

CONTRACT FOR ENGINEERING SERVICES

This Contract for engineering services for the Emergency Power Generation at Hefner Water Treatment Plant ("Contract") is entered into this 27TH day of AUGUST, 2024, by and between the Oklahoma City Water Utilities Trust, a municipal trust ("Trust"), and Carollo Engineers, Inc. ("Engineer").

WITNESSETH:

PROJECT NO. WT-0229

EMERGENCY POWER GENERATION AT HEFNER WATER TREATMENT PLANT ESTIMATED CONSTRUCTION COST- TO BE DETERMINED

WHEREAS, the Trust intends to direct the Engineer to provide for design and all other engineering services related to installation of five natural gas electrical power generators at two sites within the Hefner Water Treatment Plant (WTP) footprint, to operate the entire Hefner WTP at 60 million gallons per day (MGD) capacity, successfully power three of the softening treatment units (each 20-25 MGD), and the low lift and high lift pumping capacity to deliver 60 MGD to the distribution system during a loss of primary power ("project"); and

WHEREAS, the Engineer will provide professional services for the project in accordance with this Contract, including the scope of work incorporated herein and as set forth in Exhibit A attached hereto; and

WHEREAS, this Contract may be amended in the future to engage the Engineer's services for preparation of Final Plans and Specifications, Bidding, Construction Administration and other services related to this project; and

WHEREAS, the Engineer has been selected under the standards adopted and the procedures prescribed by the resolution establishing procedures for selection of architects and engineers adopted by the City Council on July 23, 1974, amended on December 31, 1974, February 21, 1978, January 22, 1980, November 18, 1986, and August 29, 2023, which resolution, with its amendments, is made a part of this Contract by reference.

NOW, THEREFORE, in consideration of the mutual covenants contained hereinafter relating to the project, the parties agree to the following:

1. **Definitions.** All terms and phrases not expressly defined herein shall have their ordinary meanings, consistent with Oklahoma and Oklahoma City law, except where the context clearly indicates a different meaning. For purposes of this Contract, the following terms and phrases shall have the meaning subscribed herein:

- A. *Bidding Documents* Those documents required to construct, renovate and/or modernize the project, including but not limited to standard provisions, special provisions, drawings, plans and specifications.

- B. *City Engineer* The officer of the City of Oklahoma City or designee, e.g., "Project Manager" in charge of engineering, construction and maintenance contracts on public rights-of-way, on public lands and capital improvement projects.
- C. *General Manager of the Trust* The officer of the Trust assigned by the Trust to administer the business of the Trust, herein called the "General Manager."
- D. *Estimated Construction Cost* Not-to-exceed amount which has been designated as the maximum amount for the construction cost of the project.

2. **Basic Services.** The Engineer is hereby engaged and employed by the Trust to perform in accordance with good engineering practices and in the best interest of the Trust in accordance with the professional standard of care all of the work as set out herein and including Exhibit A, which is attached hereto and incorporated as a part of this Contract. The Engineer will provide services associated with research, development, design and construction, alteration, and/or repair of real property and improvements thereon, as well as incidental services that members of these professions and those in their employ may logically or justifiably perform, including but not limited to studies, investigations, surveys, evaluations, consultations, planning, programming, conceptual designs, design development, plans and specifications, cost estimates, observations, shop drawing reviews, sample recommendations, assemble operating and maintenance manuals, site visits and other related services: In addition, the Engineer will provide:

A. **Preliminary Report Services - Task 1A**

- (1) Prepare and make all necessary preliminary surveys, investigations, studies, reports and preliminary general plans and specifications. The preliminary investigation shall include a topographical survey of the site, layout of any existing, proposed, and/or recommended sanitary sewers, water lines, storm sewers, all other underground obstructions, street improvements, site drainage and detention studies, as appropriate, any and/or all of which might affect the construction of the project. The preliminary general plans and specifications shall be approved by the City Engineer. All plans shall be submitted with the appropriate title sheet as indicated on the Public Works web page: www.okc.gov/pw (OKC Autocad Standards link).
- (2) Prepare a utility and right-of-way plan showing recommended alignment for relocation of utilities and recommended right-of-way needs. The plan shall include existing and proposed easements. The plan shall show

ownership of all properties affected by the project. The Engineer shall acquire the limited ownership list. The Engineer shall complete and submit the limited ownership list within thirty (30) calendar days of the date of a written work order.

- (3) Prepare a construction cost estimate of the improvements, extensions and repairs, and an estimate of all engineering fees, testing costs, right-of-way costs, and inspection fees in connection therewith.
- (4) Hold all necessary conferences with the Trust and all other interested parties (inclusive is the requirement for the Engineer to ensure all utility and right-of-way/easement requirements are well established prior to Preliminary Report submittal). This includes the conduct of a Utility Conference by the Engineer at a location determined by the Trust.
- (5) Prepare the Preliminary Report for submittal to the Trust covering the Engineer's preliminary surveys, studies, investigations and other items as specified in the paragraph "Basic Services" A. (1), (2) and (3) and Exhibit A hereof. If applicable, the report shall include a drainage study with complete computations and calculations and shall cover the total construction work by phases or sections and shall recommend to the Trust the order of construction and completion of each phase of construction. **Note:** For all water and sanitary sewer projects, the Engineer will prepare a separate "Engineering Report" (in accordance with Oklahoma Department of Environmental Quality (ODEQ) standards) for submittal to ODEQ.
- (6) Furnish the Trust up to two (2) hard copies and one (1) PDF copy of the Preliminary Report free of cost to the Trust. The cost of any additional copies of Preliminary Reports as the Trust may require will be reimbursed at the actual cost thereof.
- (7) Geotechnical Investigation:
 - a. The Engineer will recommend to the Trust the name of a geotechnical investigation/services firm from the Trust's listing of annual on-call engineering and testing laboratory contract firms.
 - b. The Engineer will identify and coordinate all requirements for geotechnical investigation and procure all geotechnical services related thereto, including but not limited to sampling, test boring, subsurface explorations, analysis and other investigations required for determining conditions and geotechnical recommendations for foundations and paving design. Identify and coordinate sampling and analysis of water and other substances as appropriate.

- c. The Trust will approve the selected laboratory and the Engineer will pay the costs of such sampling, analysis, borings, tests, or explorations and investigations.
- (8) Prepare legal descriptions for the necessary temporary and permanent easements and prepare legal descriptions necessary for property to be acquired on forms provided by the Trust. Additionally, provide right-of-way ownership maps showing locations and dimensions of right-of-way to be acquired and assist the Trust when requested in negotiations with owners of property acquired for or affected by the improvements. When requested by the Trust, the Engineer will provide a proposal for staking of right-of-way for right-of-way acquisition purposes. Said right-of-way staking (when authorized by the Trust) will be billed to the Trust at the actual cost thereof in accordance with the "Payments" paragraph of this Contract.
- (9) Review and recommend approval of testing laboratory claim vouchers within ten (10) calendar days of receipt of claim.
- (10) The Preliminary Report shall be recommended by the General Manager for formal approval by the Trust (if applicable, the Engineer shall also prepare an Engineering Report, in accordance with Oklahoma Department of Environmental Quality (ODEQ), for submittal to ODEQ).

B. Pipe Procurement Services – Task 1B

See Exhibit "A" for the Scope of Work related to this task.

C. Pipe Procurement Order Services – Task 1C

See Exhibit "A" for the Scope of Work related to this task.

D. Final Plan Services - Task 2 (by possible future amendment)

- (1) Prepare final plans, specifications and construction cost estimate.
- (2) After approval of the Preliminary Report in whole or in part by the City, the Engineer shall proceed as directed in writing by the City Engineer to prepare detailed plans and specifications, using wherever applicable, City standards, details and specifications for such work. The Engineer shall complete said plans and specifications for submission to the City for its approval.
- (3) Prepare and furnish the Trust all final plans and specifications, all necessary forms for construction proposals and advertisements for Bids, subject to approval of the Trust, employing wherever applicable, standard Trust forms, in completed form.

- a. Scale for plan and profile sheets for preliminary and final plans shall be approved by the City Engineer prior to preparation of plans.
 - b. Aerial photographs will not be permitted for plan and profile sheets of the final construction plans.
 - c. The Engineer shall indicate on final plan and profiles all water lines, sanitary sewer lines, gas lines, oil lines, telephone conduits and all other underground obstructions, which might affect the construction of the project.
- (4) Notify all known utility companies and other entities with facilities affected by the proposed Project. Furnish one (1) copy of the plans to each of the utility companies and entities as determined necessary. Coordinate necessary utility and facility relocations or modifications for the Project and conduct a final conference at 60% plans.
- (5) The 60% submittal shall include a complete drainage report. This report shall include all storm sewer design calculations to support the storm sewer design included in the 60% plans. The design calculations in this report shall conform with the storm sewer systems shown in the plans and shall include all drainage area maps; runoff calculations; storm sewer inlet, pipe, and other structure design calculations. This report shall incorporate any, and all, comments in reference to the storm sewer design that were included in the review of the Preliminary Report submittal.

Furnish the Trust up to two (2) copies of the project 60% plans for review along with a detailed Fixed Limit of Construction cost estimate for said improvements, extensions and repairs. This submittal does not stop, impact or otherwise delay the Engineer's contract-allotted work order time for completion and submittal of final plans and specifications. Incorporate all recommended changes prior to submittal of the 95% final plans and specifications.

- (6) The 95% submittal shall include a complete drainage report. This report shall include all storm sewer design calculations to support the storm sewer design included in the 95% plans. The design calculations in this report shall conform with the storm sewer systems shown in the plans and shall include all drainage area maps; runoff calculations; storm sewer inlet, pipe, and other structure design calculations that are required for a complete review of the storm sewer system design. This report shall incorporate any, and all, comments in reference to the storm sewer design that were included in the review of the Preliminary Report and 60% plan submittal.

Upon completion of 95% final plans, the Engineer will submit "check print" sets to the Project Manager for review by appropriate

departments/divisions. Upon completion of the “check print” reviews, the Engineer shall revise the plans accordingly. The Project Manager shall resolve any conflicts in comments. Upon completion of corrections, the Engineer will then submit a final plans check set (along with the annotated “check print” copies) for a “final” review by the Project Manager.

- (7) The Final Plan submittal shall include a complete drainage report. This report shall include all storm sewer design calculations to support the storm sewer design included in the Final plans. The design calculations in this report shall conform with the storm sewer systems shown in the plans and shall include all drainage area maps; runoff calculations; storm sewer inlet, pipe, and other structure design calculations that are required for a complete review of the storm sewer system design. This report shall incorporate any, and all, comments in reference to the storm sewer design that were included in the review of the Preliminary Report and 95% plan submittal.

Prepare and furnish the Trust an electronic copy of all final plans and specifications, all necessary forms for Electronic Bidding and advertisements for Bids, subject to approval of the Trust, employing standard Trust forms, in completed form.

Furnish the Trust one (1) PDF of the final plans and specifications, all free of cost to the Trust. The cost of any additional copies of plans and specifications as the Trust may require will be reimbursed at the actual cost thereof.

- (8) Meet with the Trust or its representatives at any time requested for consultation or conference as directed in writing by the City Engineer.
- (9) Prior to the submission of Bidding Documents to the Trust for solicitation of Bids, the Engineer shall submit plans and specifications required for the granting of all necessary building permits.
- (10) Prepare all necessary plans, studies and applications for submission to City, State and Federal authorities as may be required for the initiation, prosecution, construction and for approval of grants and permits at no additional cost to the Trust.
- (11) Final design shall include the establishment of permanent horizontal and vertical alignment control points throughout the entire project limits using United States Geological Survey (USGS) data. The Engineer shall provide a permanent benchmark within two hundred (200) feet of the beginning and ending of the proposed construction. All surveys and control points shall be tied to the City’s GIS control network and datum. For all SC-XXXX projects, the Engineer shall provide an electronic file on the location of all

sanitary sewer manhole cover coordinates, which shall be tied to the City's GIS monument system.

E. Bidding Services - Task 3 (by possible future amendment)

- (1) Meet with the Trust or its representatives at any time requested for consultation or conference, as directed in writing by the General Manager. In this connection, the Engineer shall hold at least one (1) Pre-Bid Conference with prospective Bidders. The Engineer shall provide a power point presentation of the Bidding Documents for the purpose of pre-bid information to the prospective Bidders at a location determined by the Trust.
- (2) Answer all Trust and Bidder's questions regarding the bidding of the project and, upon approval by the City Engineer, prepare an electronic copy of all addendums for distribution.
- (3) The Trust will receive the Bids through the Electronic Bidding System and the Engineer will receive a copy of the Bids from the Trust. The Engineer will review and evaluate the Bids and will make recommendations to the Trust for an award. The Engineer shall assist, review and make recommendations to the Trust on all construction contract issues.
- (4) If Bids are received, all of which exceed the Estimated Construction Cost, the Engineer shall revise its plans as directed by the Trust, pursuant to the paragraph "Estimated Construction Cost" of this Contract.

F. Construction Administration Services - Task 4 (by possible future amendment)

- (1) The Engineer shall provide administration of the construction contract during construction and until final payment is made to the Construction Contractor. The Engineer will have the authority to act on behalf of the Trust only to the extent provided in this Contract, unless otherwise modified by written instrument.
- (2) Meet with the Trust or its representatives at any time requested for consultation or conference as directed in writing by the General Manager.
- (3) Assist in coordination of pre-work conferences for the Construction Contractor, the Trust and all other interested parties. The Trust will issue all work orders for the project.
- (4) Establish permanent horizontal and vertical alignment control points throughout the entire project limits from which the Construction Contractor shall set its control for construction (if applicable to this project, the Engineer will also provide bridge centerline horizontal and vertical control

points). Provide a permanent benchmark within two hundred (200) feet of the beginning and ending of the proposed construction. All surveys and control points shall be tied to the City's GIS control network and datum. Construction staking is to be performed by the Construction Contractor. The Engineer will periodically review the Construction Contractor's construction staking survey field notes and the actual staking to verify line and grade is in accordance with the Bidding Documents.

- (5) Provide interpretation of the plans and specifications in accordance with the intent of the Bidding Documents. Such interpretations shall be made upon request of the Trust and its representatives or the Construction Contractor, to safeguard the Trust against defects and deficiencies in the construction. When making such interpretations and decisions, the Engineer will endeavor to secure faithful performance by the Construction Contractor. The Engineer does not guarantee the performance of the contract by the Construction Contractor, nor is it responsible for construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the work, and it shall not be responsible for a Construction Contractor's failure to carry out the work in accordance with the Bidding Documents.
- (6) Perform coordination of the work of inspection bureaus and laboratories selected by the Trust for the inspection and testing of construction materials. Receive reports and recommend approval or rejection of the materials based upon reports made by such laboratories or bureaus. The costs of all such tests and inspection by laboratories or bureaus will be paid by the Trust.
- (7) Review and recommend approval of testing laboratory claim vouchers within ten (10) calendar days of receipt of claim.
- (8) The Engineer shall visit the site at intervals appropriate to the stage of construction to become familiar with the progress and quality of the work. The Engineer will further determine, in general, if the work is being performed in a manner indicating that the work, when completed, shall be in accordance with the Bidding Documents. However, the Engineer is not required to make exhaustive or continuous on-site inspections to check quality or quantity of the work. The Engineer will keep the Trust informed of progress of the work, and will endeavor to guard the Trust against defects and deficiencies of the work. The Engineer does not guarantee the performance of the contract by the Construction Contractor, nor is it responsible for construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the work, and it shall not be responsible for a Construction Contractor's failure to carry out the work in accordance with the Bidding Documents.

- (9) Review all necessary information for monthly estimates (**within seven (7) calendar days of receipt from the contractor**) of the quantity of work performed, and review the claim vouchers for payments to be made to the Construction Contractor during the progress of the work and upon completion of any and all work and report the same to the Trust.
- (10) Review the Construction Contractor's final request for payment (**within fourteen (14) calendar days of receipt from the contractor**) and certify that, to the best of its knowledge and industry standards, the completed work conforms to plans and specifications.
- (11) Prepare and keep a record of the work performed by any contractor on this project and file with the Trust a monthly progress report covering the work performed by the contractor(s). The progress report shall be attached to the Construction Contractor's claim for partial or monthly payment.
- (12) Except as otherwise provided in this contract, communications with the Engineer's consultants will be through the Engineer. Communications with the Construction Contractor's subcontractors and material suppliers will be through the Construction Contractor. Communications with other Trust contractors will be through the Trust. The Engineer shall be available at all times for the purpose of communication.
- (13) The Engineer shall recommend to the General Manager rejection of work that does not conform to the Bidding Documents. At any time during construction, the Engineer may be given the authority to require additional inspection or testing of the work by the General Manager.
- (14) The Engineer shall review for conformance with Bidding Documents, and approve or take other appropriate action upon the Construction Contractor's submittals, such as shop drawings, product data and samples. The Engineer's review of submittals will be promptly completed, but no longer than fourteen (14) calendar days from receipt of submittals. Review of such submittals is not conducted for the purpose of determining the accuracy and completeness of other details such as dimensions and quantities, or for substantiating instructions for installation or performance of equipment or systems, all of which remain the responsibility of the Construction Contractor as required by the Bidding Documents. The Engineer's review of the Construction Contractor's submittals will not relieve the Construction Contractor of its contractual obligation to the Trust as required by the Bidding Documents. The Engineer's review of the Construction Contractor's submittals will not constitute approval of safety precautions or of any construction means, methods, techniques, sequences or procedures. The Engineer's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

- (15) The Engineer shall reply to the Construction Contractor's requests for information, prepare clarification drawings, prepare change orders, field orders, amendments, field changes and construction change directives. The Engineer may recommend minor changes in the work, not inconsistent with the intent of the Bidding Documents. Such recommended changes shall be made by written order approved by the General Manager and shall be binding upon the Construction Contractor.
- (16) The Engineer shall conduct observations and inspections as required to determine the quality of work to be accepted and the date or dates of final completion and acceptance. The Engineer shall receive and forward to the Trust all written warranties and any related documents required by the Bidding Documents and assembled by the Construction Contractor. The Engineer will recommend approval of the Construction Contractor's final certificate of payment upon completion of the work and compliance with the requirements of the Bidding Documents.
- (17) The Engineer will review daily reports furnished by the Trust's inspector to evaluate and determine compliance with the Bidding Documents. Significant variations between reported conditions and the Bidding Documents shall be verified by the Engineer and resolved with the Construction Contractor and the Trust. The Engineer's duty to review daily reports and initiate remedial action shall not extend to the Construction Contractor's construction means, methods, techniques, sequencing or procedures or for safety precautions and programs in connection with the work.
- (18) The Engineer shall maintain a record ("log") of all documents it receives, creates or transmits during the construction of the project. The log shall include time requirements of responses if needed.

Clarifications to Construction Administration - Task 4

- (1) The Engineer shall be responsible for ensuring Construction Contractor compliance with the Construction Contract Documents. As such, the Engineer will administer the Construction Contract and will formally certify that the Construction Contract has been completed in conformance with the Construction Contract Documents as prepared by the Engineer.
- (2) Coordinate, schedule, and administer the pre-work conference(s) for the Construction Contract. This will include scheduling and coordination with the Construction Contractor, the Trust, other City departments and Trusts affected by the project, and all other interested parties such as utility companies, regulatory agencies, testing laboratories, inspection services, etc. The Engineer will prepare the required sign-in sheet and agenda prior

to the meeting and will distribute minutes within two (2) days after the meeting. During the pre-work conference(s), the Engineer will discuss:

- a) Overall project intent and included work;
- b) key items within plans and specifications;
- c) Required shutdowns or outages that will impact service to customers or normal facility operations;
- d) additional permits necessary for completion of the Construction Contract Documents, including, but not limited to: stormwater permits, work zone permits, building permits, etc.;
- e) Construction Contractor schedule and milestones;
- f) material testing laboratory and required test schedule;
- g) pipeline and/or equipment factory testing and testing after installation including startup procedures;
- h) SCADA installation requirements, testing and milestones;
- i) operation and maintenance manuals and equipment warranties;
- j) processes for claims, submittals and other project documents;
- k) project acceptance and commissioning;
- l) Engineer certification of project completion in accordance with the Construction Contract Documents.

- (3) The Engineer will review the Contractor's Project Schedule submissions for compliance and review revisions monthly, or more frequently as necessary, to determine if the Contractor's Project Schedule accurately describes the progress of the Work and if the Project will be completed in accordance with the requirements specified in the Contract Documents. If Construction Contractor cannot maintain compliance with the time requirements specified in the Construction Contract Documents, the Engineer will actively work with the Construction Contractor to develop a recovery project schedule that allows for completion of the Construction Contract in accordance with the Construction Contract Documents. Should the Construction Contractor not comply with the schedule recovery requirements, the Engineer will provide recommendations to the Trust on a course of action. Any required notifications to the Construction Contractor will be prepared by the Engineer for Trust execution.
- (4) The Engineer shall coordinate and schedule regular progress meetings necessary for coordination and successful completion of the Construction Contract and shall visit the project site(s) at intervals appropriate to the stage of construction to become familiar with the progress and quality of the work. The Engineer shall prepare agendas and sign-in-sheets two (2) days prior to the progress meeting and shall prepare minutes summarizing the meetings within two (2) days after the progress meeting. The Engineer will further determine if the work is being performed in accordance with the Construction Contract Documents. Unless the Engineer is also providing

Inspection Services, the Engineer is not required to make exhaustive or continuous on-site inspections to check quality or quantity of the work.

- (5) When the Engineer is not providing Inspection Services, the Engineer shall recommend to the City and the Trust the rejection of work that does not conform to the Construction Contract Documents. At any time during construction, the Engineer may be given the authority by the Trust to require additional inspection or testing of the work. When the Engineer is providing Inspection Services, the requirements for inspection will be pursuant to Task 6 for Inspection Services in this contract.
- (6) The Engineer shall coordinate and schedule the Pre-Final Inspection for the Construction Contract upon the completion of work by the Construction Contractor in accordance with the Construction Contract Documents. The Engineer shall complete the Pre-Final Inspection with the Construction Contractor and the City's and the Trust's representatives and shall develop a punch list of all identified deficiencies or a Final Inspection Report if no deficiencies are identified. Deficiencies shall be items found to not comply with the Construction Contract Documents. Upon completion of the punch list items, the Engineer shall verify the completion of the punch list items and will then coordinate and schedule the Final Inspection with the Construction Contractor and the City's and the Trust's representatives. The Engineer shall then submit to the Trust a Certificate of Completion wherein it is stated that all work performed by the Construction Contractor was completed in accordance with the Construction Contract Documents.
- (7) During the course of construction, the Engineer shall review and approve all warranties and guarantees submitted by the Construction Contractor. The Engineer shall then present the approved warranties and guarantees to the Trust for execution.
- (8) The Engineer shall recommend to the Trust to beneficially occupy or begin operation and use of the facilities when the Construction Contractor has sufficiently completed work in accordance with the Construction Contract Documents as necessary to maintain continuous operations or service.

G. As-Built Drawing Services - Task 5 (by possible future amendment)

- (1) Upon termination or completion of this Contract, the Engineer shall, at its expense, correct the original drawings, show all as-built changes based on information from as-built field surveys, reflecting the actual construction of the project and shall furnish the Trust, without expense, electronic files on CD ROM in the latest AutoCAD version 2013 compatible with the City of Oklahoma City's current software and a PDF file in color. All written comments, changes or other markings on the final drawings must be highlighted in **RED** color.

- (2) Upon termination or completion of this Contract, the Engineer shall also furnish the Trust, without cost to the Trust, all basic calculations used in the design of the structures and original field notes on all land surveys, at which time Engineer shall receive the retained portion of its fee as provided in Exhibit B of this Contract.
- (3) The Engineer shall submit GPS permanent benchmark with as-built drawings.
- (4) For all building/facility projects, the Engineer shall provide to the Trust an Operations and Maintenance (O&M) Manual (three copies) covering all systems and equipment constructed, installed or remodeled as a part of the construction project.

H. Provide Inspection Services – Task 6 (by possible future amendment)

- (1) The Engineer shall provide a qualified Inspector to perform the work identified within this task.
- (2) Prior to the advertisement for bids, prepare and submit to the Trust, for review and acceptance, a résumé showing the Inspector's experience and qualifications for this particular project. However, the Trust, through their review and acceptance, does not take any responsibility or liability for the Inspector or their work.
- (3) The Inspector will attend all pre-bid and pre-work conferences.
- (4) The Inspector shall perform inspection of all work under the Construction Contract.
- (5) The Inspector shall perform inspection of all materials received at the construction site and shall ensure that their storage is in accordance with all Construction Contract Requirements, manufacturer requirements and/or material labels.
- (6) Should work-in-progress or completed work be identified to not meet the requirements of the Construction Contract Documents, the Inspector shall immediately notify the Construction Contractor, the Engineer, and the City and the Trust if the Inspector believes the work does not conform to the contract documents.
- (7) The Inspector shall attend all job site meetings and shall report to the Engineer and the City and the Trust all issues concerning progress, quality assurance, quality control and dispute resolution.

- (8) The Inspector shall maintain at a readily available location, a copy of all Construction Contract documents and other pertinent documents in an orderly manner including a current set of construction documents annotated to include all Construction Contract related changes and clarifications. The documents shall include, but not limited to, Construction Contract Documents, Requests for Information (RFIs) and the subsequent response to the RFI, Discrepancy and Nonconformance Reports, supplemental drawings, Engineer approved shop drawings, submittals, samples, and color schedules, correspondence, accepted schedules, construction change orders, amendments, logs, meeting minutes and a Construction Contractor directory.
- (9) The Inspector shall prepare and submit a Daily Inspection Report to the Engineer, the City and the Trust and the Construction Contractor.
- (10) The Inspector shall maintain all shop drawings, project data, or samples in an easily retrievable filing system.
- (11) The Inspector shall maintain a daily log book or diary, recording all pertinent inspections, including but not limited to:
 - a. Inspector's time and activities;
 - b. Weather conditions at the site;
 - c. The nature and location of work being performed by the Construction Contractor;
 - d. Identification of any work that the Inspector believes fails to strictly conform to the contract documents, along with the Inspector's actions regarding such inspections;
 - e. Identification of any work determined to be nonconforming, along with the disposition of such nonconformance;
 - f. Copies of all reports made to the Construction Contractor of nonconforming work;
 - g. Description of all disputes among the Construction Contractor, Subcontractors and Suppliers; and
 - h. Description of how each dispute or nonconforming work is resolved.
- (12) The Inspector shall be present at the construction site while any critical installations and/or necessary testing will be required, is proceeding and shall provide inspection of the quality of construction on a regular and consistent manner. The Inspector will have authority to act on behalf of the Trust only to the extent provided by this Contract. The Inspector is not responsible for creating or implementing the Construction Contractor's schedules nor for any failure by the Construction Contractor to perform its work in accordance with Construction Contract Documents.

- (13) The Inspector shall pre-review the Contractor's pay application to reconcile pay quantities, review and sign the time of completion report, and initial the pay application.
- (14) The Inspector may NOT (unless authorized by the Trust):
 - a. Authorize deviations from the Construction Contract Documents.
 - b. Conduct or participate in tests or third-party inspections.
 - c. Assume any of the responsibilities of the Construction Contractor, subcontractors or suppliers.
 - d. Expedite the work for the Construction Contractor.
 - e. Advise or issue directions to the Construction Contractor concerning aspects of construction means, method, techniques, sequences or procedures, or safety precautions and programs in connection with the work.
 - f. Authorize the Trust to beneficially occupy or begin operation and use of the facilities in whole or part.
 - g. Reject work or require special inspection or testing.
 - h. Order the Construction Contractor to stop the work or any portion thereof.
- (15) The discovery, presence, handling, removal or disposal of, or exposure of persons to hazardous materials in any form at the project site, including but not limited to, asbestos, asbestos products, polychlorinated biphenyls (PCBs), lead, or other toxic substances is not the responsibility of the Inspector. If the Inspector has actual notice of such hazardous materials, he/she shall notify the City and the Trust immediately of its discovery.

