



OFFICE OF LEGAL COUNSEL

Ufisinan I Maga'hågan Guåhan
OFFICE OF THE GOVERNOR

LOURDES A. LEON GUERRERO
GOVERNOR OF GUAM

JOSHUA F. TENORIO
LIEUTENANT GOVERNOR OF GUAM

TRANSMITTED VIA CENTRAL FILES

December 27, 2024

MELANIE MENDIOLA, *CEO/Administrator*
DEPARTMENT OF PARKS AND RECREATION
Guam Economic Development Authority
ITC Building, Suite 511
590 S. Marine Corps Drive
Tamuning, Guam 96913
mel.mendiola@investguam.com

RE: GOVGUAM INTERAGENCY GRANT AGREEMENT | LEGAL-002

Håfa Adai Administrator Mendiola:

Transmitted with this letter is the Government of Guam Interagency Grant Agreement for the Mangilao Medical Campus Project:

GUAM ECONOMIC DEVELOPMENT AUTHORITY | LEGAL-002

Interagency Grant Agreement to fund the initial phase of the Mangilao Medical Campus Project, including design and construction of primary utility infrastructure; Agreement # 2024- 2024-DOARPA-GEDA-0002.

Any questions or concerns can be sent directly to the Legal Counsels via email at: leslie.travis@guam.gov, jeffrey.moots@guam.gov, daniel.morris@guam.gov, or you may call our office at (671) 473-1117/8.

Senseramente,

JEFFERY A. MOOTS
Legal Counsel

Enclosure(s): Grant Agreement | Legal-002

cc via email: *Maga'hågan Guåhan*
Segundo Maga'låhen Guåhan

Government of Guam Interagency Grant Agreement

Paying State Agency Department of Administration	Agreement Number 2024-DOAARPA-GEDA-0002
Performing State Agency Guam Economic Development Authority	Agreement Performance Beginning Date December 27, 2024
UEI/SAMS Number	Initial Agreement Expiration Date December 01, 2026
Agreement Maximum Amount SLRLF \$104,843,733.97	Fund Expiration End Date December 31, 2026
Total: \$104,843,733.97	Agreement Authority These funds are awarded and obligated pursuant to the Governor's Organic Act authority and the American Rescue Plan Act of 2021, P.L. 117-2.
Agreement Purpose: The Department of Administration is entering into this Federal Award with the Guam Economic Development Authority to fund the completion of the initial phase of the Mangilao Medical Campus Project, including design and construction of primary utility infrastructure (electrical power, water, and sewer), and completion of sampling and analysis of environmental, archaeological, physical, geology and other site characteristics.	
Exhibits The following exhibits and attachments are included with this Interagency Grant Agreement: <ol style="list-style-type: none"> 1. Exhibit A. Statement of Work. 2. Exhibit B. Budget. <ol style="list-style-type: none"> a. Exhibit B1. Guam Power Authority Cost Estimate b. Exhibit B2. Guam Waterworks Authority Cost Estimate c. Exhibit B3. Civil Engineering Cost Estimate 3. Exhibit C. Federal Provisions. 4. Exhibit D. SLFRF Reporting Modification Form 	
Principal Representatives	
For the Government of Guam: Edward Birn, Director Department of Administration ITC Building, Suite 224 590 S. Marine Corps Drive Tamuning, Guam 96913 edward.birn@doa.guam.gov	For Grantee: Melanie Mendiola, CEO/Administrator Guam Economic Development Authority ITC Building, Suite 511 590 S. Marine Corps Drive Tamuning, Guam 96913 mel.mendiola@investguam.com

FEDERAL AWARD(S) APPLICABLE TO THIS GRANT AWARD

1. PARTIES

This Interagency Grant Agreement (“IGA” or “Agreement”) is entered into by and between the Department of Administration (“DOA” or the “Paying Agency”), and the Guam Economic Development Authority (“GEDA” or the “Performing Agency”). DOA and GEDA may each individually be referred to as a “Party” and collectively as the “Parties.” Each Party is an agency of the government of Guam.

2. GRANT

As of the Grant Issuance Date, DOA hereby obligates and awards to GEDA grant funds in the amounts shown on the first page of this IGA. By accepting the grant funds provided under this IGA, GEDA agrees to comply with the terms and conditions of this IGA and requirements and provisions of all Exhibits to this IGA.

3. TERM

A. Initial Grant Term and Extension

The Parties’ respective performances under this IGA shall commence on the Agreement Performance Beginning Date shown on the Cover Page for this Agreement and shall terminate on the Initial Agreement Expiration Date shown on the Cover Page for this Agreement (the “Initial Term”) unless sooner terminated or further extended in accordance with the terms of this Agreement.

B. Early Termination in the Public Interest

DOA is entering into this IGA to serve the public interest of the Government of Guam. If this IGA ceases to further the public interest of Guam or if Government of Guam, Federal or other funds used for this IGA are not appropriated, or otherwise become unavailable to fund this IGA, DOA, in its discretion, may terminate this IGA in whole or in part by providing at least ten (10) days’ written notice to GEDA that includes, to the extent practicable, the public interest justification for the termination. If DOA terminates this IGA in the public interest, DOA shall pay GEDA an amount equal to the percentage of the total reimbursement payable under this IGA that corresponds to the percentage of Work satisfactorily completed, as determined by DOA, less payments previously made. Additionally, DOA, in its discretion, may reimburse GEDA for a portion of actual, out-of-pocket expenses not otherwise reimbursed under this IGA that are incurred by GEDA and are directly attributable to the uncompleted portion of GEDA’s obligations, provided that the sum of any and all reimbursements shall not exceed the maximum amount payable to GEDA hereunder. This subsection shall not apply to a termination of this IGA by DOA for breach by GEDA.

C. GEDA's Termination Under Federal Requirements

GEDA may request termination of this IGA by sending notice to DOA, or to the Federal Awarding Agency with a copy to DOA, which includes the reasons for the termination and the effective date of the termination. If this IGA is terminated in this manner, then GEDA shall return any advanced payments made for work that will not be performed prior to the effective date of the termination.

4. STATEMENT OF WORK

GEDA shall complete the Work as described in this IGA and in accordance with the provisions of Exhibit A. Neither DOA nor the Government of Guam (and its other agencies) shall have any liability to compensate or reimburse GEDA for the delivery of any goods or the performance of any services not specifically set forth in or consistent with this IGA.

5. PAYMENTS TO PERFORMING AGENCY

A. Maximum Amount

GEDA shall complete the Work as described in this Agreement and in accordance with the provisions of Exhibit A. DOA shall have no liability to compensate GEDA for the delivery of any goods or the performance of any services that are not specifically set forth in this IGA.

