecipient's obligations under this Agreement:

- 1) Overtime requirements: No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such a workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such a workweek.
- 2) Violation: liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1) of this section, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory) for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard

workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.

- 3) Withholding for unpaid wages and liquidated damages. Grantee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.
- 4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower-tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower-tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section.

21. Labor and Employment Restrictions

The Subrecipient agrees to comply with the Copeland Anti- Kick Back Act (18 U.S.C. § 874) and its implementing regulations of the U.S. Department of Labor at 29 CFR part 3 and part 5. The Subrecipient shall maintain documentation that demonstrates compliance with applicable hour and wage requirements. Such documentation shall be made available to the Grantee for review upon request. The Subrecipient further agrees to comply with the applicable provisions of the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-333), and the applicable provisions of the Fair Labor Standards Act of 1938, as amended (29 U.S.C. et seq.). Subrecipient further agrees that it will report all suspected or reported violations of any of the laws identified in this paragraph to the Grantee.

22. Religious Activities

Subrecipient agrees that funds provided under this Agreement will not be used for religious activities, to promote religious interests, or for the benefit of a religious organization in accordance with the federal regulations specified in 24 CFR 570.200(j).

23. Drug Free Workplace and Safety

Subrecipient shall administer a policy designed to ensure that the facilities providing services under the terms of this Agreement are free from the illegal use, possession, or distribution of drugs or alcohol by its employees and beneficiaries. Pursuant to Executive Order 13043, 62 FR 19217 (April 8, 1997), the Subrecipient should encourage its contractors to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented or personally owned vehicles. Pursuant to Executive Order 13513, Subrecipient should encourage its employees, subrecipients, and contractors to adopt and enforce policies that ban text messaging while driving, and should establish workplace safety policies to decrease accidents caused by distracted drivers.

24. Domestic Preference.

Subrecipient agrees that to the greatest extent practicable, it will prefer, cause the Contractor and all other contractors, vendors, etc. to prefer, the purchase, acquisition, and use of goods, products or materials produced in the United States

25. FFATA

The Subrecipient shall comply with the requirements of 2 CFR part 25 Universal Identifier and System for Award Management (SAM). The Subrecipient must have an active registration in SAM in accordance with 2 CFR part 25, appendix A, and must have a Data Universal Numbering System (DUNS) number. The Subrecipient must also comply with provisions of the Federal Funding Accountability and Transparency Act, as applicable which includes requirements on executive compensation, and 2 CFR part 170 Reporting Subaward and Executive Compensation Information.

26. Conflict of Interest Policy

No employee, officer, or agent of the Subrecipient may participate in the selection, award, or administration of a contract supported by Federal funds if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

27. Hatch Act

Subrecipient shall comply with the requirements in the Hatch Act, which is codified at 5 U.S.C. §§ 1501–08, 7324–28. The Hatch Act places restrictions on the political engagement of certain employees.

28. Real Property Policies

To the extent applicable, Subrecipient shall comply with the requirements in 42 U.S.C. §§ 4601–4655. Such requirements relate to real property acquisition and relocation assistance policies.

29. Whistleblower Protections

In accordance with 41 U.S.C. § 4712, which applies to this Agreement, Subrecipient may not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to certain persons or entities, as identified in this Section 23, information that the employee reasonably believes is evidence of gross mismanagement of the Subaward or Grantee's SLFRF award, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant. The persons and entities to whom the employee may disclose such information to includes, but is not limited to, the following:

- 29.1 A member of Congress or a representative of a committee of Congress;
- 29.2 An Inspector General;
- 29.3 The Government Accountability Office;
- 29.4 A Treasury employee responsible for contract or grant oversight or management;
- 29.5 An authorized official of the Department of Justice or other law enforcement agency;
- 29.6 A court or grand jury; or
- 29.7 A management official or other employee of Grantee, contractor, or subcontractor who has the responsibility to investigate, discover, or address misconduct.

30. False Statements or Claims

Subrecipient acknowledges and understands that making false statements or claims in connection with the Subaward, including representations made in this Agreement, is a violation of federal law and may result in criminal, civil, or administrative sanctions, including fines, imprisonment, civil damages and penalties, debarment from participating in federal awards or contracts, and/or any other remedy available at law.