- 3. **No Extra Work.** No claims for extra work of any kind or nature or character shall be recognized by or be binding upon the Trust unless such work or service is first approved in writing by the Trust.
- 4. **Additional Services.** Additional Services are project-related services as enumerated in Exhibit "E," attached hereto and made a part hereof, and are not included as Basic Services. Additional Services shall only be provided upon prior written and clearly detailed direction from the General Manager, acting within the limits of State law, Ordinances of the City of Oklahoma City and policies established by the City Council, and upon acceptance by the Engineer. Any Additional Services performed pursuant to the above written direction shall be paid in accordance with the Compensation and Payments paragraphs of this Contract.
- 5. **Compensation.** The aggregate total compensation for all engineering services under this Contract shall not exceed a total fee of \$1,465,538, which includes: for Basic Services an amount not to exceed \$1,215,538 as specifically set forth in this Exhibit B; and, for Additional Services an amount not to exceed \$250,000, as specifically set forth in Exhibit E attached hereto and incorporated herein.

6. **Payments.**

- A. Payment of claims for incremental work completed on each task may be submitted. Invoices for the amount and value of the work and services performed by the Engineer shall be submitted monthly to the Trust and shall meet the standards of quality as established under this Contract. Invoices will include the percentage of completion for each task and payment will be made based on the percentage of the task fee completed. The Trust agrees to pay the Engineer, as compensation for such engineering services as listed herein. The invoices shall be prepared and submitted by the Engineer and be accompanied by a status report identifying the task components, effort accomplished during the time period, and the percentage of completion thereof, to the Trust. Payment of any invoice for any work or services is not deemed to be recognition of satisfactory performance of said work or services or a waiver of any right of the Trust or any obligation of the Engineer should it be determined later that said work or services were negligently performed or provided or were not performed or provided in accordance with the standards required by this Contract. Surveyors or other professional consultants engaged by the Engineer for the normal structural, electrical or mechanical engineering services shall be billed to the Trust by the Engineer at the actual cost thereof.
- B. The Engineer shall present two (2) copies of the invoice with two (2) properly executed claim vouchers to the Trust for compensation and payment. The Trust will review the invoice and claim voucher for payment. Should the Trust question or request additional documentation or disapprove all or a portion of any invoice, the Engineer will be notified so that it may provide additional documentation sufficient to demonstrate the invoice and claim should be paid, in whole or in part; provided, however, no invoices or claims shall be paid the aggregate of which are in excess of the "not to exceed" amounts or limitations established in Exhibit B.
- C. Final payment shall not be deemed to waive any rights or obligations of the parties to this Contract.

7. **Indemnity.** The Engineer will not be required to indemnify, insure, defend or hold harmless the City or participating trusts against liability for damage arising out of death or bodily injury to persons or damage to property which arises out of the negligence or fault of the Trust or their agents, representatives, subcontractors, suppliers or any other entity for whom the Engineer is not otherwise legally responsible.

The Engineer must indemnify the Trust against liability for damage arising out of death or bodily injury to persons or damage to property; provided, that indemnification shall not exceed an amount that is proportionate to the degree or percentage of negligence or fault for which the Engineer and any person or entity for which the Engineer is legally responsible are adjudicated liable.

8. **Insurance.** Prior to approval of this contract, the Engineer shall obtain insurance coverage as provided below. The Engineer must provide, pay for, and maintain the types of insurance policies provided herein, in amounts of coverage not less than those set forth below. Certified, true and exact copies of all insurance policies required and endorsement pages shall be provided to the City and its participating trusts on a timely basis if requested by City staff. The Engineer will provide the Certificate(s) of Insurance to the City and its participating trusts with the executed contract (contract will not be processed for approval without the contract-required verification of insurance indicated on the Certificate(s) of Insurance). Certificate(s) of Insurance must be insurance industry standard forms, such as ACORD.

All insurance must be from responsible insurance companies which are authorized to do business in the state of Oklahoma and are acceptable to the City and its participating trusts. The required insurance coverage and policies shall be performable in Oklahoma City, Oklahoma, and shall be construed in accordance with the laws of Oklahoma.

Nothing in this Section shall define or limit the rights of any party to this Contract under any other provision of this Contract, including but not limited to any indemnification provision.

- A. **Additional Insureds:** All liability policies (except professional liability and worker's compensation and employer's liability policies) shall provide that the City of Oklahoma City and the Oklahoma City Water Utilities Trust are named additional insureds without reservation or restriction.

All insurance coverage of the Engineer shall be primary to any insurance or self-insurance program carried by the City and its participating trusts.

All insurance policies shall include a severability of interest provision wherein claims involving any insured hereunder, except with respect to limits of insurance, interests shall be deemed separate from any and all other interest herein, and coverage shall apply as though each such interest was separately insured.

Subrogation as to any additional insured shall be waived.

- B. **Deductibles:** All policies must be fully insured with any single policy deductible not exceeding \$25,000 per occurrence. All deductibles must be declared on the certificate of insurance. If no deductible is declared, the Engineer is stating a deductible does not exist and thus a deductible is not approved or accepted. If the Engineer's deductible is higher than declared, then the City and its participating trusts will hold an equal amount from pay claims until corrected.

Self-insured retentions will not be accepted unless accompanied by a bond (financial guarantee bond) or irrevocable letter of credit guaranteeing payment of the losses, related investigations, claim administration and defense expenses not otherwise covered by the Engineer's self-insured retention.

- C. Policy Limits: The insurance coverage and limits required of the Engineer under this Contract are designed to meet the minimum requirements of the City and its participating trusts. Such coverage and limits are not designed as a recommended insurance program for the Engineer. The Engineer alone shall be responsible for the sufficiency of its own insurance program. Should the Engineer have any question concerning its exposures to loss under this Contract or the possible insurance coverage needed therefore, the Engineer should seek professional assistance.

Except for professional liability insurance, all policies shall be in the form of an "occurrence" insurance coverage or policy. If any insurance is written in a "claims-made" form, the Engineer shall also provide tail coverage that extends a minimum of two years from the expiration of this Contract.

The minimum aggregate limits of such insurance policies and continuing coverage shall be:

- (1) Worker's Compensation and Employer's Liability Insurance. The Engineer shall provide and maintain, during the term of the Contract, worker's compensation insurance as prescribed by the laws of the state of Oklahoma and employer's liability Insurance in an amount not less than One Hundred Thousand Dollars (\$100,000.00) each for all its employees employed at the site of the Project, and in case any work is subcontracted, the Engineer shall require the subcontractor similarly to provide worker's compensation and employer's liability insurance for all the subcontractor's employees, unless such employees are covered by the protection afforded by the Engineer. In the event any class of employees engaged in work performed under the Contract or at the site of the Project is not protected under such insurance heretofore mentioned, the Engineer shall provide and shall cause each subcontractor to provide adequate insurance for the protection of the employees not otherwise protected.
- (2) Commercial General Liability Insurance. The Engineer shall provide and maintain commercial general liability insurance coverage sufficient to meet the maximum cumulative liability of all parties to this Contract, including the City and any public trust participating in the Project, under the Governmental Tort Claims Act, 51 O.S. § 151 *et seq.*, (GTCA) and any amendment or addition thereto, as provided herein.

Property damage liability in an amount not less than Two Hundred Thousand Dollars (\$200,000.00) per claimant for loss, damage to or destruction of property, including but not limited to consequential damages arising out of a single accident or occurrence.

All other liability in an amount not less than One Hundred Seventy Five Thousand Dollars (\$175,000.00) per claimant for claims including death, personal injury, and all other claims arising out of a single accident or occurrence.

Single occurrence or accident liability in an amount not less than One Million Dollars (\$1,000,000.00) for any number of claims arising out of a single accident or occurrence.

- (3) Automobile Liability Insurance. The Engineer shall provide and maintain comprehensive automobile liability insurance coverage as to the ownership, maintenance, and use of all owned, non-owned, leased or hired vehicles sufficient to meet the maximum cumulative liability of all parties to this Contract, including the City and any public trust participating in the Project, under the Governmental Tort Claims Act, 51 O.S. § 151 *et seq.*, (GTCA) and any amendment or addition thereto, unless otherwise specifically and expressly provided herein.

Property damage liability in an amount not less than Two Hundred Thousand Dollars (\$200,000.00) per claimant for loss, damage to or destruction of property, including but not limited to consequential damages arising out of a single accident or occurrence.

All other liability in an amount not less than One Hundred Seventy Five Thousand Dollars (\$175,000.00) per claimant for claims including death, personal injury, and all other claims arising out of a single accident or occurrence.

Single occurrence or accident liability in an amount not less than One Million Dollars (\$1,000,000.00) for any number of claims arising out of a single accident or occurrence.

- (4) Professional Liability Insurance. The Engineer shall provide and maintain professional liability insurance coverage in an amount not less than \$1,000,000 aggregate annual limit liability. Such insurance coverage shall be maintained during this Contract, during the construction of the Project, and for a period of two (2) years after the final, formal acceptance of this Project by the Trust.

- D. Certificates: The insurance coverage and limits required must be evidenced by properly executed certificates of insurance on the form furnished by the Trust or on forms approved by the Oklahoma Insurance Commissioner. Copies of these certificates have been provided to the City Engineer prior to execution of this Contract and are attached hereto. The certificate(s) must be signed by the

authorized representative of the insurance company(s) shown in the certificate(s). The certificate must include the Project number and Project description or name.

- E. Cancellation. There may be no termination, non-renewal, reduction in coverage, or modification of such insurance coverage.

The Engineer authorizes the City and its participating trusts to confirm all information so furnished as to the Engineer's compliance with its bonds and insurance requirements with the Engineer's insurance agents, brokers, surety and insurance carriers. The lapse of any insurance policy or coverage required by this Contract is a breach of this Contract for which the Engineer shall repay and reimburse all payment made under the Contract and such other damages, losses, and costs incurred by the City and its participating trusts. The City and its participating trusts may at their option suspend this Contract until there is full compliance with this paragraph, or may cancel or terminate this Contract and seek damages for the breach of this Contract. The remedies in this paragraph shall not be deemed to waive or release any remedy available to The City and its participating trusts. The City and its participating trusts expressly reserve the right to pursue and enforce any other cause or remedy in equity or at law.

In the event of a reduction in any aggregate limit below the aggregate limit required to this contract, the Engineer shall immediately notify the City and its participating trusts and shall make reasonable efforts to have the full amount of the limits appearing on the certificate reinstated. If at any time the City and its participating trusts request a written statement from the insurance company(s) as to any impairments to or reduction of the aggregate limit below the aggregate limit required by this contract, the Engineer hereby agrees to promptly authorize and have delivered to the City and its participating trusts such statement.

The Engineer must carry and maintain the contract-required insurance coverages and may not cancel, fail to be renewed, nor decrease their limits without thirty (30) days written notice to the City and its participating trusts. In the event that a contract-required insurance coverage (policy) is canceled by the Engineer's insurance company and through no fault of the Engineer, the Engineer must immediately provide written notice to the City and its participating trusts and immediately provide properly executed Certificate(s) of Insurance evidencing coverage (policy) replacement of the canceled coverage(s). The Certificate(s) of Insurance must specifically indicate (in the remarks section of the form or elsewhere) the project number and project description. An authorized representative of the insurance companies listed on the Certificate(s) of Insurance must sign the Certificate(s).

- F. Duration of Coverage. All insurance coverage required under this Contract except professional liability insurance shall be maintained in full force and effect until completion and formal acceptance of the Project by the City and its participating trusts. The Engineer shall maintain in full force in effect the required professional

liability insurance stated above during this Contract, during the construction of the Project, and for a period of two (2) years after the final, formal acceptance of this Project by the City and its participating trusts.

The requirements of the insurance provisions listed above shall survive the completion, expiration, cancellation or termination of this Contract.

- G. The Architect and its insurer will not be required to indemnify, insure, defend or hold harmless the Trust against liability for damage arising out of death or bodily injury to persons or damage to property which arises out of the negligence or fault of the Trust or their agents, representatives, subcontractors, suppliers or any other entity for whom the Architect is not otherwise legally responsible.

The Architect and its insurer must indemnify the Trust against liability for damage arising out of death or bodily injury to persons or damage to property; provided, that indemnification shall not exceed an amount that is proportionate to the degree or percentage of negligence or fault for which the Architect and any person or entity for which the Architect is legally responsible are adjudicated liable.

9. **Termination for Convenience.** The Trust may terminate this Contract (with or without cause), in whole or in part, for the Trust's convenience. The Trust may terminate by delivery of a notice to the Engineer, pursuant to paragraph "Notices" herein.

Upon receipt of the notice of termination, the Engineer shall (1) immediately discontinue all work and services affected (unless the notice directs otherwise), and (2), deliver to the Trust all work performed, documents, data, drawings, specifications, reports, calculations, field notes, tracings, plans, models, computer files, estimates, summaries and other information and materials accumulated in performing this Contract, whether complete or incomplete unless the notice directs otherwise.

Upon termination for the convenience by the Trust, the Trust shall pay the Engineer for all work and services rendered, up to the time of the notice of termination, in accordance with the terms, limits and conditions of this Contract and as further limited by the not to exceed amounts set out in this Contract.

The rights and remedies of the Trust provided in this paragraph are in addition to any other rights and remedies provided by law or under this Contract.

Termination herein shall not terminate or suspend any of the required provisions of paragraph "Indemnity" or "Insurance" of this Contract.

10. **Notices.** All notices given pursuant to this Contract shall be in writing, delivered or mailed by United States mail, postage prepaid or faxed (with hard copy follow up by mail or delivery) and addressed as follows:

To the Trust:

The Oklahoma City Water Utilities Trust
420 West Main Street, Suite 500
Oklahoma City, Oklahoma 73102
Attn: Chris Browning, Director/General Manager
Phone Number: (405) 297-2822

To the Engineer:
Carollo Engineers, Inc.
211 N Robinson Ave, North Tower, Suite 1300
Oklahoma City, OK 73102
Attn: Tom Crowley
Phone Number: (405) 840-7785

The address of any person or party may be changed by notice to the other party, given in the manner described above. All such notices shall be deemed received when delivered.

11. **Stop Work.** Upon notice to the Engineer, the Trust may issue a stop work order suspending the performance of work and/or services under this Contract. The stop work order shall not terminate or suspend any of the required provisions of paragraph “Indemnity” and/or “Insurance” of this Contract.
12. **Compliance with Laws, Ordinances, Specifications and Regulations.** The Engineer shall comply with all existing and applicable federal, Oklahoma and Oklahoma City laws, standards, codes, ordinances, administrative regulations and all amendments and additions thereto, applicable to the work and/or services provided by this Contract. All work product provided by the Engineer must comply with and provide for compliance with all Oklahoma and Oklahoma City laws, standards, codes, ordinances, administrative regulations and all amendments and additions thereto in the use of the work product of the Engineer. All work product provided by the Engineer must specifically direct and must provide sufficient information and contacts for the Construction Contractor to timely comply with all Oklahoma and Oklahoma City laws, standards, codes, ordinances, administrative regulations, and all amendments and additions thereto, in the use of the work product of the Engineer and timely performance by the Construction Contractor.
13. **Records and Accounts.** During the term of this Contract and continuing for a period the longer of five (5) years after the final acceptance of the completed project by the Trust, or until the final resolution of any outstanding disputes between the Trust and the Engineer or the contractor(s) on the project, the Engineer shall maintain: all documents, notes, drawings, specifications, reports, estimates, summaries, renderings, models, photographs, field notes, as-built drawings, information, survey results, plans, computer files and any other materials produced, created or accumulated in performing this Contract that have not been submitted to the Trust subsequent to final completion of the project and its internal accounting records, and other supporting documents pertaining to the claims and/or invoices for costs of work and/or services of this Contract. The Engineer must maintain its accounting records in accordance with generally accepted accounting principles applied on a consistent basis. The Engineer shall permit periodic audits by the Trust and the

Trust's authorized representative. The periodic audits of the records in support of claims and invoices for the Contract shall be performed at times and places mutually agreed upon by the Trust and Engineer. Agreement as to the time and place for audits may not be unreasonably withheld.

14. **Reporting to the Trust.** The Engineer shall report to the Trust on a regular monthly basis and on an as needed basis.
15. **Prohibition Against Collusion.** The Engineer warrants that it has not employed or retained any company or person other than a bona fide employee working solely for the Engineer to solicit or secure this Contract. The Engineer further warrants that it has not paid or agreed to pay any person, company, corporation, individual or firm, other than a bona fide employee working solely for the Engineer, any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Contract. In addition, the Engineer must execute the Anti/Non-Collusion Affidavit, attached as Exhibit C, prior to the effective date of this Contract.
16. **Sub-consultant, Subcontractor or Employee Conflict of Interest.** Any work performed by the Engineer's employees, sub-consultants or subcontractors on this project shall prohibit said persons from contracting with, working for, or otherwise assisting any potential Bidder to do any project-related work for the Bidder which may in any way be (or construed to be) a conflict of interest. It is the responsibility of the Engineer to require all employees, sub-consultants, or subcontractors engaged by the Engineer to advise the Trust of any business relationship (formal or otherwise) which may pertain directly or indirectly to this project and/or which may in any way be (or construed to be) a conflict of interest. The Engineer will also notify the Trust of any such business relationship and/or conflict of interest. Any conflict of interest discovered by the Trust may be cause for rejection of the Bid in question and/or cancellation of the Engineer's contract.
17. **Work Orders.** The Engineer shall proceed with the provision of work and/or services for this Contract upon receipt of work orders from the City Engineer. The Engineer shall complete and submit the Preliminary Report Services - Task 1A within one hundred fifty-four (154) calendar days of date of written work order from the City Engineer (for engineering services contracts, this work order includes completion and submittal of the limited ownership list within thirty (30) calendar days of the date of the work order), and shall complete and submit the Task 1B – Pipe Procurement Services within one hundred fifty-four (154) calendar days, and shall complete and submit the Task 1C – Pipe Procurement Purchase Order Services within one thousand ninety-five calendar days, and shall complete and submit the Final Plan Services - Task 2 within (by possible future amendment) calendar days of date of written work order from the City Engineer. For either Preliminary Reports/Plans or Final Plans and Specifications, the Trust will endeavor to review and return comments and/or corrections (if any) to the Engineer within thirty (30) calendar days from date of receipt of the documents from the Engineer. Subsequently, the Engineer shall return the corrected documents along with check print copies (if applicable) within thirty (30) calendar days from date of the City's transmittal letter directing corrections. If the Engineer cannot perform the work and/or services

within the time provided, and upon the submission by the Engineer of a request in writing to the Trust, indicating the length of extension required to perform a task, the General Manager may grant at his or her sole discretion a reasonable extension of time. The request from the Engineer shall state the reason for the extension request, along with evidence showing that the Engineer is unable to complete this work in the time specified in the work order for reasons beyond its control. The Engineer is prohibited from claiming damages for delays and extensions of time.

18. **Ownership of Documents.** All documents, notes, drawings, specifications, reports, estimates, summaries, computer files, renderings, models, photographs, field notes, as-built drawings, information, survey results, plans, and any other materials produced, created or accumulated in performing this Contract, are and shall remain the property of the Trust and may be reproduced, distributed and published in whole or part without permission or any additional payments or fees to the Engineer. Reuse of said documents by the Trust shall be at the Trust's risk and responsibility and not that of the Engineer. The parties may use any portions of said documents at their own risk and responsibility. During preparation of design documents, the Engineer shall do weekly backups of CADD computer files and maintain said backups in a safe and secure off-site location. These back up CADD computer files are the property of the Engineer.
19. **References Not Incorporated.** The use of language or definitions from the Federal Acquisition Regulations ("FAR"), the American Institute of Architects ("AIA") or any other publication, are not intended to adopt by reference or otherwise any or all of the language, definitions, regulations or publications or any interpretation thereof.
20. **Standard of Care.** In providing the work and services herein, the Engineer shall maintain during the course of this Contract the standard of reasonable care, skill, diligence and professional competency for such work and/or services. The Engineer agrees to require all of its consultants, by the terms of its consultants' contracts, to provide services at the same standard of expert care, skill, diligence and professional competence required of the Engineer.
21. **Estimated Construction Cost.** If the lowest and best Bid proposed in response to the solicitation of Bids for construction of the project, in accordance with the Bidding Documents provided by the Engineer, exceeds the Estimated Construction Cost or funds available for this project, the Engineer, at no increase or additional cost to the Trust shall redesign the project and redraft the Bidding Documents so that the construction Bids pursuant to a subsequent solicitation come within the Estimated Construction Cost.
22. **Design Corrections.** The Engineer agrees to make any necessary corrections to the designs, drawings, specifications or other documents, work or services furnished, when such documents or services contain any errors, deficiencies or inadequacies caused by the Engineer, at no cost to the Trust. The Engineer further agrees to be liable for any damages caused by its negligence and/or the negligent failure to timely discover and/or make such necessary corrections. The Engineer is not relieved of liability for design errors, deficiencies or inadequacies undiscovered by the Trust upon its review or inspection, nor

is the Engineer relieved from liability for the Trust's lack of review or inspection of said documents.

23. **Backup Required.** In accordance with good engineering practices, the Engineer must back up all data, surveys, tests, work, plans, specifications, notes, calculations, RFI, records, reports, documents (collectively referred to as “data”) in the form of an electronic file on a USB drive, data storage, or to an offsite electronic storage facility. Should any data become lost, corrupted, inaccessible, or unusable (collectively “loss”), the Engineer must timely recreate all data within the original time frame of the engineering contract at its sole cost. No extensions or additional time will be granted the Engineer for loss of data. No additional payment or reimbursement will be made to the Engineer for loss of data. The Engineer will be responsible for any and all costs, expenses, or lost opportunities incurred by The City, Trust, and construction contractor resulting from the failure to meet schedules, milestones, performance standards, or performance requirements related to loss of data.
24. **Notice of Design Limitations.** The Engineer will immediately advise the Trust at any time it believes that the project being designed will exceed, or is likely to exceed, the allocated cost for construction as set forth in this Contract.
25. **Sub-consultants.** The Engineer agrees to submit for approval by the Trust, prior to their engagement, a list of any sub-consultants or subcontractors the Engineer intends to engage to perform work and/or services and the scope of work and/or services to be performed related to this Contract. Such approval of subcontractors and sub-consultants and scope of work and/or services to be performed will not be unreasonably withheld. The Engineer must notify the Trust and seek pre-approval of any substitutions or changes in sub-consultants or subcontractors and changes in the subcontractor or sub-consultant’s scope of work and services related to this Contract. Approval of subcontractors or sub-consultants or their work and services will not relieve or release the Engineer from responsibility or liability to perform all work and services under this Contract and will not create any responsibility, liability or duty upon the Trust as to the selection of or work and services provided by the subcontract or sub-consultant under this Contract.
26. **Nondiscrimination.** In connection with the performance of work and/or services under this Contract, the Engineer agrees as follows:
 - A. The Engineer shall not discriminate against any employee or applicant for employment because of age, race, creed, color, sex, national origin, ancestry or disability as defined by the Americans with Disabilities Act of 1990, Section 3(2). The Engineer shall take affirmative action to ensure that employees or applicants for employment are treated without regard to their age, race, creed, color, national origin, sex, ancestry or disability as defined by the Americans with Disabilities Act of 1990, Section 3 (2). Such actions shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruiting or recruitment, advertising, layoff, termination or cancellation, rates of pay or other

forms of compensation and selection for training, including apprenticeship. The Engineer shall agree to post, in conspicuous places, Exhibit D.

- B. In the event of the Engineer's noncompliance with this nondiscrimination clause, this Contract may be suspended, canceled or terminated by the Trust. The Trust may declare the Engineer ineligible for further contracts or agreements until compliance, and/or satisfactory proof of intent to comply shall be made by the Engineer.
 - C. The Engineer agrees to include this nondiscrimination clause in any subcontracts connected with the performance of this Contract. The Engineer shall also execute the nondiscrimination certificate, attached and incorporated as Exhibit D, prior to the effective date of this Contract.
27. **Assignment.** Inasmuch as this Contract is a personal and professional service agreement which relies upon the personal and professional integrity, financial standing and unique ability and expertise of the Engineer to provide professional and personal services to the Trust, the parties agree that the Engineer may not assign its obligations, rights or interest in this Contract except the assignment of subcontractors and sub-consultants as set forth in paragraph "Termination for Default" subparagraph B.
28. **Termination for Default.** The Trust may terminate or cancel this Contract for cause, in whole or in part, for failure of the Engineer to fulfill in accordance with good engineering practices and in the best interests of the Trust or to promptly fulfill its obligations under this Contract.
- A. After due default notice and thirty (30) days within which to correct the default, this Contract may be terminated by the non-defaulting party upon written notice. Upon termination for cause by the Trust, the Trust shall pay the Engineer for all work and services completed in accordance with good engineering practices and in the best interests of the Trust and useable by the Trust for the project(s) in the Notice to Proceed, up to the time of the effective date of termination.
 - B. If this Contract is terminated by reason of a default of the Engineer prior to the completion of this project, regardless of the reason for said termination, the Engineer shall immediately assign to the Trust any contracts and/or agreements relative to this project entered into between the Engineer and its subcontractors and sub-consultants, as the Trust may designate in writing and with the consent of the subcontractors and sub-consultants so designated. With respect to those contracts and/or agreements assigned to and accepted by the Trust, the Trust shall only be required to compensate such subcontractors and sub-consultants for compensation accruing to such parties under the terms of their agreements with the Engineer from and after the date of such assignment to and acceptance by the Trust. All sums claimed by such subcontractors or sub-consultants to be due and owing for services performed prior to such assignment and acceptance by the Trust shall constitute a debt between the Engineer and the affected subcontractors or sub-

consultants, and the Trust shall in no way be deemed liable for such sums. The Engineer shall include this provision and the Trust's rights and obligations hereunder in all agreements or contracts entered into with the Engineer's subcontractors and sub-consultants.

- C. Termination herein shall not terminate or suspend any of the required provisions of the paragraph "Indemnity" or "Insurance" of this Contract.
29. **Time Is of the Essence.** Both the Trust and the Engineer expressly agree that time is of the essence with respect to this Contract, and the time for performance of each task established by the work orders shall be made a part of this Contract and shall be strictly observed and enforced. Any failure on the part of the Trust to timely object to the time of performance shall not waive any right of the Trust to object at a later time.
30. **No Damage for Delay.** No payment, compensation or adjustment of any kind (other than an approved extension of time) shall be made to the Engineer for damages because of hindrances or delays from any cause in the progress of the work, whether such hindrances or delays be avoidable or unavoidable. The Engineer agrees that it will make no claim for compensation or damages for any such delays and will accept as full satisfaction for such delays the extensions of time.
31. **Severability.** In the event that any provision, clause, portion or section of this Contract is unenforceable or invalid for any reason, such unenforceability or invalidity may not affect the enforceability or validity of any other paragraph or the remainder of this Contract.
32. **Entire Agreement.** This Contract, including its Exhibits and any other documents or certificates incorporated herein by reference, expresses the entire understanding of the Trust and the Engineer concerning the Contract. Neither the Trust nor the Engineer has made or shall be bound by any agreement or any representation to the other concerning this Contract which is not expressly set forth herein.
33. **Amendment.** This Contract may be modified only by a written amendment of subsequent date hereto, approved by the Trust and the Engineer. In the event the Engineer's Basic Services are increased or changed so as to materially increase the need for engineering services in excess of the not to exceed total compensation, the Engineer may seek to amend this Contract.
34. **Execution in Counterparts.** This Contract may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.
35. **Descriptive Headings.** The descriptive headings of the sections of this Contract are inserted or annexed for convenience of reference only and shall not affect the meaning, construction, interpretation or effect of this Contract.

