

#6
1.16.25

RECOMMENDATION APPROVED;
RESOLUTION 25-10485 ADOPTED AND;
AGREEMENT 25-10082 APPROVED
BY THE BOARD OF HARBOR COMMISSIONERS

January 16, 2025

AM Klesges

AMBER M. KLESGES
Board Secretary



Executive Director's
Report to the
Board of Harbor Commissioners

DATE: JANUARY 7, 2025

FROM: ENVIRONMENTAL MANAGEMENT

SUBJECT: RESOLUTION NO. 25-10485 - GRANT ACCEPTANCE AND APPROVAL OF THE LOS ANGELES MARINE EMISSION REDUCTION PROJECT GRANT AGREEMENT WITH THE CALIFORNIA AIR RESOURCES BOARD

SUMMARY:

Staff requests approval of a California Air Resources Board (CARB) Fiscal Year (FY) 2021/22 and 2022/23 Advanced Technology Demonstration and Pilot Projects Grant Agreement to fund the proposed Los Angeles Marine Emission Reduction (LA MER) Project (Project) with Catalina Channel Express, Inc. (CCE), Harbor Breeze Corp. (HBC), and the City of Long Beach. The City of Los Angeles Harbor Department (Harbor Department) was awarded the grant to implement the proposed Project, which includes CCE deploying a passenger ferry with Tier 4 engines and potentially a diesel particulate filter (DPF), and HBC deploying two zero-emission (ZE) capable excursion boats. The Project will receive \$30,980,376 in funding from CARB, to be matched by the Project participants (CCE, HBC, the City of Long Beach, and the Harbor Department) with matching funds and in-kind contributions totaling \$31,471,492. Project participants' matching funds are as follows: \$15,370,554 from CCE; \$15,110,938 from HBC; and \$340,000 from the City of Long Beach. Subrecipient Agreements with CCE and HBC will be presented under a separate Board action.

The Harbor Department's cost share amounts for the data collection and analysis, Next Generation Harbor Craft Technology Assessment, and sponsored tours, were determined as part of the proposal in alignment with similar projects in the past. The commitment for the required data collection and analysis was derived from a quote provided by a currently under contract consulting firm through the Air Quality As-Needed Consulting Services contracts that has provided similar services for past demonstration projects, with specific expertise in marine emissions. Costs for the Next Generation Harbor Craft Technology Assessment was estimated in alignment with comparable efforts managed by the Harbor Department for analysis work across the San Pedro Bay Port Complex. The cost estimate for the sponsored tours is based on the existing contract between the Harbor Department and HBC for harbor tour services. A Memorandum of Understanding (MOU) with the City of Long Beach will be presented under a separate Board action at a future date.

In addition to staff resources to manage and implement the Project, the Harbor Department will be financially responsible for \$650,000 in matching funds and in-kind services.

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SUBJECT: CALIFORNIA AIR RESOURCES BOARD GRANT ACCEPTANCE

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Accept and approve the Grant Agreement between the City of Los Angeles Harbor Department and the California Air Resources Board under the Fiscal Year 2021/22 and 2022/23 Advanced Technology Demonstration and Pilot Projects;
3. Authorize the Executive Director to execute and the Board Secretary to attest to said Grant Agreement with the California Air Resources Board for and on behalf of the Board;
4. Authorize the City of Los Angeles Harbor Department to proceed with the Los Angeles Marine Emission Reduction Demonstration Project approved for funding by the California Air Resources Board; and
5. Adopt Resolution No. 25-10485.

DISCUSSION:

Background/Context – On November 19, 2021, CARB approved \$40 million for the Advanced Technology Demonstration and Pilot program allocated under the FY 2021/22 Funding Plan for Clean Transportation Incentives (Funding Plan). On November 17, 2022, CARB approved an additional \$135 million allocated under the FY 2022/23 Funding Plan. These two funding allocations, in addition to \$50 million in funding from the California Energy Commission to support infrastructure, were combined under one grant solicitation. In October 2023, the Harbor Department applied for the grant on behalf of CCE and HBC for the LA MER Project described in detail in Exhibits C and D of the proposed Grant Agreement (Transmittal 1). This grant solicitation closed in October 2023 resulting in 31 applications requesting total funding of \$225 million. Twelve projects, including the Harbor Department’s proposed Project, were selected for funding.

On March 7, 2024, CARB notified the Harbor Department that the proposed Project was selected and had received a preliminary grant award offer in the amount of \$30,980,376 contingent upon Board approval of the proposed Grant Agreement.

Proposed LA MER Project – The Harbor Department, with Project partners CCE, HBC and the City of Long Beach, is undertaking the LA MER project to reduce emissions for disadvantaged communities while advancing the understanding of cutting-edge harbor-

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SUBJECT: CALIFORNIA AIR RESOURCES BOARD GRANT ACCEPTANCE

craft technologies for the future. This multi-faceted project will demonstrate two different emission-reduction technologies in different vessel types across many duty cycles. Additionally, the Harbor Department will work with harbor craft operators, regulators, engine manufacturers, technology developers, and the United States Coast Guard (USCG) to evaluate next-generation technologies that could be feasible for tugboats, ferries, and pilot vessels operating in San Pedro Bay.

Project Summary – The proposed Project will encompass the following three distinct components:

- Passenger Ferry with Tier 4 Engines and DPF – CCE will design, construct, launch, and demonstrate a high-capacity passenger ferry with Tier 4 propulsion engines and a DPF, assuming a DPF has been verified by CARB and approved by USCG at the time of engine installation. The new ferry, operated by CCE, will operate on renewable-diesel and replace three smaller ferries with Tier 2 and Tier 3 engines, enhancing the efficiency of regional ferry service and thus increasing the emissions benefits.
- Zero-Emission Capable Excursion Boats – HBC will design, construct, launch, and demonstrate two ZE capable hybrid excursion boats in partnership with HBC. The vessels are expected to exceed the definition of Zero Emission and Advanced Technology vessels under the CARB Harbor Craft Regulation. Each boat will have renewable-diesel powered Tier 4 propulsion engines for safety, resiliency, and added range, but will be able to operate a minimum of 30% of the time in ZE mode with some trips operating as much as 100% of the time in ZE mode depending on duty cycle and route length. Although not part of the Project, HBC also will install shore power at a public wharf to serve the ZE capable excursion boats.
- Next Generation Harbor Craft Technology Evaluation – The Harbor Department will develop a report to evaluate the commercial status of emission-reduction technologies, assess the feasibility of marinizing DPFs, request information from engine manufacturers on future low-carbon fuels and technologies, identify infrastructure gaps for ZE harbor craft, and understand workforce development needs specific to tugs, ferries, and pilot boats operating in San Pedro Bay.

The proposed demonstration period will run from February 2026 through February 2027, with each vessel having a minimum of 12 months of operational data collected and analyzed.

The LA MER Project also includes a robust workforce plan, training harbor-craft workers in new engine technologies and advanced battery-electric solutions while supporting recruitment programs that draw from the local, underserved community. The LA MER Project balances the need to reduce near term air-quality and health-risk impacts on adjacent disadvantaged communities with the long-term goal of carbon-neutral, zero-

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emission harbor vessels. Emission benefits include an estimated 1,503 metric tons reduction of carbon-dioxide equivalent (CO_{2e}) emissions and 113 weighted tons of criteria and toxic emissions per year.

Grant Agreement – This proposed Grant Agreement will require two Subrecipient Agreements, with CCE and HBC, to execute the proposed Project. The subrecipients will be responsible for coordinating and subcontracting to design and construct the vessels as specified in the proposed Project, and to operate the vessels for the demonstration phase. Although not part of the Project, HBC will install shore power at a public wharf to serve the ZE capable excursion boats, as mentioned under the CARB Grant Agreement. These Subrecipient Agreements will incorporate and require compliance with the CARB Grant Agreement. The Project team will work collaboratively to ensure that all conditions and schedules are satisfied in accordance with the CARB Grant Agreement. The Subrecipient Agreements will be presented under a separate Board Action.

The City of Long Beach provided a Letter of Commitment for \$340,000 in matching funds as part of the application to this project. An MOU with the City of Long Beach to define their role and cover their contribution to support the proposed Project will also be presented under a separate Board action at a future date.

ENVIRONMENTAL ASSESSMENT:

The proposed action is to accept and approve a grant agreement with CARB, which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of the proposed Grant Agreement will enable the Harbor Department to receive a \$30,980,376 grant award from CARB for the LA MER Project. The total cost of the LA MER Project is \$62,451,868 of which \$31,471,492 will be funded by matching funds and in-kind services. Spending is expected to span over a three-year period ending April 2027.

Grant distribution and matching funds provided by CCE, HBC, the City of Long Beach, and the Harbor Department are summarized in the table below.

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SUBJECT: CALIFORNIA AIR RESOURCES BOARD GRANT ACCEPTANCE

PROJECT PARTICIPANT	CARB GRANT FUNDS	MATCH FUNDING	TOTAL PROJECT COST
CCE	\$ 14,919,128	\$ 15,370,554	\$ 30,289,682
HBC	\$ 15,801,248	\$ 15,110,938	\$ 30,912,186
Harbor Department	\$ 260,000	\$ 650,000	\$ 910,000
The City of Long Beach *	\$ 0	\$ 340,000	\$ 340,000
TOTAL:	\$ 30,980,376	\$ 31,471,492	\$ 62,451,868

* To be presented under a separate Board action at a future date.

Grant funds will be expended as follows:

FY2024/25	\$ 9,325,915
FY2025/26	\$16,918,086
FY2026/27	\$ 4,736,375
TOTAL	\$30,980,376

The Harbor Department will pay invoices received from CCE and HBC only after grant funds are received from CARB. The Harbor Department will contribute \$560,000 in matching funds expensed out of Account 541100 (Environment Assessment Services), Division 42010 (Environmental Management), and \$90,000 in in-kind services through harbor tours for a total match share contribution of \$650,000. Funding for the Harbor Department's match share will be requested through the annual budget process.

CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved the grant agreement as to form and legality.

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SUBJECT: CALIFORNIA AIR RESOURCES BOARD GRANT ACCEPTANCE

TRANSMITTALS:

1. Grant Agreement with the California Air Resources Board

FIS Approval: JS (initials)

CA Approval: SO (initials)



LISA WUNDER
Acting Director of Environmental Management

Michael DiBernardo

MICHAEL DiBERNARDO
Deputy Executive Director

APPROVED:

Erica M. Calhoun for

EUGENE D. SEROKA
Executive Director

LW, JG
AUTHOR: L.HUNTER

FILE: Y:\ADMIN\BOARD REPORTS\AIR QUALITY\GRANTS\CARB - LA MER\Environmental_CARB LA MER Grant_Board Report - FINAL.docx
UPDATED: 1/8/2025 9:16AM - MRX

GRANT AGREEMENT COVER SHEET

GRANT NUMBER
 G22-ATDP-03

NAME OF GRANT PROGRAM Advanced Technology Demonstration and Pilot Projects: Los Angeles Marine Emission Reduction Project	
GRANTEE NAME City of Los Angeles Harbor Department	
TAXPAYER'S FEDERAL EMPLOYER IDENTIFICATION NUMBER 95-6000735	TOTAL GRANT AMOUNT NOT TO EXCEED \$30,980,376.00
START DATE: February 1, 2025	END DATE: May 31, 2027

This legally binding Grant Agreement, including this cover sheet and Exhibits attached hereto and incorporated by reference herein, is made and executed between the State of California, California Air Resources Board (CARB) and the City of Los Angeles Harbor Department (the "Grantee").

- Exhibit A – Grant Provisions
- Exhibit B – Statement of Work
- Exhibit B, Attachment I – Budget Summary
- Exhibit B, Attachment II – Project Tasks and Disbursements
- Exhibit B, Attachment III – Scope of Work and Project Schedule
- Exhibit B, Attachment IV – Key Project Personnel
- Exhibit C – FY2021-22 and FY2022-23 Grant Solicitation Package
- Exhibit D – Grantee Application Package

APPROVED AS TO FORM AND LEGALITY
January 9 2025
 HYDEE FELDSTEIN SOTO, City Attorney
 By [Signature]
 Deputy City Attorney

In accordance with Assembly Bill (AB) 107, Section 15.14, twenty-five percent (25%) of the Fiscal Year 2024-25 GGRF funds allocated under this Grant, in the amount of \$731,869.25, shall be withheld. Upon determination of the final amount of the fourth quarter Cap-and-Trade Auction and approval from the Department of Finance (DOF), the remaining funds may be encumbered and available for use. A formal Amendment may not be required to encumber and liquidate the remaining funds.

This Agreement is of no force or effect until signed by both parties. Grantee shall not commence performance until it receives written approval from CARB.

The undersigned certify under penalty of perjury that they are duly authorized to bind the parties to this Grant Agreement.

STATE AGENCY NAME California Air Resources Board		GRANTEE'S NAME (PRINT OR TYPE) City of Los Angeles Harbor Department	
SIGNATURE OF ARB'S AUTHORIZED SIGNATORY: <u>[Signature]</u>		SIGNATURE OF GRANTEE AS AUTHORIZED IN RESOLUTION, LETTER OF COMMITMENT, OR LETTER OF DESIGNATION <u>[Signature]</u>	
TITLE Branch Chief, Acquisitions	DATE	TITLE Deputy Executive Director	DATE January 29, 2025
STATE AGENCY ADDRESS 1001 I Street, Sacramento, CA 95814		GRANTEE'S ADDRESS (INCLUDE STREET, CITY, STATE AND ZIP CODE) 425 S Palos Verdes St. San Pedro, CA 90731	

CERTIFICATION OF FUNDING

AMOUNT ENCUMBERED BY THIS AGREEMENT	PROGRAM	PROJECT	ACTIVITY	
\$30,980,376.00	3510000L32 3500000D15	N/A 3900EMOP	N/A 3228EMOP24	
PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT	FUND TITLE	FUND NO.		
\$0.00	General Fund Greenhouse Gas Reduction Fund	0001 3228		
TOTAL AMOUNT ENCUMBERED TO DATE	(OPTIONAL USE)	CHAPTER	STATUTE	
\$30,980,376.00	FY 2024 GGRF \$2,195,607.75 upon execution and \$731,869.25 after 4th quarter Cap-and-Trade Auction	249 994	2022 AB179 2024 AB157	
APPR REF	ACCOUNT/ALT ACCOUNT	REPORTING STRUCTURE	SERVICE LOCATION	FISCAL YEAR (ENY)
101	5432000	39006100	50042	2022 (\$28,052,899.00)
102	5432000	39006100	50072	2024 (\$2,927,477.00)

I hereby certify that the California Air Resources Board Legal Office has reviewed this Grant Agreement.

SIGNATURE OF CALIFORNIA AIR RESOURCES BOARD LEGAL OFFICE: N/A	DATE
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Grant Agreement

City of Los Angeles Harbor Department
Advanced Technology Demonstration and Pilot Projects: Los Angeles Marine
Emission Reduction Project

Mobile Source Control Division
California Air Resources Board

Grant Number: G22-ATDP-03



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GRANT PROVISIONS (Exhibit A)

1. AGREEMENT

This Grant Agreement ("Grant," "Grant Agreement," or "Exhibit A") is entered into by and between the State of California acting by and through the California Air Resources Board (hereinafter referred to as "CARB," the "Grantor," the "State," or the "Board") and the City of Los Angeles Harbor Department, a city-governmental body with its principal place of business located at 425 South Palos Verdes Street, San Pedro, California, 90731 (hereinafter referred to as the "Grantee"). The Grantor and the Grantee are each a "Party" and together the "Parties" to this Grant Agreement.

The Parties agree to comply with the requirements and conditions contained herein, as well as all commitments identified in the Statement of Work ("Exhibit B"), Fiscal Year (FY) 2021-22 and FY 2022-23 Grant Solicitation for the Advanced Technology Demonstration and Pilot Projects ("Grant Solicitation"), and Grantee Application Package.

CARB will be using a Third-Party Administrator to help facilitate administrative activities and to support the Grantee in the development of reports, submission of data, and preparation of meetings. The Grantee will work with CARB's Third-Party Administrator, as directed by CARB, while implementing this Grant Agreement.

2. GRANT ACKNOWLEDGEMENT

Where applicable, the Grantee agrees to acknowledge the California Climate Investments (CCI) program and CARB as a funding source and adhere to the CCI Funding Guidelines as outlined in the California Climate Investments Messaging and Communications Guide.¹ Below are specific requirements for acknowledgement.

Grantee agrees to include the CCI funding boilerplate and logo (see Figure 1) on all outreach and public facing materials whenever projects funded, in whole or in part by this Grant Agreement, are publicized in any news media, websites, brochures, publications, audiovisuals, or other types of promotional material.

The acknowledgement must read as follows: "LA MER is part of California Climate Investments, a statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment - particularly in disadvantaged communities." And whenever applicable, the Spanish translation acknowledgement: "LA MER forma parte de las Inversiones del Clima de California, un iniciativa estatal que destine miles

¹ CCI Communications Guide <http://www.caclimateinvestments.ca.gov/logo-graphics-request>

de millones de dólares de Cap-and-Trade para la reducción de gases de efecto invernadero, fortalecimiento de la economía y mejoramiento de la salud pública y el medio ambiente - especialmente en comunidades en desventaja.”

