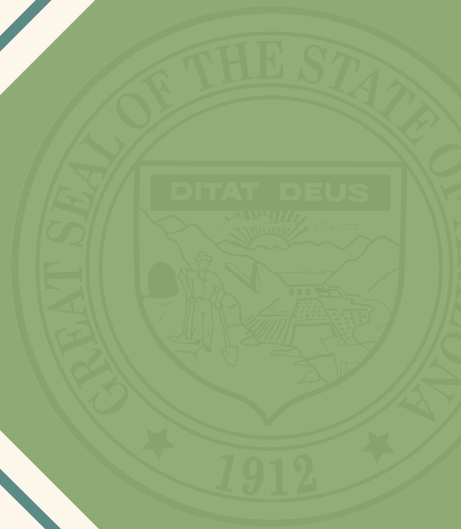


ADEQ RECYCLING GRANT PROGRAM TERMS & CONDITIONS



Clean Air, Safe Water,
Healthy Land for Everyone

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Section 1: Terms and Conditions

1.0 Definition of Terms

1.1 “**Applicant**” means a person, firm, or other organization that submits or is considering submitting an application.

1.2 “**Application**” means a response submitted pursuant to a Request for Grant Applications (RFGA).

1.3 “**Circular Economy**” keeps materials, products, and services in circulation for as long as possible. A circular economy reduces material use, redesigns materials, products, and services to be less resource intensive, and recaptures “waste” as a resource to manufacture new materials and products.

1.3 “**Days**” means calendar days unless otherwise specified.

1.4 “**Department**” means the Arizona Department of Environmental Quality (ADEQ).

1.5 “**Director**” means the Director of ADEQ.

1.6 "**Equipment**" means tangible, nonexpendable, personal property, including supplies, having a useful life of more than one year.

1.7 "**Grant Agreement**" means the written Grant Agreement, which includes all terms therein and the RFGA (including the manual and terms & conditions document referenced in the RFGA), the Application including attachments (including any revisions requested by the Department), and any modifications approved in accordance herewith, and shall constitute the entire Grant Agreement between the parties and supersede all other understandings, oral or written.

1.8 "**Grant Agreement Amendment**" means a formal contract amendment executed with the same formalities as the Grant Agreement.

1.9 "**Gratuity**" means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.

1.10 "**Grantee**" also known as the "grant recipient" means the organization awarded a grant by ADEQ. The Grantee is legally responsible and accountable to ADEQ for the performance and financial aspects of grant-supported projects or activities.]

1.11 "**In-Kind Match**" means grantee in-kind resources and may include use of equipment, salaries of existing employees, project-specific operating costs (such as costs of additional insurance required as a direct result of your project) and other in-kind resources.

1.12 "**Key Personnel**" means those persons whose experience and knowledge are professional in nature as opposed to clerical. Professional work is that which is predominantly intellectual, varied in character (as opposed to routine, manual, mechanical, or physical), and involves the consistent exercise of discretion and judgment in the theoretical principles and techniques of a recognized field of science or learning.

1.14 "**Manual**" means the ADEQ Recycling Program Grant Manual.

1.15 "**Monetary Match**" means grantee funds used to purchase supplies, equipment, structures, land and the hiring of new personnel. (Existing employees must be listed as in-kind match.)

1.16 "**Partner**" means an organization or person that is contributing equally to the project and is not a paid subcontractor.

1.17 "**Records**" means all books, accounts, reports, files and other records relating to this Grant Agreement.

1.18 "**Request for Grant Applications or (RFGA)**" means the document the Department utilizes to request applications.

1.19 "**Subcontract**" means any contractual Grant Agreement, express or implied, between the Grantee and another party or between a subcontractor and another party delegating or assigning, in whole or in

part, the making or furnishing of any material or any service required for the performance of the Grant Agreement.

1.20 "**Volunteer**" means any person who does not receive monetary compensation for the work contributed to the project and who has not been listed as Key Personnel.