B. Payment Procedures

- i. GEDA shall initiate payment requests by invoice to DOA, in a form and manner approved by DOA. To facilitate Fiscal Year End closing, final invoices for each Fiscal Year should be submitted to DOA by November 15th of the following Fiscal Year.
- ii. DOA shall pay each invoice within 10 days following the DOA's receipt of that invoice, so long as the amount invoiced correctly represents work completed by the GEDA and previously accepted by the DOA during the term that the invoice covers.

DOA shall pay GEDA's allowable costs, not exceeding the maximum total amount described in this IGA for all allowable costs described in this IGA and shown in the Budget, except that GEDA may adjust the amounts between each line item of the Budget without formal modification to this IGA as long as GEDA provides notice to DOA of the change, the change does not modify the total maximum amount of this IGA or the maximum amount for any Government of Guam fiscal year, and the change does not modify any requirements of the Work. GEDA may request, and DOA may make direct payment to vendors or subcontractors for allowable costs as authorized by the Treasury Rules, and only in satisfaction of costs incurred as a result of the IGA. DOA shall only pay allowable costs if those costs are: (i) reasonable and necessary to accomplish the Work and for the Goods

and Services provided; and (ii) equal to the actual net cost to GEDA (i.e. the price paid minus any items of value received by GEDA that reduce the cost actually incurred).

The U.S. Department of the Treasury has issued a 2024 Compliance Supplement for Assistance Listing 21.027 Coronavirus State and Local Fiscal Recovery Funds (“Compliance Supplement”). The Compliance Supplement provides guidance to auditors and grant recipients regarding the ARP SLFRF and applicable federal regulations, and also provides a guide on how to audit the federal funds.

The procurement requirement under the Compliance Supplement states that, “recipients may use award funds to enter into contracts to procure goods and services necessary to complement one or more of the eligible purposes . . . recipients are expected to have procurement policies and procedures in place that comply with the procurement standards outlined in the Uniform Guidance.” Uniform Guidance procurement methods are stated in 2 CFR Part 200 Subpart D - Procurement Standards.

In addition, under Procurement Standards 2 CFR §200.324(c), procurement funded by federal funds “must not use the cost plus a percentage of cost and percentage of construction cost methods of contracting.”

C. Close-Out

GEDA shall close out this IGA within 45 days after the Grant Expiration Date. To complete close out, GEDA shall submit to DOA all deliverables (including documentation) as defined in this IGA and GEDA’s final reimbursement request or invoice. DOA will withhold 5% of allowable costs set forth in reimbursement requests or invoices submitted by GEDA during the final three months of the performance period, until all final documentation has been submitted and accepted by DOA as substantially complete.

6. REPORTING - NOTIFICATION

A. Performance and Final Status

GEDA shall submit all financial, performance and other reports to DOA no later than the end of the close out described in §5C, containing an evaluation and review of GEDA’s performance and the final status of GEDA’s obligations hereunder.

B. Violations Reporting

GEDA shall disclose, in a timely manner, in writing to DOA and the Federal Awarding Agency, all violations of federal, state, or Guam criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal Award. DOA or the Federal Awarding Agency may seek to impose any penalties for noncompliance allowed under 2 CFR Part 180 and 31 U.S.C. 3321, which may include, without limitation, suspension or debarment.

7. PERFORMING AGENCY RECORDS

A. Maintenance and Inspection

GEDA shall make, keep, and maintain, all official records, documents, communications, notes and other written materials, electronic media files, and communications, pertaining in any manner to this IGA for a period of five years following the completion of the close out of this IGA. GEDA shall permit the DOA and its delegees to audit, inspect, examine, excerpt, copy and transcribe all such records at all reasonable times and places during the term of this IGA, unless DOA determines that an audit or inspection is required without notice at a different time to protect the interests of DOA or the Government of Guam.

B. Monitoring

DOA will monitor GEDA's performance of its obligations under this IGA using procedures as determined by DOA. GEDA shall allow DOA to perform all monitoring required by the Uniform Guidance and otherwise, based on DOA's risk analysis of GEDA. DOA shall have the right, in its sole discretion, to change its monitoring procedures and requirements at any time during the term of this IGA. DOA shall monitor GEDA's performance in a manner that does not unduly interfere with GEDA's performance of the Work. If GEDA enters into a subcontract or subgrant with an entity that would be considered a Subrecipient, then the subcontract or subgrant entered into by GEDA shall contain provisions permitting both GEDA and DOA to perform all monitoring of that Subcontractor in accordance with the Uniform Guidance or as otherwise determined necessary by DOA in its sole discretion.

C. Final Audit Report

GEDA shall promptly submit to DOA a copy of any final audit report of an audit performed on GEDA's records that relates to or affects this IGA or the Work, whether the audit is conducted by GEDA or a third party.

8. CONFIDENTIAL INFORMATION-GOVERNMENT OF GUAM RECORDS

A. Confidentiality

Each Party shall treat the confidential information of the other Party with the same degree of care and protection it affords to its own confidential information, unless a different standard is set forth in this Agreement. Each Party shall notify the other Party immediately if it receives a request or demand from a third party for records or information of the other Party.

9. CONFLICTS OF INTEREST

GEDA shall not engage in any business or activities, or maintain any relationships that conflict in any way with the full performance of GEDA's obligations under this IGA. GEDA acknowledges that, with respect to this IGA, even the appearance of a conflict of interest is harmful to the Government of Guam's interests and absent DOA's prior written approval, GEDA shall refrain from any practices, activities or relationships that reasonably appear to be in conflict with the full performance of GEDA's obligations under this IGA. If a conflict or the appearance of a conflict arises, or if GEDA is uncertain whether a conflict or the appearance of a conflict has arisen, GEDA shall submit to DOA a disclosure statement setting forth the relevant details for DOA's consideration. DOA shall inform GEDA of its position as to GEDA's disclosure statement within ten (10) business days of receiving said disclosure.

10. DISPUTE RESOLUTION

The failure of a Party to perform its respective obligations in accordance with the provisions of this IGA is a breach of this IGA. In the event of disputes concerning performance hereunder or otherwise related to this IGA, the Parties shall attempt to resolve them at the agency level. Except as herein specifically provided otherwise or as required or permitted by federal regulations related to any Federal Award that provided any of the Grant Funds, disputes concerning the performance of this IGA that cannot be resolved by agency representatives shall be referred in writing to the Office of the Governor for resolution.