The CCI logo and name serves to bring under a single brand the many investments whose funding comes from the Greenhouse Gas Reduction Fund (GGRF). The logo represents a consolidated and coordinated initiative by the State to address climate change by reducing greenhouse gases, while also investing in disadvantaged communities and achieving many other co-benefits.



Figure 1: CCI logo

3. GRANT AND AMENDMENTS SUMMARY

3.1 Project title (the "Project"):

Advanced Technology Demonstration and Pilot Projects: Los Angeles Marine Emission Reduction Project

3.2 Project description:

Port of Los Angeles (POLA), with the Port of Long Beach (POLB), Catalina Channel Express (CCE), and Harbor Breeze Corp. (Harbor Breeze) - is undertaking the Los Angeles Marine Emission Reduction project (LA MER) to immediately reduce emissions for disadvantaged communities while advancing the understanding of cutting-edge harbor-craft technologies for the future. The total project cost is \$62,451,868.00. Of this amount, POLA requested \$30,980,376.00 in grant funds with \$31,471,492.00 to be provided as match.

This multi-faceted project will demonstrate two (2) different emission-reduction technologies in different vessel types across many duty cycles. Additionally, POLA will work with POLB, harbor craft operators, regulators, engine manufacturers, technology developers, and the US Coast Guard (USCG) to evaluate next-generation technologies that could be feasible for the tugboats, ferries, and pilot vessels operating in San Pedro Bay. Project components include:

Passenger Ferry with Tier 4 Engines and Diesel Particulate Filter (DPF). Design, construct, launch, and demonstrate a high-capacity passenger ferry with Tier 4

propulsion engines and a diesel particulate filter (DPF), assuming a DPF has been verified by the California Air Resources Board and approved by USCG at time of engine installation. The new ferry, operated by CCE, will operate on renewable diesel and replace three smaller ferries with Tier 2 and Tier 3 engines, which enhances the efficiency of regional ferry service and thus increases the emissions benefits.

Zero-Emission Capable Excursion Boats. Design, construct, launch, and demonstrate two zero-emission capable hybrid excursion boats in partnership with Harbor Breeze. The vessels are expected to exceed the definition of Zero-Emission Advanced Technology (ZEAT) vessel under the Harbor Craft Regulation. Each boat will have renewable-diesel powered Tier 4 propulsion engines for safety, resiliency, and added range, but will be able to operate a minimum of thirty percent (30%) of the time in zero-emission mode with some trips operating as much as one hundred percent (100%) of the time in zero-emission mode depending on duty cycle and route length. Although not part of this project, Harbor Breeze also will install shore power at a public wharf to serve the zero-emission capable excursion boats.

Next Generation Harbor Craft Technology Evaluation. Develop a report to evaluate the commercial status of emission-reduction technologies, to assess the feasibility of marinizing DPFs, to request information from engine manufacturers on future low-carbon fuels and technologies, to identify infrastructure gaps for zero-emission harbor craft, and to understand workforce development needs specific to tugs, ferries, and pilot boats operating in San Pedro Bay.

Project benefits will accrue to the disadvantaged, high-priority populations in which the vessels will be domiciled and spend nearly all of their time. Emission benefits include 1,503 metric tons reduction of carbon-dioxide equivalent emissions and 113 weighted tons reduction of criteria and toxic emissions per year.

LA MER also includes a robust workforce plan, training harbor-craft workers in new engine technologies and advanced battery-electric solutions while supporting recruitment programs that draw from the local, underserved community. The LA MER project balances the need to immediately reduce air-quality and health-risk impacts on nearby disadvantaged communities with the long-term goal of carbon-neutral, zero-emission harbor vessels.

3.3 Funding Amount ("Grant Funds" or "Grant Fund"):

\$30,980,376.00 (See Grant Coversheet and Exhibit B, Budget Summary)

3.4 Match Amount:

\$31,471,492.00 (See Grant Coversheet and Exhibit B, Budget Summary)

4. GRANT PARTIES AND CONTACT INFORMATION

- 4.1 The CARB Project Liaison is AJ Edwards PE PhD. Correspondence regarding this Project shall be directed to, and Project reports shall be submitted by email to:

AJ Edwards PE PhD
Mobile Source Control Division
4001 Iowa Avenue, Riverside, California 92507
Phone: 916-712-3891
Email: adam.edwards@arb.ca.gov

- 4.2 The Grantee Liaison is Jacob Goldberg. Correspondence regarding this Project shall be directed to:

Grantee Liaison: Jacob Goldberg
Title: City of LA Harbor Department Environmental Affairs Officer, Air Quality
Address: 425 South Palos Verdes Street, San Pedro, California, 90731
Phone: 310-490-2237
Email: jgoldberg@portla.org

- 4.3 If the CARB Project Liaison identified above changes, CARB will notify the Grantee Liaison of said change and provide the new contact information. If the Grantee Liaison identified above changes, the Grantee will notify the CARB Project Liaison of said change and provide the new contact information.

5. TIME PERIOD

- 5.1 CARB retains full discretion to consider all available information relating to the California Environmental Quality Act compliance before determining whether to proceed forward with this Grant Agreement. No work may be done by the Grantee, nor will any funding be disbursed by CARB until CARB has affirmatively notified the Grantee in writing that this provision has been satisfied. If CARB decides not to proceed forward with this Grant Agreement under this provision, the Grant Agreement will be terminated immediately by CARB upon written notice to the Grantee.
- 5.2 The "Term" (Begin and End Date) of this Grant Agreement is set out in the Grant Cover Sheet to which this Exhibit A is attached. Performance of work or other expenses billable to CARB under this Grant may ONLY commence after full execution of this Grant by both Parties, in accordance with the Grant Cover Sheet for Grant Number G22-ATDP-03. Performance on this Grant ends when

the Grantee has submitted and CARB has approved the final report or when the Grant is terminated or expires, whichever occurs first.

- 5.3 Grantee must implement the Project and complete the following:
- a. Upon completion of the Project, the Grantee shall submit a draft Final Report (see Section 9) to CARB Project Liaison no later than March 31, 2027.
 - b. Final request for payment and Final Report shall be received by CARB no later than April 30, 2027.

6. DUTIES AND REQUIREMENTS

This section defines the respective duties and requirements of the Grantee and CARB in implementing the Project and Program under this Grant Agreement. More detailed duties and responsibilities are set out in other Sections of this Grant Agreement.

6.1 The Grantee's Tasks

Grantee is responsible for the following:

Grantee's key Project personnel will administer the various tasks of the Project including: participation in meetings with CARB staff and the Third-Party Administrator; development and implementation of Project plans; record-keeping procedures; reporting procedures; and financial tracking and disbursements. Grantee's responsibilities include all Project development, press events, project administration, and Project reporting. A comprehensive description of tasks and responsibilities is included in Exhibit B (Statement of Work) which contains the budget and task details, Project schedule, and list of key personnel.

- a. Initial Project Kick-Off Meeting: The Grantee's key Project personnel, in collaboration with CARB's Project Liaison and Third-Party Administrator, will plan, conduct, and attend an initial meeting with CARB staff following execution of the grant. The purpose of the initial meeting will be to discuss the overall plan, details for performing the tasks, the Project schedule, and any issues that may need to be addressed. Topics for discussion may include, but are not limited to, the following:
 - i. Project tasks, timelines, and milestones
 - ii. Project design, outreach, workforce development
 - iii. Content and format of disbursement requests, status reports, draft, and final reports

- iv. Press and public information request procedures
 - v. Schedule for ongoing coordination meetings
 - vi. Other items as necessary
- b. Ongoing Project Coordination Meetings: The purpose will be to discuss the status of the Project and these meetings should be held at least quarterly. In addition, at least one Critical Project Review meeting at a major milestone is required. Additional meetings may be conducted by phone if deemed appropriate by the CARB Project Liaison. A final meeting or conference call with the CARB Project Liaison will be held at the conclusion of the Project. Project Coordination and review meetings are the responsibility of the Grantee with support from the Third-Party Administrator and should contain:
- i. Agenda for the meeting with conference call information
 - ii. Discussion of Project activities, deliverables, schedule, and milestones
 - iii. Discussion of any difficulties encountered since the last update
 - iv. Concerns or questions requiring resolution from CARB
 - v. Notification of any pending disbursement requests
 - vi. Scheduling the next Project coordination meeting
- c. Critical Project Review Meetings: CARB will require that the Grantee develop and hold Critical Project Review meetings at least once during the Project at critical junctures in the Project to assess the ability of the Project to compete its stated objectives. The determination of CARB at these meetings are final and could result in the termination of the Project or reduction of the dollar amount of this Grant Agreement for nonperformance. In the event of such termination or reduction of the Grant Fund amount, Section 7.4 Suspension of Payment and Grant Termination of this Grant Agreement shall apply.
- d. Public Outreach and Workforce Development: Prepare outreach and educational materials, in consultation with CARB, the Third-Party Administrator, and community-based organizations to:
- i. Conduct statewide public outreach necessary to educate local community members about the benefits of the local projects and about technical training opportunities that may result from such projects.

- ii. Conduct statewide public outreach necessary for the Project to be successful.
 - iii. Conduct statewide public outreach to vehicle dealers and fleets and work with community-based organizations (CBOs) necessary for the Project to be successful.
 - iv. Advise CARB on potential additional opportunities for outreach and technical assistance.
- e. Respond to CARB and public requests in a timely manner.
 - f. Document and track expenditures, as defined in Section 7 of this Grant Agreement,
 - g. Reporting and assessment procedures, as defined in Section 9 of this Grant Agreement.
 - h. Record-keeping and policy procedures, as defined in Section 11 of this Grant Agreement.
 - i. Submit data collected as required in Appendix F, Data Collection Requirements of the Grant Solicitation and the Project application, or as requested by CARB in a template that will be provided by CARB in the manner and time as defined by CARB. Data may be required to be submitted to CARB's Third-Party Administrator through an upload portal.
 - j. Ensure that Project end-users are working with data collection provider.
 - k. Ensure all outreach, workforce development, press, and other public materials have been approved by CARB and adhere to the CCI guidelines, see Section 2; and Americans with Disabilities Act (ADA) web accessibility requirements, see Section 13.
 - l. All vehicles and equipment in the Project that will be operated on California roadways or waterways must be compliant with all applicable State requirements, including, but not limited to applicable CARB engine or vehicle approval or certification, Department of Motor Vehicles (DMV) licensing, and California Highway Patrol safety certification. New vehicles must also have a manufacturer's certification showing that the vehicle model complies with all applicable federal safety standards for new motor vehicles and new motor vehicle equipment issued by the Nation Highway Traffic Safety Administration.
 - m. Ensure that any funded vehicle, piece of equipment, or vessel has the CARB and CCI logo affixed prominently and in consultation with CARB.

6.2 CARB's Role

CARB is responsible for the following list of items. Within CARB's sole and absolute discretion, CARB may designate a third-party administrator to manage, oversee, or administer projects and programs, which may include any or all of CARB's responsibilities under this Grant Agreement. Upon such designation, Grantee shall respond to, report to, and comply with requests from CARB's third-party administrator when requested.

- a. Participating in regular meetings with the Grantee to discuss program refinements and guide program implementation.
- b. Reviewing and approving all Grant Disbursement Request Forms and distributing grant funds to the Grantee.
- c. Reviewing and approving Project outreach and education elements provided by Grantee, such as outreach and education materials, webpage, initial participant survey, quarterly reports, and final report.
- d. Reviewing and approving data collection plan.
- e. Providing program oversight and accountability (in conjunction with the Grantee).
- f. Ensure compliance with applicable requirements of statutes, applicable State law, the FY 2021-22 Funding Plan, the FY 2022-23 Funding Plan, the Grant Solicitation, and this Grant Agreement with the Grantee. The Funding Plans for Clean Transportation Incentives are available at:
<https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program/low-1>.
- g. Reviewing, evaluating, and auditing the Grantee's administration, management, collaboration, partnership, and/or oversight of or with any "Recipient" or "Recipients" of Grant Funds (i.e., subgrantees, contractors, subcontractors, vendors, suppliers, consultants, sub- or co-applicants, Project team members, and community partners), including but not limited to written agreements and disbursement requests.

7. FISCAL ADMINISTRATION

7.1 Budget

- a. The maximum amount of this Grant is \$30,980,376.00 (the Grant Funds), as set out in Exhibit B, Attachment I (Budget Summary) and in the Cover Sheet to which Exhibit A is attached. Under no circumstance will CARB reimburse the Grantee for more than this amount. A written Grant Agreement

amendment is required whenever there is a change to the amount of this grant. The budget summary for the Project is shown in Exhibit B, Attachment I.

- b. The Project will include a cash match and an in-kind match from private, eligible State, and local funding to leverage this Grant, for a total Project budget of \$62,451,868.00.
- c. The Application package is incorporated by reference as part of the Grant Agreement. Costs associated with Project implementation, detailed in the Application must consider the time frame of the Project and may cover an increase in costs that take into account inflation or planned cost of living increases. The application submitted includes the actual costs for the Project and will not be amended due to faulty estimations, increases in costs due to inflation, or other reasons that have not been covered in the budget.
- d. Line-item shifts in the Budget Summary (Exhibit B, Attachment I) of up to ten percent (10%) of the Grant Fund total may be made over the life of the Grant, with prior written approval from CARB. Line-item shifts greater than ten percent require a formal amendment to the Grant. Line-item shifts may be proposed by either the State or the Grantee and must not increase the total Grant Fund amount. All line-item shifts must be approved in writing by CARB within ten (10) business days of approval for inclusion in the Grant folder. If the Grant is formally amended, all line-item shifts must be included in the amendment.
- e. Where the total disbursed amount of the Project implementation (Administrative costs) is less than the allowable amount, CARB, in its sole discretion, may re-allocate the remaining amount to other Project uses within the Scope of Work and Project Schedule reflected in Exhibit B, Attachment III, which may only be accomplished through a written amendment to the Grant Agreement.
- f. In the event of Grant expiration or termination, or as allowed (or required) under any other provision of this Grant Agreement, CARB shall require full recovery of the unspent funds by transfer from the Grantee's accounts. The Grantee must provide fund transfer information within forty-five (45) calendar days upon receipt of notification from CARB, or sooner where required or allowed by any other provision of this Grant.
- g. In addition to any other rights that the Grantor has or may have under this Grant Agreement or applicable law, the Grantee agrees to revert all unused Grant Funds (including all earned interest) to CARB if the Grant Funds have not been fully liquidated within the timeline specified in the Grant

Agreement or if CARB determines that Grantee has not performed in accordance with any of the Grant terms or conditions. Such reversion shall happen no later than forty-five (45) calendar days from the Grant Agreement liquidation date, notice of nonperformance date, Grant termination date, or Grant expiration date, whichever occurs sooner.

7.2 Eligible Costs

Allowable expenditures associated with the Grant include actual direct costs incurred and may include actual indirect costs incurred, examples of which are described below:

- a. Project Implementation Costs
 - i. Preparation of materials for Project planning, community outreach, workforce development, and education activities, including travel, printing, mailing, and other expenses directly attributable to planning, outreach, workforce development, and education for the Project tasks.
 - ii. Record-keeping procedures, reporting procedures, financial tracking, and disbursements.
 - iii. Vehicle, vessel, driver, passenger, equipment, required logos, and facilities insurance costs.
 - iv. External consultant costs.
- b. Project Technology Costs
 - i. Vehicle, vessel, or eligible equipment costs.
 - ii. Charging equipment purchase and installation costs, including design and planning costs.
 - iii. Equipment maintenance costs.
 - iv. Related equipment costs.
 - v. Infrastructure improvement costs, including design and planning costs.
 - vi. Data collection services, software, and device costs.
 - vii. Training, workforce development, and education costs, including materials for outreach.
- c. Explanation of When a Cost Identified above is Considered a Direct or Indirect Cost:

- i. Direct costs are actual costs incurred that are directly tied to (have a measurable direct benefit to) the implementation of the Project as identified in the scope of work (statement of work) attached to the Grant Agreement, including, but not limited to, personnel costs (i.e., hourly wage), subcontracts, equipment costs, and travel expenses.
- ii. Indirect costs are actual costs incurred for services or activities that cannot be easily identified to a specific cost objective identified in the scope of work (statement of work) attached to the Grant Agreement but do support a common or joint purpose. For purposes of this Grant Agreement, allowable indirect costs are a pro-rata share of general management (overhead) costs for operations that support the work performed under the Grant Agreement, such as accounting, budgeting, payroll preparation, personnel services, utility costs, rent, mail services, and centralized data processing not already identified or reimbursed as a direct cost. Indirect costs shall NOT exceed eight percent of the total Grant Funds awarded under this Grant Agreement. Indirect costs are only payable on a reimbursement basis.
- iii. Allowable direct and indirect costs are paid on a reimbursement basis only. Costs identified as direct costs cannot also be indirect costs.
- iv. Profits, profit sharing, shareholder interest, lobbying, fundraising, involvement in political activities or campaigns, and payment of taxes or liens (real and personal) are NOT allowable direct or indirect costs.

7.3 Grant Disbursements

The Grantee shall not submit disbursement requests from June 1 through June 30 of each year. This will accommodate the Financial Information System for California (FI\$Cal²) going offline for end-of-year closing.