Section 2: Term of Grant Agreement, Amendments, and Termination

2.1 **Term of Grant Agreement.** The Grant Agreement shall be effective [DATE or upon the date of the last signature] and shall terminate on [DATE], contingent upon funding.

2.2 **Grant Agreement Amendment.** The Grant Agreement may be renegotiated for additional periods, by formal contract amendment executed with the same formalities as this Agreement.

2.3 **Termination.** Either party may terminate the Grant Agreement at any earlier time by providing written notice to the other party at least thirty (30) days prior to the termination date.

Section 3: Authority

3.1 The Department is authorized to contract pursuant to A.R.S. § 49-104(B).

3.2 The Department is soliciting grants in accordance with A.R.S. Title 41, Chapter 24, Article 1.

Section 4: Applicable Law

4.1 This Grant Agreement shall be governed by and construed in accordance with the laws of the State of Arizona and the Arizona Procurement Code at A.R.S. § 41-2501 et. seq. and administrative rules and regulations A.A.C. R2-7-101 et. seq.

4.2 In the event of any judicial proceeding related to this Grant Agreement or any unauthorized Subcontract the parties agree that the venue shall be proper in Maricopa County, Arizona. See A.R.S. §§ 12-123 and 12-401(17).

4.3 The parties to this Grant Agreement agree to resolve all disputes arising out of or relating to this contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (Title 41).

Section 5: Grant Agreement Interpretation

5.1 **Implied Terms.** Each provision of law and any terms required by law to be in this Grant Agreement are a part of this Grant Agreement as if fully stated in it.

5.2 **Language and Marginal Headings.**

5.2.1 Language as used in this Grant Agreement shall include the plural as well as the singular and the masculine, feminine and neuter genders.

5.2.2 Marginal headings are included for ease of reading only and shall have no effect on the

construction or interpretation of this Grant Agreement.

5.3 **Relationship of Parties.** Neither party to this Grant Agreement shall be deemed to be the employee or agent of the other party.

5.4 **Lobbying.** Grantee shall not engage in lobbying activities, A.R.S. 41-1231 et. seq., using monies awarded under this Grant Agreement. Upon award of this Grant Agreement, Grantee shall disclose all lobbying activities to ADEQ to the extent they are an actual or potential conflict of interest or where such activities would create an appearance of impropriety. Grantee shall implement and maintain adequate controls to assure that monies awarded under a Grant shall not be used for lobbying. All proposed Grantees shall be subject to the same lobbying provisions stated above. Grantees must include anti-lobbying provisions in all Grant Agreements with subcontractors.

5.5 **Severability.** The provisions of this Grant Agreement are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Grant Agreement.

5.6 **No Parole Evidence.** This Grant Agreement is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document.

5.7 **No Waiver.** Either party's failure to insist on strict performance of any term or condition of the Grant Agreement shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

Section 6: Grant Agreement Administration and Operation

6.1 **Project Period.** The Department agrees to reimburse Grantee for work activities performed during the project period as described in this Grant Agreement. The Department is not required to reimburse Grantee for any work activities initiated prior to execution of this Grant Agreement or after the project period has elapsed. The Grantee understands that the Department may terminate this Grant Agreement (see item 16 of this Grant Agreement), if the project is not initiated within three months after entering into this Grant Agreement. The Department may choose to extend the project period, if requested by the Grantee by executing a Grant Agreement Amendment (see item 8.1, Grant Agreement Amendments).

