

APPENDIX B

SAMPLE GRANT AGREEMENT

**Off-Road Mobile Agricultural Equipment
Trade-Up Pilot Project in the San Joaquin Valley
(Trade-Up Pilot Project)**

FISCAL YEAR 2015-16

California Environmental Protection Agency

 **Air Resources Board**

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GRANT AGREEMENT COVER SHEET

		GRANT NUMBER
NAME OF GRANT PROGRAM Off-Road Mobile Agricultural Equipment Trade-Up Pilot		
GRANTEE NAME		
TAXPAYER'S FEDERAL EMPLOYER IDENTIFICATION NUMBER	TOTAL GRANT AMOUNT NOT TO EXCEED \$500,000.00	
TERM OF GRANT AGREEMENT FROM: Start Date	TO: May 1, 2018	

This legally binding Grant Agreement, including this cover sheet and Exhibits A, B, C, and D, attached hereto and incorporated by reference herein, is made and executed between the State of California, Air Resources Board (ARB) and Name of Grantee (the "Grantee").

- Exhibit A – Grant Provisions
- Exhibit B – Requirements
- Exhibit C – Sample Participant Survey
- Exhibit D – Payee Data Record (STD 204)

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

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

Air Resources Board		GRANTEE'S NAME (PRINT OR TYPE)		
SIGNATURE OF ARB'S AUTHORIZED SIGNATORY:		SIGNATURE OF GRANTEE (AS AUTHORIZED IN RESOLUTION, LETTER OF COMMITMENT, OR LETTER OF DESIGNATION)		
TITLE Administrative Services Division Chief, ARB	DATE	TITLE	DATE	
		GRANTEE'S ADDRESS (INCLUDE STREET, CITY, STATE AND ZIP CODE)		
CERTIFICATION OF FUNDING				
AMOUNT ENCUMBERED BY THIS AGREEMENT \$0.00	FISCAL YEAR/PROGRAM		FUND TITLE	
PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT \$0.00	(OPTIONAL USE)			
TOTAL AMOUNT ENCUMBERED TO DATE \$0.00	ITEM	CHAPTER	STATUTE	FISCAL YEAR
OBJECT OF EXPENDITURE				
<i>I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.</i>				
SIGNATURE OF AIR RESOURCES BOARD BUDGET OFFICE:			DATE	

Grant Provisions

A. GRANT PARTIES AND CONTACT INFORMATION

This Grant is from the California Air Resources Board (hereinafter referred to as ARB or the Board) to _____ (hereinafter referred to as Grantee).

1. The ARB Grant Coordinator is Kevin Driskill. All financial inquiries regarding this project must be directed to:

Kevin Driskill
Air Resources Board
Administrative Services Division
Post Office Box 1436
Sacramento, California 95812
Phone: (916) 324-2165
Email: Kevin.Driskill@arb.ca.gov

2. The ARB Project Liaison is Meri Miles. Correspondence regarding this project must be directed to:

Meri Miles
Air Resources Board
Mobile Source Control Division
P.O. Box 2815
Sacramento, California 95812
Phone: (916) 322-6370
Email: Meri.Miles@arb.ca.gov

The Grantee Liaison is _____. Correspondence regarding this project must be directed to:

Name
Title
Address
Phone
Email

B. TIME PERIOD

1. Performance of work or other expenses billable to ARB under this Grant may commence after full execution of this Grant by both parties. Performance on this Grant ends once the Grantee has submitted the final report or if this Grant is terminated, whichever is earlier.
2. Final request for payment and Final Report must be received by ARB within 60 days of project completion or no later than **May 1, 2018**.
3. The ARB Executive Officer retains the authority to terminate or reduce the dollar amount of this Grant if by **January 1, 2017**, 60 percent of the project funding has not been expended by the Grantee.

C. SCOPE OF WORK

This section defines the respective duties and requirements of ARB and the Grantee in implementing the Trade-Up Pilot Project.