11. NOTICES AND REPRESENTATIVES

Each individual identified as a Principal Representative on the Cover and Signature Pages for this Agreement shall be the Principal Representative of the designating Party. All notices required or permitted to be given under this Agreement shall be in writing, and shall be delivered (A) by hand with receipt required, (B) by certified or registered mail to such Party's Principal Representative at the address set forth on the Cover Page or (C) as an email with read receipt requested to the Principal Representative at the email address, if any, set forth on the Cover Page for this Agreement. Either Party may change its Principal Representative by notice submitted in accordance with this section without a formal amendment to this Agreement. Unless otherwise provided in this Agreement, notices shall be effective upon delivery of the written notice.

12. GENERAL PROVISIONS

A. Assignment

GEDA's rights and obligations under this IGA are personal and may not be transferred or assigned without the prior, written consent of DOA. Any attempt at assignment or transfer without such consent shall be void. Any assignment or transfer of GEDA's rights and obligations approved by DOA shall be subject to the provisions of this IGA.

B. Captions and References

The captions and headings in this IGA are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions. All references in this IGA to sections (whether spelled out or using the § symbol), subsections, exhibits or other attachments, are references to sections, subsections, exhibits or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

C. Entire Understanding

This IGA represents the complete integration of all understandings between the Parties related to the Work, and all prior representations and understandings related to the Work, oral or written, are merged into this IGA.

D. Modification

DOA may modify the terms and conditions of this IGA by issuance of an Amended IGA, which shall be effective if GEDA countersigns the IGA or accepts Grant Funds following its receipt of the Amended IGA. The Parties may also agree to modification of the terms and conditions of the IGA in a formal amendment to this IGA, properly executed and approved in accordance with applicable Guam law.

E. Statutes, Regulations, Fiscal Rules, and Other Authority

Any reference in this IGA to a statute, regulation, rule, fiscal policy, or other authority shall be interpreted to refer to such authority then current, as may have been changed or amended since the Grant Issuance Date. GEDA shall strictly comply with all applicable Federal, State, and Guam laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

F. Severability

The invalidity or unenforceability of any provision of this IGA shall not affect the validity or enforceability of any other provision of this IGA, which shall remain in full force and effect, provided that the Parties can continue to perform their obligations under the IGA in accordance with the intent of the IGA.

G. Survival of Certain IGA Terms

Any provision of this IGA that imposes an obligation on a Party after termination or expiration of the IGA shall survive the termination or expiration of the IGA and shall be enforceable by the other Party.

H. Third Party Beneficiaries

Except for the Parties' respective successors and assigns described above, this IGA does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Any services or benefits which third parties receive as a result of this IGA are incidental to the IGA, and do not create any rights for such third parties.

I. Waiver

A Party's failure or delay in exercising any right, power, or privilege under this IGA, whether explicit or by lack of enforcement, shall not operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise of such right, power, or privilege.

J. Compliance with Guam and Federal Law, Regulations, and Executive Orders

GEDA shall comply with all Guam and Federal law, regulations, executive orders, Guam and Federal Awarding Agency policies, procedures, directives, and reporting requirements at all times during the term of this IGA.

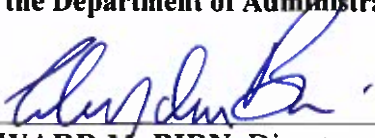
K. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Government of Guam. The Parties agree that any legal action or proceeding arising out of or relating to this Agreement shall be brought exclusively in the courts of the Government of Guam, and the Parties hereby irrevocably consent to the jurisdiction of such courts.

[Signature page follows.]

IN WITNESS of the above provisions, the Parties have executed this Interagency Grant Agreement on the last of the dates below stated.

For the Department of Administration:



EDWARD M. BIRN, Director

December 30, 2024

Date

For the Guam Economic Development Authority:



MELANIE A. MENDIOLA, CEO/Administrator

12/27/24

Date

Certified Funds Available:

\$104,843,733.97

Account No. 681-21-9966703

**CLEARED PER
BBMR'S REVIEW**

DEC 27 2024

LESTER L. CARLSON, JR., Director,
Bureau of Budget and Management Research
Certifying Officer

EXHIBIT A: STATEMENT OF WORK

I. Purpose

The Department of Administration (“DOA”) is entering into this Federal Award with the Guam Economic Development Authority (“GEDA”) to fund the completion of the initial phase of the Mangilao Medical Campus (“MMC”) project, including completion of the design and construction of primary utility infrastructure (electrical power, water, and sewer), and completion of the sampling and analysis of environmental, archaeological, physical, geological and other site characteristics.

For details on the ARPA funding, see Cover Page, Federal Award(s) Applicable to This Grant Award.

II. Notification

To the DOA:

Edward Birn, Director
edward.birn@doa.guam.gov
Department of Administration
ITC Building, Suite 224
590 S. Marine Corps Drive
Tamuning, Guam 96913

To GEDA:

Melanie Mendiola, CEO/Administrator
mel.mendiola@investguam.com
Guam Economic Development Authority
ITC Building, Suite 511
590 S. Marine Corps Drive
Tamuning, Guam 96913

III. Performance Period

The performance period and expiration date are stated on the IGA cover page.

DOA shall not be responsible or liable for goods or services delivered or performed prior to issuance of this IGA.

IV. Definitions

- “ARPA” means the American Rescue Plan Act of 2021.
- “SLFRF” means State and Local Fiscal Recovery Fund.

V. Personnel

A. Responsible Administrator

GEDA’s performance hereunder shall be under the direct supervision of Melanie Mendiola, Chief Executive Officer/Administrator of GEDA, who is hereby designated as the responsible administrator of this project.

The responsible administrator may delegate oversight of the Work – not including contracting authority—to another Government of Guam employee, if prior notice of the delegation is provided to DOA and the delegee meets at least the following minimum qualifications:

1. College degree or minimum of four years’ experience in government administration, procurement, project administration, and/or construction management.
2. Strong oral and written communication and interpersonal skills.
3. Strong organizational and problem-solving skills.
4. Familiarity with Guam governmental operations.

B. Other Personnel

1. GEDA represents that, in addition to the expertise of its current employees, GEDA will leverage the available expertise of other Government of Guam agencies where it believes such expertise can be productively applied.
2. GEDA may use its budgeted “Administrative Fee” as set forth herein to defray its staffing expenses attributable to the Services.
3. Further notwithstanding the above, DOA and GEDA expressly agree that efficient, effective completion of the scope of work will require GEDA to procure professional services including but not limited to design and engineering services as well as inspection and construction management services, and that such procured professional services are eligible expenses for Grant Funds.

