

Environmental Management

Port of Los Angeles Clean Ports Program

Zero-Emission Truck Purchasing Incentive Project

REQUEST FOR PROPOSALS



June 29, 2026

RAMP ID #230748

June 29, 2026

Prospective Consultants:

SUBJECT: REQUEST FOR PROPOSALS FOR ZERO-EMISSION TRUCK PURCHASING INCENTIVE PROJECT

The City of Los Angeles Harbor Department (Harbor Department) invites the submittal of proposals from one or more Licensed Motor Carriers (LMC) to purchase at least ten (10) zero emissions (ZE) battery electric drayage trucks into service in the Port of Los Angeles (Port or POLA). Selected LMCs shall be required to enter into a grant agreement with the Harbor Department and comply with applicable terms set forth in U.S. Environmental Protection Agency Grant Agreement Number 5Y-97T27601-0.

Instructions and forms to be used in preparing proposals are found in the information included in the Request for Proposals (RFP).

The schedule for this RFP will be as follows:

Request for Proposals Published	Monday, June 29, 2026
Questions Due	Monday, July 20, 2026 by 3pm
Responses Posted	Thursday, July 30, 2026
Proposals Due	Thursday, December 3, 2026 by 3pm

If your firm cannot agree to the requirements exactly as set forth in this RFP, please do not submit a proposal.

For questions regarding this RFP, please contact Tanisha Herr by email at THerr@portla.org. Questions must be submitted by 3pm on Monday, July 20, 2026. Responses will be posted on the [Harbor Department's website](#) and the Regional Alliance Marketplace for Procurement (RAMP), at www.rampla.org, by Thursday, July 30, 2026. It is the responsibility of all Proposers to review both websites for any RFP revisions or answers to questions prior to submitting a proposal in order to ensure their proposal is complete and responsive.

In addition to providing information requested in this RFP, it should be noted that there are administrative documents that must be submitted with the proposal. Please refer to the Business Enterprise Programs and Contract Administrative Requirements section of this RFP. **In order for your proposal to be deemed responsive, these documents MUST be included with your proposal.**

All Proposers and subconsultants must be registered on RAMP at the time proposals are due. If selected for award, for-profit companies and corporations must comply with RAMP's demographic reporting requirements, per the Mayor's Executive Directive 35.

Sincerely,

Tanisha Herr

TANISHA HERR
Contracts and Purchasing Division

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Exhibit H – Sample Subrecipient Agreement Template

1. INTRODUCTION

1.1 Brief Overview of the Project

In the Port of Los Angeles Clean Ports Zero-Emission Truck Purchasing Incentive Project (Project), the City of Los Angeles Harbor Department (Harbor Department) Environmental Management Division is seeking proposals from Licensed Motor Carriers (LMC or Proposer) to deploy at least ten (10) zero emissions (ZE) battery electric drayage trucks into service in the Port of Los Angeles (Port or POLA) by September 30, 2028. Incentive funding will be provided for up to \$300,000 per truck and a total funding opportunity up to \$24,000,000 per LMC. The Harbor Department has up to \$75 million in incentive funds to subsidize the purchase of ZE trucks. Of the \$75 million, the Harbor Department will contribute \$25 million and there is an additional \$50 million available through a subaward under the Environmental Protection Agency Grant Number 5Y-97T27601-0 to assist in the purchase of at least 250 zero-emission drayage trucks.

1.2 The Port of Los Angeles

The Port of Los Angeles (Port or POLA) is America's Port®, the nation's premier gateway for international commerce and the busiest seaport in the Western Hemisphere. Located in San Pedro Bay, 25 miles south of downtown Los Angeles, the Port encompasses 7,500 acres of land and water along 43 miles of waterfront.

The Port features both passenger and cargo terminals, including cruise, container, automobile, breakbulk, dry and liquid bulk, and warehouse facilities that manage billions of dollars' worth of cargo each year. One of the world's busiest seaports and leading gateway for international trade in North America, the Port of Los Angeles has ranked as the number one container port in the United States each year since 2000. In 2025, the Port handled a total of 10.2 million container units.

The Port of Los Angeles is a department of the City of Los Angeles (also known as the Los Angeles Harbor Department) and is governed by the Los Angeles Board of Harbor Commissioners, a panel appointed by the Mayor of Los Angeles. Although the Port is a City department, it is not supported by City taxes. Operating as a landlord port with more than 200 leaseholders, the Port instead generates its revenues from leasing and shipping service fees. The Port's jurisdiction is limited to the Harbor District, which includes property in San Pedro, Wilmington, and Terminal Island.

1.3 The Environmental Management Division

The Port of Los Angeles' world-class reputation is based on a commitment to remaining on the cutting edge of port development and meeting the demands of the global community. However, this commitment also comes with enormous responsibility to the environment. The Port of Los Angeles carefully considers the incorporation of environmental measures so that development is carried out in a responsible manner. In addition to meeting – and, in many cases, exceeding – environmental regulations and industrial compliance, the Port of Los Angeles implements environmental initiatives designed to reduce environmental impacts, as well as improving and preserving our precious natural resources.

With a history of leadership in the environmental arena, Los Angeles became the first port authority in the nation to create an Environmental Management Division in 1973. This Division reviews all projects proposed within its jurisdiction to assure compliance with environmental laws and proposed methods to minimize project impacts.

Balancing growth and development with environmental considerations is a challenge the Port of Los Angeles must address every day. This is accomplished through more efficient cargo-handling operations, improved infrastructure, and biological, industrial and internal environmental programs.

Although significant emissions reductions have been achieved under the San Pedro Bay Ports Clean Air Action Plan (CAAP), the Port of Los Angeles continues to place great emphasis on green development, including a particular focus on zero emissions technologies. Fostering the development of ZE technologies is a key component of the Ports' plans to achieve voluntary air quality goals. As updated in 2017, the CAAP includes a goal to transition the drayage fleet fully to ZE by 2035. Real-world operations of applicable ZE truck models in various duty cycles are critical to the successful achievement of this goal. The intent of this RFP is to deploy at least 250 ZE trucks into drayage service at the Port to assess the current capabilities of these truck models and receive feedback on overall driver satisfaction.

2. PROJECT DESCRIPTION

2.1 Project Goals and Objectives

The Harbor Department was awarded approximately \$411.7 million from the US Environmental Protection Agency (EPA) Clean Ports Program (CPP) Grant to modernize and deploy battery electric technology at the Port through EPA Agreement No. 5Y-97T27601-0 (See Exhibit F). Up to \$50 million of EPA CPP grant funding and \$25 million POLA Clean Truck Fund (CTF) Rate revenue will be combined to incentivize the purchase and deployment of at least 250 ZE drayage trucks at POLA. The Project is intended to serve as a large-scale deployment of battery electric drayage trucks in local drayage operations at the Port as the Harbor Department's commitment in the Clean Ports Program grant award.

2.2 Project Scope of Work

The Harbor Department Environmental Management Division is seeking proposals from LMCs to purchase and deploy into service at least ten (10) zero emissions (ZE) battery electric drayage trucks at the Port of Los Angeles by September 30, 2028.

Upon deployment, LMCs shall be required to have each truck provide a minimum of one hundred (100) drayage trips to the POLA per year, for a total of three hundred (300) trips over a three (3) year operational period. Drayage trips to the Port of Long Beach (POLB) will not be counted towards the 300 truck trip total. LMCs will also be required to submit monthly reports per Section 4 Reporting Guidelines in addition to all other subrecipient provisions included in this Scope of Work. Each truck not completing the annual required trips to POLA shall be required to remit funds back to the Harbor Department for each trip not completed, on a pro rata basis of the grant funds utilized by the LMC to complete the

purchase of such truck. The pro rata basis will be determined by the number of incomplete truck trips as compared to the funding amount provided.

More than one LMC may be selected to receive an award. Depending on available funds and the number of Proposers, LMC's may receive only a portion of the requested funds (partial awards). Funding will be provided as a reimbursement payment directly tied to purchase each truck. Deposits or down payments towards a truck per Original Equipment Manufacturer (OEM) standard practices are reimbursable.

Trucking-As-A-Service (TAAS) or leasing companies are ineligible to respond to this RFP or participate as part of a LMC's proposal.

Proposers selected for award under this RFP will enter into a subaward agreement with the Harbor Department and shall be considered subrecipients for purposes of federal financial assistance. As subrecipients, selected LMCs shall comply with all applicable requirements of 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards), the EPA Clean Ports Program Grant Agreement No. 5Y-97T27601-0 (See Exhibit F), and all applicable EPA general and program-specific terms and conditions.

Subrecipients shall be responsible for compliance with, and ensuring flow-down of, all applicable federal requirements to any lower-tier contractors, vendors, or partners, including but not limited to procurement standards, cost allowability, equipment management, reporting, recordkeeping, and audit requirements.

Failure to comply with applicable subrecipient requirements may result in enforcement actions in accordance with 2 CFR 200.339, including repayment of funds, suspension of payments, or termination of the subaward.

1. Licensed Motor Carriers

- LMC(s) must be a POLA Concessionaire in good standing and registered in the Ports' Drayage Truck Registry (PDTR).
- LMCs shall purchase, own and insure the ZE trucks subsidized through this Project.
- ZE trucks must be registered in the PDTR.
- ZE trucks must have a valid, activated, and properly registered radio-frequency identification tag in advance of deployment.
- The insurance documents for each truck must list the City of Los Angeles Harbor Department as additional insured.
- As part of their proposal submitted in response to this RFP, LMCs must complete a competitive bid process to select an OEM. OEMs should not assist with

development of bid specifications and/or specifications should not be tailored to a particular OEM.

- More than one OEM may be selected. The competitive bid process must comply with federal requirements, 2 CFR 200.313, 2 CFR 200.327, and 2 CFR 200.439. In accordance with U.S. Environmental Protection Agency (EPA) requirements under 40 CFR Part 33, all Proposers, as subrecipients, must make good faith efforts to solicit and utilize Disadvantaged Business Enterprises (DBEs), including Minority Business Enterprises (MBEs) and Women's Business Enterprises (WBEs), in the performance of this Project. Proposers shall describe in their proposal how they will comply with these requirements, including a summary of planned outreach activities.
- LMCs must provide documentation for their OEM selection process, including scoring, as part of their proposal package. **Failure to provide the selection process paperwork and scoring will constitute a non-responsive proposal.**
- The LMC must verify the selected OEM is not debarred or suspended in the System for Award Management (SAM.gov) by checking the SAM.gov website¹.
- Charging infrastructure required to support this ZE truck deployment will be the financial and operational responsibility of selected Proposers. Grant awards shall not be used to pay for charging infrastructure. If infrastructure is purposely built to support just the trucks that are purchased using this EPA grant funding, then the new infrastructure must also meet Build America Buy America (BABA) requirements. Existing infrastructure or shared infrastructure with trucks not purchased with EPA grant funding do not need to meet BABA requirements.
- All selected LMCs with employee drivers shall, in the timeframe set forth below, sign a Labor Peace Agreement (LPA) with a labor organization. See Section 3.5 Proposal Requirements for details. If a selected LMC does not have employee drivers, Section 3.5 does not apply.
- The City of Los Angeles Harbor Department shall be identified as a lienholder on the title of each purchased truck.
- Proposing LMCs must have an active Unique Entity ID (UEI) from the SAM.gov in good standing.

2. Original Equipment Manufacturer

- OEM(s) must be selected by the LMC through a competitive bid process meeting 2 CFR 200 requirements. Noncompetitive or sole-source procurement of OEMs is prohibited unless justified in accordance with 2 CFR 200.320(c) and pre-approved by EPA.

¹ https://sam.gov/search/?index=ex&page=1&pageSize=25&sort=-relevance&sfm%5Bstatus%5D%5Bis_active%5D=true&sfm%5BsimpleSearch%5D%5BkeywordRadio%5D=ALL

- OEMs must provide a Class 8 battery electric truck. Hydrogen fuel cell trucks are not eligible under this RFP. In all cases, each ZE truck must be certified to meet the definition of “Heavy-Duty Zero-Emission Vehicle” in the California Air Resources Board (CARB) Heavy-Duty Inspection and Maintenance Regulation:

“an on-road vehicle with a manufacturer’s gross vehicle weight rating (GVWR) greater than 14,000 pounds with a drivetrain that produces zero exhaust emissions of any criteria pollutant (or precursor pollutant) or greenhouse gas under any possible operational modes or conditions.”²

- Truck models must be proven, through previous prototype testing, to be durable and meet the demands of the drayage truck duty cycle for at least one complete shift as defined by the lead LMC. Truck models must be commercially available to the public. Duty cycle specifics must be reviewed as part of the competitive selection process and submitted as part of the application. OEMs will be responsible for providing truck specifications, executive order, and marketing material of the commercially available truck models.
- OEMs shall be required to work with the LMC to ensure the charging infrastructure used is compatible with the battery electric trucks.
- OEMs shall provide a full-service truck warranty on the trucks during the required three year operation period. At a minimum, the warranty must include maintenance, parts, and repair of the trucks purchased for the required three year operation period. An extended warranty past the project duration may be discussed between the LMC and OEM.
- OEMs must provide a self-certification letter on company letterhead showing BABA compliance. To meet BABA compliance, a minimum of 55% of vehicle components must be manufactured within the United States of America and the vehicle must be assembled within the United States of America³. A BABA Self-Certification Letter Template for Manufactured Products Covered Under the Build America, Buy America Act can be found here: <https://www.epa.gov/baba/build-america-buy-america-baba-resources>.

3. Large Scale ZE Truck Deployment Guidelines

Proposers will be required to operate and report on the deployed trucks in accordance with the following parameters:

- Trucks purchased under this Project must be selected through a competitive bid process meeting 2 CFR 200 requirements prior to applying for this RFP.
- Records of the competitive OEM selection process and scoring must be included with the application package and do not count towards the application page limit. Failure to provide proof in the application that the Proposer conducted a competitive process for OEM selection will result in the proposal being deemed

² <https://ww2.arb.ca.gov/sites/default/files/barcu/regact/2021/hdim2021/hd-imfroatta1.pdf>

³ <https://www.epa.gov/ports-initiative/clean-ports-program-grantee-resources#BABA>

nonresponsive.

- Selected Class 8 Heavy-Duty battery electric trucks must be operated and maintained by human labor.
- Selected Class 8 Heavy-Duty battery electric trucks shall have regulatory approval for public road usage. This includes having completed and documented Department of Transportation inspections.
- Selected Class 8 Heavy-Duty battery electric trucks shall comply with the EPA Clean Ports Program BABA requirements⁴, including the program-specific Clean Ports waiver, as applicable. Proposers must provide documentation demonstrating that their selected equipment and materials adhere to BABA requirements.
- Proposers awarded grant funding by the Board of Harbor Commissioners shall place truck purchase orders within 30 days of POLA executing their respective agreement.
- Trucks must be deployed before September 30, 2028. No extension will be provided unless the overall CPP Grant Award is extended by EPA. The three-year operation period may extend past the end of the CPP Grant Award period.
- LMCs shall be required to provide monthly reporting during the three-year operations period. A final operation summary report will be required at the end of the three-year deployment period. Reporting guidelines are described in Section 4 Reporting Guidelines.
- Each truck is required to perform a minimum of one hundred (100) revenue service drayage trips to POLA per year of operation, for a total of three hundred (300) trips over the course of the three-year operation period. Truck trips to the POLB will not count towards the required annual truck trip quota. If the LMC fails to complete the required 100 annual truck trips, LMC shall be required to remit funds back to the Harbor Department for each trip not completed, on a pro rata basis of the grant funds utilized by the LMC to purchase the truck(s).
- The City of Los Angeles Harbor Department shall be identified as a lienholder on the title of each purchased truck. Upon completion of the three-year operation period, submission of all reports, and annual truck trip requirements, the Harbor Department will release its lien on the title of each truck successfully completing the grant award requirements. Trucks shall be subject to disposition per the EPA grant award general terms and conditions⁵ and the CPP Grant Award Agreement requirements.
- LMCs shall comply with the Harbor Department's EPA Quality Assurance Requirement. The Harbor Department's EPA Quality Assurance Project Plan

⁴ <https://www.epa.gov/baba>

⁵ https://www.epa.gov/system/files/documents/2024-10/fy_2025_epa_general_terms_and_conditions_effective_october_1_2024_or_later.pdf

(QAPP) is currently being drafted and will be provided to the awarded Proposer(s) prior to grant agreement award.

- Accepted Proposers may not combine funding with other federal funding (EPA, Department of Transportation, Department of Energy, etc.) such as South Coast Air Quality Management INVEST CLEAN for the purchase of the same trucks.
- Non-project participant support letters should not be part of a Proposer’s proposal and shall not be considered by the Harbor Department as part of the review process.

4. Reporting Guidelines

LMCs will need to provide monthly Status Update Reports on the status of the purchase, delivery, and deployment of their ZE trucks. As each ZE truck is placed into operation, the monthly status update for such ZE trucks will change into an Operational Report.

Each LMC shall provide the following data on the operation of each ZE truck after deployment in the monthly Operational Reports:

Metric	Unit	Method
Port Calls	#	Driver manifests, including origin/destination data or PDTR records
Vehicle Miles Traveled	miles	Mileage logs
Driver/Fleet Experience Surveys	--	Field forms
Electricity Charged	kWh	Charging Summary Report
Vehicle Hours of Operation	hrs	Onboard data logger
Vehicle Downtime	days	Maintenance report
Vehicle Maintenance Inspections/Findings	--	Vehicle maintenance report

Notes: kWh = Kilowatt hour; hrs = hours

LMCs shall be required to submit the Operational Reports on a monthly basis during the entire three-year operational deployment period. To support compliance and safeguard program investment, the Harbor Department will establish a lien on each truck as an enforcement mechanism to ensure the vehicles are operated in accordance with RFP requirements and maintained for the full three-year period. During this time, the Harbor Department will also implement a tracking system to monitor truck usage and provide periodic updates to LMCs, including warnings and reminders as needed to ensure the annual 100-trip minimum is met. LMCs shall submit a Final Report at the end of the three-year operational period which shall include the operational data shown above for the entire three-year period, a qualitative summary of each truck’s performance, and a summary of the LMC’s overall experience with the ZE trucks. Data will be collected in a manner per the Harbor Department’s QAPP that will be provided to the awarded Proposer(s) prior to grant agreement award.

When LMCs voluntarily scrap any diesel Class 8 trucks, LMCs shall provide the following information before scrapping each truck including, but not limited to, the make/model, model/engine year, mileage, and annual fuel usage. In addition, proof that each truck scrapped was done in compliance with the EPA's Clean Ports Program Grant Award scrapping requirements⁶.

5. Funding Details

Project funds will directly support each selected LMC in purchasing at least 10 ZE trucks in an amount up to \$300,000 per truck and a total funding opportunity up to \$24,000,000 per LMC. The total funding available for all Proposers is \$75 million. Grant funding on a per truck basis shall not exceed 80% of the cost of the truck, including taxes and fees.

It is anticipated that multiple LMCs will be awarded grant funds under this Project. Depending on available funds and the number of LMC's submitting proposals, each LMC may not receive all funds requested and may only be awarded partial funding.

6. Match Share

There is no cost or match share requirement as part of this ZE Truck Purchasing Incentive Project.

2.3 Labor Peace Agreement

As a condition precedent to any grant award, selected participating LMC(s) with employee drivers shall, in the timeframe set forth below, sign a Labor Peace Agreement (LPA) with a labor organization as defined by 29 USC Section 152(5) that represents the employee drivers of the LMC, or if no labor organization represents the LMC's employee drivers, any labor organization that seeks to represent employee drivers at the premises to be covered by the LPA. A selected LMC with employee drivers represented by a labor organization shall have 30 days to sign an LPA from the time the Harbor Department staff informs the proposal team that it has been selected. If the selected LMC's employee drivers are not represented by a labor organization before the approval of the grant agreement and a labor organization informs the selected LMC of its intent to represent the workers, then the consideration of the grant agreement shall be delayed until the selected LMC signs an LPA, which the selected LMC must sign the LPA within 30 days from the time the labor organization informs the selected LMC of its intent to represent the drivers. If the selected LMC fails to sign an LPA within the allotted 30 days, its proposal may be deemed non-responsive to the RFP.

LMCs that do not have employee drivers are required to include in their Transmittal Cover Letter a statement confirming that they do not employ any drivers. Such statement shall be required to not be subject to the Labor Peace Agreement requirements and to receive the points allocated for LPAs on the evaluation form set forth in Exhibit E.

The LPA shall prohibit the labor organizations and their members from engaging in

⁶ <https://www.epa.gov/system/files/documents/2025-09/5900-718-cpp-scrappage-eligibility-2025-09.pdf>

picketing, work stoppages, boycotts or other economic interference with entities conducting business on the premises for the duration of the grant agreement.

This provision does not: 1) require selected LMCs to recognize a particular labor organization; 2) affirmatively identify a labor union to enter into a LPA if a labor union has not approached the LMC; 3) require selected LMCs to enter into a collective bargaining agreement establishing the substantive terms and conditions of employment; 4) enact or express any generally applicable policy regarding labor/management relations, or regulate those relations in any way; or 5) provide a preference for any outcome in the determination of worker preference regarding representation.

3. PROPOSAL REQUIREMENTS

3.1 Proposal Questions

All questions regarding this RFP must be submitted, in writing, exclusively to Tanisha Herr, the Contract Administrator, at therr@portla.org by no later than 3 p.m. on Monday, July 20, 2026.

Any attempt to contact any other Harbor Department employee or members of the Board of Harbor Commissioners, either directly or through third parties acting for or on the Proposer's behalf, may be presumed to constitute efforts to bias or influence the competitive process. Accordingly, such attempts shall constitute grounds to disqualify the Proposer undertaking them. Any information provided by the Contract Administrator to one Proposer in response to questions shall be provided to all Proposers.

3.2 Proposal Submission

One (1) digital copy of your proposal, as one complete file in .pdf format, must be submitted on or before 3:00 p.m. PST on Thursday, December 3, 2026, to Tanisha Herr at THerr@portla.org. Proposal narrative should not exceed 10 typed pages, 12 point Arial font. This page limit does not include required supplemental information such as the cover letter, administrative documents, resumes, competitive selection records, duty cycle reports, and warranty details.

Proposers solely are responsible for the timeliness of their submittals. As such, Proposers are cautioned to budget adequate time to ensure that their proposals are delivered before the deadline set forth above.

By submitting a proposal, Proposers certify that such proposal constitutes their full and complete written response to the RFP and evidences their acknowledgement that additional written material outside of such proposal shall not be considered by the City in connection with this RFP, unless the City provides a written request that they submit additional written materials. Absent such written requests, Proposers are instructed to not submit to the City written or other materials outside of the proposal, either in a subsequent interview or otherwise.

3.3 Evaluation Process and Selection Criteria

All proposals meeting the requirements of this RFP shall be reviewed and rated according to the following criteria: 1) qualifications and experience; 2) OEM vehicle selection process; 3) project scope and schedule (timeline); 4) project cost; and 5) optional bonus considerations. See Exhibit E for scoring details.

A Proposer must meet a minimum score of 70 points to be eligible for funding. Funding will be distributed from highest to lowest eligible scores until funding is exhausted. All recommendations are subject to the approval of the Director of Environmental Management Division, the Executive Director of the Harbor Department, and the Board of Harbor Commissioners.

Proposers are advised that all documentation submitted in response to this RFP will be considered property of the Harbor Department and may become available to the public as a public record and be released without further notification. Any information that the Proposer considers confidential should not be submitted with the proposal.

The right to reject any and all proposals shall, in every case, be reserved, as shall the right to waive any informality in the proposal when to do so would be to the advantage of the City.

3.4 Proposal Content

The following items shall be included in the proposal:

1. Transmittal Cover Letter

Provide a narrative which introduces the LMC and team, highlighting the special strengths of the team to meet the requirements of the ZE Truck Purchasing Incentive Project set forth in this RFP. If the LMC does not have employee drivers, then a statement as such should be included in the letter. The letter should be signed by an authorized principal of the LMC. The Transmittal Cover Letter will not count towards the proposal page limit, but Proposers should be mindful of the length of their letter.

2. Qualifications and Experience

Provide a narrative describing the LMC team's qualifications to meet the requirements of the Project as set forth in the RFP, including past (relevant) experience. Include information regarding your team's experience involving the size and level of the proposed ZE Truck purchase request set forth in the proposal.

Specifically, indicate any prior zero emission technology demonstration history for the lead LMC and prior OEM zero emission demonstration experience. Reports submitted as part of past grant opportunities is the preferred method for documenting past grant experience and can be added as attachments to the proposal. Past grant reports will not count towards the Proposal page limit.

Identify any members of the proposed team who are former Commissioners, officers or employees of the Harbor Department. Provide their name, proposed team position, and

their past position and years of employment/appointment with the Harbor Department. If your proposed team does not have any such members, please include a statement in your Transmittal Cover Letter so stating.

LMCs are advised that it is their obligation to determine whether any conflicts of interest exist for their team members and the extent to which those conflicts need to be resolved or disclosed prior to engaging in business with the Harbor Department.

Do not include any support letters.

3. OEM Vehicle Selection Process

Provide a narrative explaining the general process of how the OEM(s) project partner(s) were selected in a manner meeting the EPA's procurement process per 2 CFR 200. The narrative should include scoring criteria information, final selection of OEM(s), and the LMC's reason for the selection of OEM(s). Proposals must include documentation that the OEM complied with BABA requirements by submitting a BABA Self-Certification Letter. A sample BABA Self-Certification Letter can be found at <https://www.epa.gov/baba/build-america-buy-america-baba-resources>. If the selected OEM cannot provide a BABA Self-Certification Letter, please provide information about why BABA compliance cannot be met.

Proposals should include information regarding each OEM's truck service warranty that will be provided during the three-year performance period. At a minimum, every warranty must be for the entire three-year operational period and include maintenance, parts, and repair of the ZE trucks.

Proposals are required to include a transmittal that fully documents the competitive bid process completed by the LMC in selecting the OEM(s). Such documentation should include all necessary supplemental information including details for each OEM responding to the bid and the LMC's scoring evaluations. This transmittal will not count towards the proposal page limit.

4. Project Scope and Schedule

Provide information showing your team's commitment to Section 2.2 – Project Scope of Work of this RFP's requirements, setting forth how trucks will be purchased and operated during the term of the grant agreement. Proposals should provide a clear summary of their expected operations for the ZE trucks, such as average annual truck trips to the POLA per truck, charging station locations (existing or future), and charging schedule. Proposers will need to provide information on the roles each project partner will perform and their responsibilities in the project such as vehicle data gathering, report writing, scenarios when warranty will be utilized, etc.

Trucks must be deployed by September 30, 2028. Include a letter from the LMC's selected OEM(s) (on OEM letterhead) indicating the estimated delivery schedule for each truck after purchase orders are placed. If trucks cannot be deployed by September 30, 2028, provide an explanation for the reason for the later deployment. Proposers should not assume that the grant will be extended. Alternatively, indicate if any proposed trucks are already available for deployment for on-road operation at the Port of Los Angeles. See Section 3.4.6 Optional Bonus Considerations if trucks can be deployed earlier than September 30, 2028.

5. ZE Truck Purchase Proposal

Provide a table listing each specific truck proposed to be purchased and a breakdown for truck cost, taxes, and delivery. This grant award does not require LMC teams to provide a funding match share. However, selected Proposers will be responsible for paying any costs not related to the truck purchase. Proposers may list any out of pocket costs such as purchasing extended warranties, charging infrastructure costs, and any purchase pricing for trucks that will not be paid for by the requested grant award.

Any financial contributions by Proposers in addition to the cost of each trucks may be considered by the evaluation committee. Examples of additional financial contributions could include, but are not limited to, utilizing existing charging infrastructure, extended truck warranties, a business plan to deploy additional ZE trucks in the future, insurance fees, registration fees, etc.

6. Optional Bonus Considerations

The following are optional bonus points that will be considered by the selection committee when scoring the application (Exhibit E). These bonus point items are not requirements; however, Proposers that include evidence of complying with these items in their proposal shall receive additional scoring points. Evidence can include training documents, financial record, and written company policies.

- Small LMC (5 points): LMC Proposers that own/operate 20 or fewer trucks will receive 5 bonus points. LMC must provide proof that they own 20 or fewer trucks.
- Voluntary Scrappage (1-10 points): The following bonus points will be awarded to Proposers volunteering to scrap all or a portion of each diesel Class 8 truck that is being replaced by a ZE truck purchased with funding from this grant award opportunity.

See Section E for scoring criteria. Scrappage is not required for this funding opportunity. However, to receive bonus points, Proposers must indicate in their proposals that they will follow scrappage methods as required by the EPA's CPP Grant Award Agreement including but not limited to:

- a. Operational class 8 heavy-duty trucks must have been owned and operated by the Proposer for at least two (2) years prior to scrappage;
- b. Truck(s) that will be scrapped must have accumulated at least 7,000 miles per year during the two years prior to scrappage;
- c. Scrapped truck must have at least three (3) years remaining operational life;
- d. Scrappage must be completed within two (2) years of delivery of the ZE truck or December 31, 2028, whichever comes first; and
- e. Scrapped trucks cannot be resold or donated instead of being scrapped.

The Proposer must provide detailed information about the trucks that will be scrapped prior to contracting with POLA. Information should include at a minimum make/model, engine model year, and current odometer reading.

If an LMC fails to scrap a truck after agreeing to scrap all or a portion of their fleet in their proposal, the LMC shall be required to remit funds back to the Harbor Department for each proposed truck that is not scrapped, on a pro rata basis of the grant funds utilized by the LMC to complete the purchase of such truck.

- Voluntary Workforce Development/Training (5 points): Proposer has a workforce development/training program for their existing workforce or workforce development/training program to recruit new positions. Proof of the workforce development/training must be provided.
- Early Truck Deployment (5 points): Additional points will be awarded to Proposer(s) that can deploy trucks into service before June 30, 2028. Failure to deploy all trucks by the earlier deadline will result in the Proposer remitting 33% of the value of the incentive funds back to POLA for each delayed truck deployment.

7. Business Enterprise Programs and Contract Administrative Requirements

In order for a proposal to be deemed responsive, the following documents MUST be included with a proposal:

A) CONSULTANT DESCRIPTION FORM (EXHIBIT B)

Provide with the proposal the Exhibit B - Consultant Description Form, fully filled out for your firm and any proposed team members. Please refer to Exhibit B for detailed information and instructions on completing the forms.

B) INSURANCE VERIFICATION LETTER

Provide a letter from your firm indicating that the insurance requirements for this project as described in this RFP are presently part of your insurance coverage, or that your firm will be able to obtain such coverage should you be selected for award. Proposers must be aware of the indemnification requirements also set forth in this RFP. Proposers are not required to purchase the required insurance in order to respond; however, all required insurance will need to be submitted at the time of agreement award. **Proposals submitted without an insurance verification letter, as described above, may be deemed non-responsive.**

C) ACCEPTANCE OF STANDARD CONTRACT PROVISIONS AND EXECUTIVE DIRECTIVE 35

Proposers are advised that pursuant to Executive Directive (ED) 35, if your firm is a for-profit company or corporation and is selected for award, you shall, within 30 days of the effective date of the agreement and on an annual basis thereafter (i.e., within 30 days of the anniversary of the effective date of the agreement), report the following information to the City via the Regional Alliance Marketplace for Procurement (RAMP) or via another method specified by the City:

- Annual revenue
- Number of employees

- Location
- Industry
- Race/ethnicity and gender of majority owner

On an annual basis, LMCs shall further request that any team member input or update its business profile, with the above information, on RAMP or via another method prescribed by City.

Proposers must submit in the signed Cover Letter confirming their intention to comply with the RAMP demographic reporting requirements of ED 35, and their firm's acceptance of all Contract Provisions exactly as set forth in Section 4. Do not submit your demographic information in the letter; only selected LMCs will need to enter this information into RAMP, after agreement award.