1. ARB is responsible for the following:

- a. Participating in a project kick-off meeting and ongoing coordination with the Grantee to discuss project activities and guide project implementation;
- b. Reviewing and approving elements developed by the Grantee for Trade-Up Pilot Project development and implementation. Examples might include process/approval flowcharts, operating procedures, outreach materials, eligibility guidelines, etc.;
- c. Reviewing and approving all Grant Disbursement Request Forms (Form MSCD/ISB-90) and dispense project funds to the Grantee; and
- d. Providing project oversight and accountability (in conjunction with the Grantee).

2. The Grantee and Subcontractor(s)

The Grantee and if applicable, its subcontractor(s), is responsible for development and implementation of the Trade-Up Pilot Project approved by the Board in June 2015 as part of the FY 2015-2016 Funding Plan. A more comprehensive description of responsibilities will be based on the application details.

Depending on Grantee's application, program elements may include, but are not limited to, the following tasks:

- a. Conduct a project kick-off meeting and maintain ongoing project coordination with the ARB Project Liaison;
- b. Develop and implement the trade-up incentive, including but not limited to:
 - I. Equipment Eligibility
 - II. Participant Eligibility
 - III. Procedures and Processes, such as:
 - Project outreach;
 - Matching participants with equipment;
 - Service and performance of used equipment for trade-up;
 - Tracking incentive payments;
 - Participant requirements;
 - Developing and maintaining accounting procedures to track expenditures by Grant Agreement number, fiscal year and funding source; and
 - Implementing provisions to protect against fraud, and to identify, respond to, and report fraud if it has occurred;
- c. Survey and document trade-up participants' satisfaction with and acceptance of the new and used equipment acquisitions resulting from trade-up transactions;
- d. Evaluate the feasibility and cost effectiveness of implementing a larger-scale program;
- e. Develop recommended program implementation guidelines, including requirements needed for trade-up transactions to achieve maximum SIP-creditable emission reductions;
- f. Oversee the project budget and funds used for match requirements;
- g. Submit quarterly status reports and Grant disbursement requests to ARB; and
- h. Submit a Final Report to ARB.

D. FISCAL ADMINISTRATION

1. Budget

- a. The maximum amount of this Grant is up to \$500,000. Under no circumstance will ARB 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.

- b. The budget for this project is shown in Exhibit B, Attachment I. Grant disbursement requests for the Trade-Up Pilot Project and administration funds must not exceed the Grant amount.
- c. The Grant funding may be reallocated by ARB at ARB's sole discretion in the event that the Grantee requests less than the total funds allocated for the Trade-Up Pilot Project and less than the administration funding amount stated in the budget.
- d. Grant funds may be used to purchase equipment or computers that would be required to be returned to the State at the completion of this project (if applicable).

2. Project Funding

a. Initial Funding

Grantee will receive 50 percent of the total Grant award as seed money to support initial administration of the Trade-Up Pilot Project soon after the Grant Agreement has been signed. Initial funding may be used for administrative and project expenses identified in the budget. Details from the application will be included once an applicant is selected.

b. Administration Funds

Invoices used to justify administration funds from ARB must provide documentation in accordance with Section E (6), Documentation of Administrative Funds, for costs for work completed in the following categories:

- i. Labor expenses (including total staff time and labor costs);
- ii. External subcontractor(s) fees for completed work (if applicable);
- iii. Printing, mailing, travel, and other outreach expenses; and
- iv. Other indirect costs.

Additional invoices may be provided to ARB if warranted. Documentation substantiating these costs must be maintained by the Grantee and provided to ARB upon request, as described in Sections E (6) and I of this Grant Agreement.

3. Grant Disbursements

ARB will release any disbursements from the total Grant award after the Grantee submits the following to ARB:

- a. A fully executed Grant Agreement; and
- b. Grant Disbursement Request Form (Form MSCD/ISB-90).

The Grantee must mail Grant Disbursement Requests to the ARB Project Liaison. Disbursement request must be made in conjunction with completed milestones, details depend on the Grantee's application.