With each disbursement request, the Grantee must provide documentation as required in this section:

- a. Grant Funds payments will be made when CARB has received and has determined (within its sole judgment) the Grantee has submitted a complete and accurate Grant Disbursement Request Form which identifies discrete payable tasks stipulated in Exhibit B, Attachment II, and Attachment III; satisfies the requirements specified herein, including Section 6, Section 7, Section 8, and Section 9 of this Grant Agreement; and is also accompanied by a Status Report that includes relevant

² FI\$Cal - State of California. One state. One system. | The FI\$Cal system is how the State of California manages its finances combining the State's accounting, budgeting, cash management, and procurement operations into a single financial-management system.

documentation of accomplishments, and associated deliverables. CARB will have sole discretion to accelerate the timeline for allowable disbursements of administration and Project funds identified in Exhibit B, Attachment II (with the exception of the final Project administration disbursement), necessary to ensure the goals of the Projects are met.

- b. A payment will not be made if the CARB Project Liaison determines a task has not been accomplished or documented; a deliverable has not been provided; claimed expenses are not documented, not reasonable, or not valid per the budget; or that the Grantee has not met other terms of the Grant.
- c. The Chief of the Mobile Source Control Division or designee of CARB may review the CARB Project Liaison's approval or disapproval of a Grant Disbursement Request. No reimbursement will be made for expenses that, in the judgement of the Division Chief of the Mobile Source Division, are not reasonable or do not comply with the Grant Agreement.
- d. The Grantee shall submit completed and signed Grant Disbursement Requests to CARB Accounting Section via email to grants@arb.ca.gov with a carbon copy to the CARB Project Liaison. Requests for payment must be made with the Grant Disbursement Request Form and contain all documentation requested or required with the form.
 - i. Prior to submitting to the Accounts Payable Unit, the Grantee will submit disbursement requests to the CARB-designated Third-Party Administrator (Program administrator) and CARB Project Liaison to allow for a pre-review of the request. The Grantee agrees to modify, adjust, or provide supporting documentation justifying disbursement requests, as identified by the Program administrator, or CARB Staff as needed. The Grantee must submit this electronically, based on CARB's current electronic submission guidance at the time of the request.
- e. CARB will withhold payment of up to ten percent (10%) of the Grant Funds until completion of the Final Report and Intellectual Property and other property have been relinquished to CARB in accordance with Sections 9, 12, and 13 of this Grant. Grantee shall submit by email an appropriately formatted Final Report to the CARB Project Liaison. It is the Grantee's responsibility to submit a Grant Disbursement Request for this final disbursement of Grant Funds.
- f. CARB shall disburse Grant Funds in accordance with the California Prompt Payment Act, Government Code, Section 927, et seq.
- g. The Grantee will pay out CARB Grant Funds to other sub-grantees and

Recipients ONLY on a reimbursement basis. There is no advance pay for Grantee's employees, agents, affiliates, officers, directors, subsidiaries, sub-grantees, or other Recipients.

- h. The Grantee shall not submit disbursement requests from June 1 through June 30 of each year. This will accommodate FISCAL going offline for end-of-year closing.

7.4 Suspension of Payments and Grant Termination

- a. CARB reserves the right to issue a Grant suspension order in the event that a dispute should arise. The Grant suspension order will be in effect until the dispute has been resolved or the Grant has been terminated. If the Grantee chooses to continue work on the Project after receiving a Grant suspension order, the Grantee will not be reimbursed for any expenditure incurred during the suspension. If CARB rescinds the suspension order and does not terminate the Grant, CARB, without any obligation to do so, may elect to reimburse the Grantee for any expenses incurred during the suspension that are reimbursable in accordance with the terms of this Grant Agreement.
- b. CARB reserves the right to terminate this Grant without cause, upon thirty (30) calendar days' written notice to the Grantee.
- c. Termination for Cause by Grantor. This Grant Agreement may be terminated by CARB without advance notice at any time if CARB has determined, in its sole discretion, that the Grantee or any of Grantee's employees, agents, officers, representatives, affiliates, or any of the Recipients have breached any of the terms, conditions, responsibilities, or obligations of this Grant Agreement or if CARB has determined, in its sole discretion, that any of Grantee's employees, representatives, agents, officers, affiliates, or any of the Recipients have violated or are in violation of any of their respective obligations or responsibilities under this Grant Agreement or any other agreement where CARB is an intended third-party beneficiary.
- d. In case of early termination for whatever reason, the Grantee will submit a Grant Disbursement Request, a Status Report covering activities up to, and including the termination date and following the requirements specified herein and in Section 9 of these provisions. Upon receipt of the Grant Disbursement Request Form, Status Report, and upon the transfer of all intellectual property and other property to CARB, a final payment, the amount of which shall be solely determined by CARB within its absolute discretion, will be made to the Grantee. This payment shall be for all CARB-approved, actually incurred costs that in the opinion of CARB are justified.

However, the total amount paid, if any, shall not exceed the total Grant Fund amount.

- e. Non-performance (Breach) Provisions. The Grantee agrees that the following is a non-exhaustive list of the circumstances that constitute non-performance (breach) under this Grant. These circumstances will be solely determined by CARB and include, but are not limited to:
 - i. Failure to comply with any of the provisions of the Grant, including Exhibits.
 - ii. Failure to obligate or expend Grant Funds within established timelines, or failure to show timely interim progress to meet these timelines.
 - iii. Insufficient performance or widespread deficiencies with Grant Fund or Project oversight, enforcement, recordkeeping, contracting, inspections, or any other duties.
 - iv. Misuse of Grant Funds.
 - v. Funding of ineligible activities or other items.
 - vi. Exceeding the allowable Grant Fund allotment on an itemized or other basis.
 - vii. Insufficient, incomplete, or faulty documentation.
 - viii. Failure to provide required documentation or reports requested by CARB, or other State agencies, in a timely manner.
 - ix. Poor performance as determined by a review or fiscal audit.
- f. Additional Remedies. In addition to any other requirements and remedies set out elsewhere in this Grant Agreement, upon request by CARB, the Grantee will also perform as follows:
 - i. Within fourteen (14) calendar days of any request, timely develop and implement a corrective action plan.
 - ii. Immediately cease all work and spending, and notify all employees, representatives, agents, officers, affiliates, and Recipients to immediately cease all work and spending.
 - iii. Upon termination of this Grant Agreement or upon issuance of the termination notice (whichever occurs sooner), the Grantee shall immediately turn over all remaining Grant Funds in its possession or

control and all records, personally identifiable information ("PII"), intellectual property, documents, information and data relating to performance, accounting, administration, contracting, and management of the Grant Funds, the Project, and the Program, as well as any other materials requested by CARB or as otherwise required by any of the provisions of this Grant. CARB, at its sole discretion, may elect to have any or all of the funding, documentation, intellectual property, and other property transferred to another CARB-selected third-party administrator or designee.

- iv. Unless otherwise directed in writing by CARB, upon termination of this Grant Agreement or upon issuance of the termination notice (whichever occurs sooner), Grantee shall immediately cease all work and cease all expenditure of Grant Funds.
- v. Unless otherwise directed in writing by CARB, upon termination of this Grant Agreement or upon issuance of the termination notice (whichever occurs sooner), Grantee shall submit a Grant Disbursement Request and a Status Report covering activities up to and including the termination date. The Status Report shall be subject to review and approval by CARB before any final payments are disbursed. Upon receipt of the Grant Disbursement Request, and Status Report, and once all intellectual property and requested data, information and property have been transferred and assigned to CARB, CARB, at its sole discretion, may make a final payment to the Grantee. This payment shall be for all CARB-approved, actually incurred costs that in the opinion of CARB are justified. However, the total amount paid shall not exceed the total authorized amount for the Administrative Fee and, where payments are being requested on behalf of a Recipient, then no payment shall exceed the total authorized amount for the Grant Funds.

7.5 Contingency Provision

In the event this Grant is terminated for any reason, the CARB Executive Officer or designee reserves the right in his or her sole discretion to award a grant to the next highest scored applicant and if an agreement cannot be reached, to the next applicant(s) until an agreement is reached. CARB may also elect to award a grant in a manner consistent with direction provided in the FY 2021-22 Funding Plan and/or FY 2022-23 Funding Plan, which may include but is not limited to allocating the funds to other projects.

7.6 Documentation of Costs

- a. Personnel documentation must make use of timesheets or other labor tracking software.

- b. Fees for external consultants must be documented with copies of the consultant contract and invoices. All external consultant fees must be pre-approved by CARB. Fees included in the budget as a part of the Grantee Application Package (Exhibit D) are considered pre-approved by CARB.
- c. Printing, mailing, records retention, and travel expenses must be documented with receipts and/or invoices.
- d. Any reimbursement for necessary supporting Project costs requires receipts and/or invoices.
- e. Any reimbursement for necessary travel and per diem shall be at rates not to exceed those amounts paid to the State's represented employees. No travel outside the State of California or out of country shall be reimbursed unless prior written authorization is obtained from CARB. The California Department of Human Resources (CalHR) travel and per diem reimbursement amounts may be found online at <https://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>. Reimbursement will be at the State travel and per diem amounts that are current as of the date costs are incurred by the Grantee.
- f. The above documentation, records, and referenced materials must be made available for review during monitoring visits and audits by CARB, or its designee. These records must be retained for a minimum of five (5) years after submittal of the final Grant disbursement request to CARB.
- g. The above documentation must be provided to CARB in Status Reports and a Final Report.

7.7 Earned Interest

"Earned interest" means any interest generated from State funds provided to the Grantee and held in an interest-bearing account.

- a. Interest earned by the Grantee on this Project must be expended on eligible program costs (See Section 7 of this Grant Agreement) or returned to CARB. The Grantee is responsible for reporting to CARB on all interest earned and reinvested into this Project or returned.
- b. All earned interest income must be reinvested into the program or returned to CARB. Interest earned that is reinvested in the program is not included as part of the Total Grant Amount from CARB. Grantee is responsible for reporting to CARB all Project expenditures funded with interest earned or returned.
- c. The Grantee must maintain accounting records (e.g., general ledger) that

track interest earned and expended on this Project as follows:

- i. The calculation of interest must be based on an average daily balance or some other reasonable and demonstrable method of allocating the proceeds from the interest-generating account back into the program.
 - ii. The methodology for tracking earned interest must ensure that it is separately identifiable from interest earned on Advanced Technology Demonstration and Pilot project funds.
 - iii. The methodology for calculating earned interest must be consistent with how it is calculated for the Grantee's other fiscal programs.
 - iv. Earned interest must be fully expended by March 15, 2027, or returned to CARB.
- d. Documentation of interest earned on this Project must be retained for a minimum of five (5) years after it is generated. Documentation of interest expended on this Project must be retained for a minimum of five (5) years after the funds have been reinvested into the Project.
 - e. The above documentation must be provided to CARB in Status Reports and a Final Report.

8. PROJECT MONITORING

- 8.1 Any changes in the scope or schedule for the Project shall require prior written approval by the CARB Project Liaison and may require a written Grant Agreement amendment.
- 8.2 The Grantee shall notify the CARB Project Liaison in writing, immediately if any circumstances arise (technical, economic, or otherwise), which might place completion of the program in jeopardy. The Grantee shall also make such notification if there is a change in key Project personnel (see Exhibit B, Attachment IV).
- 8.3 In addition to Status Reports (see Section 9 of this Grant Agreement), the Grantee shall provide information requested by the CARB Project Liaison that is needed to assess progress in completing tasks and meeting the objectives of the program.
- 8.4 Any change in budget allocations, re-definition of deliverables, or extension of the program schedule must be requested in writing to the CARB Project Liaison and approved by CARB, in its sole discretion, and may require a Grant Agreement amendment.

8.5 Where solely determined by CARB as necessary, site visits shall be established by the CARB Project Liaison during the Term of this Grant.

9. REPORTING AND DOCUMENTING EXPENDITURE OF GRANT FUNDS

The Grantee must provide CARB with documentation accounting for the proper expenditure of all Grant Funds. The documentation must be provided in Status Reports submitted at a minimum every three months to CARB and a Final Report submitted prior to the Grantee receiving their last disbursement of Grant Funds.

9.1 Supporting Documentation

- a. The Grantee must submit to CARB and maintain substantiating documentation of expenses incurred for technology and implementation costs under this Grant Agreement. CARB reserves the right to require Grantee to submit itemized invoices (invoices must include enough details to ensure that only eligible costs are paid for), and any other appropriate documentation required by CARB. The following documentation must be provided to CARB, as necessary, along with a Grant disbursement request form to support Grant disbursement requests:
 - i. Copy of the final itemized vehicle or vessel sales receipt/contract showing delivery confirmation, including documentation of the vehicle identification number (VIN) tag, vessel identification number (VIN), make, model, engine model year (if applicable), vehicle model year, and gross vehicle weight rating (if applicable).
 - ii. Copy of itemized equipment and labor expenses.
 - iii. Proof of temporary or permanent California vehicle registration for the vehicles.
 - iv. Other substantiating documentation such as digital photos of the vehicles or vessels such as VIN tags, odometers, vehicle or vessel certifications such as California Highway Patrol or United States Coast Guard, proof of insurance, and types of coverage.

9.2 Status Reports

The Grantee shall submit Status Reports at least quarterly but may submit them on a monthly basis if necessary to justify more frequent disbursements with prior approval from CARB. These reports must be approved by CARB and must contain the following information, at a minimum, in either Microsoft Word or PDF, and may include Microsoft Excel electronic files:

- a. Project Status Report number, title of Project, name of Grantee, date of submission, and Project Grant number.
- b. Summary of work completed since the last progress report, noting progress toward completion of tasks and milestones identified in the work plan.
- c. Statement of work expected to be completed by the next progress report.
- d. Notification of problems encountered and an assessment of their effects on the Project's outcome.
- e. Data collected from vehicles, vessels, equipment, and facilities.
- f. Schedule of community outreach, workforce development and education conducted, materials used, number of people contacted, and number of participants, where applicable.
- g. Accounting records, including expenditure and income information, and supporting documentation.
- h. Itemized invoices (invoices must include enough details to ensure that only eligible costs are paid for), and any other appropriate documentation.
- i. Discussion of the Project's adherence to the Project timeline.
- j. Other data and analysis as mutually agreed upon between Grantee and CARB.

9.3 Final Report

When the Project is complete, the Grantee shall submit a draft Final Report. The draft Final Report must be submitted to CARB in an appropriate format agreed upon between the CARB Project Liaison and the Grantee. The Grantee will provide a draft Final Report within 90 calendar days of Project completion or by March 31, 2027, whichever comes first. The finalized Final Report must be submitted thirty (30) calendar days later or by April 30, 2027, whichever comes first. Final reports will contain the following information (at a minimum):

- a. Expenditures in detail to date and for the period between the last quarterly report and the Final Report.
- b. Overview of the Project from inception through Project end, including Project background, partnerships, and funding sources.
- c. Table and narrative of Project Milestones.
- d. VIN or other documentation for all vessels, vehicles, equipment purchased.

- e. Overview and outreach, workforce development and educational efforts.
- f. Estimated GHG and co-pollutant emissions reductions achieved.
- g. Other co-benefits to the identified low-income and/or disadvantaged community(ies) as mutually agreed upon between Grantee and CARB.
- h. Accounting records, including expenditure and income information, and supporting documentation.
- i. Best practices and implementation challenges including suggestions for future Project considerations.
- j. Recommendations for potential Program improvements.
- k. Other data and analysis as mutually agreed upon between Grantee and CARB.

9.4 Other Reporting

The Grantee must provide data in support of other CARB needs such as requests from legislators, governor's office, data reporting needed by GGRF reporting requirements, and other data needs such as regulatory development. Other reporting requirements include:

- a. Detailed jobs creation data (a.k.a. jobs reporting) will be required to be submitted. The required data may include the top three funded Project activities by cost, percent of total Project budget associated with each of the top three Project activities, job classifications or trades, job training credentials earned, number of jobs provided, total Project work hours, average hourly wage, total number of workers that completed job training, description of job quality (e.g., benefits provided such as health care and paid time off), and targeted hiring strategy used. The Grantee shall track and report information on employment outcomes from funded projects that provide jobs or job training, including:
 - i. Job classifications or trades
 - ii. Job training credentials
 - iii. Number of jobs provided (in full and for priority populations)
 - iv. Total Project work hours (in full and for priority populations)
 - v. Average hourly wage (in full and for priority populations)
 - vi. Total number of workers that completed job training (in full and for

priority populations)

- vii. Description of job quality (e.g., benefits provided such as health care and paid time off)
 - viii. Targeted hiring strategy
 - ix. Census tracts of education and training(s), outreach, and partner organizations
 - x. Location of trainees/participants (priority population)
 - xi. Race/ethnicity of trainees/participants
 - xii. Number of trainees/participants completing training program (including number of certifications received)
 - xiii. Employment status, job titles, occupations, and salary wages of trainees/participants
 - xiv. Level of trainee involvement in training and curriculum design
- b. Program benefits reporting shall include, but is not limited to:
- i. Geographic distribution of workforce training, curriculum, and program offerings
 - ii. Increased connections to ZEV technology employers and industries
 - iii. Number of job placements, including full- and part-time jobs, and paid internships or apprenticeships
 - iv. Number of new full- and part-time jobs created and retained
 - v. Development of new partnerships with local and regional workforce entities, and economic/business development entities
 - vi. Connections between training and education programs and small, women, minority, disadvantaged, and certified business employment or support in priority communities
 - vii. Replication of concepts and program outcomes in other priority communities
 - viii. Community education events by type of event and attendance
 - ix. Direct address of community-specific workforce training and

development needs

- c. Program participant reporting shall include, but is not limited to:
- i. Participant's level of satisfaction in their preparation for ZEV industry jobs and careers provided by the ZEV education and training program curriculum.
 - ii. Participant's current employment status (part- or full-time employment, or unemployed)
 - iii. Participant's level of satisfaction with services provided, including increased access to potential economic opportunities. (For example: improved outcomes over program expenses or investments, willingness to recommend the program to others)
 - iv. Participant's level of satisfaction with accessibility and ease of training program
 - v. Participant's level of satisfaction with program workforce, career development, and job placement support and opportunities
 - vi. Portal or other resources for existing trainees to provide their experiences and feedback loops to ensure changes to programs are made over time to best meet needs and boost new student recruitment.