LABOR PEACE AGREEMENT COMMITMENT LETTER

A Labor Peace Agreement or a commitment letter that a Labor Peace Agreement will be signed prior to Board approval shall be submitted with the Proposal. Proposers that do not have employee drivers are exempt from this requirement and must state in their Transmittal Cover Letter that the Proposer does not have employee drivers. See Section 3.5 Proposal Requirements for details.

3.5 Checklist for RFP Submittal Requirements

A checklist is provided to assist in verification that all elements of the RFP have been addressed. However, firms are encouraged to review the entirety of the RFP, including the Contract Provisions section, to ensure full compliance and not rely solely on this checklist.

- Transmittal Cover Letter, signed by an authorized principal of the proposing LMC.
- Table of Contents, if included (not required).
- Proposal with the following sections, in order:
 - Qualifications and Experience
 - OEM /Vehicle Selection Process
 - a) Bid process information showing EPA requirements were met
 - b) Scoring criteria
 - c) BABA Self-Certification Letter or explanation why BABA cannot be met
 - Project Scope and Schedule
 - ZE Truck Purchasing Proposal
 - Optional Bonus Considerations
- Business Enterprise Program forms:
 - Consultant Description Form (**LMC and any team member companies**)
- Letter from your firm indicating the firm's ability to meet the insurance requirements for this project as described in Section 4.3 of the RFP.
- For LMCs with employee drivers, a Labor Peace Agreement or commitment letter that a Labor Peace Agreement will be signed within 30 days of conditional selection by the Harbor Department. LMCs that do not have employee drivers must state as such in their Transmittal Cover Letter.
- Letter of acceptance of Contract Provisions and Executive Directive 35.

4. CONTRACT PROVISIONS

The following sections are standard contract provisions for the Harbor Department. In submitting a proposal, Proposer agrees to accept these terms without change.

If your firm cannot agree to the following requirements, exactly as set forth below, please do not submit a proposal.

4.1 Affirmative Action

Proposer, during the performance of the Agreement, shall not discriminate in its employment practices against any employee or Proposer for employment because of the employee's or Proposer's race, religion, national origin, ancestry, sex, age, sexual orientation, disability, marital status, domestic partner status, or medical condition. The provisions of Section 10.8.4 of the Los Angeles Administrative Code shall be incorporated and made a part of the agreement. All sub-agreements awarded shall contain a like nondiscrimination provision. See Exhibit A.

4.2 Business Tax Registration Certificate

The City of Los Angeles Office of Finance requires the implementation and enforcement of Los Angeles Municipal Code Section 21.09 et seq. This section provides that every person, other than a municipal employee, who engages in any business within the City of Los Angeles, is required to obtain the necessary Business Tax Registration Certificate and pay business taxes. The City Controller has determined that this Code Section applies to consulting firms that are doing work for the Los Angeles Harbor Department. See Exhibit C.

4.3 Indemnity and Insurance Requirements

REQUIRED AT PROPOSAL STAGE: A letter from each proposer must be provided with their proposal. The letter should indicate that the requirements below are presently part of the proposer's insurance coverage or that the proposer will be able to obtain such coverage should they be selected for award. The proposer must be aware of the indemnification requirements below. Proposers are not required to purchase the required insurance in order to respond; however, all required insurance will need to be submitted at the time of contract award. **ACORD® certificates submitted in lieu of an insurance verification letter will not be accepted.**

1. Indemnification

Except for the sole negligence or willful misconduct of the City, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, Contractor undertakes and agrees to defend, indemnify and hold harmless the City and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, costs of experts and

consultants), damages or liability of any nature whatsoever, for death or injury to any person, including Contractor's employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Contract by Contractor or its subcontractors of any tier. Consultant shall also indemnify the City as set for in this Agreement where any subconsultant fails to obtain and maintain in effect insurance coverage pursuant to the insurance requirements herein. Rights and remedies available to the City under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the City.

2. Acceptable Evidence and Approval of Insurance

Electronic submission is the required method of submitting Consultant's insurance documents. Consultant's insurance broker or agent shall register with the City's online insurance compliance system **KwikComply** at <https://kwikcomply.org/> and submit the appropriate proof of insurance on Consultant's behalf.

Carrier Requirements

All insurance which Consultant is required to provide pursuant to this Agreement shall be placed with insurance carriers authorized to do business in the State of California and which are rated A-, VII or better in Best's Insurance Guide. Carriers without a Best's rating shall meet comparable standards in another rating service acceptable to City.

Primary Coverage

The coverages submitted must be primary with respect to any insurance or self insurance of the City of Los Angeles Harbor Department. The City of Los Angeles Harbor Department's program shall be excess of this insurance and non-contributing.

Notice Of Cancellation

For each insurance policy described below, the Consultant shall give the Board of Harbor Commissioners a 10-days prior notice of cancellation or reduction in coverage for nonpayment of premium, and a 30-days prior notice of cancellation or reduction in coverage for any other reason, by written notice via registered mail and addressed to the City of Los Angeles Harbor Department, Attention Risk Manager and the City Attorney's Office, 425 S. Palos Verdes Street, San Pedro, California 90731.

Modification of Coverage

Executive Director, at his or her discretion, based upon recommendation of independent insurance consultants to City, may increase or decrease amounts and types of insurance coverage required hereunder at any time during the term hereof by giving ninety (90) days' written notice to Consultant.

Renewal of Policies

At least thirty (30) days prior to the expiration of any policy, Consultant shall direct

their insurance broker or agent to submit to the City's online insurance compliance system **KwikComply** at <http://kwikcomply.org> a renewal certificate showing that the policy has been renewed or extended or, if new insurance has been obtained, evidence of insurance as specified below. If Consultant neglects or fails to secure or maintain the insurance required below, Executive Director may, at his or her own option but without any obligation, obtain such insurance to protect the City's interests. The cost of such insurance will be deducted from the next payment due Consultant.

Policy Copies

Upon request by City, Consultant shall furnish a copy of the binder of insurance and/or full certified policy for any insurance policy required herein. This requirement shall survive the termination or expiration of this Agreement.

Limits of Coverage

If Consultant maintains higher limits than the minimums required by this Agreement, City requires and shall be entitled to coverage for the higher limits maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to City.

Right to Self-Insure

Upon written approval by Executive Director, Consultant may self-insure if the following conditions are met:

- a. Consultant has a formal self-insurance program in place prior to execution of this Agreement. If a corporation, Consultant must have a formal resolution of its board of directors authorizing self-insurance.
- b. Consultant agrees to protect the City, its boards, officers, agents and employees at the same level as would be provided by full insurance with respect to types of coverage and minimum limits of liability required by this Agreement.
- c. Consultant agrees to defend the City, its boards, officers, agents and employees in any lawsuit that would otherwise be defended by an insurance carrier.
- d. Consultant agrees that any insurance carried by Department is excess of Consultant's self-insurance and will not contribute to it.
- e. Consultant provides the name and address of its claims administrator.
- f. Consultant submits its most recently filed 10-Q and its 10-K or audited annual financial statements for the three most recent fiscal years prior to the Executive Director's consideration of approval of self-insurance and annually thereafter.
- g. Consultant agrees to inform Department in writing immediately of any change in its status or policy which would materially affect the protection afforded Department by this self-insurance.
- h. Consultant has complied with all laws pertaining to self-insurance.

Insurance Coverage by Subconsultants

Where Consultant retains subconsultants, subcontractors, independent contractors or other vendors (collectively “subconsultants” and individually “subconsultant”) to provide services set forth in this Agreement, and Consultant is not performing any of the services at issue, Consultant may submit in lieu of its own insurance policy, insurance policies held by the subconsultant covering the services provided by such subconsultant and in compliance with the relevant insurance requirements set forth in this Agreement, including naming the City and Consultant as additional insured by specific endorsements CG2010 and CG2037, where applicable. Where the Risk Manager finds the submitted documentation is not in compliance with this Agreement, Consultant shall be required to comply with the insurance requirements as set forth herein. Where any subconsultant provides insurance coverage, Consultant shall require and verify that such subconsultant obtain and maintain in effect insurance coverage in compliance with this Agreement.

Insurance

In addition to and not as a substitute for, or limitation of, any of the indemnity obligations imposed by [Indemnification Section Above], Grantee shall procure and maintain at its sole cost and expense and keep in force during the term of this Agreement the following insurance:

3. General Liability Insurance

Grantee shall procure and maintain in effect throughout the term of this Agreement, without requiring additional compensation from the City, commercial general liability insurance covering personal and advertising injury, bodily injury, and property damage providing contractual liability, independent contractors, products and completed operations, and premises/operations coverage written by an insurance company authorized to do business in the State of California rated VII, A- or better in Best’s Insurance Guide (or an alternate guide acceptable to City if Best’s is not available) within Grantee’s normal limits of liability but not less than Five Million Dollars (\$5,000,000) combined single limit for injury or claim. Said limits shall provide first dollar coverage except that Executive Director may permit a self-insured retention or self-insurance in those cases where, in his or her judgment, such retention or self-insurance is justified by the net worth of Grantee. The retention or self-insurance provided shall provide that any other insurance maintained by Department shall be excess of Grantee’s insurance and shall not contribute to it. In all cases, regardless of any deductible or retention, said insurance shall contain a defense of suits provision and a severability of interest clause. Additionally, each policy shall include an additional insured endorsement (CG 2010 or equivalent) naming the City of Los Angeles Harbor Department, its officers, agents and employees as Primary additional insureds.

Where Consultant’s operations involve work within 50 feet of railroad track, Grantee’s Commercial General Liability coverage shall also have the railroad exclusion deleted.

4. Automobile Liability Insurance

Grantee shall procure and maintain at its expense and keep in force at all times during the term of this Agreement, automobile liability insurance written by an insurance

company authorized to do business in the State of California rated VII, A- or better in Best's Insurance Guide (or an alternate guide acceptable to City if Best's is not available) within Grantee's normal limits of liability but not less than Five Million Dollars (\$5,000,000) covering damages, injuries or death resulting from each accident or claim arising out of any one claim or accident. Said insurance shall protect against claims arising from actions or operations of the insured, or by its employees. Coverage shall contain a defense of suits provision. Additionally, each policy shall include an additional insured endorsement (CG 2010 or equivalent) naming the City of Los Angeles Harbor Department, its officers, agents and employees as Primary additional insureds.

5. Workers' Compensation and Employer's Liability

Where applicable, Grantee shall comply with the provisions of Section 3700 of the California Labor code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that the Grantee shall comply with such provisions before commencing the performance of the tasks under this Agreement. Coverage for claims under U.S. Longshore and Harbor Workers' Compensation Act, if required under applicable law, shall be included. Grantee shall submit Workers' Compensation policies whether underwritten by the state insurance fund or private carrier, which provide that the public or private carrier waives its right of subrogation against the City in any circumstance in which it is alleged that actions or omissions of the City contributed to the accident. Such worker's compensation and occupational disease requirements shall include coverage for all employees of Grantee, and for all employees of any subcontractor or other vendor retained by Grantee.

4.4 Conflict of Interest

It is hereby understood and agreed that the parties to this Agreement have read and are aware of the provisions of Section 1090 et seq. and Section 87100 et seq. of the California Government Code relating to conflict of interest of public officers and employees, as well as the Los Angeles Municipal Code (LAMC) Municipal Ethics and Conflict of Interest provisions of Section 49.5.1 et seq. and the Conflict of Interest Codes of the City and Department. All parties hereto agree that they are unaware of any financial or economic interest of any public officer or employee of City relating to this Agreement. Notwithstanding any other provision of this Agreement, it is further understood and agreed that if such financial interest does exist at the inception of this Agreement, City may immediately terminate this Agreement by giving written notice thereof.

During the term of this Agreement, Grantee shall inform the Department when Grantee, or any of its Subconsultants, employs or hires in any capacity, and for any length of time, a person who has worked for the Department as a Commissioner, officer or employee. Said notice shall include the individual's name and current position and their prior position and years of employment with the Department. Notice shall be provided by Grantee to the Department within thirty (30) days of the employment or hiring of the individual.

4.5 Compliance with Applicable Laws

Grantee shall at all times in the performance of its obligations comply with all applicable laws, statutes, ordinances, rules and regulations, and with the reasonable

requests and directions of the Executive Director.

4.6 Governing Law / Venue

This Agreement shall be governed by and construed in accordance with the laws of the State of California, without reference to the conflicts of law, rules and principles of such State. The parties agree that all actions or proceedings arising in connection with this Agreement shall be tried and litigated exclusively in the State or Federal courts located in the County of Los Angeles, State of California, in the judicial district required by court rules.

4.7 Termination Provision

The Board of Harbor Commissioners, in its sole discretion, shall be able to terminate and cancel all or any part of the Agreement it enters into with the selected Grantee for any reason upon giving the Grantee ten (10) days' notice in writing of its election to cancel and terminate the Agreement. It is agreed that any Agreement entered into shall not limit the right of the City to hire additional Grantees to perform the services described in the Agreement either during or after the term of the Agreement.

4.8 Proprietary Information

1. Writings, as that term is defined in Section 250 of the California Evidence Code (including, without limitation, drawings, specifications, estimates, reports, records, reference material, data, charts, documents, renderings, computations, computer tapes or disks, submittals and other items of any type whatsoever, whether in the form of writing, figures or delineations), which are obtained, generated, compiled or derived in connection with this Agreement (collectively hereafter referred to as "property"), are owned by City as soon as they are developed, whether in draft or final form. City has the right to use or permit the use of property and any ideas or methods represented by such property for any purpose and at any time without compensation other than that provided in this Agreement. Grantee hereby warrants and represents that City at all times owns rights provided for in this section free and clear of all third-party claims whether presently existing or arising in the future, whether or not presently known. Grantee need not obtain for City the right to use any idea, design, method, material, equipment or other matter which is the subject of a valid patent, unless such patent is owned by Grantee or one of its employees, or its Subconsultant or the Subconsultant's employees, in which case such right shall be obtained without additional compensation. Whether or not Grantee's initial proposal or proposals made during this Agreement are accepted by City, it is agreed that all information of any nature whatsoever connected with the Scope of Work, regardless of the form of communication, which has been or may be given by Grantee, its Subconsultants or on either's behalf, whether prior or subsequent to this Agreement becoming effective, to the City, its boards, officers, agents or employees, is not given in confidence. Accordingly, City or its designees may use or disclose such information without liability of any kind, except as may arise under valid patents.

2. If research or development is furnished in connection with this Agreement and if, in the course of such research or development, patentable work product is produced by Grantee, its officers, agents, employees, or Subconsultants, the City shall have, without cost or expense to it, an irrevocable, non-exclusive royalty-free license to make and use, itself or

by anyone on its behalf, such work product in connection with any activity now or hereafter engaged in or permitted by City. Upon City's request, Grantee, at its sole cost and expense, shall promptly furnish or obtain from the appropriate person a form of license satisfactory to the City. It is expressly understood and agreed that, as between City and Grantee, the referenced license shall arise for City's benefit immediately upon the production of the work product, and is not dependent on the written license specified above. City may transfer such license to its successors in the operation or ownership of any real or personal property now or hereafter owned or operated by City.

4.9 Trademarks, Copyrights, and Patents

Grantee agrees to save, keep, hold harmless, protect and indemnify the City and any of its officers or agents from any damages, cost, or expenses in law or equity from infringement of any patent, trademark, service mark or copyright of any person or persons, or corporations in consequence of the use by City of any materials supplied by Grantee in the performance of this Agreement.

4.10 Confidentiality

The data, documents, reports or other materials which contain information relating to the review, documentation, analysis and evaluation of the work described in this Agreement and any recommendations made by Grantee relative thereto shall be considered confidential and shall not be reproduced, altered, used or disseminated by Grantee or its employees or agents in any manner except and only to the extent necessary in the performance of the work under this Agreement. In addition, Grantee is required to safeguard such information from access by unauthorized personnel.

4.11 Notices

In all cases where written notice is to be given under this Agreement, service shall be deemed sufficient if said notice is deposited in the United States mail, postage paid. When so given, such notice shall be effective from the date of mailing of the same. For the purposes hereof, unless otherwise provided by notice in writing from the respective parties, notice to the Department shall be addressed to Environmental Management Division, Los Angeles Harbor Department, P.O. Box 151, San Pedro, California, 90733-0151, and notice to Grantee shall be addressed to it at the address set forth above. Nothing herein contained shall preclude or render inoperative service of such notice in the manner provided by law.

4.12 Termination Due to Non-Appropriation of Funds

This Agreement is subject to the provisions of the Los Angeles City Charter which, among other things, precludes the City from making any expenditure of funds or incurring any liability, including contractual commitments, in excess of the amount appropriated thereof.

The Board, in awarding this Agreement, is expected to appropriate sufficient funds to meet the estimated expenditure of funds through June 30 of the current fiscal year and to make further appropriations in each succeeding fiscal year during the life of the Agreement. However, the Board is under no legal obligation to do so.

The City, its boards, officers, and employees are not bound by the terms of this Agreement or obligated to make payment thereunder in any fiscal year in which the Board does not appropriate funds therefore. The Grantee is not entitled to any compensation in any fiscal year in which funds have not been appropriated for the Agreement by the Board.

Although the Grantee is not obligated to perform any work under the Agreement in any fiscal year in which no appropriation for the Agreement has been made, the Grantee agrees to resume performance of the work required by the Agreement on the same terms and conditions for a period of sixty (60) days after the end of the fiscal year if an appropriation therefore is approved by the Board within that 60 day period. The Grantee is responsible for maintaining all insurance and bonds during this 60 day period until the appropriation is made; however, such extension of time is not compensable.

If in any subsequent fiscal year funds are not appropriated by the Board for the work required by the Agreement, the Agreement shall be terminated. However, such termination shall not relieve the parties of liability for any obligation previously incurred.

4.13 Taxpayer Identification Number

The Internal Revenue Service (IRS) requires that all Grantees and suppliers of materials and supplies provide a TIN to the party that pays them. Grantee declares that it has an authorized TIN which shall be provided to the Department prior to payment under the Agreement. No payments will be made under the Agreement without a valid TIN.

4.14 Service Contractor Worker Retention Policy and Living Wage Policy Requirements

The Board of Harbor Commissioners of the City of Los Angeles adopted Resolution Nos. 19-8419 and 19-8420 on January 24, 2019, adopting the provisions of Los Angeles City Ordinance No. 185356, relating to Service Contractor Worker Retention (SCWR), Section 10.36 et seq. of the Los Angeles Administrative Code, as the policy of the Department. Further, Charter Section 378 requires compliance with the City's Living Wage requirements as set forth by ordinance, Section 10.37 et seq. of the Los Angeles Administrative Code. Grantee shall comply with the policy wherever applicable. Violation of this provision, where applicable, shall entitle the City to terminate this Agreement and otherwise pursue legal remedies that may be available.

4.15 Wage and Earnings Assignment Orders/Notices of Assignments

Grantee and/or any subconsultant are obligated to fully comply with all applicable state and federal employment reporting requirements for the Grantee and/or subconsultant's employees.

Grantee and/or subconsultant shall certify that the principal owner(s) are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignments applicable to them personally. Grantee and/or subconsultant will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments in accordance with Cal. Family Code § 5230 et seq. Grantee or subconsultant will maintain such compliance throughout the term of the Agreement.

4.16 Equal Benefits Policy

The Board of Harbor Commissioners of the City of Los Angeles adopted Resolution No. 6328 on January 12, 2005, agreeing to adopt the provisions of Los Angeles City Ordinance 172,908, as amended, relating to Equal Benefits, Section 10.8.2.1 et seq. of the Los Angeles Administrative Code, as a policy of the Harbor Department. Grantee shall comply with the policy wherever applicable. Violation of the policy shall entitle the City to terminate any Agreement with Grantee and pursue any and all other legal remedies that may be available. See Exhibit D.

4.17 State Tidelands Grants

The Agreement will be entered into in furtherance of and as a benefit to the State Tidelands Grant and the trust created thereby. Therefore, the Agreement will at all times be subject to the limitations, conditions, restrictions and reservations contained in and prescribed by the Act of the Legislature of the State of California entitled "An Act Granting to the City of Los Angeles the Tidelands and Submerged Lands of the State Within the Boundaries of Said City," approved June 3, 1929, (Stats. 1929, Ch. 651), as amended, and provisions of Article VI of the Charter of the City of Los Angeles relating to such lands. Grantee agrees that any interpretation of the Agreement and the terms contained therein must be consistent with such limitations, conditions, restrictions and reservations.

4.18 Recordkeeping And Audit Rights

A. Grantee shall keep and maintain full, complete and accurate books of accounts and records of the services performed under this Agreement in accordance with generally accepted accounting principles consistently applied, which books and records shall be readily accessible to and open for inspection and copying at the premises by City, its auditors or other authorized representatives. Notwithstanding any other provision of this Agreement, failure to do so shall constitute a conclusive waiver of any right to compensation for such services as are otherwise compensable hereunder. Such books and records shall be maintained by Grantee for a period of three (3) years after completion of services to be performed under this Agreement or until all disputes, appeals, litigation or claims arising from this Agreement have been resolved.

B. During the term of this Agreement, City may audit, review and copy any and all writings (as that term is defined in Section 250 of the California Evidence Code) of Grantee and Subconsultants arising from or related to this Agreement or performance of the Scope of Work, whether such writings are (a) in final form or not, (b) prepared by Grantee, Subconsultants or any individual or entity acting for or on behalf of Grantee or a Subconsultant, and (c) without regard to whether such writings have previously been provided to City. Grantee shall be responsible for obtaining access to and providing writings of Subconsultants. Grantee shall provide City at Grantee's sole cost and expense a copy of all such writings within fourteen (14) calendar days of a written request by City. City's right shall also include inspection at reasonable times of the Grantee's office or facilities which are engaged in the performance of the Scope of Work. Grantee shall, at no cost to City, furnish reasonable facilities and assistance for such review and audit. Grantee's failure to comply with this Article 6 shall constitute a material breach of this Agreement and shall entitle City to withhold any payment due under this Agreement until such breach is cured.

EXHIBIT A - AFFIRMATIVE ACTION PROGRAM PROVISIONS

Sec. 10.8.4 Affirmative Action Program Provisions.

Every non-construction and construction Contract with, or on behalf of, the City of Los Angeles for which the consideration is \$25,000 or more shall contain the following provisions which shall be designated as the AFFIRMATIVE ACTION PROGRAM provisions of such Contract:

A. During the performance of a City Contract, the Contractor certifies and represents that the Contractor and each Subcontractor hereunder will adhere to an Affirmative Action Program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status or medical condition.

1. This section applies to work or services performed or materials manufactured or assembled in the United States.

2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.

3. The Contractor shall post a copy of Paragraph A., hereof, in conspicuous places at its place of business available to employees and applicants for employment.

B. The Contractor shall, in all solicitations or advertisements for employees placed, by or on behalf of, the Contractor, state that all qualified applicants will receive consideration for employment without regard to their race, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status or medical condition.

C. At the request of the Awarding Authority or the DAA, the Contractor shall certify on an electronic or hard copy form to be supplied, that the Contractor has not discriminated in the performance of City Contracts against any employee or applicant for employment on the basis or because of race, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status or medical condition.

D. The Contractor shall permit access to, and may be required to provide certified copies of, all of its records pertaining to employment and to its employment practices by the Awarding Authority or the DAA for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of City Contracts and, upon request, to provide evidence that it has or will comply therewith.

E. The failure of any Contractor to comply with the Affirmative Action Program provisions of City Contracts may be deemed to be a material breach of a City Contract. The failure shall only be established upon a finding to that effect by the Awarding Authority, on the basis of its own investigation or that of the DAA. No finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to the Contractor.

F. Upon a finding duly made that the Contractor has breached the Affirmative Action Program provisions of a City Contract, the Contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the Awarding Authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, the breach may be the basis for a determination by the Awarding

Authority or the Board of Public Works that the Contractor is a non-responsible bidder or Applicant pursuant to the provisions of Section 10.40 of this Code. In the event of such determination, the Contractor shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.

G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that the Contractor has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a City Contract, there may be deducted from the amount payable to the Contractor by the City of Los Angeles under the contract, a penalty of ten dollars for each person for each calendar day on which the person was discriminated against in violation of the provisions of a City Contract.

H. Notwithstanding any other provisions of a City Contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.

I. The Public Works Board of Commissioners shall promulgate rules and regulations through the DAA and provide to the Awarding Authorities electronic and hard copy forms for the implementation of the Affirmative Action Program provisions of City contracts, and rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive Orders. No other rules, regulations or forms may be used by an Awarding Authority of the City to accomplish this contract compliance program.

J. Nothing contained in City Contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.

K. By affixing its signature to a Contract that is subject to this article, the Contractor shall agree to adhere to the provisions in this article for the duration of the Contract. The Awarding Authority may also require Contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Program.

1. The Contractor certifies and agrees to immediately implement good faith effort measures to recruit and employ minority, women and other potential employees in a non-discriminatory manner including, but not limited to, the following actions as appropriate and available to the Contractor's field of work. The Contractor shall:

- (a) Recruit and make efforts to obtain employees through:
 - (i) Advertising employment opportunities in minority and other community news media or other publications.
 - (ii) Notifying minority, women and other community organizations of employment opportunities.
 - (iii) Maintaining contact with schools with diverse populations of students to notify them of employment opportunities.
 - (iv) Encouraging existing employees, including minorities and women, to refer their friends and relatives.
 - (v) Promoting after school and vacation employment opportunities for minority, women and other youth.
 - (vi) Validating all job specifications, selection requirements, tests, etc.

(vii) Maintaining a file of the names and addresses of each worker referred to the Contractor and what action was taken concerning the worker.

(viii) Notifying the appropriate Awarding Authority and the DAA in writing when a union, with whom the Contractor has a collective bargaining agreement, has failed to refer a minority, woman or other worker.

(b) Continually evaluate personnel practices to assure that hiring, upgrading, promotions, transfers, demotions and layoffs are made in a non-discriminatory manner so as to achieve and maintain a diverse work force.

(c) Utilize training programs and assist minority, women and other employees in locating, qualifying for and engaging in the training programs to enhance their skills and advancement.

(d) Secure cooperation or compliance from the labor referral agency to the Contractor's contractual Affirmative Action Program obligations.

(e) Establish a person at the management level of the Contractor to be the Equal Employment Practices officer. Such individual shall have the authority to disseminate and enforce the Contractor's Equal Employment and Affirmative Action Program policies.

(f) Maintain records as are necessary to determine compliance with Equal Employment Practices and Affirmative Action Program obligations and make the records available to City, State and Federal authorities upon request.

(g) Establish written company policies, rules and procedures which shall be encompassed in a company-wide Affirmative Action Program for all its operations and Contracts. The policies shall be provided to all employees, Subcontractors, vendors, unions and all others with whom the Contractor may become involved in fulfilling any of its Contracts.

(h) Document its good faith efforts to correct any deficiencies when problems are experienced by the Contractor in complying with its obligations pursuant to this article. The Contractor shall state:

- (i) What steps were taken, how and on what date.
- (ii) To whom those efforts were directed.
- (iii) The responses received, from whom and when.
- (iv) What other steps were taken or will be taken to comply and when.
- (v) Why the Contractor has been or will be unable to comply.

2. Every contract of \$25,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall also comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.

L. The Affirmative Action Program required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Awarding Authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:

1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
2. Classroom preparation for the job when not apprenticeable;

3. Pre-apprenticeship education and preparation;
4. Upgrading training and opportunities;
5. Encouraging the use of Contractors, Subcontractors and suppliers of all racial and ethnic groups; provided, however, that any contract subject to this ordinance shall require the Contractor, Subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the Contractor's, Subcontractor's or supplier's geographical area for such work;
6. The entry of qualified women, minority and all other journeymen into the industry; and
7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.

M. Any adjustments which may be made in the Contractor's work force to achieve the requirements of the City's Affirmative Action Program in purchasing and construction shall be accomplished by either an increase in the size of the work force or replacement of those employees who leave the work force by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.

N. This ordinance shall not confer upon the City of Los Angeles or any Agency, Board or Commission thereof any power not otherwise provided by law to determine the legality of any existing collective bargaining agreement and shall have application only to discriminatory employment practices by Contractors engaged in the performance of City Contracts.

O. All Contractors subject to the provisions of this article shall include a similar provision in all subcontracts awarded for work to be performed under the Contract with the City and shall impose the same obligations including, but not limited to, filing and reporting obligations, on the Subcontractors as are applicable to the Contractor. Failure of the Contractor to comply with this requirement or to obtain the compliance of its Subcontractors with all such obligations shall subject the Contractor to the imposition of any and all sanctions allowed by law, including, but not limited to, termination of the Contractor's Contract with the City.

Exhibit C - Business Tax Registration Certificate (BTRC) Number

The City of Los Angeles, Office of Finance requires all firms that engage in any business activity within the City of Los Angeles to pay City business taxes. Each firm or individual (other than a municipal employee) is required to obtain the necessary Business Tax Registration Certification (BTRC) and pay business tax. (Los Angeles Municipal code Section 21.09 et seq.)

All firms and individuals that do business with the City of Los Angeles will be required to provide a BTRC number or an exemption number as proof of compliance with Los Angeles City business tax requirements in order to receive payment for goods or services. Beginning October 14, 1987, payments for goods or services will be withheld unless proof of tax compliance is provided to the City.

The Tax and Permit Division of Los Angeles Office of Finance, has the sole authority to determine whether a firm is covered by business tax requirements. Those firms not required to pay will be given an exemption number.

If you do NOT have a BTRC number contact the Tax and Permit Division at the office listed below, or log on to <http://finance.lacity.org/>, to download the business tax registration application.

MAIN OFFICE

LA City Hall

201 N. Main Street, Rm. 101

(844) 663-4411

Exhibit D- Equal Benefits Ordinance

Sec. 10.8.2.1. Equal Benefits Ordinance.

Discrimination in the provision of employee benefits between employees with domestic partners and employees with spouses results in unequal pay for equal work. Los Angeles law prohibits entities doing business with the City from discriminating in employment practices based on marital status and/or sexual orientation. The City's departments and contracting agents are required to place in all City contracts a provision that the company choosing to do business with the City agrees to comply with the City's nondiscrimination laws.

It is the City's intent, through the contracting practices outlined in this Ordinance, to assure that those companies wanting to do business with the City will equalize the total compensation between similarly situated employees with spouses and with domestic partners. The provisions of this Ordinance are designed to ensure that the City's contractors will maintain a competitive advantage in recruiting and retaining capable employees, thereby improving the quality of the goods and services the City and its people receive, and ensuring protection of the City's property.

(c) Equal Benefits Requirements.

(1) No Awarding Authority of the City shall execute or amend any Contract with any Contractor that discriminates in the provision of Benefits between employees with spouses and employees with Domestic Partners, between spouses of employees and Domestic Partners of employees, and between dependents and family members of spouses and dependents and family members of Domestic Partners.

(2) A Contractor must permit access to, and upon request, must provide certified copies of all of its records pertaining to its Benefits policies and its employment policies and practices to the DAA, for the purpose of investigation or to ascertain compliance with the Equal Benefits Ordinance.

(3) A Contractor must post a copy of the following statement in conspicuous places at its place of business available to employees and applicants for employment: "During the performance of a Contract with the City of Los Angeles, the Contractor will provide equal benefits to its employees with spouses and its employees with domestic partners." The posted statement must also include a City contact telephone number which will be provided each Contractor when the Contract is executed.

(4) A Contractor must not set up or use its contracting entity for the purpose of evading the requirements imposed by the Equal Benefits Ordinance.