The Division Chief of the Mobile Source Control Division or designee of ARB may review the ARB Project Liaison's approval or disapproval of a Grant Disbursement Request. No reimbursement will be made for expenses that, in the judgment of the Division Chief of the Mobile Source Control Division or designee of ARB, are not reasonable or do not comply with the Grant Agreement. ARB will have sole discretion to accelerate the timeline for allowable disbursements of administrative and project funds identified in Exhibit B, Attachment II (with the exception of the final project administration disbursement), necessary to assure the goals of the project are met.

4. Suspension of Payments and Grant Termination

- a. ARB 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 in the event ARB terminates the grant. If ARB rescinds the suspension order and does not terminate the grant, ARB at its sole discretion will reimburse the Grantee for any expenses incurred during the suspension that ARB deems reimbursable in accordance with the terms of the Grant.
- b. ARB reserves the right to terminate this Grant upon 30 days' written notice to the Grantee. In case of early termination, the Grantee will submit a Quarterly Report covering activities up to, and including, the termination date and following the requirements specified herein and in Section G of these provisions and immediately return remaining funds.
- c. ARB reserves the right to immediately terminate this Grant in accordance with Exhibit A, General Grant Provisions (25).
- d. Upon termination, remaining funds must be immediately returned to ARB.

5. Contingency Provision

In the event this Grant is terminated for whatever reason, the ARB Executive Officer or designee reserves the right in his or her sole discretion to award any remaining funds to other projects.

6. Documentation of Administration Funds

Administrative costs include: the Grantee's personnel costs; fringe benefit costs; operating costs (including rent, supplies, and equipment); indirect costs (general administrative services, office space, and telephone services); travel expenses and per diem rates set at the rate specified by California Department of Human Resources (CalHR)¹; overhead; consultant fees (if pre-approved by ARB); and printing, records retention, and mailing costs.

- a. The Grantee must maintain documentation of all project administration funds, including the following:
 - i. Personnel documentation must make use of timesheets or other labor tracking software. Duty statements or other documentation may also be used to verify the number of staff and actual hours or percent of time staff devoted to project administration;
 - ii. Administration funds for subcontractor(s) must be documented with copies of the contract and invoices;
 - iii. Printing, mailing, records retention, and travel expenses must be documented with receipts and/or invoices;
 - iv. Any reimbursement for necessary travel and per diem must be at rates not to exceed those amounts paid to the State's represented employees. No travel outside the State of California will be reimbursed unless prior written authorization is obtained from ARB. CalHR's travel and per diem reimbursement amounts may be found online at <http://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>. Reimbursement must be at the State travel and per diem amounts that are current as of the date costs are incurred by the Grantee; and
 - v. If indirect costs are used to document administration funds for the Trade-Up Pilot Project, the Grantee must describe how these costs are determined.
- b. The above documentation, records, and referenced materials must be made available for review during monitoring visits and audits by ARB, or its

¹ Under no circumstances should the Grantee exceed travel expenses and per diem rates set by CalHR.

designee. These records must be retained for a minimum of seven years after expenditure of the Trade-Up Pilot Project funds.

- c. The above documentation must be provided to ARB in Quarterly Reports and a Final Report.

7. Earned Interest

“Earned interest” means any interest generated from Trade-Up Pilot Project funds provided to the Grantee and held in an interest-bearing account.

- a. Interest earned by the Grantee on project funds must be reported to ARB. All interest income on the Trade-Up Pilot Project, including both project funds and administration funds, must be reinvested in the Trade-Up Pilot Project to fund additional eligible equipment. The Grantee is responsible for reporting to ARB on equipment funded with interest earned on the Trade-Up Pilot Project funds.
- b. The Grantee must maintain accounting records (e.g. general ledger) that tracks interest earned and expended on the Trade-Up Pilot Project funds, as follows:
 - i. The calculation of interest must be based on an average daily balance or some other reasonable and demonstrable method;
 - ii. The methodology for tracking earned interest must ensure that it is separately identifiable from interest earned on non-Trade-Up 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; and
 - iv. Earned interest must be fully expended or returned to ARB by completion of the project, or by **April 30, 2018**, whichever comes first.
- c. Documentation of interest earned on the Trade-Up Pilot Project funds and expenditure made on those funds or returned to ARB must be:
 - i. Retained for a minimum of seven years after it is generated; and
 - ii. Provided to ARB in Quarterly Status Reports and Final Report.