10. OVERSIGHT AND ACCOUNTABILITY

- 10.1 The Grantee shall comply with all oversight responsibilities.
- 10.2 CARB or its designee may recoup the Grant Funds which were received based upon misinformation or fraud, or as otherwise allowed under any other term or condition of this Grant Agreement or State law. CARB also reserves the right to prohibit any entity from participating in future Advanced Technology Demonstration and Pilot solicitations.
- 10.3 If the Grantee detects any actual or potentially fraudulent activity by anyone or entity associated with the Project, it shall notify CARB as soon as possible and work with CARB to determine an appropriate course of action.

11. PROJECT RECORDS

As further described below, program records include but are not limited to Grantee financial and participant records. All Project records must be retained for a period of five (5) years after final payment under this Grant. All Project records are subject to audit pursuant to Section 13.7 of this Grant Agreement. Upon completion of the fifth

year of record retention, the Grantee shall submit all program records to CARB. Hardcopy or electronic records are suitable. Acceptable forms of electronic media include hard drives, CDs, and DVDs. Other forms of electronic media may be allowed based on prior written concurrence from CARB.

11.1 Grantee Record

The Grantee shall retain a file for the projects carried out under this Grant Agreement containing, but not limited to:

- a. Original executed copy of the Grant Agreement and Grant Agreement Amendments (if applicable)
- b. Policies and Procedures Manuals
- c. Copies of Grant Disbursement Request Forms and attachments
- d. Copies of Status Reports
- e. Documentation of earned interest generation and expenditure (see Section 7 for more information)
- f. Invoices from Project participants for reimbursable items
- g. All other information that documents all aspects of the Project

11.2 Financial Records

Without limitation of the requirement to maintain program accounts in accordance with generally accepted accounting principles, the Grantee must:

- a. Establish an official file for the projects, which shall adequately document all significant actions relative to the Project.
- b. Establish separate accounts which will adequately and accurately depict all amounts received and expended on the projects.
- c. Establish separate accounts which will adequately and accurately depict all income received which is attributable to the projects including in-kind donations, if any.
- d. Establish an accounting system which will adequately depict the final total costs of the projects, including indirect costs.

11.3 Project Participant Records

Grantee is required to establish and maintain participant records, which must

include, at a minimum:

- a. Project participant applications (denied, approved, and removed)
- b. Initial participant surveys and survey updates
- c. Unique identifier that links each Project to its corresponding Project and associated cost
- d. Documentation on any deviations from the normal processing of projects (examples include enforcement action, CARB case-by-case approvals)

12. OWNERSHIP

All information or data received or generated by the Grantee under this Grant Agreement shall become the property of CARB. No information or data received or generated under this Grant Agreement shall be released without CARB approval.

13. GENERAL PROVISIONS

13.1 Additional Required Terms (Pass-Through Obligations) for Third-Party Agreements: All grants, subawards, subgrants, contracts, vouchers, agreements, and subcontracts entered into by and between Grantee and any Recipient or Recipients (as defined in Section 6 of this Grant Agreement) using or applying Grant Funds (in whole or in part) shall contain the following language (or similar language with the same meaning and intent):

- a. Conflict of Interest. By entering into this grant, award, voucher, contract, subcontract, or agreement, said party is or may be a direct or indirect recipient ("Recipient") of funds received from or provided by the California Air Resources Board ("CARB"), and as such certifies, represents, and warrants that he, she, it is in compliance with all applicable State and federal conflict of interest laws on the date said grant, award, contract, subcontract, agreement, or voucher (as applicable) is signed and shall remain in compliance with all such laws for a period of five (5) consecutive years following receipt of any and all funding amounts on a rolling continuous basis. Recipient further certifies, represents, and warrants that he, she, it has no interest, and shall not acquire any interest, direct or indirect, which will conflict with Recipient's ability to impartially perform under, or complete the tasks described in any and all agreements, grants, awards, contracts, subcontracts, vouchers, or programs. The Recipient acknowledges, understands, and accepts that Recipient must disclose any direct or indirect financial interest or situation which may pose an actual, apparent, or potential conflict of interest. The Recipient acknowledges, understands, and accepts that the nature and extent of any actual,

apparent, or potential conflict of interest may be a basis for disqualification from receiving any funds. The Recipient certifies, represents, and warrants that Recipient will immediately advise the Grantee in writing of any potential new conflicts of interest as they arise.

- b. Cooperation with Audits. Recipient warrants, represents, and agrees to cooperate fully, without delay, in all audits, inquiries, and investigations initiated by or on behalf of the Grantee and/or the State of California concerning or relating to compliance with local, State, or federal air quality laws, or this agreement, including but not limited to timely submission of any and all records requested and full cooperation with any on-site inspections.
- c. Payment (Recapture) on Demand. Recipient represents, warrants, and agrees that upon notification by the Grantee or its authorized representative of an overpayment, a wrongful payment, or a violation of or failure to comply with any of the grant or subgrant agreement, contract, voucher, or program requirements or obligations, Recipient will, without challenge or delay, remit to the Grantee or its authorized representative the requested amount within sixty (60) calendar days from the date of issuance of said notice.
- d. Separate Accounts. If Recipient has received any funds as a grant or subgrant pursuant to a grant or subgrant agreement, then Recipient shall not commingle said funds with any other accounts, revenues, grants, donations, or resources except where expressly authorized in the fully executed written agreement between Recipient and the Grantee. Recipient will maintain all such grant or subgrant funds in a separate bank account designated specifically for the purposes of carrying out the intent and purpose for which said funds were provided. The bank account must be held in the name of the Recipient (the official legal entity's name, and not a dba), and under no other name, person, or entity. Funds received are NOT the assets of the Recipient. Grant and subgrant funds shall not be used as collateral for or an obligation to any debt, loan, or other commitments of Recipient, its officers, agents, assigns, contractors, subcontractors, subgrantees, or affiliates. Recipient shall ensure that the Grantee is designated in writing as a third-party beneficiary of and to all such bank accounts in which said funds are maintained or held.
- e. Third-Party Beneficiary. The Recipient acknowledges, accepts, and agrees that the State of California, acting by and through the California Air Resources Board (CARB), is an intended third-party beneficiary to any and all Recipient agreements, vouchers, contracts, subcontracts, awards, and grants with the Grantee where any CARB-provided funds are used or applied to pay or reimburse Recipient.

- f. Authorized Signature. The Recipient agrees and acknowledges that it has signed or has authorized the signing of the grant, award, contract, subcontract, and/or agreement with the Grantee, and by doing so hereby declares under penalty of perjury, under the laws of the State of California, that all statements and responses made in said grant, award, contract, subcontract, and/or agreement are true and correct, with full knowledge that all statements and responses are subject to investigation and that any incomplete, unclear, false, or dishonest response may be grounds for disqualification from receiving any existing or further funding or participating in any programs or projects using the CARB-provided or Grantee-provided funds, or from doing business with the State of California or the Grantee. The Recipient acknowledges, understands, and accepts that by providing or making any false statements or providing false information, the Recipient may be in violation of the California False Claims Act (Government Code Section 12650 et seq.). Recipient certifies, represents, and warrants that the individual signing on its, his, or her behalf herein below is an authorized representative of Recipient with full power and legal authority to sign below and by said signature Recipient is bound to and will comply with all terms, conditions, and obligations set forth in this agreement, grant, voucher, application, and/or contract, as applicable.
- g. Compliance with Air Quality Laws. Recipient understands, acknowledges, and agrees that compliance with all applicable federal, State, and local air quality rules, regulations, and statutes is a precondition to the receipt or use of any State funds provided by or through the California Air Resources Board (CARB), and is a continuing obligation for the consecutive five (5) years following receipt of any State funds on a rolling continuous basis. Recipient understands, acknowledges, and agrees that a failure to comply in whole or in part with any local, State, or federal air quality rules, regulations or statutes, or a failure to comply, in whole or in part, with any of the requirements or obligations under the project or program, agreement, contract, subcontract, award, voucher, or grant (as applicable) is, in each instance, a material breach of the conditions under which State funds were provided or made available, and such breach will result in undue hardship and damages to the Grantee and the State of California some or all of which may be impossible to easily calculate.
- h. Liquidated Damages. If the Grantee or the State of California determines, within its or their sole and absolute discretion, that Recipient is in breach or has breached any obligation to remain in compliance with any applicable federal, State, or local air quality rules, regulations, and statutes, then Recipient, immediately upon demand, will pay the Grantee (or to CARB, as requested), as recaptured funds or liquidated damages, the full amount of all Grant Funds received to date. The Recipient agrees that quantifying the

losses arising from any breach is inherently difficult insofar as breach may cause the State of California or the Grantee irreparable, serious, or substantial harm or damage, including to taxpayers or to the environment. Recipient further stipulates that the agreed upon amount of recaptured funds or liquidated damages is not a penalty, but rather a reasonable measure of damages based upon experience and given the nature of the losses that may result from said breach. The Recipient agrees that the recaptured funds or liquidated damages have been computed, estimated, and agreed upon by all Parties and represents an attempt to make a reasonable forecast of probable actual loss because of the difficulty of estimating with exactness the damages which will result. This obligation shall apply even if there is concurrent noncompliance or violation of air quality rules, regulations, or laws caused by a third party. The remedies set out in this paragraph are contractual in nature.

- I. Nothing stated herein above in any way limits, prevents, or precludes the State of California or the Grantee from taking any enforcement action, exercising any police power, or prosecuting any violation of law against Recipient, its employees, officers, agents, assigns, representatives, contractors, subcontractors, affiliates, grantees, sub awardees, subgrantees, or any third parties.
- j. Survival. Recipient acknowledges, agrees, and accepts that those terms, conditions, provisions, and exhibits which by their nature should survive termination, cancellation, or expiration of the grant, award, contract, voucher, subcontract, or agreement, shall so survive, including but not limited to those sections and provisions pertaining to indemnity, recordkeeping, audit, third-party beneficiary status, return or recapture of funds, data security, insurance, confidentiality, and the general provisions.
- k. All Recipient agreements must also contain, at a minimum, all of the following:
 - i. A clear and accurate description of the material, products, or services to be procured as well as a detailed budget and timeline.
 - ii. A detailed budget and timeline.
 - iii. Provisions that allow for administrative, contractual, or legal remedies in instances where a Recipient violates or breaches any term or condition of any contract or agreement and provide for such sanctions and penalties as may be appropriate.
 - iv. Provisions for termination by the Grantee, including termination procedures and the basis for settlement.

- v. A statement that further assignments will not be made to any third or subsequent tier subcontractor without additional advance written consent of CARB and Grantee.
 - vi. Language conforming to all of the General Provisions of this Grant Agreement.
- 13.2 Alternative Enforcement: The remedies set out in this Grant Agreement are not exclusive. Nothing stated in this Grant Agreement in any way limits, prevents or precludes the State of California from taking any enforcement action, exercising any police power, or prosecuting any violation of law.
- 13.3 Amendment: No amendment or variation of the terms of this Grant Agreement shall be valid unless made in writing, signed by authorized representatives of both Parties, and approved as required. No oral understanding or agreement not incorporated in the Grant Agreement is binding on any of the Parties.
- 13.4 Americans with Disabilities Act (ADA) Language: Grantee must ensure that all products and services submitted to CARB, uploaded, or otherwise provided to or funded by CARB, or offered to or made available to the public by the Grantee and/or by any of its Recipients, including but not limited to data, software, plans, drawings, specifications, reports, operating manuals, notes, and other written or graphic work prepared in the course of performance of this Grant, as specified in any attached Exhibits (collectively, the "Work"), comply with Web Content Accessibility Guidelines 2.0, levels A and AA, and otherwise meet the accessibility requirements set forth in California Government Code Sections 7405 and 11135, Section 202 of the federal Americans with Disabilities Act (42 U.S.C. § 12132), and Section 508 of the federal Rehabilitation Act (29 U.S.C. § 794d) and the regulations promulgated thereunder (36 C.F.R. Part 1194) (collectively, the "Accessibility Requirements"). For any Work provided to CARB in PDF format, Grantee, along with its Recipients, shall also provide an electronic version in the original electronic format (for example, Microsoft Word or Adobe InDesign).
- A. CARB may request documentation from the Grantee of compliance with the requirements described above and may perform testing to verify compliance. Grantee agrees to respond to and resolve any complaint brought to its attention regarding accessibility of deliverables provided under this Grant. Grantee must bring into compliance, at no cost to CARB, any Work by Grantee, or its Recipients, not meeting the Accessibility Requirements. If Grantee fails to bring the Work into compliance with the Accessibility Requirements within five (5) business days of issuance of written notice from CARB, or within the time frame specified by CARB in its written notice, then Grantee will be responsible for all costs incurred by CARB in bringing the Work into compliance with the Accessibility

Requirements. Grantee agrees to respond to and resolve any complaint brought to its attention regarding accessibility of deliverables provided under this Grant Agreement for a period of one year following delivery of the final deliverable under this Grant Agreement.

Deviations from the Accessibility Requirements are permitted only by written consent by CARB.

- 13.5 Assignment: This Grant is not assignable by the Grantee, either in whole or in part, without the prior written consent of an authorized representative of Grantor in the form of a formal fully executed written amendment.
- 13.6 Assurances: CARB reserves the right, but not the obligation, to seek further written assurances from the Grantee and any of Grantee's employees, agents, officers, Recipients, or affiliates, that the work performed under this Grant Agreement will be performed consistent with the terms and conditions of this Grant Agreement.
- 13.7 Audit: Grantee agrees that CARB, the California Department of General Services, the California Department of Finance, the California State Auditor, or any of their respective designated representatives shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Grant and all Grant Funds received. Grantee agrees to maintain such records for a possible audit for a minimum of five (5) years from the date of termination, cancellation, or expiration of this Grant Agreement or for 5 years after a funded incentive activity has concluded, whichever is later, unless a longer period of records retention is determined necessary by CARB or any State designated representative. Grantee agrees to allow such California designated representatives (including auditors) access to such records during normal business hours and to allow interviews of any employees, representatives, agents, officers, and Recipients who might reasonably have information related to such records. Furthermore, Grantee agrees to include in all agreements, contracts, subcontracts, and subgrants, language identical to or similar to this paragraph to ensure Grantor has the ability and right to audit records and conduct interviews of any and all Recipients in relation to performance and use of Grant Funds under this Grant Agreement.
- 13.8 Authority: Each person executing this Grant Agreement on behalf of a Party represents that he or she is duly authorized to execute and deliver this Grant Agreement on the Party's behalf.
- 13.9 Availability of Funds: Grantee acknowledges, agrees, and understands that Grantor's obligations under this Grant Agreement are contingent upon the availability of funds. In the event funds are not available, the State shall have no

liability and no obligation to pay any funds whatsoever to the Grantee or to furnish any other considerations under this Grant Agreement or for any other reason.

- 13.10 CARB as Third-Party Beneficiary: Grantee represents, warrants, and agrees that CARB is and shall remain a third-party beneficiary to all Recipient agreements, and Grantee shall ensure said Recipient agreements expressly state that CARB is a third-party beneficiary.
- 13.11 Compliance with Laws, Regulations, etc.: The Grantee agrees that it will, at all times, comply with and require its Recipients to comply with all applicable federal and State laws, rules, guidelines, regulations, and requirements during the Grant Term. A failure of the Grantee to comply fully at all times with this section is a breach of this Agreement and is cause for immediate termination of the Agreement without advance notice.
- 13.12 Confidentiality and Data Security: Except as required by applicable law, or as otherwise expressly authorized by this Grant Agreement, Grantee shall not disclose to any third party any record which CARB has designated as confidential. It is expressly understood and agreed that the information the Grantee collects on behalf of the Grantor or from a third party in performing its obligations under this Grant Agreement may be deemed confidential by the Grantor. Therefore:
- a. If the Grantee believes disclosure of a confidential record or information may be required under the California Public Records Act, the Grantee shall first give CARB at least fourteen (14) calendar days advance written notice prior to any planned disclosure so that CARB can seek, solely at CARB's discretion, an order preventing disclosure from a court of competent jurisdiction. The Grantee agrees that it shall immediately notify and work cooperatively with CARB to respond timely and correctly to any and all public records requests. The Grantee agrees that it will not challenge or authorize or endorse any challenge to any action or request by CARB to obtain a protective order or court order to prevent the release of any information.
 - b. The Grantee certifies that it has appropriate systems and controls in place to ensure that Grant funds will not be used in the performance of this Grant Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright or other intellectual property laws.
 - c. Information or data, including but not limited to personally identifiable information (PII) and all application records and supporting documentation that personally identifies or describes an individual or individuals is confidential in accordance with California Civil Code sections 1798, et seq.

and other relevant State or federal statutes and regulations. The Grantee shall safeguard all such information, records, applications, and data which comes into its possession under this Grant Agreement in perpetuity, and shall not release or publish any such information, records, data, or application records without first obtaining in each instance the advance written approval of an authorized representative of CARB.