(d) Other Options for Compliance. Provided that the Contractor does not discriminate in the provision of Benefits, a Contractor may also comply with the Equal Benefits Ordinance in the following ways:

(1) A Contractor may provide an employee with the Cash Equivalent only if the DAA determines that either:

a. The Contractor has made a reasonable, yet unsuccessful effort to provide Equal Benefits; or

b. Under the circumstances, it would be unreasonable to require the Contractor to

provide Benefits to the Domestic Partner (or spouse, if applicable).

(2) Allow each employee to designate a legally domiciled member of the employee's household as being eligible for spousal equivalent Benefits.

(3) Provide Benefits neither to employees' spouses nor to employees' Domestic Partners.

(e) Applicability.

(1) Unless otherwise exempt, a Contractor is subject to and shall comply with all applicable provisions of the Equal Benefits Ordinance.

(2) The requirements of the Equal Benefits Ordinance shall apply to a Contractor's operations as follows:

a. A Contractor's operations located within the City limits, regardless of whether there are employees at those locations performing work on the Contract.

b. A Contractor's operations on real property located outside of the City limits if the property is owned by the City or the City has a right to occupy the property, and if the Contractor's presence at or on that property is connected to a Contract with the City.

c. The Contractor's employees located elsewhere in the United States but outside of the City limits if those employees are performing work on the City Contract.

(3) The requirements of the Equal Benefits Ordinance do not apply to collective bargaining agreements ("CBA") in effect prior to January 1, 2000. The Contractor must agree to propose to its union that the requirements of the Equal Benefits Ordinance be incorporated into its CBA upon amendment, extension, or other modification of a CBA occurring after January 1, 2000.

(f) Mandatory Contract Provisions Pertaining to Equal Benefits. Unless otherwise exempted, every Contract shall contain language that obligates the Contractor to comply with the applicable provisions of the Equal Benefits Ordinance. The language shall include provisions for the following:

(1) During the performance of the Contract, the Contractor certifies and represents that the Contractor will comply with the Equal Benefits Ordinance.

(2) The failure of the Contractor to comply with the Equal Benefits Ordinance will be deemed to be a material breach of the Contract by the Awarding Authority.

(3) If the Contractor fails to comply with the Equal Benefits Ordinance the Awarding Authority may cancel, terminate or suspend the Contract, in whole or in part, and all monies due or to become due under the Contract may be retained by the City. The City may also pursue any and all other remedies at law or in equity for any breach.

(4) Failure to comply with the Equal Benefits Ordinance may be used as evidence against the Contractor in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40, et seq., Contractor Responsibility Ordinance.

(5) If the DAA determines that a Contractor has set up or used its Contracting entity for

the purpose of evading the intent of the Equal Benefits Ordinance, the Awarding Authority may terminate the Contract on behalf of the City. Violation of this provision may be used as evidence against the Contractor in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40, et seq., Contractor Responsibility Ordinance.

EXHIBIT E

RFP SELECTION EVALUATION FORM

PROJECT:

**Port of Los Angeles (POLA) Clean Ports Program
Zero-Emission Truck Purchasing Incentive Project RFP Selection Evaluation Form**

Firm Name	Evaluated by	Date

Note: Minimum score of 70 points for consideration. Awards will be based on total point ranking for Licensed Motor Carriers (LMC) that meet the 70-point minimum requirement.

Rating Criteria	Available Points	Score
A. Firm Qualifications, Experience and References		
LMC Past Demonstration or Grant Experience	10 points awarded to all proposers. Points will be deducted from the total available points for: <input type="checkbox"/> Grant completion delayed (-1 pt) <input type="checkbox"/> LMC did not complete equipment demonstration (-1 pt) <input type="checkbox"/> Failed to fulfill grant requirements such as reporting, data collection, etc. (-2 pts) <input type="checkbox"/> No experience (-2 pts)	(10 points - point deductions) 10 points - ____ = Total = _____
LMC Activity at POLA	<input type="checkbox"/> Average annual of >500 trips per truck in fleet (+15 pts) <input type="checkbox"/> Average annual of 500 - 450 trips per truck in fleet (+14 pts) <input type="checkbox"/> Average annual of 449 – 400 trips per truck in fleet (+13 pts) <input type="checkbox"/> Average annual of 399 – 350 trips per truck in fleet (+12 pts) <input type="checkbox"/> Average annual of 349 – 300 trips per truck in fleet (+11 pts) <input type="checkbox"/> Average annual of <300 trips per truck in fleet (+10 pts) <input type="checkbox"/> Not a current LMC at POLA (ineligible)	
B. Original Equipment Manufacturer (OEM) Selection Process		
OEM Competitive Bid Process	5 points awarded if a proposer provides all documentation listed below, otherwise no points will be awarded: <input type="checkbox"/> Bid process met EPA requirements <input type="checkbox"/> Scoring criteria information provided <input type="checkbox"/> BABA Self-Certification Letter or explanation why trucks cannot meet BABA compliance	

OEM Past Demonstration or Grant Experience	10 points awarded to all proposers. Points will be deducted for: <ul style="list-style-type: none"> <input type="checkbox"/> Grant completion delayed (-1 pt) <input type="checkbox"/> OEM did not complete equipment demonstration (-2 pts) <input type="checkbox"/> No experience (-2 pts) 	(10 points - point deductions) 10 points - _____ = Total = _____
OEM Warranty Package	5 points awarded if a proposer provides documentation listed below, otherwise no points will be awarded. <ul style="list-style-type: none"> <input type="checkbox"/> Basic Warranty 	

C. Project Scope and Schedule

Quantity of ZE Trucks in Proposal	<ul style="list-style-type: none"> <input type="checkbox"/> >50 trucks (+15 pts) <input type="checkbox"/> 49-40 trucks (+13 pts) <input type="checkbox"/> 39-30 trucks (+11 pts) <input type="checkbox"/> 29-20 trucks (+9 pts) <input type="checkbox"/> 19-10 trucks (+7 pts) <input type="checkbox"/> 10 trucks (+5 pts) 	
Project Timing	10 points awarded to all proposers. Points will be deducted for: <ul style="list-style-type: none"> <input type="checkbox"/> No estimated timeline of delivery of trucks (-2 pts) <input type="checkbox"/> Timeline exceeds September 30, 2028 (-5 pts) 	(10 points - point deductions) 10 points - _____ = Total = _____
Project Viability	15 points awarded to all proposers. Points will be deducted for: <ul style="list-style-type: none"> <input type="checkbox"/> No information/unclear on how trucks will be charged (-3 pts) <input type="checkbox"/> No information/unclear on who/how data will be gathered (-2 pts) <input type="checkbox"/> No information/unclear project partner roles and responsibilities within the project (-3 pts) 	(15 points - point deductions) 15 points - _____ = Total = _____

D. Zero Emission Truck Purchase Proposal

Cost	10 points awarded to all proposers. Points will be deducted for: <ul style="list-style-type: none"> <input type="checkbox"/> Missing cost breakdown per truck (-2 pts) <input type="checkbox"/> Did not include or unclear total cost of project (-1 pt) <input type="checkbox"/> Did not include or unclear incentive funding amount requested (-1 pt) <input type="checkbox"/> Requesting funding for ineligible costs (-2 pts) 	(10 points - point deductions) 10 points - _____ = Total = _____
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Additional financial contributions	<p>Additional points will be awarded for the following:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Leverages existing charging infrastructure (+5 pts) <input type="checkbox"/> Extended truck warranties (+2 pts) <input type="checkbox"/> Other financial contributions besides cost share (+2 pts) 	
Labor Peace Agreement	<p>5 points awarded if a proposer provides documentation listed below, otherwise no points will be awarded.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Labor Peace Agreement <input type="checkbox"/> Letter of Commitment for a Labor Peace Agreement <input type="checkbox"/> Written statement that company does not use employee drivers 	
E. Additional Bonus Points Opportunities		
Small LMC	<ul style="list-style-type: none"> <input type="checkbox"/> LMC provides proof of owning 20 or fewer trucks (+2 pts) 	
Voluntary Scrappage	<ul style="list-style-type: none"> <input type="checkbox"/> 100% fleet replacement (+10 pts) <input type="checkbox"/> 75% fleet replacement (+8 pts) <input type="checkbox"/> 50% fleet replacement (+5 pts) <input type="checkbox"/> 25% fleet replacement (+3 pts) <input type="checkbox"/> 10% fleet replacement (+1 pt) 	
Voluntary Workforce Development or Training	<ul style="list-style-type: none"> <input type="checkbox"/> Established workforce development/training for existing workforce (+5 pts) <input type="checkbox"/> Established workforce development/training for new recruits (+5 pts) 	
Early Deployment	<ul style="list-style-type: none"> <input type="checkbox"/> Truck deployment before June 30, 2028 (+5 pts) 	
TOTAL POINTS=		_____ Pts

Administrative Conditions

Administrative Conditions "A" thru "F" below apply. In addition please refer to the paragraph below for General Terms and Conditions.

General Terms and Conditions

The recipient agrees to comply with the current Environmental Protection Agency (EPA) general terms and conditions available at: <https://www.epa.gov/grants/epa-general-terms-and-conditions-effective-october-1-2024-or-later>

These terms and conditions are in addition to the assurances and certifications made as a part of the award and the terms, conditions, or restrictions cited throughout the award.

The EPA repository for the general terms and conditions by year can be found at: <https://www.epa.gov/grants/grant-terms-and-conditions#general>.

A. Federal Financial Reporting (FFR)

For awards with cumulative project and budget periods greater than 12 months, the recipient will submit an annual FFR (SF 425) covering the period from "project/budget period start date" to **September 30** of each calendar year to the EPA Finance Center in Research Triangle Park, NC. The annual FFR will be submitted electronically to rtpfc-grants@epa.gov no later than **December 30** of the same calendar year. Find additional information at <https://www.epa.gov/financial/grants>. (Per 2 CFR § 200.344(b), the recipient must submit the Final FFR to rtpfc-grants@epa.gov within 120 days after the end of the project period.)

B. Procurement

The recipient will ensure all procurement transactions will be conducted in a manner providing full and open competition consistent with 2 CFR § 200.319. In accordance with 2 CFR § 200.324, the recipient and subawardee(s) must perform a cost or price analysis in connection with applicable procurement actions, including contract modifications. *State and Tribal government entities must follow procurement standards as outlined in 2 CFR § 200.317.*

C. MBE/WBE Reporting, 40 CFR, Part 33, Subpart E (EPA Form 5700-52A)

The recipient agrees to submit a "MBE/WBE Utilization Under Federal Grants and Cooperative Agreements" report (EPA Form 5700-52A) annually for the duration of the project period. The current EPA Form 5700-52A with instructions is located at <https://www.epa.gov/grants/epa-grantee-forms>

This provision represents an approved exception from the MBE/WBE reporting requirements as described in 40 CFR Section 33.502.

Reporting is required for assistance agreements where funds are budgeted for procuring construction, equipment, services and supplies (including funds budgeted for direct procurement by the recipient or procurement under subawards or loans in the "Other" category) with a cumulative total that exceed the

Simplified Acquisition Threshold (SAT) currently set at \$250,000 (the dollar threshold will be automatically revised whenever the SAT is adjusted; See 2 CFR Section 200.1), including amendments and/or modifications. All procurement actions are reportable when reporting is required, not just the portion which exceeds the SAT.

Recipients with expended and/or budgeted funds for procurement are required to report annually whether the planned procurements take place during the reporting period or not. If no budgeted procurements take place during the reporting period, the recipient should check the box in section 4A when completing the form.

When completing the annual report, recipients are instructed to check the box titled “annual” in section 1B of the form. For the final report, recipients are instructed to check the box indicated for the “Final Report (project completed)” in section 1B of the form.

The annual reports are due by October 30th of each calendar year and the final report is due within 120 days after the end of the project period, whichever comes first. The recipient will submit the MBE/WBE report(s) and/or questions to GrantsRegion9@epa.gov and the EPA Grants Specialist identified on page 1 of the award document.

D. Indirect Costs

The Cost Principles under 2 CFR Part 200, Subpart E apply to this award. Since there are no indirect costs included in the assistance budget, they are not allowable under this Assistance Agreement.

E. Subaward(s)

The recipient's approved budget includes subaward(s). As applicable, the recipient will comply with the General Term and Condition on reporting of first tier subawards to www.fsr.gov per “Reporting Subawards and Executive Compensation” requirement.

F. Cost-Share Requirement

The required minimum recipient cost share for this assistance agreement is 20% of total project costs. The assistance agreement may reflect a percentage shown under the "Notice of Award" section which is based on estimated costs requested in the recipient's application.

Programmatic Conditions

Clean Ports Zero-Emission Technology Deployment Competition Programmatic Terms and Conditions

a. Final Approved Workplan and Modifications

1. Recipient agrees to carry out the project in accordance with the final approved workplan.
2. Recipients are required to report deviations from budget or project scope or objective, and must request prior written approval from the EPA for:
 - a. any change in the scope or objective of the project (even if there is no associated budget revision requiring prior written approval);
 - b. any change in a key personnel (including employees and contractors) that are identified by name or position in the Federal award specified in the application or workplan; the disengagement from the project for more than three months, or a 25% reduction in time and effort devoted to the Federal award over the course of the period of performance, by the approved project director or project manager;
 - c. The inclusion of costs that require prior approval in accordance with 2 CFR Part 200 Subpart E—Cost Principles or 48 CFR part 31, “Contract Cost Principles and Procedures,” as applicable;
 - d. the transfer of funds budgeted for participant support costs to other budget categories as defined in 2 CFR Section 200.1 Definitions to other categories of expense;
 - e. unless described in the final approved workplan and budget, the subawarding, transferring or contracting out of any work under the award;
 - f. changes in the total approved cost-sharing provided by the recipient; or the need arises for additional Federal funds to complete the project.

Requests for proposed modifications to the approved workplan or budget, including additions, deletions, or changes in the schedule, must be submitted in a timely manner to the EPA Project Officer for approval, to minimize project delays. Depending on the type or scope of changes, a formal amendment to the award may be necessary. Major project modifications which include changes to the approved types and number of partners and equipment, or to the approved project partners and location(s) may not be allowed.

b. Performance Reporting and Final Performance Report

b1. Performance Reports – Content

In accordance with 2 CFR 200.329, the recipient agrees to complete and submit electronic performance reports using reporting template(s), including the approved Clean Ports Project Reporting Template ([EPA Form Number: 5900-690](#) or future revisions, as applicable), which will be provided by the project officer. The purpose of performance reports is to provide updates on implementation of each project, including information on each of the following areas:

1. A comparison of accomplishments to the outputs/outcomes established in the assistance agreement work plan for the reporting period, including detailed technical information on new mobile equipment and electric charging and hydrogen fueling infrastructure deployed, and the retirement of older equipment, as appropriate;
2. The reasons why any established outputs/outcomes were not met;
3. Additional information, analysis and explanation of cost overruns or higher than-expected-unit costs; and
4. As applicable, information related to good jobs metrics and workforce training outcomes in accordance with information collection instrument through General Performance Reporting for Assistance Programs (EPA ICR Number 2802.01, OMB Control Number 2090-NEW).

Additionally, the recipient agrees to notify the EPA when a significant development occurs that could impact the award. Examples of significant developments can include:

- events that enable meeting milestones and objectives sooner or at less cost than anticipated;
- events that produce different beneficial results than originally planned; or
- problems, delays, or adverse conditions which will impact the ability to meet the milestones or objectives of the award, including outputs/outcomes specified in the assistance agreement work plan.

If a significant development negatively impacts the award, the recipient must include information on their plan for corrective action and any assistance needed to resolve the situation.

The final project report will include all categories of information required for semi-annual reporting, including a final, detailed description of all zero-emission technology deployment activities completed at each project location. The final project report will also include a narrative summary of the project and the successes and lessons learned for the entire project.

b2. Performance Reports - Frequency

Throughout the 4-year performance period, the recipient agrees to submit **semi-annual** performance reports electronically to the EPA Project Officer by the due date following the conclusion of each semi-annual reporting period. The semi-annual reporting periods are:

January 1 – June 30: Report due date July 30.

July 1 – December 31: Report due date January 30

Additional reporting may be required if the grant is extended or at the discretion of the EPA Project Officer. The recipient must submit the final performance report no later than 120 calendar days after the end date of the period of performance.

b3. Subaward Performance Reporting

The recipient must report on its subaward monitoring activities under 2 CFR 200.332(e). Examples of

items that must be reported are:

1. Summaries of results of reviews of financial and programmatic reports.
2. Summaries of findings from site visits and/or desk reviews to ensure effective subrecipient performance.
3. Environmental results the subrecipient achieved.
4. Summaries of audit findings and related pass-through entity management decisions.
5. Actions the pass-through entity has taken to correct deficiencies such as those specified at 2 CFR 200.332(f), 2 CFR 200.208, and the 2 CFR Part 200.339 Remedies for Noncompliance.

If the recipient is unable to obtain this information, the recipient must report to EPA why the information is not available.

c. Cybersecurity Condition

Cybersecurity Grant Condition for Other Recipients, Including Intertribal Consortia

1. The recipient agrees that when collecting and managing environmental data under this assistance agreement, it will protect the data by following all applicable State or Tribal law cybersecurity requirements.

2.a. The EPA must ensure that any connections between the recipient's network or information system and EPA networks used by the recipient to transfer data under this agreement, are secure. For purposes of this Section, a connection is defined as a dedicated persistent interface between an Agency IT system and an external IT system for the purpose of transferring information. Transitory, user-controlled connections such as website browsing are excluded from this definition.

If the recipient's connections as defined above do not go through the Environmental Information Exchange Network or the EPA's Central Data Exchange, the recipient agrees to contact the EPA Project Officer (PO) no later than 90 days after the date of this award and work with the designated Regional/Headquarters Information Security Officer to ensure that the connections meet EPA security requirements, including entering into Interconnection Service Agreements as appropriate. This condition does not apply to manual entry of data by the recipient into systems operated and used by the EPA's regulatory programs for the submission of reporting and/or compliance data.

b. The recipient agrees that any subawards it makes under this agreement will require the subrecipient to comply with the requirements in 2.a if the subrecipient's network or information system is connected to EPA networks to transfer data to the Agency using systems other than the Environmental Information Exchange Network or the EPA's Central Data Exchange. The recipient will be in compliance with this condition: by including this requirement in subaward agreements; and during subrecipient monitoring deemed necessary by the recipient under 2 CFR 200.332(e), by inquiring whether the subrecipient has contacted the EPA Project Officer. Nothing in this condition requires the recipient to contact the EPA Project Officer on behalf of a subrecipient or to be involved in the negotiation of an Interconnection Service Agreement between the subrecipient and the EPA.

d. Project Transparency

The recipient agrees to engage with near-port communities about the project during the performance period. Examples of appropriate community engagement during the project period are outlined on pg. 45 of the Notice of Funding Opportunity. Community engagement activities conducted as part of the final approved workplan should be reported in performance reporting described in Programmatic Term and Condition B (Performance Reporting and Final Performance Report).

1. The recipient agrees to publicly share, such as on a webpage, a detailed written summary of the results of the emissions inventory and/or emission reduction plan included in the final workplan.

e. Automated Standard Application Payments (ASAP) and Proper Payment Draw Down

The recipient is subject to the Automated Standard Application Payments (ASAP) and Proper Payment Draw Down General Term and Condition. See the “Financial Information” section of the [General Terms and Conditions](#).

The recipient is required to notify the EPA Project Officer of draws from ASAP in excess of 50% of the award within a 24-hour period. The recipient is required to provide such notification within 3 business days of the draw amount being surpassed.

The recipient is subject to the Management Fees General Term and Condition, which includes the following requirements that prohibit profit on the part of the recipient:

1. Management fees or similar charges in excess of the direct costs and approved indirect rates are not allowable.
2. Management fees or similar charges may not be used to improve or expand the project funded under this agreement, except to the extent authorized as a direct cost of carrying out the scope of work. [See the “Selected Items of Cost” section of the General Terms and Conditions.](#)

f. Public or Media Events

The recipient agrees to notify the EPA Project Officer listed in this award document of public or media events publicizing the accomplishment of significant events related to construction projects as a result of this agreement and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days' notice.

g. Program Beneficiary

Program beneficiaries must abide by requirements to ensure that the funds are used only for authorized purposes.

h. Procurement Procedures

As provided in 2 CFR 200.317, with limited exceptions, states and Indian Tribes must follow the same policies and procedures they follow for procurements financed with non-Federal funds. If such policies and procedures do not exist, States and Indian Tribes must follow the procurement standards in [§§ 200.318](#) through [200.327](#). In addition to its own policies and procedures, a State or Indian Tribe must

also comply with the following procurement standards: [§§ 200.321](#), [200.322](#), [200.323](#), and [200.327](#). All other recipients and subrecipients, including subrecipients of a State or Indian Tribe, must follow the procurement standards in [§§ 200.318](#) through [200.327](#).

The recipient must follow applicable procurement procedures. The EPA will not be a party to these transactions. If the EPA funds are used to purchase goods or services, recipient agrees to compete the contracts for those goods and services and conduct cost and price analyses to the extent required by the fair and open competition for procurement provisions of 2 CFR §§200.318 – 327. Approval of a funding application does not relieve recipients of their obligations to compete service contracts and conduct cost and price analyses.

i. Quality Assurance

Authority: Quality Assurance applies to all assistance agreements involving environmentally related data operations, including environmental data collection, production, or use as defined in [2 CFR. 1500.12](#) Quality Assurance.

The recipient shall ensure that tasks or subawards involving environmental information that are issued under this agreement include appropriate quality requirements for the work. The recipient shall ensure they or sub-award recipients develop and implement a Quality Assurance (QA) planning document in accordance with this term and condition; and/or ensure they or sub-award recipients implement all applicable approved QA planning documents.

1. Quality Management Plan (QMP)

a. Prior to beginning environmental information operations, the recipient must:

- i. Develop a QMP,
- ii. Prepare the QMP in accordance with the current version of the EPA's [Quality Management Plan \(QMP\) Standard](#). Submit the document for EPA review, and
- iii. Obtain the EPA Quality Assurance Manager or designee (hereafter referred to as QAM) approval.

OR

- i. Submit a previously EPA-approved and current QMP,
- ii. The EPA Quality Assurance Manager or designee (hereafter referred to as QAM) will notify the recipient and the EPA Project Officer (PO) in writing if the QMP is acceptable for this agreement.
- c. The recipient must review their approved QMP at least annually. These documented reviews shall be made available to the sponsoring EPA organization if requested. When necessary, the recipient shall revise its QMP to incorporate minor changes and notify the EPA PO and QAM of the changes. If significant changes have been made to the Quality Program that affect the performance of environmental information operations, it may be necessary to re-submit the entire QMP for re-approval. In general, a copy of any QMP revision(s) made during the year should be submitted to the EPA PO and QAM in writing when such changes occur. Conditions requiring the revision and resubmittal of an approved QMP can be found in section 6 of the EPA's [Quality Management Plan \(QMP\) Standard](#).

2. Quality Assurance Project Plan (QAPP)

a. Prior to beginning environmental information operations, the recipient must:

- i. Develop a QAPP,
- ii. Prepare QAPP in accordance with the current version of the EPA's [Quality Assurance Project Plan \(QAPP\) Standard](#),
- iii. Submit the document for EPA review, and
- iv. Obtain the EPA Quality Assurance Manager or designee (hereafter referred to as QAM) approval.

OR

- i. Submit a previously EPA-approved QAPP proposed to ensure the collected, produced, evaluated, or used environmental information is of known and documented quality for the intended use(s).
- ii. The EPA Quality Assurance Manager or designee (hereafter referred to as QAM) will notify the recipient and the EPA Project Officer (PO) in writing if the previously EPA-approved QAPP is acceptable for this agreement.

OR

- i. Provide the EPA a copy of the recipient-approved QAPP if the recipient has an EPA-approved Quality Management Plan and (b) holds a current EPA delegation to review and approve QAPPs.
 - a. The recipient shall notify the PO and QAM when substantive changes are needed to the QAPP. The EPA may require the QAPP be updated and re-submitted for approval.
 - b. The recipient must review their approved QAPP at least annually. The results of the QAPP review and any revisions must be submitted to the PO and the QAM at least annually and may also be submitted when changes occur.

For Reference:

- [Quality Management Plan \(QMP\) Standard and EPA's Quality Assurance Project Plan \(QAPP\) Standard](#); contain quality specifications for the EPA and non-EPA organizations and definitions applicable to these terms and conditions.
- [EPA QA/G-5: Guidance for Quality Assurance Project Plans](#): <https://www.epa.gov/sites/default/files/2015-06/documents/g5-final.pdf>
- (QAM and/or PO may insert QA references that inform or assist the recipient here).
- The [EPA's Quality Program](#) website has a [list of QA managers](#), and [specifications for EPA and Non-EPA Organizations](#).
- The Office of Grants and Debarment [Implementation of Quality Assurance Requirements for](#)

Organizations Receiving EPA Financial Assistance.

j. Climate Resilience

To the extent practicable, the recipient agrees to incorporate current and future climate change risk in planning, siting, design, and operation of the project. Approaches for incorporating climate change risk may make use of climate change data and information (e.g., projections and emission scenarios) that are reflective of the project's anticipated lifespan. This includes consideration of the climate change risks posed to the individuals, communities, local governments, organizations, or other entities served by the project over its anticipated lifespan.

k. Use of Logos

If the EPA logo is appearing along with logos from other participating entities on websites, outreach materials, or reports, the EPA logo must **not** be prominently displayed in a way that may imply that any of the recipient or subrecipient's activities are being conducted by the EPA. Instead, the EPA logo should be accompanied with a statement indicating that the City of Los Angeles Port Department received financial support from the EPA under an Assistance Agreement. More information is available at: <https://www.epa.gov/stylebook/using-epa-seal-and-logo#policy>

l. Build America, Buy America (BABA) Requirements

All projects under this competition are subject to the domestic sourcing requirements under the Build America, Buy America (BABA) provisions of the Infrastructure Investment and Jobs Act (IIJA) (P.L. 117-58, §§ 70911-70917) when using federal funds for the purchase of goods, products, and materials on any form of construction, alteration, maintenance, or repair of infrastructure in the United States. The Buy America preference requirement applies to all of the iron and steel, manufactured products, and construction materials used for the infrastructure project under an award for identified EPA financial assistance funding programs.

These sourcing requirements require that all iron, steel, manufactured products, and construction materials used in Federally funded infrastructure projects must be produced in the United States, as defined in P.L. 117-58 § 70912(6). The recipient must implement these requirements in its procurements, and this article must flow down to all subawards and contracts. For legal definitions and sourcing requirements, the recipient must consult EPA's Build America, Buy America website.

Clean Ports Program grants are subject to the requirements of BABA, which requires applicants to comply with Buy America preference requirements or apply for a waiver for each infrastructure project. The following potentially eligible projects under this competition meet the definition of "infrastructure" and are subject to Buy America preference requirements under BABA:

- Structures, facilities, and equipment that generate, transport, and distribute energy - including electric vehicle (EV) charging equipment.
- Any other permanent public structure that meets the qualifies as "infrastructure" as addressed in [OMB Memorandum M-24-02](#) and 2 C.F.R. section 184.4(c).

Questions regarding BABA applicability to specific Clean Ports Program projects should be submitted to BABA-OTAQ@epa.gov.

When necessary and supported by rationale provided in P.L 117-58 § 70914, the recipient may submit a project-specific waiver request to EPA or notify EPA when using an existing waiver. The recipient should request guidance on submitting a BABA waiver request from the EPA Project Officer. A list of existing approved EPA waivers is available on the EPA Build America, Buy America website. Please continue to monitor this website for further BABA guidance or any future EPA waivers that may impact the Clean Ports grants program.

See EPA's "Build America, Buy America" general term and condition for additional requirements: <https://www.epa.gov/grants/grant-terms-and-conditions>.

m. Eligible and Ineligible Project Costs

1. Project Implementation Costs: Eligible project costs include those costs directly related to the implementation, management, and oversight of the project, including the proportion of recipient and subrecipient personnel and benefit costs expended in relation to the award, equipment, contractual, travel, supplies, subgrants and rebates, and indirect costs. See 2 C.F.R. Part 200, Sections 200.412-200.415.

2. Zero-Emissions (ZE) Mobile Equipment Costs.

a. Recipient shall only use assistance funding to purchase ZE mobile equipment that will directly serve at least one port for a minimum of three years.

b. For purposes of this assistance program, a port is either a water port or a dry port, as defined below:

i. Water port: places on land alongside navigable water (e.g., oceans, rivers, or lakes) with one or more facilities in close proximity for the loading and unloading of passengers or cargo from ships, ferries, and other commercial vessels. This includes facilities that support non-commercial Tribal fishing operations.

ii. Dry port: an intermodal truck-rail facility that is included in the 2024 Federal Highway Administration's (FHWA) Intermodal Connector Database based on meeting the criteria set in 23 C.F.R. Part 470. These criteria include having more than 50,000 TEUs (20-foot equivalent units) per year or other units measured that would convert to more than 100 trucks per day, or comprising more than 20 percent of freight volumes handled by any mode within a State.

c. For purposes of this assistance program, zero emission mobile equipment is that which can move to a different location by means of an onboard powertrain as part of normal operations and produces zero tailpipe emissions of any criteria pollutant, air toxics, or greenhouse gas other than water vapor. Eligible zero emission mobile equipment is limited to electric and hydrogen fuel cell technologies.

d. Eligible project costs include the purchase and deployment of new eligible battery-electric or hydrogen fuel cell vehicles, vessels, powertrains, and other mobile equipment that directly serve at least one port for a minimum of three years according to the following minimum parameters for each mobile equipment category.

i. Cargo handling equipment (terminal tractors, forklifts, top handlers, side picks, straddle carriers, etc.): at least 90% of annual usage (hours) will take place at the port(s) identified in the award.

ii. Drayage Trucks: at least 100 visits/year will take place at the port(s) identified in the award.

iii. Locomotives (switchers, railcar movers): (1) at least 75% of its annual usage (hours) will take place at the port(s) identified in the application, (2) shall visit the port(s) identified in the award on a minimum of 200 days per year, and (3) must exclusively perform short-haul runs between the port(s) identified in the award and a second point of rest, e.g., a terminal, interchange, or yard.

iv. Harbor craft and other vessels (commercial and Tribal fishing vessels, tugs, ferries, patrol boats, workboats, dredges, pilot boats, barges, etc.): at least 60% of its annual usage (hours and port visits) will take place at the port(s) identified in the award.

v. Other eligible mobile source equipment: at least 90% of annual usage (hours and operating days) must take place at the port(s) identified in the award.

e. Mobile equipment must be human-operated and human-maintained.

f. Recipient shall not use assistance funding for any of the following types of equipment or activities.

i. Equipment which uses a non-ZE powertrain, including hybrid technologies powered in part by internal combustion engines, unless the non-ZE power source is mandated by safety regulations, and functions solely as a source of emergency backup power.

ii. First-of-a-kind demonstration and pilot projects designed to determine the technical feasibility and economic potential of technologies at either a pilot or prototype stage.

iii. Research and development projects. Research is defined as a systematic study directed toward fuller scientific knowledge or understanding of the subject studied. Development is defined as the systematic use of knowledge and understanding gained from research, and directed toward the production of technologies, devices, systems, or methods, including design and development of prototypes and processes.

iv. Ship modifications to allow vessels to accept shore-based electrical power, unless the modification is part of a project to replace the internal combustion engine(s) of a marine vessel with a ZE powertrain.

v. Light-duty vehicles.

vi. Expenses related to repowering and/or replacing engines for existing onroad vehicles.

vii. Expenses related to replacing internal combustion engines in existing nonroad equipment, locomotives, and marine vessels with ZE powertrains where the updated nonroad equipment, locomotive, or marine vessel includes a non-ZE powertrain, unless the non-ZE power source is mandated by safety regulations, and functions solely as a source of emergency backup power.

viii. Expenses related to replacing cabs, axles, paint, brakes, mufflers, or any other parts or materials that are not required to ensure the effective installation and functioning of the replacement of an internal combustion engine in existing nonroad equipment, locomotives, or marine vessels with a ZE powertrain.