31. Insurance

Subrecipient shall procure and maintain for the duration of this Agreement the following or equivalent insurance policies at no less than the limits shown below and cause the Contractor, as well as any of its other contractors and subcontractors to maintain similar insurance with limits acceptable to the Grantee in order to protect the Grantee against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work or services hereunder by the Subrecipient. The cost of such insurance shall be included in any bid solicited by the Subrecipient:

Coverage Limits

- 1) General Liability \$1 million per occurrence, \$2 million aggregate, with no greater than a \$1,000 deductible**
 - a. (Insurance Services Office Form CG 00 01) (or \$2 million combined single limit)
 - b. (Including Products/Completed Operations)
- 2) Auto Liability \$1 million per occurrence, with no greater than a \$1,000 deductible**
- 3) Worker's Compensation Statutory**
- 4) Employer's Liability \$100,000.00**

- 5) Excess/Umbrella Liability \$1 million per occurrence**
- 6) Professional Liability Insurance \$1,000,000, with no greater than a \$1,000 deductible for all liability which may be incurred during the life of this Agreement.**

The policies above shall contain the following conditions:

- a. All Certificates of Insurance forms used by the insurance carrier shall be properly filed and approved by the Department of Insurance for the Commonwealth of Kentucky (DOI). The Grantee shall be named as an additional insured in the General Liability Policy using the Kentucky DOI approved forms.
- b. The General Liability Policy shall be primary to any insurance or self-insurance retained by the Grantee.
- c. The General Liability Policy shall include Premises and Operations coverage unless it is deemed not to apply by the Grantee.
- d. The General Liability Policy shall include Employment Practices Liability coverage or an endorsement in a minimum amount of \$1 million unless it is deemed not to apply by Grantee.
- e. The Grantee shall be provided at least thirty (30) days advance written notice via certified mail, return receipt requested, in the event any of the required policies are canceled or non-renewed.
- f. Said coverage shall be written by insurers acceptable to the Grantee and shall be in a form acceptable to the Grantee. Insurance placed with insurers with a rating classification of no less than Excellent (A or A-) and a financial size category of no less than VIII, as defined by the most current Best's Key Rating Guide shall be deemed automatically acceptable.

After insurance has been approved by the Grantee, evidence of renewal of an expiring policy must be submitted to the Grantee, and may be submitted on a manually signed renewal endorsement form. If the policy or carrier has changed, however, new evidence of coverage must be submitted in accordance with these Insurance Requirements.

Self-insurance programs, deductibles, and self-insured retentions in insurance policies are subject to separate approval by the Grantee, upon review of evidence of Subrecipient's financial capacity to respond to claims. Any such programs or retentions must provide Subrecipient with at least the same protection from liability and defense of suits as would be afforded by first-dollar insurance coverage.

If Subrecipient satisfies any portion of the insurance requirements through deductibles, self-insurance programs, or self-insured retentions, Subrecipient agrees to provide the Grantee the following data prior to the final acceptance of bid and the commencement of any work:

- a. Latest audited financial statement, including auditor's notes.

- b. Any records of any self-insured trust fund plan or policy and related accounting statements.
- c. Actuarial funding reports or retained losses.
- d. Risk Management Manual or a description of the self-insurance and risk management program.
- e. A claim loss run summary for the previous five (5) years.
- f. Self-Insured Associations will be considered.

Subrecipient agrees to furnish Grantee with all applicable Certificates of Insurance signed by a person authorized by the insurer to bind coverage on its behalf prior to final award, and if requested, shall provide the Grantee copies of all insurance policies, including all endorsements. Subrecipient understands and agrees that Grantee may review, audit and inspect any and all of its records and operations to insure compliance with these Insurance Requirements.

32. Subrecipient Assets.

32.1 Title to all property furnished by Subrecipient in performance of this Agreement shall remain with the regulating authority; and title to all property furnished by the Grantee in performance of this Agreement shall remain with Grantee.

32.2 Subrecipient shall obtain prior written approval by Grantee when purchasing nonexpendable personal property if the cost of the personal property is to be reimbursed as a direct item of cost under this Agreement. This approval may be accomplished by inclusion in the Budget.

32.3 Title of all non-expendable personal property purchased by Subrecipient, the cost of which Subrecipient is reimbursed as a direct item of cost under this Agreement, shall pass to and vest in the Grantee upon acceptance of such property by the Subrecipient.

32.4 Non-expendable personal property purchased by Subrecipient under the terms of this Agreement, in which title is vested in the Grantee, shall not be rented, loaned, or otherwise passed to any person, partnership, corporation, association, or organization without the prior express written approval of the Grantee.