8. Match Funding

The Grantee is required to match a minimum of \$125,000 (25 percent) of the total grant amount in the following manner:

- a. Cash Match: A minimum of \$50,000 (10 percent of the Grant total funding) must be a cash commitment by the Grantee (exclusive of providing in-kind contributions). “Cash match” for the purposes of the Trade-Up Pilot Project means funds contributed by the Grantee to fund the purchase or servicing of equipment, or other aspects of the project; and
- b. In-Kind Match: A minimum of \$75,000 (15 percent of the Grant total funding) must be in-kind contributions committed by the Grantee (exclusive of providing cash match). “In-kind contributions” for the purposes of the Trade-Up Pilot Project means resources or services contributed by the Grantee to manage the project, but not charged to the Trade-Up Pilot Project (e.g., staff time, infrastructure, etc).

Federal, State (non-AB 118), local, or private funding may be leveraged as either cash match or in-kind contributions, but not both, and will only be considered in the project scoring if the funding results in a direct benefit to the Trade-Up Pilot Project. Match contributions must be identified in the proposed project budget.

D. PROJECT MONITORING

1. Meetings with ARB (and any subcontractor)

- a. Project kick-off meeting: A one-time kick-off meeting will be held between the Grantee’s key project personnel and ARB project management staff. The purpose of this meeting is to discuss items such as the proposed work plan, details of task performance, identify equipment transaction data of interest for reporting, select parameters for a survey of participants’ satisfaction with new and used equipment acquired from trade-up transactions, and issues needing clarification or resolution prior to initiating work. The Grantee will coordinate with the ARB Project Liaison on the agenda and presentation materials.
- b. Ongoing coordination and review meetings: Ongoing Grantee coordination and review meetings with the ARB Project Liaison to discuss project status will be held as often as needed, but typically monthly. A final meeting, or conference call pending ARB Project Liaison approval, will be held at the conclusion of the project. Additional meetings may be scheduled at the discretion of the ARB Project Liaison. These meetings may be conducted by phone if deemed appropriate by the ARB Project Liaison. Project coordination and review meetings are the responsibility of the Grantee and should contain:

- Agenda for the meeting with conference call information;
 - Project status update;
 - Discussion of any difficulties encountered since the last project update meeting;
 - Discussion of project milestones and upcoming deliverables;
 - Notification of any pending disbursement requests; and
 - Scheduling the next project update meeting.
- c. Site visits: Site visits may be established by the ARB Project Liaison during the term of this grant.

2. Technical Monitoring

- a. Any changes to the scope of work or timeline for the project requires the prior written approval of the ARB Project Liaison, and, depending on the scope and extent of the changes, may require a written Grant Agreement Amendment. As a pilot project, technical monitoring may be necessary or adjustments to the pilot project scope or requirements may need to be made.
- b. The Grantee must notify the ARB Project Liaison and Grant Coordinator immediately, in writing, if any circumstances arise (technical, economic, or otherwise), which might jeopardize completion of the Trade-Up Pilot Project, or if there is a change in key project personnel.
- c. In addition to Quarterly Reports (see Section F, Reporting, of this Grant Agreement), the Grantee must provide information requested by the ARB Project Liaison that is needed to assess progress in completing tasks and meeting the objectives of the project.
- d. Any change in budget allocations, re-definition of deliverables, or extension of the project schedule must be requested in writing to the ARB Project Liaison and approved by ARB, in its sole discretion.

E. DOCUMENTING EXPENDITURE OF STATE FUNDS

The Grantee must provide ARB with documentation accounting for the proper expenditure of ARB funds. The documentation must be provided in Quarterly Reports submitted at least every three months to ARB and a Final Report submitted after all Trade-Up Pilot Project funds have been expended.