36. **Construction and Enforcement.** This Contract shall be construed and enforced in accordance with the laws of the State of Oklahoma. In the event of ambiguity in any of the terms of this Contract, it shall not be construed for or against any party on the basis that such party did or did not author the same.
37. **Survival of Representations.** All representations and covenants of the parties shall survive the expiration of the Contract.
38. **Parties Bound.** This Contract shall be binding upon and inure to the benefit of all parties. This Contract is solely for the benefit of the parties and their successors in interest, and none of the provisions hereof are intended to benefit third parties.
39. **Venue of Actions.** The parties agree that if any legal action is brought pursuant to this Contract, such action shall be instituted in the District Court of Oklahoma County.
40. **Effective Date.** The effective date of this Contract shall be the date of execution of this Contract by the Trust.
41. **Local Business Utilization Report.** On December 22, 2020, the City Council approved and re-established the Small, Local and Minority Business Utilization (LBU) Program. The program encourages and promotes the use of small, local and minority business subcontractors on public construction contracts. The goal is to provide assistance, guidance, and opportunities for small, local and minority businesses to work on Trust projects.

The Engineer agrees to submit a Small, Local and Minority Business Utilization ("LBU") Report to the Trust within fourteen (14) days of the issuance of the Notice to Proceed, to include the following information:

- A. A list identifying each of its subconsultants or subcontractors;
- B. The location and contact information of the principal place of business of each subconsultant or subcontractor;
- C. The status of each of its subconsultants and subcontractors, and which class of business; local, small, minority, N/A etc.
- D. The general scope of work to be performed by each subconsultant or subcontractor;
- E. The dollar amount of each subcontract; and
- F. The tools and/or organizations used to locate and contact these businesses.

The Engineer further agrees to submit to the Trust a monthly report identifying the scope of work and amount of payments made to each subconsultant or subcontractor for the preceding month on a form provided by the Trust.

42. **Crime Prevention through Environmental Design** The Crime Prevention through Environmental Design (CPTED) concept suggests that natural surveillance, natural access control, and territoriality can be effectively applied to a project and its surrounding environment to provide safety for users. A CPTED design can also promote community confidence and improve natural surveillance methods to reduce/prevent common crime and vandalism.

The Engineer should implement the concepts of CPTED, where appropriate, to reduce the real and perceived areas of potential problems during the project design.

[The remainder of this page intentionally left blank]

IN WITNESS WHEREOF, this Contract was executed and approved by the Engineer
this _____ day of _____, 20____.

CAROLLO ENGINEERS, INC.

Thomas O. Crowley, P.E.

ATTEST:

STATE OF _____)

Vice President

COUNTY OF _____)

SS

[Signature]
Senior Vice President

This instrument was acknowledged before me on this 30th day of July, 2024
by Thomas O. Crowley, as Vice President of Carollo Engineers.

My Commission Expires/My Commission Number:



April 12, 2026 / 22005133

[Signature]
Notary Public

IN WITNESS WHEREOF, this Contract was approved and executed by the Oklahoma
City Water Utilities Trust this 27TH day of AUGUST, 2024.

ATTEST:

Secretary

[Signature]
Secretary



THE OKLAHOMA CITY WATER
UTILITIES TRUST

Chairman

[Signature]
Chairman

REVIEWED for form and legality.

Assistant Municipal Counselor

[Signature]
Assistant Municipal Counselor

CONCURRED by the City of Oklahoma City this 10TH day of SEPTEMBER,
2024

ATTEST:

City Clerk

[Signature]
City Clerk



Mayor

[Signature]
Mayor

EXHIBIT A
SCOPE OF WORK
PROJECT NO. WT-0229
EMERGENCY POWER GENERATION AT HEFNER WATER TREATMENT PLANT

PROJECT DESCRIPTION

This Federal Emergency Management Agency (FEMA) Pre-disaster Mitigation (PDM) funded project will install up to five electrical natural gas generators at the Hefner Water Treatment Plant (WTP). The emergency generator installation requirements are necessary to operate the entire Hefner WTP during power outages. The generator system at the Hefner WTP will power the treatment and low and high lift pumping loads to deliver 60 to 100 million gallons per day (MGD), with provisions for up to 150 MGD, to the distribution system during a loss of utility power.

Carollo is proposing a scope to provide engineering services for Task 1 (Preliminary Report and Procurement of the Major Equipment for Project WT-0229). Tasks 2, 3, 4, 5, and 6 will be performed by future amendment.

The scope of work for Task 1 is outlined below.

<u>Scope of Work Elements</u>		
PROJECT ELEMENT	DESCRIPTION	FEATURES
Civil Improvements		
Civil Paving and Grading	New Generator Facility Paving and Grading	Asphalt paving with curb and gutter draining to existing drainage and stormwater systems.
Stormwater	Area Drains, Drainage Flumes,	Minimize underground piping. Verify Site drainage requirements. Calculate the impervious area and confirm impacts to the stormwater conveyance system.
Site Survey Review	Utilize existing Surveying information – If surveying services are required, will be performed under additional services.	Two locations for proposed generators will be reviewed. The area around the existing High Lift PS will be reviewed, including in the vicinity of the existing OG&E Utility Feeds 1 and 2. Basemap will be developed based on existing surveying information.
Yard Piping – Utilities	Water, Natural Gas. Confirm major existing utilities that may need to be relocated based on Generator locations.	Water piping for hydrants/washdown. Natural gas piping PRV station and HDPE piping.

Scope of Work Elements		
PROJECT ELEMENT	DESCRIPTION	FEATURES
Electrical Duct Bank	Electrical Duct Banks from Generators to the Generator Paralleling Switchgear. Electrical Duct Bank from Generator Paralleling Switchgear to the existing distribution system.	Concrete underground duct bank. Existing underground Utility coordination.
Architectural/Structural Improvements – Design Options		
Generator/Switchgear Foundation	Over excavation with Select backfill.	Delegated excavation shoring. Mat foundation. No deep foundations (Auger cast, drilled piers, H-piles, etc.) or ground improvements will be required.
Generator/Switchgear Building Design	Design Features, “Hardened Facility or Enclosures”.	2015 IBC Seismic Design. Occupancy Category III. H-3 occupancy with 2-hour fire rated walls. Designed to withstand up to 115 mph winds.
Geotechnical	Geotechnical coordination – provided as part of additional services if existing boring data is insufficient.	It is assumed that deep foundations will not be required. Utilizing available geotechnical information and historical reports, Engineer will generate key assumptions regarding the top of rock to define costs of excavation for generator foundation and generator foundation design.
Generator system Protection Options	Generator and ancillary system options. Switchgear Enclosure Options.	Hardened Building (or partial building). Hardened outdoor enclosures. Weather protection only. Switchgear prefabricated enclosures. Outdoor pad-mounted self-enclosed Vista Switchgear.
Permitting	Pre-permitting.	Engineer will meet with ODEQ officials to review the proposed changes to the process and proposed classification of the new and existing buildings designed to enclose these systems.
FEMA Funding Permitting	Environmental Permitting in Accordance with NEPA	It is understood that any proposed locations for the generation facility are situated at the Oklahoma City Hefner WTP property in already disturbed/permitted areas. As a result, it is the assumption that the Categorical Exclusion can be obtained on that basis.

<u>Scope of Work Elements</u>		
PROJECT ELEMENT	DESCRIPTION	FEATURES
Mechanical Improvements		
Standby Generators	Two to five 2000kW Generators.	Equipped with self-contained battery chargers, jacket water heaters, and other ancillary equipment powered by an internal power panel provided by the generator supplier. Mechanical requirements (pressure for gas system design, general piping and valving approach.
ONG Coordination	Coordination with ONG for natural gas services.	Establish current service capacity. Confirm cost and timeline for a modified service to provide the planned generation capacity.
NFPA Coordination	Hazardous Area Classification	Review volume of natural gas design, fire protection methods, and area classification requirements.
Electrical Improvements		
OG&E Coordination	Coordination with OG&E for paralleling controls.	Utility Source 1, 2, 3 evaluation for paralleling systems and relaying requirements. Coordination for OG&E monitoring and/or control of generation.
12.47 kV Generator Paralleling Switchgear	Design Features.	Designed for 12.47kV with surge suppression. Generator paralleling gear for multiple generators. A separate control panel will be provided for switchgear operation. Design for one or two lineups, depending on Central versus Distributed Generator decision. At least one switchgear will re-feed existing high service pumps to replace existing service entrance switchgear.
Battery System	DC Battery Backup System for Paralleling gear	Dedicated battery system, separate from generators. Will be provided for backup power to controls for generator and paralleling switchgear.
Lighting Design	Lighting Design (cost allowance only for Task 1)	New exterior lighting for street access. New exterior/interior lighting cost allowances factored for Generator/ Switchgear Building(s).
Grounding	Grounding of Power Generation and Switchgear Facilities (cost allowance only for Task 1)	A new grounding grid will be installed. Tie-in to existing Plant Ground Grid.

Scope of Work Elements		
PROJECT ELEMENT	DESCRIPTION	FEATURES
Building Loads	Confirm building loads and generator auxiliary loads and associated power sources, if new or existing can be utilized.	Determine required electrical equipment. HVAC, Lighting, Overhead doors, jacket water heaters, etc.
Instrumentation And Control Improvements		
Server and Network	No Improvements.	No Improvements.
SCADA System Software	SCADA System Software.	Incorporate monitoring of automatic transfer and generator systems.
Plant Network Communication System	New Fiber Optic connections will be tied into existing system Fiber Optic Loop.	Fiber Optic Cables Between Auxiliary HSPS and Power Generation Facilities.
Plant Network PLC System	New Fiber Optic or network connections will be tied into existing communication system.	Network connections Between Existing Plant and new Power Generation and Switchgear Paralleling Building.
Instrumentation Upgrades	New Instrumentation for Generation facilities (cost allowance only for Task 1)	Other monitoring/control as necessary.
FEMA Coordination		
Support Services	Provide support services as required to facilitate FEMA funding for the project including coordination with the applicable funding entity.	Prepare and submit the ODEQ-approved preliminary engineering report to the funding entity or obtain a waiver of the preliminary engineering report requirement. Submit forms required for FEMA.
Spec Services (Procurement Packages)	Engineer will prepare technical specifications to be compliant with FEMA project requirements. Engineer shall coordinate with the Procurement Package Suppliers and regulatory and funding agencies to ensure that required documentation is submitted in accordance with the FEMA requirements.	American Iron and Steel Act (AIS) Build America Buy America Act (BABAA) requirements. Additional FEMA requirements documented and required for PDM funding.

A. Design Scope and Assumptions:

Based on calculations performed, the new system will require two to five 2000kW generators contained with outdoor enclosures or in a permanent structure, which will provide power to the treatment and low and high lift pumping loads to deliver 60 to 100 MGD of generation capacity now, with provisions to provide up to 150 MGD in the future.

Depending on grant funds and available CIP budget, at least two generators may be selected for design and procurement; in this case, rental generators will need to supplement the remaining requirements.

1. Paving and grading improvements to integrate generator/gear servicing will be provided. Stormwater handling will be by sheet flow and curb and gutter transport to existing stormwater infrastructure. It is assumed that stormwater flows will be provided to the Trust for use in the design of a future stormwater retention pond at the Hefner site as part of a separate project. As a result, the design of stormwater handling and controls outside of the immediate locations proposed for the generators will not be performed.
2. Standby Generators will be natural gas generator sets. ONG will be able to provide service based on the size of generators at a cost that is acceptable to the City.
3. FEMA environmental permitting – is it assumed that a categorical exclusion will be obtained for the locations evaluated associated with the generator alternatives. No environmental assessment, endangered species assessment, wetland delineation, or any other archaeological or historic investigations or any other elements required for NEPA permitting are specifically excluded from this contract.
4. The Generator System and paralleling switchgear system will be designed and pre-purchased as a single package. The pre-purchased generator paralleling switchgear may replace the existing high service pump station service-entrance switchgear, and will contain controls/interlocks to allow for paralleling with OG&E. After being selected, the contractor will be required to take on contractual responsibility for the pre-procurement package.
5. The existing site contains sufficient space for the new generators, paralleling switchgear, and access for fuel trucks. No land acquisition or survey/site work outside of Trust property limits is included.
6. Generator Facilities will be designed to hardened requirements where possible (for wind and environmental) and may not match the existing facilities.
7. No structural improvements for other existing buildings are included in this Scope of Services.
8. No potholing will be performed under this Task 1 scope of work. Existing drawings and information will be utilized to confirm buried utilities or major potential conflicts. Task 2 will include potholing work by future amendment.
9. Neutral grounding resistor banks will be provided for the feeders on each of the generators to limit the possibility of circulating currents between the generator and utility sources, and to reduce arc flash incident levels in the event of a ground fault.
10. CAD files for existing structures will be made available for Engineer's use by Trust as available.
11. Generators will be designed for storm avoidance and load shedding or ability to run with OG&E load reduction rider.
12. Closed transition (both on generator exercising and returning to utility power after an outage) is required. OG&E will provide interconnection guidelines to confirm the relay protection schemes necessary upstream of the service.
13. A permanent load bank will not be included; since closed transition controls are assumed, generators will be exercised on plant load.

14. The existing Sedimentation Basin Demolition (potential location for generator system) will be performed under the WT-0201 project during Quarter 3 of 2024, so this work should be completed prior to WT-0229.
15. Based upon the anticipated schedule for the appropriation of the FEMA Funding, the following assumptions have been made:
 - a. FEMA will issue a notice of award; the FEMA period of performance is 36 months from the date the award is made; this includes a 6-month time period for FEMA project closeout.
 - b. Project Design Workshop decisions must be made in an expedited fashion in order to meet the FEMA schedule. It is anticipated that each Major Decision Workshop (defined in Section 1.C) will be held approximately 2 weeks apart, allowing for up to 1 week for Trust to confirm decisions so that the project may stay on schedule. It is assumed that the number of alternatives described in the Project Design Workshop Table are the only alternatives being evaluated as part of Task 1; the scope of work and fee assumes that the decisions will be made sequentially and in a timely manner. Additional alternatives requested during the design period may be evaluated as part of additional services.
 - i. Each workshop will evaluate alternatives and will include AACE Class IV level cost information to proceed with decisions. The workshops will provide this cost data so that the Trust can choose alternatives based on the CIP, FEMA funding, and budgets that are available. Some work may be recommended for future to meet Trust budgeting requirements; the procurement package quantity of generators and switchgear will be adjusted to meet the recommendations determined during the workshops
 - ii. Additional alternatives requested such as Diesel Fuel generators, partial building construction, various building material construction alternatives, or treatment/pumping scenarios are assumed to be part of additional services.
 - c. The Design Fee considers multiple teams working in parallel and with a focus on completing tasks on time (allocating additional resources where needed) to complete all scope to meet the time constraints for the FEMA project.
 - d. No separate maintenance contract will be provided with Procurement packages.
 - e. The City will provide a FEMA liaison contact that will provide feedback during design so that all major decisions and FEMA guidance is provided to keep the project on-track and not introduce delays.
 - f. Project coordination meetings include a reasonable assumption for check-in meetings with FEMA to provide support to the project. However, changes associated with delays in procurement packages, assistance required for FEMA requests not defined in this scope, assistance with requests for extensions of FEMA schedules, etc. will be addressed as part of additional services.
16. Electrical System Study (ESS) and Power Availability Study (PAS) services are not included in this scope of work and will be provided during the future amendment(s) for Task 2 and 4 services.
17. No site surveying, including topographical and existing utility location information, will be required to complete Task 1; existing survey data are assumed to be adequate for providing the new updates required to accommodate the new generator facilities.

18. Geotechnical study will be provided by Trust preapproved testing lab to evaluate the subsurface conditions at the new generator facility location(s). The study will be done as part of additional services.
19. Submittal reviews for Procurement Packages:
 - a. Engineer shall review the shop drawings, operations and maintenance manuals (O&M), and related information and provide responses regarding the suitability of the proposed equipment and materials to be incorporated into the project.
 - b. Resubmittal Review:
 - i. The Contract Documents will permit the Procurement Package suppliers to submit up to one resubmittal to attain approval from the Engineer for a particular submission. The cost of submittal review beginning with the second resubmittal shall be borne by the Procurement package supplier unless a resubmittal is required due to new comments addressing previously submitted information. Reimbursement by Trust will be made by deducting such costs from subsequent payments to Procurement Package suppliers.

B. Project Assumptions:

Trust shall furnish Engineer available studies, reports, and other data pertinent to Engineer's services; obtain or authorize Engineer to obtain or provide additional reports and data as required; furnish to Engineer services of others required for the performance of Engineer's services hereunder, and Engineer shall be entitled to use and reasonably rely upon all such information and services provided by Trust or others in performing Engineer's services under this scope of work.

Trust shall arrange for access to and make all provisions for Engineer to enter upon public and private property as required for Engineer to perform services hereunder.

Task 1A - Preliminary Report Services

The following scope shall constitute Task 1. Engineer shall provide Preliminary Report Services in accordance with the Basic Services of this Contract and as listed below. The Preliminary Design phase is the phase in which project processes are designed to a schematic level, preliminary site layouts and facility layouts are developed, preliminary one-line diagrams are developed, surveying is completed, and other services necessary to advance the design to 30% are completed.

A. Project Management and Progress Reporting:

1. The Engineer shall provide project management and progress reporting functions required to successfully complete Task 1.
2. Monthly Progress Reporting: The Engineer shall prepare and submit to Trust monthly invoice packets including the following:
 - a. A cover letter providing general project status, progress completed during the invoice period for each major subtask, overall percent complete for each major subtask, planned activities for the upcoming month, information requests, action items required to be addressed by the Trust, schedule status with any applicable delays, and a list of potential scope adjustments.
 - b. Monthly invoice.

- c. Updated project schedule.
- 3. Potential Scope Adjustment Register: The Engineer shall maintain a potential scope adjustment (PSA) register. In the event there is consideration given for changes to the Project's scope of work, Engineer will develop and present PSAs with the next monthly invoice transmittal.
 - a. Engineer shall itemize the potential changes detailing the anticipated cost impact to the Engineer's contract and the Project's construction cost.
 - b. Engineer shall detail impacts, if any, to the project schedule.
- 4. Progress Meetings:
 - a. Engineer shall conduct regular monthly progress status meetings with the Trust. The meetings shall cover the following items at a minimum:
 - i Update the team on project status, progress achieved, budget and schedule status/concerns and potential deviations from the Scope of Services and corrective actions.
 - ii Discuss project issues, coordinate work activities and review work activities planned for the upcoming period. These progress meetings will be in addition to other work product review meetings or workshops with Trust as identified herein. The Engineer will prepare an agenda for each meeting.
 - iii Engineer shall distribute design decisions via an action/decision log within two (2) calendar days of the meeting.
- 5. Quality Assurance and Quality Control: The design documents shall be reviewed by Engineer's technical advisors and/or senior technical staff for quality assurance and quality control (QA/QC) purposes prior to delivery to the Trust.
 - a. Engineer shall develop and implement a QA/QC plan and submit the QA/QC plan to the Trust for review.
 - b. Engineer QA/QC reviews of each deliverable shall be completed prior to submitting to the Trust for review. A concurrent QA/QC review with the Trust shall not be permitted without prior written approval from the Trust.
 - c. Results of the reviews shall be maintained by the Engineer in its records files until completion of the PROJECT. The results of the QA/QC review shall be incorporated into the Final Design Documents.
- 6. Schedule: Engineer shall provide a detailed schedule for execution of the project prior to the project kickoff meeting.
 - a. Schedule shall allow for Trust review periods of at least two (2) weeks.
 - b. Schedule shall include tentative dates for major review meetings.
 - c. Schedule shall be updated as needed based on progress.
- 7. Project Implementation and Procedures Manual: The Engineer shall prepare for use by Engineer and Trust. The manual shall include the following:
 - a. Project description and scope of work.
 - b. Engineer and Trust staff roles, including Trust's Project Manager, Wastewater Quality staff, IT/SCADA staff, and Line Maintenance staff, contact information, and communication responsibilities.
 - c. Engineer's key personnel, assignments, contact information, and communication responsibilities.
 - d. Communication procedures.

8. Provide project design information and coordinate with other consultants contracted by the Trust pertaining to related issues whereby multiple projects share a common process or function and/or are within the immediate vicinity of each other. Such projects include but are not limited to:

- a. WT-0221 - Various Hefner WTP Improvements Project.
- b. WT-0151 - Ozone System Expansion.
- c. WT-0221-2 - Hefner WTP System Improvements: modernize Admin/Filter building, lab improvements, Demo Ops tower.
- d. WT-0246 – Hefner Surge System Operational Enhancements (TE TO 20-015)
- e. WT-0267 – Hefner WTP Drainage Plan
- f. WT-0271 – Hefner Drainage Lift Station Upgrades
- g. WT-0273 - Hefner WTP Sludge Lagoon Improvements

B. Project Coordination Meetings

1. Engineer shall conduct up to 8 Project Coordination meetings with the FEMA Liaison and the Trust's staff to:
 - a. Coordinate details to ensure compliance with FEMA requirements.
 - b. Coordinate funding, updates to the project schedule and budgets, and requirements needed to maintain FEMA documentation.
2. Engineer shall conduct 2 Project Coordination meetings with Oklahoma Natural Gas (ONG) and the Trust's staff to:
 - a. Establish current service capacity.
 - b. Confirm cost and timeline for a modified service to provide the planned generation capacity.
 - c. Establish design criteria for:
 - i System pressures.
 - ii Clarify service locations and easements.
 - iii Determine ONG and contractor's scope.
 - d. Prepare and submit an agenda two (2) business days prior to the workshop.
 - e. Prepare and submit meeting notes within seven (7) calendar days of the meeting.
3. Engineer shall conduct 2 Project Coordination meetings with Oklahoma Gas & Electric (OG&E) and the Trust's staff to:
 - a. Engineer will prepare materials and conduct a planning meeting with OG&E to review key design parameters of the generators and the associated controls and equipment required for the paralleling switchgear.
 - b. Engineer will conduct a coordination meeting with OG&E field personnel to review Engineer's Engineering Report and discuss final coordination issues with providing paralleling, automatic transfer of the system, and controls/monitoring as required.
 - c. Verify cost for implementing protection methods for implementation of closed transition with utility sources.
 - d. Prepare and submit an agenda two (2) business days prior to the workshop.
 - e. Prepare and submit meeting notes within seven (7) calendar days of the meeting.

C. Project Design Workshops

1. Workshops: Engineer shall conduct a series of design workshops to review the critical design components and make decisions with input from all stakeholders. Design workshops are detailed in the table below:

- a. Prepare and submit an agenda two (2) business days prior to the workshop.
- b. Prepare and submit design decisions via an action/decision log to the Trust for review and comment within three (3) calendar days of the meeting.
- c. Workshops are shown below to document the subject matter and decision items. Where feasible and to maximize staff time, workshops (or portions of workshops that may be presented) will be combined, provided the design data and information is available to allow for design decisions to be verified.

<u>Project Design Workshops</u>				
#	Workshop Title	Workshop Description	Decision Required	Number of Alternatives Considered
1	Central or Distributed Generation	Pros/Cons and cost impacts for either Central or two locations for Distributed Generation Replace existing service-entrance switchgear with the paralleling gear (part of existing CIP budget for High Lift Pump Station Electrical Improvements)	Choose Central, Distributed, or Hybrid	3 Alternatives
2	Sizing Criteria	60 MGD, 100 MGD, 150 MGD - priority loads or non-priority loads.	Choose sizing criteria – depending on CIP and FEMA grant dollars available, confirm number of generators and switchgear procuring as part of WT-0229 Phase I.	4 Alternatives.
3	Building or outdoor enclosure	Pros/Cons of outdoor enclosure Types of building construction. Sound Levels, Hardened Enclosures	Choose an approach	3 Alternatives
4	Switchgear controls and strategies	SCADA interface with generator control system, customizable vendor control panel, PLC systems allowed for switchgear generator equipment	Choose based on pros/cons	2 Alternatives

Project Design Workshops				
#	Workshop Title	Workshop Description	Decision Required	Number of Alternatives Considered
5	Closed Transition Strategy	Complete automated transfer, semi-automatic transfer, source switching changes from current kirk-key system	Choose a strategy – decision based on OG&E costs for closed transition with multiple sources and determine the balance for ease of operation versus complexity and cost.	3 Alternatives

D. Data Collection and Review:

1. Develop a comprehensive data request for the Trust to include any necessary operating information, previous Engineering studies, existing design information, existing record drawings, etc. Engineer will provide the list of requested information prior to the Project Initiation Meeting.
2. Perform site visits, as required, to review the project sites and determine any field conditions that must be considered during design.
3. Conduct interviews with Trust staff regarding existing operations.
4. Engineer shall identify additional information and data needs based on the review of the collected data.

E. Engineering Report

1. Engineer shall develop an Engineering Report that shall serve as the evaluation of alternatives and preliminary design recommendations for the project based on the scope elements described. Any previously completed Technical Memorandums shall be included and supplemented with additional analysis necessary to make a final recommendation to the Trust. The Final Engineering Report shall constitute a 30% design. Final Engineering Report shall include:
 - a. One-Page Executive Summary.
 - b. General project scope and background references.
 - c. Brief description of the existing plant and processes.
 - d. Discipline specific design criteria for Process, Civil, Architectural, Plumbing/Drainage/HVAC/Fire Protection, Mechanical, Structural, Electrical, Building Mechanical, Instrumentation and Control, and other disciplines as required. These sections will define the discipline specific design parameters and identify any specific issues that are to be addressed in the detailed design phase.
 - e. Preliminary site plans with utility corridors with electrical duct banks identified.
 - f. Preliminary building and room layouts (if applicable).
 - g. Number and size of equipment.
 - h. Preliminary control system block diagrams.
 - i. Preliminary Process and Instrumentation Diagrams (P&IDs).
 - j. Equipment tagging conventions.
 - k. Equipment control descriptions.
 - l. Power distribution functional diagram.
 - m. Architectural code classification table (if applicable).

- n. Regulatory and code requirements including fire and safety codes.
- o. Permit requirements including, but not limited to, stormwater and air pollution.
- p. Noise evaluation and design implications.
- q. Detailed design and construction schedule.
- r. Preliminary constructability review to identify potential construction risks and other systems/processes which may be affected by construction activities.
- s. Develop an initial construction sequencing plan that allows for operation of existing plant processes. Sequence shall minimize construction time while maintaining adequate available capacity of existing plant processes. Define critical tie-in requirements.
 - i. Opinion of Probable Construction Cost.
 - ii. Specifications: Proposed table of contents, including all future specifications to be provided with later deliverables.
 - iii. Preliminary drawing sheet list.

F. Design Surveys:

1. Utilizing existing GIS, as built information, and LiDAR data, Engineer will develop a base map for the generator location(s) determined in the Project Workshops. The base map will be provided with all utilities (above and below grade), structures (above and below grade), pavement, and topographical information.

Task 1B Procurement Services

Based upon the anticipated schedule for the appropriation of the FEMA Funding, the Engineer will prepare procurement documents for pre-selection and pre-negotiation of prices for two packages Under Task 1 Services. The pre-negotiated procurement packages will be assigned to the Contractor to provide a single point of responsibility. All of these tasks will be performed under Task 1 in order to expedite the construction of long-lead items.

The procurement packages will be:

1. Generator/Switchgear package (Generator/Switchgear System Suppliers):
 - i) Two to five 2000kW standby generators.
 - ii) One to two 15kV Paralleling switchgear lineups (one of the switchgear lineups will replace the existing service entrance switchgear that powers the existing high service pump station) for the connection of up to three 2000kW standby generators to the service entrance switchgear.
 - iii) For the purposes of this scope and fee, a prefabricated building is assumed to house the paralleling switchgear.
2. Loop Switch package:
 - i) Three to four 15kV Pad Mount Loop switchgears.

A. Procurement Documents:

1. Engineer shall prepare documents for equipment procurement, including:
 - i. Front end requirements to establish project deadlines, cost escalation factors/price indexes, and establish individual line items associated with the equipment.
 - ii. Technical specifications to meet the project requirements.
 - iii. FEMA requirements associated with the Purchase Agreement.
 - iv. Requirements for spare parts and manufacturer warranties.