3. Fueling Infrastructure Costs:

a. Recipient agrees that any infrastructure purchased or installed using EPA assistance funding may only be used to purchase or install infrastructure which will directly serve at least one port, as defined above in M.2.b. for a minimum of three years and according to the following parameters:

- i. All infrastructure (except for vessel shore power) must directly serve eligible ZE mobile equipment purchased as part of the award. However, equipment not purchased as part of the grant may also utilize the fueling infrastructure.
- ii. Infrastructure serving any mobile equipment (besides drayage trucks and locomotives) must be located on-site or in close proximity to port facilities identified in the award.
- iii. Infrastructure serving drayage trucks or locomotives must be located on-site or in close proximity to port facilities identified in the applications, or at the first point of rest from the port facilities identified in the award (i.e., a terminal, depot, interchange, or yard where an eligible ZE mobile equipment purchased as part of the grant will fuel).

b. Infrastructure must be human-operated and human maintained.

c. For shore power projects, shore power-capable vessels docked at a berth where shore power is available must be required to turn off the vessel's engines and use the shore power system, with limited exceptions for extreme circumstances.

d. Electric charging infrastructure must be located at or behind the meter (on the customer side) except for minor grid upgrades in front of the meter (utility side) if the work is necessary to connect an eligible charging station to the electric distribution network.

e. Alternating Current (AC) Level 2 charging infrastructure must be EPA ENERGY STAR certified at the time of purchase.

f. Electric charging infrastructure must meet the following installation requirements: Electricians installing, operating, or maintaining electric charging infrastructure purchased through this program are required to be certified under the Electric Vehicle Infrastructure Training Program or another program approved by the EPA in consultation with the Department of Labor and Department of Transportation, as will be reflected in the terms of this grant award. For projects requiring more than one electrician, at least one of the electricians performing each phase of the infrastructure work should meet the requirements above.

g. Recipient agrees not to use EPA assistance funding for any of the following ineligible infrastructure costs:

- i. Front of the meter costs related to purchase or installation of electric infrastructure. This includes but is not limited to: major grid upgrades to utility-owned power distribution equipment (such as longer power line extensions, improvements to offsite power generation, bulk power transmission, or substations); transformers located on the utility side of the meter and their installation; and operation and maintenance performed on utility systems.
- ii. Infrastructure which relies on air polluting components (e.g., backup generators or auxiliary power units), unless the non-ZE component is mandated by safety regulations, and functions

solely as an emergency backup power source.

iii. Power generation systems (including non-renewable powered backup generators), except for solar and wind power generation systems that primarily power mobile equipment and which are located on land.

iv. Hydrogen production systems (e.g., electrolyzers, conversion facilities), associated infrastructure, and their installation.

v. Transmission (e.g., piping and pipelines) and/or transportation of hydrogen outside of the port.

h. Marine shore power projects must meet applicable international shore power design standards (IEC/ISO/IEEE 80005-1:2019/AMD 2:2023 High Voltage Shore Connection Systems or the IEC/PAS 80005-3:2014 Low Voltage Shore Connection Systems).

i. Solar or wind power generation systems must be located on land in close proximity to the port facilities identified in the award; or at the first point of rest from the port facilities for infrastructure serving drayage trucks or locomotives. Offshore wind and floating solar/wind infrastructure purchases and installation are not permitted.

4. Ineligible Technology Deployment Support Costs: The recipient may not use EPA assistance funding for the following purposes:

a. Feasibility assessment of ZE technology. Technology feasibility assessment is a preliminary exploration of a candidate technology to determine its merits and viability for successful deployment in regular service. A feasibility assessment can include the evaluation of key technical, operational, labor, economic, legal/regulatory, and deployment (timeline/schedule) issues. Feasibility assessment results are used to create a realistic project plan, schedule, and budget. [These activities are eligible for funding in the separate NOFO for Climate and Air Quality Planning projects under Funding Opportunity Number EPA-R-OAR-CPP-24-05. However, please note that applicants requesting funding for technology deployment under this ZE Technology Deployment Competition are expected to have conducted necessary feasibility assessments prior to applying and should not be planning to conduct further feasibility assessments prior to deployment.]

b. Costs for resiliency measures not directly related to protecting equipment purchased as part of the grant award from extreme weather events.

c. Leasing vehicles or equipment. If financing is necessary, the purchase should be financed with a conventional purchase loan.

d. Fuel and electricity expenses.

5. Other Ineligible Costs: As proscribed in Section 825 of the National Defense Authorization Act, no funds may be awarded to an entity that uses in part or in whole: the national transportation logistics public information platform (commonly referred to as 'LOGINK'); any national transportation logistics information platform provided by or sponsored by the People's Republic of China, or a controlled commercial entity; or a similar system provided by Chinese state-affiliated entities.

n. Program Audit

In addition to the provisions of [EPA's General Terms and Conditions](#) which relate to audits and access to records, the recipient agrees to comply with random EPA reviews of the recipient to protect against waste, fraud, and abuse. As part of this process, EPA, or its authorized representatives, may request copies of grant documents from prior recipients who have received grants, or may request documentation from current recipients and sub-awardees, to verify statements made on the application and reporting documents. Recipients may be selected for advanced monitoring, including a potential site visit to confirm project details. EPA, or its authorized representatives, may also conduct site visits to confirm documentation is on hand and that purchased equipment and infrastructure is in service at the ports named in the award, as well as confirm applicable infrastructure adheres to Build America, Buy America (BABA) requirements (see BABA Programmatic Term and Condition for more details). Recipients are expected to comply with site visit requests and recordkeeping requirements and must supply EPA with any requested documents for as long as the records are retained, or risk cancellation of an active grant application or other enforcement action.

o. Record Retention

Recipients must keep all financial records, supporting documents, accounting books and other evidence of Grant Program activities for three years from the date of submission of the final financial report. If any litigation, claim, or audit is started before the expiration of the three-year period, the recipient must maintain all appropriate records until these actions are completed and all issues resolved.

p. Operation and Maintenance

The recipient will ensure the continued proper operation and maintenance of equipment and devices funded under this agreement. Such equipment and infrastructure shall be operated and maintained for the expected lifespan of the specific measure and in accordance with commonly accepted design standards and specifications. The recipient shall include a provision in every applicable sub-agreement (subgrant or contract) awarded under this grant requiring that the equipment and devices funded under this agreement be properly operated and maintained. Likewise, the sub-agreement will assure that similar provisions are included in any sub-agreements that are awarded by the sub-recipient.

q. Foreign Entity of Concern

1. As part of carrying out this award, recipient agrees that they are not:

- a. an entity owned by, controlled by, or subject to the direction of a government of a "covered nation" as defined at 10 U.S.C. § 4872(d);
- b. an entity headquartered in a "covered nation" as defined at 10 U.S.C. § 4872(d); or
- c. a subsidiary of an entity described in (A) or (B).

Note: Paragraph 1 applies to the recipient of this award only and not subrecipients.

2. Additionally, awarded funds may not be used by the recipient or subrecipients for the purchase of a crane manufactured by (A) any entity owned by, controlled by, or subject to the direction of a government of a covered nation "covered nation" as defined at 10 U.S.C. § 4872(d); or (B) any entity headquartered in a covered nation "covered nation" as defined at 10 U.S.C. § 4872(d).

As of the date these terms and conditions become effective, covered nations under 10 U.S.C. § 4872(d) are the Democratic People's Republic of North Korea; the People's Republic of China; the Russian Federation; and the Islamic Republic of Iran.

r. Competency Policy

Competency of Organizations Generating Environmental Measurement Data

In accordance with Agency Policy Directive Number FEM-2012-02, [Policy to Assure the Competency of Organizations Generating Environmental Measurement Data under Agency-Funded Assistance Agreements](#), Recipient agrees, by entering into this agreement, that it has demonstrated competency prior to award, or alternatively, where a pre-award demonstration of competency is not practicable, Recipient agrees to demonstrate competency prior to carrying out any activities under the award involving the generation or use of environmental data. Recipient shall maintain competency for the duration of the project period of this agreement and this will be documented during the annual reporting process. A copy of the policy is available online at https://www.epa.gov/sites/default/files/2017-05/documents/policy_to_assure_the_competency_of_organizations.pdf or a copy may also be requested by contacting the EPA Project Officer for this award.

Reference: https://www.epa.gov/sites/default/files/2017-05/documents/policy_to_assure_the_competency_of_organizations.pdf

s. Geospatial Data Standards

All geospatial data created must be consistent with Federal Geographic Data Committee (FGDC) endorsed standards. Information on these standards may be found at <https://www.fgdc.gov/>.

t. Mandatory Cost Share Requirement

This award and the resulting federal funding share (as shown under "Notice of Award" in the award document) is based on estimated costs requested in the recipient's final approved workplan. While actual total costs may differ than those estimates, the recipient is required to provide no less than the cost-share percentages outlined below, as applicable, of the final Zero-Emission (ZE) Technology Deployment Grant Competition costs. The EPA's participation shall not exceed the total amount of federal funds awarded or the maximum federal cost-share percentages outlined below, as applicable, of the final equipment costs. Recipients must satisfy any applicable cost share requirements with allowable costs as set forth in 2 CFR § 200.306. The cost share requirement is as follows:

Tier A (Water Ports Only): EPA Share of Total Project Cost (Maximum) = 80%, Mandatory Cost Share of Total Project Costs = 20%

Total Project cost refers to total allowable costs incurred under a Federal award and all required cost sharing and voluntary committed cost sharing, including third-party contributions.

u. Voluntary Cost Share

This award and the resulting federal funding of \$411,688,296 is based on estimated costs requested in the recipient's application at the later of (a) the time this funding opportunity closed on May 28, 2024, or (b) when negotiations concluded. Included in these costs is a voluntary cost-share contribution

of 150,186,205 by the recipient in the form of a voluntary cost-share or overmatch (providing more than any minimum mandatory cost-share) that the recipient included in its proposal dated 5/24/2024. The recipient must provide this voluntary cost-share contribution during performance of this award unless the EPA agrees otherwise in a modification to this agreement. While actual total costs may differ from the estimates in the recipient's application, the EPA's participation shall not exceed the total amount of federal funds awarded.

If the recipient fails to provide the voluntary cost-share contribution during the period of award performance, and the EPA does not agree to modify the agreement to reduce the cost share, the recipient is in violation of the terms of the agreement. In addition to other remedies available under 2 CFR Part 200, the Agency may consider this factor in evaluating future proposals from the recipient. In addition, if the voluntary cost-share contribution does not materialize during the period of award performance then the EPA may reconsider the legitimacy of the award; if the EPA determines that the recipient knowingly or recklessly provided inaccurate information regarding the voluntary cost-share or overmatch the recipient described in its proposal dated 5/24/2024. The EPA may take action as authorized by 2 CFR Part 200 and/or 2 CFR Part 180 as applicable.

v. Equipment Disposition

In accordance with 2 CFR 200.313, when original or replacement equipment acquired under this agreement is no longer needed for the original project or program or for other activities currently or previously supported by the EPA, the recipient must request disposition instructions from the EPA Project Officer. Disposition instructions will be one of the following:

1. Equipment with a current fair market value of \$10,000 or less (per unit) may be retained, sold, or otherwise disposed of with no further obligation to the EPA or pass-through entity.
2. Except as provided in 2 CFR 200.312(b), or if EPA or the pass-through entity fails to provide requested disposition instructions within 120 days, items of equipment with a current fair market value in excess of \$10,000 (per unit) may be retained or sold by the recipient or subrecipient. EPA is entitled to an amount calculated by multiplying the percentage of the EPA's contribution towards the original purchase by the current market value or proceeds from the sale. If the equipment is sold, EPA or the pass-through entity may permit the recipient or subrecipient to retain, from the Federal share \$1,000 of the proceeds, to cover expenses associated with the selling and handling of the equipment.
3. The recipient or subrecipient may transfer title to the property to the Federal Government or to an eligible third party provided that the recipient or subrecipient must be entitled to compensation for its attributable percentage of the current fair market value of the property.
4. In cases where a recipient or subrecipient fails to take appropriate disposition actions, EPA or the pass-through entity may direct the recipient to take disposition actions.

w. Signage Required

1. Investing in America Emblem: The recipient will ensure that a sign is placed at construction sites supported in whole or in part by this award displaying the official Investing in America emblem and must identify the project as a "project funded by President Biden's Inflation Reduction Act" as applicable. The sign must be placed at construction sites in an easily visible location that can be directly linked to the work taking place and must be maintained in good condition throughout the construction period.

The recipient will ensure compliance with the guidelines and design specifications provided by the EPA for using the official Investing in America emblem available at: <https://www.epa.gov/invest/investing-america-signage>.

2. **Procuring Signs:** Consistent with section 6002 of RCRA, 42 U.S.C. 6962, and 2 CFR 200.323, recipients are encouraged to use recycled or recovered materials when procuring signs. Signage costs are considered an allowable cost under this assistance agreement provided that the costs associated with signage are reasonable. Additionally, to increase public awareness of projects serving communities where English is not the predominant language, recipients are encouraged to translate the language on signs (excluding the official Investing in America emblem or the EPA logo or seal) into the appropriate non-English language(s). The costs of such translation are allowable, provided the costs are reasonable.

x. National Programmatic Term and Condition for Fellowship, Internship Programs and Similar Programs Supported by EPA Financial Assistance

1. The EPA funds for this program may only be used for participant support cost payments, scholarships, tuition remission and other forms of student aid for citizens of the United States, its territories, or possessions, or for individuals lawfully admitted to the United States for permanent residence.

2. The recipient and program participants are responsible for taxes, if any, on payments made to or on behalf of individuals participating in this program that are allowable as participant support costs under 2 CFR 200.1 or [2 CFR 200.456](#) and scholarships and other forms of student aid such as tuition remission under [2 CFR 200.466](#). The EPA encourages recipients and program participants to consult their tax advisers, the U.S. Internal Revenue Service, or state and local tax authorities regarding the taxability of stipends, tuition remission and other payments. However, the EPA does not provide advice on tax issues relating to these payments.

3. Participant support cost payments, scholarships, and other forms of student aid such as tuition remission are lower tiered covered Nonprocurement transactions for the purposes of [2 CFR 180.300](#) and the EPA's Suspension and Debarment Term and Condition. Recipients, therefore, may not make participant support cost payments to individuals who are excluded from participation in Federal Nonprocurement programs under [2 CFR Part 180](#). Recipients are responsible for checking the eligibility of program participants in the System for Award Management (SAM) or obtaining eligibility certifications from the program participants.

See the [EPA Guidance on Participant Support Costs](#).

y. Davis-Bacon and Related Acts (DBRA) Term and Condition

1. Program Applicability

a. Program Name – Clean Ports Program

b. Statute requiring compliance with Davis-Bacon – Clean Air Act Section 314

c. Activities subject to Davis-Bacon – any construction activities funded by this grant.

d. The recipient must work with the appropriate authorities to determine wage classifications for the specific project(s) or activities subject to Davis Bacon under this grant (or cooperative agreement).

2. Davis-Bacon and Related Acts

Davis-Bacon and Related Acts (DBRA) (<https://www.dol.gov/agencies/whd/government-contracts/construction>) is a collection of labor standards provisions administered by the Department of Labor, that are applicable to grants involving construction. These labor standards include the:

- Davis-Bacon Act, which requires payment of prevailing wage rates for laborers and mechanics on construction contracts of \$2,000 or more
- Copeland “Anti-Kickback” Act, which prohibits a contractor or subcontractor from inducing an employee into giving up any part of the compensation to which he or she is entitled; and
- Contract Work Hours and Safety Standards Act, which requires overtime wages to be paid for over 40 hours of work per week, under contracts in excess of \$100,000.

3. Recipient Responsibilities When Entering Into and Managing Contracts:

a. Solicitation and Contract Requirements:

i. Include the Correct Wage Determinations in Bid Solicitations and Contracts: Recipients are responsible for complying with the procedures provided in [29 CFR 1.6](#) when soliciting bids and awarding contracts.

ii. Include DBRA Requirements in All Contracts: Include the following text on all contracts under this grant:

“By accepting this contract, the contractor acknowledges and agrees to the terms provided in the [DBRA Requirements for Contractors and Subcontractors Under EPA Grants](#).”

b. After Award of Contract:

i. Approve and Submit Requests for Additional Wages Rates: Work with contractors to request additional wage rates if required for contracts under this grant, as provided in [29 CFR 5.5\(a\)\(1\)\(iii\)](#).

ii. Provide Oversight of Contractors to Ensure Compliance with DBRA Provisions: Ensure contractor compliance with the terms of the contract, as required by [29 CFR 5.6](#).

4. Recipient Responsibilities When Establishing and Managing Additional Subawards: a. Include DBRA Requirements in All Subawards (including Loans):

Include the following text on all subawards under this grant:

“By accepting this award, the EPA subrecipient acknowledges and agrees to the terms and conditions provided in the DBRA Requirements for EPA Subrecipients.”

Provide Oversight to Ensure Compliance with DBRA Provisions: Recipients are responsible for oversight of subrecipients and must ensure subrecipients comply with the requirements in [29 CFR 5.6](#).

5. Consideration as Part of Every Prime Contract Covered by DBRA

The contract clauses set forth in this Term & Condition, along with the correct wage determinations, will be considered to be a part of every prime contract covered by Davis-Bacon and Related Acts (see [29 CFR 5.1](#)), and will be effective by operation of law, whether or not they are included or incorporated by reference into such contract, unless the Department of Labor grants a variance, tolerance, or exemption. Where the clauses and applicable wage determinations are effective by operation of law under this paragraph, the prime contractor must be compensated for any resulting increase in wages in accordance with applicable law.

z. Subawards to For-Profit Entities

1. In addition to the EPA General Term and Condition “Establishing and Managing Subawards”, the recipient (i.e. “pass-through entity”) agrees to require that for-profit subrecipients comply with Subparts A through F of the Uniform Grant Guidance (2 CFR Part 200) and the Federal cost principles applicable to for-profit entities located at 48 CFR Part 31, with the exception of the method of payment to for-profit subrecipients must be “reimbursement” rather than “advance”. Pass-through entities must obtain documentation that the for-profit subrecipient has incurred eligible and allowable costs prior to releasing EPA funds to the subrecipient.
2. The recipient is authorized to provide subawards to for-profit entities as included in the EPA-approved Workplan. The recipient agrees to require that for-profit entities that receive such subawards:
 - a. Can only recover their eligible and allowable direct and indirect costs from EPA-funded activities, including recovering the portion of their overhead costs attributable to the activities by applying either a Federally approved indirect cost rate, as authorized by 2 CFR 200.414(f), or the de-minimis rate if the subrecipient does not have a Federally approved rate;
 - b. Comply with the Management Fees [General Term and Condition](#), which is incorporated by reference into the Establishing and Managing Subawards General Term and Condition;
 - c. Account for and use program income under the rules for program income pursuant to 2 CFR § 300.307 and 2 CFR § 1500.8(b) and the terms and conditions of the award agreement;
 - d. Be subject to the same requirements as non-profit subrecipients under 2 CFR Part 200 Subparts A through E; and
 - e. Select an independent auditor consistent with the criteria set forth in 2 CFR 200.509 and obtain an independent audit substantially similar in scope and quality to that of the Single Audit (see 2 CFR 200.500 et. seq.); the subrecipient must submit the audit to the recipient within 9 months of the end of the recipient's fiscal year or 30 days after receiving the report from an independent auditor, whichever is earlier; as provided in 2 CFR 200.337(a) the recipient must provide EPA, the EPA Office of Inspector General, and the Comptroller General with access to the subrecipient's independent auditor reports.

aa. Voluntary Scrappage

1. Recipient must provide, in the semi-annual and final reports, evidence of appropriate scrappage and evidence of appropriate disposal for all internal combustion engine equipment or vehicles identified for

scrappage in the final workplan, and in accordance with scrappage plans described in the proposal dated May 28, 2024.

2. Participating fleet owners must attest to the appropriate disposal in a signed scrappage statement. A sample scrappage statement (EPA Form 5900-684) may be found at <https://www.epa.gov/system/files/documents/2024-02/2024-clean-ports-sample-scrappage-stmt-2024-02.pdf>. The scrappage statement must include: vehicle owner's name and address; vehicle make, vehicle model, vehicle model year, VIN, odometer/usage meter reading, engine make, engine model, engine model year, engine horsepower, engine ID or serial number, as applicable; Name, address, and signature of dismantler; Date engine and/or vehicle/equipment was scrapped. Recipients must include or attach the following photos with the scrappage statement according to guidance provided by Project Officer, to demonstrate compliance with scrappage requirements: side profile of the vehicle, prior to disabling; VIN tag or equipment serial number; Engine label (showing serial number, engine family number, and engine model year); Engine block, prior to hole; Engine block, after hole; and Cut frame rails.

a. If the recipient for any reason does not scrap the vehicle/piece of equipment described in the application project narrative dated May 28, 2024, or listed on the Supplemental Application Template ("4b. Scrappage Information" tab), an equivalent vehicle/piece of equipment or must be scrapped instead, with approval of the project officer.

b. Equipment identified for scrappage may not be resold or donated instead of being scrapped.

3. The existing vehicle/equipment must be scrapped or rendered permanently disabled within two years of delivery of the equivalent new zero-emissions vehicle/equipment, or before the end of the project performance period, whichever comes first.

a. Cutting a three-inch-by-three-inch hole in the engine block (the part of the engine containing the cylinders) is the preferred method for scrappage. Other acceptable scrappage methods may be considered and will require prior EPA approval.

b. Disabling the chassis may be completed by cutting through the frame or frame rails on each side at a point located between the front and rear axles.

c. Recipients seeking approval for alternate scrappage methods must submit an alternative scrappage plan to the EPA project officer detailing how the method will destroy and/or disable the engine and must, if approved, comply with the evidence requirements listed below, including digital photographs.

4. Equipment and vehicle components that are not part of the engine or chassis may be salvaged from the unit being scrapped (e.g., seats, tires, etc.).

a. If disabled engines, disabled vehicles, disabled equipment, or parts are to be sold, program income requirements apply.

5. Equipment to be scrapped must meet ownership, usage, and remaining life criteria defined in 5.a. through 5.f.:

a. The existing equipment being scrapped must be fully operational. Operational equipment must be able to start, move, and have all necessary parts to perform its function.

b. The participating fleet owner must currently own and operate the existing equipment and have owned and operated it during the two years prior to upgrade.

c. The existing equipment being scrapped must have at least three years of remaining life at the time of scrapping. Remaining life is the owner's estimate of the number of years until the unit would have been retired from service if the unit were not being scrapped because of the grant funding. The remaining life estimate includes years of service expected after being rebuilt or sold to another fleet. Remaining life depends on the current age and condition of the vehicle at the time of upgrade, as well as factors like usage, maintenance, and climate.

d. Equivalent Replacement: The existing engine/equipment being scrapped must have similar horsepower as the new engine/equipment being purchased (within 40%).

e. Highway Usage:

i. To be eligible, the existing certified highway vehicle must have accumulated at least 7,000 miles/year during the two years prior to scrapping.

ii. Exception: If an applicant can demonstrate that a certified highway vehicle is being used in a predominately nonroad application (e.g., those that idle for long periods to power an auxiliary apparatus), the definition below under "Nonroad Usage" of engine operating hours may be used if approved by the project officer. The EPA will review and approve this exception on a case-by-case basis.

iii. The mileage of two or more units may be combined to reach the thresholds above, where two or more units will be scrapped and replaced with a single unit.

f. Nonroad Usage:

i. To be eligible, nonroad engines should operate at least 500 hours/year during the two years prior to scrapping.

ii. The engine operating hours of two or more units may be combined to reach the thresholds above where two or more units will be scrapped and replaced with a single unit.

6. Locomotive and Marine Usage:

a. Existing locomotive and marine engines to be scrapped must operate at least 1,000 hours/year during the two years prior to scrapping.

b. The engine operating hours of two or more units may be combined to reach the thresholds above where two or more units will be scrapped and replaced with a single unit.

c. Participating fleet owners must attest to each of the above criterion in a signed eligibility statement which includes each equipment make, model, year, vehicle or other unique identification number, odometer/usage meter reading, engine make, model, year, horsepower, engine ID or serial number, and vehicle/equipment/vessel registration/licensing number and state.

7. This documentation must be submitted as part of the grantee's programmatic reporting to the EPA.

bb. Program Income

In accordance with 2 CFR Part 200.307 and 2 CFR 1500.8(b), the recipient is hereby authorized to retain program income earned during the project period, subject to the following. Program income means gross income earned by the recipient that is directly generated by a supported activity or earned as a result of the Federal award during the period of performance. Program income includes but is not limited to income from fees for services performed, the use or rental of real or personal property acquired under Federal awards, the sale of commodities or items fabricated under a Federal award, license fees and royalties on patents and copyrights, and principal and interest on loans made with Federal award funds.

Any program income shall be used to finance the non-Federal share of the project or program eligible project activities.

The recipient must provide as part of its semi-annual and final performance reports, a description of how program income is being used. Further, a report on the amount of program income earned during the award period must be submitted with the annual Federal Financial Report, Standard Form SF-425.

In accordance with 2 CFR 200.307(d) costs incidental to the generation of program income may be deducted from gross income to determine program income, provided these costs have not been charged to the EPA award. The recipient must retain adequate accounting records to document that any costs deducted from program income comply with regulatory requirements.

cc. Historic Preservation

National Historic Preservation Act (NHPA)

Section 106 of the NHPA requires all federal agencies to consider the effects of their undertakings, including the act of awarding a grant or cooperative agreement, on historic properties, and to provide the Advisory Council on Historic Preservation (ACHP) a reasonable opportunity to comment on such undertakings. The recipient must assist the EPA Project Officer in complying with NHPA if any activities funded under this grant impact a historic property. Historic properties include: (a) land or buildings listed in or eligible for listing on the National Register of Historic Places; (b) archaeologically sensitive areas or in an area where traditional cultural properties are located; and (c) properties that are associated with significant historic events, are associated with significant people, embody distinctive characteristics, and contain important precontact information.

The recipient should work with their Project Officer to ensure that subrecipients are available to work with EPA on any required consultation process with the State or Tribal Historic Preservation Office prior to commencing the project to ensure compliance with Section 106 of the NHPA.

If NHPA compliance is required, necessary Section 106 consultation activities, such as historic or architectural surveys, structural engineering analysis of buildings, public meetings, and archival photographs, can be considered allowable and allocable grant costs.

Archeological and Historic Preservation Act (AHPA)

This law applies if archeologically significant artifacts or similar items are discovered after an EPA-funded construction project has begun, and compliance may be coordinated with the NHPA, discussed above. The AHPA requires federal agencies to identify relics, specimens, and other forms of scientific,

prehistorical, historical, or archaeological data that may be lost during the construction of federally-sponsored projects to ensure that these resources are not inadvertently transferred, sold, demolished or substantially altered, or allowed to deteriorate significantly. The recipient must ensure that subrecipients performing construction projects are aware of this requirement, and the recipient must notify EPA if the AHPA is triggered.

dd. Other Federal Requirements

In addition to other statutes outlined in these programmatic terms and conditions, the recipient must comply with all federal cross-cutting requirements. These requirements include, but are not limited to:

- **Endangered Species Act, as specified in 50 CFR Part 402:** 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.
- **Federal Funding Accountability and Transparency Act:** Recipients of financial assistance awards must comply with the requirements outlined in 2 CFR Part 170, *Reporting Subaward and Executive Compensation* and in the General Term and Condition "Reporting Subawards and Executive Compensation."
- **Farmland Protection Policy Act:** This statute requires EPA to use criteria developed by the Natural Resources Conservation Service (NRCS) to identify the potential adverse effects of Federal programs on farmland and its conversion to nonagricultural uses, to mitigate these effects, and to ensure that programs are carried out in a manner that is compatible with the farmland preservation policies of state and local governments, and private organizations. Recipients may need to work with EPA or NRCS, as appropriate, to ensure compliance.
- **Coastal Zone Management Act:** Projects funded under federal financial assistance agreements must be consistent with a coastal State's approved management program for the coastal zone.

**** END OF ASSISTANCE AGREEMENT ****

EXHIBIT G

Environmental Protection Agency

General Terms and Conditions

Effective October 1, 2024

Revision History:

The Environmental Protection Agency’s General Terms and Conditions ***are published and become effective October 1st at the start of the federal fiscal year.*** Any additions, revisions, or changes to the terms and conditions after October 1 will be summarized below.

T&C Number	Effective Date	Description of Changes
#54	4/03/2025	Added new T&C on Federal anti-discrimination laws.
#3	4/03/2025	Added a new termination provision if the award no longer effectuates the program goals or agency priorities.
#27	4/03/2025	Updated pursuant to a class exception to subparts of 40 CFR Part 33 issued on March 17, 2025.
#8, 42, 47	4/03/2025	Revised in accordance with administration priorities.
#41	4/26/2025	Added a new T&C on the procurement of synthetic nucleic acids and benchtop nucleic acid synthesis equipment.
#15	3/12/2025	The Federal Subaward Reporting System (FSRS) was decommissioned and replaced fully by the System for Award Management (SAM.gov), all references to FSRS have been replaced with SAM.gov to reflect this change.
#18	11/26/2024	Added language on the de minimis rate for grants amended to incorporate the October 2024 Revisions to 2 CFR Part 200.

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Preface

1. Introduction

- (a) These terms and conditions are in addition to the assurances and certifications made as part of the award and terms, conditions, and restrictions reflected on the official assistance award document. Recipients **must** review their official award document for additional administrative and programmatic requirements. Failure to comply with the general terms and conditions outlined below and those directly reflected on the official assistance award document may result in enforcement actions as outlined in [2 CFR 200.339](#) and [2 CFR 200.340](#).
- (b) If the EPA General Terms and Conditions have been revised, EPA will update the terms and conditions when it provides additional funding (incremental or supplemental) prior to the end of the period of performance of this agreement. The recipient must comply with the revised terms and conditions after the effective date of the EPA action that leads to the revision. Revised terms and conditions do not apply to the recipient's expenditures of EPA funds or activities the recipient carries out prior to the effective date of the EPA action. EPA will inform the recipient of revised terms and conditions in the action adding additional funds.

2. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

This award is subject to the requirements of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards; Title [2 CFR Part 200](#) and [2 CFR Part 1500](#). 2 CFR 1500.2, Adoption of 2 CFR Part 200, states the EPA adopts the Office of Management and Budget (OMB) guidance Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards to Non-Federal Entities (subparts A through F of 2 CFR Part 200), as supplemented by 2 CFR Part 1500, as the EPA policies and procedures for financial assistance administration. 2 CFR Part 1500 satisfies the requirements of [2 CFR 200.110\(a\)](#) and gives regulatory effect to the OMB guidance as supplemented by 2 CFR Part 1500. This award is also subject to applicable requirements contained in EPA programmatic regulations located in 40 CFR Chapter 1 Subchapter B.

3. Termination (Updated 4/03/2025)

Consistent with [2 CFR 200.340](#), EPA may terminate this award in part or its entirety:

- (a) If a recipient or subrecipient fails to comply with the terms and conditions of the award, including statutory or regulatory requirements;
- (b) With the consent of the recipient when both the recipient and the EPA agree upon the termination conditions, which include the effective date and, in the case of partial termination, the portion to be terminated;
- (c) If a recipient sends the EPA a written notification of the reasons for such termination, the effective date, and in the case of partial termination, the portion to be terminated; however, if the EPA determines that the remaining portion of the Federal award will not accomplish the

purposes for which the Federal award was made, the EPA may terminate the award in its entirety; or

- (d) Pursuant to the programmatic terms and conditions specified in the Federal award.
- (e) By the EPA or pass-through entity to the extent authorized by law, if an award no longer effectuates the program goals or agency priorities. **This provision applies to all new awards and funding amendments (incremental and supplemental) made on or after April 3, 2025.**

Financial Information

4. Reimbursement Limitation

EPA's financial obligations to the recipient are limited by the amount of federal funding awarded to date as reflected on the award document. If the recipient incurs costs in anticipation of receiving additional funds from EPA, it does so at its own risk. See [2 CFR 1500.9](#).