- d. The Grantee must observe complete confidentiality with respect to such information or data collected pursuant to this Grant, including without limitation, agreeing not to disclose or otherwise permit access to such information or data by any person or entity in any manner whatsoever unless such disclosure is required by law or legal process.
- e. The Grantee must acknowledge the confidential nature of such information and ensure by agreement or otherwise that the Grantee, its employees, Recipients, affiliates, officers, agents, and assigns are prohibited from copying or revealing, for any purpose whatsoever, the contents of such information or any part thereof, or from taking any action otherwise prohibited under any provision or section of this Grant Agreement.
- f. The Grantee must ensure that the Grantee's employees and Recipients are informed of the confidential nature of any shared information or data and ensure by written agreement that such individuals and entities are prohibited from (i) copying, revealing, or utilizing such information or data (or any parts thereof) for any purpose other than fulfillment of this Grant, and (ii) from taking any action otherwise prohibited under any provision or section of this Grant Agreement.
- g. The Grantee shall limit access to information and data gathered pursuant to this Grant only to necessary employees to perform their job duties in fulfillment of the Grant Agreement provisions.
- h. The Grantee must not use such information or any part thereof in the performance of services to others or for the benefit of others in any form whatsoever whether gratuitously or for valuable consideration.
- i. The Grantee must notify the Grantor promptly and in writing of the circumstances surrounding any possession, use, or knowledge of such information or any part thereof, by any person other than those authorized by this document.
- j. The Grantee must adhere to all CARB confidentiality, disclosure, and privacy policies.
- k. The Grantee must treat all information, deliverables, and work products

developed or collected pursuant to this Grant as confidential. All information, deliverables, and work products cannot be disclosed in any form to any third party (including any Recipients) without first obtaining the written consent of an authorized representative of CARB or except as otherwise authorized by this Grant Agreement.

- l. The Grantee must not use, without CARB written approval, any CARB materials, data, information, PII or documentation for any purpose other than for the sole purpose of performing Grantee's duties and obligations under this Grant Agreement.
- m. At the conclusion of the engagement or upon termination of this Grant Agreement, the Grantee shall surrender all information in any form developed or collected pursuant to this Grant.
- n. If the Grantee suspects loss or theft, the Grantee must report any lost or stolen information, data, or equipment developed or collected pursuant to this Grant to CARB immediately and to State or federal officials where required by applicable laws.
- o. The Grantee must provide CARB all pass phrases/passwords used for private keys to encrypt data used, produced, or acquired in the course of performing duties under this Grant Agreement.
- p. The Grantee must sign all non-disclosure and confidentiality agreements as provided by CARB and shall require employees, contractors, and subcontractors to do the same when requested by CARB.
- q. The Grantee agrees to notify CARB immediately of any security incident involving the information system, servers, data, or any other information developed or collected pursuant to this Grant. The Grantee agrees that CARB has the right to participate in the investigation of a security incident involving its data or conduct its own independent investigation, and that the Grantee shall cooperate fully in such investigations.
- r. The Grantee agrees that it shall be responsible for all costs incurred by CARB due to a security incident resulting from the acts or omissions of Grantee or any of its employees, agents, officers, or Recipients, including any acts or omissions resulting in an unauthorized disclosure, release, access, review, or destruction of data or information; or loss, theft or misuse of information or data developed or gathered pursuant to this Grant. If the Grantee experiences a loss or breach of data, the Grantee shall immediately report the loss or breach to CARB and, where required by applicable law, to State or federal officials. If applicable law requires, or if CARB determines, that notice to the individuals whose data has been lost or

breached is needed, then the Grantee shall provide all such notification and will bear any, and all costs associated with the notice, or any mitigation selected by CARB. These costs include, but are not limited to, staff time, material costs, postage, media announcements, credit monitoring for impacted individuals, and other identifiable costs associated with the breach or loss of data.

- s. The Grantee shall ensure that confidential, sensitive and/or PII information shall be encrypted in accordance with California State Administrative Manual 5350.1 and California Statewide Information Management Manual 5305-A.
- t. Grantee assumes all responsibility and liability for the security and confidentiality of the PII and confidential information under its control.
- u. Rights to data: Grantee acknowledges, accepts, and agrees that as between Grantee and Grantor, all rights, including all intellectual property rights, in and to PII, data, information, documentation and materials shall remain the exclusive property of the Grantor, and Grantee has a limited, non-exclusive license to access, and use said information as provided to Grantee solely for performing its obligations under the Grant Agreement. Nothing herein shall be construed to confer any license or right to said PII, data, documentation, materials, or information, including user tracking and exception data, by implication, estoppel, or otherwise, under copyright or other intellectual property rights, to any third party. Unauthorized use of said information by Grantee or third parties is prohibited. For the purposes of this requirement, the phrase "unauthorized use" means the data mining or processing of data, stored, or transmitted by any Grantee or third-party service, for unrelated or commercial purposes, advertising, or advertising-related purposes, or for any other purpose other than security or service delivery analysis that is not explicitly authorized by Grantor.
- v. Grantee certifies, represents, and warrants that:
 - i. Its data and information security standards, tools, technologies, and procedures are sufficient to protect such information and data;
 - ii. Grantee is in compliance and shall remain in compliance at all times during the Grant Term with the following requirements and obligations:
 1. The California Information Practices Act (Civil Code Sections 1798 et seq.);
 2. Current NIST special publications 800-171 Protecting Controlled Unclassified Information in Nonfederal Information Systems and

Organizations. Third party audit results and Grantee's plan to correct any negative findings shall be made available to the Grantor upon request;

3. Undergo an annual Statement on Standards for Attestation Engagements (SSAE) No. 16 Service Organization Control (SOC) 2 Type II audit. Third party audit results and Grantee's plan to correct any negative findings and implementation progress reports shall be made available to the Grantor upon request; and

4. Privacy provisions of the Federal Privacy Act of 1974;

iii. Compliance with industry standards and guidelines applicable to the work performed under the Grant Agreement. Relevant security provisions may include but are not limited to: Health Insurance Portability and Accountability Act of 1996, IRS 1075, Health Information Technology for Economic and Clinical (HITECH) Act, Criminal Justice Information Services (CJIS) Security Policy, Social Security Administration (SSA) Electronic Information Exchange Security Requirements, and the Payment Card Industry (PCI) Data Security Standard (DSS) as well as their associated Cloud Computing Guidelines.

13.13 Conflict of Interest: Government Code Section 87104 prohibits public officials of CARB, which includes any member, officer, employee, or consultant of a CARB advisory body, from making a formal or informal appearance before, or oral or written communication to CARB for the purpose of influencing a decision by CARB on a grant or other entitlement for use, such as a contract, loan, license, or permit. Prohibited communications include grant applications, letters, emails, phone calls, meetings, or any other form of oral or written communication within or outside of a public committee meeting with CARB, or CARB staff, for the purpose of influencing a CARB decision on an application for funding submitted to CARB. A knowing or willful violation of this section may result in a member being guilty of a misdemeanor and fined up to the greater of \$10,000 or three times the amount of an amount unlawfully received. If a court determines a violation occurred and that the official action might not otherwise have been taken or approved if not for the prohibited communication, the Grant may be voided. (See Gov. Code §§ 91000, 91003.)

a. For this reason, CARB officials, including but not limited to advisory body members, also may not be a signatory, or administrator on a grant application, or on any resulting grant agreement. Such individuals should not be listed on the grant application except as necessary to show their role in the organization.

b. Note that an advisory body member's organization may continue to be

eligible for a grant. However, the grant must not follow any communications for purposes of influence by the advisory body member on CARB's decision on that grant agreement. Additionally, that organization would need to identify a different member of the organization to sign or be the administrator for any applications and awarded grants.

- c. Please also note that applications from organizations affiliated with CARB Board members may require additional review and Board approval. Although CARB will make every effort to obtain required review and approval in a timely manner, this may delay grant execution and/or distribution of funds.
- d. The Grantee certifies that it is, and shall remain, in compliance with all applicable State and federal conflict of interest laws during the entire Term of this Grant Agreement. The Grantee will have no interest, and shall not acquire any interest, direct or indirect, which will conflict with its ability to impartially perform under, or complete the tasks described in, this Grant. The Grantee must disclose any direct or indirect financial interest or situation which may pose an actual, apparent, or potential conflict of interest with its duties throughout the Grant Term. CARB may consider the nature and extent of any actual, apparent, or potential conflict of interest in the Grantee's ability to perform the Grant. The Grantee must immediately advise CARB in writing of any potential new conflicts of interest throughout the Grant Term.

13.14 Construction: This Grant Agreement shall not be construed more strongly against either Party regardless of who is more responsible for its preparation.

13.15 Cumulative Remedies: The rights and remedies of the Parties to this Grant Agreement, whether pursuant to this Grant Agreement or in accordance with law, shall be construed as cumulative, and the exercise of any single right or remedy shall constitute neither a bar to the exercise of nor the waiver of any other available right or remedy.

13.16 Disputes: The Grantee shall continue with the responsibilities under this Grant Agreement during any dispute. Grantee staff or management will work in good faith with CARB staff and management to resolve any disagreements or conflicts arising from implementation of this Grant Agreement. However, any disagreements that cannot be resolved at the management level within 30 calendar days of when the issue is first raised with CARB staff shall be subject to resolution by the CARB Executive Officer, or his designated representative. Nothing contained in this paragraph is intended to limit any of the rights or remedies that the Parties may have under law.

13.17 Vehicle Charging Infrastructure and Equipment: Prior to executing contracts,

Grantee must ensure the following requirements are included in all Recipient agreements and contracts and all or other agreements pursuant to this Grant:

- a. Prior to authorizing work, a Recipient that was awarded funds to install electrical charging equipment for use by on-road transportation vehicles, must require both:
 - i. An Assembly Bill (AB) 841 Certification that certifies the Project will comply with all AB 841 (2020) requirements or describes why the AB 841 requirements do not apply to the Project. The certification shall be signed by the sub awardee's or subgrantee's authorized representative.
 - ii. Electric Vehicle Infrastructure Training Program (EVITP) Certification Numbers of each EVITP certified electrician that will install electric vehicle charging infrastructure or equipment.
- b. Evidence such as Certification Numbers are not required to be obtained by Grantee if AB 841 requirements do not apply to a Project.
- c. Prior to remitting payment to a Recipient, Grantee is responsible for collecting all AB 841 Certifications to ensure the Project did comply with all AB 841 (2020) requirements and shall retain Certification Numbers in accordance with the Grantee's records retention schedule.
- d. The requirements of this section do not apply to any of the following:
 - i. Electric vehicle charging infrastructure installed by employees of an electrical corporation or local publicly owned electric utility.
 - ii. Electric vehicle charging infrastructure funded by moneys derived from credits generated from the Low Carbon Fuel Standard (California Code of Regulations, tit. 17, § 95480 et seq.).
 - iii. Single-family home residential electric vehicle chargers that can use an existing 208/240-volt outlet.

13.18 Electric Vehicle Charger Uptime: Grantee shall ensure that all agreements with any and all Recipients, consultants, affiliates, or representatives, who receive or use any Grant Funds to support the installation of electric vehicle chargers or charging stations on or after January 1, 2024, comply at all times with the applicable requirements of AB 2061 (2022; Pub. Resources Code, §25231.5), and any and all related uptime recordkeeping and reporting standards, as a condition of Grant Fund receipt or use and as a condition of participation in the Program. The requirements in this section do not apply to chargers or charging stations installed at residential real property containing four or fewer dwelling units. This section shall remain in effect until January 1, 2035.

- 13.19 Entitlements and Regulatory Compliance: The Grantee agrees to comply with all applicable laws, ordinances, regulations, and standards in its performance under this Grant Agreement, including obtaining, where needed or required by law, any permits, or approvals necessary to undertake the activities funded by the Grant Funds, and complying with all environmental review requirements associated with such activities.
- 13.20 Environmental Justice: In the performance of this Grant Agreement, the Grantee shall conduct its programs, policies, and activities that substantially affect human health or the environment in a manner that ensures the fair treatment of people of all races, cultures, and income levels, including minority populations and low-income population of the State of California. Equal access includes, but is not limited to, ensuring language barriers are fully addressed to the satisfaction of CARB and as otherwise required by local, State, and federal laws.
- 13.21 Fiscal management systems and accounting standards: The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracing of Grant Funds to a level of expenditure adequate to establish that such Grant Funds have not been used in violation of California law or this Grant Agreement. Unless otherwise prohibited by State or local law, the Grantee further agrees that it will maintain separate Project accounts in accordance with generally accepted accounting principles.
- a. Grantee shall not commingle Grant Funds with any other accounts, revenues, grants, donations, or funds. The Grantee shall maintain all Grant Funds in a separate bank account designated specifically for the purposes of carrying out the obligations of this Grant Agreement. The bank account must be held in the name of the Grantee (the official non-profit corporate name, and not a dba), and no other person or entity. Grant Funds are not the assets of the Grantee and shall not be used, obligated, or relied upon for any purposes other than those purposes and uses set out in this Grant Agreement. Grant Funds shall not be used as collateral for an obligation to any debt, loan, or other commitments of Grantee, its officers, agents, assigns, Recipients, or affiliates. Grantee shall ensure that the Grantor is designated in writing as a third-party beneficiary of all bank accounts in which Grant Funds are maintained.
- 13.22 Force Majeure: Neither CARB nor the Grantee must be liable for or deemed to be in default for any delay or failure in performance under this Grant Agreement or interruption of services resulting, directly or indirectly, from acts of God, enemy or hostile governmental action, civil commotion, strikes, government orders, national or State declared pandemics, lockouts, labor disputes, fire, flood, earthquakes, or other physical natural disaster. If either Party intends to invoke this clause to excuse or delay performance, the Party

invoking the clause must provide written notice to the other Party immediately but no later than within fifteen (15) calendar days of when the force majeure event occurs and include reasons that the force majeure event is preventing or delaying that Party in performing its obligations under this contract. CARB may terminate this Grant Agreement immediately in writing without penalty in the event Grantee invokes this clause, in which case Grantee shall immediately return all remaining Grant Funds to CARB, cease all expenditure of Grant Funds, and turn over all documents, records, deliverables intellectual property and other information in relation to this Grant.

a. If the Grant Agreement is not terminated by CARB pursuant to this clause, upon completion of the event of force majeure, the Grantee must recommence the performance of its obligations under this Grant Agreement. The Grantee must also provide a revised schedule to minimize the effects of the delay caused by the event of force majeure. An event of force majeure does not relieve a Party from liability for an obligation which arose before the occurrence of that event nor is any Party relieved from those obligations which survive termination of the Grant Agreement.

13.23 Funding Prohibitions for Sectarian Purposes and Non-Public Schools: Grantee and the Recipients may use or authorize the use of CARB-provided funds only in any manner that is consistent with applicable laws, including California Constitution, article XVI, section 5, article IX, section 8, and federal law. CARB reserves the right to obtain additional information from Grantee and others to determine compliance with California Constitution, article XVI, section 5 and article IX, section 8. Failure to provide any requested information may result in denial of Administrative Fees, Grant Funds, future or termination of this Grant Agreement or any other agreements.

13.24 Governing Law and Venue: This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California. CARB and the Grantee hereby agree that any action arising out of this Grant Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Grant Agreement.

13.25 Grantee's Responsibility for Work: The Grantee shall be responsible for all work performed pursuant to this Grant Agreement, including but not limited to work performed by any of Grantee's agents, employees, representatives, affiliates, suppliers, or Recipients. The Grantee shall be responsible for any and all disputes arising out of its contract for work performed in relation to, as a result of or as a consequence of this Grant, including, but not limited to, payment disputes with Recipients, employees, agents, affiliates, suppliers, and providers of services. Grantor will not mediate disputes between the Grantee

and any other entity concerning responsibility for performance of work performed pursuant to this Grant Agreement. The Grantee shall only distribute Grant funds on a reimbursement basis. Grantee shall not use Grant funds for advance payments to Recipients, service providers, suppliers, or other third parties.