C. Secondment from Other Government of Guam Agencies

If GEDA determines that it would be advantageous to formally second staff with particular expertise from another Government of Guam agency to GEDA, GEDA may make such request to the contact designated by DOA and in the manner prescribed by DOA. The

request should, at a minimum, include the expertise requested, together with any suggestions for Government of Guam staff possessing the needed expertise, the anticipated timeframe of the secondment, and the proposed funding source for the secondment. All such requests will be promptly considered but will necessarily involve balancing the utility of the secondment against the disadvantage, if any, to the proposed secondee's default agency and responsibilities.

D. Procured Professional Services

DOA and GEDA expressly contemplate that GEDA will contract for the provision of certain professional services in support of the Work and the Services, including but not limited to architectural and engineering design, environmental assessment, construction, and construction management and inspection services.

VI. Work Tasks and Deliverables

- A. **Work tasks:** GEDA will develop a project strategy for efficient completion of the Work, consistent with the below budget narrative. GEDA, working in close coordination with GHURA and other Guam agencies as necessary, will procure, as necessary, professional and construction services and organize the assistance of other Government of Guam agencies and, as appropriate, enter into memoranda of agreement with those agencies and other entities. GEDA will oversee all activities, ensure that all activities are consistent with this IGA and process invoices for payment as required in memoranda of agreement with other agencies and entities. GEDA will, in coordination with the Office of the Governor, lead public communication efforts. GEDA will be lead communicator with Guam regulatory and inspection agencies for the project. GEDA will oversee the budget against project completion and will coordinate the preparation of periodic reports as described below.

GEDA is authorized by 12 GCA § 50103 to finance, acquire, construct, reconstruct, rehabilitate, or improve hospital facilities, and provide such hospital facilities to serve the general public and to make reasonably accessible to all the people of Guam modern and efficient hospital facilities. To assist in achieving this objective, GEDA will complete the initial phase of the Mangilao Medical Campus Project, including design and construction of primary utility infrastructure (electrical power, water and wastewater), and prepare an Environmental Condition of Property report which analyzes environmental, archaeological, physical, geology and other characteristics of the MMC property or portions thereof in compliance with local and federal laws and regulations. The MMC property will be identified by DOA. GEDA may request and DOA may approve acquisition by GEDA of other properties as may be necessary to perform its obligations under this IGA.

Preliminary analysis indicates that the proposed location for the medical campus lacks basic infrastructure to support not only the MMC but also developments within the surrounding area. As a result, GEDA will execute interagency agreements with government of Guam utility and infrastructure agencies to provide infrastructure design and construction services for off-site infrastructure that will service the MMC in compliance with local and federal law and regulations.

Electrical Power

Guam Power Authority (GPA) provides power and power infrastructure to Guam through the use of oil-fired power generators (94.3%) and renewable power generation (5.7%). Currently electricity is distributed to the grid around the medical campus site. New development would require additional electrical infrastructure. GEDA intends to enter into an interagency agreement with GPA to design and construct the additional electrical infrastructure. Once completed, GPA will apportion sufficient electrical supply from the generating capacity installed to meet the needs of the MMC.

Preliminary analysis indicates that the following electrical infrastructure may be required:

- Power substation
- Power tie-ins from GU-15
- Transmission lines that intercept Barrigada-Pulantat for aboveground transmission lines
- Dedicated feeder serving the new hospital
- Additional circuit utilized for backfeed capabilities

The design process that will be instituted by GPA will confirm electrical infrastructure requirements.

Potable Water and Wastewater

The Guam Waterworks Authority (GWA) provides water and wastewater infrastructure on Guam. The hospital campus water demand has been calculated as double the Guam Memorial Hospital's current water consumption, in addition to public health and behavioral health water consumption. The sewer load is estimated to be 90 percent of the water demand.

GEDA will execute an interagency agreement with GWA to design and construct water and wastewater improvements and apportion sufficient water and wastewater capacity to meet the needs of the MMC.

Based on the initial review of the water demand analysis by GWA, the medical campus would require the following off-site water infrastructure:

- Two (2) Wells design and exploration
- 6-inch water line extensions to 2 new wells
- Storage tank(s) with total volume of 2.5 million gallons and piping

- Pumping system

Offsite Wastewater Facilities preliminarily include:

- Lalo Street gravity sewer main upgrade
- Route 10 gravity sewer main upgrade (pipes & manholes)
- Barrigada sewer pump station upgrade
- Barrigada force main upgrade
- Route 8 gravity sewer upgrade
- Route 1 gravity sewer upgrade (pipes & manholes)
- Hagåtña Main sewer pump station
- Hagåtña Main force main

The design process that will be instituted by GWA will confirm water and wastewater infrastructure requirements.

B. Specific deliverables:

1. Registration of the unified MMC property in a single parcel, appropriately zoned, with all necessary rights and registrations recorded with the Division of Land Management.
2. Architectural and engineering design of plans and construction specifications for electrical power infrastructure to bring needed infrastructure to the campus site, including as necessary power substations, power tie-ins from Route 15, transmission lines that intercept Barrigada-Pulantat for above-ground transmission lines, a dedicated feeder serving the new campus, an additional circuit utilized for backfeed capabilities, and other electrical facilities as determined to be advisable in consultation with the Guam Power Authority.
3. Architectural and engineering design of plans and construction specifications for potable water infrastructure to bring needed infrastructure to the campus site, including as necessary Offsite Water System improvements to include design and exploration of two (2) water wells, six-inch water line extensions to two (2) new wells, storage tank(s) with total volume of 2.5 million gallons and piping, pumping system and potable water facilities as determined to be advisable in consultation with the Guam Waterworks Authority and the Guam Environmental Protection Agency.
4. Architectural and engineering design of plans and construction specifications for wastewater disposal infrastructure to bring needed infrastructure to the campus site, including as necessary offsite sewer system improvements, new sewer pump stations, force mains, gravity sewer upgrades, gravity sewer main upgrade (pipes and manholes), sewer pump station upgrades, and related work as determined to be

advisable in consultation with the Guam Waterworks Authority and the Guam Environmental Protection Agency.