- v. One-line diagrams.
 - vi. Mechanical connections and design criteria.
 - vii. Procurement pricing alternates (up to 2 per package) to give the Trust flexibility in selecting alternatives based on pricing.
2. Create special questionnaire and stipulations to allow generator system suppliers and loop switch suppliers to propose on the project in order to meet the project constraints.
 3. Included in the procurement documents will be a pricing agreement to allow the Trust to pay for shop drawings while assigning the remainder of the pricing agreement to the Contractor for WT-0229 and will include the following:
 - i) Preparation of Shop Drawings
 - ii) Fabrication of equipment
 - iii) FAT Testing and Delivery of equipment
 - iv) Manufacturer's field services.
 - v) If necessary, Engineer will assist Trust in the negotiation of an amendment to the pricing agreement if the execution of the material escalation clause is required.
 4. Quality Assurance and Quality Control: The procurement documents shall be reviewed by Engineer's technical advisors and/or senior technical staff for quality assurance and quality control (QA/QC) purposes prior to delivery to the Trust.
 - i) Engineer shall develop and implement a QA/QC plan and submit the QA/QC plan to the Trust for review.
 - ii) Engineer QA/QC reviews of each deliverable shall be completed prior to submitting to the Trust for review. A concurrent QA/QC review with the Trust shall not be permitted without prior written approval from the Trust.
 - iii) Results of the reviews shall be maintained by the Engineer in its records files until completion of the PROJECT. The results of the QA/QC review shall be incorporated into the final procurement documents.
 5. For each procurement package, there will be one review set provided to the Trust:
 - i) Each procurement package will be at approximately 80% level of completion when ready for Trust review.
 - ii) Trust will be provided a two-week review period to return comments.
 - iii) Following return comments, a workshop will be held for each package to address any final comments.

Task 1B - Procurement Purchase Order Services:

A. Purchase Agreement Support Services

1. Engineer shall provide Purchase Agreement Support Services for the two procurement packages in accordance with Task 3 of the Basic Contract and as supplemented herein.
2. Generator/Switchgear procurement package:
 - Pre-Purchase Agreement Meeting:
 1. Engineer will attend two Pre-Purchase Agreement Meetings and administer the technical details for procurement package suppliers.
 - Respond to System Suppliers Questions:

1. Scope of work assumes that the Trust will respond to bidder questions via the specific software package (and issued addenda) that the Trust has adopted. Engineer will provide responses to all questions via the Trust's PM.
 - Pre-Purchase Agreement Review:
 1. Engineer will review Pre-Purchase Agreement for completeness, conformance with the Procurement Documents, and coordinate as required to resolve any clarifications.
- B. Submittal Review:**
1. Engineer will provide initial and final submittal review for each package and provide written comments and coordination with Procurement package suppliers to complete the final approved submittal package (shop drawings and cost documentation).
 2. Expected sequence:
 - Following the Pre-Purchase Agreement award, the Procurement package supplier shall submit shop drawings and cost documentation package for the Engineer to review.
 - Engineer shall review the Submittals and provide comments, and schedule a special submittal meeting in person with procurement package supplier.
 - Procurement package supplier shall provide a final submittal based on results of the meeting. The Engineer shall review and respond to the final resubmittal and request an additional meeting if needed for any final clarifications in order to release the equipment for fabrication.
 - Engineer will include the final submitted shop drawings and procurement package guidelines for the contractor to add as a line item to their bid (provided as part of Task 2 and 3 services by future amendment).
- C. Special Submittal Review meetings:**
1. Engineer will conduct up to four submittal review meetings to coordinate submittal review comments and resolve procurement package supplier concerns in order to expedite release of submittal packages. Two meetings are assumed as remote and two meetings are assumed at procurement package supplier's facilities.
 2. Prepare and submit an agenda two (2) business days prior to the workshop.
 - i) Prepare and submit design decisions via meeting minutes within five (5) business days from the meeting.
- D. Factory witness testing:**
1. It is anticipated that Engineer will be at manufacturer's site to witness the following factory acceptance tests:
 - Generators.
 - Automatic Switching Equipment and Paralleling Switchgear.
- E. Monthly progress payments:**
1. Engineer shall review monthly progress payment requests from the Generator/Switchgear Supplier and Loop Switch Supplier, and make recommendations to the Trust for payment.

Task 2 - Final Plan Services (NOT INCLUDED)

Task 2 services (except those services identified in the procurement packages) are not included and are by possible future amendment.

Task 3 - Bidding Services (NOT INCLUDED)

Task 3 services (except those services identified in the procurement packages) are not included and are by possible future amendment.

Task 4 - Construction Administration Services (NOT INCLUDED)

Task 4 services (except those services identified in the procurement packages) are not included and are by possible future amendment.

Task 5 - As-Built Drawings Services (NOT INCLUDED)

Task 5 services are not included and are by possible future amendment.

Task 6 - Project Inspection Services (NOT INCLUDED)

Task 6 services are not included and are by possible future amendment.

Completion Times:

Work Item	Time to Complete	Completion Time from NTP
Task 1A – Preliminary Report Services	154 Calendar Days	154 Calendar Days
Task 1B – Procurement Services	154 Calendar Days	154 Calendar Days
Task 1C – Procurement Purchase Order Services	1095 Calendar Days ¹	1095 Calendar Days ¹

1. Based on vendor procurement schedules and FEMA Design Schedule Requirements.

**EXHIBIT B
COMPENSATION
PROJECT NO. WT-0229
EMERGENCY POWER GENERATION AT HEFNER WATER TREATMENT PLANT**

Under the terms of this Contract, the Engineer agrees to perform the work and services described in this Contract. The Trust agrees, in accordance with the limitations and conditions set forth in the Contract, to pay an amount not to exceed \$1,465,538, which includes: for Basic Services an amount not to exceed \$1,215,538 as specifically set forth in this Exhibit B; and, for Additional Services an amount not to exceed \$250,000, as specifically set forth in Exhibit E.

B.I. Basic Work and Services

Compensation for basic services may not exceed \$1,215,538, and in no event may the Engineer receive compensation in excess of the amount listed for each task for performance of its basic services.

The Engineer may receive up to the following amounts of the not to exceed amounts for services rendered upon the completion of the following tasks. Partial payments of the not to exceed amounts for each task may be invoiced for incremental work completed. Not to exceed amounts below are accumulative for successive tasks.

Task 1 an amount not to exceed:
\$1,215,538

Completion and recommendation by the General Manager for approval by the Trust of the Preliminary Report for the project.

Fee breakdown for Task 1A – Preliminary Report Services is as follows:

Project Management and Progress Reporting, QC	\$122,970
Project Meetings and Workshops	\$267,698
Data Collection and Review	\$ 59,909
Engineering Design Report	\$129,294
Design Surveys	\$ 35,314

Fee breakdown for Task 1B – Procurement Services is as follows:

Procurement Documents	\$254,458
Special Questionnaire	\$ 15,727
Pricing Agreement	\$ 54,348
Quality Assurance and Quality Control	\$ 44,800
Owner Review Workshop	\$ 21,351

Fee breakdown for Task 1C – Procurement Purchase Order Services is as follows:

Purchase Agreement Support Services	\$ 41,877
Submittal Review	\$ 78,500
Special Submittal Review Meetings	\$ 38,707

Factory Witness Testing
Monthly Progress Reporting

\$ 42,521
\$ 8,064

Task 2 an additional amount not to exceed:
(by possible future amendment)

Completion and acceptance by the Trust of the final plans and specifications for the project.

Task 3 an additional amount not to exceed:
(by possible future amendment)

Award of the construction contract to the successful Bidder.

Task 4 an additional amount not to exceed:
(by possible future amendment)

Upon completion and final acceptance by the Trust of the completed project. Said amount is to be paid proportionately to the level of completion of project construction. The proportionate amount is to be consistent with the Construction Contractor's percentage of completion.

Task 5 an additional amount not to exceed:
(by possible future amendment)

Upon satisfactory completion and acceptance of the as-built drawings.

Task 6 an additional amount not to exceed:
(by possible future amendment)

Compensation for Inspection Services shall not be greater than the amount and value of the work and services performed by the Engineer.

**EXHIBIT C
ANTI/NON-COLLUSION AFFIDAVIT
PROJECT NO. WT-0229**

EMERGENCY POWER GENERATION AT HEFNER WATER TREATMENT PLANT

State of Oklahoma)
County of Oklahoma) SS.

The undersigned Engineer, of lawful age, being duly sworn, upon his/her oath, deposes and says: That the undersigned has the lawful authority to execute the within and foregoing proposal for, and on behalf of, the Engineer; that the Engineer has not, directly or indirectly, entered into any agreement, express or implied, with any other architect/engineer(s), having for its object the controlling of the price or amount of the Contract, the limiting of the services of the architect/engineers, the parceling or farming out to any architect/engineer(s) or other persons, of any part of the Contract or any part of the subject matter of the Contract, or of the profits thereof.

The Engineer further states that the Engineer has not been a party to any collusion among other persons, firms or contractors in restraint of freedom of competition, by any agreement to Contract at a fixed price or to refrain from competing; or with any city official, city employee or city agent as to the quantity, quality, or price in the prospective Contract, or any other terms of the said prospective Contract; or in any discussions between the Engineer or city official, city employee or city agent concerning the exchange or money or other thing of value for special consideration in the letting of a Contract. The Engineer states that it has not paid, given or donated or agreed to pay, give or donate to any city official, officer or employee of the Trust or awarding agency, any money or other thing of value, either directly or indirectly, in the procuring of the award of this Contract.

Printed name of the Engineer: Thomas O. Crowley

Signature of executing individual: Thomas O. Crowley, P.E.

Title: Vice President

211 North Robinson Ave, Suite 1300, Oklahoma City, OK 73102 64064

Address of the Engineer (405) 840-7785 phone, (405) 840-7786 (fax) Zip Code

(A.C.) Tel. Number and FAX Number

Signed and sworn to before me on this 30th day of July.

2024, by Thomas O. Crowley

My Commission Expires/Commission Number:

April 12, 2026 / 22005133



Tami Wayne
Notary Public

EXHIBIT D
NONDISCRIMINATION CERTIFICATE
PROJECT NO. WT-0229
EMERGENCY POWER GENERATION AT HEFNER WATER TREATMENT PLANT

State of Oklahoma)
)
County of Oklahoma) SS.

In connection with the performance of work under this Contract, the Engineer agrees as follows:

- A. The Engineer agrees not to discriminate against any employee or applicant for employment because of race, creed, sex, color, national origin, ancestry, age or disability, as defined by the Americans with Disabilities Act of 1990, Sec. 3(2). The Engineer shall take affirmative action to insure that employees are treated without regard to their race, creed, color, national origin, sex, ancestry, age or disability, as defined by the Americans with Disabilities Act of 1990, Sec. 3(2). Such actions shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruiting or recruitment, advertising, layoff or termination, rate of pay or other forms of compensation and selection for training, including apprenticeship. The Engineer and sub-consultants shall agree to post in a conspicuous place, Exhibit D.
- B. In the event of the Engineer's noncompliance with this Nondiscrimination Certificate, the Contract may be canceled, terminated or suspended by the Trust. The Engineer may be declared, by the Trust, ineligible for further contracts until satisfactory proof of intent to comply shall be made by the Engineer and/or sub-consultants.
- C. The Engineer agrees to include the requirements of this Nondiscrimination Certificate in any subcontracts connected with the performance of this Contract.

I have read the above clause and agree to abide by its requirements.

Printed name of the Engineer: Thomas O. Crowley

Signature of executing individual: Thomas O. Crowley, P.E.

Title: Vice President

211 North Robinson Ave, Suite 1300, Oklahoma City, OK 73102 64064
Address of the Engineer Zip Code

(405) 840-7785 phone, (405) 840-7786 (fax)
(A.C.) Tel. Number and (FAX No.)

Signed and sworn to before me on this 30th day of July, 2024, by
Thomas O. Crowley

My Commission Expires/Commission Number:
April 12, 2026 / 22005133



Waymire
Notary Public

EXHIBIT E
ADDITIONAL SERVICES
PROJECT NO. WT-0229
EMERGENCY POWER GENERATION AT HEFNER WATER TREATMENT PLANT

Additional Services shall only be provided upon prior written and clearly detailed direction of the General Manager. The Engineer may be directed to perform any, all or none of the following Additional Services that may include, but not be limited to, the following:

- AS.1: Additional design services necessary for completion of the project. A detailed scope and fee for the additional services shall be submitted.
- AS.2: A detailed design survey shall be completed if existing survey data is found to be insufficient for the expected generator locations. A detailed scope of work for the additional services shall be submitted if the work is required.
- AS.3: Additional FEMA assistance not defined in the Task 1 scope. A detailed scope and fee for the additional services shall be submitted.
- AS.4: Additional schedule verification with Procurement Packages. A detailed scope and fee for the additional services shall be submitted.
- AS.5: Additional alternatives requested by the Trust during the Task 1 services period. A detailed scope and fee for the additional services shall be submitted.
- AS.6: Additional submittal review task if required due to procurement package supplier attaining approval from the Engineer for a particular submission.
- AS.7: Geotechnical study will be provided to evaluate the subsurface conditions at the new generator facility location(s).

Compensation for Additional Services: Included in the not to exceed total compensation is an allowance for Additional Services in an amount not to exceed \$250,000. This allowance is to be used and paid to the Engineer in the manner established in this Contract, unless other compensation means are agreed to in writing by the General Manager. The Additional Services compensation may only be used after the Engineer has performed Additional Services upon prior written authorization by the City Engineer. Invoices submitted for Additional Services shall represent only hours actually worked on this project by the Engineer's employees and the Engineer's consultant's employees and shall be accounted for separately for each Additional Service performed.

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EXHIBIT F
POTENTIAL GRANT REQUIREMENTS
PROJECT NO. WT-0229
EMERGENCY POWER GENERATION AT HEFNER WATER TREATMENT PLANT

{see attached page}

**The Department of Homeland Security (DHS)
Notice of Funding Opportunity (NOFO)
Fiscal Year 2023 Pre-Disaster Mitigation (PDM) Grant Program**

The Fiscal Year 2023 PDM grant program is limited to the projects and entities identified by Congress in the [FY23 DHS Appropriations Act's Joint Explanatory Statement \(JES\)](#) for [Division F](#) in the table starting on page S8570 entitled "Homeland Security Incorporation of Community Project Funding Items/Congressionally Directed Spending Items." This funding opportunity is not open for other activities, projects, or entities.

All entities wishing to do business with the federal government must have a unique entity identifier (UEI). The UEI number is issued by the system. Requesting a UEI using Sam.gov can be found at: <https://sam.gov/content/entity-registration>.

Grants.gov registration information can be found at:
<https://www.grants.gov/web/grants/register.html>.

Planned UEI Updates in Grant Application Forms:

On April 4, 2022, the Data Universal Numbering System (DUNS) Number was replaced by a new, non-proprietary identifier requested in, and assigned by, the System for Award Management (SAM.gov). This new identifier is the Unique Entity Identifier (UEI).

Additional Information can be found on Grants.gov:

<https://www.grants.gov/web/grants/forms/planned-uei-updates.html>

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A. Program Description

1. Issued By

U.S. Department of Homeland Security (DHS)/Federal Emergency Management Agency (FEMA)/ Resilience/Federal Insurance and Mitigation Administration (FIMA)/Mitigation Directorate/Hazard Mitigation Assistance (HMA) Division

2. Assistance Listings Number

97.047

3. Assistance Listings Title

Pre-Disaster Mitigation Grant Program

4. Funding Opportunity Title

Fiscal Year 2023 Pre-Disaster Mitigation Grant Program

5. Funding Opportunity Number

DHS-23- *MT-047-00-99*

6. Authorizing Authority for Program

Section 203 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) (Pub. L. No. 100-707), amending the Disaster Relief Act of 1974 (Pub. L. No. 93-288) (42 U.S.C. § 5133)

7. Appropriation Authority for Program

Department of Homeland Security Appropriations Act, 2023 (FY23 DHS Appropriations Act) (Pub. L. No. 117-328)

8. Announcement Type

Initial

9. Program Category

Mitigation: Natural Hazards

10. Program Overview, Objectives, and Priorities

a. *Overview*

The Pre-Disaster Mitigation (PDM) Grant Program makes federal funds available to state, local, tribal, and territorial governments to plan for and implement sustainable cost-effective measures designed to reduce the risk to individuals and property from future natural hazards, while also reducing reliance on federal funding from future natural disasters.

PDM has invested more than \$1 billion across thousands of projects for mitigation activities throughout the country during its 20-year history and has paved the way for the next generation of mitigation funding. PDM helped initiate an important shift in the nation's focus from planning for response and recovery to assessing risk, proactively identifying projects to mitigate risk, and strategically tackling pre-disaster community resilience initiatives. PDM

has supported states, territories, tribes, and local jurisdictions as they pursued community-wide resilience planning processes and implemented projects to reduce risk nationwide.

The Fiscal Year (FY) 2023 PDM Grant Program will provide \$233,043,782 in funding to projects identified in the [FY23 DHS Appropriations Act's Joint Explanatory Statement \(JES\) for Division F](#) in the table starting on page S8570 entitled "Homeland Security Incorporation of Community Project Funding Items/Congressionally Directed Spending Items."

FEMA will provide financial assistance to eligible PDM applicants for activities in accordance with the JES accompanying the FY23 DHS Appropriations Act and as listed in Appendix A of this NOFO. The authorized projects generally include the following project types:

- 1) Project Scoping – process for subapplicants to develop effective mitigation alternatives based on a defined set of requirements that meet the stated purpose and need of the proposed project. The process includes activities such as identification and evaluation of technical feasibility, cost review, and cost effectiveness, as well as environmental and cultural resource considerations.
- 2) Hazard Mitigation Projects (construction) – cost-effective projects designed to increase resilience and public safety; reduce injuries and loss of life; and reduce damage and destruction to property, critical services, facilities, and infrastructure, (including natural systems) from a multitude of natural hazards and the effects of climate change; and
- 3) Management Costs – financial assistance to reimburse the recipient for eligible and reasonable indirect costs, direct administrative costs, and other administrative expenses associated with a specific mitigation measure or project in an amount up to 5 percent of the total federal amount of the grant award. Project award amounts are not available for recipient management and administration costs; however, a separate appropriation was made for these costs, which may reimburse recipients for up to 5 percent of the total federal award amount for each project.

The PDM Grant Program aligns with the general goal of promoting resilience and adaptation in light of current risks and the [2020-2024 DHS Strategic Plan](#) through pursuing Goal 5: Strengthen Preparedness and Resilience. Specifically, Objective 5.1: Build a National Culture of Preparedness has several sub-objectives that the PDM Grant Program supports. PDM serves primarily to bolster Sub-Objective 5.1.1: Incentivize investments that reduce risk and increase pre-disaster mitigation, including expanding the use of insurance to manage risk through funding mitigation projects, particularly ones that reduce risk to Community Lifelines and infrastructure. Additionally, project scoping activities that PDM funds also contribute to other sub-objectives. For example, planning, partnerships, and project scoping efforts help improve awareness initiatives to encourage public action to increase preparedness (Sub-Objective 5.1.2), use lessons from past disasters and exercises to inform community investment decisions and anticipate challenges that may emerge during future disasters (Sub-Objective 5.1.3), and coordinate and guide continuity of operations activities through partnerships with government and non-government stakeholders (Sub-Objective 5.1.5).

The [2022-2026 FEMA Strategic Plan](#) outlines three bold, ambitious goals in order to position FEMA to address the increasing range and complexity of disasters, support the diversity of communities we serve, and complement the nation's growing expectations of the emergency management community. The PDM Grant Program supports Goal 2: Lead Whole of Community in Climate Resilience and Goal 3: Promote and Sustain a Ready FEMA and a Prepared Nation.

b. Objectives

The objective of the FY 2023 PDM Grant Program is to fund Community Project Funding/Congressionally Directed Spending (CDS) projects for state, local, tribal, and territorial government efforts to plan for, and implement sustainable cost-effective measures designed to reduce the risk to individuals and property from future natural hazards, while also reducing reliance on federal funding from future disasters.

There are projects from 32 states and two tribes identified for the FY 2023 PDM Grant Program. These targeted community and Tribal projects focus primarily on infrastructure improvements to stormwater, drainage, sewer systems and levee systems and/or dams to build community resilience against future flooding. However, other projects focus on addressing other hazard types such as tsunamis, seismic activity, landslides, and wildfire. Approximately 10 projects address nature-based solutions including greenways, open space, beach revitalization, climate resilience, and shoreline preservation.

c. Priorities

The priorities of the FY 2023 Pre-Disaster Mitigation Grant Program are to fund projects identified in **Appendix A** of this NOFO. If you are interested in applying to FEMA's other annual mitigation grant programs, like the Building Resilient Infrastructure and Communities program, please go to www.grants.gov for more information.

11. Performance Measures

Based on the statutory requirements of Section 203 and the Hazard Mitigation Assistance Guidance (2015), FEMA has specified minimum project criteria including that Applicants must demonstrate mitigation projects are cost effective. Benefit-Cost Analysis (BCA) is the method by which the future benefits of a hazard mitigation project are determined and compared to its costs. The end result is a Benefit-Cost Ratio (BCR), which is calculated by a project's total of discounted benefits divided by its total of discounted costs. The BCR is a numerical expression of the "cost effectiveness" of a project. A project is considered to be cost effective when the BCR is 1.0 or greater, indicating the benefits of a prospective hazard mitigation project are sufficient to justify the costs. FEMA is also introducing an alternative cost-effectiveness methodology that will modify the threshold for mitigation projects to be considered cost-effective under limited conditions. Part of the conditions stipulate that the mitigation activity benefits disadvantaged communities, addresses climate change impacts, has hard to quantify benefits, and/or is subject to higher costs due to the use of low carbon building materials or compliance with the FFRMS. Please see Section D.11.b, "Alternative Benefit Cost Analysis" paragraph below for full requirements. Projects that are not cost-effective will not be eligible.

PDM aims to implement projects that reduce risks posed by natural hazards and reduce future losses, by funding priority projects and activities. Priorities include risk reduction of both acute events and chronic stressors, which are either observed or expected. To achieve these goals, for FY23 PDM, the 100 identified CDS projects prioritize the following types of activities: infrastructure projects, those that mitigate risk to lifelines, and projects proposed by applicants that reduce reliance on federal disaster funding. FEMA will measure the percent of dollars invested in these priorities, which will indicate that PDM projects expect to meet the goal of reducing both risks posed by natural hazards and future losses.

B. Federal Award Information

1. Available Funding for the NOFO: **\$233,043,782**

2. Period of Performance: **36 Months**

Extensions to the period of performance are allowed. For additional information on period of performance extensions, please refer to Section H of this NOFO.

FEMA awards under most programs, including this program, only include one budget period, so it will be the same as the period of performance. *See* 2 C.F.R. § 200.1 for definitions of “budget period” and “period of performance.”

3. Projected Period of Performance Start Date(s): Will vary by award; all awards must be made by September 30, 2023

4. Period of Performance End Date(s): 36 months from date of the award unless otherwise approved by FEMA

5. Funding Instrument Type: **Grant**

C. Eligibility Information

1. Eligible Applicants

Only states or federally recognized tribal governments with identified projects in **Appendix A** of this NOFO are eligible to apply.

Each state, territory, or federally recognized tribal government with a PDM project identified in **Appendix A** of this NOFO shall designate one agency to serve as the applicant for PDM funding. Each applicant’s designated agency may submit only one PDM grant application to FEMA.

Local governments, including cities, townships, counties, special district governments, and tribal governments (including federally recognized tribes who choose to apply as subapplicants) that are identified in **Appendix A** of this NOFO are considered subapplicants and must submit subapplications to their state/territory applicant agency. Contact information

for the State Hazard Mitigation Officers (SHMOs) is provided on the FEMA website at [State Hazard Mitigation Officers](#). A federally recognized tribal government may apply as an applicant directly to FEMA or as a subapplicant.

2. Applicant Eligibility Criteria

Eligible FY 2023 PDM grant projects were identified in the JES accompanying the FY 2023 DHS Appropriations Act; only those associated PDM projects are eligible to receive funding under this grant program. Those PDM projects are identified in **Appendix A** of this NOFO.

- To be considered for funding, all applicants must submit their FY 2023 PDM grant application to FEMA via Mitigation (MT) eGrants.
- All applicants and subapplicants submitting subapplications must have a FEMA-approved mitigation plan by the application deadline and at the time of obligation in accordance with Title 44 Code of Federal Regulations (CFR) Part 201.

3. Other Eligibility Criteria/Restrictions

- All mitigation projects submitted as part of a PDM grant application must be consistent with the goals and objectives identified in a) the current, FEMA-approved State or Tribal (Standard or Enhanced) Mitigation Plan and b) the approved local mitigation plan for the jurisdiction in which the project is located.
- All activities under PDM must be in conformance with all applicable environmental planning and historic preservation (EHP) laws, regulations, executive orders, and agency policies including 44 C.F.R. Part 9; DHS Directive 023-01 Rev 01, Implementation of the National Environmental Policy Act (October 31, 2014), and Instruction Manual 023-01-001-01 Rev 01, Implementation of the National Environmental Policy Act (NEPA) (November 6, 2014); FEMA Directive 108-1, Environmental Planning and Historic Preservation Responsibilities and Program Requirements (October 10, 2018); FEMA Instruction 108-1-1, Instruction on Implementation of the Environmental Planning and Historic Preservation Responsibilities and Program Requirements (October 10, 2018), accessible at <https://www.fema.gov/media-library/assets/documents/118323>. EHP Job Aids and Supplements are available on the FEMA website at <https://www.fema.gov/grants/mitigation/job-aids>.
- All activities under PDM must be in conformance with all applicable federal, state, tribal, and local floodplain and land use laws and regulations including 44 C.F.R. § 60.3 (floodplain management criteria).
 - All structure elevation, mitigation reconstruction, and dry floodproofing projects; and all projects where HMA funds are used for new construction, substantial improvement, or to address substantial damage to structures¹ must meet the minimum standards of FEMA's partial implementation of the Federal Flood Risk Management Standards (FFRMS).

¹ Refer to [44 CFR § 9.4](#) for the definitions of “[new construction](#)” and “[substantial improvement](#)”; Refer to [44 CFR § 59.1](#) for the definition of “[substantial damage](#).”

- See [Executive Order \(EO\) 14030, Climate-Related Financial Risk](#) and [FEMA Policy FP-206-21-003-0001 Implementation of the FFRMS for HMA Programs](#).
- PDM projects must not have duplicate activities that another federal agency or program has more specific authority to conduct.
- All PDM projects must be in conformance with any other criteria established by FEMA that is specific to the proposed activity.
- Construction activities for which ground disturbance has already been initiated or completed are not eligible for funding. Non-construction activities that have already started may not be considered for funding. However, per the [Hazard Eligibility and Local Projects \(HELP\) Act](#), FEMA may provide assistance for certain acquisition and demolition projects when implementation has already begun. In order to be eligible, the project must: (1) qualify for a categorical exclusion under NEPA; (2) be compliant with applicable floodplain management and protection of wetland regulations and criteria; and (3) not require consultation under any other environmental or historic preservation law or regulation or involve any extraordinary circumstances. An entity seeking assistance under the HELP Act must comply with all other applicable HMA and federal requirements (*see* Pub. L. No. 117-332).
- Mitigation projects must, at a minimum, be in conformance with the latest published editions (meaning either of the two most recently published editions) of relevant consensus-based codes, specifications, and standards that incorporate the latest hazard-resistant and energy efficient designs.
- Mitigation projects should account for future climate risk to the proposed project. This can be accomplished by using evidence-based, best-available climate data sets, information resources, and decision-support tools, including Federal resources, to identify current and future climate risks over the project's expected service life. Climate projections, emission scenarios, or other suitable scenario conditions should be specified based on the project's service life and applicant's risk tolerance, as appropriate and available. Applications should document how planned project design and operations are resilient to any identified current and future climate risks. (This can be used to satisfy the requirement to utilize alternative benefit-cost analysis methodology under section D.11.b.3.b.)
- Mitigation projects should adopt nature-based solutions unless alternatives are demonstrated to be more beneficial to society, when the full range of benefits are considered, or nature-based solutions are not technically suitable for project goals.
- Where technically feasible and effective, mitigation projects should use construction materials that have lower embodied greenhouse gas emissions – including lower-carbon concrete, asphalt, and steel. Embodied emissions refer to the amount of greenhouse gas (GHG) emissions associated with the extraction, production, transport, and manufacturing of material. (This can be used to satisfy the requirement to utilize alternative benefit-cost analysis methodology under section D.11.b.3.c.)
- Where technically feasible and effective, mitigation projects should encourage designs, operations, and practices that lead to further adoption of technology, development or land use patterns, or behaviors that reduce greenhouse gas emissions within and potentially beyond extent of the project.
- Mitigation projects must be technically feasible and effective.