32.5 Any non-expendable personal property furnished to, or purchased by, Subrecipient, title to which is vested in the Grantee shall, unless otherwise provided herein or approved by the Grantee, be used only for the performance of this Agreement.

32.6 As a precedent to reimbursement for the purchase of non-expendable personal property, title to which shall be vested in the Grantee, Subrecipient agrees to provide all necessary information and documents in order for the Grantee to execute such security agreements and other documents as shall be necessary for the Grantee to protect its interest in such property in accordance with the Uniform Commercial Code as codified in Title 62A RCW.

32.7 Subrecipient will furnish to Grantee by the fifteenth (15th) day of October each year while this Agreement is in effect, unless otherwise stated, an inventory of any and all property purchased with funds provided by the Grantee for use under the terms of this Agreement. The inventory list shall include all nonexpendable personal property, including small and attractive items, purchased with funds provided by the Grantee under the terms of this Agreement. For the purposes of this clause, conducting and providing an inventory consists of sighting, tagging or marking, describing, recording, and reporting the property involved.

32.8 The Subrecipient shall be responsible for any loss or damage to property of the Grantee, including all expenses resulting from such loss or damage, which results from negligence, willful misconduct, or lack of good faith on the part of the Subrecipient, or which results from the failure on the part of the Subrecipient to maintain and administer the property in accordance with sound management practices. Furthermore, the Subrecipient shall ensure that all Grantee property in its possession, when returned to the Grantee, shall be in a like condition to that in which it was when furnished to the Subrecipient or the condition in which the property was when acquired by the Subrecipient through purchase, except that in all cases, reasonable wear and tear shall be allowed.

32.9 Within three (3) calendar days of discovery of loss or destruction of or damage to Grantee property, Subrecipient shall notify the Grantee in writing and include appropriate documentation (i.e., police, fire, or accident reports). Subrecipient shall take all reasonable steps to protect that property from further damage.

32.10 Within five (5) working days after termination, or completion of this Agreement, unless otherwise mutually agreed in writing between Subrecipient and Grantee, Subrecipient shall surrender to Grantee all property of the Grantee.

32.11 Grantee may, at its discretion, abandon in place any property in which title is vested in the Grantee under the terms of this Agreement insofar as permitted by law, rule, or regulation.

32.12 Non-expendable personal property acquired by the Subrecipient, the cost of which is reimbursed by the Grantee or the Subrecipient with funds provided through this Agreement, shall be subject to the same constraints, procedures, treatment, handling, disposition, and other matters as specified above. The Subrecipient shall take all steps necessary to ensure that the interest of the Grantee in such property shall be protected and safeguarded.

32.13 Subrecipient will maintain property record cards and property identification tabs as may be directed by the Grantee. This applies only to property purchased with federal, state, and/or Grantee funds specifically designated for such purchase.

33. Miscellaneous

33.1 Notices. All notices required in this Agreement shall be in writing and shall be deemed to be effective as of the date sent by certified mail, return receipt requested. All notices and other written communications under this Agreement shall be addressed to the individuals in

the capacities indicated below, unless otherwise modified by subsequent written notice. Notices shall be directed to the following:

Grantee: Madison County, Kentucky
Attn: County Judge/Executive
135 W Irvine Street, 3rd Floor
Richmond, KY 40475

Subrecipient: Northern Madison County Sanitation District
Attn: Jim Rowe, Chairman (jrowe@roadrunner.com); Elliott Turner,
Manager (nmcسدelliott@bellsouth.net)
201 Aqueduct Drive
Richmond, KY 40475

33.2 Severability. If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

33.3 Section Headings and Subheadings. The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

33.4 Waiver. Grantee's failure to act with respect to a breach by Subrecipient does not waive its right to act with respect to subsequent or similar breaches. The failure of Grantee to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

33.5 Entire Agreement. This Agreement, including any and all attachments hereto, constitutes the entire agreement between Grantee and Subrecipient for the use of funds received under this Agreement and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between Grantee and Subrecipient with respect to this Agreement.

33.6 Indemnification. Subrecipient shall and hereby agrees to hold harmless, defend, and indemnify Grantee and each and all of its employees, officers, directors, attorneys, consultants, agents, managers, and affiliates, from and against any and all damages, costs, attorneys' fees, claims, expenses, injuries, property damage, causes of action, violations of law, and losses of any form or nature arising from or related to the conduct of Subrecipient in the performance of the activities in this Agreement. This shall include the obligation of Subrecipient to indemnify and reimburse Grantee for any and all attorneys' fees and other litigation or dispute resolution costs arising in connection with Subrecipient's breach, violation, or other non-compliance with this Agreement.