6.2 **Reports.** A budget report and a narrative report shall be submitted on a calendar quarterly basis. Reports shall be sent to the Department as agreed upon in the Task and Payment Schedule. Reports shall be emailed to recycling@azdeq.gov. The reports shall include, but are not limited to, budget expenditures, in-kind expenditures, photos of equipment purchased, and a narrative of the project's progress, as applicable. Grantees must obtain pre-approval from the ADEQ before any funds are reallocated from the original/approved budget. The Grantee is responsible for responding to any inquiries from the Department. At the end of the project, a final budget report and a final narrative report must be submitted and approved by the Department. The final narrative report shall include at a minimum: a summary of the project goals and objectives, project results or outcomes (including any

data or photos), aspects of the project that worked well and things that did not work well, any public involvement and coordination and future activity recommendations for the Recycling Program. An electronic format of the final report is required to close out the project. The Department will not disburse final payment until the final report and all requirements of the Grant Agreement have been fulfilled. All remaining grant funds or outstanding grant funds must be reconciled.

6.3 **Audit.** In accordance with A.R.S. § 35-214, Grantee shall retain and shall contractually require each subcontractor to retain all data, books and other records (“records”) relating to this Grant Agreement for a period of five years after completion of the Grant Agreement. Upon request, Grantee shall produce the original of any or all such records.

6.4 **Conflict of Interest.** In accordance with A.R.S. § 38-511, ADEQ may within three years after execution cancel the Grant Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on behalf of ADEQ, at any time while the Grant Agreement is in effect, becomes an employee or agent or any other party to the Grant Agreement in any capacity or a consultant to any other party of the Grant Agreement with respect to the matter of the Grant Agreement.

6.5 **Printing Credit.** Items such as brochures, advertisements, videos, maps, and technical reports developed for the project must be approved by ADEQ prior to printing or displaying information. These items shall include the statement "Funded by a grant from the Arizona Department of Environmental Quality."

6.6 **Recycled Materials.** To the extent possible, printed materials shall be on recycled paper with the statement, "Printed on Recycled Paper," printed on the cover sheet.

6.7 **Nondiscrimination.** The Grantee shall comply with all existing federal, state, and local laws, rules, policies, or executive orders, including the Americans with Disabilities Act and State of Arizona Executive Order 2023-1, to prohibit discrimination based on race, color, sex, pregnancy, childbirth or medical conditions related to pregnancy or childbirth, political or religious affiliation or ideas, culture, creed, social origin or condition, genetic information, sexual orientation, gender identity or expression, national origin, ancestry, age, disability, military service or veteran status, or marital status by the persons performing the Grant Agreement or subcontract.

6.8 **Inspection.** The Grantee agrees to permit access to its facilities and subcontractor facilities at reasonable times for inspection of the materials covered under this Grant Agreement.

6.9 **Advertising and Promotion of Grant Agreement.** The Grantee shall not advertise or publish information for commercial benefit concerning this Grant Agreement without the prior written approval of the Department.

6.10 **Ownership of Information.** Title to all documents, reports and other materials prepared by the Grantee in performance of this Grant Agreement shall rest in the Department, except for copyrighted material prepared in advance of this Grant Agreement by the Grantee at the expense of the Grantee. ADEQ shall have full and complete rights to reproduce, duplicate, disclose, perform and otherwise use

all information prepared under this Grant Agreement. The Grantee shall have full and complete rights to reproduce, duplicate, disclose, perform and otherwise use all information prepared under this Grant Agreement.

6.11 Equipment. Unless written exceptions are given by ADEQ, any purchase of equipment made with any funds provided by ADEQ shall be used for the purposes specified in the Grant Agreement for the period of at least three years from the purchase date, to include maintaining appropriate insurance and registration. ADEQ strongly recommends the purchase of equipment that is made with recycled content material when it is applicable. Serial and/or vendor numbers, and photographs shall be provided to ADEQ within 90 days after receipt of the purchased equipment.

6.11.1 All equipment purchased with ADEQ funding shall be used solely for the project funded. All purchased equipment shall be used for business use only and not for personal use. All purchased equipment shall be used, or stored when not in use, in the State of Arizona only.

6.11.2 Equipment that is purchased with grant funds with an acquisition cost of \$1,000 or more per unit may remain with the Grantee upon completion of the project unless the Department determines in writing that it is in the best interest of the State for the equipment to be returned to the Department.