5. Required environmental studies of site characteristics to enable facility design and to satisfy any permitting requirements including hydrology, karst topography, geology, archaeology, cultural and historic resources, groundwater quality, endangered species, environment, noise, impacts on residents living nearby, and other characteristics as determined to be advisable for analysis pursuant to the National Environmental Policy Act and Guam law.
- C. **Optional Additions:** If funding becomes available, GEDA may prepare estimates and proposals to include additional related work to the Specific Deliverables, which DOA may accept or decline, including but not limited to:
1. Analysis of required broadband and communication infrastructure improvements.
 2. Architectural and engineering design of plans and construction specifications for highway infrastructure including as necessary widening of GU-15 to six (6) lanes of travel and related improvements, traffic signals at arterial road intersections, main entrance road, road dedicated for emergency and employee ingress and egress, secondary public ingress and egress, pedestrian crossings and sidewalks, and other highway improvements as determined to be advisable in consultation with the Guam Department of Public Works and consistent with applicable federal highway requirements.
 3. Engineering design of plans and construction specifications for broadband and communication infrastructure improvements to bring needed infrastructure to the campus site.
 4. Procurement of a construction manager for construction of the MMC.
 5. Architectural and engineering design of plans and construction specifications for a general service, community hospital facility, suitable for accreditation by as a Level I trauma center, with up to 300 beds, suitable to provide specialty services and have an outpatient clinic component and preparation of a draft Invitation for Bid.

VII. Reporting

A. Annual and Final Report(s)

GEDA will fulfill the performance and financial reporting requirements as outlined in this section.

B. Performance and Financial Reporting Requirements Due Date(s)

1. Core Performance:

Within 45 days of the execution of this IGA, GEDA will prepare for review and acceptance by DOA a master calendar with an anticipated schedule for the performance and completion of all core activities required for successful and timely completion of the Work, including but not limited to the specific deliverables detailed above. The Core Performance schedule will subdivide the project as a whole, assigning percentages to appropriate milestones quantified to appropriately state, on a weekly basis, the percentage complete the project as a whole is against the scheduled percentage of completion.

2. Monthly:

Due by the fifth of the month, GEDA will submit its Monthly Report to DOA. The Monthly Report will include ((i) the Core Performance actual and scheduled percentages; (ii) milestones achieved in the last month; (iii) planned activities for the next two months; (iv) an abbreviated budget overview of expenses paid to date, unpaid expenses incurred, and Grant Funds that remain. The Monthly Report will also list vendor invoices received in the previous month and expected vendor billings for the next two months. The Monthly Report will also list Government of Guam staff other than GEDA staff employed on the project in the previous month and any expected other-than-GEDA Government of Guam staff participation requested for the next two months. Each Monthly Report should also include a brief narrative of the previous month's project successes and, as appropriate, a brief analysis of any challenges encountered.

3. Quarterly:

GEDA will submit a quarterly Grant Itemization Report with evidence of expenditures in a form that complies with U.S. Department of Treasury reporting requirements and meet with DOA to resolve any questions or comments. If the U.S. Department of Treasury changes reporting requirements, GEDA agrees to comply with the revised requirements.

4. Annually:

GEDA shall submit an annual report as specified below. These reports shall include but are not limited to a summary of the following:

- Progress as to Specific Deliverables
- Budget v. Actuals
- Anticipated potential upcoming challenges
- Project utilization of non-GEDA Government of Guam resources
- Upcoming project efficiency or other opportunities
- Economic impact reporting

The annual reports are due according to the schedule below:

- Report 1: June 2, 2025
- Report 2: June 1, 2026

GEDA shall provide DOA with an explanation and action plan for any performance measurements that are not on target.

VIII. Budget and Payment

Payments shall be made in accordance with the provisions set forth in the Grant and its attached exhibits, including this Exhibit A. The project budget is set forth in Exhibit B.

The maximum amount payable under the terms and conditions of this IGA shall not exceed \$104,843,733.97. Any amount in excess of these totals, must be agreed to by both parties, must be provided by a properly executed option or amendment to this IGA.

Matching Funds

No match required.

Grant Funds

2024-DOAARPA-GEDA-0002 \$104,843,733.97

IX. Administrative Requirements

A. Accounting

1. At all times from the Effective Date of this Grant until completion of the Work, GEDA shall maintain properly segregated books of Grant Funds, matching funds (if any), and other funds associated with the Work.
2. All receipts and expenditures associated with said Work shall be documented in a detailed and specific manner, and shall accord with the Work Budget set forth herein.
3. GEDA shall assume responsibility for seeing that all funding is expended, accounted for and reported, consistent with underlying agreements, program objectives and with allowable cost, applicable rules and regulations addressed by 2 CFR 200 and originating grant award provisions.
4. Adjustments of budget expenditure amounts in excess of ten percent (10%) must be authorized by DOA in an amendment to this IGA properly executed and approved pursuant to DOA procedures.

5. In no event shall GEDA's total consideration exceed the amount indicated in "Budget" above.
6. Reimbursement requests must include the standard reimbursement summary sheet and supporting documentation of the amounts listed on the summary sheet, including but not limited to an original ticked general ledger from the host accounting system.

B. Monitoring

DOA shall monitor this Work on an as-needed basis. DOA may choose to audit the business activities performed under this Grant. GEDA shall maintain a complete file of all records, documents, communications, notes and other written materials or electronic media, files or communications, which pertain in any manner to the operation of activities undertaken pursuant to an executed Grant. Such books and records shall contain documentation of the participant's pertinent activity under this Grant in a form consistent with good accounting practice.

C. Discretionary Audit

DOA, or any of its duly authorized representatives, including an independent Certified Public Accountant of DOA's choosing, or the federal government or any of its properly delegated or authorized representatives shall have the right to inspect, examine, and audit GEDA's (and any of GEDA's contractor's) records, books, accounts and other relevant documents. Such a discretionary audit may be requested at any time and for any reason from the effective date of this IGA until three (3) years after the date final payment for the project is received by GEDA or applicable federal audit period, whichever is later. The cost of a discretionary audit will be borne by the DOA.

D. Mandatory Audit

Whether or not DOA calls for a discretionary audit as provided above, GEDA shall provide DOA copies of annual audit reports for the period of the project. In addition, GEDA shall supply DOA with copies of all correspondence from any auditor related to any findings relevant to the project. If an audit reveals evidence of non-compliance with applicable requirements, or other issues pertaining to the administration of federal funds, DOA reserves the right to institute compliance, or other appropriate measures, to address audit findings.

E. Specific Terms and Conditions

1. Expenses incurred by GEDA in association with this project **prior to the Effective Date and after December 31, 2026** are not eligible Grant expenditures under this grant and will not be reimbursed by DOA.