5. Automated Standard Application Payments (ASAP) and Proper Payment Draw Down

Electronic Payments. Recipients must be enrolled or enroll in the Automated Standard Application for Payments (ASAP) system to receive payments under EPA financial assistance agreements unless:

- EPA grants a recipient-specific exception;
- The assistance program has received a waiver from this requirement;
- The recipient is exempt from this requirement under [31 CFR 208.4](#); or,
- The recipient is a fellowship recipient pursuant to [40 CFR Part 46](#).

EPA will not make payments to recipients until the ASAP enrollment is completed or if recipients fall under one of the above categories. EPA's Research Triangle Park Finance Center (RTPFC) will initiate the ASAP enrollment based on the key contact information on the grant application. The "payee" on the key contacts form will receive an email from ASAP indicating the steps required for completing the enrollment. Recipients may request exceptions using the procedures below.

Under this payment mechanism, the recipient initiates an electronic payment request online via ASAP, which is approved or rejected based on the amount of available funds authorized by EPA in the recipient's ASAP account. Approved payments are credited to the account at the financial institution of the recipient organization set up by the recipient during the ASAP enrollment process.

Additional information concerning ASAP and enrollment can be obtained by contacting the EPA RTPFC, at rtpfc-grants@epa.gov, or by visiting: <https://www.fiscal.treasury.gov/asap/>.

EPA will grant exceptions to the ASAP enrollment requirement only in situations in which the recipient demonstrates to EPA that receiving payment via ASAP places an undue administrative or financial management burden on the recipient or EPA determines that granting the waiver is in the public interest. Recipients may request an exception to the requirement by following the procedures specified in [RAIN-2018-G06-R](#).

Proper Payment Drawdown (for recipients other than states)

- (a) As required by [2 CFR 200.305\(b\)](#), the recipient must draw funds from ASAP only for the minimum amounts needed for actual and immediate cash requirements to pay employees, contractors, subrecipients or to satisfy other obligations for allowable costs under this assistance agreement. The timing and amounts of the drawdowns must be as close as administratively feasible to actual disbursements of EPA funds. Disbursement within 5 business days of drawdown will comply with this requirement and the recipient agrees to meet this standard when performing this award.
- (b) Recipients may not retain more than 5% of the amount drawn down, or \$1,000 whichever is less, 5 business days after drawdown to materially comply with the standard. Any EPA funds subject to this paragraph that remain undisbursed after 5 business days must be fully disbursed within 15 business days of draw down or be returned to EPA.
- (c) If the recipient draws down EPA funds in excess of that allowed by paragraph b., the recipient must contact rtpfc-grants@epa.gov for instructions on whether to return the funds to EPA. The recipient must comply with the requirements at [2 CFR 200.305\(b\)\(11\)](#) regarding depositing advances of Federal funds in interest bearing accounts.
- (d) Returning Funds: [Pay.gov](#) is the preferred mechanism to return funds. It is free, secure, paperless, expedient, and does not require the recipient//vendor to create an account. Contact RTPFC-Grants at rtpfc-grants@epa.gov to obtain complete instructions. Additional information is available at the [Pay.gov website](#). Information on how to repay EPA via check is available at <https://www.epa.gov/financial/makepayment>. Instructions on how to return funds to EPA electronically via ASAP are available at <https://www.fiscal.treasury.gov/asap/>.
- (e) Failure on the part of the recipient to materially comply with this condition may, in addition to EPA recovery of the un-disbursed portions of the drawn down funds, lead to changing the payment method from advance payment to a reimbursable basis. EPA may also take other remedies for noncompliance under [2 CFR 200.208](#) and/or [2 CFR 200.339](#).
- (f) If the recipient believes that there are extraordinary circumstances that prevent it from complying with the 5-business day disbursement requirement throughout the performance period of this agreement, recipients may request an exception to the requirement by following the procedures specified in [RAIN-2018-G06-R](#). EPA will grant exceptions to the 5-business day disbursement requirement only if the recipient demonstrates that compliance places an undue administrative or financial management burden or EPA determines that granting the exception is in the public interest. EPA will grant exceptions to the 5-business day disbursement requirement only if the recipient demonstrates that compliance places an undue administrative or financial management burden or EPA determines that granting the exception is in the public interest.

Proper Payment Drawdown for State Recipients

In accordance with [2 CFR 200.305\(a\)](#), payments are governed by Treasury-State Cash Management Improvement Act (CMIA) agreements and default procedures codified [at 31 CFR Part 205, Subparts A and B](#) and [Treasury Financial Manual \(TFM\) 4A-2000, "Overall Disbursing Rules for All Federal Agencies"](#) unless a program specific regulation (e.g. 40 CFR 35.3160 or 40 CFR 35.3560) provides

otherwise. Pursuant to 31 CFR Part 205, [Subpart A—Rules Applicable to Federal Assistance Programs Included in a Treasury-State Agreement](#), States follow their Treasury-State CMIA Agreement for major Federal programs listed in the agreement. For those programs not listed as major in the Treasury-State agreement, the State follows the default procedures in 31 CFR Part 205, [Subpart B—Rules Applicable to Federal Assistance Programs Not Included in a Treasury-State Agreement](#), which directs State recipients to draw-down and disburse Federal financial assistance funds in anticipation of immediate cash needs of the State for work under the award. States must comply with [2 CFR 200.302\(a\)](#) in reconciling costs incurred and charged to EPA financial assistance agreements at time of close out unless a program specific regulation provides otherwise.

Selected Items of Cost

6. Prohibition on Certain Telecommunications and Video Surveillance Service Equipment or Services

Prohibition on covered telecommunications and video surveillance services or equipment is effective on all obligations and expenditures of EPA financial assistance funding as of August 13, 2020, including awards made before that date.

As required by [2 CFR 200.216](#), EPA recipients and subrecipients, including borrowers under EPA-funded revolving loan fund programs, are prohibited from obligating or expending Federal loan or grant funds to procure or obtain covered telecommunications equipment or services; extend or renew a contract to procure or obtain covered telecommunications equipment or services; or enter into a contract (or extend or renew a contract) to procure or obtain covered telecommunications equipment or services. As described in section 889 of [Public Law 115-232](#), “covered telecommunications equipment or services” means any of the following:

1. Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities);
2. 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);
3. Telecommunications or video surveillance services provided by such entities or using such equipment;
4. 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.

Pursuant to [2 CFR 200.216\(c\)](#), “covered telecommunications equipment or services” also include systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. Consistent with [2 CFR](#)

[200.471](#), costs incurred for telecommunications and video surveillance services or equipment such as phones, internet, video surveillance, and cloud servers are allowable except for the following circumstances:

- (a) Obligating or expending EPA funds for covered telecommunications and video surveillance services or equipment or services as described in [2 CFR 200.216](#) to:
 - (1) Procure or obtain, extend or renew a contract to procure or obtain;
 - (2) Enter into a contract (or extend or renew a contract) to procure; or
 - (3) Obtain the equipment, services, or systems.

Certain prohibited equipment, systems, or services, including equipment, systems, or services produced or provided by entities identified in section 889 of [Public Law 115-232](#), are recorded in the [System for Award Management](#) exclusion list.

7. Consultant Cap

EPA participation in the salary rate (excluding overhead) paid to individual consultants retained by recipients or by a recipient's contractors or subcontractors shall be limited to the maximum daily rate for a Level IV of the Executive Schedule, available at: <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/>, to be adjusted annually. This limit applies to consultation services of designated individuals with specialized skills who are paid at a daily or hourly rate. This rate does not include transportation and subsistence costs for travel performed (the recipient will pay these in accordance with their normal travel reimbursement practices).

Information on how to calculate the maximum daily rate and the daily pay limitation is available at the Office Of Personnel Management's [Fact Sheet: How to Compute Rates of Pay](#) and [Fact Sheet: Expert and Consultant Pay](#). Specifically, to determine the maximum daily rate, follow these steps:

- (1) Divide the Level IV salary by 2087 to determine the hourly rate. Rates must be rounded to the nearest cent, counting one-half cent and over as the next higher cent (e.g., round \$18.845 to \$18.85).
- (2) Multiply the hourly rate by 8 hours. The product is the maximum daily rate.

Contracts and subcontracts with firms for services that are awarded using the procurement requirements in Subpart D of 2 CFR Part 200 are not affected by this limitation unless the terms of the contract provide the recipient with responsibility for the selection, direction and control of the individuals who will be providing services under the contract at an hourly or daily rate of compensation. See [2 CFR 1500.10](#).

8. Establishing and Managing Subawards (Updated 4/03/2025)

If the recipient chooses to pass funds from this assistance agreement to other entities, the recipient must comply with applicable subaward provisions of 2 CFR Part 200 and the [EPA Subaward Policy](#).

As a pass-through entity, the recipient agrees to:

1. Select subrecipients and conduct subaward competitions, as appropriate, using a system that properly differentiates between subrecipients and procurement contractors consistent with the differentiating characteristics explained in 2 CFR [200.331](#) and EPA's supplemental guidance in [Appendix A of the EPA Subaward Policy](#).
2. Verify that the potential subrecipient is not excluded or disqualified in accordance with the verification methods provided in [2 CFR 180.300](#), such as confirming in SAM.gov that a potential subrecipient is not suspended, debarred, or otherwise excluded from receiving Federal funds.
3. Establish and follow a system that ensures all subaward agreements are in writing and contain all of the elements required by [2 CFR 200.332\(b\)](#). EPA has developed a template for subaward agreements that is available in [Appendix D of the EPA Subaward Policy](#).
4. Prior to making subawards, ensure that each subrecipient has a "Unique Entity Identifier" (UEI). The UEI is required by [2 CFR Part 25](#) and [2 CFR 200.332\(b\)](#). Subrecipients are not required to complete full [System for Award Management \(SAM.gov\)](#) registration to obtain a UEI. Information regarding obtaining a UEI is available at the System for Award Management (SAM.gov) Internet site: <http://www.sam.gov/SAM/> and in the General Condition of the pass-through entity's agreement with EPA entitled "**System for Award Management and Universal Identifier Requirements**" T&C of the pass-through entity's agreement with the EPA.
5. Ensure that subrecipients are aware of the requirements that apply to the subaward, including those that flow down from the recipient, as required by [2 CFR 200.332\(b\)](#) and monitor the activities of the subrecipient to ensure compliance with these requirements per [2 CFR 200.332\(e\)](#). These requirements include, among others:
 - a. Title VI of the Civil Rights Act and other Federal statutes and regulations prohibiting discrimination in Federal financial assistance programs, as applicable, including provisions protecting free speech, religious liberty, public welfare, and the environment per [2 CFR 200.300\(a\)](#), as well as regulations, including [2 CFR 200.300\(b\)](#) prohibiting discrimination based on sex.
 - b. Reporting Subawards and Executive Compensation under Federal Funding Accountability and Transparency Act (FFATA) set forth in the General Condition pass-through entity's agreement with EPA entitled "**Reporting Subawards and Executive Compensation.**"
 - c. Limitations on individual consultant fees as set forth in [2 CFR 1500.10](#) and the General Condition of the pass-through entity's agreement with EPA entitled "**Consultant Fee Cap.**"
 - d. EPA's prohibition on paying management fees as set forth in General Condition of the pass-through entity's agreement with EPA entitled "**Management Fees.**"
 - e. The Procurement Standards in [2 CFR Part 200](#) including those requiring competition when the subrecipient acquires goods and services from

- contractors (including consultants) and Domestic preferences for procurements at [2 CFR 200.322](#).
- f. Other statutes, regulations and Executive Orders that may apply to subawards are described at [Information on Requirements that Pass-Through Entities must “Flow Down” to Subrecipients](#). Many Federal requirements are agreement- or program-specific, and EPA encourages pass-through entities to review the terms of their assistance agreement carefully and consult with their EPA Project Officer for advice if necessary.
6. Establish and follow a system for evaluating subrecipient fraud risk and risk of noncompliance with a subaward to determine the appropriate monitoring described at [2 CFR 200.332\(c\)](#) and consider whether, based on the evaluation of risk, additional monitoring tools may be useful as described in [2 CFR 200.332\(f\)](#). When evaluating a subrecipient’s risk, a pass-through entity should consider:
- a. The subrecipient’s prior experience with same or similar subawards;
 - b. Results of previous audits, including considering whether the subrecipient receives a Single Audit, in accordance with [2 CFR Part 200, Subpart F](#) and the extent to which the same or similar subawards have been audited as a major program;
 - c. Whether the subrecipient has new personnel or new or substantially change systems, and
 - d. The extent and results of any Federal agency monitoring (for example, if the subrecipient also receives Federal awards directly from the Federal agency).
7. Establish and follow a process for deciding whether to implement specific conditions in subawards based on risk factors, as described in [2 CFR 200.208](#), and notify EPA of the specific conditions as required by [2 CFR 200.332\(d\)](#). Examples of specific conditions, per [2 CFR 200.208](#), may include:
- a. Requiring payments as reimbursements rather than advance payments;
 - b. Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance;
 - c. Requiring additional or more detailed financial reports;
 - d. Requiring additional or project monitoring;
 - e. Requiring the recipient or subrecipient to obtain technical or management assistance; or
 - f. Establishing additional prior approvals.
8. Establish and follow a system for monitoring subrecipient performance that includes the elements required at [2 CFR 200.332\(e\)](#), such as reviewing financial and performance reports, and report the results of the monitoring in performance reports as provided in the reporting terms and conditions of this agreement.
9. Ensure that a subrecipient provides a plan for and takes corrective action on all significant developments that negatively affect the subaward. Per [2 CFR 200.332\(e\)\(2\)](#), significant developments include Single Audit findings related to the subaward, other audit findings, site visits, and written notifications from a subrecipient of adverse conditions that will impact their ability to meet the

milestones or objectives of the subaward.

- 10.** Establish and maintain an accounting system which ensures compliance with the \$50,000 limitation at [2 CFR 200.1](#), *Modified Total Direct Costs*, if applicable, on including subaward costs in *Modified Total Direct Costs* for the purposes of distributing indirect costs. Recipients with Federally approved indirect cost rates that use a different basis for distributing indirect costs to subawards must comply with their Indirect Cost Rate Agreement.
- 11.** Work with EPA's Project Officer to obtain the written consent of EPA's Office of International and Tribal Affairs (OITA) prior to awarding a subaward to a foreign or international organization or a subaward to be performed in a foreign country, even if that subaward is described in a proposed scope of work.
- 12.** Obtain prior written approval from the EPA's Award Official for any subawards or subaward activities that are not described in the approved work plan in accordance with [2 CFR 200.308](#). As provided in 2 CFR [200.308\(f\)\(6\)](#), recipients must obtain prior approval to change a named subrecipient from the EPA Award Official if the pass-through entity described the original subrecipient's qualifications and/or performance history in the competitive application. Recipients must contact their Project Officer to begin the prior approval process.
- 13.** Obtain prior written approval from the EPA's Award Official before awarding a subaward to an individual if the EPA-approved scope of work does not include a description of subawards to individuals.
- 14.** Establish and follow written procedures under [2 CFR 200.302\(b\)\(7\)](#) for determining that subaward costs are allowable in accordance with [2 CFR Part 200, Subpart E](#) and the terms and conditions of this award. These procedures may provide for allowability determinations on a pre-award basis, through ongoing monitoring of costs that subrecipients incur, or a combination of both approaches provided the pass-through entity documents its determinations.
- 15.** Verify that the subrecipient is audited, as applicable, per [2 CFR part 200, Subpart F](#), and establish and maintain a system under [2 CFR 200.332\(g\)](#) and [2 CFR 200.521](#) for issuing management decisions for audits of subrecipients that relate to the Federal award from the recipient. The recipient remains accountable to EPA for ensuring that unallowable subaward costs initially paid by EPA are either reimbursed or offset with allowable costs, regardless of whether the recipient recovers those costs from the subrecipient.
- 16.** As provided in [2 CFR 200.333](#), pass-through entities must obtain EPA approval to make fixed amount subawards. Recipients should consult with their EPA Project Officer regarding how to obtain EPA approval.

By accepting this award, the recipient is certifying that it either has systems in place to comply

with the requirements described in Items 1 through 16 above or will refrain from making subawards until the systems are designed and implemented.

Subawards to Federal Agencies – Clarity on Applicable EPA Terms and Conditions: If the subrecipient is a Federal agency, the only provisions of the EPA General Terms and Conditions implementing 2 CFR Part 200 on subawards that apply are: (1) the requirement for the Federal agency to obtain a Unique Entity Identifier (UEI) in accordance with 2 CFR Part 25 as described in Item 4 above and (2) the requirement for the recipient to report on first-tier subawards as described in EPA General Term and Condition 15.1, “Reporting of first tier subawards.”

As provided within [2 CFR 200.101\(a\)\(2\)](#), all other provisions of 2 CFR Part 200, Subparts A through E, do not apply to subawards with federal agencies. Transactions between the recipient and the Federal agency subrecipient will be governed by the Federal agency subrecipient’s cost reimbursement agreement with the recipient.

9. Management Fees

Management Fees or similar charges in excess of the direct costs and approved indirect rates are not allowable. The term "management fees or similar charges" refers to expenses added to the direct costs in order to accumulate and reserve funds for ongoing business expenses; unforeseen liabilities; or for other similar costs which are not allowable under this assistance agreement. Management fees or similar charges may not be used to improve or expand the project funded under this agreement, except to the extent authorized as a direct cost of carrying out the scope of work.

10. Federal Employee Costs

The recipient understands that none of the funds for this project (including funds contributed by the recipient as cost sharing) may be used to pay for the travel of Federal employees or for other costs associated with Federal participation in this project unless a Federal agency will be providing services to the recipient as authorized by a Federal statute.

11. Foreign Travel

EPA policy requires that all foreign travel must be approved by its Office of International and Tribal Affairs. The recipient agrees to obtain prior EPA approval before using funds available under this agreement for international travel unless the trip(s) are already described in the EPA approved budget for this agreement. Foreign travel includes trips to Mexico and Canada but does not include trips to Puerto Rico, the U.S. Territories or possessions. Recipients that request post-award approval to travel frequently to Mexico and Canada by motor vehicle (e.g., for sampling or meetings) may describe their proposed travel in general terms in their request for EPA approval. Requests for prior approval must be submitted to the Project Officer for this agreement.

12. The Fly America Act and Foreign Travel

The recipient understands that all foreign travel **funded under this assistance agreement** must comply with the Fly America Act. All travel must be on U.S. air carriers certified under 49 U.S.C. Section 40118, to the extent that service by such carriers is available even if foreign air carrier costs are less than the American air carrier.

13. Union Organizing

Grant funds may not be used to support or oppose union organizing, whether directly or as an offset for other funds.

Reporting and Additional Post-Award Requirements

14. System for Award Management and Universal Identifier Requirements

- 14.1 Requirement for System for Award Management (SAM)** Unless exempted from this requirement under [2 CFR 25.110](#), the recipient must maintain current and active registration SAM.gov. The recipient's registration must always be current and active until it submits all final reports required under this Federal award or receive the final payment, whichever is later. The recipient must review and update its information in SAM.gov at least annually from the date of its initial registration or any subsequent updates to ensure it is current, accurate, and complete. If applicable, this includes identifying the recipient's immediate and highest-level owner and subsidiaries and providing information about the recipient's predecessors that have received a Federal award or contract within the last three years.
- 14.2 Requirement for Unique Entity Identifier (UEI).** If the recipient is authorized to make subawards under this award, the recipient:
- a. Must notify potential subrecipients that no entity may receive a subaward unless the entity has provided its UEI to the recipient.
 - b. Must not make a subaward to an entity unless the entity has provided its UEI. Subrecipients are not required to complete full registration in SAM.gov to obtain a UEI.
- 14.3 Definitions.** For the Purpose of this award term:
- a. **System for Award Management (SAM.gov)** means the Federal repository into which an entity must provide the information required for the conduct of business as a recipient. Additional information about registration procedures may be found in SAM.gov (currently at: <https://www.sam.gov>).
 - b. **Unique Entity Identifier** means the universal identifier assigned by SAM.gov to uniquely identify an entity.
 - c. **Entity** is defined at [2 CFR 25.400](#) and includes all of the following types as defined in [2 CFR 200.1](#):
 - 1) Non-federal entity,
 - 2) Foreign organization;

- 3) Foreign public entity;
- 4) Domestic for-profit organization; and
- 5) Federal agency.
- d. **Subaward** has the meaning given in [2 CFR 200.1](#)
- e. **Subrecipient** has the meaning given in [2 CFR 200.1](#)

15. Reporting Subawards and Executive Compensation (Updated 3/12/2025)

15.1 Reporting of first tier subawards.

- a. **Applicability.** Unless the recipient is exempt as provided in paragraph 15.4. of this award term, the recipient must report each action that obligates \$30,000 or more in Federal funds for a subaward to an entity or Federal agency. The recipient must also report a subaward if a modification increases the Federal funding to an amount that equals or exceeds \$30,000.
- b. **Reporting Requirements.** (1) The entity or Federal agency must report each subaward described in paragraph 15.1.a of this award term at the [System for Award Management \(SAM.gov\)](#). (2) For subaward information, report no later than the end of the month following the month in which the subaward was made. (For example, if the subaward was made on any date during the month of November of a given year, the obligation must be reported by no later than December 31 of that year.)

15.2 Reporting Total Compensation of Recipient Executives.

- a. **Applicability.** The recipient must report the total compensation for each of its five most highly compensated executives for the preceding completed fiscal year, if:
 - 15.2.a.1.** The total Federal funding authorized to date under this award is \$30,000 or more;
 - 15.2.a.2.** In the preceding fiscal year, the recipient received: (i.) 80 percent or more of their annual gross revenues from Federal procurement contracts (and subcontracts) and Federal awards (and subawards) subject to the Transparency Act); (ii.) and \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal awards (and subawards) subject to the Transparency Act; and
 - 15.2.a.3.** 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 after receiving this subaward. (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>.)
- b. **Reporting Requirements.** The recipient must report executive total compensation described in paragraph 15.2.a of this award term: (i.) As part of the recipient's registration profile at <https://www.sam.gov/SAM/> (ii.) No later than the end of the month following the month in which this award is made, and annually thereafter

(For example if this award was made on any date of November in a given year, the executive total compensation must be reported by no later than December 31 of that year.)

15.3 Reporting Total Compensation of Subrecipient Executives.

- a. Applicability.** Unless a first-tier subrecipient is exempt as provided in paragraph 15.4. of this award term, the recipient must report the executive total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if:
- 15.3.a.1.** The total federal funding authorized to date under the subaward equals or exceeds \$30,000; and
- 15.3.a.2.** In the subrecipient's preceding fiscal year, the subrecipient received: (i.) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal awards subject to the Transparency Act; and (ii.) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal awards (and subawards) subject to the Transparency Act; and
- 15.3.a.3.** 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 after receiving this subaward. (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>.)
- b. Reporting Requirements.** Subrecipients must report their executive total compensation described in paragraph 15.3.a. of this award term to the recipient. The recipient is required to submit this information to SAM.gov no later than the end of the month following the month in which the subaward was made. (For example, if a subaward was made on any date during the month of October of a given year, the subaward must be reported no later than November 30 of that year).

15.4 Exemptions

- a.** If, in the previous tax year, the recipient had gross income, from all sources, under \$300,000, the recipient is exempt from the requirements to report:
- 15.4.a.1.** (i) subawards, and (ii) the total compensation of the five most highly compensated executives of any subrecipient.

15.5 Definitions. For purposes of this award term:

- a. Entity:** includes:
- (1) whether for profit or nonprofit: (i) A corporation; (ii) An association; (iii) A partnership; (iv) A limited liability company; (v) A limited liability partnership; (vi) A sole proprietorship; (vii) Any other legal business entity; (viii) Another grantee or contractor that is not excluded by subparagraph (2); and (ix) Any State or locality.

- (2) It does not include: (i) An individual recipient of Federal financial assistance; or (ii) A Federal employee.
- b. Executive** means an officer, managing partner, or any other employee holding a management position.
 - c. Subaward:** has the meaning given in [2 CFR 200.1](#)
 - d. Subrecipient** has the meaning given in [2 CFR 200.1](#).
 - e. Total compensation** means the cash and noncash dollar value an executive earns during the recipient's or subrecipient's preceding fiscal year. This includes all items of compensation as prescribed in [17 CFR 229.402\(c\)\(2\)](#).

16. Recipient Integrity and Performance Matters – Reporting of Matters Related to Recipient Integrity and Performance

16.1 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 SAM.gov that is made available in the designated integrity and performance system (currently the responsibility/qualification information) 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.

16.2 Proceedings About Which You Must Report

Submit the information required about each proceeding that:

- a.** Is in connection with the award or performance of a grant, cooperative agreement, or procurement contract from the Federal Government;
- b.** Reached its final disposition during the most recent five-year period; and
- c.** Is one of the following:
 - 16.2.c.1.** A criminal proceeding that resulted in a conviction, as defined in paragraph 5 of this award term and condition;
 - 16.2.c.2.** 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;
 - 16.2.c.3.** 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
 - 16.2.c.4.** Any other criminal, civil, or administrative proceeding if:

16.2.c.4.1. It could have led to an outcome described in paragraph 16.2.c.1, 16.2.c.2, or 16.2.c.3 of this award term and condition;

16.2.c.4.2. It had a different disposition arrived at by consent or compromise with an acknowledgment of fault on your part; and

16.2.c.4.3. The requirement in this award term and condition to disclose information about the proceeding does not conflict with applicable laws and regulations.

16.3 Reporting Procedures

Enter in SAM.gov Entity Management area the information that SAM.gov 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.gov because you were required to do so under Federal procurement contracts that you were awarded.

16.4 Reporting Frequency

During any period of time when you are subject to the requirement in paragraph 16.1 of this award term and condition, you must report proceedings information through SAM.gov 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.

16.5 Definitions

For purposes of this award term and condition:

- a. Administrative proceeding means a non-judicial process that is adjudicatory in nature in order 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.
- b. 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*.
- c. Total value of currently active grants, cooperative agreements, and procurement contracts includes –
 - 16.5.c.1.** Only the Federal share of the funding under any Federal award with a recipient cost share or match; and
 - 16.5.c.2.** The value of all expected funding increments under a Federal award and options, even if not yet exercised.

17. Federal Financial Reporting (FFR)

Pursuant to [2 CFR 200.328](#) and [2 CFR 200.344](#), EPA recipients must submit the Federal Financial Report (SF-425) at least annually and no more frequently than quarterly. EPA's standard reporting frequency is annual unless an EPA Region has included an additional term and condition specifying greater reporting frequency within this award document in accordance with [2 CFR 200.208](#). EPA recipients must submit the SF-425 no later than 30 calendar days after the conclusion of each specified reporting period for quarterly and semi-annual reports and 90 calendar days for annual reports. Final reports are due no later than 120 calendar days after the conclusion of the period of performance of the award. Extension of reporting due dates may be approved by EPA when requested and justified by the recipient. The FFR form is available on the internet at: <https://www.epa.gov/grants/sf-425-federal-financial-report>. All FFRs must be submitted to the Research Triangle Park Finance Center (RTPFC) via email at rtpfc-grants@epa.gov or mail it to:

US Environmental Protection Agency
RTP-Finance Center (Mail Code AA216-01)
4930 Page Rd.
Durham, NC 27703

The RTPFC will make adjustments as necessary, to obligated funds after reviewing and accepting a final Federal Financial Report. Recipients will be notified and instructed by EPA if they must complete any additional forms for the closeout of the assistance agreement.

18. Indirect Cost Rate Agreements

This term and condition provides requirements for recipients using EPA funds for indirect costs and applies to all EPA assistance agreements unless there are [statutory or regulatory limits on IDCs](#). See also [EPA's Indirect Cost Policy for Recipients of EPA Assistance Agreements](#) (IDC Policy).

In order for the assistance agreement recipient to use EPA funding for indirect costs, the IDC category of the recipient's assistance agreement award budget must include an amount for IDCs and at least one of the following must apply:

- With the exception of "exempt" agencies and Institutions of Higher Education as noted below, all recipients must have one of the following current (not expired) IDC rates, including IDC rates that have been extended by the cognizant agency:
 - Provisional
 - Final
 - Fixed rate with carry-forward
 - Predetermined
 - Grants awarded before October 1, 2024 - 10% de minimis rate of modified total direct costs authorized by [2 CFR 200.414\(f\)](#)
 - Grants awarded on or after October 1, 2024 – up to a 15% de minimis rate of modified total direct costs authorized by [2 CFR 200.414\(f\)](#)
 - Grants amended to incorporate the October 2024 Revisions to 2 CFR 200 – up to a

15% de minimis rate of modified total direct costs authorized by [2 CFR 200.414\(f\)](#), effective as of the date of the amendment and going forward, cannot be applied retroactively

- EPA-approved use of an expired fixed rate with carry-forward on an exception basis, as detailed in section 6.4.a. of the IDC Policy
- “Exempt” state of local governmental departments or agencies are agencies that receive up to and including \$35,000,000 in Federal funding per the department or agency’s fiscal year and must have an IDC rate proposal developed in accordance with 2 CFR Part 200, Appendix VII, with documentation maintained and available for audit.
- Institutions of Higher Education must use the IDC rate(s) on the approved rate agreement in place at the time of award during the life of the assistance agreement (unless the rate was provisional at time of award, in which case the rate will change once it becomes final). As provided by 2 CFR Part 200, Appendix III(C)(7), the term “life of the assistance agreement”, means each competitive segment of the project. If negotiated rate agreements do not extend through the life of the Federal award at the time of the initial award, then the negotiated rate for the last year of the Federal award must be extended through the end of the award. Additional information is available in the regulation.

IDCs incurred during any period of the assistance agreement that are not covered by the provisions above are not allowable costs and must not be drawn down by the recipient. Recipients may budget for IDCs if they have submitted a proposed IDC rate to their cognizant Federal agency, or requested an exception from EPA under subsection 6.4 of the IDC Policy. However, recipients may not draw down IDCs until their rate is approved, if applicable, or EPA grants an exception. IDC drawdowns must comply with the indirect rate corresponding to the period during which the costs were incurred. If the recipient’s indirect cost rate has not been finalized within one year after the period of performance ends, the EPA Grants Management Officer is authorized to close the recipient’s award using their most recently negotiated rate per [2 CFR 200.344\(h\)](#).

This term and condition does not govern indirect rates for subrecipients or recipient procurement contractors under EPA assistance agreements. Pass-through entities are required to comply with 2 CFR 200.332(b)(4)(i) and (ii) when establishing indirect cost rates for subawards.

19. Audit Requirements

In accordance with [2 CFR 200.501\(a\)](#), the recipient hereby agrees to obtain a single audit from an independent auditor, if their organization expends \$1,000,000 or more in total Federal funds in their fiscal year for that year.

The recipient must submit a single audit report within 9 months of the end of the recipient’s fiscal year or 30 days after receiving the report from an independent auditor. The single audit report MUST be submitted using the Federal Audit Clearinghouse available at: <https://fac.gov/>.