6.11.3 Funding shall not be used to purchase luxury vehicles with luxury equipment. ADEQ will determine if a vehicle or equipment is considered luxury.

6.11.4 Non-compliance may be considered a default as per Item 16.6, Termination for Default. This could lead to a demand for reimbursement to ADEQ for its share of the equipment purchased.

6.11.5 ADEQ reserves the right to file a Financing Statement (Form UCC-1) with respect to any equipment purchased with any ADEQ funds.

6.11.6 All equipment and/or vehicles that are purchased with ADEQ funding must be a hybrid, meet low-GHG emissions standards, or use E-85 fuel, biofuels or other low-GHG alternative fuels (TLU-13).

6.11.7 The Grantee shall provide coverage for property losses due to insured perils on an all risk basis for any property in the care, custody or control of this Grant Agreement for full replacement value.

6.12 Operation and Maintenance. Any management practices implemented for the project must be properly operated and maintained for the intended purposes or as defined in the special conditions of the Grant Agreement. Operation includes the administration, management, and performance of non-maintenance actions needed to keep the completed practices safe and functioning as intended. Maintenance includes work to prevent deterioration of the practice, repairing damage, or replacement of the practice to its original condition if one or more components fail.

6.13 Land Purchase and Lease. Any purchase or lease of land required to implement the project agreed upon must be completed prior to execution of the grant agreement. Zoning and permit approval must also be in place prior to grant execution. Copies of appropriate documentation showing the land purchase or lease, along with appropriate permits, will be required.

Section 7: Grant Funding

7.1 Use of Grant Funds. Awarded grant funds shall be used solely for eligible purposes as approved by the Department. Requested funding is considered estimates of costs and shall not be exceeded by the Grantee unless otherwise amended. Requested funds shall not be used to pay for existing personnel. Existing personnel must be listed as in-kind match only.

7.2 Funding Disbursement.

7.2.1 Grant funds shall be expended only as authorized under the terms of this Grant Agreement.

7.2.2 All matching fund contributions or expenditures must occur within the effective dates of the Grant Agreement.

7.2.3 If requested by ADEQ, Grantee shall provide a detailed account of expenditures under this grant.

7.2.4 Reimbursement requests shall be paid within thirty days after receipt of the reimbursement request and accompanying documentation that demonstrates the activity was completed and/or the goods and services were actually received and performed.

7.2.5 Reimbursement requests must include detailed support documentation so as to determine that expenses are reasonable, allowable, and allocable to the activities described in the Scope of Work.

7.3 Applicable Taxes.

7.3.1 The Department shall reimburse only the rate and/or amount of taxes identified in the grant application and included in the costs within the approved budget or in any resulting Grant Agreement.

7.3.2 The Department is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the Grantee to remit. Failure to collect taxes from the buyer does not relieve the seller from the obligation to remit taxes.

7.3.3 Grantee and all subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Grantee. The Grantee shall, and require all subcontractors to hold the Department harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

7.3.4 In order to receive payment under any resulting Grant Agreement, the Grantee shall have a current IRS-W9 Form on file with the Department.

7.4 Non-Availability of Funds. In accordance with A.R.S. § 35-154, every payment obligation of the Department under this Grant Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this Grant Agreement, this Grant Agreement may be terminated by the Department at the end of the period for which funds are available. No liability shall accrue to the Department in the event this

provision is exercised, and the Department shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

Section 8: Grant Agreement Changes

8.1 **Grant Agreement Amendments.** The Grant Agreement shall be modified only through a Grant Agreement Amendment. Unauthorized changes to this Grant Agreement shall be void and without effect, and the Grantee shall not be entitled to any claim under this Grant Agreement based on those changes.

8.2 **Subawards.** The Grantee shall request and receive approval from ADEQ prior to issuing subawards funded through this Agreement. The following definitions are applicable to this paragraph:

8.2.1 "Subaward" means any payment to a subrecipient to carry out part of this Agreement.