2. GEDA will maintain an office conveniently located and easily accessible to the community.
3. GEDA will maintain a publicly listed telephone in the name of the "Guam Economic Development Authority" The phone will be answered "Guam Economic Development Authority" or "GEDA."
4. GEDA's office will be staffed and operational during normal business hours.
5. All advertising or other promotional materials developed or distributed in connection with conferences or other meetings or gatherings must contain the following statement: "Reasonable accommodations for persons with disabilities will be made, if requested in advance."
6. GEDA employees, volunteers, and paid consultants must sign and abide by the applicable conflict of interest policy.
7. The responsible administrator or her delegate must actively participate in any calls scheduled by DOA or the Office of the Governor concerning the Grant Work and must respond to all email inquiries from either as soon as reasonably possible.
8. All off-island travel using grant funds must be approved by DOA before travel occurs.

X. Additional Terms and Conditions

All terms and provisions from the following Exhibits apply in full effect for this Grant Award:

This Exhibit A: Statement of Work

Exhibit B: Budget

- a. Exhibit B1. Guam Power Authority Cost Estimate
- b. Exhibit B2. Guam Waterworks Authority Cost Estimate
- c. Exhibit B3. Civil Engineering Cost Estimate

Exhibit C: Federal Provisions

Exhibit D: Sample SLFRF Reporting Modification Form

EXHIBIT B: BUDGET

1. BUDGET BY US TREASURY EXPENDITURE CATEGORY

1.1 Expenditure Categories:

BUDGET SUMMARY	
Power	\$ 35,448,983.97
Water	\$ 26,130,000.00
Wastewater	\$ 36,772,250.00
GEDA Administrative Fee	\$1,000,000.00
Civil Engineering	\$5,492,500.00
TOTAL	\$104,843,734.97

1.2 Power. The Guam Power Authority (GPA) has provided a cost estimate (attached as Exhibit B1) estimating costs to provide a new looped underground transmission line from Route 10 to the MCC, a new indoor substation, and new distribution upgrades to provide upgraded service to the MCC and surrounding areas.

POWER COST ESTIMATE	
New indoor substation	\$ 12,484,469.26
New transmission underground lines	\$15,876,635.62
New underground dedicated feeder and backup tie-in	\$ 7,087,879.09
TOTAL	\$ 35,448,983.97

1.3 Water. The Guam Waterworks Authority (GWA) has provided a cost estimate estimating the cost to meet the estimated water consumption for the MCC (attached as Exhibit B2), which entails development of an offsite water system, including well design, well construction, water line extensions, storage tanks, and a pumping system.

WATER COST ESTIMATE	
Well design and exploration	\$ 1,950,000.00
Well construction – 2 wells	\$ 11,700,000.00
6-inch water line extension to 2 new wells	\$ 2,340,000.00
Storage tank(s)	\$ 7,215,000.00
Pumping system	\$ 2,925,000.00
TOTAL	\$ 26,130,000.00

1.4 Wastewater. GWA has additionally provided alternative wastewater cost estimates in Exhibit B2 based on whether an easement is attained from the U.S. military for a sewer connection point on Lalo Street in Mangilao or GWA is required to connect to a gravity sewer line near Dimas Street in Mangilao. The cost estimate utilized herein is based on the more conservative alternative that would require GWA to connect near Dimas Street. In the event an easement is attained from the U.S. military

for a sewer connect point on Lalo Street, the amounts needed to complete the wastewater needs of the MMC may be reduced and funds may be reprogrammed for other project needs.

GWA has additionally identified capital improvement projects it is planning to undertake for the Barrigada gravity system and force main, which will also be necessary for the MMC project, and may provide an opportunity for cost-sharing between the developer and GWA. Amounts included herein reflect the sum of estimated developer costs and 50% of estimated amounts for potential cost shares with GWA for the Barrigada gravity system project.

WASTEWATER COST ESTIMATE	
Route 15 new sewer pump station	\$2,500,000.00
Route 15 new force main to Dimas Street	\$6,800,000.00
Route 15 SMH upgrades	\$390,000.00
Route 10 gravity sewer main (pipes)	\$5,265,000.00
	(50% of potential cost share)
Added Route 10 gravity sewer main upgrade to Mangilao SPS	\$4,680,000.00
Added Route 10 SMH upgrades to Mangilao SPS	\$195,000.00
Route 10 gravity sewer main upgrade (manholes)	\$292,500.00
	(50% of potential cost share)
Mangilao sewer pump station upgrade	\$625,000.00
	(50% of potential cost share)
Mangilao SPS force main upgrade	\$2,100,000.00
	(50% of potential cost share)
Added Route 10 gravity line upgrade (AMC to Lalo)	\$3,607,500.00
	(50% of potential cost share)
Added Route 10 SMH upgrade (AMC to Lalo)	\$146,250.00
	(50% of potential cost share)
Barrigada sewer pump station upgrade	\$625,000.00
	(50% of potential cost share)
Barrigada force main upgrade	\$4,558,500.00
	(50% of potential cost share)
Route 1 gravity sewer upgrade (pipes)	\$4,500,000.00
Route 1 gravity sewer upgrade (manholes)	\$487,500.00
TOTAL	\$36,772,250

1.5 GEDA Administrative Fee. As the grantee herein, GEDA will be entitled to an administrative fee of One Million dollars (\$1,000,000.00) for services and costs associated with the tasks assigned to it under this IGA, to be paid in disbursements according to the following schedule:

ADMINISTRATIVE FEE SCHEDULE	
12/30/2024	\$111,111
03/30/2025	\$111,111
06/30/2025	\$111,111
09/30/2025	\$111,111
12/30/2025	\$111,111
03/30/2026	\$111,111
06/30/2026	\$111,111
09/30/2026	\$111,111
12/30/2026	\$111,112

1.6 Civil Engineering/Environmental Conditions. GEDA shall prepare or cause to be prepared a detailed inventory of data required for the preparation of the Environmental Condition of Property report and utilize the inventory as a guide for data collection efforts. Data from existing databases and studies shall be used to the extent available, supplemented with field surveys, sampling and exploration and interviews with knowledgeable individuals and local and federal agency personnel. Data concerning impacts on residents living nearby, utilities and infrastructure, cultural and historic resources, groundwater quality, endangered species, traffic and other factors must be collected and considered in the preparation of the EA, consistent with local and federal laws and regulations. All necessary consultation efforts with local and federal agencies shall also be conducted. The cost estimate for Environmental Engineering (attached as Exhibit B3) entails a Site Feasibility Study, including a Site Survey Analysis, Environmental Impact Assessment, and Section 106 Assessment for a +/- 105 acre project site, for a total of \$5,492,500.00.