For complete information on how to accomplish the single audit submissions, the recipient will need to visit the Federal Audit Clearinghouse Web site: <https://fac.gov/>

20. Closeout Requirements

Reports required for closeout of the assistance agreement must be submitted in accordance with this agreement. Submission requirements and frequently asked questions can also be found at: <https://www.epa.gov/grants/frequent-questions-about-closeouts>

21. Suspension and Debarment

Recipient shall fully comply with Subpart C of 2 C.F.R. Part 180 entitled, “Responsibilities of Participants Regarding Transactions Doing Business With Other Persons,” as implemented and supplemented by [2 C.F.R. Part 1532](#). Recipient is responsible for ensuring that any lower tier covered transaction, as described in Subpart B of [2 C.F.R. Part 180](#), entitled “Covered Transactions,” and [2 C.F.R. § 1532.220](#), includes a term or condition requiring compliance with 2 C.F.R. Part 180, Subpart C. Recipient is responsible for further requiring the inclusion of a similar term and condition in any subsequent lower tier covered transactions. Recipient acknowledges that failing to disclose the information required under [2 C.F.R. § 180.335](#) to the EPA office that is entering into the transaction with the recipient may result in the delay or negation of this assistance agreement, or pursuance of administrative remedies, including suspension and debarment. Recipients may access the SAM.gov exclusion list at <https://sam.gov/SAM/> to determine whether an entity or individual is presently excluded or disqualified.

22. Representation by Corporations Regarding Delinquent Tax Liability or a Felony Conviction under any Federal Law

This award is subject to the provisions contained in an appropriations act(s) which prohibits the Federal Government from entering into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to any corporation having a delinquent Federal tax liability or a felony conviction under any Federal law, unless the agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government. A “corporation” is a legal entity that is separate and distinct from the entities that own, manage, or control it. It is organized and incorporated under the jurisdictional authority of a governmental body, such as a State or the District of Columbia. A corporation may be a for-profit or non-profit organization.

As required by the appropriations act(s) prohibitions, the Government will not enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee with 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 an 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 an agency has

considered suspension or debarment of the corporation and made a determination that this action is not necessary to protect the interests of the Government.

By accepting this award, the recipient represents that it is not a corporation that 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; and it is not a corporation that was convicted of a felony criminal violation under a Federal law within the preceding 24 months.

Alternatively, by accepting this award, the recipient represents that it disclosed unpaid Federal tax liability information and/or Federal felony conviction information to the EPA. The recipient may accept this award if the EPA Suspension and Debarment Official has considered suspension or debarment of the corporation based on tax liabilities and/or Federal felony convictions and determined that suspension or debarment is not necessary to protect the Government's interests.

If the recipient fails to comply with this term and condition, EPA will annul this agreement and may recover any funds the recipient has expended in violation of the appropriations act(s) prohibition(s). The EPA may also pursue other administrative remedies as outlined in [2 CFR 200.339](#) and [2 CFR 200.340](#) and may also pursue suspension and debarment.

23. Disclosing Conflict of Interest

23.1 For Awards to Recipients, Subrecipients, and Individuals (other than states and fellowship recipients under 40 CFR Part 46)

As required by [2 CFR 200.112](#), EPA has established a policy (COI Policy) for disclosure of conflicts of interest (COI) that may affect EPA financial assistance awards. EPA's COI Policy is posted at <https://www.epa.gov/grants/epas-financial-assistance-conflict-interest-policy>. The posted version of EPA's COI Policy is applicable to new funding (initial awards, supplemental and incremental funding) awarded on or after October 1, 2015.

For competitive awards, recipients must disclose any competition related COI described in section 4.0(a) of the COI Policy that are discovered after award to the EPA Grants Specialist listed on the Assistance Agreement/Amendment within 30 calendar days of discovery of the COI. The Grant Specialist will respond to any such disclosure within 30 calendar days.

EPA's COI Policy requires that recipients have systems in place to address, resolve and disclose to EPA COIs described in sections 4.0(b), (c) and/or (d) of the COI Policy that affect any contract or subaward regardless of amount funded under this award. The recipient's COI Point of Contact for the award must disclose any COI to the EPA Grants Specialist listed on the Assistance Agreement/Amendment within 30 calendar days of the discovery of the potential COI and their approach for resolving the COI.

EPA's COI Policy requires that subrecipients have systems in place to address, resolve and disclose COI's described in section 4.0(b)(c) and (d) of the COI Policy regardless of the amount of the transaction. Recipients who are pass-through entities as defined at 2 CFR 200.1 must require that subrecipients being considered for or receiving subawards disclose COI to the pass-through entities in a manner that, at a minimum, is in accordance with sections 5.0(d) and 7.0(c) of EPA's COI Policy. Pass-through entities must disclose the subrecipient COI along with the approach for resolving the COI to the EPA Grants Specialist listed on the Assistance Agreement/Amendment within 30 calendar days of receiving notification of the COI by the subrecipient.

EPA only requires that recipients and subrecipients disclose COI's that are discovered under their systems for addressing and resolving COI. If recipients or subrecipients do not discover a COI, they do not need to advise EPA or the pass-through entity of the absence of a COI.

Upon notice from the recipient of a potential COI and the approach for resolving it, the Agency will then make a determination regarding the effectiveness of these measures within 30 days of receipt of the recipient's notice unless a longer period is necessary due to the complexity of the matter. Recipients may not request payment from EPA for costs for transactions subject to the COI pending notification of EPA's determination. Failure to disclose a COI may result in cost disallowances.

Disclosure of potential COI will not necessarily result in EPA disallowing costs, with the exception of procurement contracts that the Agency determines violate [2 CFR 200.318\(c\)\(1\) or \(2\)](#), provided the recipient notifies EPA of measures the recipient or subrecipient has taken to eliminate, neutralize or mitigate the conflict of interest when making the disclosure.

23.2 For Awards to States Including State Universities that are State Agencies or Instrumentalities

As required by [2 CFR 200.112](#), EPA has established a policy (COI Policy) for disclosure of conflicts of interest (COI) that may affect EPA financial assistance awards. EPA's COI Policy is posted at: <https://www.epa.gov/grants/epas-financial-assistance-conflict-interest-policy>. The posted version of EPA's COI Policy is applicable to new funding (initial awards, supplemental, incremental funding) awarded on or after October 1, 2015.

For competitive awards, recipients must disclose any competition related COI described in section 4.0(a) of the COI Policy that are discovered after award to the EPA Grants Specialist listed on the Assistance Agreement/Amendment within 30 calendar days of discovery of the COI. The Grants Specialist will respond to any such disclosure within 30 calendar days.

States including state universities that are state agencies and instrumentalities receiving funding from EPA are only required to disclose subrecipient COI as a pass-through entity as

defined by [2 CFR 200.1](#). Any other COI are subject to state laws, regulations, and policies. EPA's COI Policy requires that subrecipients have systems in place to address, resolve and disclose COIs described in section 4.0(b)(c) and (d) of the COI Policy that arise after EPA made the award regardless of the amount of the transaction. States who are pass-through entities as defined at [2 CFR 200.1](#) must require that subrecipients being considered for or receiving subawards disclose COI to the state in a manner that, as a minimum, in accordance with sections 5.0(d) and 7.0(c) of EPA's COI Policy. States must disclose the subrecipient COI along with the approach for resolving the COI to the EPA Grants Specialist listed on the Assistance Agreement/Amendment within 30 calendar days of receiving notification of the COI by the subrecipient.

EPA only requires that subrecipients disclose COI's to state pass-through entities that are discovered under their systems for addressing, resolving, and disclosing COI. If subrecipients do not discover a COI, they do not need to advise state pass-through entities of the absence of a COI.

Upon receiving notice of a potential COI and the approach for resolving it, the Agency will make a determination regarding the effectiveness of these measures within 30 days of receipt of the state's notice of a subrecipient COI unless a longer period is necessary due to the complexity of the matter. States may not request payment from EPA for costs for transactions subject to the COI pending notification of EPA's determination. A subrecipient's failure to disclose a COI to the state and EPA may result in cost disallowances.

Disclosure of potential subrecipient COI will not necessarily result in EPA disallowing costs, with the exception of procurement contracts that the Agency determines violate [2 CFR 200.318\(c\)\(1\) or \(2\)](#), provided the subrecipient has taken measures that EPA and the state agree eliminate, neutralize or mitigate the conflict of interest.

24. Transfer of Funds

24.1 Transfer of Funds

Applicable to all assistance agreements other than Continuing Environmental Program Grants subject to 40 CFR 35.114 and 40 CFR 35.514 when EPA's share of the total award exceeds the Simplified Acquisition Threshold. Simplified Acquisition Threshold is defined at 2 CFR 200.1 and is currently set at \$250,000 but the amount is subject to adjustment.

- (1) As provided at [2 CFR 200.308\(i\)](#), the recipient must obtain prior approval from EPA's Grants Management Officer if the cumulative amount of funding transfers among direct budget categories or programs, functions and activities exceeds 10% of the total budget, as last approved by EPA, including cost share. Recipients must submit requests for prior approval to the Grant Specialist and Grants Management Officer with a copy to the Project Officer for this agreement.

- (2) Recipients must notify EPA's Grant Specialist and Project Officer of cumulative funding transfers among direct budget categories or programs, functions and activities that do not exceed 10% of the total budget for the agreement. Prior approval by EPA's Grants Management Officer is required if the transfer involves any of the items listed in [2 CFR 200.407](#) that EPA did not previously approve at time of award or in response to a previous post-award request by the recipient.

24.2 Post-Award Changes for Continuing Environmental Program Grants

Applicable to Continuing Environmental Program Grants subject to 40 CFR 35.114 and 40 CFR 35.514 when EPA's share of the total project costs exceeds the Simplified Acquisition Threshold. Simplified Acquisition Threshold is defined at 2 CFR 200.1 and is currently set at \$250,000 but the amount is subject to adjustment.

To determine if a post-award change in work plan commitments is significant and requires prior written approval for the purposes of [40 CFR §35.114\(a\)](#) or [40 CFR §35.514\(a\)](#), the recipient agrees to consult the EPA Project Officer (PO) before making the change. The term work plan commitments is defined at [40 CFR §35.102](#). If the PO determines the change is significant, the recipient cannot make the change without prior written approval by the EPA Award Official or Grants Management Officer.

The recipient must obtain written approval from the EPA Award Official prior to transferring funds from one budget category to another if the EPA Award Official determines that such transfer significantly changes work plan commitment(s). All transfers must be reported in required performance reports. In addition, unless approved with the budget at the time of award, Continuing Environmental Program (CEP) recipients must also obtain prior written approval from the EPA Award Official or Grants Management Officer to use EPA funds for directly charging compensation for administrative and clerical personnel under [2 CFR 200.413\(c\)](#) and the General Provisions for Selected Items of Cost allowability at [2 CFR 200.420](#) through [2 CFR 200.476](#) as supplemented by [EPA's Guidance on Selected Items of Cost](#). The recipient is not required to obtain prior written approval from the EPA Award Official for other items requiring prior EPA approval listed in [2 CFR 200.407](#).

25. Electronic/Digital Signatures on Financial Assistance Agreement Form(s)/Document(s)

Throughout the life of this assistance agreement, the recipient agrees to ensure that any form(s)/document(s) required to be signed by the recipient and submitted to EPA through any means including but not limited to hard copy via U.S. mail or express mail, hand delivery or through electronic means such as e-mail are: (1) signed by the individual identified on the form/document, and (2) the signer has the authority to sign the form/document for the recipient. Submission of any signed form(s)/document(s) is subject to any provisions of law on making false statements (e.g., 18 U.S.C. 1001).

26. Extension of Project/Budget Period Expiration Date

EPA has not exercised the waiver option to allow automatic one-time extensions for non-research grants under [2 CFR 200.308\(g\)\(2\)](#). Therefore, if a no-cost time extension is necessary to extend the period of availability of funds, the recipient must submit a written request to the EPA at least 10 calendar days before the conclusion of the period of performance as required by [2 CFR 200.308\(f\)\(10\)](#). **The written request must include:** a justification describing the need for additional time, an estimated date of completion, and a revised schedule for project completion including updated milestone target dates for the approved workplan activities. In addition, if there are overdue reports required by the general, administrative, and/or programmatic terms and conditions of this assistance agreement, the recipient must ensure that they are submitted along with or prior to submitting the no-cost time extension request.

27. Utilization of Disadvantaged Business Enterprises (Updated 4/03/2025)

General Compliance, 40 CFR, Part 33

The recipient agrees to comply with the requirements of EPA's Disadvantaged Business Enterprise (DBE) Program for procurement activities under assistance agreements, contained in [40 CFR, Part 33](#).

The following text provides updates to 40 CFR Part 33 based upon the associated class exception or highlights a requirement.

1) EPA MBE/WBE CERTIFICATION, 40 CFR, Part 33, Subpart B

The EPA no longer certifies entities as Minority-Owned Business Entities (MBEs) or Women-Owned Business Entities (WBEs) pursuant to a class exception issued in October 2019. The class exception was authorized pursuant to the authority in [2 CFR, Section 1500.4\(b\)](#).

2) SIX GOOD FAITH EFFORTS, 40 CFR, Part 33, Subpart C

Pursuant to [40 CFR Section 33.301](#), the recipient agrees to make good faith efforts whenever procuring construction, equipment, services and supplies under an EPA financial assistance agreement, and to require that sub-recipients, loan recipients, and prime contractors also comply. Records documenting compliance with the six good faith efforts shall be retained. The specific six good faith efforts can be found at: [40 CFR Section 33.301 \(a\)-\(f\)](#).

However, in EPA assistance agreements that are for the benefit of Native Americans, the recipient must solicit and recruit Native American organizations and Native American-owned economic enterprises and give them preference in the award process prior to undertaking the six good faith efforts ([40 CFR Section 33.304](#)). If recruiting efforts are unsuccessful, the recipient must follow the six good faith efforts.

3) CONTRACT ADMINISTRATION PROVISIONS, 40 CFR, Section 33.302

The recipient agrees to comply with the contract administration provisions of [40 CFR Section 33.302](#) (a)-(d) and (i).

4) BIDDERS LIST, 40 CFR Section 33.501(b) and (c)

Recipients of a Continuing Environmental Program Grant or other annual reporting grant, agree to create and maintain a bidders list. Recipients of an EPA financial assistance agreement to capitalize a revolving loan fund also agree to require entities receiving identified loans to create and maintain a bidders list if the recipient of the loan is subject to, or chooses to follow, competitive bidding requirements. Please see [40 CFR Section 33.501 \(b\) and \(c\)](#) for specific requirements and exemptions.

5) FAIR SHARE OBJECTIVES, 40 CFR, Part 33, Subpart D

The EPA is suspending negotiations of fair share objectives with recipients under 40 CFR Part 33, Subpart D pursuant to a class exception issued on March 17, 2025. The class exception was authorized pursuant to the authority in [2 CFR, Section 1500.4\(b\)](#).

6) MBE/WBE REPORTING, 40 CFR, Part 33, Subpart E

The EPA is suspending recipient reporting requirements under 40 CFR 33.502 pursuant to a class exception issued on March 17, 2025. The class exception was authorized pursuant to the authority in [2 CFR, Section 1500.4\(b\)](#).

7) MBE/WBE RECORDKEEPING, 40 CFR, Part 33, Subpart E

The EPA is suspending recipient recordkeeping requirements under 40 CFR Part 33, Subpart E pursuant to a class exception issued on March 17, 2025. The class exception was authorized pursuant to the authority in 2 CFR, Section 1500.4(b).

Programmatic General Terms and Conditions

28. Sufficient Progress

EPA will measure sufficient progress by examining the performance required under the workplan in conjunction with the milestone schedule, the time remaining for performance within the project period and/or the availability of funds necessary to complete the project. EPA may terminate the assistance agreement for failure to ensure reasonable completion of the project within the project period.

29. Copyrighted Material and Data

In accordance with [2 CFR 200.315](#), EPA has the right to reproduce, publish, use and authorize others to reproduce, publish and use copyrighted works or other data developed under this assistance agreement for Federal purposes. This includes the right to require recipients and subrecipients to make such works available through agency-designated public access repositories.

Examples of a Federal purpose include but are not limited to: (1) Use by EPA and other Federal employees for official Government purposes; (2) Use by Federal contractors performing specific tasks for [i.e., authorized by] the Government; (3) Publication in EPA documents provided the document does not disclose trade secrets (e.g. software codes) and the work is properly attributed to the recipient through citation or otherwise; (4) Reproduction of documents for inclusion in

Federal depositories; (5) Use by State, Tribal and local governments that carry out delegated Federal environmental programs as “co-regulators” or act as official partners with EPA to carry out a national environmental program within their jurisdiction and; (6) Limited use by other recipients to carry out Federal grants provided the use is consistent with the terms of EPA’s authorization to the other recipient to use the copyrighted works or other data.

Under Item 6, the recipient acknowledges that EPA may authorize another recipient(s) to use the copyrighted works or other data developed under this grant as a result of:

- The selection of another recipient by EPA to perform a project that will involve the use of the copyrighted works or other data, or
- Termination or expiration of this agreement.

In addition, EPA may authorize another recipient to use copyrighted works or other data developed with Agency funds provided under this grant to perform another grant when such use promotes efficient and effective use of Federal grant funds.

30. Patents and Inventions

Rights to inventions made under this assistance agreement are subject to federal patent and licensing regulations, which are codified at Title [37 CFR Part 401](#) and Title 35 USC Sections 200-212.

Pursuant to the Bayh-Dole Act (set forth in 35 USC 200-212), EPA retains the right to a worldwide, nonexclusive, nontransferable, irrevocable, paid-up license to practice the invention owned by the assistance agreement holder, as defined in the Act. To streamline the invention reporting process and to facilitate compliance with the Bayh-Dole Act, the recipient must utilize the Interagency Edison extramural invention reporting system at <https://www.nist.gov/iedison>. Annual utilization reports must be submitted through the system. The recipient is required to notify the Project Officer identified on the award document when an invention report, patent report, or utilization report is filed at <https://www.nist.gov/iedison>. EPA elects not to require the recipient to provide a report prior to the close-out of a funding agreement listing all subject inventions or stating that there were none.

In accordance with Executive Order 12591, as amended, government owned and operated laboratories can enter into cooperative research and development agreements with other federal laboratories, state and local governments, universities, and the private sector, and license, assign, or waive rights to intellectual property “developed by the laboratory either under such cooperative research or development agreements and from within individual laboratories.”

31. Acknowledgement Requirements for Non-ORD Assistance Agreements

The recipient agrees that any reports, documents, publications, or other materials developed for public distribution supported by this assistance agreement shall contain the following statement: “This project has been funded wholly or in part by the United States Environmental Protection Agency under assistance agreement (number) to (recipient). The contents of this document do not necessarily reflect the views and policies of the Environmental Protection Agency, nor does the

Environmental Protection Agency endorse trade names or recommend the use of commercial products mentioned in this document, as well as any images, video, text, or other content created by generative artificial intelligence tools, nor does any such content necessarily reflect the views and policies of the Environmental Protection Agency.”

Recipients of EPA Office of Research Development (ORD) research awards must follow the acknowledgement requirements outlined in the research T&Cs available at: <https://www.nsf.gov/awards/managing/rtc.jsp>. In accordance with the [Research Terms and Conditions Overlay to the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards \(Uniform Guidance\), 2 CFR §200](#), recipients of EPA ORD research must abide by the research T&Cs.

32. Electronic and Information Technology Accessibility

Recipients are subject to the program accessibility provisions of Section 504 of the Rehabilitation Act, codified in [40 CFR Part 7](#), which includes an obligation to provide individuals with disabilities reasonable accommodations and an equal and effective opportunity to benefit from or participate in a program, including those offered through electronic and information technology (“EIT”). In compliance with Section 504, EIT systems or products funded by this award must be designed to meet the diverse needs of users (e.g., U.S. public, recipient personnel) without barriers or diminished function or quality. Systems shall include usability features or functions that accommodate the needs of persons with disabilities, including those who use assistive technology. At this time, the EPA will consider a recipient’s websites, interactive tools, and other EIT as being in compliance with Section 504 if such technologies meet standards established under Section 508 of the Rehabilitation Act, codified at [36 CFR Part 1194](#). While Section 508 does not apply directly to grant recipients, we encourage recipients to follow either the 508 guidelines or other comparable guidelines that concern accessibility to EIT for individuals with disabilities.

Recipients may wish to consult the latest Section 508 guidelines issued by the U.S. Access Board or W3C’s Web Content Accessibility Guidelines (WCAG) 2.0 (see <https://www.access-board.gov/about/policy/accessibility.html>).

33. Human Subjects

Human subjects research is any activity that meets the regulatory definitions of both research AND human subject. Research is a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to generalizable knowledge. Human subject means a living individual about whom an investigator (whether professional or student) conducting research: (i) Obtains information or biospecimens through intervention or interaction with the individual, and uses, studies, or analyzes the information or biospecimens; or (ii) Obtains, uses, studies, analyzes, or generates identifiable private information or identifiable biospecimens [40 CFR 26.102\(e\)\(l\)](#).

No research involving human subjects shall be conducted under this agreement without prior written approval of the EPA Human Subject Research Review Official (HSRRO) to proceed with that research. If engaged in human subjects' research as part of this agreement, the recipient agrees to comply with all applicable provisions of EPA Regulation 40 CFR 26 (Protection of Human Subjects). This includes, at Subpart A, the Basic Federal Policy for the Protection of Human Research Subjects, also known as the Common Rule. It also includes, at Subparts B, C, and D, prohibitions and additional protections for children, nursing women, pregnant women, and fetuses in research conducted or supported by EPA.

The recipient further agrees to comply with EPA's procedures for oversight of the recipient's compliance with 40 CFR 26, as given in EPA Order 1000.17A (Policy and Procedures on Protection of Human Research Subjects in EPA Conducted or Supported Research). As per this order, no human subject may be involved in any research conducted under this assistance agreement, including recruitment, until the research has been approved or determined to be exempt by the EPA HSRRO after review of the approval or exemption determination of the Institutional Review Board(s) (IRB(s)) with jurisdiction over the research under 40 CFR 26.

For HSRRO approval, the recipient must forward to the Project Officer: (1) copies of all documents upon which the IRB(s) with jurisdiction based their approval(s) or exemption determination(s), (2) copies of the IRB approval or exemption determination letter(s), (3) copy of the IRB-approved consent forms and subject recruitment materials, if applicable, and (4) copies of all supplementary IRB correspondence.

Following the initial approvals indicated above, the recipient must, as part of the annual report(s), provide evidence of continuing review and approval of the research by the IRB(s) with jurisdiction, as required by [40 CFR 26.109\(e\)](#). Materials submitted to the IRB(s) for their continuing review and approval are to be provided to the EPA HSRRO via the Project Officer upon IRB approval. During the course of the research, investigators must promptly report any unanticipated problems involving risk to subjects or others according to requirements set forth by the IRB. In addition, any event that is significant enough to result in the removal of the subject from the study should also be reported to the EPA HSRRO via the Project Officer, even if the event is not reportable to the IRB of record.

34. Animal Subjects

The recipient agrees to comply with the Animal Welfare Act of 1966 (P.L. 89-544), as amended, 7 USC 2131- 2156. Recipient also agrees to abide by the "U.S. Government Principles for the Utilization and Care of Vertebrate Animals used in Testing, Research, and Training." (Federal Register 50(97): 20864-20865. May 20,1985). The nine principles can be viewed at <https://olaw.nih.gov/policies-laws/phs-policy.htm>. For additional information about the Principles, the recipient should consult the [Guide for the Care and Use of Laboratory Animals](#), prepared by the Institute of Laboratory Animal Resources, National Research Council.

35. Light Refreshments and/or Meals

(a) APPLICABLE TO ALL AGREEMENTS EXCEPT STATE CONTINUING ENVIRONMENTAL PROGRAMS (AS DESCRIBED BELOW):

Unless the event(s) and all of its components are described in the approved workplan, the recipient agrees to obtain prior approval from EPA for the use of grant funds for light refreshments and/or meals served at meetings, conferences, training workshops and outreach activities (events). The recipient must send requests for approval to the EPA Project Officer and include:

- (1) An estimated budget and description for the light refreshments, meals, and/or beverages to be served at the event(s)
- (2) A description of the purpose, agenda, location, length, and timing for the event, and
- (3) An estimated number of participants in the event and a description of their roles

Costs for light refreshments and meals for recipient staff meetings and similar day-to-day activities are not allowable under EPA assistance agreements.

Recipients may address questions about whether costs for light refreshments, and meals for events may be allowable to the recipient's EPA Project Officer; however, the Agency Award Official or Grant Management Officer will make final determinations on allowability. Agency policy prohibits the use of EPA funds for receptions, banquets and similar activities that take place after normal business hours unless the recipient has provided a justification that has been expressly approved by EPA's Award Official or Grants Management Officer.

EPA funding for meals, light refreshments, and space rental may not be used for any discrete portion of an event or meeting, such as a reception, banquet, or another similar entertainment-oriented activity, where alcohol is served, purchased, or otherwise available as part of the discrete portion of the event or meeting, even if EPA funds are not used to purchase the alcohol. This restriction does not prohibit a recipient from using its own funds, private donations, or separate fees charged to the meeting attendees (that are not program income) for discrete portions of events or meetings, such as receptions, banquets, or another similar entertainment-oriented activity where alcohol is served.

Note: U.S. General Services Administration regulations define light refreshments for morning, afternoon, or evening breaks to include, but not be limited to, coffee, tea, milk, juice, soft drinks, donuts, bagels, fruit, pretzels, cookies, chips, or muffins. ([41 CFR 301-74.7](#))

(b) FOR STATE CONTINUING ENVIRONMENTAL PROGRAM GRANT RECIPIENTS EXCLUDING STATE UNIVERSITIES:

If the state maintains systems capable of complying with federal grant regulations at [2 CFR 200.432](#) and [2 CFR 200.438](#), EPA has waived the prior approval requirements for the use of EPA funds for light refreshments and/or meals served at meetings, conferences, and training, as described in paragraph (a) above. The state may follow its own procedures without requesting prior approval from EPA. However, notwithstanding state policies, EPA funds may not be used for (1) Meetings

(e.g. routine staff meetings) that do not meet the definition of “Conference” in [2 CFR 200.432](#), (2) evening receptions, or (2) other evening events (with the exception of working meetings). Examples of working meetings include those evening events in which small groups discuss technical subjects on the basis of a structured agenda or there are presentations being conducted by experts. EPA funds for meals, light refreshments, and space rental may not be used for any portion of an event (including evening working meetings) where alcohol is served, purchased, or otherwise available as part of the event or meeting, even if EPA funds are not used to purchase the alcohol.

By accepting this award, the state is certifying that it has systems in place (including internal controls) to comply with the requirements described above.

36. Tangible Personal Property

36.1 Reporting

Pursuant to [2 CFR 200.312](#) and [2 CFR 200.314](#), property reports, if applicable, are required for Federally-owned property in the custody of a recipient or subrecipient upon completion of the Federal award or when the property is no longer needed. Additionally, upon termination or completion of the project, residual unused supplies with a total aggregate fair market value exceeding \$10,000 not needed for any other Federally-funded programs or projects must be reported. For Superfund awards under Subpart O, refer to [40 CFR 35.6340](#) and [40 CFR 35.6660](#) for property reporting requirements. Recipients should utilize the Tangible Personal Property Report form series (SF-428) to report tangible personal property.

36.2 Disposition

36.2.1. Most Recipients or Subrecipients. Consistent with [2 CFR 200.313](#), unless instructed otherwise on the official award document, this award term, or at closeout, the recipient or subrecipient, including a subrecipient of a State or an Indian Tribe, may keep the equipment and continue to use it on the project originally funded through this assistance agreement or on other federally funded projects whether or not the project or program continues to be supported by Federal funds.

36.2.2. State Agencies. Per [2 CFR 200.313\(b\)](#), recipients that are State agencies must manage and dispose of equipment acquired under this assistance agreement in accordance with state laws and procedures.

36.2.3. Indian Tribes. Per [2 CFR 200.313\(b\)](#), recipients that are Indian Tribes must manage and dispose of equipment acquired under this assistance agreement in accordance with tribal laws and procedures. If such laws and procedures do not exist, Indian Tribes, unless instructed otherwise on the official award document or at closeout, may keep the equipment and continue to use it on the project originally funded through this assistance agreement or on other federally funded projects whether or not the project or program continues to be supported by Federal funds.

36.2.4. Superfund Recipients. Equipment purchased for Superfund projects under Subpart O is subject to specific disposal options in accordance with [40 CFR Part 35.6345](#).

37. Dual Use Research of Concern (DURC)

The recipient agrees to conduct all life science research* in compliance with [EPA's Order on the Policy and Procedures for Managing Dual Use Research of Concern](#) (EPA DURC Order) and [United States Government Policy for Institutional Oversight of Life Sciences Dual Use Research of Concern \(iDURC Policy\)](#). If the recipient is an institution within the United States that receives funding through this agreement, or from any other source, the recipient agrees to comply with the iDURC Policy if they conduct or sponsor research involving any of the agents or toxins identified in Section 6.2.1 of the iDURC Policy. If the institution is outside the United States and receives funding through this agreement to conduct or sponsor research involving any of those same agents or toxins, the recipient agrees to comply with the iDURC Policy. The recipient agrees to provide any additional information that may be requested by EPA regarding DURC and iDURC. The recipient agrees to immediately notify the EPA Project Officer should the project use or introduce use of any of the agents or toxins identified in the iDURC Policy. The recipient's Institution/Organization must also comply with USG iDURC policy and EPA DURC Order and will inform the appropriate government agency if funded by such agency of research with the agents or toxins identified in Section 6.2.1 of the iDURC Policy. If privately funded the recipient agrees to notify the National Institutes of Health at DURC@od.nih.gov.

* "Life Sciences Research," for purposes of the EPA DURC Order, and based on the definition of research in [40 CFR §26.102\(d\)](#), is a systematic investigation designed to develop or contribute to generalizable knowledge involving living organisms (e.g., microbes, human beings, animals, and plants) and their products. EPA does not consider the following activities to be research: routine product testing, quality control, mapping, collection of general-purpose statistics, routine monitoring and evaluation of an operational program, observational studies, and the training of scientific and technical personnel. [Note: This is consistent with Office of Management and Budget Circular A-11.]

38. Research Misconduct

In accordance with [2 CFR 200.329](#), the recipient and subrecipient agree to notify the EPA Project Officer in writing about research misconduct involving research activities that are supported in whole or in part with EPA funds under this project. EPA defines research misconduct as fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results [65 FR 76262. I], or ordering, advising or suggesting that subordinates engage in research misconduct. The recipient agrees to:

- (1) Immediately notify the EPA Project Officer who will then inform the EPA Office of Inspector General (OIG) if, at any time, an allegation of research misconduct falls into one of the categories listed below:
 - A. Public health of safety is at risk
 - B. Agency resources or interests are threatened
 - C. Circumstances where research activities should be suspended
 - D. There is a reasonable indication of possible violations of civil or criminal law

- E. Federal action is required to protect the interests of those involved in the investigation
 - F. The research entity believes that the inquiry or investigation may be made public prematurely so that appropriate steps can be taken to safeguard evidence and protect the rights of those involved
 - G. Circumstances where the research community or public should be informed. [65 FR 76263.III]
- (2) Report other allegations to the OIG when they have conducted an inquiry and determined that there is sufficient evidence to proceed with an investigation. [65 FR 76263. III]

39. Scientific Integrity Terms and Conditions

The recipient agrees to comply with [EPA's Scientific Integrity Policy](#) when conducting, supervising, and communicating science and when using or applying the results of science. For purposes of this award condition scientific activities include, but are not limited to, computer modelling, economic analysis, field sampling, laboratory experimentation, demonstrating new technology, statistical analysis, and writing a review article on a scientific issue. The recipient agrees to:

39.1 Scientific Products

39.1.1. Produce scientific products of the highest quality, rigor, and objectivity, by adhering to applicable EPA [information quality guidelines, quality policy](#), and peer review policy.

39.1.2. Prohibit all recipient employees, contractors, and program participants, including scientists, managers, and other recipient leadership, from suppressing, altering, or otherwise impeding the timely release of scientific findings or conclusions.