F. REPORTING

1. Quarterly Reports

The Grantee must submit quarterly status reports to ARB beginning three months after full grant execution and continuing through the end of the project. These reports may also be used to accompany grant disbursement requests. Reports may be submitted electronically and, at a minimum, must include:

- a. Project Status Report number, title of project, name of Grantee, date of submission, and project grant number;
- b. Summary of work completed and in progress since the last progress report, noting progress toward completion of tasks and milestones identified in the work plan;
- c. Summary of completed equipment transactions (format and data parameters to be discussed during project kick-off meeting);
- d. Identified problems or concerns and proposed solutions, if applicable;
- e. Grant funds remaining and expended; and
- f. Itemized invoice showing all costs for which reimbursement is being requested.

2. Final Report

A final report is required within 90-days of the project end date. At a minimum, the Final Report must include the following:

- a. Accounting summary of funds expended (grant and match funding for project and administrative costs);
- b. Overview of the Trade-Up Pilot Project from inception through project end, including background, partnerships, funding sources, outreach efforts, challenges, successes, and suggestions moving;
- c. Summary and description of each trade-up equipment transaction (new equipment purchase and used equipment acquisition);
- d. Participant survey on satisfaction with equipment;
- e. Evaluation of incentive feasibility and cost effectiveness;
- f. Recommended program implementation guidelines;

- g. Table of milestones and narrative of how the milestones have been met; and
- h. Other data and analysis as developed in coordination with ARB.

G. PROJECT RECORDS

As further described below, records include, but are not limited to, Grantee financial and project records, including Trade-Up Pilot Project participant data. All project records must be retained for a period of seven years after final payment under this Grant. All project records are subject to audit pursuant to Exhibit A, General Grant Provision (4) of this Grant Agreement. Upon completion of the seventh year of record retention, the Grantee must submit all project records to ARB.

1. Grantee Record:

The Grantee must retain all Trade-Up Pilot Project files containing:

- a. Original executed copy of the Trade-Up Pilot Project Grant Agreement and Grant Agreement Amendments, if applicable;
- b. Copies of Grant Disbursement Request Forms;
- c. Documentation of earned interest generation and expenditure (see Section D (7) for more information); and
- d. Project document and records pertaining to equipment and participant eligibility, where Grantee must identify confidential information and develop measures to maintain this data safely and securely.

2. Financial Record:

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

- a. Establish an official file for Trade-Up Pilot Project which must adequately document all significant actions relative to the pilot project;
- b. Establish separate accounts which will adequately and accurately depict all amounts received and expended on the Trade-Up Pilot Project;
- c. Establish separate accounts which will adequately and accurately depict all income received which is attributable to the Trade-Up Pilot Project; and

- d. Establish an accounting system which will adequately depict final total costs of the Trade-Up Pilot Project, including both direct and indirect costs.

H. OVERSIGHT AND ACCOUNTABILITY

The Grantee must comply with all oversight responsibilities identified herein.

1. ARB or its designee may recoup AQIP funds which were received based upon misinformation or fraud, or for which a Grantee or its subcontractor(s), or a participant in the Trade-Up Pilot Project is in significant or continual non-compliance with the terms of this Grant Agreement or State law. ARB also reserves the right to prohibit any entity from participating in the Trade-Up Pilot Project due to non-compliance with project requirements.
2. If the Grantee detects any actual and/or potentially fraudulent activity by project participant, it must notify ARB as soon as possible and work with ARB to determine an appropriate course of action.

I. INTELLECTUAL PROPERTY

Any webpage(s), software, databases, pilot project data, or other intellectual property developed or purchased by the Grantee with Grant funding for the sole purposes of administering or implementing the Trade-Up Pilot Project are the property of ARB. The Grantee will maintain ownership of any pre-existing webpage(s), software, database, or other intellectual property used to administer the Trade-Up Pilot Project, including, but not limited to, changes or modifications to the Grantee's existing programs or databases. Should a different grantee be selected in subsequent funding years, the Grantee will be responsible for turning over this property and information to ARB and the new grantee and provide all reasonable and necessary assistance needed to ensure a smooth transfer.