2. EXPENDITURE CATEGORY MODIFICATION

2.1 Increase or decrease in any Expenditure Category must be requested by GEDA and approved by DOA.

EXHIBIT B1: POWER COST ESTIMATE

The need for a new hospital in central Guam stems from the island's growing population, increased demand for healthcare services, and the strategic importance of the area. Central Guam is experiencing significant growth, driven by the military buildup and associated population increases, including both military personnel and their dependents. This growth places additional pressure on the island's existing healthcare facilities, which are already operating near or beyond capacity.

Guam Memorial Hospital (GMH), the island's public healthcare facility, faces numerous challenges, including aging infrastructure, limited bed space, and outdated medical equipment. These issues hinder its ability to meet the current and future healthcare needs of the population. A new hospital in central Guam would alleviate these pressures by providing additional capacity and state-of-the-art facilities to serve both civilian and military communities. Its location in central Guam would ensure better accessibility for a significant portion of the island's population, reducing travel time and improving emergency response capabilities.

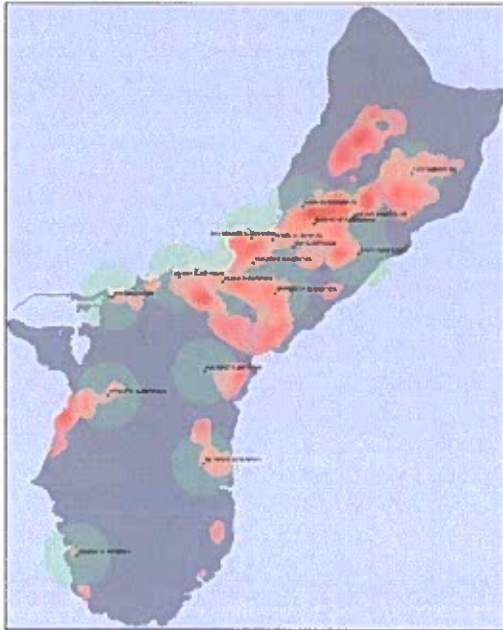
However, this places additional strain on GPA's current electrical infrastructure, in particular the substations. GPA manages an extensive network of substations that play a critical role in the island's electrical distribution system. At present, there are 30 substations that service an estimated 53,000 customers. These substations are the backbone of Guam's power infrastructure. GPA operates both primary and secondary substations, which are located across the island to support efficient energy distribution and minimize transmission losses.

Many of these substations face challenges due to Guam's geographic and environmental conditions, including vulnerability to typhoons and salt water corrosion. To address these issues and improve resilience, GPA has been actively upgrading its substation assets by incorporating modern technologies such as automated monitoring systems and more robust structural designs. These upgrades are essential to support Guam's growing energy demands, particularly with the ongoing military buildup and the integration of renewable energy sources into the grid. By enhancing the reliability and capacity of its substation network, GPA is working to ensure a stable power supply for both the civilian population and critical infrastructure on the island.

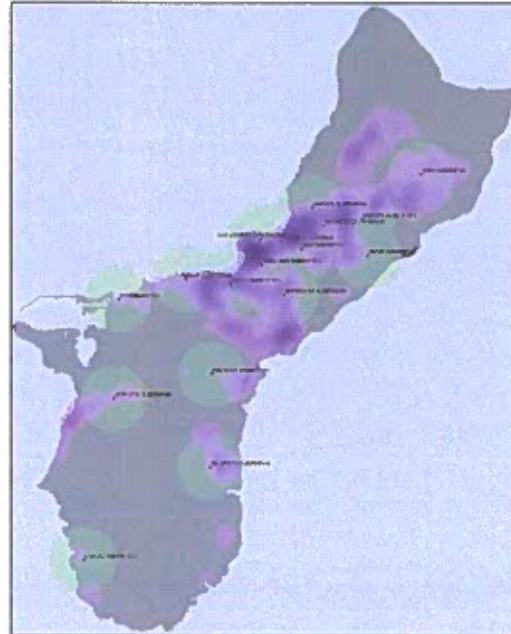
In addition to the new hospital, the growing population in central Guam necessitates the construction of an additional substation to meet the rising energy demands and improve the reliability of the electrical grid. Existing substations in the area are already operating near capacity, and as more homes, businesses, and military facilities come online, the current grid infrastructure risks becoming overburdened. This could lead to higher rates of outages, inefficiencies in power distribution, and challenges in integrating renewable energy sources.

The Service Location Density Map and the Transformer Density maps provide a visual representation of Guam's substation locations and the areas they currently serve. The heatmap highlights population density, which correlates with energy demand. Central Guam, particularly the regions surrounding Dededo, Tamuning, Barrigada, and Harmon, exhibits the highest density of service areas. These regions are experiencing rapid population growth due to residential expansion, economic activity, and the ongoing military buildup, which is increasing the number of civilian residents, military personnel, and H-2B construction workers on the island.

This surge in population results in a proportional increase in energy demand for homes, businesses, and support infrastructure, such as schools, healthcare facilities, and military installations. The current substations in these densely populated areas may soon reach or exceed their capacity limits, leading to potential grid instability or inefficiencies in energy delivery. Furthermore, upcoming developments, including new housing, hospitals, and defense projects, will place additional strain on these substations, necessitating the construction of new energy infrastructure or the expansion of existing facilities.



SERVICE LOCATION DENSITY MAP



TRANSFORMER DENSITY MAP

Shown below are the estimated costs to provide a new looped underground transmission line from Route 10 to the new hospital site, a new indoor substation, and new distribution upgrades to provide upgraded service to the new hospital and surrounding areas.

New Mangilao Hospital Substation		
Updated 12/10/2024		
item	Description	Cost
1	New Indoor Substation	\$ 12,484,469.26
2	New Transmission Underground Lines	\$ 15,876,635.62
3	New Underground Dedicated Feeder and Back-Up Tie-In	\$ 7,087,879.09
	Total Cost	\$ 35,448,983.97

Investing in a new substation may involve significant short-term costs, but the long-term benefits far outweigh these initial expenditures. A new substation increases the capacity, reliability, and resilience of Guam's power grid—ensuring that growing demand from residential, commercial, and critical infrastructure, like hospitals and military facilities, can be met without strain or outages. In the long run, this investment minimizes the risks of blackouts, reduces maintenance costs associated with overburdened substations, and improves efficiency by preventing overloads and power losses. Furthermore, modern substations can better integrate renewable energy sources, which supports Guam's goals for sustainability and energy security. By investing now, Guam will avoid costly disruptions and emergency repairs in the future—securing a more reliable and adaptable power infrastructure for decades to come.