39.1.3. Adhere to [EPA's Peer Review Handbook, 4th Edition](#), for the peer review of scientific and technical work products generated through EPA grants or cooperative agreements which, by definition, are not primarily for EPA's direct use or benefit.

39.2 Scientific Findings

39.2.1. Require that reviews regarding the content of a scientific product that are conducted by the project manager and other recipient managers and the broader management chain be based only on scientific quality considerations, e.g., the methods used are clear and appropriate, the presentation of results and conclusions is impartial.

39.2.2. Ensure scientific findings are generated and disseminated in a timely and transparent manner, including scientific research performed by employees, contractors, and program participants, who assist with developing or applying the results of scientific activities.

39.2.3. Include, when communicating scientific findings, an explication of underlying assumptions, accurate contextualization of uncertainties, and a description of the probabilities associated with both optimistic and pessimistic projections, if applicable.

39.2.4. Document the use of independent validation of scientific methods.

39.2.5. Document any independent review of the recipient's scientific facilities and testing activities, as occurs with accreditation by a nationally or internationally recognized sanctioning body.

39.2.6. Make scientific information available online in open formats in a timely manner, including access to data and non-proprietary models.

39.3 Scientific Misconduct

39.3.1. Prohibit intimidation or coercion of scientists to alter scientific data, findings, or professional opinions or non-scientific influence of scientific advisory boards. In addition, recipient employees, contractors, and program participants, including scientists, managers, and other leadership, shall not knowingly misrepresent, exaggerate, or downplay areas of scientific uncertainty.

39.3.2. Prohibit retaliation or other punitive actions toward recipient employees who uncover or report allegations of scientific and research misconduct, or who express a differing scientific opinion. Employees who have allegedly engaged in scientific or research misconduct shall be afforded the due process protections provided by law, regulation, and applicable collective bargaining agreements, prior to any action. Recipients shall ensure that all employees and contractors of the recipient shall be familiar with these protections and avoid the appearance of retaliatory actions.

39.3.3. Require all recipient employees, contractors, and program participants to act honestly and refrain from acts of research misconduct, including publication or reporting, as described in [EPA's Policy and Procedures for Addressing Research Misconduct](#), Section 9.C. Research misconduct does not include honest error or differences of opinion. While EPA retains the ultimate oversight authority for EPA-supported research, grant recipients conducting research bear primary responsibility for prevention and detection of research misconduct and for the inquiry, investigation, and adjudication of research misconduct alleged to have occurred in association with their own institution.

39.3.4. Take the actions required on the part of the recipient described in the EPA's Policy and Procedures for Addressing Research Misconduct, Sections 6 through 9, when research misconduct is suspected or found.

39.4 Additional Resources

For more information about the Scientific Integrity Policy, an introductory video can be accessed at: <https://youtu.be/FQJCy8BXXq8>. A training video is available at: <https://youtu.be/Zc0T7foot8>.

40. Post-Award Disclosure of Current and Pending Support on Research Grants

The recipient is required to notify EPA if there has been a change in support for senior/key persons since submission of its application or the last reporting period in the performance report. If there has been a change, the recipient must report the change within 30 calendar days to the EPA Project Officer. The information should also be included in the next due performance report. If there has been a change, submit a revised current and pending support form (see 'EPA Current and Pending Support'). Senior/key persons must certify that the information contained in the updated current and pending support form is current, accurate, and complete. For additional details on what information needs to be disclosed, please see NSTC Pre-award and Post-award disclosures Relating to the Biographical Sketch and Current and Pending (Other) Support at [NSTC Research Security Subcommittee NSPM-33 Implementation Guidance Disclosure Requirements & Standardization](#).

EPA may consult with the Lead/Contact PI and the Authorized Organization Representative (AOR), if necessary, to determine the impact of the new information on the EPA-funded research grant and, where necessary, take appropriate action.

If the recipient discovers that a senior/key person on an active EPA grant failed to disclose current and pending support information or provided inaccurate information as part of the proposal submission process, it must submit a revised current and pending support form (see 'EPA Current and Pending Support') to the EPA Project Officer within 30 calendar days of the identification of the undisclosed or inaccurate current and pending information.

41. Procurement of Synthetic Nucleic Acids and Benchtop Nucleic Acid Synthesis Equipment (Effective 4/26/2025)

Beginning on April 26, 2025, the recipient must procure synthetic nucleic acids and benchtop nucleic acid synthesis equipment, as defined in the [2024 Office of Science and Technology Policy \(OSTP\) Framework for Nucleic Acid Synthesis Screening \(Framework\)](#), from providers or manufacturers that attest to adhering to the Framework. The attestation may be posted on a public website or provided directly to the recipient upon request. The recipient must include this requirement in all lower tier agreements (for example subrecipients or subcontractors).

Public Policy Requirements

42. Civil Rights Obligations (Updated 4/03/2025)

This term and condition incorporates by reference the signed assurance provided by the recipient's authorized representative on: 1) EPA Form 4700-4, "Preaward Compliance Review Report for All Applicants and Recipients Requesting EPA Financial Assistance"; and 2) Certifications and Representations in SAM.gov or Standard Form 424D, as applicable.

These assurances and this term and condition obligate the recipient to comply fully with applicable civil rights statutes and implementing federal and EPA regulations.

(a) Statutory Requirements

- i. In carrying out this agreement, the recipient must comply with:
 - 1) Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color, and national origin, by entities receiving Federal financial assistance.
 - 2) Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination against persons with disabilities by entities receiving Federal financial assistance; and
 - 3) The Age Discrimination Act of 1975, which prohibits age discrimination by entities receiving Federal financial assistance.
- ii. If the recipient is an education program or activity (e.g., school, college, or university) or if the recipient is conducting an education program or activity under this agreement, it must also comply with:

- 1) Title IX of the Education Amendments of 1972, which prohibits discrimination on the basis of sex in education programs and activities operated by entities receiving Federal financial assistance. For further information about your compliance obligations regarding Title IX, see <https://www.justice.gov/crt/title-ix>
- iii. If this agreement is funded with financial assistance under the Clean Water Act (CWA), the recipient must also comply with:
 - 1) Section 13 of the Federal Water Pollution Control Act Amendments of 1972, which prohibits discrimination on the basis of sex in CWA-funded programs or activities.

(b) Regulatory Requirements

- i. The recipient agrees to comply with all applicable EPA civil rights regulations, including:
 - 1) For Title IX obligations, 40 C.F.R. Part 5; and
 - 2) For Title VI, Section 504, Age Discrimination Act, and Section 13 obligations, [40 C.F.R Part 7](#).

Note that for financial assistance awarded to any entity, including any subrecipient, in the State of Louisiana, pursuant to a permanent injunction issued by the U.S. District Court for the Western District of Louisiana, EPA will not impose any disparate-impact or cumulative-impact-analysis requirements under Title VI of the Civil Rights Act of 1964 in any pre-award assurances or terms and conditions accompanying the application for and receipt of this grant award.

- 3) The statutory and national policy requirements at [2 CFR 200.300\(a\)](#).
- 4) For Federal awards that are subject to a Federal statute prohibiting discrimination based on sex, the Federal agency or pass-through entity must ensure that the award is administered in accordance with [2 CFR 200.300](#).
- 5) As noted on the EPA Form 4700-4 signed by the recipient's authorized representative, these regulations establish specific requirements as applicable, including, but not limited to collecting, maintaining, and providing upon request compliance information, establishing grievance procedures, designating a Civil Rights Coordinator, and providing notices of non-discrimination.

(c) Title VI – Limited English Proficiency (LEP), Public Participation and Affirmative Compliance Obligation

- i. As a recipient of EPA financial assistance, you are required by Title VI of the Civil Rights Act to take reasonable steps to provide meaningful access to LEP individuals. In implementing that requirement, the recipient may refer to the EPA document entitled "Guidance to Environmental Protection Agency Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons." The Guidance can be found at: <https://www.federalregister.gov/documents/2004/06/25/04-14464/guidance-to-environmental-protection-agency-financial-assistance-recipients-regarding-title-vi>.
- ii. If the recipient is administering permitting programs under this agreement, the recipient may refer to EPA's "Title VI Public Involvement Guidance for EPA Assistance Recipients

Administering Environmental Permitting Programs.” The Guidance can be found at: <https://www.govinfo.gov/content/pkg/FR-2006-03-21/pdf/06-2691.pdf>.

- iii. In accepting this assistance agreement, the recipient acknowledges it has an affirmative obligation to implement effective federal civil rights compliance programs, as required by EPA’s nondiscrimination regulations at 40 C.F.R. Parts 5 and 7, and ensure that it does not discriminate in its programs and activities in violation of federal civil rights laws and regulations. The recipient must be prepared to demonstrate to EPA that such compliance programs exist and are being implemented, or to otherwise demonstrate how it is meeting its federal civil rights obligations. For further assistance on civil rights compliance, the recipient may refer to the EPA document entitled, “Civil Rights Guidance on Procedural Safeguards: Requirements and Best Practices.” The Guidance can be found at: <https://www.epa.gov/external-civil-rights/civil-rights-guidance-procedural-safeguards><http://www.epa.gov/system/files/documents/2024-08/civil-rights-guidance-on-procedural-safeguards-august-2024.pdf>.

43. Drug-Free Workplace

The recipient organization of this EPA assistance agreement must make an ongoing, good faith effort to maintain a drug-free workplace pursuant to the specific requirements set forth in Title [2 CFR Part 1536 Subpart B](#). Additionally, in accordance with these regulations, the recipient organization must identify all known workplaces under its federal awards and keep this information on file during the performance of the award.

Those recipients who are individuals must comply with the drug-free provisions set forth in Title [2 CFR Part 1536 Subpart C](#).

The consequences for violating this condition are detailed under Title [2 CFR Part 1536 Subpart E](#). Recipients can access the Code of Federal Regulations (CFR) Title 2 Part 1536 at www.ecfr.gov/.

44. Hotel-Motel Fire Safety

Pursuant to U.S.C. 2225a, the recipient agrees to ensure that all space for conferences, meetings, conventions, or training seminars funded in whole or in part with federal funds complies with the protection and control guidelines of the Hotel and Motel Fire Safety Act (PL 101-391, as amended). Recipients may search the Hotel-Motel National Master List at <https://apps.usfa.fema.gov/hotel/> to see if a property is in compliance, or to find other information about the Act.

45. Lobbying Restrictions

a) This assistance agreement is subject to lobbying restrictions as described below. Applicable to all assistance agreements:

- i. The chief executive officer of this recipient agency shall ensure that no grant funds awarded under this assistance agreement are used to engage in lobbying of the Federal Government or in litigation against the U.S. unless authorized under existing law. The recipient shall abide by the Cost Principles available at [2 CFR Part 200](#) which generally

prohibits the use of federal grant funds for litigation against the U.S. or for lobbying or other political activities.

- ii. The recipient agrees to comply with Title [40 CFR Part 34](#), New Restrictions on Lobbying. The recipient shall include the language of this provision in award documents for all subawards exceeding \$100,000 and require that subrecipients submit certification and disclosure forms accordingly.
- iii. In accordance with the Byrd Anti-Lobbying Amendment, any recipient who makes a prohibited expenditure under Title 40 CFR Part 34 or fails to file the required certification or lobbying forms shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.
- iv. Contracts awarded by a recipient shall contain, when applicable, the anti-lobbying provision as stipulated in the contract provisions provided in [Appendix II to Part 200](#).
- v. By accepting this award, the recipient affirms that it is not a nonprofit organization described in Section 501(c)(4) of the Internal Revenue Code of 1986 as required by Section 18 of the Lobbying Disclosure Act; or that it is a nonprofit organization described in Section 501(c)(4) of the Code but does not and will not engage in lobbying activities as defined in Section 3 of the Lobbying Disclosure Act. Nonprofit organizations exempt from taxation under section 501(c)(4) of the Internal Revenue Code that engage in lobbying activities are ineligible for EPA subawards.

b) Applicable to assistance agreements when the amount of the award is over \$100,000:

- i. By accepting this award, the recipient certifies, to the best of its knowledge and belief that:
 - 1) No Federal appropriated funds have been or will be paid, by or on behalf of the recipient, 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, or any employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the recipient shall complete and submit the linked [Standard Form -- LLL, "Disclosure Form to Report Lobbying,"](#) in accordance with its instructions.
 - 3) The recipient shall require that the language of this certification be included in the award documents for all subawards exceeding \$100,000 at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

- ii. 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 failure.

46. Recycled Paper

When directed to provide paper documents, the recipient agrees to use recycled paper and double-sided printing for all reports which are prepared as a part of this agreement and delivered to EPA. This requirement does not apply to reports prepared on forms supplied by EPA.

47. Resource Conservation and Recovery Act (Updated 4/03/2025)

Consistent with goals of section 6002 of RCRA (42 U.S.C. 6962), State and local institutions of higher education, hospitals and non-profit organization recipients agree to give preference in procurement programs to the purchase of specific products containing recycled materials, as identified in [40 CFR Part 247](#).

- a) Consistent with section 6002 of RCRA (42 U.S.C. 6962) and [2 CFR 200.323](#), the recipient or subrecipient that is a State agency or agency of a political subdivision of a State and its contractors are required to purchase certain items made from recycled materials, as identified in 40 CFR Part 247, when the purchase price exceeds \$10,000 during the course of a fiscal year or where the quantity of such items acquired in the course of the preceding fiscal year was \$10,000 or more. Pursuant to [40 CFR 247.2\(d\)](#), the recipient or subrecipient may decide not to procure such items if they are not reasonably available in a reasonable period of time; fail to meet reasonable performance standards; or are only available at an unreasonable price.

48. Trafficking in Persons

a) Provisions applicable to a recipient that is a private entity receiving funds under the award.

- i. The recipient, the recipient's employees, subrecipients under this award, and subrecipients' employees may not engage in:
 - 1) Severe forms of trafficking in persons
 - 2) The procurement of a commercial sex act during the period of time that this award or any subaward is in effect;
 - 3) The use forced labor in the performance of this award or any subaward; or
 - 4) Acts that directly support or advance trafficking in persons, including the following acts:
 - i. Destroying, concealing, removing, confiscating, or otherwise denying an employee access to that employee's identity or immigration documents;
 - ii. Failing to provide return transportation or pay for return transportation costs to an employee from a country outside the United States to the country from

c) Provisions applicable to any recipient

- i. The recipient must inform the EPA and the EPA’s Office of Inspector General immediately of any information received from any source alleging a violation of a prohibition in paragraph 48.a.i. of this award term.
- ii. The EPA’s right to terminate unilaterally that is described in paragraphs 48.a. and 48.b.:
 - 1) Implements the requirements of 22 U.S.C. Chapter 78, and
 - 2) Is in addition to all other remedies for noncompliance that are available to the EPA under this award.
- iii. The recipient must include the requirements of paragraph 48.a.1. of this award term in any subaward made to a private entity.
- iv. If applicable, the recipient must also comply with the compliance plan and certification requirements in [2 CFR 175.105\(b\)](#).

d) Definitions. For purposes of this award term:

- i. “Employee” means either:
 - 1) An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or
 - 2) Another person engaged in the performance of the project or program under this award and not compensated by the recipient 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 requirements.
- ii. “Private Entity” means any entity, including for-profit organizations, nonprofit organizations, institutions of higher education, and hospitals. The term does not include foreign public entities, Indian Tribes, local governments, or states as defined in [2 CFR 200.1](#)
- iii. The terms “severe forms of trafficking in persons,” “commercial sex act,” “sex trafficking,” “Abuse or threatened abuse of law or legal process,” “coercion,” “debt bondage,” and involuntary servitude” have the meanings given at section 103 of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. 7102).

49. Build America, Buy America – Required Use of American Iron, Steel, Manufactured Products, and Construction Materials (effective October 23, 2023, and forward)

Buy America Preference. Recipients of an award of Federal financial assistance from a program for infrastructure are hereby notified that none of the funds provided under this award may be used for an infrastructure project unless:

- (1) All iron and steel used in the project are produced in the United States—this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;
- (2) All manufactured products used in the project are produced in the United States— this means the manufactured product was manufactured in the United States; and the cost of the

components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard that meets or exceeds this standard has been established under applicable law or regulation for determining the minimum amount of domestic content of the manufactured product; and

(3) All construction materials are manufactured in the United States—this means that all manufacturing processes for the construction material occurred in the United States. The construction material standards are listed below.

Incorporation into an infrastructure project. The Buy America Preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America Preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project, but are not an integral part of the structure or permanently affixed to the infrastructure project.

Categorization of articles, materials, and supplies. An article, material, or supply should only be classified into one of the following categories: (i) Iron or steel products; (ii) Manufactured products; (iii) Construction materials; or (iv) Section 70917(c) materials. An article, material, or supply should not be considered to fall into multiple categories. In some cases, an article, material, or supply may not fall under any of the categories listed in this paragraph. The classification of an article, material, or supply as falling into one of the categories listed in this paragraph must be made based on its status at the time it is brought to the work site for incorporation into an infrastructure project. In general, the work site is the location of the infrastructure project at which the iron, steel, manufactured products, and construction materials will be incorporated.

Application of the Buy America Preference by category. An article, material, or supply incorporated into an infrastructure project must meet the Buy America Preference for only the single category in which it is classified.

Determining the cost of components for manufactured products. In determining whether the cost of components for manufactured products is greater than 55 percent of the total cost of all components, use the following instructions:

(a) For components purchased by the manufacturer, the acquisition cost, including transportation costs to the place of incorporation into the manufactured product (whether or not such costs are paid to a domestic firm), and any applicable duty (whether or not a duty-free entry certificate is issued); or

(b) For components manufactured by the manufacturer, all costs associated with the manufacture of the component, including transportation costs as described in paragraph (a), plus

allocable overhead costs, but excluding profit. Cost of components does not include any costs associated with the manufacture of the manufactured product.

Construction material standards. The Buy America Preference applies to the following construction materials incorporated into infrastructure projects. Each construction material is followed by a standard for the material to be considered “produced in the United States.” Except as specifically provided, only a single standard should be applied to a single construction material.

- (1) Non-ferrous metals. All manufacturing processes, from initial smelting or melting through final shaping, coating, and assembly, occurred in the United States.
- (2) Plastic and polymer-based products. All manufacturing processes, from initial combination of constituent plastic or polymer-based inputs, or, where applicable, constituent composite materials, until the item is in its final form, occurred in the United States.
- (3) Glass. All manufacturing processes, from initial batching and melting of raw materials through annealing, cooling, and cutting, occurred in the United States.
- (4) Fiber optic cable (including drop cable). All manufacturing processes, from the initial ribboning (if applicable), through buffering, fiber stranding and jacketing, occurred in the United States. All manufacturing processes also include the standards for glass and optical fiber, but not for non-ferrous metals, plastic and polymer-based products, or any others.
- (5) Optical fiber. All manufacturing processes, from the initial preform fabrication stage through the completion of the draw, occurred in the United States.
- (6) Lumber. All manufacturing processes, from initial debarking through treatment and planing, occurred in the United States.
- (7) Drywall. All manufacturing processes, from initial blending of mined or synthetic gypsum plaster and additives through cutting and drying of sandwiched panels, occurred in the United States.
- (8) Engineered wood. All manufacturing processes from the initial combination of constituent materials until the wood product is in its final form, occurred in the United States.

Waivers. When supported by rationale provided in IJA §70914, the recipient may submit a waiver request in writing to EPA. Recipients should request guidance on the submission instructions of an EPA waiver request from the EPA Project Officer for this agreement. A list of approved EPA waivers (general applicability and project specific) is available on the [EPA Build America, Buy America website](#).

EPA may waive the application of the Buy America Preference when it has determined that one of the following exceptions applies:

- (1) applying the Buy America Preference would be inconsistent with the public interest;
- (2) the types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or
- (3) the inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent.

For questions regarding the Build America, Buy America Act requirements for this assistance agreement or to determine if there is an approved waiver in place, please contact the EPA Project Officer for this agreement.

Definitions. For legal definitions and sourcing requirements, the recipient must consult the [EPA Build America, Buy America website](#), [2 CFR Part 184](#), and the [Office of Management and Budget's \(OMB\) Memorandum M-24-02 Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure](#).

50. Required Certifications and Consequences of Fraud

Per [2 CFR 200.415\(a\)](#), financial reports must include a certification that must be signed by an official who is authorized to legally bind the recipient which reads as follows:

“By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).”

As outlined in [2 CFR 200.415\(b\)](#), subrecipients of all tiers under the Federal award must certify to the pass-through entity whenever applying for funds, requesting payment, and submitting financial reports as follows:

“I certify to the best of my knowledge and belief that the information provided herein is true, complete, and accurate. I am aware that the provision of false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil, or administrative consequences including, but not limited to violations of U.S. Code Title 18, Sections 2, 1001, 1343 and Title 31, Sections 3729-3730 and 3801-3812.”

The certifications must be maintained in accordance with the record retention requirements at [2 CFR 200.334](#).

51. Reporting Waste, Fraud and Abuse

Consistent with [2 CFR 200.113](#), the recipient and any subrecipients of this award must promptly report in writing whenever there is credible evidence of the commission of a violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code or a violation of the civil False Claims Act (31 U.S.C. 3729-3733) to the EPA Project Officer, the pass-through entity (if applicable), and the [EPA Office of Inspector General \(OIG\)](#). The methods to contact the EPA OIG are (1) online submission via the [EPA OIG Hotline Complaint](#)

[Form](#); (2) email to OIG_Hotline@epa.gov; (3) phone 1-888-546-8740; or (4) mail directed to Environmental Protection Agency, Office of Inspector General, 1200 Pennsylvania Avenue, N.W. (2410T), Washington, DC 20460.

To support awareness of the OIG hotline, recipients and/or subrecipients receiving an EPA award or subaward of \$1,000,000 or more must display EPA OIG Hotline posters in facilities where the work is performed under the grant. EPA OIG Hotline posters may be [downloaded or printed](#) or may be obtained by contacting the OIG at 1- 888-546-8740. Recipients and subrecipients need not comply with this requirement if they have established a mechanism, such as a hotline, by which employees may report suspected instances of improper conduct and have provided instructions that encourage employees to make such reports.

Recipients and subrecipients are also required to report matters related to recipient integrity and performance in accordance with [Appendix XII to 2 CFR Part 200](#).

52. Whistleblower Protections

This award is subject to whistleblower protections, including the protections established at 41 U.S.C. 4712 and [2 CFR 200.217](#) providing that an employee of the recipient or subrecipient may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in paragraph (a)(2) of 41 U.S.C. 4712 information that the employee reasonably believes is evidence of gross mismanagement of a Federal contract or grant, a gross waste of Federal funds, an abuse of authority relating to a Federal contract, grant, or subaward, 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), grant. These covered persons or bodies include:

- a. A member of Congress or 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 of 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.

Consistent with 41 U.S.C. 4712(d), the recipient and subrecipients must inform their employees in writing, in the predominant language of the workforce or organization, of employee whistleblower rights and protections under 41 U.S.C. 4712. Additional information about whistleblower protections, including protections for such employees may be found at the [EPA Office of Inspector General's Whistleblower Protection page](#).

53. Access to Records

In accordance with [2 CFR 200.337](#), EPA, the pass-through entity, the EPA Office of Inspector General (OIG), and the Comptroller General of the United States have the right to access any records of the recipient and subrecipient pertinent to this award, to perform audits, execute site visits, or for any other official use. This right of access also includes timely and reasonable access to the recipient and subrecipient's personnel for the purpose of interview and discussion related to such documents or the Federal award in general. This right of access shall continue as long as the records are retained.

54. Federal Anti-Discrimination Laws (Added 4/03/2025; Updated 8/25/2025)

This term and condition applies to all new awards and funding amendments (incremental and supplemental) made on or after April 3, 2025.

By accepting this EPA financial assistance agreement, (A) the recipient agrees that its compliance in all respects with all applicable Federal anti-discrimination laws is material to the government's payment decisions for purposes of section 3729(b)(4) of title 31, United States Code; and (B) the recipient certifies that it does not operate any programs violating any applicable Federal anti-discrimination law or promoting any such violation.

EXHIBIT H

AGREEMENT NO. _____
EPA GRANT NO. 5Y-97T27601
SUBRECIPIENT AGREEMENT BETWEEN
THE CITY OF LOS ANGELES AND
COMPANY NAME

THIS SUBRECIPIENT AGREEMENT (hereinafter “Subrecipient Agreement” or “Agreement”) is made and entered into by and between the CITY OF LOS ANGELES, a municipal corporation (“City”), acting by and through its Board of Harbor Commissioners (“Board”) and COMPANY NAME, a [entity type], [business address] (hereinafter “Subrecipient”).

Whereas, the Clean Truck Program (“CTP”), one of the key components of the Clean Air Action Plan (“CAAP”), focuses on improving air quality in the ports of Los Angeles and Long Beach (“Ports”) by incentivizing the industry to replace older heavy-duty drayage trucks with lower emission heavy-duty drayage trucks. On November 2, 2017, the Ports adopted the 2017 CAAP Update, which includes further advancing the CTP to help the industry phase out older trucks and transition to the CAAP goal of 100% ZE drayage trucks by 2035;

Whereas, on November 4, 2021, the Board adopted a tariff setting a Clean Truck Fund Rate (“CTF Rate”) of \$10/TEU to be charged on containerized cargo moved by truck at Harbor Department terminals with Rate exemptions for cargo moved by zero emissions trucks and low NOx trucks, as defined therein, and the Board approved Resolution No. 21-7318, authorizing CTF Spending Plan priorities of 100% funding for zero emission trucks and related infrastructure;

WHEREAS, the U.S. Environmental Protection Agency (“EPA”) awarded the City of Los Angeles Harbor Department (“Department” or “Port”) a grant in the amount of \$411,688,296 under the EPA 2024 Clean Ports Program (“CPP”), with a match/cost share of \$232,523,864 for total project funding of \$644,212,160; and

WHEREAS, the EPA Grant includes \$50 million for the Port’s CPP Project to assist trucking companies in the purchasing up to 250 Zero-Emissions trucks to provide drayage services at the Port of Los Angeles (“POLA”);

WHEREAS, on (Day, Month), 2026, the City published a Request for Proposals (“RFP”) for the Zero Emission Truck Purchasing Incentive Project (“Project”) and after an evaluation of all proposals received, Subrecipient was selected for a total grant amount of _____ (\$ _____), consisting of _____ (\$ _____) in EPA Grant Agreement funds and _____ (\$ _____) in CTF Rate funding to purchase _____ (##) Zero Emission trucks;

WHEREAS, the Board hereby approves the use of CTF Rate funds for the Project as set forth herein;

WHEREAS, the EPA CPP Grant and the Port's CTF Rate funds awarded to Subrecipient will fund a portion of Subrecipient's expenditures to purchase the Zero Emissions trucks from an Original Equipment Manufacturer ("OEM") partner;

WHEREAS, Subrecipient has read and agrees to comply with all terms and conditions of this Subrecipient Agreement and of the EPA Grant Agreement, including providing the required minimum number of Drayage Service Trips to the Port of Los Angeles and complying with the reporting requirements set forth herein regarding Grant Vehicle performance and Subrecipient's overall Project experience;

WHEREAS, Subrecipient has a Port of Los Angeles Concession Agreement and is a Concessionaire in good standing thereunder; and

WHEREAS, Subrecipient shall be responsible for completing their obligations for receiving the Grant Funds as set forth herein and pursuant to the terms of this Subrecipient Agreement and the EPA Grant Agreement;

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1. DEFINITIONS

The following terms are defined as set forth herein for purposes of this Agreement:

"Concession Agreement" means the Port of Los Angeles Concession Agreement and any other successor agreement between Grantee and the City containing the terms and conditions of Subrecipient's access to the Harbor Department's terminals for delivery of drayage services under the Clean Trucks Program.

"Drayage Service Period" means a three year period during the term of this Agreement beginning on the date a Grant Vehicle starts Drayage Service and during which time Subrecipient shall complete the minimum number of Drayage Service trips required by this Agreement.

"Drayage Service" means transporting containers and/or other cargo to or from marine terminals located at the Port of Los Angeles.

"Drayage Service Trip" means a single trip by a Grant Vehicle that consists of one entry and one exit from a marine terminal located at the Port of Los Angeles.

"Drayage Truck" means an in-use On-Road Vehicle with a Gross Vehicle Weight Rating greater than 33,000 pounds (Class 8) that pulls a trailer or chassis used for

transporting cargo, operating on or transiting through the Port of Los Angeles for the purpose of loading, unloading or transporting cargo, empty containers or chassis.

“EPA Grant Agreement” and *“Grant Agreement”* means the U.S. Environmental Protection Agency (EPA) Grant Agreement Number 5Y-97T27601, dated 11/26/2024, awarding the City of Los Angeles \$411,688,296 for the Inflation Reduction Act – Clean Ports Program (“CPP”), and of such funding \$50,000,000 has been awarded to fund the Grants awarded pursuant to the Zero Emission Truck Purchasing Incentive Project. The EPA Grant Agreement, approved by the Board of Harbor Commissioners on January 16, 2025, is attached hereto as Exhibit A and hereby made a part of this Subrecipient Agreement.

“Grant” and *“Grant Funds”* means the combined funds from the EPA Grant Agreement and the City’s CTF Rate funds awarded by this Agreement to Subrecipient for the purchase of the Grant Vehicle(s).

“Grant Vehicle” means the Zero Emission heavy-duty truck(s) to be purchased by Subrecipient from the Original Equipment Manufacturer(s) set forth in Subrecipient’s Proposal and by this Agreement approved for Grant funding.

“Port of Los Angeles” means the marine terminals located in the City’s Harbor District and commonly referred to as the Port of Los Angeles.

“Term” means the time period as defined in Section 2 of this Agreement.

“Zero Emission Truck” means a Drayage Truck that meets the definition of “Zero Emission Vehicle” in the CARB Advanced Clean Truck Regulation, “an on-road vehicle with a drivetrain that produces zero exhaust emission of any criteria pollutant (or precursor pollutant) or greenhouse gas under any possible operational modes or conditions.”

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2. EFFECTIVE DATE, TERM AND TERMINATION OF AGREEMENT

A. Subject to the provisions of Charter Section 245, the effective date of this Agreement shall be the date of its execution by the Harbor Department’s Executive Director (“Executive Director”) upon authorization of the Board (“Effective Date”). Subrecipient is aware that the City Council, pursuant to Charter Section 245 of the City of Los Angeles, has the right to review this Agreement. Accordingly, in no event shall this Agreement become effective until the expiration of the fifth Council meeting day after Board action or the City Council’s approval of the Agreement.

B. This Agreement shall be in full force and effect commencing from the Effective Date for a period of five (5) years unless the Agreement is earlier terminated as section forth in Section 2(C) (“Term”).

C. This Agreement may be terminated prior to the end of the Term if one of the following occurs:

1. The Board of Harbor Commissioners, in its sole discretion, terminates all or part of this Agreement for any reason upon giving Subrecipient ten (10) days' notice in writing of its election to terminate this Agreement. Concurrently with said termination, the City shall notify Subrecipient of any obligation to return all or any portion of the Grant Funds to the City. The City shall also notify Subrecipient whether Subrecipient is required to comply with any reporting and recordkeeping requirements after termination of the Agreement; or

2. If Subrecipient requests termination of the Agreement, such request shall be provided to City in writing setting forth the reasons for the request to terminate. If the Board of Harbor Commissioners accepts the termination request, the City shall provide written notice to Subrecipient of the amount, if any, of the Grant Funds that Subrecipient is obligated to return to the City and whether Subrecipient is required to comply with any reporting and recordkeeping requirements after termination of the Agreement.