8.2.2 "Subrecipient" means a non-Federal entity that receives a subaward to carry out a part of this Agreement.

8.2.3. "Non-Federal Entity" means a state, local government, Tribal Nation or Community, institution of higher education (IHE), or nonprofit organization that carries out a part of this Agreement.

8.3 **Subcontracts.** The Grantee shall not enter into any Subcontract under this Grant Agreement without consideration for impact on the project. Grantee shall report any Subcontract awards or changes as part of that calendar quarter's narrative report (see 6.2, Reports). The Subcontract shall incorporate by reference the terms and conditions of this Grant Agreement.

8.3.1 "Subaward" means any payment to a subrecipient to carry out part of this Agreement.

8.3.2 "Subrecipient" means a non-Federal entity that receives a subaward to carry out a part of this Agreement.

8.3.3. "Non-Federal Entity" means a state, local government, Tribal Nation or Community, institution of higher education (IHE), or nonprofit organization that carries out a part of this Agreement.

8.4 **Assignment and Delegation.** The Grantee shall not assign any right nor delegate any duty under this Grant Agreement without the prior written consent of the Department. The State shall not unreasonably withhold consent. Both parties agree that it is reasonable to withhold consent where the Department determines that an assignment or delegation would not be advantageous to the State of Arizona or would be contrary to the purposes of the Recycling Grant Program.

Section 9: Indemnification and Insurance

9.1 **Indemnification Clause.** To the fullest extent permitted by law, Grantee shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily

injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Grantee or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of such Grantee to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Grantee from and against any and all claims. It is agreed that Grantee will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of this Grant Agreement, the Grantee agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents, and employees for losses arising from the work performed by the Grantee for the State of Arizona. *This indemnity shall not apply if the Grantee or subcontractor(s) is/are an agency, board, commission or university of the State of Arizona.*

9.2 Insurance Requirements. Grantee and subcontractors shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Grant Agreement, insurance against claims for injury to persons or damage to property arising from, or in connection with, the performance of the work hereunder by the Grantee, its agents, representatives, employees or subcontractors. The insurance requirements herein are minimum requirements for this Grant Agreement and in no way limit the indemnity covenants contained in this Grant Agreement. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Grantee from liabilities that might arise out of the performance of the work under this Grant Agreement by the Grantee, its agents, representatives, employees or subcontractors, and Grantee is free to purchase additional insurance.

9.2.1 Minimum Scope and Limits of Insurance. Grantee shall provide coverage with limits of liability not less than those stated below.

9.2.2 Commercial General Liability – Occurrence Form. Policy shall include bodily injury, property damage, and broad form contractual liability coverage.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Damage to Rented Premises \$50,000
- Each Occurrence \$1,000,000

9.2.2.1 The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Grantee.

9.2.2.2 The policy shall contain a waiver of subrogation endorsement, as required by this written

extended discovery period will be exercised, for a period of two (2) years beginning at the time work under this Grant Agreement is completed.

9.2.5.2 The policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Grantee.

9.2.5.3 The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this Grant Agreement.

9.2.6 Additional Insurance Requirements. The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

9.2.6.1 The State of Arizona, its department, agencies, boards, commissions, universities and its officers, officials, agents, and employees wherever additional insured status is required such additional insured shall be covered to the full limits of liability purchased by the Grantee, even if those limits of liability are in excess of those required by the Grant Agreement.

6.2.6.2 The Grantee's policies, as applicable, shall stipulate that the insurance afforded the Grantee shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

9.2.6.3 Insurance provided by the Grantee shall not limit the Grantee's liability assumed under the indemnification provisions of this Grant Agreement.

9.2.6.4 Additional insurance may be required for pollution legal liability depending on the scope of work.

9.2.7 Notice of Cancellation. Applicable to all insurance policies required within the Insurance Requirements of this Grant Agreement, Grantee's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Grantee must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, or hand delivered to State of Arizona Department of Environmental Quality, Attn: Waste Programs Division, Recycling Program, 1110 W. Washington Street, Phoenix, Arizona 85007.

9.2.8 Acceptability of Insurers. Grantee's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Grantee from potential insurer insolvency.

9.2.9 Verification of Coverage. Grantee shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Grantee has the insurance as required by this Grant Agreement. An authorized representative of the insurer shall sign

the certificates.

9.2.9.1 All such certificates of insurance and policy endorsements must be received by the State of Arizona before work commences.

9.2.9.2 Each insurance policy required by this Grant Agreement must be in effect at, or prior to, commencement of work under this Grant Agreement. Failure to maintain the insurance policies as required by this Grant Agreement, or to provide evidence of renewal, is a material breach of this Grant Agreement.

9.2.9.3 All certificates required by this Grant Agreement shall be sent directly to the State of Arizona Department of Environmental Quality, Attn: Waste Programs Division, Recycling Program, 1110 W. Washington Street, Phoenix, Arizona 85007. The State of Arizona Grant Agreement number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete, certified copies of all insurance policies required by this Grant Agreement at any time. **DO NOT SEND CERTIFICATES OF INSURANCE TO THE STATE OF ARIZONA'S RISK MANAGEMENT SECTION.**

9.2.10 **Subcontractors.** Grantees' certificate(s) shall include all subcontractors as insureds under its policies or Grantee shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverage for subcontractors shall be subject to the minimum insurance requirements identified above. The State of Arizona reserves the right to require, at any time throughout the life of this Grant Agreement, proof from the Grantee that its subcontractors have the required coverage.

9.2.11 **Approval and Modifications.** The Department, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this Grant Agreement, as deemed necessary. Such action will not require a formal Grant Agreement Amendment, but may be made by administrative action.

9.2.12 **Exceptions.** In the event the Grantee or subcontractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such a public entity shall provide a certificate of self-Insurance. If the Grantee or subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Section 10.: Patent and Copyright.

The Grantee shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Grant Agreement performance or use by the State of materials furnished or work performed under this Grant Agreement. The State shall reasonably notify the Grantee of any claim for which it may be liable under this paragraph.

Section 11: Third Party Antitrust Violations.

The Grantee assigns to the State of Arizona any claim for overcharges resulting from antitrust violations

to the extent that those violations concern materials or services supplied by third parties to the Grantee, toward fulfillment of this Grant Agreement.

Section 12: Key Personnel.

It is essential that the Grantee provide an adequate staff of experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this Grant Agreement. The Grantee must assign specific individuals to the key positions. Once assigned to work under the Grant Agreement, Grantees shall not remove or replace key personnel without consideration for impact to the project and the prior written approval of the ADEQ Recycling Coordinator. The Grantee shall bear all transitional expenses incurred due to replacement of Key Personnel.

Section 13: Compliance with Applicable Laws.

The materials and services supplied under this Grant Agreement shall comply with all applicable Federal, state and local laws. Grantee shall maintain and comply with all applicable licenses and permit requirements.

Section 14: Grantee's Representations and Warranties.

All representations and warranties made by the Grantee under this Grant Agreement and within the application shall survive the expiration or termination of the Grant Agreement. In addition, the parties acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, chapter 5.

Section 15: Department's Contractual Remedies

15.1 Right to Assurance. If the Department in good faith has reason to believe that the Grantee does not intend to, or is unable to perform or continue performing under this Grant Agreement, the Department may demand in writing that the Grantee give a written assurance of intent to perform. Failure by the Grantee to provide written assurance within the number of days specified in the demand may, at the Department's option, be the basis for terminating the Grant Agreement.

15.2 Non-exclusive Remedies. The rights and the remedies of the State under this Grant Agreement are not exclusive.

Section 16: Grant Agreement Termination

16.1 Conflict of Interest. The Grantee shall submit a written disclosure of any business or financial relationship having a monetary worth exceeding \$50,000, that the Grantee, relative of the Grantee, individual employee, subcontractor(s) or relative(s) of subcontractor(s) may have with respect to this Grant Agreement. The period of disclosure shall be one fiscal year period immediately preceding this Grant Agreement, as established by the Grantee's standard accounting practices, and during the term of any resultant Grant Agreement.

16.2 Cancellation for Conflict of Interest.

16.2.1 Pursuant to A.R.S. § 38-511, the State may cancel this Grant Agreement after Grant Agreement execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Grant Agreement on behalf of the State is or becomes at any time while the Grant Agreement or an extension of the Grant Agreement is in effect an employee of or a consultant to any other party to this Grant Agreement with respect to the subject matter of the Grant Agreement. The cancellation shall be effective when the Grantee receives written notice of the cancellation unless the notice specifies a later time.

16.2.2 If the Grantee is a political subdivision of the State of Arizona, it may also cancel this Grant Agreement as provided in A.R.S. § 38-511.

16.3 **Gratuities.** The Department may, by written notice, terminate this Grant Agreement, in whole or in part, if the Department determines the Grantee or a representative of the Grantee offered employment or a Gratuity to any officer or employee of the State of Arizona for the purpose of receiving favorable treatment, including the making of any determination or decision, concerning this Grant Agreement. The Department, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Grantee.

16.4 **Suspension or Debarment.** The State may, by written notice to the Grantee, immediately terminate this Grant Agreement if the State determines that the Grantee has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Execution of a Grant Agreement shall attest that the Grantee is not currently suspended or debarred. If the Grantee becomes suspended or debarred, the Grantee shall immediately notify the Department.

16.5 **Termination for Convenience.** The Department reserves the right to terminate the Grant Agreement in whole or in part at any time, when in the best interests of the State of Arizona without penalty or recourse. Upon receipt of written notice of termination, the Grantee shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the Department. In the event of termination under this paragraph, all documents, data and reports prepared by the Grantee under the Grant Agreement shall become the property of and be delivered to the Department. The Grantee shall be entitled to receive reimbursement for work completed and materials accepted before notification of termination. The Department is under no obligation to continue reimbursement for any work activities undertaken after notification of termination.

16.6 **Termination for Default.** The Department reserves the right to terminate the Grant Agreement in whole or in part due to the failure of the Grantee to comply with any term or condition of the Grant Agreement or to acquire and maintain all required insurance policies, bonds, licenses and permits. The Department shall provide written notice of the termination and the reasons for it to the Grantee.

16.7 **Continuation of Work Activities after Termination.** Termination of this Grant Agreement does not prohibit the Grantee from independently continuing work on the project, but any such independent

continuation is solely the responsibility of the Grantee.

Section 17: Notices

17.1 Grantee shall address all reimbursement requests relative to this Grant Agreement to:

[NAME of REPRESENTATIVE]
[TITLE]
Arizona Department of Environmental Quality
1110 West Washington Street
Phoenix, AZ 85007
Email: [EMAIL]

17.2 The Department shall address all payments relative to this Grant Agreement to:

[NAME]
[TITLE]
[GRANTEE]
[STREET ADDRESS]
[CITY, STATE, ZIP]
Email: [EMAIL]

17.3 Grantee shall address all other notices relative to this Grant Agreement to:

[NAME of PROGRAM REPRESENTATIVE]
[TITLE]
Arizona Department of Environmental Quality
1110 West Washington Street
Phoenix, AZ 85007
Email: [EMAIL]

17.4 The Department shall address all other notices relative to this Grant Agreement to:

[NAME]
[TITLE]
[GRANTEE]
[STREET ADDRESS]
[CITY, STATE, ZIP]
Email: [EMAIL]