- Mitigation projects must solve a problem independently or constitute a functional portion of a long-term solution for which there is assurance that the project as a whole will be completed or there is a reasonable plan and available funding for completion.
- Mitigation projects must be cost-effective and designed to increase resilience and reduce risk of injuries, loss of life, and damage and destruction of property, including critical services and facilities. This means the project, as documented by the applicant, achieves the following goals:
 - Addresses a problem that has been repetitive or that poses a risk to public health and safety and improved property if left unresolved;
 - Satisfies applicable cost-effectiveness requirements in compliance with OMB Circular A-94;
 - Contributes, to the extent practicable, to a long-term solution to the problem it is intended to address; and
 - Accounts for long-term changes to the areas and entities it protects and has manageable future maintenance and modification requirements.
- If the mitigation project is located in a Special Flood Hazard Area, it must meet both of the following conditions:
 - i. The project is in a jurisdiction participating in the National Flood Insurance Program that is not on probation, suspended, or withdrawn.
 - ii. The property owner obtains and maintains flood insurance for the life of the structure, regardless of transfer of ownership, in an amount at least equal to the project cost or to the maximum limit of coverage made available with respect to the mitigated property, whichever is less.
 - iii. The project complies with any FEMA directive or policy implementing the Federal Flood Risk Management Standards (FFRMS)².

4. Cost Share or Match

Cost share is required under this program. Federal funding is available for up to 75 percent of the eligible activity costs. The remaining 25 percent of eligible activity costs must be derived from non-federal sources.

The non-federal cost share contribution is calculated based on the total cost of the proposed activity. For example, if the total cost is \$400,000 and the non-federal cost share is 25 percent, then the non-federal contribution is \$100,000: 25 percent of \$400,000 is \$100,000.

Small impoverished communities are eligible for up to a 90 percent federal cost share for their mitigation planning and project subapplications in accordance with the Stafford Act. A small impoverished community must meet all of the following qualifications:

- Be a community of 3,000 or fewer individuals identified by the state as a rural community that is not a remote area within the corporate boundaries of a larger city;

² An update to the FFRMS policy went into effect as of Dec. 7, 2022, and addresses elevating and floodproofing requirements for structures using Hazard Mitigation Assistance funding. Please refer to the following link for additional information about the [Partial Implementation of the Federal Flood Risk Management Standard for Hazard Mitigation Assistance Programs -- FEMA Policy 206-21-003-0001](#).

- Be economically disadvantaged, with residents having an average per capita annual income not exceeding 80 percent of the national per capita income, based on best available data. For the most current information, go to the Bureau of Economic Analysis website at <http://www.bea.gov>; or the United States Census Bureau website at Census.gov; and
- Meet other criteria required by the Applicant in which the community is located.

Federally recognized tribes can identify themselves as small impoverished communities if they meet the above criteria.

Federally recognized tribes meeting the definition of a small impoverished community that apply to FEMA directly as Applicants are eligible for a 90 percent federal cost share for their planning, project, and management costs subapplications.

Applicants and subapplicants who apply as a small impoverished community must request the federal cost share amount up to 90 percent in the Cost Share section of their planning, project, and management costs subapplication(s). Applicants must certify small impoverished community status and provide documentation with the subapplication(s) to justify up to a 90 percent federal cost share. If documentation is not submitted with the subapplication, then FEMA will provide no more than 75 percent federal cost share of the total eligible costs.

More detailed information is provided in Part III, C, Cost Sharing, of the HMA Guidance, available on the FEMA website at [Hazard Mitigation Assistance Guidance Feb 27, 2015](#).

D. Application and Submission Information

1. Key Dates and Times

- | | |
|--|---------------------------------|
| a. Application Start Date: | 03/01/2023 |
| b. Application Submission Deadline: | 04/14/2023 at 5:00 PM ET |

All applications **must** be received by the established deadline. Applicants with system-related issues must contact the eGrants Helpline by 3:00 pm on Friday, April 14, 2023.

The MT eGrants System has a date stamp that indicates when an application is submitted. Applicants will receive an electronic message confirming receipt of their submission. For additional information on how an applicant will be notified of application receipt, see the subsection titled “Timely Receipt Requirements and Proof of Timely Submission” in Section D of this NOFO.

FEMA may not review applications that are received after the deadline or consider these late applications for funding. FEMA may, however, extend the application deadline on request for any applicant who can demonstrate that good cause exists to justify extending the deadline. Good cause for an extension may include technical problems outside of the applicant’s control that prevent submission of the application by the deadline, other exigent or emergency circumstances, or statutory requirements for FEMA to make an award.

Applicants experiencing technical problems outside of their control must notify FEMA as soon as possible and before the application deadline. Failure to timely notify FEMA of the issue that prevented the timely filing of the application may preclude consideration of the award. “Timely notification” of FEMA means: prior to the application deadline and within 48 hours after the applicant became aware of the issue.

A list of FEMA contacts can be found in Section G of this NOFO, “DHS Awarding Agency Contact Information.” For additional assistance using the MT eGrants System, please contact the MT eGrants Service Desk at mtegrants@fema.dhs.gov. The MT eGrants Service Desk is available Monday through Friday, 9:00 AM – 6:00 PM Eastern Time (ET). For programmatic or grants management questions, please contact your Program Analyst or Grants Specialist. If applicants do not know who to contact or if there are programmatic questions or concerns, please contact the Centralized Scheduling and Information Desk (CSID) by phone at (800) 368-6498 or by e-mail at askcsid@fema.dhs.gov, Monday through Friday, 9:00 AM – 5:00 PM ET.

- c. ***Anticipated Award Date:*** No later than **09/30/2023**
To be considered timely, an FY23 PDM application must be submitted by the application deadline via FEMA’s MT eGrants, and the applicant must have received a confirmation message in MT eGrants that indicates successful FY23 PDM grant submission to FEMA. For additional information on how an applicant will be notified of application receipt, see the subsection titled “Timely Receipt Requirements and Proof of Timely Submission” in Section D of this NOFO.

d. ***Other Key Dates***

Event	Suggested Deadline for Completion
Initial registration in SAM.gov includes UEI issuance	Four weeks before actual submission deadline
Obtaining a valid Employer Identification Number (EIN)	Four weeks before actual submission deadline
Creating an account with login.gov	Four weeks before actual submission deadline
Registering in SAM or updating SAM registration	Four weeks before actual submission deadline
Registering in Grants.gov	Four weeks before actual submission deadline
Registering in MT eGrants	Four weeks before actual submission deadline
Starting application in Grants.gov	One week before actual submission deadline
Submitting the final application in MT eGrants	By the submission deadline

2. **Agreeing to Terms and Conditions of the Award**

By submitting an application, applicants agree to comply with the requirements of this NOFO and the terms and conditions of the award, should they receive an award.

3. **Address to Request Application Package**

FEMA will only process applications received via MT eGrants.

Information, training and resources on MT eGrants are available on the FEMA website at <https://www.fema.gov/grants/mitigation/mitigation-egrants-system-resources> (see section G, DHS Awarding Agency Contact Information, of this NOFO).

Hard copies of the NOFO can be downloaded at [Grants.gov](https://www.fema.gov/grants) or obtained via email from the Awarding Office points of contact listed in Section G of this NOFO, “DHS Awarding Agency Contact Information” or by TTY (800) 462-7585.

For a hard copy of the full NOFO, please write a request to:

Gerilee Bennett

Acting Director, Hazard Mitigation Assistance Division, Mitigation Directorate
Federal Insurance and Mitigation Administration
Federal Emergency Management Agency
400 C Street, SW
Washington, DC 20472

4. Requirements: Obtain a Unique Entity Identifier (UEI) and Register in the System for Award Management (SAM)

Each applicant, unless they have a valid exception under 2 CFR 25.110, must:

- 1) Be registered in Sam.Gov before application submission.
- 2) Provide a valid Unique Entity Identifier (UEI) in its application.
- 3) Continue to always maintain an active System for Award Management (SAM) registration with current information during the Federal Award process.

5. Steps Required to Obtain a Unique Entity Identifier, Register in the System for Award Management (SAM), and Submit an Application

Applying for an award under this program is a multi-step process and requires time to complete. Applicants are encouraged to register early as the registration process can take four weeks or more to complete. Therefore, registration should be done in sufficient time to ensure it does not impact your ability to meet required submission deadlines.

Please review the table above for estimated deadlines to complete each of the steps listed. Failure of an applicant to comply with any of the required steps before the deadline for submitting an application may disqualify that application from funding.

To apply for an award under this program, all applicants must:

- a. Apply for, update, or verify their Unique Entity Identifier (UEI) number from SAM.gov and Employer Identification Number (EIN) from the Internal Revenue Service;
- b. In the application, provide an UEI number;
- c. Have an account with [login.gov](https://www.login.gov);
- d. Register for, update, or verify their SAM account and ensure the account is active before submitting the application;

- e. Create a Grants.gov account;
- f. Add a profile to a Grants.gov account;
- g. Establish an Authorized Organizational Representative (AOR) in Grants.gov;
- h. Register in MT eGrants
- i. Submit an initial application in Grants.gov;
- j. Submit the final application in MT eGrants, including electronically signing applicable forms; and
- k. Continue to maintain an active SAM registration with current information at all times during which it has an active federal award or an application or plan under consideration by a federal awarding agency. As part of this, applicants must also provide information on an applicant's immediate and highest-level owner and subsidiaries, as well as on all predecessors that have been awarded federal contracts or federal financial assistance within the last three years, if applicable.

Specific instructions on how to apply for, update, or verify an UEI number or SAM registration or establish an AOR are included below in the steps for applying through [Home | GRANTS.GOV](#).

Applicants are advised that FEMA may not make a federal award until the applicant has complied with all applicable SAM requirements. Therefore, an applicant's SAM registration must be active not only at the time of application, but also during the application review period and when FEMA is ready to make a federal award. Further, as noted above, an applicant's or recipient's SAM registration must remain active for the duration of an active federal award. If an applicant's SAM registration is expired at the time of application, expires during application review, or expires any other time before award, FEMA may determine that the applicant is not qualified to receive a federal award and use that determination as a basis for making a federal award to another applicant.

Per 2 C.F.R. § 25.110I(2)(iii), if an applicant is experiencing exigent circumstances that prevents it from obtaining an UEI number and completing SAM registration prior to receiving a federal award, the applicant must notify FEMA as soon as possible by contacting askcsid@fema.dhs.gov and providing the details of the circumstances that prevent completion of these requirements. If FEMA determines that there are exigent circumstances and FEMA has decided to make an award, the applicant will be required to obtain an UEI number, if applicable, and complete SAM registration within 30 days of the federal award date.

6. Electronic Delivery

DHS is participating in the Grants.gov initiative to provide the grant community with a single site to find and apply for grant funding opportunities. DHS encourages or requires applicants to submit their applications online through Grants.gov, depending on the funding opportunity.

For this funding opportunity, FEMA requires applicants to submit applications through MT eGrants.

7. How to Register to Apply

a. *General Instructions:*

Registering and applying for an award under this program is a multi-step process and requires time to complete. Read the instructions below about registering to apply for FEMA funds. Applicants should read the registration instructions carefully and prepare the information requested before beginning the registration process. Reviewing and assembling the required information before beginning the registration process will alleviate last-minute searches for required information.

The registration process can take up to four weeks to complete. To ensure an application meets the deadline, applicants are advised to start the required steps well in advance of their submission.

Organizations must have an UEI number, an EIN, an active System for Award Management (SAM) registration and Grants.gov account to apply for grants.

b. *Obtain an UEI Number:*

All entities applying for funding, including renewal funding, prior to April 4, 2022, must have a UEI number. Applicants must enter the UEI number in the applicable data entry field on the SF-424 form.

For more detailed instructions for obtaining a UEI number, refer to: [SAM.gov](https://sam.gov).

c. *Obtain Employer Identification Number*

All entities applying for funding must provide an Employer Identification Number (EIN). The EIN can be obtained from the IRS by visiting: <https://www.irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online>.

d. *Create a login.gov account:*

Applicants must have a login.gov account in order to register with SAM or update their SAM registration. Applicants can create a login.gov account here: https://secure.login.gov/sign_up/enter_email?request_id=34f19fa8-14a2-438c-8323-a62b99571fd3.

Applicants only have to create a login.gov account once. For applicants that are existing SAM users, use the same email address for the login.gov account as with SAM.gov so that the two accounts can be linked.

For more information on the login.gov requirements for SAM registration, refer to: <https://www.sam.gov/SAM/pages/public/loginFAQ.jsf>.

e. *Register with SAM:*

All organizations applying online through Grants.gov must register with SAM. Failure to register with SAM will prevent your organization from applying through Grants.gov. SAM registration must be renewed annually. Organizations will be issued a UEI number with the completed SAM registration.

For more detailed instructions for registering with SAM, refer to:

<https://www.grants.gov/web/grants/applicants/organization-registration/step-2-register-with-sam.html>.

Note: As a new requirement per 2 C.F.R. § 25.200, applicants must also provide the applicant's immediate and highest-level owner, subsidiaries, and predecessors that have been awarded federal contracts or federal financial assistance within the last three years, if applicable.

I. ADDITIONAL SAM REMINDERS

Existing SAM.gov account holders should check their account to make sure it is "ACTIVE." SAM registration should be completed at the very beginning of the application period and should be renewed annually to avoid being "INACTIVE." **Please allow plenty of time before the grant application submission deadline to obtain a UEI number and then to register in SAM. It may be four weeks or more after an applicant submits the SAM registration before the registration is active in SAM, and then it may be an additional 24 hours before FEMA's system recognizes the information.**

It is imperative that the information applicants provide is correct and current. Please ensure that your organization's name, address, and EIN are up to date in SAM and that the UEI number used in SAM is the same one used to apply for all other FEMA awards. Payment under any FEMA award is contingent on the recipient's having a current SAM registration.

II. HELP WITH SAM

The SAM quick start guide for new recipient registration and SAM video tutorial for new applicants are tools created by the General Services Administration (GSA) to assist those registering with SAM. If applicants have questions or concerns about a SAM registration, please contact the Federal Support Desk at <https://www.fsd.gov/fsd-gov/home.do> or call toll free (866) 606-8220.

f. *Register in in Mitigation eGrants (MT)*

Applicants must register in MT eGrants. For more information, see https://www.fema.gov/sites/default/files/2020-08/fema_mt-egrants-frequently-asked-questions_support_document_March_2018.pdf.

8. Submitting the Final Application in MT eGrants

Subapplicants must create project subapplications and submit them to their applicant organization. Subapplicants should contact their applicant agency for information specific to their state's application process. Contact information for the SHMOs is provided on the FEMA website at <https://www.fema.gov/state-hazard-mitigation-officers>. If a subapplicant does not use FEMA's grant application system to submit project subapplications to the applicant, then the applicant must enter the subapplication(s) into MT eGrants on the subapplicant's behalf.

Applicants must review and approve subapplications submitted by their subapplicants.

Applicants must create a PDM grant application and approve the subapplications. The approved project and management costs subapplications may then be submitted and added to the application by the applicant and/or subapplicants.

Applicants will be prompted to submit the standard application information and any program-specific information required as described in Section D.11 of this NOFO, “Content and Form of Application Submission.” The Standard Forms (SF) may be accessed in the Forms tab under the [SF-424 family on Grants.gov](#). Applicants should review these forms before applying to ensure they have all the information required.

After submitting the final application, MT eGrants will provide either an error message or a successfully received transmission in the form of an email sent to the user that submitted the application. Applicants using slow internet connections, such as dial-up connections, should be aware that transmission can take some time before MT eGrants receives your application.

For additional application submission requirements, including program-specific requirements, please refer to the subsection titled “Content and Form of Application Submission” under Section D of this NOFO.

9. Timely Receipt Requirements and Proof of Timely Submission

All applications must be completed in MT eGrants by the application deadline. MT eGrants automatically records proof of timely submission and the system generates an electronic date/time stamp when MT eGrants successfully receives the application. The Applicant who submitted the PDM grant applications prior to the submission deadline will receive a confirmation message, including the assigned PDM application number in FEMA’s grant application system (e.g., PDM-01-MA-2017). In addition, once FEMA receives and delegates the PDM grant application to begin the review process, FEMA’s grant application system will automatically send an email message to the Point(s) of Contact (POC) identified in the grant application.

Applicants who experience system-related issues will be addressed until 3:00 PM ET on Friday, April 14. No new system-related issues will be addressed after this deadline. Applications not received by the application submission deadline will not be accepted.

10. Content and Form of Application Submission

a. *Standard Required Application Forms and Information*

The following forms or information are required to be submitted via MT eGrants. The Standard Forms (SF) are also available at <https://www.grants.gov/web/grants/forms/sf-424-family.html>. Applicants may require their subapplicants to complete and attach the grant application and/or Assurance and Certifications forms to their subapplications in MT eGrants. Subapplicants should contact their applicant agency for information specific to their state/territory/tribe’s application process. Contact information for the SHMOs is provided on the FEMA website at <https://www.fema.gov/grants/mitigation/state-contacts>.

I. GRANTS.GOV

- **SF-424, Application for Federal Assistance**, initial application submitted through Grants.gov
- **Grants.gov Lobbying Form, Certification Regarding Lobbying**, submitted through Grants.gov

II. MT eGRANTS

- **SF-424A, Budget Information (Non-Construction)**, submitted via the forms generated by MT eGrants
 - **For construction under an award, submit SF-424C, Budget Information (Construction)**, submitted via the forms generated by ND Grants, in addition to or instead of SF-424A
- **SF-424B, Standard Assurances (Non-Construction)**, submitted via the forms generated by MT eGrants
 - **For construction under an award, submit SF-424D, Standard Assurances (Construction)**, submitted via the forms generated by MT eGrants, in addition to or instead of SF-424B
- **SF-LLL, Disclosure of Lobbying Activities**, submitted via the forms generated by MT eGrants
- **Indirect Cost Agreement or Proposal**, submitted as an attachment in MT eGrants if the budget includes indirect costs and the applicant is required to have an indirect cost rate agreement or proposal. If the applicant does not have or is not required to have an indirect cost rate agreement or proposal, please see Section D.13 of this NOFO, “Funding Restrictions and Allowable Costs,” for further information regarding allowability of indirect costs and whether alternatives to an indirect cost rate agreement or proposal might be available or contact the relevant FEMA staff identified in Section G of this NOFO, “DHS Awarding Agency Contact Information” for further instructions.

Generally, applicants have to submit either the non-construction forms (i.e., SF-424A and SF-424B) or construction forms (i.e., SF-424C and SF-424D), meaning that applicants that only have construction work and do not have any non-construction work need only submit the construction forms (i.e., SF-424C and SF-424D) and not the non-construction forms (i.e., SF-424A and SF-424B), and vice versa. However, applicants who have both construction and non-construction work under this program need to submit both the construction and non-construction forms.

11. Other Submission Requirements

a. *Benefit-Cost Analysis (BCA) for Mitigation Projects*

Applicants and subapplicants applying for mitigation projects must provide a BCA or other documentation that validates cost-effectiveness. BCA is the method of estimating the future benefits of a project compared to its cost. The end result is a Benefit-Cost Ratio (BCR), which is derived from a project’s total of discounted benefits divided by its total discounted project cost. The total benefits and costs must be entered in the Cost-Effectiveness section of the project subapplication, and a FEMA-approved BCA must be attached as documentation, as applicable. Management costs subapplications do not require a BCA. FEMA has created software to ensure that the BCR is calculated in accordance with FEMA’s standardized methodologies and OMB Circular A-94. FEMA’s BCA Toolkit is available on the FEMA

website at www.fema.gov/benefit-cost-analysis. Version 6.0 or newer are the only versions FEMA will accept as documentation for demonstrating cost-effectiveness. A non-FEMA BCA methodology may only be used if pre-approved by FEMA in writing. For more information, visit the BCA webpage at [Benefit-Cost Analysis](#).

b. Alternative Benefit Cost Analysis

FEMA is introducing an alternative cost-effectiveness methodology that will modify the threshold for mitigation projects to be considered cost-effective under limited conditions. A mitigation project may be considered cost-effective if, when using the seven percent discount rate, the BCR is at least 0.75 or greater, and if at the three percent discount rate the BCR is at least 1.0 or greater, and the mitigation activity benefits disadvantaged communities, addresses climate change impacts, has hard to quantify benefits, and/or is subject to higher costs due to the use of low carbon building materials or compliance with the FFRMS.

Under the alternative methodology, FEMA will consider the project cost effective if all three of the following conditions are met:

1. The BCA generated at the seven percent discount rate must be equal to or greater than a BCR of 0.75.
2. The BCA generated at the three percent discount rate must be equal to or greater than a BCR of 1.0.
3. The mitigation activity meets at least ONE of the following criteria:
 - a. The project primarily benefits disadvantaged communities that are marginalized, overburdened, and underserved. To demonstrate this criterion, the project must meet ONE of the following conditions:
 - I. Primarily benefits an area at the census tract level with a score of greater than or equal to 0.6 on the Centers for Disease Control and Prevention's (CDC) Social Vulnerability Index (SVI);
 - II. Primarily benefits a geographic area within a tribal jurisdiction or Insular Area as defined by 48 U.S.C. § 1469a; OR
 - III. Primarily benefits a small impoverished community as defined in 42 U.S.C. § 5133(a) and section C.4 of this NOFO.
 - b. The project addresses a significant impact caused by climate change, such as more intense storms, increases in extreme rainfall, extreme temperatures, drought, prolonged wildfires, extreme flooding, and changes in sea levels. The subapplication should describe how the project will enhance climate adaptation and resilience, detail how the project is being responsive to the effects of climate change (such as sea level rise) and/or other future conditions (population/demographic/land use, etc.), and cite data sources, assumptions, and models.
 - c. The project is subject to substantially higher costs due to incorporation of low carbon materials or compliance with the Federal Flood Risk Management Standard. The subapplication should include cost estimates and a narrative description to explain the increased costs.
 - d. The project provides significant benefits that are difficult to quantify or cannot be monetized and are not captured in FEMA's BCA toolkit. The subapplication should provide a narrative description of the benefits.

c. *National Environmental Policy Act Requirements for Mitigation Projects*

The required information is included in the subapplication in MT eGrants. Environmental Planning and Historic Preservation (EHP) Job Aids and Supplements are available on the FEMA website at <https://www.fema.gov/grants/guidance-tools/environmental-historic>. The required information is included in the subapplication in MT eGrants.

d. *Acquisition Project Requirements*

In undertaking a larger-scale migration or relocation effort that is intended to move structures out of high-risk areas, the subapplicant should consider how it can protect and sustain the impacted community and its assets. Accordingly, in undertaking a larger-scale migration or relocation effort, subapplicants must demonstrate to FEMA how they will resettle such areas in a way that mitigates future risk from natural hazards and increasing insurance costs resulting from continued occupation of high-risk areas, through mechanisms that can reduce risks and insurance costs, such as new land use development plans, building codes or construction requirements, protective infrastructure development, or restrictions on future disaster assistance to such properties.

Subrecipients must apply deed-restriction language to all acquired properties to ensure that the property is maintained in perpetuity as open space consistent with natural floodplain functions and allowable uses and structures authorized under 44 C.F.R. Part 80, as agreed to by their accepting FEMA mitigation award funding. Deed-restriction language is applied to acquired properties by recording the open space and deed restrictions with the deed for the property. Subrecipients, as well as recipients and FEMA, are responsible for enforcing open space restrictions.

12. Intergovernmental Review

An intergovernmental review may be required. Applicants must contact their state's Single Point of Contact (SPOC) to comply with the state's process under Executive Order 12372 (See <https://www.archives.gov/federal-register/codification/executive-order/12372.html>; www.whitehouse.gov/wp-content/uploads/2020/04/SPOC-4-13-20.pdf).

13. Funding Restrictions and Allowable Costs

All costs charged to awards covered by this NOFO must comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements at 2 C.F.R. Part 200, unless otherwise indicated in the NOFO, or the terms and conditions of the award. This includes, among other requirements, that costs must be incurred, and products and services must be delivered, within the period of performance of the award. *See* 2 C.F.R. § 200.403(h) (referring to budget periods, which for FEMA awards is the same as the period of performance).

In general, the Cost Principles establish standards for the allowability of costs, provide detailed guidance on the cost accounting treatment of costs as direct or administrative costs, and set forth allowability principles for selected items of cost. More specifically, except as otherwise stated in this NOFO, the terms and condition of an award, or other program

materials, costs charged to awards covered by this NOFO must be consistent with the Cost Principles for Federal Awards located at 2 C.F.R. Part 200, Subpart E. In order to be allowable, all costs charged to a FEMA award or applied to the cost share must be reasonable in nature and amount and allocable to the particular FEMA award.

Additionally, all costs charged to awards must comply with the grant program's applicable statutes, policies, requirements in this NOFO as well as with the terms and conditions of the award. If FEMA staff identify costs that are inconsistent with any of these requirements, these costs may be disallowed, and FEMA may recover funds as appropriate, consistent with applicable laws, regulations, and policies.

As part of those requirements, grant recipients and subrecipients may only use federal funds or funds applied to a cost share for the purposes set forth in this NOFO and the terms and conditions of the award, and those costs must be consistent with the statutory authority for the award.

Grant funds may not be used for matching funds for other federal grants/cooperative agreements, lobbying, or intervention in federal regulatory or adjudicatory proceedings. In addition, federal funds may not be used to sue the federal government or any other government entity.

a. *Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services*

Recipients and subrecipients of FEMA federal financial assistance are subject to the prohibitions described in section 889 of the [John S. McCain National Defense Authorization Act for Fiscal Year 2019 \(FY 2019 NDAA\)](#), Pub. L. No. 115-232 (2018) and 2 C.F.R. §§ 200.216, 200.327, 200.471, and Appendix II to 2 C.F.R. Part 200. Beginning August 13, 2020, the statute – as it applies to FEMA recipients, subrecipients, and their contractors and subcontractors – prohibits obligating or expending federal award funds on certain telecommunications and video surveillance products and contracting with certain entities for national security reasons.

Guidance is available at [FEMA Policy #405-143-1, Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services](#)

Additional guidance is available at [Contract Provisions Guide: Navigating Appendix II to Part 200 - Contract Provisions for Non-Federal Entity Contracts Under Federal Awards \(fema.gov\)](#).

Effective August 13, 2020, FEMA recipients and subrecipients **may not** use any FEMA funds under open or new awards to:

- Procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system;

- Enter into, extend, or renew a contract to procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system; or
- Enter into, extend, or renew contracts with entities that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

I. REPLACEMENT EQUIPMENT AND SERVICES

FEMA grant funding may be permitted to procure replacement equipment and services impacted by this prohibition, provided the costs are otherwise consistent with the requirements of the NOFO.