GENERAL GRANT PROVISIONS

1. **Amendment:** No amendment or variation of the terms of this Grant Agreement will be valid unless made in writing, signed by all parties and approved as required. No oral understanding or agreement not incorporated in the Grant Agreement is binding on any of the parties.
2. **Assignment:** This Grant is not assignable by the Grantee, either in whole or in part, without the consent of ARB.
3. **Availability of Funds:** ARB's obligations under this Grant Agreement are contingent upon the availability of funds. In the event funds are not available, the State must have no liability to pay any funds whatsoever to the Grantee or to furnish any other considerations under this Grant Agreement.
4. **Audit:** Grantee agrees that ARB, the Department of General Services, Department of Finance, the Bureau of State Audits, or their designated representative must have the right to review and to copy any records and supporting documentation pertaining to the performance of this Grant and all State funds received. Grantee agrees to maintain such records for possible audit for a minimum of seven years after the term of this Grant is completed, unless a longer period of records retention is stipulated. Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Grantee agrees to include similar right of the State audit records and interview staff in any Grant related to performance of this Agreement.
5. **Compliance with law, regulations, etc.:** The Grantee agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and State laws, rules, guidelines, regulations, and requirements.
6. **Computer software:** The Grantee certifies that it has appropriate systems and controls in place to ensure that State 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 laws.
7. **Confidentiality:** No record which has been designated as confidential by ARB, or is the subject of a pending application of confidentiality, may be disclosed by the Grantee.
8. **Conflict of interest:** The Grantee certifies that it is in compliance with applicable State and/or federal conflict of interest laws.

The Grantee may have no interest, and must not acquire any interest, direct or indirect, which will conflict with its ability to impartially complete the tasks described herein. 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. ARB 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 ARB in writing of any potential new conflicts of interest throughout the grant term.

- 9. Damages for breach affecting tax exempt status:** In the event that any breach of any of the provisions of this Grant Agreement by the Grantee must result in the loss of tax exempt status for any State bonds, the Grantee must immediately reimburse the State in an amount equal to any damages paid by or loss incurred by the State due to such breach.
- 10. Disputes:** The Grantee must continue with the responsibilities under this Grant Agreement during any dispute. Grantee staff or management may work in good faith with ARB staff or 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 days of when the issue is first raised with ARB staff must be subject to resolution by the ARB Executive Officer, or his designated representative. Nothing contained in this paragraph is intended to limit any rights or remedies that the parties may have under law.
- 11. Environmental justice:** In the performance of this Grant Agreement, the Grantee must 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 populations of the State.
- 12. Fiscal management systems and accounting standards:** The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to track grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of State 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.
- 13. Force majeure:** Neither ARB or 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, lockouts, labor disputes, fire or other casualty, etc.

- 14. Governing law and venue:** This Grant is governed by and must be interpreted in accordance with the laws of the State of California. ARB and the Grantee hereby agree that any action arising out of this Grant Agreement must 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.
- 15. Grantee's responsibility for work:** The Grantee must be responsible for work and for persons or entities engaged in work, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Grantee must be responsible for any and all disputes arising out of its contract for work on the Project, including, but not limited to, payment disputes with contractors, subcontractors, and providers of services. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work.
- 16. Indemnification:** The Grantee agrees to indemnify, defend and hold harmless the State and the Board and its officers, employees, agents, representatives, and successors-in-interest against any and all liability, loss, and expense, including reasonable attorneys' fees, from any and all claims for injury or damages arising out of the performance by the Grantee, and out of the operation of equipment that is purchased with funds from this Grant Award.
- 17. Independent Contractor:** The Grantee, and its agents and employees, if any, in their performance of this Grant Agreement, must act in an independent capacity and not as officers, employees or agents of ARB.
- 18. Nondiscrimination:** During the performance of this Grant Agreement, the Grantee and its contractors must not unlawfully discriminate against, harass, or allow harassment against any employee or applicant for employment because of sex, race, religion, color, national origin, ancestry, disability, sexual orientation, medical condition, marital status, age (over 40) or allow denial of family-care leave, medical-care leave, or pregnancy-disability leave. The Grantee and its contractors must ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination and harassment.
- 19. No third party rights:** The parties to this Grant Agreement do not create 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.
- 20. Ownership:** All information, data, documents, intellectual property, including, but not limited to, webpages received or generated by the Grantee under this Grant is the property of ARB. No information, data, documents, intellectual

property received or generated under this Grant must be released without ARB's approval.