- a. Upon request by CARB, Grantee shall provide CARB with a copy of any and all contracts and agreements where services or work will be funded using Grant Funds. CARB may also request copies of these documents during or after the Grant Term and Grantee agrees to provide them within five (5) calendar days of the date of the request. For contracts or agreements that are listed as "to be determined" in the Budget, the Schedule or elsewhere in any attachment to this Grant Agreement, the Grantee must submit a revised Budget to CARB, identifying the contractor, subcontractor or other Recipient and specific items of cost expected to be incurred by that Recipient, which in each instance shall be subject to advance approval by CARB. In addition, Grantee must have a fully executed agreement with all Recipients before a Recipient can incur any costs for which the Grantee will seek reimbursement.
- b. The Grantee is required, where feasible, to employ best contracting and procurement practices that promote open competition for all goods and services. Grantee shall obtain price quotes from an adequate number of sources for all contracts and subcontracts.
- c. Upon request, Grantee will provide CARB a copy of all solicitations for services or products used or needed to carry out the terms of this Grant Agreement, including copies of the proposals or bids received.
- d. Grantee is responsible for handling all contractual and administrative issues arising out of or related to any Recipient agreements it enters into to carry out or perform any of the work under this Grant Agreement. Nothing contained in this Grant Agreement or otherwise creates any contractual relationship between CARB and any Recipient, and no Recipient agreement may relieve Grantee of its responsibilities under this Grant Agreement. Grantee is solely liable and responsible for the acts and omissions of each Recipient or persons directly or indirectly employed by any of them.
- e. The Grantee's obligation to pay its Recipients is an independent obligation from CARB's obligation to make payments to the Grantee. As a result, CARB has no obligation to pay or enforce the payment of any funds to any Recipient. The Grantee is responsible for establishing and maintaining contractual agreements with and reimbursing each Recipient for work performed in accordance with the terms of that Recipient agreement and this Grant Agreement.

- f. Without limiting any of CARB's other remedies, failure to comply with the above requirements is a material breach of this Grant Agreement and grounds for immediate termination.
- 13.26 Indemnification: The Grantee agrees to indemnify, defend, and hold harmless the State of California, CARB, and CARB officers, Board members, employees, agents, representatives, and successors-in-interest against, for and from any and all liabilities, losses, damages, claims and expenses, including reasonable attorneys' fees, arising out of, resulting from or related to any actions or inactions of Grantee or any of its Recipients, affiliates, employees, officers, agents and assigns, including but not limited to the operation of any equipment, vessels, vehicles or engines purchased, acquired, developed, modified or used with Grant Funds in whole or in part. Grantee shall ensure that the same or substantially and materially the same indemnification requirements in favor of the State of California are set out in each Recipient agreement.
- 13.27 Independent Actor: The Grantee, its agents, employees, affiliates, Recipients, suppliers, officers, and assigns, if any, in their, its, his, or her performance of this Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of CARB or the State of California.
- 13.28 Insurance Requirements: The Grantee and each Recipient must comply with all requirements outlined in the (a) General Provisions section and (b) Grant Insurance Requirements section. No payment of Grant Funds will be made under the Grant until the Grantee fully complies with all insurance requirements.
- a. General Provisions
 - i. Coverage Term - Coverage needs to be in force for the complete Term of the Grant. If insurance is set to expire during the Term of the Grant, a new certificate must be received by the State at least ten days prior to the expiration of this insurance. Any new insurance must comply with the original Grant terms.
 - ii. Policy Cancellation or Termination & Notice of Non-Renewal - Grantee is responsible for notifying the State within five business days of any cancellation, non-renewal, or material change that affects required insurance coverage. New certificates of insurance are subject to the approval of the Department of General Services and the Grantee agrees no work or services will be performed prior to obtaining such approval. In the event that the Grantee or a Recipient fails to keep in effect at all times the specified insurance coverage, the State may, in addition to any other remedies it may have, terminate the Grant upon the occurrence of

such event, subject to the provisions of the Grant.

- iii. Premiums, Assessments, and Deductibles - The Grantee and each Recipient is responsible for any premiums, policy assessments, deductibles, or self-insured retentions contained within their insurance program.
- iv. Primary Clause - All required insurance contained in the Grant shall be primary and not excess or contributory, to any other insurance carried by the State.
- v. Insurance Carrier Required Rating - All insurance companies must carry an AM Best rating of at least "A-" with a financial category rating of no lower than VI. If the Grantee is self-insured for a portion or all of its insurance, review of financial information including a letter of credit may be required.
- vi. Endorsements - For any work or activity performed or carried out in whole or in part using Grant Funds or to carry out any term or condition of this Grant Agreement, each insurance policy must name "the State of California, the California Air Resources Board, and each of its and their officers, agents, and employees as additional insureds" by an endorsement that states the names exactly as stated above in this Grant Agreement. A blanket additional insured endorsement is not acceptable. A Waiver of Subrogation or Right to Recover endorsement in favor of the State of California must also be attached to the certificate. Any required endorsements requested by the State or required in this Grant Agreement must be physically attached to all requested certificates of insurance and not substituted by referring to such coverage on the certificate of insurance.
- vii. Inadequate Insurance - Inadequate or lack of insurance does not negate the Grantee's or any Recipient's obligations under the Grant.
- viii. Satisfying a Self-Insured Retention (SIR) - All policies with an SIR shall be endorsed to all the State to satisfy the SIR or Deductible at the State's discretion. The State may deduct from any amounts otherwise due to Grantee to fund the SIR/deductible. Policies shall not contain any provision that limits the satisfaction of the SIR/deductible to the Named Insured. The Grantee's insurer may also eliminate the SIR/deductible in favor of the State's interests.
- ix. Use of Contractors or Subcontractors - In the case of the Grantee's utilization of any Recipients, contractors, subcontractors, or consultants to complete any part of the Grant scope of work, the Grantee shall

include all Recipient, contractors, subcontractors, or consultants as insureds under the Grantee's insurance or supply evidence of the Recipient's, contractor's, Subcontractor's, or consultant's insurance to the State equal or greater to policies, coverages, and limits required of the Grantee. Grantee shall also ensure that Grant Recipients carry the same or greater coverage for the work or services performed.

- b. Grant Insurance Requirements: The Grantee and each Recipient shall display evidence of the following on a certificate of insurance which includes all the required endorsements, including additional insured endorsements and waiver of subrogation/right to recover endorsements. Failure to provide the certificates upon request will result in the termination of the Grant. The following coverages must be evidenced on the certificates of insurance:
 - i. Commercial General Liability - The Grantee, and each Recipient, shall maintain general liability on an occurrence form with limits not less than \$2,000,000 per occurrence for bodily injury and property damage liability combined with a \$5,000,000 annual policy aggregate. A "per project aggregate" endorsement is required. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal and advertising injury, and liability assumed under an insured contract or grant. This insurance shall apply separately to each insured against whom a claim is made or suit is brought subject to Grantee's or a Recipient's limit of liability. For any work or activity performed or carried out in whole or in part using Grant Funds or to carry out any term or condition of this Grant Agreement, each insurance policy must name "the State of California, the California Air Resources Board, and each of its and their officers, agents, and employees as additional insureds" by an endorsement that states the names exactly as stated above in this Grant Agreement. A blanket additional insured endorsement is not acceptable. A Waiver of Subrogation or Right to Recover endorsement in favor of the State of California must also be attached to the certificate.
 - ii. Automobile Liability - If the Grantee or a Recipient will be using vehicles to complete the Project or driving a vehicle onto State property, automobile liability insurance is required. For vehicles used in a CARB-funded shared mobility services (e.g., electric bikes and scooters, carshare vehicles, shuttles, and buses), the Grantee and each Recipient shall maintain motor vehicle liability with limits of not less than a \$5,000,000 per accident. For any other vehicle that is not used in a CARB-funded shared mobility service (e.g., vehicles used for project planning, rebalancing, maintenance, marketing, outreach, or driving to events), the Grantee and each Recipient shall maintain motor vehicle

liability with limits of not less than \$2,000,000 per accident. Such insurance shall cover liability arising out of a motor vehicle including owned, hired, and non-owned motor vehicles. At the request of CARB, the Grantee and each Recipient must show proof of automobile liability. Failure to provide proof upon request will result in the termination of the Grant. For any work or activity performed or carried out in whole or in part using Grant Funds or to carry out any term or condition of this Grant Agreement, each insurance policy must name "the State of California, the California Air Resources Board, and each of its and their officers, agents, and employees as additional insureds" by an endorsement that states the names exactly as stated above in this Grant Agreement. A blanket additional insured endorsement is not acceptable. A Waiver of Subrogation or Right to Recover endorsement in favor of the State of California must also be attached to the certificate.

1. In the event that the Fleet Owner maintains business automobile liability insurance, the insurance policy must name "the State of California, the California Air Resources Board, and each of its and their officers, agents, and employees as additional insureds" by endorsement that states the names exactly as stated above in this Grant Agreement. A blanket additional insured endorsement is not acceptable.
2. By signing the Grant Agreement, the Grantee certifies that the Grantee and any employees, subcontractors, or servants possess valid automobile coverage in accordance with California Vehicle Code Sections 16450 to 16457, inclusive. The State reserves the right to request proof at any time.
- iii. Workers Compensation and Employers Liability - The Grantee and each Recipient shall maintain statutory worker's compensation and employer's liability coverage for all its employees who will be engaged in the performance of the Grant. In addition, employer's liability limits of \$1,000,000 are required.
- iv. Crime Insurance - Crime insurance requirements are negotiable at CARB's sole discretion. At a minimum, the maximum amount of funding that the Grantee and each Recipient will have on hand at any time should be covered. Coverage shall include but not be limited to employee dishonesty, theft, forgery, or alteration, and inside/outside money and securities coverages including first- and third-party theft for State-owned or leased property in the care, custody, and/or control of the Grantee. The policy shall include as loss payee, the State of California, California Air Resources Board. For any work or activity performed or carried out in whole or in part using Grant Funds or to

carry out any term or condition of this Grant Agreement, each insurance policy must name "the State of California, the California Air Resources Board, and each of its and their officers, agents, and employees as additional insureds" by an endorsement that states the names exactly as stated above in this Grant Agreement. A blanket additional insured endorsement is not acceptable. A Waiver of Subrogation or Right to Recover endorsement in favor of the State of California must also be attached to the certificate.

- v. Non-Profit Organization with Volunteers Only (applicable to non-profit organizations only): A Volunteer Accident Insurance Policy with a limit not less than \$1,000,000. The policy shall contain a waiver of subrogation in favor of the State of California, if such endorsement is available in the open market. Said policy shall be issued by an insurance company with a rating which is acceptable to the Department of General Services, Office of Risk, and Insurance Management. CARB reserves the right to review and adjust insurance requirements as necessary during the Grant Term.
- vi. Cyber Liability coverage, with limits not less than \$2,000,000 per occurrence or claim: Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by the Grantee in the Grant Agreement and shall include, but not be limited to, claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion, and network security. The policy shall provide coverage for breach response costs, regulatory fines, and penalties, as well as credit monitoring expenses. The Policy shall include or be endorsed to include property damage liability coverage for damage to, alteration of, loss of, or destruction of electronic data and/or information "property" of the state of California in the care, custody, or control of the Grantee. For any work or activity performed or carried out in whole or in part using Grant Funds or to carry out any term or condition of this Grant Agreement, each insurance policy must name "the State of California, the California Air Resources Board, and each of its and their officers, agents, and employees as additional insureds" by an endorsement that states the names exactly as stated above in this Grant Agreement. A blanket additional insured endorsement is not acceptable. A Waiver of Subrogation or Right to Recover endorsement in favor of the State of California must also be attached to the certificate.

- vii. Professional Liability (Errors and Omissions): Insurance appropriate to the Grantee's profession, with limit no less than \$2,000,000 per occurrence or claim, \$5,000,000 aggregate. For any work or activity performed or carried out in whole or in part using Grant Funds or to carry out any term or condition of this Grant Agreement, each insurance policy must name "the State of California, the California Air Resources Board, and each of its and their officers, agents, and employees as additional insureds" by an endorsement that states the names exactly as stated above in this Grant Agreement. A blanket additional insured endorsement is not acceptable. A Waiver of Subrogation or Right to Recover endorsement in favor of the State of California must also be attached to the certificate.
- viii. Self-insurance - If a Grantee has elected to be self-insured it must receive approval of its self-insurance program from the DGS Office of Risk and Insurance Management (ORIM). To obtain ORIM approval, the Grantee must submit the following documents to ORIM.
1. Workers' Compensation - The Grantee will provide a copy of its Certificate of Consent to Self-Insure from the Department of Industrial Relations.
 2. All Other - The Grantee's Risk Manager, or comparable position holder, shall provide a written description of the plan including what is covered, what is not covered, identify the financial limits of the plan, and identify the source of funds for financing the plan.
 - A. Provide the firm's most recent audited annual financial statement including all accounting letters. The report must show the firm's owner's equity of at least \$5,000,000 and annual profit of at least \$500,000.
 - B. Provide a signed written statement from the firm's CPA confirming the annual net profit for each of the prior 4 years has been at least \$500,000.
- ix. Harbors, Ports, Waterways, Vessel, Watercraft - If the Grantee or any of the Recipients (funded in whole or in part with any Grant Funds) will be working with, on, in or around any harbor, dock, marina, port or waterway or will be working with, building, designing, deploying, developing, operating or using any form of watercraft or vessel, then in addition to all other insurance coverage required in this Grant Agreement, the Grantee and said Recipients shall also carry the following insurance coverage:

1. Marine General Liability (MGL) insurance, with no waterborne exclusions, and with a limit of not less than \$5,000,000 per occurrence/\$5,000,000 aggregate. MGL shall include, at a minimum, coverage for:
 - A. Premises Liability
 - B. Contractual Liability
 - C. Products and Completed Operations
 - D. Bodily Injury and Property Damage
 - E. Vessel Owner/Operator Liability
 - F. Sudden and Accidental Pollution
 - G. Vessel Hull & Machinery (H&M).
 - H. Marina Operators Legal Liability
 - I. Terminal Operators/Wharfingers Liability with a limit of not less than \$10,000,000 per claim/\$10,000,000 aggregate.
 - J. United States Longshore and Harbor Workers Compensation Act (USL&H) with statutory limits, for work that will take place on or over a navigable waterway.
 - K. Maritime Employers Liability (MEL) with a limit of liability of not less than \$1,000,000 per claim, for underwater or diving activity. Grantee and Recipients shall only use commercially certified divers for underwater or diving activities.
 - L. Protection & Indemnity (P&I) (including crew and passengers) with a limit of liability of not less than \$1,000,000 per claim for vessels carrying less than 25 persons (passengers or crew), and a limit of liability of not less than \$10,000,000 per claim for vessels carrying greater than 25 persons (passengers or crew).
 - M. Vessel Pollution Liability with a limit of liability of not less than \$1,000,000 per claim for vessels carrying less than 25 persons (passengers or crew), and a limit of liability of not less than \$10,000,000 per claim for vessels capable of carrying greater than 25 persons (passengers or crew).
2. For any work or activity performed or carried out in whole or in part

using Grant Funds or to carry out any term or condition of this Grant Agreement, each insurance policy must name "the State of California, the California Air Resources Board, and each of its and their officers, agents, and employees as additional insureds" by an endorsement that states the names exactly as stated above in this Grant Agreement. A blanket additional insured endorsement is not acceptable. A Waiver of Subrogation or Right to Recover endorsement in favor of the State of California must also be attached to the certificate.

13.29 Non-Compliance

- a. Without limiting any of its other remedies, CARB may, due to Grantee's or any Recipient noncompliance with any term or condition of this Grant Agreement, withhold future payments, demand and be entitled to recapture or repayment of past reimbursements or payments, or suspend or terminate this Grant Agreement. All work and tasks are non-severable, and completion of all of them is material to this Grant Agreement. Thus, CARB, without limiting its other remedies, is entitled to repayment of all Grant Funds if work is not timely completed or for any other breach of this Grant Agreement.
- b. Grantee understands, acknowledges, and agrees that any Recipient's failure to comply in whole or in part with this Grant Agreement or with applicable federal, State, and local air quality rules, regulations, and laws, is, in each instance, a material breach of the Grant Agreement and such breach will result in undue hardship and damages to the State of California and CARB some or all of which is impossible to easily calculate. Grantee understands, acknowledges, and agrees that Grantee's said compliance is a precondition to the award and distribution of Grant Funds and a continuing obligation of Grantee during the Term of the Grant Agreement and for the consecutive three (3) years following expiration, cancellation, or termination of the Grant Agreement, whichever occurs later.
- c. Liquidated Damages. If CARB determines, within its sole and absolute discretion, that a Recipient is in breach or has breached any term or condition set out in this Grant Agreement that pertains to or applies to a Recipient, then Grantee shall ensure that said Recipient, immediately upon demand, pays to CARB, as a recapture of funds or liquidated damages, the full amount of all Grant Funds previously paid to the Recipient to date.
 - i. The Parties agree that quantifying the losses arising from a breach by a Recipient is inherently difficult insofar as breach may cause CARB and the State of California irreparable, serious, or substantial harm or damage to taxpayers or to the environment. The Parties further stipulate

that the agreed upon amount of recaptured funds or liquidated damages is not a penalty, but rather a reasonable measure of damages based upon the Parties' experience and given the nature of the losses that may result from said breach. The Parties hereto have computed, estimated, and agreed upon the sum as an attempt to make a reasonable forecast of probable actual loss because of the difficulty of estimating with exactness the damages which will result.