II. DEFINITIONS

Per section 889(f)(2)-(3) of the FY 2019 NDAA and 2 C.F.R. § 200.216, covered telecommunications equipment or services means:

- Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation, (or any subsidiary or affiliate of such entities);
- For the purpose of public safety, security of Government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);
- Telecommunications or video surveillance services provided by such entities or using such equipment; or
- Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the People's Republic of China.

Examples of the types of products covered by this prohibition include phones, internet, video surveillance, and cloud servers when produced, provided, or used by the entities listed in the definition of “covered telecommunications equipment or services.” *See* 2 C.F.R. § 200.471.

b. Pre-Award Costs

Pre-award costs directly related to developing the PDM grant application or subapplication that are incurred prior to the date of the grant award are allowed subject to FEMA's approval at time of award. Such costs may have been incurred prior to application submission, for example gathering NEPA data or developing a BCA (see Section D, Application and Submission Information, of this NOFO), preparing design specifications, or conducting workshops or meetings related to development and submission of subapplications. To be eligible for PDM funding, pre-award costs must be identified as separate line items in the cost estimate of the subapplication. Applicants and subapplicants may identify such pre-award costs as their non-federal cost share.

Pre-award costs may be cost shared or Applicants and subapplicants may identify them as their non-federal cost share (see Cost Share or Match subsection in Section C, Eligibility Information, of this NOFO).

Costs associated with implementation of proposed projects in the submitted subapplication that are incurred prior to the date of the grant award are not allowed. Mitigation activities initiated or completed prior to the date of the grant award are not eligible.

Applicants and subapplicants who are not awarded grants or subgrants (awards/subawards) will not receive reimbursement for the corresponding pre-award costs.

c. *Management and Administration (M&A) Costs*

M&A activities, also referred to as management costs, are those defined as directly relating to the M&A of PDM Grant Program funds, such as financial management and monitoring. Project award amounts may not be used for recipient management costs, as those are provided for separately in the Act. A maximum of up to five percent of the total federal award amount may be used by the recipient for M&A purposes associated with the award. Subrecipients may separately use up to five percent of the project award funds for M&A purposes associated with the award and must include those costs as a separate line item within the project budget.

M&A costs are any indirect costs, any direct administrative costs, and other administrative expenses that are reasonably incurred in administering an award or subaward. Applicant and subapplicant management cost activities directly related to the implementation of the PDM Grant Program, such as subapplication development, geocoding mitigation projects, delivery of technical assistance, or managing awards and staff salary costs, are eligible for PDM funding in accordance with the HMA Guidance, available on the FEMA website at https://www.fema.gov/sites/default/files/2020-07/fy15_HMA_Guidance.pdf.

Applicants may apply for Applicant management costs of up to five percent of the total federal share of their PDM grant application for management of the grant and all selected subgrants. Applicant requests for management costs must be submitted in a separate management costs subgrant application in FEMA's grant application system (see the Content and Form of Application Submission subsection).

Subapplicants may include subapplicant management costs of up to five percent of the total of their planning or project subapplication to manage the proposed activity. Subapplicant management cost activities must be added to the Scope of Work section and reflected in the Cost Estimate section of subgrant applications in FEMA's grant application system.

Management costs are only awarded in conjunction with awarded project, advance assistance or planning subapplications. Applicants and subapplicants who do not receive awards/subawards for any planning, advance assistance or project subapplications will not receive reimbursement for management costs (see the Review and Selection Process subsection in Section E of this NOFO).

d. *Indirect Facilities & Administrative (F&A) Costs*

Indirect costs are allowable under this program as described in 2 C.F.R. Part 200, including 2 C.F.R. § 200.414. Applicants with a current negotiated indirect cost rate agreement that desire to charge indirect costs to an award must provide a copy of their negotiated indirect cost rate agreement at the time of application. Not all applicants are required to have a current negotiated indirect cost rate agreement. Applicants that are not required by 2 C.F.R. Part 200 to have a negotiated indirect cost rate agreement but are required by 2 C.F.R. Part 200 to develop an indirect cost rate proposal must provide a copy of their proposal at the time of application. Applicants who do not have a current negotiated indirect cost rate agreement (including a provisional rate) and wish to charge the de minimis rate must reach out to the Grants Management Specialist for further instructions. Applicants who wish to use a cost allocation plan in lieu of an indirect cost rate must also reach out to the Grants Management Specialist for further instructions. Post-award requests to charge indirect costs will be considered on a case-by-case basis and based upon the submission of an agreement or proposal as discussed above or based upon the de minimis rate or cost allocation plan, as applicable. All indirect costs are part of management costs and are subject to the 5 percent cap.

E. Application Review Information

1. Application Evaluation Criteria

a. *Programmatic Criteria*

Applications will be reviewed to ensure completeness, adherence to programmatic guidelines, and cost allowability.

b. *Financial Integrity Criteria*

Prior to making a federal award, FEMA is required by 31 U.S.C. § 3354, as enacted by the Payment Integrity Information Act of 2019, Pub. L. No. 116-117 (2020); 41 U.S.C. § 2313; and 2 C.F.R. § 200.206 to review information available through any Office of Management and Budget (OMB)-designated repositories of governmentwide eligibility qualification or financial integrity information, including whether the applicant is suspended or debarred. FEMA may also pose additional questions to the applicant to aid in conducting the pre-award risk review. Therefore, application evaluation criteria may include the following risk-based considerations of the applicant:

- i. Financial stability.
- ii. Quality of management systems and ability to meet management standards.
- iii. History of performance in managing federal award.
- iv. Reports and findings from audits.
- v. Ability to effectively implement statutory, regulatory, or other requirements.

c. *Supplemental Financial Integrity Criteria and Review*

Prior to making a federal award where the anticipated total federal share will be greater than the simplified acquisition threshold, currently \$250,000:

- i. FEMA is required to review and consider any information about the applicant, including information on the applicant's immediate and highest-level owner, subsidiaries, and predecessors, if applicable, that is in the designated integrity

and performance system accessible through the System for Award Management (SAM), which is currently the [Federal Awardee Performance and Integrity Information System](#) (FAPIIS).

- ii. An applicant, at its option, may review information in FAPIIS and comment on any information about itself that a federal awarding agency previously entered.
- iii. FEMA will consider any comments by the applicant, in addition to the other information in FAPIIS, in making a judgment about the applicant's integrity, business ethics, and record of performance under federal awards when completing the review of risk posed by applicants as described in 2 C.F.R. § 200.206.

2. Review and Selection Process

FEMA will review subapplications submitted by each applicant to ensure compliance with federal laws and regulation, the HMA Guidance and this NOFO. This includes eligibility of the applicant and subapplicant, eligibility of proposed activities and costs, completeness of the subapplication, cost-effectiveness and engineering feasibility of mitigation projects, eligibility and availability of the non-federal cost share, and alignment with approved State Mitigation Plan and Local and/or Tribal Hazard Mitigation Plan for mitigation projects. **The deadline to respond to any final Request For Information (RFI) is August 1, 2023.** Subapplicants must submit a formal withdrawal letter for any project not advancing in the awarding process. For more detailed information, see Part V, Application Review Information, of the HMA Guidance, available on the FEMA website at https://www.fema.gov/sites/default/files/2020-07/fy15_HMA_Guidance.pdf.

F. Federal Award Administration Information

1. Notice of Award

Before accepting the award, the Authorized Organization Representative (AOR) and recipient should carefully read the award package. The award package includes instructions on administering the grant award and the terms and conditions associated with responsibilities under federal awards. **Recipients must accept all conditions in this NOFO as well as any specific terms and conditions in the Notice of Award to receive an award under this program.**

FEMA will provide the federal award package to the applicant electronically via MT eGrants. **Award packages include an Award Letter, Summary Award Memo, Agreement Articles, and Obligating Document. An email notification of the award package will be sent through MT eGrants.**

Notification of award approval is made through the MT eGrants system through an automatic electronic mail to the recipient's authorized official listed in the initial application. The recipient should follow the directions in the notification to confirm acceptance of the award.

Recipients must accept their awards no later than 60 days from the award date. The recipient shall notify FEMA of its intent to accept and proceed with work under the award or provide a notice of intent to decline through the MT eGrants system. For instructions on how to accept or decline an award in the MT eGrants system, please see the MT eGrants System Applicant Quick Reference Guide, which is available at [fema_mt-egrants-system-reference-guide-for-recipients_support_document_March_2018.pdf](#) along with other MT eGrants materials.

Funds will remain on hold until the recipient accepts the award through the MT eGrants system and all other conditions of the award have been satisfied or until the award is otherwise rescinded. Failure to accept a grant award within the 60-day timeframe may result in a loss of funds.

2. Pass-Through Requirements

Awards made to the SAA must be passed through to the entities identified in **Appendix A** of this NOFO.

3. Administrative and National Policy Requirements

In addition to the requirements of in this section and in this NOFO, FEMA may place specific terms and conditions on individual awards in accordance with 2 C.F.R. Part 200.

a. *DHS Standard Terms and Conditions*

All successful applicants for DHS grant and cooperative agreements are required to comply with DHS Standard Terms and Conditions, which are available online at: [DHS Standard Terms and Conditions](#).

The applicable DHS Standard Terms and Conditions will be those in effect at the time the award was made. What terms and conditions will apply for the award will be clearly stated in the award package at the time of award.

b. *Ensuring the Protection of Civil Rights*

As the Nation works towards achieving the [National Preparedness Goal](#), it is important to continue to protect the civil rights of individuals. Recipients and subrecipients must carry out their programs and activities, including those related to the building, sustainment, and delivery of core capabilities, in a manner that respects and ensures the protection of civil rights for protected populations.

Federal civil rights statutes, such as Section 504 of the Rehabilitation Act of 1973 and Title VI of the Civil Rights Act of 1964, along with DHS and FEMA regulations, prohibit discrimination on the basis of race, color, national origin, sex, religion, age, disability, limited English proficiency, or economic status in connection with programs and activities receiving [federal financial assistance](#) from FEMA.

The DHS Standard Terms and Conditions include a fuller list of the civil rights provisions that apply to recipients. These terms and conditions can be found in the [DHS Standard Terms and Conditions](#). Additional information on civil rights provisions is available at <https://www.fema.gov/about/offices/equal-rights/civil-rights>.

Monitoring and oversight requirements in connection with recipient compliance with federal civil rights laws are also authorized pursuant to 44 C.F.R. Part 7.

In accordance with civil rights laws and regulations, recipients and subrecipients must ensure the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment.

c. *Environmental Planning and Historic Preservation (EHP) Compliance*

As a federal agency, FEMA is required to consider the effects of its actions on the environment and historic properties to ensure that all activities and programs funded by FEMA, including grant-funded projects, comply with federal EHP laws, Executive Orders, regulations, and policies, as applicable.

1. For non-critical actions in a 1% annual chance floodplain:
 - a. Applicants must elevate or floodproof the structures to the 0.2% annual chance flood elevation or an additional 2 feet above the base flood elevation (BFE), whichever is lower.
 - b. For those areas where the 0.2% annual chance flood elevation has not been established, applicants must elevate or floodproof the structures an additional 2 feet above the BFE.
2. For critical actions in the 1% annual chance floodplain:
 - a. Applicants must elevate or floodproof the structures to the 0.2% annual chance flood elevation or an additional 3 feet above the BFE, whichever is higher.
 - b. For those areas where the 0.2% annual chance flood elevation has not been established, applicants must elevate or floodproof the structures an additional 3 feet above the BFE.
3. For critical actions in the 0.2% annual chance floodplain, applicants must elevate or floodproof the structures to the 0.2% annual chance flood elevation or an additional 3 feet above the BFE, whichever is higher.
4. This policy does not affect non-critical actions involving structures that are within the 0.2% annual chance floodplain but outside the 1% annual chance floodplain.
5. If a state, local, tribal, or territorial government, or federal agency has adopted a higher standard applicable to the specific project, FEMA will require the higher standard. See [Executive Order \(EO\) 14030, Climate-Related Financial Risk](#) and [FEMA Policy FP-206-21-003-0001 Implementation of the FFRMS for HMA Programs](#).

Recipients and subrecipients proposing projects that have the potential to impact the environment, including, but not limited to, the construction of communication towers, modification or renovation of existing buildings, structures, and facilities, or new construction including replacement of facilities, must participate in the FEMA EHP review process. The EHP compliance review process involves the submission of a detailed project description along with any supporting documentation requested by FEMA in order to determine whether the proposed project has the potential to impact environmental resources or historic properties.

In some cases, FEMA is also required to consult with other regulatory agencies and the public in order to complete the review process. Federal law requires EHP compliance review to be completed before federal funds are released to carry out proposed projects. FEMA may not be able to fund projects that are not in compliance with applicable EHP laws, Executive Orders, regulations, and policies.

DHS and FEMA EHP policy is found in directives and instructions available on the [FEMA.gov EHP page](#), the FEMA website page that includes documents regarding EHP responsibilities and program requirements, including implementation of the National Environmental Policy Act (NEPA) and other EHP laws, Executive Orders, and regulations. Individual FEMA programs have separate procedures to conduct and document EHP review. Guidance for individual grant programs is available from applicable program offices.

Presidential EOs 11988: Floodplain Management and 11990: Protection of Wetlands, require that all federal actions in or affecting the floodplain or wetlands be reviewed for opportunities to relocate, and be evaluated for social, economic, historical, environmental, legal and safety considerations. FEMA's regulations at 44 C.F.R. Part 9 implement the EOs and require an 8-step review process if a proposed action is located in, or has the potential to affect or be affected by, a floodplain or wetland.

The regulation also requires that the federal agency provide public notice of the proposed action at the earliest possible time to provide the opportunity for public involvement in the decision-making process (44 C.F.R. § 9.8). Where there is no opportunity to relocate the federal action, FEMA is required to undertake a detailed review to determine what measures can be taken to minimize future damages to the floodplain or wetland.

Through this NOFO, FEMA is giving notice of projects that may be funded under the Pre-Disaster Mitigation Grant program, consistent with the requirements of Section 9.8. The public is invited to participate in the process of identifying alternatives to locating a proposed project in the floodplain or wetland and analyzing the impacts of the alternatives on the floodplain or wetland. Comments may be provided by emailing FEMA-OEHP-NOFOQuestions@fema.dhs.gov within 15 days of its issuance. While analyzing alternatives, FEMA may determine there are no practicable alternatives to carrying out the proposed work within the floodplain or wetland. Relocating facilities may not be practicable and may further adversely impact affected communities socially and economically.

In addition, no alternative actions may be practicable that serve the same purpose and have less potential to affect or be affected by the floodplain. The No Action alternative may not be appropriate, as it would fail to meet the purpose and need of the community. In the course of developing project proposals, subsequent public notices may be published, if necessary, as more specific information becomes available.

d. Construction Project Requirements

Acceptance of federal funding requires FEMA, the recipient, and any subrecipients to comply with all federal, state, and local laws and regulations prior to the start of any construction activity. Failure to obtain all appropriate federal, state, and local environmental permits and clearances may jeopardize federal funding. Also:

- a. Any change to the approved scope of work will require re-evaluation by FEMA for recipient and subrecipient compliance with the NEPA and other laws, regulations and executive orders.
- b. If ground-disturbing activities occur during construction, the recipient and any subrecipients must ensure monitoring of ground disturbance, and if any potential archaeological resources are discovered, the subrecipient will immediately cease construction in that area and notify the recipient and FEMA.
- c. In compliance with 42 U.S.C. 4012a(a), when financial assistance is approved for acquisition or construction purposes within the Special Flood Hazard Area (SFHA), flood insurance shall be maintained for the life of the property regardless of transfer of ownership for any properties.

4. Reporting

Recipients are required to submit various financial and programmatic reports as a condition of award acceptance. Future awards and funds drawdown may be withheld if these reports are delinquent.

a. *Financial Reporting Requirements*

I. **FEDERAL FINANCIAL REPORT (FFR)**

Recipients must report obligations and expenditures through the FFR form (SF-425) to FEMA.

Recipients may review the Federal Financial Reporting Form (FFR) (SF-425) at <https://www.grants.gov/web/grants/forms/post-award-reporting-forms.html#sortby=1>.

Recipients must file the FFR electronically using the Payment and Reporting Systems ([PARS](#)).

II. **FFR REPORTING PERIODS AND DUE DATES**

An FFR must be submitted quarterly throughout the POP, including partial calendar quarters, as well as in periods where no grant award activity occurs. The final FFR is due within 120 calendar days after the end of the POP. Future awards and fund drawdowns may be withheld if these reports are delinquent, demonstrate lack of progress, or are insufficient in detail.

Except for the final FFR due at 120 days after the end of the POP for purposes of closeout, the following reporting periods and due dates apply for the FFR:

Reporting Period	Report Due Date
October 1 – December 31	January 30
January 1 – March 31	April 30
April 1 – June 30	July 30
July 1 – September 30	October 30

b. *Programmatic Performance Reporting Requirements*

I. PERFORMANCE PROGRESS REPORT (PPR)

In addition to the FFR reports, Recipients must report on the progress of the grant on a quarterly basis to DHS/FEMA using the Quarterly Performance Report in MT eGrants. The Quarterly Performance Reports must be submitted electronically in FEMA's grant application system quarterly throughout the period of performance, including partial calendar quarters, as well as for periods where no grant award activity occurs. Reports are due within 30 days from the end of the first federal quarter following the initial grant award and thereafter until the grant ends.

c. *Closeout Reporting Requirements*

I. CLOSEOUT REPORTING

Within 120 calendar days after the end of the period of performance for the prime award or after an amendment has been issued to close out an award before the original POP ends, recipients must liquidate all financial obligations and must submit the following:

- i. The final request for payment, if applicable.
- ii. The final FFR (SF-425).
- iii. The final progress report detailing all accomplishments, including a narrative summary of the impact of those accomplishments throughout the period of performance.
- iv. Other documents required by this NOFO, terms and conditions of the award, or other FEMA guidance.

In addition, pass-through entities are responsible for closing out their subawards as described in 2 C.F.R. § 200.344; subrecipients are still required to submit closeout materials within 90 calendar days of the period of performance end date. When a subrecipient completes all closeout requirements, pass-through entities must promptly complete all closeout actions for subawards in time for the recipient to submit all necessary documentation and information to FEMA during the closeout of the prime award.

After the prime award closeout reports have been reviewed and approved by FEMA, a closeout notice will be completed to close out the grant. The notice will indicate the period of performance as closed, list any remaining funds that will be deobligated, and address the requirement of maintaining the grant records for at least three years from the date of the final FFR. The record retention period may be longer, such as due to an audit or litigation, for equipment or real property used beyond the period of performance, or due to other circumstances outlined in 2 C.F.R. § 200.334.

The recipient is responsible for refunding to FEMA any balances of unobligated cash that FEMA paid that are not authorized to be retained per 2 C.F.R. § 200.344(d).

II. ADMINISTRATIVE CLOSEOUT

Administrative closeout is a mechanism for FEMA to unilaterally move forward with closeout of an award using available award information in lieu of final reports from the recipient per 2 C.F.R. § 200.344(h)-(i). It is a last resort available to FEMA, and if FEMA

needs to administratively close an award, this may negatively impact a recipient's ability to obtain future funding. This mechanism can also require FEMA to make cash or cost adjustments and ineligible cost determinations based on the information it has, which may result in identifying a debt owed to FEMA by the recipient.

When a recipient is not responsive to FEMA's reasonable efforts to collect required reports needed to complete the standard closeout process, FEMA is required under 2 C.F.R. § 200.344(h) to start the administrative closeout process within the regulatory timeframe. FEMA will make at least three written attempts to collect required reports before initiating administrative closeout. If the recipient does not submit all required reports in accordance with 2 C.F.R. § 200.344, this NOFO, and the terms and conditions of the award, FEMA must proceed to administratively close the award with the information available within one year of the period of performance end date. Additionally, if the recipient does not submit all required reports within one year of the period of performance end date, per 2 C.F.R. § 200.344(i), FEMA must report in FAPIIS the recipient's material failure to comply with the terms and conditions of the award.

If FEMA administratively closes an award where no final FFR has been submitted, FEMA uses that administrative closeout date in lieu of the final FFR submission date as the start of the record retention period under 2 C.F.R. § 200.334.

In addition, if an award is administratively closed, FEMA may decide to impose remedies for noncompliance per 2 C.F.R. § 200.339, consider this information in reviewing future award applications, or apply special conditions to existing or future awards.

d. *Additional Reporting Requirements*

I. DISCLOSING INFORMATION PER 2 C.F.R. § 180.335

This reporting requirement pertains to disclosing information related to government-wide suspension and debarment requirements. Before a recipient enters into a grant award with FEMA, the recipient must notify FEMA if it knows if it or any of the recipient's principals under the award fall under one or more of the four criteria listed at 2 C.F.R. § 180.335:

- i. Are presently excluded or disqualified;
- ii. Have been convicted within the preceding three years of any of the offenses listed in 2 C.F.R. § 180.800(a) or had a civil judgment rendered against it or any of the recipient's principals for one of those offenses within that time period;
- iii. Are presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses listed in 2 C.F.R. § 180.800(a); or
- iv. Have had one or more public transactions (federal, state, or local) terminated within the preceding three years for cause or default.

At any time after accepting the award, if the recipient learns that it or any of its principals falls under one or more of the criteria listed at 2 C.F.R. § 180.335, the recipient must provide immediate written notice to FEMA in accordance with 2 C.F.R. § 180.350.

II. REPORTING OF MATTERS RELATED TO RECIPIENT INTEGRITY AND PERFORMANCE

Per 2 C.F.R. Part 200, Appendix I § F.3, the additional post-award reporting requirements in 2 C.F.R. Part 200, Appendix XII may apply to applicants who, if upon becoming recipients, have a total value of currently active grants, cooperative agreements, and procurement contracts from all federal awarding agencies that exceeds \$10,000,000 for any period of time during the period of performance of an award under this funding opportunity.

Recipients that meet these criteria must maintain current information reported in FAPIIS about civil, criminal, or administrative proceedings described in paragraph 2 of Appendix XII at the reporting frequency described in paragraph 4 of Appendix XII.

III. SINGLE AUDIT REPORT

For audits of fiscal years beginning on or after December 26, 2014, recipients that expend \$750,000 or more from all federal funding sources during their fiscal year are required to submit an organization-wide financial and compliance audit report, also known as the single audit report.

The audit must be performed in accordance with the requirements of U.S. Government Accountability Office's (GAO) Government Auditing Standards, located at <https://www.gao.gov/yellowbook/overview>, and the requirements of Subpart F of 2 C.F.R. Part 200, located at <http://www.ecfr.gov/cgi-bin/text-idx?node=sp2.1.200.f>.

5. Monitoring and Oversight

Per 2 C.F.R. § 200.337, FEMA, through its authorized representatives, has the right, at all reasonable times, to make site visits or conduct desk reviews to review project accomplishments and management control systems to review award progress and to provide any required technical assistance. During site visits or desk reviews, FEMA will review recipients' files related to the award. As part of any monitoring and program evaluation activities, recipients must permit FEMA, upon reasonable notice, to review grant-related records and to interview the organization's staff and contractors regarding the program. Recipients must respond in a timely and accurate manner to FEMA requests for information relating to the award.

Effective monitoring and oversight help FEMA ensure that recipients use grant funds for their intended purpose(s); verify that projects undertaken are consistent with approved plans; and ensure that recipients make adequate progress toward stated goals and objectives. Additionally, monitoring serves as the primary mechanism to ensure that recipients comply with applicable laws, rules, regulations, program guidance, and requirements. FEMA regularly monitors all grant programs both financially and programmatically in accordance with federal laws, regulations (including 2 C.F.R. Part 200), program guidance, and the terms and conditions of the award. All monitoring efforts ultimately serve to evaluate progress towards grant goals and proactively target and address issues that may threaten grant success during the period of performance.

FEMA staff will periodically monitor recipients to ensure that administrative processes, policies and procedures, budgets, and other related award criteria are meeting Federal Government-wide and FEMA regulations. Aside from reviewing quarterly financial and programmatic reports, FEMA may also conduct enhanced monitoring through either desk-

based reviews, onsite monitoring visits, or both. Enhanced monitoring will involve the review and analysis of the financial compliance and administrative processes, policies, activities, and other attributes of each federal assistance award, and it will identify areas where the recipient may need technical assistance, corrective actions, or other support.

Financial and programmatic monitoring are complementary processes within FEMA's overarching monitoring strategy that function together to ensure effective grants management, accountability, and transparency; validate progress against grant and program goals; and safeguard federal funds against fraud, waste, and abuse. Financial monitoring primarily focuses on statutory and regulatory compliance with administrative grant requirements, while programmatic monitoring seeks to validate and assist in grant progress, targeting issues that may be hindering achievement of project goals and ensuring compliance with the purpose of the grant and grant program. Both monitoring processes are similar in that they feature initial reviews of all open awards, and additional, in-depth monitoring of grants requiring additional attention.

Recipients and subrecipients who are pass-through entities are responsible for monitoring their subrecipients in a manner consistent with the terms of the federal award at 2 C.F.R. Part 200, including 2 C.F.R. § 200.332. This includes the pass-through entity's responsibility to monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.

In terms of overall award management, recipient and subrecipient responsibilities include, but are not limited to: accounting of receipts and expenditures, cash management, maintaining adequate financial records, reporting and refunding expenditures disallowed by audits, monitoring if acting as a pass-through entity, or other assessments and reviews, and ensuring overall compliance with the terms and conditions of the award or subaward, as applicable, including the terms of 2 C.F.R. Part 200.

Cost overruns are not allowed in excess of the CDS amount for the specific project.

G. DHS Awarding Agency Contact Information

1. Contact and Resource Information

a. *Program Office Contact*

General questions about the PDM Grant Program can be directed to the appropriate FEMA Regional Office or SHMO. Contact information for FEMA Regional Offices is provided at [Contact Us | FEMA.gov](#). Contact information for the SHMOs is provided at <https://www.fema.gov/grants/mitigation/state-contacts>.

For questions about FY23 PDM, contact the HMA Helpline by telephone at 1-866-222-3580 or email FEMA-ASK-PDM@fema.dhs.gov.

For questions about cost-effectiveness and FEMA's BCA software, contact the BC Helpline by telephone 1-855-540-6744 or email BCHelpline@fema.dhs.gov.

The Feasibility and Effectiveness Helpline is available for guidance on FEMA Building Science publications by email FEMA-BuildingScienceHelp@fema.dhs.gov.

For questions about NEPA or EHP requirements, the EHP Helpline is available by telephone 1-866-222-3580 or email fema-ehphelpline@fema.dhs.gov.

Resources intended to help applicants and subapplicants prepare planning subapplications are available on FEMA's webpage at [Hazard Mitigation Planning](#) as well as [Tribal Mitigation Planning and HMA Grant Application Development \(2021\)](#) and [Considerations for Local Mitigation Planning Grant Subapplication](#).

FEMA publications that specify the documentation and information necessary for FEMA to review project applications for feasibility and effectiveness, cost-effectiveness, and potential impacts on environmental and cultural resources are available on the FEMA website at <https://www.fema.gov/grants/guidance-tools>.

b. *FEMA Regional Offices*

FEMA Regional Offices manage, administer, and conduct the application budget review, create the award package, approve, amend, and close out awards, as well as conducting cash analysis, financial and programmatic monitoring, and audit resolution for PDM. The Regions will provide technical assistance to PDM recipients.

FEMA Regional Office contact information is available at <https://www.fema.gov/fema-regional-contacts>.

c. *Equal Rights*

The FEMA Office of Equal Rights (OER) is responsible for compliance with and enforcement of federal civil rights obligations in connection with programs and services conducted by FEMA and recipients of FEMA financial assistance. All inquiries and communications about federal civil rights compliance for FEMA grants under this NOFO should be sent to FEMA-CivilRightsOffice@fema.dhs.gov.

d. *Environmental Planning and Historic Preservation*

The FEMA Office of Environmental Planning and Historic Preservation (OEHP) provides guidance and information about the EHP review process to FEMA programs and FEMA's recipients and subrecipients. All inquiries and communications about EHP compliance for FEMA grant projects under this NOFO or the EHP review process should be sent to FEMA-OEHP-NOFOQuestions@fema.dhs.gov.