3. REQUIREMENTS FOR SUBRECIPIENT TO RECEIVE GRANT FUNDS

A. RFP Response Package. Subrecipient's Proposal ("Proposal"), dated [DATE], is attached hereto as Exhibit B and incorporated herein as part of this Agreement. Subrecipient represents and warrants that all information set forth in the Proposal is complete, true and accurate, and Subrecipient shall immediately advise the City in writing if any information in the Proposal changes or ceases to be complete, true or accurate.

B. Grant Vehicles. Subrecipient's Proposal is hereby approved to receive Grant funds to assist with the purchase of the Grant Vehicles listed in Exhibit B. Subrecipient represents and warrants that the Grant Vehicles comply in all aspects with the requirements of this Agreement and the EPA Grant Agreement.

C. Certificate of Title – Lienholder Status. Subrecipient shall cause the "HARBOR DEPARTMENT, CITY OF LOS ANGELES" to be identified as lienholder on the certificate of title for every Grant Vehicle(s) purchased using Grant funds. It is a material requirement of this Agreement that the City be identified as a lienholder on each Grant Vehicle's certificate of title for the Term of this Agreement, unless and until the Executive Director agrees in writing to accommodate Subrecipient's financing for any Grant Vehicles as provided in Section 3(D) of this Agreement.

D. Vehicle Financing. If, during the Term of this Agreement, Subrecipient obtains a loan or other financing for any portion of the purchase price

of any Grant Vehicle, or if any loan or other obligation shall be secured by any interest in any Grant Vehicle, then Subrecipient shall do all of the following;

1. Provide a copy of such loan or financing documents to the City;

2. Cause the lender, financier or secured party to (A) acknowledge the City's security interest in such Grant Vehicle, (B) agree to give notice to the City of any default by Subrecipient in its representations, warranties or obligations with respect to such loan, financing or other obligation, and (C) agree to give notice to the City prior to releasing its security interest in such Grant Vehicle. Upon the release of such security interest, at the City's request, Subrecipient shall cause the "HARBOR DEPARTMENT, CITY OF LOS ANGELES" to be identified as lienholder on the certificate of title for such Grant Vehicle and, following any such request, the "HARBOR DEPARTMENT, CITY OF LOS ANGELES" shall continue to be so named as lienholder for the remaining Term of this Agreement; and

3. Authorize the City to pay (but with no obligation on the City to pay) each Grant directly to such lender, financier or secured party.

E. Tax Reporting. Subrecipient understands and agrees that any Grant Funds awarded under this Agreement to purchase the Grant Vehicle(s) is subject to taxation and the City will issue an IRS Form 1099 to the Subrecipient/Payee and will report the applicable tax information to the California Franchise Tax Board and the federal Internal Revenue Service.

4. GRANT PAYMENT

A. City shall reimburse Subrecipient the funding amounts set forth in Exhibit B. The parties acknowledge that the timing requirements of the Project shall obligate the Subrecipient to make expenditures to purchase the Grant Vehicle(s) prior to any Grant Funds disbursements by the City.

B. The maximum amount to be disbursed to Grantee pursuant to this Agreement shall be _____ Dollars (\$ _____), which payments shall be made in accordance with Exhibit B. Subrecipient shall not use more than three hundred thousand dollars (\$300,000) or 80% of the total cost for the purchase of each Grant Vehicle whichever is the lower amount. Subrecipient shall return to City any Grant Funds remaining and unused after the purchase of the Grant Vehicle(s) set forth in Exhibit B.

C. Subrecipient shall submit an invoice for each Grant Vehicle for which Grant funding is requested. Each invoice shall be signed by the Subrecipient and shall include the following certification:

"I certify under penalty of perjury that the above invoice is just and correct according to the terms of Agreement No. _____ and that payment has

not been received. I further certify that I have complied with the provisions of the City's Living Wage Ordinance.

Subrecipient signature

D. Subrecipient shall include on the face of each itemized invoice its Business Tax Registration Certificate number. The City shall not be required to process an invoice for reimbursement unless Subrecipient's BTRC number is shown thereon. All invoices for reimbursement found to be in order shall be paid as soon as, in the ordinary course of City business, the same may be approved, audited and paid.

E. In addition to Grant Vehicle invoice(s), Subrecipient shall deliver to the City the following documents for each Grant Vehicle:

1. A copy of the final bill of sale;
2. The certificate of title reflecting City as a lienholder, or documentation meeting the requirements for financed Grant Vehicle(s), as set forth in Section 3D;
3. A copy of any loan or financing documents required under Section 3D, if the Grant Vehicle was partially or fully financed;
4. The State of California registration documents for the Grant Vehicle;
5. A copy of the Grant Vehicle's insurance certificate or other evidence of insurance acceptable to the City; and
6. A copy of the Grant Vehicle's federal Annual Vehicle Inspection Report as required by Section 6H.

F. Subrecipient shall provide to the City any additional information or documents as the City may reasonably request to verify compliance with the terms of the EPA Grant Agreement and this Agreement, and City's release of Grant funds to Subrecipient may be withheld until such additional information or documents are provided to the City.

G. The Executive Director or his designee shall provide to Subrecipient written instructions for the submission of invoices after the Effective Date of this Agreement.

5. SECURITY INTEREST

By entering into this Agreement, Subrecipient grants to the City a continuing security interest in all of Grantee's rights, title and interests (whether now owned and existing or hereafter acquired or arising) in and to each Grant Vehicle and all proceeds and products thereof and accessions thereto (collectively, the "Collateral"). Subrecipient shall comply with Sections 3C and 3D for all Grant Vehicle(s) and as a lienholder, City is hereby authorized to file financing statements, and take such other actions, as City may require to perfect its security interests in the Collateral.

6. SUBRECIPIENT OBLIGATIONS DURING THE TERM OF THE AGREEMENT

A. Subrecipient Scope of Work. Subrecipient shall, to the satisfaction of City and in accordance with the terms of the Grant Agreement, this Agreement and in compliance with all applicable local, state and federal rules and requirements, complete the Scope of Work set forth in Exhibit C, attached hereto and made a part of this Agreement.

During the Term of this Agreement, Subrecipient shall submit a written request to, and obtain written approval from, the Executive Director or his or her designee to change or modify the Scope of Work described in Exhibit C. Changes or modifications to Exhibit C performed by Subrecipient that are not approved and accepted in writing by the Executive Director shall be considered a breach of this Agreement.

B. Drayage Truck Registry and Drayage Service. Within 18 (eighteen months) of the Effective Date of this Agreement, Subrecipient shall do the following:

1. Acquire title to the Grant Vehicle(s) specified in Exhibit B;
2. Register the Grant Vehicle(s) in the State of California's Drayage Truck Registry and the Port Drayage Truck Registry; and
3. Place the Grant Vehicle(s) into Drayage Service.

C. Drayage Service Trips to San Pedro Bay Ports. Subrecipient shall make at least one hundred (100) Drayage Service Trips with each Grant Vehicle per year, for a total of at least three hundred (300) Drayage Service Trips over a three-year Drayage Service Period. The Drayage Service Trips shall be made in compliance with the EPA Agreement, this Agreement and all applicable POLA Tariff rules, including Tariff No. 4 and its requirements.

D. Inspection of Grant Vehicles and Records. Subrecipient shall, during the term of this Agreement allow the City or its designated representative(s) to

inspect each Grant Vehicle and/or records relating to each Grant Vehicle in compliance with Section 10 of this Agreement.

E. California Registration. During the Term of the Agreement, each Grant Vehicle shall have California base plate registration. Dual plates, International Registration Plan (IRP), and any other out-of-state registrations are prohibited.

F. Concession Agreement. During the Term of the Agreement, Subrecipient shall comply with terms and conditions of Subrecipient's Concession Agreement between the City and Subrecipient.

G. Reporting. Subrecipient shall submit reports on the Grant Vehicle(s) as required by Exhibit B.

H. Maintenance and Equipment Warranty. Subrecipient shall deliver to the City a copy of the federal Annual Inspection Report (49 CFR Part 396) for each Grant Vehicle conducted within twelve months prior to or one month following the date of purchase for each Grant Vehicle. Subrecipient shall maintain each Grant Vehicle in good operating condition and according to the manufacturer's recommendations and in such condition to ensure the warranties on each Grant Vehicle remain in effect for the term thereof.

7. DEFAULT

The occurrence of one or more of the following events shall constitute a default by Subrecipient (each a "Default"):

A. Any Grant Vehicle is declared a total loss, stolen or non-operational such that the Grant Vehicle cannot be used to perform Drayage Service Trips;

B. Subrecipient fails to comply with any requirement under this Agreement, including but not limited to: (i) ensuring that the certificate of title of every Grant Vehicle shows HARBOR DEPARTMENT, CITY OF LOS ANGELES as lienholder; (ii) registering every Grant Vehicle in the State or Port Drayage Truck Registry; (iii) operating every Grant Vehicle as required by this Agreement; (iv) submitting all required documentation for each Grant Vehicle; (v) assigning the Agreement or a Grant Vehicle in violation of Section 15;

C. Subrecipient fails to use the Grant funds to purchase any Grant Vehicle in accordance with this Agreement;

D. Subrecipient fails to maintain or submit documentation as required by this Agreement or if Subrecipient submits any documentation that is materially incorrect or incomplete;

E. Subrecipient makes any representation, warranty or statement in connection with this Agreement that is false or misleading in any material respect;

F. Subrecipient defaults under its Concession Agreement with the City;

G. Subrecipient defaults on any loan or other obligation secured by any interest in any Grant Vehicle.

8. PROCEDURE AND REMEDIES FOR DEFAULT

A. Default Procedures. The following procedures apply in the event of any Default of the Agreement:

1. The Executive Director may issue a written notice to Subrecipient when the Executive Director has evidence that Subrecipient may have defaulted as set forth in Section 7 of this Agreement (“Notice of Default”).

2. A Notice of Default shall (i) be in writing and signed by the Executive Director, (ii) state in detail the nature of the Default, (iii) state whether the Subrecipient may cure the Default and if so, how, (iv) the time period in which the Default must be cured, (v) the Remedy or Remedies that may be imposed if the Default is not cured within the time permitted.

3. Notices of Default shall be delivered as set forth in Section 21 of this Agreement.

B. Remedies. In the event Subrecipient fails to cure a Default, the Executive Director may recommend Remedies to the Board for their consideration. Remedies may include but shall not be limited to:

1. Recovery of any or all the Grant provided under this Agreement;

2. Termination of the Agreement;

3. Prohibiting Subrecipient from participating in the Clean Trucks Program, any future grants, or other incentive programs of the City;

4. Repossession of Grant Vehicle(s);

5. Declaring Subrecipient in default under Subrecipient’s Concession Agreement with the City; or

6. Any other rights and remedies the City may have under applicable law or in equity.

Waiver of Defaults, if any, shall be in compliance with Section 31 of this Agreement.

9. EMISSION REDUCTION CREDITS

Any emissions reduction credits generated by the Grant Vehicle or work performed pursuant to this Agreement cannot be used or claimed by Subrecipient or an OEM for any purpose. Any emission reduction credit(s) related to this Agreement shall be the exclusive property of the City and Subrecipient shall assist the City to facilitate the requirement.

10. RECORDKEEPING AND AUDIT RIGHTS

A. Subrecipient shall keep and maintain full, complete and accurate records for each Grant Vehicle containing all information reasonably necessary to evidence compliance with the requirements of the EPA Grant Agreement and this Agreement, including but not limited to Drayage Service Trips, insurance, registration, maintenance/repairs, and any other available information regarding each Grant Vehicle purchased pursuant to this Agreement ("Records"). Subrecipient shall make Records readily accessible to and open for inspection and copying by the City or its designated representative upon request. If Subrecipient is unable to retain Records as required by this Section, Subrecipient may request in writing to transmit all Records to City for retention.

B. Subrecipient shall maintain Records for whichever of the following time periods is longest;

1. Three (3) years after Subrecipient completes its obligations for each Grant Vehicle as required by this Agreement;
2. As required by Section 2(C) of this Agreement in the event of Termination;
3. As required by the EPA Grant Agreement; or
4. Until all disputes, appeals, litigation or claims arising from this Agreement or the EPA Grant Agreement have been resolved.

11. INDEPENDENT CONTRACTOR

Subrecipient, in the performance of the work required by this Agreement, is an independent contractor and not an agent or employee of City. Subrecipient shall not represent itself as an agent or employee of the City and shall have no power to bind the City in contract or otherwise.

12. BUSINESS TAX REGISTRATION CERTIFICATE

The City of Los Angeles Office of Finance requires the implementation and enforcement of Los Angeles Municipal Code Section 21.09 et seq. This Code Section provides that every person, other than a municipal employee, who engages in any business within the City of Los Angeles, is required to obtain the necessary Business Tax Registration Certificate (“BTRC”) and pay business taxes. Subrecipient, in conducting business within the City of Los Angeles pursuant to this Agreement shall obtain a BTRC from the City. See [Business Tax Registration Certificate | LA Business Portal](#).

13. INDEMNIFICATION

Except for the sole negligence or willful misconduct of the City, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, Subrecipient undertakes and agrees to defend, indemnify and hold harmless the City and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including Subrecipient’s employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct by Subrecipient or its subcontractors of any tier related to the performance of the Project pursuant to this Agreement. Rights and remedies available to the City under this provision are cumulative of those provided for elsewhere in this Agreement and those allowed under the laws of the United States, the State of California, and the City.

14. INSURANCE

A. In addition to and not as a substitute for, or limitation of, any of the indemnity obligations imposed by Section 13, Subrecipient shall procure and maintain at its sole cost and expense and keep in force at all times during the term of this Agreement the following insurance:

1. Commercial General Liability Insurance

Commercial general liability insurance covering personal and advertising injury, bodily injury, and property damage providing contractual liability, independent contractors, products and completed operations, and premises/operations coverage written by an insurance company authorized to do business in the State of California rated VII, A- or better in Best’s Insurance Guide (or an alternate guide acceptable to City if Best’s is not available) within Subrecipient’s normal limits of liability but not less than Five Million Dollars

(\$5,000,000) combined single limit for injury or claim. Said limits shall provide first dollar coverage except that Executive Director may permit a self-insured retention or self-insurance in those cases where, in his or her judgment, such retention or self-insurance is justified by the net worth of Subrecipient. The retention or self-insurance provided shall provide that any other insurance maintained by the Harbor Department shall be excess of Subrecipient's insurance and shall not contribute to it. In all cases, regardless of any deductible or retention, said insurance shall contain a defense of suits provision and a severability of interest clause. Each policy shall name the City of Los Angeles Harbor Department, its officers, agents and employees as Primary additional insureds.

2. Automobile Liability Insurance

Automobile liability insurance written by an insurance company authorized to do business in the State of California rated VII, A- or better in Best's Insurance Guide (or an alternate guide acceptable to City if Best's is not available) within Subrecipient's normal limits of liability but not less than Five Million Dollars (\$5,000,000) covering damages, injuries or death resulting from each accident or claim arising out of any one claim or accident. Said insurance shall protect against claims arising from actions or operations of the insured, or by its employees. Coverage shall contain a defense of suits provision. Each policy shall name the City of Los Angeles Harbor Department, its officers, agents and employees as Primary additional insureds.

3. Workers' Compensation and Employer's Liability

Where applicable, Subrecipient shall comply with the provisions of Section 3700 of the California Labor code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that Subrecipient shall comply with such provisions before commencing the performance of the tasks under this Agreement. Coverage for claims under U.S. Longshore and Harbor Workers' Compensation Act, if required under applicable law, shall be included. Subrecipient shall submit Workers' Compensation policies whether underwritten by the state insurance fund or private carrier, which provide that the public or private carrier waives its right of subrogation against the City in any circumstance in which it is alleged that actions or omissions of the City contributed to the accident. Such Worker's Compensation and occupational disease requirements shall include coverage for all employees of Subrecipient, and for all employees of any subcontractor or other vendor retained by Subrecipient.

B. Insurance Procured by Subrecipient on Behalf of City

In addition to and not as a substitute for, or limitation of, any of the indemnity obligations imposed by Section 13, and where Subrecipient is required to name the City of Los Angeles Harbor Department, its officers, agents and employees as

Primary additional insureds on any insurance policy required by this Agreement, Subrecipient shall cause City to be named as an additional insured on all policies it procures in connection with this Section 14. Subrecipient shall cause such additional insured status to be reflected in the original policy or by additional insured endorsement (CG 2010 or equivalent) substantially as follows:

"Notwithstanding any inconsistent statement in the policy to which this endorsement is attached, or any endorsement or certificate now or hereafter attached hereto, it is agreed that City, Board, their officers, agents and employees, are additional insureds hereunder, and that coverage is provided for all contractual obligations, operations, uses, occupations, acts and activities of the insured under Agreement No. ____, and under any amendments, modifications, extensions or renewals of said Agreement regardless of where such contractual obligations, operations, uses, occupations, acts and activities occur.

"The policy to which this endorsement is attached shall provide a 10-days' notice of cancellation for nonpayment of premium, and a 30-days' notice of cancellation for any other reasons to the Risk Manager.

"The coverage provided by the policy to which this endorsement is attached is primary coverage and any other insurance carried by City is excess coverage;

"In the event of one of the named insured's incurring liability to any other of the named insureds, this policy shall provide protection for each named insured against whom claim is or may be made, including claims by other named insureds, in the same manner as if separate policies had been issued to each named insured. Nothing contained herein shall operate to increase the company's limit of liability; and

"Notice of occurrences or claims under the policy shall be made to the Risk Manager of City's Harbor Department with copies to the City Attorney's Office."

C. Required Features of Coverages

Insurance procured by Subrecipient in connection with this Section 14 shall include the following features:

1. Acceptable Evidence and Approval of Insurance

Electronic submission is the required method of submitting Subrecipient's insurance documents. Subrecipient's insurance broker or agent shall register with the City's online insurance compliance system **KwikComply** at

<https://kwikcomply.org/> and submit the appropriate proof of insurance on Subrecipient's behalf.

Upon request by City, Subrecipient shall furnish a copy of the binder of insurance and/or a full certified policy for any insurance policy required herein. This obligation is intended to, and shall, survive the expiration or earlier termination of this Agreement.

2. Carrier Requirements

All insurance which Subrecipient is required to provide pursuant to this Agreement shall be placed with insurance carriers authorized to do business in the State of California and which are rated A-, VII or better in Best's Insurance Guide. Carriers without a Best's rating shall meet comparable standards in another rating service acceptable to City.

3. Notice of Cancellation

For each insurance policy described above, Subrecipient shall give a 10-day prior notice of cancellation or reduction in coverage for nonpayment of premium, and a 30-day prior notice of cancellation or reduction in coverage for any other reason, by written notice via registered mail and addressed to the City of Los Angeles Harbor Department, Attn: Risk Manager and the City Attorney's Office, 425 S. Palos Verdes Street, San Pedro, California 90731.

4. Modification of Coverage

Executive Director, at his or her sole reasonable discretion, based upon recommendation of independent insurance consultants to City, may increase or decrease amounts and types of insurance coverage required hereunder at any time during the term hereof by giving ninety (90) days' prior written notice to Subrecipient.

5. Renewal of Policies

At least thirty (30) days prior to the expiration of any policy required by this Agreement, Subrecipient shall renew or extend such policy in accordance with the requirements of this Agreement and direct their insurance broker or agent to submit to the City's online insurance compliance system **KwikComply** at <https://kwikcomply.org/> a renewal endorsement or renewal certificate or, if new insurance has been obtained, evidence of insurance as specified above. If Subrecipient neglects or fails to secure or maintain the insurance required above, Executive Director may, at his or her own option but without any obligation, obtain such insurance to protect City's interests. The City may seek reimbursement for the cost of such insurance from Subrecipient.

6. Limits of Coverage

If Subrecipient maintains higher limits than the minimums required by this Agreement, City requires and shall be entitled to coverage for the higher limits maintained by Subrecipient. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to City.

D. Right to Self-Insure

Upon written approval by the Executive Director, Subrecipient may self-insure if the following conditions are met:

1. Subrecipient has a formal self-insurance program in place prior to execution of this Agreement. If a corporation, Subrecipient must have a formal resolution of its board of directors authorizing self-insurance.

2. Subrecipient agrees to protect the City, its boards, officers, agents and employees at the same level as would be provided by full insurance with respect to types of coverage and minimum limits of liability required by this Agreement.

3. Subrecipient agrees to defend the City, its boards, officers, agents and employees in any lawsuit that would otherwise be defended by an insurance carrier.

4. Subrecipient agrees that any insurance carried by Department is excess of Subrecipient's self-insurance and will not contribute to it.

5. Subrecipient provides the name and address of its claims administrator.

6. Subrecipient submits its most recently filed 10-Q and its 10-K or audited annual financial statements for the three most recent fiscal years prior to Executive Director's consideration of approval of self-insurance and annually thereafter.

7. Subrecipient agrees to inform Department in writing immediately of any change in its status or policy which would materially affect the protection afforded Department by this self-insurance.

8. Subrecipient has complied with all laws pertaining to self-insurance.

E. Accident Reports

Subrecipient shall report in writing to Executive Director within fifteen (15) calendar days after it, its officers or managing agents have knowledge of any accident or occurrence involving death of or injury to any person or persons, or damage in excess of Five Hundred Dollars (\$500.00) to property, occurring upon the premises, or elsewhere within the Port of Los Angeles if Subrecipient's officers, agents or employees are involved in such an accident or occurrence. Such report shall contain to the extent available (1) the name and address of the persons involved, (2) a general statement as to the nature and extent of injury or damage, (3) the date and hour of occurrence, (4) the names and addresses of known witnesses, and (5) such other information as may be known to Subrecipient, its officers or managing agents.

15. ASSIGNMENT BY SUBRECIPIENT PROHIBITED

Subrecipient shall not assign, sell, lease, transfer, license or subcontract ("collectively referred to hereinafter as "assign" or "assignment") any rights or obligations under this Agreement without the prior written consent of the City. Any attempt to assign, or actual assignment of, this Agreement or its rights and obligations thereunder to a third party shall be a default by Subrecipient of this Agreement, subject to the default remedies set forth in Section 8 of this Agreement.

Grantee shall not assign, sell, lease or otherwise dispose of any interest in a Grant Vehicle purchased using Grant funds. Any such attempt shall be considered a default and subject to the default remedies set forth in Section 8 of this Agreement.

If Subrecipient uses Subconsultants they shall be deemed to be Subrecipient's agents. Subconsultants' performance of any part of the Project, where authorized, shall not be deemed to release Subrecipient from its obligations under this Agreement or to impose any obligation on the City to such subconsultant(s) or give the subconsultant(s) any rights against the City.

16. CONFLICT OF INTEREST

It is hereby understood and agreed that the parties to this Agreement have read and are aware of the provisions of Section 1090 et seq. and Section 87100 et seq. of the California Government Code relating to conflict of interest of public officers and employees, as well as the Los Angeles Municipal Code (LAMC) Municipal Ethics and Conflict of Interest provisions of Section 49.5.1 et seq. and the Conflict of Interest Codes of the City and the Department. All parties hereto agree that they are unaware of any financial or economic interest of any public officer or employee of City relating to this Agreement. Notwithstanding any other provision of this Agreement, it is further understood and agreed that if such financial interest does exist at the inception of this Agreement, City may immediately terminate this Agreement by giving written notice thereof.

17. COMPLIANCE WITH APPLICABLE LAWS

Subrecipient shall at all times in the performance of its obligations comply with all applicable laws, statutes, ordinances, rules and regulations, and with the reasonable requests and directions of Executive Director.

18. GOVERNING LAW / VENUE

This Agreement shall be governed by and construed in accordance with the laws of the State of California, without reference to the conflicts of law, rules and principles of such State. The parties agree that all actions or proceedings arising in connection with this Agreement shall be tried and litigated exclusively in the State or Federal courts located in the County of Los Angeles, State of California, in the judicial district required by court rules.

19. TRADEMARKS, COPYRIGHTS, AND PATENTS

Subrecipient agrees to save, keep, hold harmless, protect and indemnify the City and any of its officers or agents from any damages, cost, or expenses in law or equity from infringement of any patent, trademark, service mark or copyright of any person or persons, or corporations in consequence of the use by City of any materials supplied by Subrecipient in the performance of this Agreement.

20. CONFIDENTIALITY

The data, documents, reports, or other materials which contain information relating to the review, documentation, analysis and evaluation of the work described in this Agreement and any recommendations made by Subrecipient relative thereto shall be considered confidential and shall not be reproduced, altered, used or disseminated by Subrecipient or its employees or agents in any manner except and only to the extent necessary in the performance of the work under this Agreement. In addition, Subrecipient is required to safeguard such information from access by unauthorized personnel.

21. NOTICES

In all cases where written notice is to be given under this Agreement, service shall be deemed sufficient if said notice is deposited in the United States mail, postage prepaid. When so given, such notice shall be effective from the date of mailing of the same.

For the purposes hereof, unless otherwise provided by notice in writing from the respective parties, notice to Subrecipient shall be sent to the address set forth above and notice to the City shall be addressed as follows:

City of Los Angeles Harbor Department

Environmental Management Division
Clean Truck Program, Grant Administrator
P.O. Box 151, San Pedro, California 90733-0151

Nothing herein contained shall preclude or render inoperative service of such notice in the manner provided by law.

22. TAXPAYER IDENTIFICATION NUMBER (TIN)

The Internal Revenue Service (IRS) requires that all consultants provide a TIN to the party that pays them. Subrecipient declares that it has an authorized TIN which shall be provided to the Department prior to payment under this Agreement. No payments will be made under this Agreement without a valid TIN.

23. COMPLIANCE WITH LOS ANGELES CITY CHARTER SECTION 470(c)(12)

The Subrecipient, subconsultants, and their Principals are obligated to fully comply with City of Los Angeles Charter Section 470(c)(12) and related ordinances, regarding limitations on campaign contributions and fundraising for certain elected City officials or candidates for elected City office if the agreement is valued at \$100,000 or more and requires approval of a City elected official. Additionally, Subrecipient is required to provide and update certain information to the City as specified by law. Any Subrecipient subject to Charter Section 470(c)(12), shall include the following notice in any contract with a subconsultant expected to receive at least \$100,000 for performance under this Agreement:

Notice Regarding Los Angeles Campaign Contribution and Fundraising Restrictions

As provided in Charter Section 470(c)(12) and related ordinances, you are a subconsultant on Harbor Department Agreement No. _____. Pursuant to City Charter Section 470(c)(12), subconsultant and its principals are prohibited from making campaign contributions and fundraising for certain elected City officials or candidates for elected City office for 12 months after the Agreement is signed. Subconsultant is required to provide to Subrecipient names and addresses of the subconsultant's principals and contact information and shall update that information if it changes during the 12 month time period. Subconsultant's information must be provided to Subrecipient within 10 business days. Failure to comply may result in termination of the Agreement or any other available legal remedies including fines. Information about the restrictions may be found at the City Ethics Commission's website at <http://ethics.lacity.org/> or by calling 213-978-1960.

Subrecipient, subconsultants, and their Principals shall comply with these requirements and limitations. Violation of this provision shall entitle the City to terminate this Agreement and pursue any and all legal remedies that may be available.

24. STATE TIDELANDS GRANTS

This Agreement is entered into in furtherance of and as a benefit to the State Tidelands Grant and the trust created thereby. Therefore, this Agreement shall be subject to the limitations, conditions, restrictions and reservations contained in and prescribed by the Act of the Legislature of the State of California entitled "An Act Granting to the City of Los Angeles the Tidelands and Submerged Lands of the State Within the Boundaries of Said City," approved June 3, 1929 (Stats. 1929, Ch. 651), as amended, and provisions of Article VI of the Charter of the City of Los Angeles relating to such lands. Subrecipient agrees that any interpretation of this Agreement and the terms contained herein must be consistent with such limitations, conditions, restrictions and reservations.

25. NO THIRD-PARTY BENEFICIARIES

This Agreement is being entered into solely for the benefit of the City and Subrecipient, and no other person, firm, corporation, or entity shall be deemed an intended third-party beneficiary of this Agreement.

26. INTEGRATION

This Agreement contains the entire understanding and agreement between the parties hereto with respect to the matters referred to herein. No other representations, covenants, undertakings, or prior or contemporaneous agreements, oral or written, regarding such matters which are not specifically contained, referenced, and/or incorporated into this Agreement by reference shall be deemed in any way to exist or bind any of the parties. Each party acknowledges that it has not been induced to enter into the Agreement and has not executed the Agreement in reliance upon any promises, representations, warranties or statements not contained, referenced, and/or incorporated into the Agreement. **THE PARTIES ACKNOWLEDGE THAT THIS AGREEMENT IS INTENDED TO BE, AND IS, AN INTEGRATED AGREEMENT.**

27. SEVERABILITY

Should any part, term, condition or provision of this Agreement be declared or determined by any court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of law, public policy, or city charter, the validity of the remaining parts, terms, conditions or provisions of this Agreement shall not be affected thereby, and such invalid, illegal or unenforceable part, term,

condition or provision shall be treated as follows: (a) if such part, term, condition or provision is immaterial to this Agreement, then such part, term, condition or provision shall be deemed not to be a part of this Agreement; or (b) if such part, term, condition or provision is material to this Agreement, then the parties shall revise the part, term, condition or provision so as to comply with the applicable law or public policy and to effect the original intent of the parties as closely as possible.

28. CONSTRUCTION OF AGREEMENT

This Agreement shall not be construed against the party preparing the same, shall be construed without regard to the identity of the person who drafted such and shall be construed as if all parties had jointly prepared this Agreement and it shall be deemed their joint work product; each and every provision of this Agreement shall be construed as though all of the parties hereto participated equally in the drafting hereof; and any uncertainty or ambiguity shall not be interpreted against any one party. As a result of the foregoing, any rule of construction that a document is to be construed against the drafting party shall not be applicable.

29. TITLES AND CAPTIONS

The parties have inserted the Article titles in this Agreement only as a matter of convenience and for reference, and the Article titles in no way define, limit, extend or describe the scope of this Agreement or the intent of the parties in including any particular provision in this Agreement. References to Articles are to Articles of this Agreement unless stated otherwise.

30. MODIFICATION IN WRITING

This Agreement may be modified only by written agreement of all parties. Any such modifications are subject to all applicable approval processes required by, without limitation, City's Charter and City's Administrative Code.

31. WAIVER

A failure by the City to enforce the Agreement upon a breach or default by Subrecipient shall not waive the breach or default or any other existing breach or default. All waivers by the City shall be in writing.

In no event shall payment of any Grant Funds to Subrecipient constitute a waiver by the City of any breach of this Agreement or any default which may then exist on the part of Subrecipient. Neither shall such payment impair or prejudice any remedy available to the City with respect to the breach or default.

The rights and remedies of the City under this Agreement, the Concession Agreement and all other agreements shall be cumulative. Any delay by the City in

enforcing its rights under this Agreement shall not be considered a waiver, election, or acquiescence by the City.

32. EXHIBITS

All exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement, whether or not actually attached hereto.

33. ORDER OF PRECEDENCE

Except for the EPA Grant Agreement in Exhibit A, which shall control over this Agreement in the event of a conflict, to the extent the terms of any other exhibit conflict with or appear to conflict with the terms of this Agreement, this Agreement shall control.

34. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute together one and the same instrument.

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SAMPLE

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date to the left of their signatures.

THE CITY OF LOS ANGELES, by its Board of Harbor Commissioners

By signing below, I attest that I have no personal, financial, beneficial, or familial interest in this Agreement.

Dated: _____

By _____
Eugene D. Seroka
Executive Director

Attest: _____
Amber M. Klesges
Secretary

COMPANY NAME

Dated: _____

By _____

(Print/type name and title)

By _____

(Print/type name and title)

APPROVED AS TO FORM AND LEGALITY

_____, 2026
HYDEE FELDSTEIN SOTO, City Attorney
Steven Y. Otera, General Counsel

By _____
_____, Deputy