- 21. Personally Identifiable Information:** Information or data, including, but not limited to, all financing assistance records and supporting documentation that personally identifies 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 must safeguard all such information or data which comes into their possession under this agreement in perpetuity, and must not release or publish any such information, data, or financing assistance records.
- 22. Prevailing wages and labor compliance:** If applicable, the Grantee agrees to be bound by all the provisions of State Labor Code Section 1771 regarding prevailing wages. If applicable, the Grantee must monitor all agreements subject to reimbursement from this Grant Agreement to ensure that the prevailing wage provisions of State Labor Code Section 1771 are being met.
- 23. Professionals:** For projects involving installation or construction services, the Grantee agrees that only licensed professionals will be used to perform services under this Grant Agreement where such services are called for and licensed professionals are required for those services under State law.
- 24. 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.
- 25. Termination:** In addition to the termination provisions in Section E (4) of this Grant Agreement, ARB may terminate this Grant Agreement by written notice at any time prior to completion of this Grant Agreement, upon violation by the Grantee of any material provision after such violation has been called to the attention of the Grantee and after failure of the Grantee to bring itself into compliance with the provisions of this Grant Agreement. Upon termination, the Grantee must immediately return vehicle retirement and replacement funds to ARB.
- 26. Timeliness:** Time is of the essence in this Grant Agreement. Grantee must proceed with and complete the Project in an expeditious manner.
- 27. 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 must 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.

Work Statement

Budget Summary (Attachment I)
Project Milestones and Disbursement Schedule (Attachment II)
Project Schedule (Attachment III)
Key Project Personnel (Attachment IV)

Budget Summary

Grantee:
Project: Trade-Up Pilot Project

Grant No.:

Total Costs & Funding

Costs	Grant	Applicant Match Funding		Total
	Cash	Cash	In-Kind	
Project Funds	\$	\$	\$	\$
Administrative Funds ¹	\$	\$	\$	\$
Total	\$	\$	\$	\$

¹Administrative funds may not exceed 10 percent of the total project cost and only 10 percent of ARB-awarded funds may be used for administrative purposes.

Exhibit B, Attachment II

Project Milestones and Disbursement Schedule

Grantee:

Grant No.:

Project: Trade-Up Pilot Project

Task	Milestone Description	Scheduled Payment of Grant Funding	
		Project Funds	Administrative Funds
1	Execute Grant Agreement	Up to 50%	Up to 50%
2	Conduct Project Kick-Off Meeting	No Payment Associated	
3	Continuing Quarterly Reporting	No Payment Associated	
4	Quarterly Report Indicating that 40% of previously disbursed funds are spent	Up to 100%	Up to 90%
5	Project Completion (no later than April 1, 2018)		
6	Submittal of Final Report to ARB (no later than May 1, 2018)		Remaining 10% upon ARB approval
Grant Total Funding Amount		\$500,000	

Project Schedule

Grantee:

Grant No.:

Project: Trade-Up Pilot Project

Detailed Scope of Work and Timeline Schedule

Work Task	Start Date	Completion Date
Task 1 – Grant Agreement Execution		
Task 2 – Project Kick-Off Meeting		
Task 3 – Continuing Quarterly Status Reports		
Task 4 – Quarterly Report Indicating that 40% of previously disbursed funds are spent		
Task 5 – Project Completion		
Task 6 – Final Report		

Key Project Personnel

Grantee:

Grant No.:

Project: Trade-Up Pilot Project

Name	Position	Duties

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Trade-Up Pilot Project Solicitation

EXHIBIT C

Application Package

EXHIBIT D

Payee Data Record (STD. 204)

EXHIBIT E