- d. These obligations shall apply even if there is a concurrent noncompliance or violation of air quality rules, regulations, or laws caused by any third party.
 - e. CARB or its designee may also recoup or recapture Grant Funds due to misinformation, misrepresentation, or fraud. CARB also reserves the right to prohibit any entity from participating in existing or future CARB programs, projects, or grants due to non-compliance with any term or condition of this Grant Agreement or any requirement of the Moyer program due to misinformation, misrepresentation, or fraud.
 - f. Grantee shall, for each occurrence, document and immediately report to CARB any and all suspected or known substandard work; suspected or actual Recipient breach of agreement, fraud, misrepresentations, abuse of discretion, or misuse of funds; suspected or known violations of any Grant or subgrant terms or conditions, and all misrepresentations and fraud carried out by any third parties including but not limited to Grantee's contractors, subcontractors, consultants, employees, agents, affiliates, officers, directors, or representatives. Grantee shall fully cooperate and work with CARB to investigate, resolve, and take appropriate action to enforce the terms and conditions of each Grant Recipient agreement and this Grant Agreement, including appropriately prosecuting or litigating any civil or criminal claims (including for recapture of Grant Funds from Recipients) as determined necessary by CARB or its representative.
 - g. Alternative Enforcement. The remedies set out in this Grant Agreement are contractual in nature. Nothing stated in this Grant Agreement in any way limits, prevents, or precludes the State of California from taking any enforcement action, exercising any police power, or prosecuting any violation of law.
- 13.30 Nondiscrimination: During the performance of this Grant Agreement, the Grantee and its contractors, subcontractors, consultants, and agents shall ensure that no person is, on the basis of sex, race, color, religion, ancestry, national origin, ethnic group identification, age (40 or over), mental disability, physical disability, medical condition, genetic information, marital status, veteran or military status, gender, gender identity, gender expression,

reproductive health decision making, or sexual orientation, unlawfully denied full and equal access to the benefits of, or unlawfully subjected to discrimination under, any program or activity that is conducted, operated, or administered under this Grant Agreement or funded with Grant Funds. In addition:

- a. During the performance of this Grant Agreement, the Grantee and its contractors, subcontractors, consultants, and agents shall not unlawfully discriminate against, harass, or allow harassment against any employee or applicant for employment, refuse to hire or employ any person, or refuse to select any person for a training program leading to employment, or bar or discharge any person from employment or from a training program leading to employment, or discriminate against any person in compensation or in terms, conditions, or privileges of employment, because of race, religious creed, color, national origin, ethnic group identification, ancestry, physical disability, mental disability, reproductive health decision making (e.g. family-care leave, medical-care leave, or pregnancy-disability leave), medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age (40 or over), sexual orientation, or veteran or military status.
- b. The Grantee and its contractors, subcontractors, consultants, and agents shall ensure that the evaluation and treatment of all persons receiving or applying for Grant Funds or participating in any Grant programs, projects, or activities, along with all respective employees and applicants for employment, are free of such discrimination and harassment.
- c. The Grantee and its contractors, subcontractors, consultants, and agents shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, title 2, section 10000 et seq.). The applicable regulations (California Code of Regulations, title 2, section 11000 et seq.) of the Civil Rights Council are incorporated into this Grant Agreement by reference and made a part hereof as if set forth in full.
- d. The Grantee and its contractors, subcontractors, agents, and consultants shall give written notice of their respective obligations under this clause to labor organizations with which any may have a collective bargaining or other agreement. The Grantee shall include the nondiscrimination and compliance provisions of this clause in all contracts, subcontracts, and agreements where work is performed to fulfill any term or condition of this Grant Agreement.

13.31 No Third-Party Rights: Except as otherwise expressly stated elsewhere in this

Grant Agreement, this Grant Agreement does not create, and nothing stated in this Grant Agreement creates rights in, or Grant remedies to, any third party as a beneficiary of this Grant Agreement, or of any duty, covenant, obligation, or undertaking establish herein.

13.32 Notice: Any notice, demand, request, consent, or approval that either Party desires or is required to give to the other Party under this Grant Agreement shall be in writing. Notices may be transmitted by any of the following means:

- a. By delivery in person.
- b. By certified U.S. mail, return receipt requested, postage prepaid.
- c. By "overnight" delivery service; provided that next business-day delivery is requested by the sender.
- d. By electronic means.

Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective seven (7) calendar days after the date deposited with the U.S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the overnight delivery service. Notices sent electronically will be effective on the date of transmission, where it is documented in writing. Notices shall be sent to the persons and addresses set forth in Section 4, Project Liaisons, of this Grant Agreement. Either Party may, by written notice to the other, designate a different address that shall be substituted for the names of persons identified under Section 4 of this Grant Agreement.

13.33 Office of Foreign Asset Control: The Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury administers and enforces economic and trade sanctions based on U.S. foreign policy and national security goals against targeted foreign countries and regimes, terrorists, international narcotics traffickers, those engaged in activities related to the proliferation of weapons of mass destruction, and other threats to the national security, foreign policy, or economy of the United States. OFAC publishes lists of individuals and companies owned or controlled by, or acting for or on behalf of, targeted countries. It also lists individuals, groups, and entities, such as terrorists and narcotics traffickers designated under programs that are not country specific. These lists can be found at <https://home.treasury.gov/policy-issues/office-of-foreign-assets-control-sanctions-programs-and-information>. Grantee represents, warrants, and agrees that neither Grantee nor any of its Recipients, affiliates, agents, employees, officers, representatives, or assigns are in violation of any federal law or laws pertaining to any entity or individual listed

on any of the OFAC lists. Unless otherwise authorized or exempt, transactions by U.S. persons or in the United States may be or are prohibited if they involve transferring, paying, exporting, withdrawing, or otherwise dealing in the property or interests in property of an entity or individual listed on the Office of Foreign Asset Control's (OFAC) Specially Designated Nationals (SDN) or other Lists. The property and interests in property of an entity that is 50 percent or more owned, whether individually or in the aggregate, directly or indirectly, by one or more persons whose property and interests in property are blocked pursuant to any part of 31 C.F.R. chapter V are also blocked, regardless of whether the entity itself is listed. Refer also to the U.S. Department of the Treasury website: <https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/ukraine-russia-related-sanctions>.

- 13.34 Order of precedence: In the event of any inconsistency between the exhibits, attachments, specifications, or provisions which constitute this Grant Agreement, the following order of precedence shall apply:
- a. Grant Agreement Cover Sheet
 - b. Exhibit A - Grant Provisions
 - c. Exhibit B - Statement of Work
 - d. Exhibit C - FY 2021-22 and FY 2022-23 Grant Solicitation Package
 - e. All other Exhibits incorporated into the Grant Agreement as listed on the Grant Agreement Cover Sheet.
- 13.35 Ownership: All information, data, documents, Intellectual Property, including but not limited to webpages received, managed, or generated by the Grantee under this Grant Agreement is the property of CARB. No such information, data, documents, or Intellectual Property shall be released to any third party without CARB's advance written approval except where allowed under this Grant Agreement. Notwithstanding the above, in the event Grantee is required by deposition, interrogatory, subpoena, or request for documents under the California Public Records Act to disclose information or data received or generated under this Grant Agreement, Grantee shall provide CARB a prompt written notice prior to disclosure with sufficient time (no less than fourteen (14) calendar days) for CARB to challenge or stay any release in an appropriate court of law.
- 13.36 Paragraph Headings: The headings and captions of the various paragraphs, subparagraphs and sections hereof are for convenience only, and they shall not limit, expand, or otherwise affect the construction or interpretation of this

Grant Agreement.

- 13.37 Prevailing Wages and Labor Compliance: Where applicable, the Grantee agrees to be bound by and comply with all the provisions of the California Labor Code including but not limited to Section 1771 et seq. regarding prevailing wages, and other provisions pertaining to recordkeeping and contractor/subcontractor registration. Grantee agrees to monitor all agreements that are funded in whole or in part with Grant Funds to ensure that the provisions of California Labor Code Sections 1720-1861 are being met by Grantee and all Grantee Representatives. Grantee acknowledges, accepts and agrees that wherever any public work (as defined in the Labor Code) is paid for in whole or in part out of public funds, then Grantee and all Grantee Representatives must in all instances comply with the prevailing wage requirements as well as contractor and subcontractor registration requirements under the applicable provisions of the Labor Code. Failure to do so is a material breach of this Grant Agreement and may subject Grantee and/or any of the Grantee Representatives to penalties and other violations imposed by the Department of Industrial Relations.
- 13.38 Professionals: For projects involving installation or construction services, the Grantee agrees that only licensed professionals will be used to perform services or conduct work under this Grant Agreement where such services are called for and licensed professionals are required for those services under California law.
- 13.39 Executive Order N-6-22 - Russia Sanctions: On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under State law. The EO directs State agencies to terminate contracts and grants with, and to refrain from entering any new contracts and grants with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine Contractor or Grantee is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Contractor or Grantee advance written notice of such termination, allowing Contractor or Grantee at least thirty (30) calendar days to provide a written response. Termination shall be at the sole discretion of the State.
- 13.40 Severability: If a court of competent jurisdiction holds any provision of this Grant Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of those provisions, will not be affected.

- 13.41 Survival: Those terms, conditions, provisions, and exhibits which by their nature should survive termination, cancellation, or expiration of this Grant Agreement, shall so survive, including but not limited to those sections pertaining to indemnity, insurance, recordkeeping, audit, return of funds, data security, confidentiality, transition, ownership, and the general provisions.
- 13.42 Timeliness: Time is of the essence in this Grant Agreement. Grantee and the Recipients shall proceed with and complete all projects in an expeditious and timely manner.
- 13.43 Total Agreement; Entirety: This Grant Agreement constitutes the entire agreement and understanding between the Parties and supersedes and replaces any and all prior negotiations and agreements of any kind, whether written or oral, between the Parties concerning this Grant Agreement.
- 13.44 Waiver of Rights: Any waiver of rights with respect to a default or other matter arising under the Grant Agreement at any time by either Party shall not be considered a waiver of rights with respect to any other default or matter. Any rights and remedies of the State provided for in this Grant Agreement are in addition to any other rights and remedies provided by law.
- 13.45 Compliance with AB794 - Drayage and Short Haul (if applicable): Grantee shall ensure that all agreements with any and all of their Representatives and Grant Recipients who receive or use any Grant Funds to support the purchase, or lease for greater than one year, of new drayage or short-haul trucks contain a requirement to comply at all times with the applicable requirements of AB 794 (2021) and AB 2737 (2022), including all applicable provisions of California Health and Safety Code sections 39680 through 39693, as a condition of Grant Fund receipt or use and as a condition of participation in the Program.
- 13.46 Priority Populations: The Grantee, for the purposes of this program and all projects, will ensure that all projects benefit designated priority populations, as identified by CalEnviroScreen 4.0. The identified priority population census tracts are available at:
<https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40>
The California Climate Investments Priority Populations Map is available at:
<https://webmaps.arb.ca.gov/PriorityPopulations/>

STATEMENT OF WORK (Exhibit B)

Grant No.: G22-ATDP-03

BUDGET SUMMARY (Attachment I)

PROJECT TASKS AND DISBURSEMENTS (Attachment II)

SCOPE OF WORK AND PROJECT SCHEDULE (Attachment III)

KEY PROJECT PERSONNEL (Attachment IV)

BUDGET SUMMARY (Attachment I)

Grant No.: G22-ATDP-03

Grantee: City of Los Angeles Harbor Department

Project: Advanced Technology Demonstration and Pilot Projects: Los Angeles Marine Emission Reduction Project

Costs	Grant Funding		Applicant Match Funding		Total
	FY 24/25 GGRF	FY 22/23 General Fund	Cash	In-Kind	
Demonstration Technology Funds	\$2,917,477	\$28,052,899	\$31,436,492	\$0	\$62,406,868
Administrative Funds	\$10,000	\$0	\$35,000	\$0	\$45,000
Total	\$2,927,477	\$28,052,899	\$31,471,492	\$0	\$62,451,868

In accordance with Assembly Bill (AB) 107, Section 15.14, twenty-five percent (25%) of the Fiscal Year 2024-25 GGRF funds allocated under this Grant, in the amount of \$731,869.25, shall be withheld. Upon determination of the final amount of the fourth quarter Cap-and-Trade Auction and approval from the Department of Finance (DOF), the remaining funds may be encumbered and available for use. A formal Amendment may not be required to encumber and liquidate the remaining funds.

PROJECT TASKS AND DISBURSEMENTS (Attachment II)

Grant No.: G22-ATDP-03

Grantee: City of Los Angeles Harbor Department

Project: Advanced Technology Demonstration and Pilot Projects: Los Angeles Marine Emission Reduction Project

TASK	DESCRIPTION	PROJECT FUNDING		MATCH FUNDS	
		PROJECT FUNDS	ADMIN. FUNDS	CASH	IN-KIND
1	Administration	\$0	\$0	\$0	\$0
1.1	Kick-Off Meeting	\$0	\$0	\$0	\$0
1.2	Quarterly Reports	\$0	\$0	\$0	\$0
1.3	Critical Progress Reviews	\$0	\$0	\$0	\$0
2	Catalina Channel Express Ferry	\$0	\$0	\$0	\$0
2.1	Boat Yard Procurement	\$1,484,153	\$0	\$989,435	\$0
2.2	Equipment Orders	\$2,226,229	\$0	\$1,484,153	\$0
2.3	Vessel Construction	\$9,646,993	\$0	\$6,431,329	\$0
2.3.1	Hull Construction	\$19,440	\$0	\$19,440	\$0
2.3.2	Superstructure	\$0	\$0	\$0	\$0
2.3.3	Metal Work	\$0	\$0	\$0	\$0
2.4	Vessel Launch & Acceptance	\$1,542,313	\$0	\$1,176,275	\$0
2.4.1	Vessel Launch	\$0	\$0	\$0	\$0

2.4.2	Vessel Acceptance & Delivery	\$0	\$0	\$0	\$0
2.5	Vessel Demonstration	\$0	\$0	\$5,269,922	\$0
2.6	Emissions Testing & Data Collection	\$125,000	\$0	\$125,000	\$0
3	Harbor Breeze ZEAT Vessels	\$0	\$0	\$0	\$0
3.1	Boat Yard Procurement	\$1,594,531	\$0	\$1,455,469	\$0
3.2	Equipment Orders	\$1,594,531	\$0	\$1,455,469	\$0
3.3	Vessel Construction	\$0	\$0	\$0	\$0
3.3.1	Hull Construction	\$2,357,031	\$0	\$2,287,500	\$0
3.3.2	Metal Work	\$2,357,031	\$0	\$2,287,500	\$0
3.3.3	Superstructure	\$2,357,031	\$0	\$2,287,500	\$0
3.3.4	Outfitting & Finishes	\$2,357,031	\$0	\$2,287,500	\$0
3.4	Vessel Launch & Acceptance	\$0	\$0	\$0	\$0
3.4.1	Vessel Launch	\$1,594,531	\$0	\$1,525,000	\$0
3.4.2	Vessel Acceptance & Delivery	\$1,589,531	\$0	\$1,525,000	\$0
3.5	Vessel Demonstration	\$0	\$0	\$0	\$0
3.6	Emissions Testing & Data Collection	\$125,000	\$0	\$125,000	\$0
4	Technology Evaluation	\$0	\$0	\$0	\$0
4.1	Commercial Market Summary	\$0	\$0	\$50,000	\$0
4.2	DPF Marinization Report	\$0	\$0	\$25,000	\$0
4.3	Engine Manufacturer RFI	\$0	\$0	\$15,000	\$0

4.4	ZE Infrastructure Assessment	\$0	\$0	\$100,000	\$0
4.5	Roundtable Workshop	\$0	\$0	\$10,000	\$0
4.6	Final Evaluation Report	\$0	\$0	\$300,000	\$0
5	Workforce Data Collection	\$0	\$0	\$25,000	\$0
6	Technology Showcase	\$0	\$0	\$180,000	\$0
7	Final Report	\$0	\$0	\$0	\$0
7.1	Draft Report	\$0	\$0	\$25,000	\$0
7.2	Final Report	\$0	\$10,000	\$10,000	\$0
Subtotals of Project, Admin., Cash, and In-Kind Funds		\$30,970,376	\$10,000	\$31,471,492	\$0
Grant Total Funding Amount		\$30,980,376		\$31,471,492	

SCOPE OF WORK AND PROJECT SCHEDULE (Attachment III)

Grant No.: G22-ATDP-03

Grantee: City of Los Angeles Harbor Department

Project: Advanced Technology Demonstration and Pilot Projects: Los Angeles Marine Emission Reduction Project