2. *Systems Information*

a. *Payment and Reporting System (PARS)*

FEMA uses the [Payment and Reporting System \(PARS\)](#) for financial reporting, invoicing, and tracking payments. FEMA uses the Direct Deposit/Electronic Funds Transfer (DD/EFT) method of payment to recipients. If you have questions about the online system, please call the Customer Service Center at (866) 927-5646 or email ask-GMD@fema.dhs.gov.

b. Mitigation eGrants (MT eGrants)

For technical assistance with the MT eGrants, please contact the Mitigation eGrants Helpdesk at mtegrants@fema.dhs.gov.

Information, training, and resources on MT eGrants are available on the FEMA website at <https://www.fema.gov/grants/mitigation/mitigation-egrants-system-resources>. Frequently asked question can be found at https://www.fema.gov/sites/default/files/2020-08/fema_mt-egrants-frequently-asked-questions_support_document_March_2018.pdf.

H. Additional Information

1. Termination Provisions

FEMA may terminate a federal award in whole or in part for one of the following reasons. FEMA and the recipient must still comply with closeout requirements at 2 C.F.R. §§ 200.344-200.345 even if an award is terminated in whole or in part. To the extent that subawards are permitted under this NOFO, pass-through entities should refer to 2 C.F.R. § 200.340 for additional information on termination regarding subawards.

a. *Noncompliance*

If a recipient fails to comply with the terms and conditions of a federal award, FEMA may terminate the award in whole or in part. If the noncompliance can be corrected, FEMA may first attempt to direct the recipient to correct the noncompliance. This may take the form of a Compliance Notification. If the noncompliance cannot be corrected or the recipient is non-responsive, FEMA may proceed with a Remedy Notification, which could impose a remedy for noncompliance per 2 C.F.R. § 200.339, including termination. Any action to terminate based on noncompliance will follow the requirements of 2 C.F.R. §§ 200.341-200.342 as well as the requirement of 2 C.F.R. § 200.340(c) to report in FAPIIS the recipient's material failure to comply with the award terms and conditions. See also the section on Actions to Address Noncompliance in this NOFO.

b. *With the Consent of the Recipient*

FEMA may also terminate an award in whole or in part with the consent of the recipient, in which case the parties must agree upon the termination conditions, including the effective date, and in the case of partial termination, the portion to be terminated.

c. *Notification by the Recipient*

The recipient may terminate the award, in whole or in part, by sending written notification to FEMA setting forth the reasons for such termination, the effective date, and in the case of partial termination, the portion to be terminated. In the case of partial termination, FEMA may determine that a partially terminated award will not accomplish the purpose of the federal award, so FEMA may terminate the award in its entirety. If that occurs, FEMA will follow the requirements of 2 C.F.R. §§ 200.341-200.342 in deciding to fully terminate the award.

2. Program Evaluation

Recipients and subrecipients are encouraged to incorporate program evaluation activities from the outset of their program design and implementation to meaningfully document and measure their progress towards meeting an agency priority goal(s). Title I of the Foundations for Evidence-Based Policymaking Act of 2018 ([Evidence Act](#)), Pub. L. No. 115-435 (2019) urges federal awarding agencies and federal assistance recipients and subrecipients to use program evaluation as a critical tool to learn, to improve equitable delivery, and to elevate program service and delivery across the program lifecycle. Evaluation means “an assessment using systematic data collection and analysis of one or more programs, policies, and organizations intended to assess their effectiveness and efficiency.” Evidence Act § 101 (codified at 5 U.S.C. § 311). Evaluation costs are allowable costs (either as direct or indirect), unless prohibited by statute or regulation.

In addition, recipients are required to participate in a DHS-led evaluation if selected, which may be carried out by a third-party on behalf of the Program Office or DHS. By accepting grant funds, recipients agree to participate in the evaluation, which may include analysis of individuals who benefit from the grant, and provide access to program operating personnel and participants, as specified by the evaluator(s) during the award.

3. Period of Performance Extensions

Extensions to the period of performance (POP) for this program are allowed. Extensions to the POP identified in the award will only be considered through formal, written requests to the recipient’s FEMA Program Analyst and must contain specific and compelling justifications as to why an extension is required. Recipients are advised to coordinate with the FEMA Program Analyst as needed when preparing an extension request.

All extension requests must address the following:

- a. The grant program, fiscal year, and award number;
- b. Reason for the delay, including details of the legal, policy, or operational challenges that prevent the final outlay of awarded funds by the deadline;
- c. Current status of the activity(ies);
- d. Approved POP termination date and new project completion date;
- e. Amount of funds drawn down to date;
- f. Remaining available funds, both federal and, if applicable, non-federal;
- g. Budget outlining how remaining federal and, if applicable, non-federal funds will be expended;
- h. Plan for completion, including milestones and timeframes for achieving each milestone and the position or person responsible for implementing the plan for completion; and
- i. Certification that the activity(ies) will be completed within the extended POP without any modification to the original statement of work, as described in the IJ and as approved by FEMA.

Extension requests will be granted only due to compelling legal, policy, or operational challenges. Extension requests will only be considered for the following reasons:

- Contractual commitments by the recipient or subrecipient with vendors prevent completion of the project, including delivery of equipment or services, within the existing POP;
- The project must undergo a complex environmental review that cannot be completed within the existing POP;
- Projects are long-term by design, and therefore acceleration would compromise core programmatic goals; or
- Where other special or extenuating circumstances exist.

Recipients should submit all proposed extension requests to FEMA for review and approval at least 60 days prior to the end of the POP to allow sufficient processing time. **Based on sufficiency of justification, the FEMA Regional Administrator can issue extensions of the POP not to exceed May 31, 2028.**

No additional federal funds will be awarded as part of period of performance extensions.

4. Disability Integration

Pursuant to Section 504 of the Rehabilitation Act of 1973, recipients of FEMA financial assistance must ensure that their programs and activities do not discriminate against other qualified individuals with disabilities.

Grant recipients should engage with the whole community to advance individual and community preparedness and to work as a nation to build and sustain resilience. In doing so, recipients are encouraged to consider the needs of individuals with disabilities into the activities and projects funded by the grant.

FEMA expects that the integration of the needs of people with disabilities will occur at all levels, including planning; alerting, notification, and public outreach; training; purchasing of equipment and supplies; protective action implementation; and exercises/drills.

The following are examples that demonstrate the integration of the needs of people with disabilities in carrying out FEMA awards:

- Include representatives of organizations that work with/for people with disabilities on planning committees, work groups and other bodies engaged in development and implementation of the grant programs and activities.
- Hold all activities related to the grant in locations that are accessible to persons with physical disabilities to the extent practicable.
- Acquire language translation services, including American Sign Language, that provide public information across the community and in shelters.
- Ensure shelter-specific grant funds are in alignment with FEMA's [Guidance on Planning for Integration of Functional Needs Support Services in General Population Shelters](#).
- If making alterations to an existing building to a primary function area utilizing federal funds, complying with the most recent codes and standards and making path of travel to the primary function area accessible to the greatest extent possible.

- Implement specific procedures used by public transportation agencies that include evacuation and passenger communication plans and measures for individuals with disabilities.
- Identify, create, and deliver training to address any training gaps specifically aimed toward whole-community preparedness. Include and interact with individuals with disabilities, aligning with the designated program capability.
- Establish best practices in inclusive planning and preparedness that consider physical access, language access, and information access. Examples of effective communication access include providing auxiliary aids and services such as sign language interpreters, Computer Aided Real-time Translation (CART), and materials in Braille or alternate formats.

FEMA grant recipients can fund projects towards the resiliency of the whole community, including people with disabilities, such as training, outreach and safety campaigns, provided that the project aligns with this NOFO and the terms and conditions of the award.

5. Conflicts of Interest in the Administration of Federal Awards or Subawards

For conflicts of interest under grant-funded procurements and contracts, refer to the section on Procurement Integrity in this NOFO and 2 C.F.R. §§ 200.317 – 200.327.

To eliminate and reduce the impact of conflicts of interest in the subaward process, recipients and pass-through entities must follow their own policies and procedures regarding the elimination or reduction of conflicts of interest when making subawards. Recipients and pass-through entities are also required to follow any applicable federal and state, local, tribal, or territorial (SLTT) statutes or regulations governing conflicts of interest in the making of subawards.

The recipient or pass-through entity must disclose to the respective Program Analyst or Program Manager, in writing, any real or potential conflict of interest that may arise during the administration of the federal award, as defined by the federal or SLTT statutes or regulations or their own existing policies, within five days of learning of the conflict of interest. Similarly, subrecipients, whether acting as subrecipients or as pass-through entities, must disclose any real or potential conflict of interest to the recipient or next-level pass-through entity as required by the recipient or pass-through entity's conflict of interest policies, or any applicable federal or SLTT statutes or regulations.

Conflicts of interest may arise during the process of FEMA making a federal award in situations where an employee, officer, or agent, any members of his or her immediate family, his or her partner has a close personal relationship, a business relationship, or a professional relationship, with an applicant, subapplicant, recipient, subrecipient, or FEMA employees.

6. Procurement Integrity

Through audits conducted by the DHS Office of Inspector General (OIG) and FEMA grant monitoring, findings have shown that some FEMA recipients have not fully adhered to the proper procurement requirements at 2 C.F.R. §§ 200.317 – 200.327 when spending grant funds. Anything less than full compliance with federal procurement requirements jeopardizes

the integrity of the grant as well as the grant program. To assist with determining whether an action is a procurement or instead a subaward, please consult 2 C.F.R. § 200.331. For detailed guidance on the federal procurement standards, recipients and subrecipients should refer to various materials issued by FEMA's Procurement Disaster Assistance Team (PDAT), such as the [PDAT Field Manual](#) and [Contract Provisions Guide](#). Additional resources, including an upcoming trainings schedule can be found on the PDAT Website: <https://www.fema.gov/grants/procurement>.

The below highlights the federal procurement requirements for FEMA recipients when procuring goods and services with federal grant funds. FEMA will include a review of recipients' procurement practices as part of the normal monitoring activities. **All procurement activity must be conducted in accordance with federal procurement standards at 2 C.F.R. §§ 200.317 – 200.327.** Select requirements under these standards are listed below. The recipient and any of its subrecipients must comply with all requirements, even if they are not listed below.

Under 2 C.F.R. § 200.317, when procuring property and services under a federal award, states (including territories) must follow the same policies and procedures they use for procurements from their non-federal funds; additionally, states must now follow 2 C.F.R. § 200.321 regarding socioeconomic steps, 200.322 regarding domestic preferences for procurements, 200.323 regarding procurement of recovered materials, and 2 C.F.R. § 200.327 regarding required contract provisions.

All other non-federal entities, such as tribes (collectively, non-state entities), must have and use their own documented procurement procedures that reflect applicable SLTT laws and regulations, provided that the procurements conform to applicable federal law and the standards identified in 2 C.F.R. Part 200. These standards include, but are not limited to, providing for full and open competition consistent with the standards of 2 C.F.R. § 200.319 and the required procurement methods at § 200.320.

a. *Important Changes to Procurement Standards in 2 C.F.R. Part 200*

OMB recently updated various parts of Title 2 of the Code of Federal Regulations, among them, the procurement standards. States are now required to follow the socioeconomic steps in soliciting small and minority businesses, women's business enterprises, and labor surplus area firms per 2 C.F.R. § 200.321. All non-federal entities should also, to the greatest extent practicable under a federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States per 2 C.F.R. § 200.322. More information on OMB's revisions to the federal procurement standards can be found in [Purchasing Under a FEMA Award: OMB Revisions Fact Sheet](#).

The recognized procurement methods in 2 C.F.R. § 200.320 have been reorganized into informal procurement methods, which include micro-purchases and small purchases; formal procurement methods, which include sealed bidding and competitive proposals; and noncompetitive procurements. The federal micro-purchase threshold is currently \$10,000, and non-state entities may use a lower threshold when using micro-purchase procedures under a FEMA award. If a non-state entity wants to use a micro-purchase threshold higher

than the federal threshold, it must follow the requirements of 2 C.F.R. § 200.320(a)(1)(iii)-(v). The federal simplified acquisition threshold is currently \$250,000, and a non-state entity may use a lower threshold but may not exceed the federal threshold when using small purchase procedures under a FEMA award. *See* 2 C.F.R. § 200.1 (citing the definition of simplified acquisition threshold from [48 C.F.R. Part 2, Subpart 2.1](#)).

See 2 C.F.R. §§ 200.216, 200.471, and Appendix II as well as section D.13.a of the NOFO regarding prohibitions on covered telecommunications equipment or services.

b. *Competition and Conflicts of Interest*

Among the requirements of 2 C.F.R. § 200.319(b) applicable to all non-federal entities other than states, in order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. FEMA considers these actions to be an organizational conflict of interest and interprets this restriction as applying to contractors that help a non-federal entity develop its grant application, project plans, or project budget. This prohibition also applies to the use of former employees to manage the grant or carry out a contract when those former employees worked on such activities while they were employees of the non-federal entity.

Under this prohibition, unless the non-federal entity solicits for and awards a contract covering both development and execution of specifications (or similar elements as described above), and this contract was procured in compliance with 2 C.F.R. §§ 200.317 – 200.327, federal funds cannot be used to pay a contractor to carry out the work if that contractor also worked on the development of those specifications. This rule applies to all contracts funded with federal grant funds, including pre-award costs, such as grant writer fees, as well as post-award costs, such as grant management fees.

Additionally, some of the situations considered to be restrictive of competition include, but are not limited to:

- Placing unreasonable requirements on firms for them to qualify to do business;
- Requiring unnecessary experience and excessive bonding;
- Noncompetitive pricing practices between firms or between affiliated companies;
- Noncompetitive contracts to consultants that are on retainer contracts;
- Organizational conflicts of interest;
- Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
- Any arbitrary action in the procurement process.

Per 2 C.F.R. § 200.319(c), non-federal entities other than states must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed SLTT geographical preferences in the evaluation of bids or proposals, except in those cases where applicable federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering

services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

Under 2 C.F.R. § 200.318(c)(1), non-federal entities other than states are required to maintain written standards of conduct covering conflicts of interest and governing the actions of their employees engaged in the selection, award, and administration of contracts. **No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest.** Such conflicts of interest would arise when the employee, officer or agent, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-federal entities may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-federal entity.

Under 2 C.F.R. 200.318(c)(2), if the recipient or subrecipient (other than states) has a parent, affiliate, or subsidiary organization that is not a state, local, tribal, or territorial government, the non-federal entity must also maintain written standards of conduct covering organizational conflicts of interest. In this context, organizational conflict of interest means that because of a relationship with a parent company, affiliate, or subsidiary organization, the non-federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization. The non-federal entity must disclose in writing any potential conflicts of interest to FEMA or the pass-through entity in accordance with applicable FEMA policy.

c. *Supply Schedules and Purchasing Programs*

Generally, a non-federal entity may seek to procure goods or services from a federal supply schedule, state supply schedule, or group purchasing agreement.

1. GENERAL SERVICES ADMINISTRATION SCHEDULES

States, tribes, and local governments, and any instrumentality thereof (such as local education agencies or institutions of higher education) may procure goods and services from a General Services Administration (GSA) schedule. GSA offers multiple efficient and effective procurement programs for state, tribal, and local governments, and instrumentalities thereof, to purchase products and services directly from pre-vetted contractors. The GSA Schedules (also referred to as the Multiple Award Schedules and the Federal Supply Schedules) are long-term government-wide contracts with commercial firms that provide access to millions of commercial products and services at volume discount pricing.

Information about GSA programs for states, tribes, and local governments, and instrumentalities thereof, can be found at <https://www.gsa.gov/resources-for/programs-for->

[State-and-local-governments](https://www.gsa.gov/buying-selling/purchasing-programs/gsa-schedules/schedule-buyers/state-and-local-governments) and <https://www.gsa.gov/buying-selling/purchasing-programs/gsa-schedules/schedule-buyers/state-and-local-governments>.

For tribes, local governments, and their instrumentalities that purchase off of a GSA schedule, this will satisfy the federal requirements for full and open competition provided that the recipient follows the GSA ordering procedures; however, tribes, local governments, and their instrumentalities will still need to follow the other rules under 2 C.F.R. §§ 200.317 – 200.327, such as solicitation of minority businesses, women’s business enterprises, small businesses, or labor surplus area firms (§ 200.321), domestic preferences (§ 200.322), contract cost and price (§ 200.324), and required contract provisions (§ 200.327 and Appendix II).

II. OTHER SUPPLY SCHEDULES AND PROGRAMS

For non-federal entities other than states, such as tribes, local governments, and nonprofits, that want to procure goods or services from a state supply schedule, cooperative purchasing program, or other similar program, in order for such procurements to be permissible under federal requirements, the following must be true:

- The procurement of the original contract or purchasing schedule and its use by the non-federal entity complies with state and local law, regulations, and written procurement procedures;
- The state or other entity that originally procured the original contract or purchasing schedule entered into the contract or schedule with the express purpose of making it available to the non-federal entity and other similar types of entities;
- The contract or purchasing schedule specifically allows for such use, and the work to be performed for the non-federal entity falls within the scope of work under the contract as to type, amount, and geography;
- The procurement of the original contract or purchasing schedule complied with all the procurement standards applicable to a non-federal entity other than states under at 2 C.F.R. §§ 200.317 – 200.327; and
- With respect to the use of a purchasing schedule, the non-federal entity must follow ordering procedures that adhere to applicable state, tribal, and local laws and regulations and the minimum requirements of full and open competition under 2 C.F.R. Part 200.

If a non-federal entity other than a state seeks to use a state supply schedule, cooperative purchasing program, or other similar type of arrangement, FEMA recommends the recipient discuss the procurement plans with its FEMA Program Analyst.

d. *Procurement Documentation*

Per 2 C.F.R. § 200.318(i), non-federal entities other than states and territories are required to maintain and retain records sufficient to detail the history of procurement covering at least the rationale for the procurement method, selection of contract type, contractor selection or rejection, and the basis for the contract price. States and territories are encouraged to maintain and retain this information as well and are reminded that in order for any cost to be allowable, it must be adequately documented per 2 C.F.R. § 200.403(g).

Examples of the types of documents that would cover this information include but are not limited to:

- Solicitation documentation, such as requests for quotes, invitations for bids, or requests for proposals;
- Responses to solicitations, such as quotes, bids, or proposals;
- Pre-solicitation independent cost estimates and post-solicitation cost/price analyses on file for review by federal personnel, if applicable;
- Contract documents and amendments, including required contract provisions; and
- Other documents required by federal regulations applicable at the time a grant is awarded to a recipient.
- Additional information on required procurement records can be found on pages 24-26 of the [PDAT Field Manual](#).

7. Financial Assistance Programs for Infrastructure

a. *Build America, Buy America Act*

Recipients and subrecipients must comply with the Build America, Buy America Act (BABAA), which was enacted as part of the Infrastructure Investment and Jobs Act §§ 70901-70927, Pub. L. No. 117-58 (2021); and Executive Order 14005, Ensuring the Future is Made in All of America by All of America's Workers. See also [Office of Management and Budget \(OMB\), Memorandum M-22-11, Initial Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure](#).

None of the funds provided under this program may be used for a project for infrastructure unless the iron and steel, manufactured products, and construction materials used in that infrastructure are produced in the United States.

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

To see whether a particular FEMA federal financial assistance program is considered an infrastructure program and thus required to include a Buy America preference, please see [Programs and Definitions: Build America, Buy America Act | FEMA.gov](#). Additional information is found in [Buy America Preference in FEMA Financial Assistance Programs for Infrastructure, FEMA Interim Policy #207-22-0001](#).

b. *Waivers*

When necessary, recipients (and subrecipients through their pass-through entity) may apply for, and FEMA may grant, a waiver from these requirements.

A waiver of the domestic content procurement preference may be granted by the agency awarding official if FEMA determines that:

- Applying the domestic content procurement preference would be inconsistent with the public interest.
- The types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality.
- The inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent.

For FEMA awards, the process for requesting a waiver from the Buy America preference requirements can be found on FEMA’s website at: [“Buy America” Preference in FEMA Financial Assistance Programs for Infrastructure | FEMA.gov](#).

c. *Definitions*

Construction materials: an article, material, or supply—other than an item primarily of iron or steel; a manufactured product; cement and cementitious materials; aggregates such as stone, sand, or gravel; or aggregate binding agents or additives—that is or consists primarily of non-ferrous metals, plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables), glass (including optic glass), lumber, paint, and drywall.

Domestic content procurement preference: Means all iron and steel used in the project are produced in the United States; the manufactured products used in the project are produced in the United States; or the construction materials used in the project are produced in the United States.

Federal financial assistance: Generally defined in 2 C.F.R. § 200.1 and includes all expenditures by a federal agency to a non-federal entity for an infrastructure project, except that it does not include expenditures for assistance authorities relating to major disasters or emergencies under sections 402, 403, 404, 406, 408, or 502 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act relating to a major disaster or emergency declared under section 401 or 501, respectively, or pre and post disaster or emergency response expenditures.

Infrastructure: infrastructure projects which serve a public function, including at a minimum, the structures, facilities, and equipment for, in the United States, roads, highways, and bridges; public transportation; dams, ports, harbors, and other maritime facilities; intercity passenger and freight railroads; freight and intermodal facilities; airports; water systems, including drinking water and wastewater systems; electrical transmission facilities and systems; utilities; broadband infrastructure; and buildings and real property; and structures, facilities, and equipment that generate, transport, and distribute energy.

Produced in the United States means the following for:

- **Iron and steel:** All manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

- **Manufactured products:** The product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.
- **Construction Materials:** All manufacturing processes for the construction material occurred in the United States.

Project: is any activity related to the construction, alteration, maintenance, or repair of infrastructure in the United States.

8. Record Retention

a. *Record Retention Period*

Financial records, supporting documents, statistical records, and all other non-federal entity records pertinent to a federal award generally must be maintained for at least three years from the date the final FFR is submitted. *See* 2 C.F.R. § 200.334. Further, if the recipient does not submit a final FFR and the award is administratively closed, FEMA uses the date of administrative closeout as the start of the general record retention period.

The record retention period **may be longer than three years or have a different start date** in certain cases. These include:

- Records for real property and equipment acquired with federal funds must be retained for **three years after final disposition of the property**. *See* 2 C.F.R. § 200.334(c).
- If any litigation, claim, or audit is started before the expiration of the three-year period, the records **must be retained until** all litigation, claims, or audit findings involving the records **have been resolved and final action taken**. *See* 2 C.F.R. § 200.334(a).
- The **record retention period will be extended if the non-federal entity is notified in writing** of the extension by FEMA, the cognizant or oversight agency for audit, or the cognizant agency for indirect costs, or pass-through entity. *See* 2 C.F.R. § 200.334(b).
- Where FEMA requires recipients to report program income after the period of performance ends, the **program income record retention period begins at the end of the recipient's fiscal year in which program income is earned**. *See* 2 C.F.R. § 200.334(e).
- For indirect cost rate computations and proposals, cost allocation plans, or any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates), the start of the record retention period depends on whether the indirect cost rate documents were submitted for negotiation. If the **indirect cost rate documents were submitted for negotiation, the record retention period begins from the date those documents were submitted** for negotiation. If indirect cost rate documents were **not submitted for negotiation, the record retention period begins at the end of the recipient's fiscal year or other accounting period covered by that indirect cost rate**. *See* 2 C.F.R. § 200.334(f).

b. *Types of Records to Retain*

FEMA requires that non-federal entities maintain the following documentation for federally funded purchases:

- Specifications
- Solicitations
- Competitive quotes or proposals
- Basis for selection decisions
- Purchase orders
- Contracts
- Invoices
- Cancelled checks

Non-federal entities should keep detailed records of all transactions involving the grant. FEMA may at any time request copies of any relevant documentation and records, including purchasing documentation along with copies of cancelled checks for verification. *See, e.g.,* 2 C.F.R. §§ 200.318(i), 200.334, 200.337.

In order for any cost to be allowable, it must be adequately documented per 2 C.F.R. § 200.403(g). Non-federal entities who fail to fully document all purchases may find their expenditures questioned and subsequently disallowed.

9. Actions to Address Noncompliance

Non-federal entities receiving financial assistance funding from FEMA are required to comply with requirements in the terms and conditions of their awards or subawards, including the terms set forth in applicable federal statutes, regulations, NOFOs, and policies. Throughout the award lifecycle or even after an award has been closed, FEMA or the pass-through entity may discover potential or actual noncompliance on the part of a recipient or subrecipient. This potential or actual noncompliance may be discovered through routine monitoring, audits, closeout, or reporting from various sources.

In the case of any potential or actual noncompliance, FEMA may place special conditions on an award per 2 C.F.R. §§ 200.208 and 200.339, FEMA may place a hold on funds until the matter is corrected, or additional information is provided per 2 C.F.R. § 200.339, or it may do both. Similar remedies for noncompliance with certain federal civil rights laws are authorized pursuant to 44 C.F.R. Parts 7 and 19.

In the event the noncompliance is not able to be corrected by imposing additional conditions or the recipient or subrecipient refuses to correct the matter, FEMA might take other remedies allowed under 2 C.F.R. § 200.339. These remedies include actions to disallow costs, recover funds, wholly or partly suspend or terminate the award, initiate suspension and debarment proceedings, withhold further federal awards, or take other remedies that may be legally available. For further information on termination due to noncompliance, see the section on Termination Provisions in the NOFO.

FEMA may discover and take action on noncompliance even after an award has been closed. The closeout of an award does not affect FEMA's right to disallow costs and recover funds as long as the action to disallow costs takes place during the record retention period. *See* 2 C.F.R. §§ 200.334, 200.345(a). Closeout also does not affect the obligation of the non-federal entity to return any funds due as a result of later refunds, corrections, or other transactions. 2 C.F.R. § 200.345(a)(2).

The types of funds FEMA might attempt to recover include, but are not limited to, improper payments, cost share reimbursements, program income, interest earned on advance payments, or equipment disposition amounts.

FEMA may seek to recover disallowed costs through a Notice of Potential Debt Letter, a Remedy Notification, or other letter. The document will describe the potential amount owed, the reason why FEMA is recovering the funds, the recipient's appeal rights, how the amount can be paid, and the consequences for not appealing or paying the amount by the deadline.

If the recipient neither appeals nor pays the amount by the deadline, the amount owed will become final. Potential consequences if the debt is not paid in full or otherwise resolved by the deadline include the assessment of interest, administrative fees, and penalty charges; administratively offsetting the debt against other payable federal funds; and transferring the debt to the U.S. Department of the Treasury for collection.

FEMA notes the following common areas of noncompliance for FEMA's grant programs:

- Insufficient documentation and lack of record retention.
- Failure to follow the procurement under grants requirements.
- Failure to submit closeout documents in a timely manner.
- Failure to follow EHP requirements.
- Failure to comply with the POP deadline.

10. Audits

FEMA grant recipients are subject to audit oversight from multiple entities including the DHS OIG, the GAO, the pass-through entity, or independent auditing firms for single audits, and may cover activities and costs incurred under the award. Auditing agencies such as the DHS OIG, the GAO, and the pass-through entity (if applicable), and FEMA in its oversight capacity, must have access to records pertaining to the FEMA award. Recipients and subrecipients must retain award documents for at least three years from the date the final FFR is submitted, and even longer in many cases subject to the requirements of 2 C.F.R. § 200.334. In the case of administrative closeout, documents must be retained for at least three years from the date of closeout, or longer subject to the requirements of 2 C.F.R. § 200.334. If documents are retained longer than the required retention period, the DHS OIG, the GAO, and the pass-through entity, as well as FEMA in its oversight capacity, have the right to access these records as well. *See* 2 C.F.R. §§ 200.334, 200.337.