With respect to performance of this Agreement and as to claims against the Grantee, its officers, agents and employees, Subrecipient expressly waives its immunity under RCW 51, the Industrial Insurance Act, for injuries to its employees and agrees that the obligations to indemnify, defend and hold harmless provided in this Agreement extend to any claim brought by or on behalf of

any employee of Subrecipient. This waiver is mutually negotiated by the parties to this Agreement.

In addition to any other remedy authorized by law, Grantee may retain so much of the money otherwise due Subrecipient as deemed necessary by the Grantee to ensure indemnification until disposition has been made of such suits or claims subject to the provisions of this section.

No liability shall attach to the Grantee by reason of entering into this Agreement, except as expressly provided herein.

32.6.1 Capital Projects. Subrecipient shall bear sole responsibility for damage to completed portions of the project and to property located off the project caused by erosion, siltation, run-off, or other related items arising during construction of the project. Subrecipient shall also bear sole responsibility for any pollution of rivers, streams, ground water, or other waters which may occur as a result of construction operations. Subrecipient shall exercise all necessary precautions throughout the life of the project to prevent pollution, erosion, siltation, and damage to property.

33.7 Anti-Assignment. Subrecipient shall not assign or otherwise transfer any interest in this Agreement without the prior written consent of Grantee.

33.8 Data Security. Subrecipient agrees to abide by and maintain adequate data security measures consistent with applicable laws and regulations and industry standards and best practices.

33.9 Confidentiality. Subrecipient, its employees, subcontractors, consultants, and their employees shall maintain the confidentiality of all confidential information provided by Grantee in performance of this Agreement.

33.10 Governing Law. This Agreement shall be governed by and construed under the laws of the State of Kentucky. The Parties consent to and agree that any and all disputes arising out of or relating in any way to this Agreement shall be subject to the exclusive jurisdiction of Courts located in Madison County, Kentucky.

33.11 Counterparts and Electronic Signatures. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. By entering into this Agreement using electronic signatures, the Parties hereto agree and intend that, notwithstanding the use herein of the words "writing," "execution," "signed," "signature," or other words of similar import, the use of electronic signatures shall be granted the same legal effect, validity, or enforceability as a signature affixed by hand to the extent and as provided for in any applicable law. Except where other means of delivery of communications or notices are expressly required herein or by any applicable law, the Parties may provide documents to each other electronically by emails that include attachments or embedded links.

[SIGNATURE PAGE FOLLOWS]

EXHIBIT A
SUBAWARD PROJECT DESCRIPTION AND BUDGET

Northern Madison County Sanitation District
Madison County West Regional WWTP

Phased Approach with Opinion of Probable Estimated Costs/Phase

Phase #	Phase Title	Phase Description	Opinion of Costs
1	Preliminary ¹	Preliminary Engr. Report - MCWR WWTP	\$ 50,000.00
2	Site Costs ¹	Site Option/purchase, Geotech, Environ., Elect. Service	\$ 150,000.00
3a	Design ¹	WWTP & PS Design	\$ 400,000.00
3b	Design	WWTP & PS Design	\$ 83,000.00
4	Construction	Contractor Bids for Construction	\$ 8,017,500.00
5	Construction	Const. Engr. Review, Resident Observer. & other	\$ 453,228.00
6		Administration and Legal Expenses, estimated	\$ 81,500.00
7		Project Contingencies	\$ 746,772.00
8	Total Estimated Opinion of Probable Project Cost		\$ 9,982,000.00

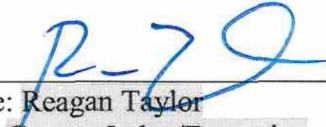
Note: 1. NMCS D Subrecipient of Madison County ARPA Funds = Total \$600,000.00

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of

10/8/2024

Grantee:

Madison County, Kentucky

By: 

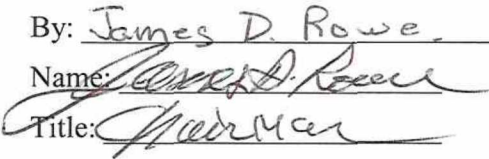
Name: Reagan Taylor

Title: County Judge/Executive

Subrecipient:

Northern Madison County Sanitation District

Unique Entity ID: YLJXVKBDKUM9

By:  James D. Rowe

Name:

Title: