

# AMERICAN RELIEF ACT STATE AND LOCAL RELIEF FUND GRANT AGREEMENT

This AGREEMENT is made effective this \_\_\_\_\_ day of \_\_\_\_\_, 2023, (“Effective Date”) between Pinal County, a political subdivision of the State of Arizona (hereinafter referred to as “Pinal County”) and the Arizona Commerce Authority, an agency of the State of Arizona (hereinafter referred to as “ACA” or “Grantee”).

## RECITALS

**WHEREAS**, Pinal County has received money from the American Rescue Plan Act of 2021 (hereinafter referred to as “ARPA”), H.R. 1319; Title IX—Committee on Finance; Subtitle M—Coronavirus State and Local Fiscal Recovery Funds; Section 9901, Coronavirus State and Local Fiscal Recovery Funds; and

**WHEREAS**, the U.S. Department of the Treasury has published final rules (collectively, the “Final Rules”) to implement the ARPA (Federal Register / Vol. 87, No. 14 / Thursday, January 27, 2022, 31 CFR Part 35 / (Rules and Regulations); and

**WHEREAS**, the ARPA funds may be used to make necessary investments to address negative economic impacts; and

**WHEREAS**, the Parties desire to achieve a more resilient workforce, and train workers for new economy jobs that will provide better opportunities for economic advancement by creating training programs and opportunities to address the needs of Pinal County employers; and

**WHEREAS**, § 35.6(b)(1) of the Final Rules identify assistance to unemployed or underemployed workers including job training as acceptable programs and services for which ARPA funds may be used; and

**WHEREAS**, the purpose of this Agreement is to respond to the public health emergency caused by COVID-19, and to provide funds to assist in the economic recovery from the pandemic. Therefore, time is of the essence and the speedy use of these funds is vital to the effectiveness of the ARPA; and

**WHEREAS**, ACA has executed an intergovernmental agreement with Pinal County Dated January 18, 2023, and an First Amendment thereto dated September 27, 2023, to design and create a job training facility at the Central Arizona College Superstition Mountain Campus as set forth in Exhibit A hereto; and

**WHEREAS**, the funds must be used for costs incurred between March 3, 2021 and December 31, 2024. The funds must be obligated by December 31, 2024 and expended no later than December 31, 2026; and

**WHEREAS**, the Federal Government’s published reporting requirements for the use of ARPA funds include, but are not limited to; Code of Federal Regulations, 2 CFR Part 200

(<https://ecfr.federalregister.gov/current/title-2/subtitle-A>), information from the General Services Administration (<https://sam.gov/fal/7cecfdef62dc42729a3fdcd449bd62b8/view>), Compliance and Reporting Guidance (<https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf>) from the Department of the Treasury, the 2020 OMB Compliance Supplement Part 3, Compliance Requirements for 2 CFR Part 200, Appendix XI, issued on August 18, 2020 ([https://www.whitehouse.gov/wp-content/uploads/2020/08/2020-Compliance-Supplement\\_FINAL\\_08.06.20.pdf](https://www.whitehouse.gov/wp-content/uploads/2020/08/2020-Compliance-Supplement_FINAL_08.06.20.pdf)), 31 CFR Part 35, RIN 1505-AC77 Department of the Treasury , Coronavirus State and Local Fiscal Recovery Fund Final Rule effective April 1, 2022 (<https://home.treasury.gov/system/files/136/SLFRF-Final-Rule.pdf>) and memorandums from the Office of Management and Budget (<https://www.whitehouse.gov/wp-content/uploads/2020/04/Implementation-Guidance-for-Supplemental-Funding-Provided-in-Response.pdf>, and [https://www.whitehouse.gov/wp-content/uploads/2021/03/M\\_21\\_20.pdf](https://www.whitehouse.gov/wp-content/uploads/2021/03/M_21_20.pdf)); and

**WHEREAS**, Pinal County is authorized to distribute the ARPA funds to sub-recipients. Sub-recipients are required to use ARPA funds to accomplish the purposes of the ARPA; and

**WHEREAS**, ACA wishes to become a sub-recipient of ARPA funds and has requested funding for a workforce training facility to provide training in advanced manufacturing for a better prepared workforce; and.

**WHEREAS**, the ARPA funds are subject to repayment if they are not spent consistent with the purposes, laws, rules, and guidelines of the ARPA; and

**WHEREAS**, Pinal County and Grantee believe the use of the funds pursuant to this Agreement is allowed by the laws, rules, and guidelines of the ARPA; and

**WHEREAS**, the ACA is authorized by A.R.S. § 41-1503(c) to enter into this Agreement; and

**WHEREAS**, Pinal County has the authority to enter into this Agreement pursuant to the ARPA, and A.R.S. § 11-201, and 42 USCA § 802 et seq..

## **AGREEMENT**

**NOW THEREFORE**, Pinal County and Grantee, in consideration of the mutual covenants set forth herein, agree to be legally bound as follows.

### **1. Incorporation of Recitals**

- a. The Recitals set forth above are incorporated into this Agreement.

### **2. Duration of this Agreement**

This Agreement shall commence on the Effective Date and shall remain in effect until the end of the Federal Government's right to audit and require the return of any misspent funds.

### 3. Termination

- a. If either party fails to perform its respective obligations herein, the non-defaulting party shall give written notice of the default to the defaulting party. If the default is not cured within thirty (30) days of receipt of the notice of default, the non-defaulting party may terminate this Agreement upon written notice of termination delivered to the defaulting party. Any termination of this Agreement shall not relieve the parties of responsibility for obligations incurred prior to the effective date of the termination. Further, any monies not properly spent by Grantee prior to termination shall be returned to Pinal County no later than ten (10) days from the date of termination. Paragraphs 6(e), 6(f), and (7) shall survive the termination of this Agreement.

### 4. Conflict of Interest

- a. This Agreement is subject to cancellation under the conflict of interest provisions of A.R.S. § 38-511.

### 5. Duties of Pinal County

- a. Pinal County agrees to provide the ARPA funds as outlined in this Agreement.
- b. Pinal County has reviewed the funding request submitted by Grantee identifying projects it intends to accomplish with the ARPA funds. the projects were included in the Project Funding List approved on October 19, 2022.
- c. Pinal County will provide ARPA Funds for the construction of the Training Facility to ACA in accordance with the IGA and approved Amendment attached as Exhibit A.
- d. Pinal County shall comply with the Federal Government's reporting requirements for the ARPA (including 2 CFR 200.1).
- e. Pinal County shall monitor the use of these ARPA funds by Grantee, consistent with the Federal Government's requirements (including 2 CFR 200.332).
- f. Pinal County will assist Grantee to identify applicable requirements related to ARPA funding.

### 6. Duties of Grantee

- a. Grantee agrees to expend these ARPA funds solely for the following purposes:
  - i. Design and construction of a job training facility at the Central Arizona College Superstition Mountain Campus located in Apache Junction, Arizona described in Exhibit A.

- b. Grantee's use of the ARPA funds shall abide by all laws, rules, and guidelines of the Federal Government for these ARPA funds.
- c. Grantee shall provide in a timely manner any information Pinal County needs to comply with the Federal Government's reporting requirements (including 2 CFR 200.1 and 2 CFR 200.332). This includes, but is not limited to; providing copies of contracts, contract amendments, line-item detail of project budgets, receipts, invoices, packing slips, purchase orders, and payments.
- d. Grantee shall comply with, and assist Pinal County in complying, any Federal Government Audit requirements (including 2 CFR Part 200, Subpart F). Grantee shall keep and maintain proper and complete books, records, files, and accounts of all its operations, which shall be open for inspection and audit by Pinal County or its auditors, at all reasonable times. All books, accounts, reports, files and other records relating to this Agreement shall be subject to inspection and audit by Pinal County for the later of three years after completion of the Agreement or the last date of the Federal Government's auditing of the use of ARPA funds.
- e. Grantee shall reimburse Pinal County for any and all use of these ARPA funds in the event that the Federal Government determines the use did not comply with the ARPA laws, rules, and guidelines. The intent of the parties is that Grantee will reimburse Pinal County within a timeframe that allows Pinal County to use the reimbursed funds to refund the money to the U.S. Department of the Treasury, as required by the ARPA.
- f. Grantee shall comply with the Federal Government's requirements regarding the purchase, use, and disposition of real property and/or equipment. This includes, but is not limited to, the following:
  - i. Equipment and real property acquired with these funds must be used solely for the purpose(s) stated in this Agreement and consistent with the ARPA.
  - ii. Any purchase, use, and disposition of equipment or real property with these funds must comply with the Uniform Guidance at 2 CFR Part 200, Subpart D (including 2 CFR 200.311 and 2 CFR 200.313).

## 7. Indemnification

- a. To the fullest extent allowed by law, each party (each, the "Indemnifying Party") shall indemnify, defend, and hold harmless the other party (each, the "Indemnified Party"), its officials, board members, officers, agents and employees, from any and all claims, demands, suits, actions, proceedings, loss, cost and damages of every kind and description, including any reasonable attorney's fees, litigation expenses and/or arbitration expenses, which may be brought or made against or incurred by Indemnified Party on account of loss of or damage to any property or for injuries to or death of any person, to the extent caused by, arising out of, or contributed to, by reason

of any omission, professional effort, fault, mistake or negligent act, whether active or passive, of Indemnifying Party, its employees, agents or representatives or subcontractors, their employees, volunteers, agents or representatives in connection with or incident to the performance of this Agreement. Such indemnity shall not be limited by reason of remuneration of any insurance coverage herein provided. Every provision of this indemnification paragraph shall survive the termination of this Agreement. If any Claim by a third party becomes subject to this indemnity provision, the parties to this Agreement shall expeditiously meet to discuss a common and mutual defense, including possible proportional liability and proportional payment of litigation expenses and damages.

#### 8. Governing Law

- a. This Agreement is executed in the State of Arizona and this Agreement and every matter or thing arising therefrom shall be construed in accordance with the laws of the State of Arizona. In the event of litigation, jurisdiction and venue shall be Pinal County.

#### 9. Alternative Dispute Resolution

- a. Pursuant to A.R.S. § 12-1518, disputes under this Agreement shall be resolved through the use of arbitration when the case or lawsuit is subject to mandatory arbitration pursuant to rules adopted under A.R.S. § 12-133.

#### 10. Entire Agreement

- a. This Agreement contains the entire, integrated agreement of the parties and there are no oral agreements, understandings, or representations relied upon by the parties. This Agreement supersedes all prior negotiations, representations, or agreements, whether written or oral.

#### 11. Amendments and Modifications

- a. No modification or amendment of any provision of this Agreement shall be valid unless it is in writing and signed by the party against whom it is sought to be enforced.

#### 12. Notice

- a. All notices and other communication authorized or required in this Agreement shall be in writing and shall be deemed to have been given when delivered personally or deposited in the United States mail in a postage pre-paid envelope addressed to the other party to the address provided herein.

**Pinal County**  
Heather Patel  
Grants Administrator

P.O. Box 1348  
Florence, AZ 85132

**Arizona Commerce Authority**  
Ken Burns  
Chief Operating Officer

100 North 7<sup>th</sup> Avenue, Suite 400  
Phoenix, AZ 85007

13. Assignability

- a. Grantee agrees that it shall not assign, sublet, subcontract or transfer its interest in this Agreement without the written consent of the Pinal County Board of Supervisors.

14. Successors and Assigns

- a. The provisions of this Agreement shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties.

15. Waiver

- a. Waiver of any of the terms of this Agreement shall not be valid unless it is in writing and signed by all parties. The failure of claimant to enforce the provisions of this Agreement or require performance by opponent of any of the provisions, shall not be construed as a waiver of such provisions or affect the right of claimant to thereafter enforce the provisions of this Agreement. Waiver of any breach of this Agreement shall not be held to be a waiver of any other subsequent breach of the Agreement.

16. Severability

- a. In case one or more provision of this Agreement is held invalid or voidable, the validity of the remaining provisions shall not be affected thereby, and the Agreement shall continue in full force and effect. The parties agree that if any provisions are deemed not enforceable, they shall be deemed modified to the extent necessary to make them enforceable.

17. Legal Agreement

- a. This Agreement is an important, binding legal document, and each Party warrants it has had an opportunity to consult with an attorney about the terms set forth herein. By signing this Agreement, each person signing this Agreement represents and warrants that he or she is duly authorized and has the legal capacity to execute this Agreement and understands the meaning of all terms contained herein and agrees to their application and enforceability.

## APPROVALS

By the signatures below of their duly authorized officials, the parties agree to, and accept, the terms of this Agreement.

**Pinal County, Arizona, a political  
subdivision of the State of Arizona**

**Arizona Commerce Authority, an agency  
of the State of Arizona**

By: \_\_\_\_\_  
Jeff Serdy, Chairman  
Pinal County Board of Supervisors

By: \_\_\_\_\_  
Sandra Watson  
President & CEO

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**This Agreement has been reviewed by the undersigned counsel who have determined that it is in appropriate form and within the powers and authority granted to each counsel's respective Party.**

Attorney for Pinal County  
Kent Volkmer  
Pinal County Attorney

Attorney for Arizona Commerce Authority  
Scott Roney  
General Counsel

By: \_\_\_\_\_  
Kevin Costello, Deputy County Attorney

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

### Attestation

By: \_\_\_\_\_  
Natasha Kennedy, Clerk  
Pinal County Board of Supervisors

**EXHIBIT A**

**Pinal County Job Training Facility Project**

**Intergovernmental Agreement**



## **EXHIBIT B**

### **I. SUBRECIPIENT INFORMATION**

Organization Name	Arizona Commerce Authority
Address	100 North 7 <sup>th</sup> Avenue, Suite 400
City, State, Zip Code	Phoenix, Arizona 85007
Telephone	602-845-1200
Contact Person	
Tax Identification #	
UEI	

### **II. PROGRAM INFORMATION**

Grant	American Rescue Plan Act State and Local Fiscal Recovery Funds
Date of Agreement	
Pinal County Award	\$89,891,338
Amount to Subrecipient	\$9,300,000
CFDA #	21.027
Period of Performance	March 3, 2021 – December 31, 2024
Budget Period	March 3, 2021 – December 31, 2026