TASK	START DATE	END DATE
<p>Task 1 - Project Administration</p> <p>The purpose of this task is to ensure that all project components are completed on time, within budget, and in compliance with CARB requirements. POLA will hold monthly project status meetings with the operators and regular meetings with CARB, including Critical Project Review (CPR) meetings, to ensure timely project execution.</p>	Feb. 01 2025	April 30 2027
<p>Task 1.1 - Kick-Off Meeting</p> <p>The purpose of this meeting is to confer with all project partners all the project plans to complete the project on time, within budget, and in compliance with CARB and requirements.</p> <p>Deliverable: Kickoff Meeting Agenda, Presentations, and Minutes</p>	Feb. 01 2025	Feb. 01 2025
<p>Task 1.2 - Quarterly Reports</p> <p>POLA will hold monthly project status meetings with the operators and regular meetings with CARB to ensure timely project execution.</p> <p>Deliverable: Quarterly Reports - will comply with the Americans with Disabilities Act (ADA) and include the quarterly meeting agenda, presentations, and minutes.</p>	April 15 2025	March 15 2027
<p>Task 1.3 - Critical Progress Reviews</p> <p>As needed. At minimum there will be one meeting prior to finalizing the engine/ emission-reduction technology design for the CCE ferry and one meeting prior to ordering the Harbor Breeze vessel⁴</p>	TBD	TBD

<p>Task 1.3.1 - Critical Progress Review Meeting #1</p> <p>This Critical Progress Report meeting will take place prior to finalizing the engine/emission-reduction technology design for the CCE ferry.</p> <p>Deliverable: Critical Progress Report - will include meeting agenda, presentations, and minutes</p>	TBD	TBD
<p>Task 1.3.2 - Critical Progress Review Meeting #2</p> <p>This Critical Progress Review Meeting will take place prior to ordering the Harbor Breeze vessels.</p> <p>Deliverable: Critical Progress Report - will include meeting agenda, presentations, and minutes</p>	TBD	TBD
<p>Task 2 - CCE Low-Emission High-Capacity Ferry</p> <p>Design, construct, launch, and demonstrate a 525-passenger ferry equipped with Tier-4 propulsion engines and DPF. Design will include elements to ensure DPF integration. The DPF will be included if there is a commercialized product that has been CARB-verified and approved by the US Coast Guard for use in a passenger vessel. If the Coast Guard has not approved a DPF for use in this ferry, CCE will only install the Tier 4 engines.</p>	Feb. 01 2025	Feb. 01 2027
<p>Task 2.1 - Boat Yard Procurement</p> <p>The purpose of this task is to identify a boat yard to build the vessel and to develop initial designs. During this subtask, CCE will sign a contract with a boat yard and place the downpayment on construction.</p> <p>Deliverable: Quarterly Report with signed boat yard contract and paid invoices</p>	Feb. 01 2025	Feb. 15 2025
<p>Task 2.2 - Equipment Component Orders</p> <p>The purpose of this subtask is to complete the design of the ferry and order all long lead-time components, such as the certified Tier 4 engines and verified DPF. Prior to Work Plan-2 October 2023 finalizing design, CCE will validate whether a CARB-verified and USCG-approved DPF is available for installation, referencing the Technology Evaluation (see Task 4.0).</p> <p>Deliverable: Quarterly Report with receipts and paid invoices</p>	Feb. 01 2025	April 01 2025
<p>Task 2.3 - Vessel Construction</p> <p>The purpose of this subtask is to build the new ferry. This subtask also includes traveling to the boat yard every month for the duration of construction to observe progress, address issues, and ensure on-time completion of construction.</p> <p>Deliverable: Recurring Quarterly Report with invoices, photographs, and travel receipts</p>	Feb. 01 2025	April 01 2026

<p>Task 2.3.1 - Hull Construction</p> <p>Includes hull framing and construction.</p> <p>Deliverable: Recurring Quarterly Report with invoices, photographs, and travel receipts</p>	<p>Feb. 01 2025</p>	<p>March 01 2025</p>
<p>Task 2.3.2 - Superstructure</p> <p>Includes constructing the deck and cabin and attaching the deck to the hull.</p> <p>Deliverable: Recurring Quarterly Report with invoices, photographs, and travel receipts</p>	<p>April 01 2025</p>	<p>June 01 2025</p>
<p>Task 2.3.3 - Metal Work</p> <p>Includes welding and fittings.</p> <p>Deliverable: Recurring Quarterly Report with invoices, photographs, and travel receipts</p>	<p>June 01 2025</p>	<p>Aug. 01 2025</p>
<p>Task 2.4 Vessel Launch, Acceptance, and Delivery</p> <p>The purpose of this subtask is to secure USCG certification, launch the ferry, conduct sea trials, and transport the ferry to Los Angeles. This subtask also includes traveling to the boat yard to observe testing, address issues, and ensure on time launch and delivery.</p> <p>Deliverable: Quarterly Report with USCG certification and acceptance report, invoices, photographs, and travel receipts</p>	<p>Aug. 01 2025</p>	<p>Dec. 31 2025</p>
<p>Task 2.4.1 - Vessel Launch</p> <p>Secure USCG certification & launch the ferry. This subtask also includes traveling to the boat yard to observe testing, address issues, and ensure on-time launch.</p>	<p>Aug. 01 2025</p>	<p>Dec. 01 2025</p>
<p>Task 2.4.2 - Vessel Acceptance & Delivery</p> <p>Sea trials & transport the ferry to Los Angeles. This subtask also includes traveling to observe sea trials, address issues, and ensure on-time delivery.</p>	<p>Dec. 01 2025</p>	<p>Feb. 15 2026</p>
<p>Task 2.5 - Vessel Demonstration</p> <p>Demonstrate the new CCE ferry for one year in full revenue service operation.</p> <p>Deliverable: Quarterly Report with performance data</p>	<p>Feb. 15 2026</p>	<p>Feb. 15 2027</p>

<p>Task 2.6 - Emissions Testing & Data Collection</p> <p>Conduct emissions testing on a baseline vessel and the new vessel, to collect the data required in Attachment F and/or any other data requested by CARB, and to produce a demonstration report. CECERT will conduct emissions testing on one representative passenger ferry and the new Tier 4 vessel. Exact emissions testing methods will be determined as part of a CARB-approved test plan and may include a gas analyzer, portable emissions measurement system (PEMs), and a partial dilution system with a micro soot sensor. CECERT will adhere to a test plan that will be developed with and approved by CARB.</p> <p>Deliverable: Emissions Testing Report</p>	Feb. 15 2026	Feb. 15 2027
<p>Task 3 - Harbor Breeze Zero-Emission Advanced Technology Vessels</p> <p>Harbor Breeze will design, construct, launch, and demonstrate two zero-emission capable excursion boats. Harbor Breeze will conduct the same activities below for each of the two boats.</p>	Feb. 01 2025	Feb. 01 2027
<p>Task 3.1 - Boat Yard Procurement</p> <p>Identify a boat yard to build the vessels and to develop initial designs. Both vessels will use the same design. During this subtask, Harbor Breeze will sign a contract with a boat yard and place the downpayment on construction.</p> <p>Deliverable: Quarterly Report with signed boat yard contract and paid invoices</p>	Feb. 01 2025	Feb 15. 2025
<p>Task 3.2 - Equipment Component Orders</p> <p>Complete design of the boats. Order all long lead-time components including propulsion engines.</p> <p>Deliverable: Quarterly Report with receipts and paid invoices</p>	Feb. 01 2025	March 01 2025
<p>Task 3.3 - Vessel Construction</p> <p>The purpose of this subtask is to build the new vessels.</p>	Feb. 01 2025	Jan. 01 2026
<p>Task 3.3.1 - Hull Construction</p> <p>Includes hull framing and construction.</p> <p>Deliverable: Quarterly Report with invoices and photographs</p>	Feb. 01 2025	April 01 2025
<p>Task 3.3.2 - Metal Work</p> <p>Includes completing welding and rolling over the hull.</p> <p>Deliverable: Quarterly Report with invoices and photos</p>	April 01 2025	May 01 2025

<p>Task 3.3.3 - Superstructure</p> <p>Includes completing the deck and attaching the cabin to the hull.</p> <p>Deliverable: Quarterly Report with invoices and photos</p>	<p>May 01 2025</p>	<p>June 01 2025</p>
<p>Task 3.3.4 - Outfitting & Finishes</p> <p>Includes interior finishings, such as seats and galley components.</p> <p>Deliverable: Quarterly Report with invoices and photos</p>	<p>June 01 2025</p>	<p>Aug. 01 2025</p>
<p>Task 3.4 - Vessel Launch & Acceptance</p> <p>The purpose of this subtask is to secure USCG certification, launch the boats, and conduct sea trials.</p>	<p>Aug. 01 2025</p>	<p>Dec. 31 2025</p>
<p>Task 3.4.1 - Vessel Launch</p> <p>Secure USCG certifications & launch the vessels.</p> <p>Deliverable: Quarterly Report with USCG certification, invoices, and photographs</p>	<p>Aug. 01 2025</p>	<p>Dec. 01 2025</p>
<p>Task 3.4.2 - Vessel Acceptance & Delivery</p> <p>Conduction of sea trials. Delivery of vessels.</p> <p>Deliverable: Quarterly Report with acceptance reports, delivery receipts, invoices, and photographs</p>	<p>Dec. 01 2025</p>	<p>Feb. 15 2026</p>
<p>Task 3.5 - Vessel Demonstration</p> <p>Demonstrate the new excursion boats for one year in full revenue service operation.</p> <p>Deliverable: Quarterly Report with performance data</p>	<p>Feb. 15 2026</p>	<p>Feb. 15 2027</p>
<p>Task 3.6 - Emissions Testing & Data Collection</p> <p>Conduct emissions testing on a baseline vessel and the new vessel, to collect the data required in Attachment F and/or any other data requested by CARB, and to produce a demonstration report. CECERT will conduct emissions testing on one representative excursion boat and one new ZEAT vessel. Exact emissions testing methods will be determined as part of a CARB-approved test plan and may include a gas analyzer, portable emissions measurement system (PEMS), and a partial dilution system with a micro soot sensor. CECERT will adhere to a test plan that will be developed with and approved by CARB.</p> <p>Deliverable: Emissions Testing Report</p>	<p>Feb. 15 2026</p>	<p>Feb. 15 2027</p>

<p>Task 4 - Next Generation Harbor Craft Technology Evaluation</p> <p>The purpose of this task to develop a technology evaluation of emission-reduction technologies for ferries, pilot boats, and tugboats. Although technology/feasibility assessments have been conducted in the past, including by CARB, this evaluation will focus on the specific duty cycles found in San Pedro Bay for the three vessel types, and it will incorporate the most updated findings from engine manufacturers and technology developers. POLA and POLB will identify a qualified consultant to conduct the study.</p>	<p>Feb. 1 2025</p>	<p>May 01 2026</p>
<p>Task 4.1 - Commercial Market Summary</p> <p>Summarize the current state of commercially available harbor craft technologies applicable to ferries, tugboats, and pilot boats serving San Pedro Bay.</p> <p>Deliverable: Commercial Market Status Summary</p>	<p>Feb. 01 2025</p>	<p>May 01 2025</p>
<p>Task 4.2 - DPF Marinization Review/Report</p> <p>Assess the status of DPFs for harbor craft. The selected consultant, in consultation with the project partners, work with the partners, engine manufacturers, and the US Coast Guard to conduct this assessment. If DPFs are not certified for harbor-craft use at the time of the review, the consultant will identify what must be done to marinize DPFs for safe and effective use in harbor craft. The timeline is expected to identify whether it will be feasible for CCE to install a DPF on the Tier-4 ferry.</p> <p>Deliverable: DPF Marinization Review Report</p>	<p>Feb. 01 2025</p>	<p>June 01 2025</p>
<p>Task 4.3 - Manufacturer Request For Information (RFI)</p> <p>Issue an RFI to marine engine manufacturers to understand the status and future prospects for next-generation emission-reduction technologies and low- and no-carbon marine fuels, such as green methanol and green ammonia.</p> <p>Deliverable: Responses from engine manufacturer RFIs</p>	<p>Aug. 01 2025</p>	<p>Oct. 31 2025</p>
<p>Task 4.4 - Infrastructure Assessment</p> <p>Assess the needs for charging or fueling infrastructure to support zero-emission tugboats, ferries, and pilot boats. It involves understanding energy needs and load capacity and identifying possible locations within the Port complex to install infrastructure. This task will be informed by tasks 4.1 and 4.3.</p> <p>Deliverable: Infrastructure Assessment Report</p>	<p>Oct. 01 2025</p>	<p>March 01 2026</p>

<p>Task 4.5 - Roundtable</p> <p>Share the technology evaluation results at a roundtable workshop for discussion. Invitees will include Work Plan-6 October 2023 POLB, permitting and regulatory partners, engine manufacturers, and harbor craft operators. Separately, POLA will present its findings to the Clean Air Action Plan Implementation Stakeholder Advisory Group comprised of community members, environmental justice organizations, and industry representatives.</p> <p>Deliverable: Roundtable Workshop agenda, presentations, and participants list</p>	<p>March 01 2026</p>	<p>May 01 2026</p>
<p>Task 4.6 - Technology Evaluation Report</p> <p>Compile the findings and analysis into a cohesive and readable final report. In addition to the technical findings, the report will include information on future workforce needs for safe, clean harbor craft. The report will be shared publicly and posted on POLA's Web site.</p> <p>Deliverable: Final Technology Evaluation Report</p>	<p>May 01 2026</p>	<p>Dec. 01 2026</p>
<p>Task 5 - Workforce Data Collection</p> <p>The purpose of this task is to collect data on workforce outputs and outcomes resulting from this project.</p> <p>Deliverable: Quarterly report with workforce development report</p>	<p>Feb. 01 2025</p>	<p>Feb. 01 2027</p>
<p>Task 6 - Technology Showcase</p> <p>The purpose of this task is to showcase the new technologies deployed and demonstrated by sharing the results and lessons learned from the project to other owners and operators, end-user fleets and equipment operators. Activities include public harbor tours on the new ZEAT vessels and presentations at community and industry events.</p> <p>Deliverable: Included in Final Report, Task 7</p>	<p>Feb. 01 2025</p>	<p>March 15 2027</p>
<p>Task 7 - Final Report</p> <p>The purpose of this task is to summarize the results of this project. The report will include, but is not limited to, all aspects of style and information required by CARB.</p>	<p>Dec. 01 2026</p>	<p>April 30 2027</p>
<p>Task 7.1 - Draft Final Report</p> <p>Deliverable: Draft Report</p>	<p>Dec. 01 2026</p>	<p>March 31 2027</p>
<p>Task 7.2 - Final Report</p> <p>Deliverable: Final Report</p>	<p>Dec. 01 2026</p>	<p>April 30 2027</p>

KEY PROJECT PERSONNEL (Attachment IV)

Grant No.: G22-ATDP-03

Grantee: City of Los Angeles Harbor Department

Project: Advanced Technology Demonstration and Pilot Projects: Los Angeles Marine Emission Reduction Project

NAME	POSITION	DUTIES
Jacob Goldberg (POLA)	Marine Environmental Supervisor	Lead staff, manages, project coordination, and partners.
Teresa Pisano (POLA)	Environmental Affairs Officer	Provides overall leadership and executive oversight for the project.
Laura Hunter (POLA)	Environmental Specialist	Oversees grant administration and day-to-day project management needs.
Ralph Dan Salas (Harbor Breeze)	President	Provide overall leadership and executive oversight for the project.
Chris Batts (Harbor Breeze)	Senior Captain	Assist the training of all employees to be up to date on all operational procedures.
Ignacio Lopez (Harbor Breeze)	Chief Port Engineer	Responsible for all repairs and maintenance of all vessels.
Michael Hadley (Harbor Breeze)	Port Captain	Oversee safety and operational training for vessels.
Maria Mendoza (Harbor Breeze)	CO-Project Manager/Grant Administrator	Manages the project and grant administrative duties. Work on staffing each vessel.
Scott Louie (Harbor Breeze)	Operations Manager	Working with the General Manager, will oversee staffing for each vessel.
Jeff Forney (Harbor Breeze)	Co-Project Manager/Grant Administrator	Manages the project and oversees grant administrative duties.

Greg Bombard (Catalina Express)	President/CEO	Responsible for overall direction and project accountability.
Erik Bombard (Catalina Express)	Vice President of Operations	Responsible for quality assurance and assists with overall direction of project.
Anthony J. Ross (Catalina Express)	Vice President, Vessel Engineering	Directs the maintenance of vessels.
Koral Shishido (Catalina Express)	Vice President, Finance	Monitors and controls all financial aspects of the operations of the vessels.
Craig Tallman (Catalina Express)	Operations Manager	Responsible for oversight of vessel crew members, scheduling, and training.
Chuck Madic (Catalina Express)	Engineering Manager	Assists in the maintenance of vessels.
Matt Vaughan (Catalina Express)	Training, Safety, and Compliance Manager	Oversight of vessel crew member training, company safety, and security regulations
Dr. Erica Alvarado (Tetra Tech)	Air Quality Manager	Project Manager for Tetra Tech team and primary liaison to POLA staff.
Dr. Wayne Miller (CE-CERT)	Associate Director	Data collection and analysis oversight.
Dr. Tom Eckel (CE-CERT)	Student Researcher	UCR lead, data collection, and analysis.

Incorporated into this grant agreement by reference:
FY 2021-22 AND FY 2022-23 GRANT SOLICITATION PACKAGE (Exhibit C)

Advanced Technology Demonstration and Pilot Projects

Mobile Source Control Division

California Air Resources Board

July 2023



Incorporated into this grant agreement by reference:

GRANTEE APPLICATION PACKAGE (Exhibit D)