Additionally, non-federal entities must comply with the single audit requirements at 2 C.F.R. Part 200, Subpart F. Specifically, non-federal entities, other than for-profit subrecipients, that expend \$750,000 or more in federal awards during their fiscal year must have a single or

program-specific audit conducted for that year in accordance with Subpart F. 2 C.F.R. § 200.501. A single audit covers all federal funds expended during a fiscal year, not just FEMA funds. The cost of audit services may be allowable per 2 C.F.R. § 200.425, but non-federal entities must select auditors in accordance with 2 C.F.R. § 200.509, including following the proper procurement procedures. For additional information on single audit reporting requirements, see section F of this NOFO under the header “Single Audit Report” within the subsection “Additional Reporting Requirements.”

The objectives of single audits are to:

- Determine if financial statements conform to generally accepted accounting principles (GAAP);
- Determine whether the schedule of expenditures of federal awards is presented fairly;
- Understand, assess, and test the adequacy of internal controls for compliance with major programs; and
- Determine if the entity complied with applicable laws, regulations, and contracts or grants.

For single audits, the auditee is required to prepare financial statements reflecting its financial position, a schedule of federal award expenditures, and a summary of the status of prior audit findings and questioned costs. The auditee also is required to follow up and take appropriate corrective actions on new and previously issued but not yet addressed audit findings. The auditee must prepare a corrective action plan to address the new audit findings. 2 C.F.R. §§ 200.508, 200.510, 200.511.

Non-federal entities must have an audit conducted, either single or program-specific, of their financial statements and federal expenditures annually or biennially pursuant to 2 C.F.R. § 200.504. Non-federal entities must also follow the information submission requirements of 2 C.F.R. § 200.512, including submitting the audit information to the [Federal Audit Clearinghouse](#) within the earlier of 30 calendar days after receipt of the auditor’s report(s) or nine months after the end of the audit period. The audit information to be submitted include the data collection form described at 2 C.F.R. § 200.512(c) and Appendix X to 2 C.F.R. Part 200 as well as the reporting package described at 2 C.F.R. § 200.512(b).

The non-federal entity must retain one copy of the data collection form and one copy of the reporting package for three years from the date of submission to the Federal Audit Clearinghouse. 2 C.F.R. § 200.512; *see also* 2 C.F.R. § 200.517 (setting requirements for retention of documents by the auditor and access to audit records in the auditor’s possession).

FEMA, the DHS OIG, the GAO, and the pass-through entity (if applicable), as part of monitoring or as part of an audit, may review a non-federal entity’s compliance with the single audit requirements. In cases of continued inability or unwillingness to have an audit conducted in compliance with 2 C.F.R. Part 200, Subpart F, FEMA and the pass-through entity, if applicable, are required to take appropriate remedial action under 2 C.F.R. § 200.339 for noncompliance, pursuant to 2 C.F.R. § 200.505.

11. Payment Information

FEMA uses the Direct Deposit/Electronic Funds Transfer (DD/EFT) method of payment to recipients.

FEMA utilizes the Payment and Reporting System (PARS) for financial reporting, invoicing and tracking payments. For additional information, refer to <https://isource.fema.gov/sf269/execute/LogIn?sawContentMessage=true>.

12. Extraordinary Circumstances

Applicants and subapplicants must have an approved hazard mitigation plan at the time of application submission and at the time of the award; hazard mitigation plans pending adoption are not sufficient. For subawards, FEMA may grant an exception to this requirement through extraordinary circumstances when justification is provided and with concurrence from FEMA Headquarters (Hazard Mitigation Assistance and National Mitigation Planning Program) prior to granting an exception. If this exception is granted, a local or Tribal Mitigation Plan must be approved by FEMA within 12 months of the award of the project subaward to that community. Extraordinary circumstances exist when a determination is made by the applicant and FEMA that the proposed project is consistent with the priorities and strategies identified in the State or Tribal (Standard or Enhanced) Mitigation Plan and that the jurisdiction meets at least one of the criteria below.

- The jurisdiction meets the small impoverished community criteria per section C.4 of this NOFO.
- The jurisdiction has been determined to have had insufficient capacity due to lack of available funding, staffing, or other necessary expertise to satisfy the mitigation planning requirement prior to the current disaster or application deadline.
- The jurisdiction has been determined to have been at low risk from hazards because of low frequency of occurrence or minimal damage from previous occurrences as a result of sparse development.
- The jurisdiction experienced significant disruption from a declared disaster or another event that impacts its ability to complete the mitigation planning process prior to award or final approval of a project award.
- The jurisdiction does not have a mitigation plan for reasons beyond the control of the state, federally recognized tribe, or local community, such as Disaster Relief Fund restrictions that delay FEMA from granting a subaward prior to the expiration of the local or Tribal Mitigation Plan.

For PDM, the applicant must provide written justification that identifies the specific criteria from above or circumstance, explains why there is no longer an impediment to satisfying the mitigation planning requirement, and identifies the specific actions or circumstances that eliminated the deficiency. When a PDM project funding is awarded under extraordinary circumstances, the recipient shall acknowledge in writing to the Regional Administrator that a plan will be completed within 12 months of the subaward. The recipient must provide a work plan for completing the local or Tribal Mitigation Plan, including milestones and a timetable, to ensure that the jurisdiction will complete the plan in the required time. This requirement shall be incorporated into the award (both the planning and project subaward agreements, if a planning subaward is also awarded).

Appendix A – FY 2023 PDM Grant Program Project List

State/ Tribe	Subrecipient	Project	Amount
Native Village of Ouzinkie	Native Village of Ouzinkie	Emergency Response Shelter and Equipment Staging Complex	\$2,000,000.00
AK	City of Dillingham	Snag Point Erosion Mitigation	\$5,016,000.00
AL	Alabama Emergency Management Agency	Hale County Storm Shelters	\$511,601.00
AZ	City of Flagstaff	Museum Post-Fire Flood Mitigation, Property Acquisitions	\$1,482,900.00
CA	City of Belmont	Cities of Belmont and San Bruno Wildfire Prevention Project	\$494,300.00
CA	City of Foster City	Levee Protection Planning and Improvements Project (CIP 301–657)	\$988,600.00
CA	City of Norwalk	Emergency Generators for Community Resiliency	\$976,962.00
CA	City of Sacramento	Pannell Community Center Resilience Hub	\$1,977,200.00
CA	City of Thousand Oaks	Microgrid Installation for the Municipal Service Center	\$1,853,625.00
CA	County of Santa Barbara	San Marcos Road Stabilization Project	\$1,384,040.00
CA	Diablo Water District	Water Reservoir Seismic Retrofit	\$1,482,900.00
CA	Midpeninsula Regional Open Space District	Midpeninsula Open Space Wildland Fire Resiliency Project	\$741,450.00
CA	San Mateo County	Filoli Wildfire Mitigation Project	\$494,300.00
CA	East Bay Regional Park District	East Bay Regional Park District Wildfire Mitigation, and Safe, Resilient Forests and Communities	\$1,500,000.00

State/ Tribe	Subrecipient	Project	Amount
CA	City of Rancho Palos Verdes	Rancho Palos Verdes Portuguese Bend Landslide Remediation	\$2,000,000.00
CO	Town of Estes Park	Town of Estes Park Wildfire Mitigation	\$785,937.00
CT	Town of Stratford	Flood Protection Measures for Stratford Water Pollution Control Facility	\$4,135,622.00
CT	City of Bridgeport	Community Flooding Scoping in Bridgeport	\$742,000.00
CT	City of Hartford	Hartford Closure Structure #1 Rehabilitation	\$1,025,000.00
FL	City of Bonita Springs	City of Bonita Springs Water Acquisition	\$5,000,000.00
FL	City of Tampa	Bermuda Boulevard Seawall Improvements	\$2,965,800.00
HI	City and County of Honolulu	Hardening of Fire Station Doors	\$2,001,915.00
IA	City of Davenport	Flood Mitigation at River Drive and Marquette Street	\$1,265,625.00
IA	The City of Cedar Rapids	5th Avenue Gatewell and Pump Station Flood Mitigation Project	\$1,725,000.00
IL	City of Chicago	Chicago Shoreline Morgan Shoal Project	\$200,000.00
IL	City of Palos Hills	Roberts Road Drainage Improvements	\$3,558,960.00
IL	City of Prospect Heights	River Trails Stormwater Project	\$2,417,127.00
IL	Village of Flossmoor	Flossmoor Road Viaduct Drainage Improvements	\$200,000.00
IL	City of East St. Louis	Metro East Horseshoe Lake Flooding and Restoration Project	\$500,000.00
IL	Village of Hampshire	Park and Rinn Flood Mitigation Project	\$518,000.00

State/ Tribe	Subrecipient	Project	Amount
IL	City of Rock Island	Rock Island Mississippi River Levee Pump Stations	\$500,000.00
KS	Kansas City Board of Public Utilities	Nearman Water Treatment Plant Emergency Electric Backup Generator	\$3,707,250.00
KY	City of Burgin	Burgin Pre-Disaster Mitigation Project	\$562,500.00
KY	City of Lebanon Junction	Lebanon Junction Pre-Disaster Mitigation Project	\$675,000.00
LA	City of West Monroe	West Monroe Stormwater Mitigation Project	\$2,400,000.00
MA	City of Malden	Malden River Works Project	\$1,334,610.00
MA	City of Revere	Riverside Climate Resiliency Project	\$1,977,200.00
MA	City of Woburn	Hurld Park Construction	\$2,916,370.00
MA	Town of Hopedale	Feasibility Study to Dredge Hopedale Pond and Daylight the Mill River for Community Resilience and Water Quality Improvements	\$444,870.00
MA	Town of Hull	Nantasket Ave Seawall Replacement	\$4,943,000.00
MA	Town of North Attleborough, Massachusetts	Ten-Mile River Dredging	\$1,482,900.00
MA	Town of Weymouth	Wessagusset Beach Project	\$4,906,059.00
MD	Baltimore County Executive's Office	Pre-Disaster Mitigation in Turner Station	\$1,482,900.00
MD	City of Annapolis	City Dock Resilience and Revitalization Project	\$3,460,100.00

State/ Tribe	Subrecipient	Project	Amount
ME	City of Westbrook	City of Westbrook—Presumpscot River Corridor: Landslide Vulnerability Assessment (Windham to Portland)	\$996,000.00
ME	Town of Wiscasset	Town of Wiscasset—Old Ferry Road Stream Crossing Improvement	\$1,312,000.00
MI	City of New Baltimore	Base Street Bridge Rehabilitation	\$750,000.00
MI	Tip of the Mitt Watershed Council	Emmet County Flood Mitigation and Drainage Improvement Project	\$556,000.00
MI	Wayne County	Rehabilitation and Upgrade of Pump Station 182	\$741,450.00
MI	Macomb County	Macomb County-North Branch of the Clinton River Floodplain Acquisition	\$1,000,000.00
MN	City of Newport	City of Newport—Mississippi Flood/ Storm Mitigation	\$350,000.00
MN	Oslo Region Joint Powers Board	Oslo Region Joint Powers Board— Oslo Region Flood Mitigation FEMA	\$2,350,000.00
NC	City of Wilson	Hominy Water Quality Park and Greenway	\$7,043,775.00
NH	City of Portsmouth Department of Public Works	Peirce Island Road Resiliency Project	\$724,000.00
NJ	Borough of Atlantic Highlands	Atlantic Highlands Municipal Harbor Bulkhead Repairs	\$2,113,133.00
NJ	City of North Wildwood	North Wildwood Sea Wall	\$10,000,000.00
NJ	County of Middlesex	Southern Middlesex County Flood Mitigation and Resilience Project	\$1,112,175.00

State/ Tribe	Subrecipient	Project	Amount
NJ	Township of Hillsborough	Green Hills Development Swale Improvements	\$320,482.00
NJ	County of Bergen	Jackson Avenue/Riverside Avenue Drainage Improvements	\$250,000.00
NJ	Montgomery Township	Land Acquisition for Open Space	\$1,212,000.00
NM	Doña Ana County Flood Commission	Disaster Mitigation for La Union	\$2,000,000.00
NM	NM Department of Cultural Affairs	Los Luceros Fire Mitigation	\$500,000.00
NV	Washoe County	Washoe County — Lemmon Valley Heppner 5 Subdivision Stormwater Improvements	\$2,700,000.00
NY	City of Ithaca	City of Ithaca Flood Mitigation	\$1,300,000.00
NY	Town of Orangetown	Critical Electrical Infrastructure Needs	\$1,975,000.00
NY	Village of Port Jefferson	East Beach Stabilization	\$3,750,000.00
PA	Borough of Mayfield	Mayfield Borough Levee Upgrade	\$2,327,734.00
PA	City of Williamsport	The Greater Williamsport Flood Control Project	\$8,000,000.00
PA	Columbia County	Flood Control Projects for Columbia County	\$1,725,000.00
PA	Borough of West Pittston	West Pittston Levee Project	\$1,500,000.00
SC	Town of Mount Pleasant	Mount Pleasant Stormwater Drainage Improvement Project	\$5,677,000.00
TX	City of Galveston	Galveston Causeway Waterline Project	\$10,000,000.00
TX	City of Galveston	Galveston 59th Street Water Storage Tank	\$10,000,000.00

State/ Tribe	Subrecipient	Project	Amount
TX	City of Houston	Lake Houston Dam Spillway Improvement Project	\$7,500,000.00
TX	City of Southside Place	Auden Street Drainage Improvement	\$741,450.00
TX	Harris County Flood Control District	Channel Conveyance Improvements to C147-00-00	\$9,886,000.00
TX	Harris County Flood Control District	Poor Farm Ditch Conveyance Improvements	\$9,886,000.00
TX	Hudspeth County	Hudspeth County Flood Mitigation Planning Project	\$375,000.00
VA	City of Hopewell	Hopewell City Hall Generator Replacement	\$188,000.00
VA	Prince William County	Lake Jackson Dam Rehabilitation	\$1,875,000.00
VT	Vermont State Colleges	Glen Brook Dam Removal at Castleton University	\$188,000.00
VT	Town of Stowe Electric Department	Restoration of Moscow Mills at Smith's Falls	\$1,200,000.00
WA	City of Aberdeen	Aberdeen-Hoquiam Flood Protection Project	\$4,943,000.00
WA	City of Seattle, Seattle Center Department	Seattle Center Shelter Facilities Sustainable Emergency Power	\$3,558,960.00
Hoh Indian Tribe	Hoh Indian Tribe	Tsunami Evacuation Center	\$1,875,000.00
WI	Douglas County	Douglas County Nemadji River Bridge Mitigation	\$825,000.00
WI	Ashland County	Madeline Island County H / Lake Superior Mitigation (CDS)	\$900,000.00
WV	Charles Town	Charles Town Green Infrastructure for Stormwater Pollution Flooding Project	\$375,000.00

State/ Tribe	Subrecipient	Project	Amount
WV	Charleston	Chesterfield Avenue Stormwater Management Project	\$469,000.00
WV	Montgomery	City of Montgomery Sanitary Department Essential Needs	\$868,000.00
WV	New Cumberland	City of New Cumberland Storm Sewer Project	\$150,000.00
WV	City of Ripley	City of Ripley for Viking Lane Storm Drain Project Phase II	\$750,000.00
WV	Grant Town	Grant Town Stormwater System Improvements	\$1,875,000.00
WV	Beckley Sanitary Board	Hartley Avenue, Beckley Little League, & Pinecrest Stormwater and Sanitary Sewer Improvements	\$4,173,000.00
WV	Huntington Sanitary Board	Huntington Backflow Prevention Valves Project	\$6,358,000.00
WV	Beckley Sanitary Board	Robert C. Byrd Drive Stormwater and Sanitary Sewer Improvements	\$4,612,000.00
WV	Town of Lost Creek	Town of Lost Creek Drainage	\$446,000.00
WV	Town of Sutton	Town of Sutton Storm Sewer	\$562,000.00
WV	West Virginia Conservation Agency	West Virginia Watershed Flood Hazard Mitigation Project	\$4,500,000.00
WV	City of Wheeling	Wheeling Nuttal Avenue Stormwater Enhancements	\$941,000.00



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

7/4/2025

7/31/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	Lockton Companies 444 W. 47th Street, Suite 900 Kansas City MO 64112-1906 (816) 960-9000 kcasu@lockton.com	CONTACT NAME:	
		PHONE (A/C, No, Ext):	FAX (A/C, No):
INSURED	1472613 CAROLLO ENGINEERS, INC. 2795 MITCHELL DR. WALNUT CREEK CA 94598-1601	E-MAIL ADDRESS:	
		INSURER(S) AFFORDING COVERAGE	
		INSURER A : Zurich American Insurance Company	
		INSURER B : Allied World Surplus Lines Insurance Company	
		INSURER C :	
		INSURER D :	
		INSURER E :	
INSURER F :			
		NAIC #	
		16535	
		24319	

COVERAGES CERTIFICATE NUMBER: 20802075 REVISION NUMBER: XXXXXXXX

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:	Y	Y	GLO 9730569	7/4/2024	7/4/2025	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 2,000,000 MED EXP (Any one person) \$ 25,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 4,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	Y	Y	BAP 9730571	7/4/2024	7/4/2025	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX DED: COMP/COLL \$ 1,000
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> RETENTION \$			NOT APPLICABLE			EACH OCCURRENCE \$ XXXXXXXX AGGREGATE \$ XXXXXXXX \$ XXXXXXXX
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> N	N	WC 9730570	7/4/2024	7/4/2025	<input checked="" type="checkbox"/> PER STATUTE E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
B	PROFESSIONAL LIABILITY FULL PRIOR ACTS	N	N	0313-9010	7/4/2024	7/4/2025	EACH CLAIM: \$1,000,000; AGGREGATE: \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

THIS CERTIFICATE SUPERSEDES ALL PREVIOUSLY ISSUED CERTIFICATES FOR THIS HOLDER, APPLICABLE TO THE CARRIERS LISTED AND THE POLICY TERM(S) REFERENCED.

Project No. WT-0229 - Emergency Power Generation at Hefner Water Treatment Plant. City of Oklahoma City and the Oklahoma City Water Utilities Trust are additional insureds as respects general liability and auto liability, and these coverages are primary and non-contributory, as required by written contract. (SEE ATTACHED.)

CERTIFICATE HOLDER

CANCELLATION See Attachments

20802075

Oklahoma City Water Utilities Trust
420 W. Main St., Ste. 500
Oklahoma City OK 73102

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Waiver of subrogation applies to general liability and auto liability where allowed by state law and as required by written contract. General Liability and Auto Liability include severability of interests. General Liability, Auto Liability & Workers' Compensation Deductibles: N/A. Professional Liability Deductible: \$25,000. Thirty (30) days' notice of cancellation by the insurer will be provided to the Certificate Holder, ten (10) days' notice in the event of non-payment of premium.

POLICY NUMBER: 0313-9010

ENDORSEMENT

NOTICE OF CANCELLATION TO DESIGNATED ENTITY(IES)

Policy No. 0313-9010
Issued to Carollo Engineers, Inc.
Issued by Allied World Surplus Lines Insurance Company

In consideration of the premium charged, it is hereby agreed that Section VIII. CONDITIONS, Subsection H. is amended to include the following:

In the event of cancellation or non-renewal of this Policy, the **Company** will provide a thirty-day notice to the entity with whom the **Named Insured** has agreed, pursuant to a prior written contract, to provide to such entity with a notice of cancellation or non-renewal. Provided, however, that in the event of cancellation for non-payment of premium, the **Company** shall provide to such entity a ten-day notice of cancellation before the effective date of cancellation.

In addition, in the event of a reduction in the Limits of Liability of this Policy not resulting from payment of **Damages** or **Defense Expenses**, the **Company** will provide a sixty-day notice to the entity with whom the **Named Insured** has agreed with, pursuant to a prior written contract, to provide such entity with a notice of such reduction in limits.

As a condition precedent to providing the notices specified above, the **Named Insured** will provide the **Company**, within ten (10) business days of the **Company's** request, the names and addresses of the entities with whom the **Named Insured** agreed to provide the notices specified above. In the event the **Named Insured** omits or fails to provide the foregoing information, the **Company** shall not provide such notices.

The **Company's** failure to provide such notices will not extend the Policy cancellation date, negate cancellation, non-renewal or reduction in limits, of this Policy. Nor shall such failure be cause for legal action against the **Company**.

All other terms, conditions and limitations of this Policy shall remain unchanged.

POLICY NUMBER: BAP 9730571

Notification to Others of Cancellation, Nonrenewal or Reduction of Insurance

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial Automobile Coverage Part

- A.** If we cancel or non-renew this Coverage Part by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation or non-renewal:
1. To the name and address corresponding to each person or organization shown in the Schedule below; and
 2. At least 10 days prior to the effective date of the cancellation or non-renewal, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.
- B.** If we cancel this Coverage Part by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.
- C.** If coverage afforded by this Coverage Part is reduced or restricted, except for any reduction of Limits of Insurance due to payment of claims, we will mail or deliver notice of such reduction or restriction:
1. To the name and address corresponding to each person or organization shown in the Schedule below; and
 2. At least 10 days prior to the effective date of the reduction or restriction, or the longer number of days notice if indicated in the Schedule below.
- D.** If notice as described in Paragraphs **A.**, **B.** or **C.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE	
Name and Address of Other Person(s) / Organization(s): _	Number of Days Notice:
All certificate holders where notice of cancellation is required by written contract with the Named Insured.	30

All other terms and conditions of this policy remain unchanged.

U-CA-811-A CW (05/10)

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POLICY NUMBER: GLO 9730569

Notification to Others of Cancellation, Nonrenewal or Reduction of Insurance

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

- A.** If we cancel or non-renew this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation or non-renewal:
1. To the name and address corresponding to each person or organization shown in the Schedule below; and
 2. At least 10 days prior to the effective date of the cancellation or non-renewal, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.
- B.** If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.
- C.** If coverage afforded by this Coverage Part(s) is reduced or restricted, except for any reduction of Limits of Insurance due to payment of claims, we will mail or deliver notice of such reduction or restriction:
1. To the name and address corresponding to each person or organization shown in the Schedule below; and
 2. At least 10 days prior to the effective date of the reduction or restriction, or the longer number of days notice if indicated in the Schedule below.
- D.** If notice as described in Paragraphs **A.**, **B.** or **C.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE	
Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
All certificate holders where notice of cancellation is required by written contract with the Named Insured	30

All other terms and conditions of this policy remain unchanged.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY**WC 99 06 34****NOTIFICATION TO OTHERS OF CANCELLATION, NONRENEWAL OR
REDUCTION OF INSURANCE ENDORSEMENT**

This endorsement is used to add the following to Part Six of the policy.

**PART SIX
CONDITIONS**

- A. If we cancel or non-renew this policy by written notice to you for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation or non-renewal to the name and address corresponding to each person or organization shown in the Schedule below. Notification to such person or organization will be provided at least 10 days prior to the effective date of the cancellation or non-renewal, as advised in our notice to you, or the longer number of days notice if indicated in the Schedule below.
- B. If we cancel this policy by written notice to you for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.
- C. If coverage afforded by this policy is reduced or restricted, except for any reduction of Limits of Liability due to payment of claims, we will mail or deliver notice of such reduction or restriction to the name and address corresponding to each person or organization shown in the Schedule below. Notification to such person or organization will be provided at least 10 days prior to the effective date of the reduction or restriction, or the longer number of days notice if indicated in the Schedule below.
- D. If notice as described in Paragraphs **A.**, **B.** or **C.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s)/Organizations:	All Certificate holders where notice of cancellation is required by written contract with the Named
Number of Days Notice:	30

All other terms and conditions of this policy remain unchanged.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Policy No. WC 9730570

Insured CAROLLO ENGINEERS, INC.
Insurance Company Zurich American Insurance Company

WC 99 06 34

POLICY NUMBER: GLO 9730569

COMMERCIAL GENERAL LIABILITY
CG 20 37 12 19**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART**SCHEDULE**

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
Any person or organization, other than an architect, engineer or surveyor, whom you are required to add as an additional insured under this policy under a written contract mark or written agreement executed prior to loss.	Any Location or project, other than a wrap-up or other consolidated insurance program location or project for which insurance is otherwise separately provided to you by a wrap-up or other consolidated insurance program
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

- A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".
- However:
1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
 2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.
- B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:**
- If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:
1. Required by the contract or agreement; or
 2. Available under the applicable Limits of Insurance; whichever is less.
- This endorsement shall not increase the applicable Limits of Insurance.

POLICY NUMBER: GLO 9730569

COMMERCIAL GENERAL LIABILITY
CG 20 10 12 19**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – SCHEDULED PERSON OR
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
Any person or organization, other than an architect, engineer or surveyor, whom you are required to add as an additional insured under this policy under a written contract or written agreement executed prior to loss.	Any Location or project, other than a wrap-up or other consolidated insurance program location or project for which insurance is otherwise separately provided to you by a wrap-up or other consolidated insurance program
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

POLICY NUMBER: GLO 9730569

- C. With respect to the insurance afforded to these additional insureds, the following is added to
Section III – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or

2. Available under the applicable Limits of Insurance;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance.

POLICY NUMBER: GLO 9730569

Other Insurance Amendment - Primary and Non-Contributory

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

1. The following paragraph is added to the Other Insurance Condition of Section **IV – Commercial General Liability Conditions**:

This insurance is primary insurance to and will not seek contribution from any other insurance available to an additional insured under this policy provided that:

- a. The additional insured is a Named Insured under such other insurance; and
- b. You are required by a written contract or written agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

2. The following paragraph is added to Paragraph **4.b.** of the Other Insurance Condition of Section **IV – Commercial General Liability Conditions**:

This insurance is excess over:

Any of the other insurance, whether primary, excess, contingent or on any other basis, available to an additional insured, in which the additional insured on our policy is also covered as an additional insured on another policy providing coverage for the same "occurrence", offense, claim or "suit". This provision does not apply to any policy in which the additional insured is a Named Insured on such other policy and where our policy is required by written contract or written agreement to provide coverage to the additional insured on a primary and non-contributory basis.

All other terms and conditions of this policy remain unchanged.

POLICY NUMBER: BAP 9730571

COMMERCIAL AUTO
CA 20 48 10 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED FOR COVERED AUTOS LIABILITY COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" for Covered Autos Liability Coverage under the Who Is An Insured provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

SCHEDULE

Name Of Person(s) Or Organization(s):
Any person or organization to whom or which you are required to provide additional insured status or additional insured status on a primary, non-contributory basis, in a written contract or written agreement executed prior to loss, except where such contract or agreement is prohibited by law.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Each person or organization shown in the Schedule is an "insured" for Covered Autos Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Paragraph **A.1.** of Section **II** – Covered Autos Liability Coverage in the Business Auto and Motor Carrier Coverage Forms and Paragraph **D.2.** of Section **I** – Covered Autos Coverages of the Auto Dealers Coverage Form.

Waiver Of Subrogation (Blanket) Endorsement

Policy No. GLO 9730569

Eff. Date of Pol. 7/4/2024

Exp. Date of Pol. 7/4/2025

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following is added to the Transfer Of Rights Of Recovery Against Others To Us Condition:
If you are required by a written contract or agreement, which is executed before a loss, to waive your rights of recovery from others, we agree to waive our rights of recovery. This waiver of rights applies only with respect to the above contract(s) and shall not be construed to be a waiver with respect to any other operations in which the insured has no contractual interest.

U-GL-925-A CW (12/01)

POLICY NUMBER
BAP 9730571

COMMERCIAL AUTO
CA 04 44 10 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY
AGAINST OTHERS TO US (WAIVER OF SUBROGATION)**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: Zurich American Insurance Company

Endorsement Effective Date: 7/4/2024

SCHEDULE

Name(s) Of Person(s) Or Organization(s):

Any person or organization you are required to waive your rights of recovery in a written contract, agreement or permit with the named insured.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The **Transfer Of Rights Of Recovery Against Others To Us** condition does not apply to the person(s) or organization(s) shown in the Schedule, but only to the extent that subrogation is waived prior to the "accident" or the "loss" under a contract with that person or organization.