Along with a new substation, the construction of a new hospital in central Guam can be better served with the installation of underground power lines to provide a reliable, resilient, and efficient energy supply. Hospitals rely on uninterrupted power to operate essential medical equipment, maintain lighting, and power life-saving systems, such as ventilators and emergency response units. Any disruption in electricity can jeopardize patient care and hospital operations. As we have seen during Typhoon Mawar, underground power lines offer enhanced resilience against Guam's frequent typhoons and severe weather events, which can damage overhead lines through strong winds, debris, or falling trees. By protecting the power supply infrastructure from such hazards, underground lines help ensure the hospital remains operational during emergencies when it is needed most.

In addition to improving disaster resilience, underground lines minimize power outages caused by accidents or external interference, providing a consistent and dependable energy supply. Paired with a new indoor substation, this infrastructure will reduce strain on nearby power systems, preventing grid overload and ensuring stability even during peak energy demand. As Guam's population grows, the hospital's energy needs are expected to increase. A substation and underground lines offer the scalability required to support future expansions and long-term reliability. This investment is critical not only for the hospital's operational needs but also for strengthening Guam's overall energy infrastructure and supporting its growing central population.

EXHIBIT B2: WATER AND WASTEWATER COST ESTIMATE

**Mangilao Hospital Water and Sewer
Rough Order of Magnitude (ROM) Cost Estimates
Updated by Guam Waterworks Authority
December 2024**

The cost estimates provided herein by GWA are informational only, and GWA makes no guarantee, expressed or implied, for its application or use at any time.

The hospital campus water demand was calculated as double GMH's current water consumption, in addition to public health and behavioral health water consumption. The sewer load was estimated to be 90 percent of the water demand. The following cost estimates are subject to changes in anticipated water demand and sewer load. Cost estimates include factors to account for design costs, construction management costs, and material cost increases due to supply chain issues. Actual costs may differ.

Offsite Water System

Offsite well development will be needed to offset water demand. New wells are estimated at 150 gallons per minute (gpm) production. Candidate well locations are to be drilled and pump tested during design to confirm viability of development of a production well. Property for each new well, approximately ¼ acre or 100ft x 100ft lots, will be provided by the developer, along with access easement and utility connections (power and waterline). It is assumed that the hospital developer can allow wells to be placed on the medical campus property or be able to negotiate with the Department of Defense to allow the wells to be placed on adjacent/nearby military property if hydrologically feasible. If developer cannot provide for installation of wells in this manner, alternative sites will need to be provided. Individual well site locations will determine the cost to extend power at water lines to the site; 2000 ft used for estimate purposes. One acre is needed for onsite water storage and pumping systems. The general scope and costs for this work are presented below.

ESTIMATED WATER COSTS	
Offsite Water System Improvements	Hospital Developer Cost
Well design and exploration	\$ 1,950,000.00
Well construction - 2 wells (estimated at 150 gpm)	\$11,700,000.00
6-inch water line extensions to 2 new wells	\$ 2,340,000.00
Storage tank(s) with total volume of 2.5 million gallons and piping	\$ 7,215,000.00
Pumping system	\$ 2,925,000.00
	\$26,130,000.00

EXHIBIT B3: ENVIRONMENTAL ENGINEERING ESTIMATE

Guam Medical Complex - Environmental Engineering Cost Estimate (Estimate good for 120 days)				
Phase	Task	Details		
Site Feasibility Study	Site Survey and Analysis	Topographic survey, geotechnical investigations, sinkhole assessment, environmental site assessment.	For +/-105- acre Project Site Assessment (\$)	
		Geotechnical Investigations: \$5000 to \$7000 per boring	735,000.00	
		Sinkhole Assessment: \$25,000 to \$40,000 per sinkhole	120,000.00	
		Geophysical Surveys: \$150k to \$300k for a 105-acre site	900,000.00	
		Topographic and boundary survey: \$200k to \$400k	400,000.00	
		Environmental Assessment: Phase 1 (NEPA)	750,000.00	
		Hydrological Study: \$80k to \$120k	120,000.00	
		Environmental Impact Assessment	Assessment of flora/fauna impact and water table concerns. (NEPA)	400,000.00
		Section 106	National Historic Preservation Act Requirements	300,000.00
			Project Management of all Specialties	500,000.00
	30% Contingency	1,267,500.00		
		Total Government Estimate	5,492,500.00	

EXHIBIT C: FEDERAL PROVISIONS

1. Applicability of Provisions

- 1.1. The Grant to which these Federal Provisions are attached has been funded, in whole or in part, with an Award of Federal funds. In the event of a conflict between the provisions of these Federal Provisions, the Special Provisions, the body of the Grant, or any attachments or exhibits incorporated into and made a part of the Grant, the provisions of these Federal Provisions shall control.
- 1.2. DOA is accountable to Treasury for oversight of their subrecipients, including ensuring subrecipients comply with the SLFRF statute, SLFRF Award Terms and Conditions, Treasury's Final Rule, and reporting requirements, as applicable.
- 1.3. Additionally, any subrecipient that issues a subaward to another entity (2nd tier or lower tier subrecipient), must hold the lower tier subrecipient accountable to these provisions and adhere to reporting requirements.
- 1.4. These Federal Provisions are subject to the Award as defined in § 2 of these Federal Provisions, as may be revised pursuant to ongoing guidance from the relevant Federal or Government of Guam agency.

2. Definitions

- 2.1. **For the purposes of these Federal Provisions**, the following terms shall have the meanings ascribed to them below.
 - 2.1.1. "Award" means an award of Federal financial assistance, and the Grant setting forth the terms and conditions of that financial assistance, that a non-Federal Entity receives or administers.
 - 2.1.2. "Unique Entity Identifier (UEI)" means the twelve-character alphanumeric ID assigned to an entity by SAM.gov
 - 2.1.3. "Entity" means:
 - 2.1.3.1. a Non-Federal Entity;
 - 2.1.3.2. a foreign public entity;
 - 2.1.3.3. a foreign organization;
 - 2.1.3.4. a non-profit organization;
 - 2.1.3.5. a domestic for-profit organization (for 2 CFR parts 25 and 170 only);
 - 2.1.3.6. a foreign non-profit organization (only for 2 CFR part 170) only);
 - 2.1.3.7. a Federal agency, but only as a Subrecipient under an Award or Subaward to a non-Federal entity (or 2 CFR 200.1); or
 - 2.1.3.8. a foreign for-profit organization (for 2 CFR part 170 only).
 - 2.1.4. "Executive" means an officer, managing partner or any other employee in a management position.
 - 2.1.5. "Expenditure Category (EC)" means the category of eligible uses as defined by the US Department of Treasury in "Appendix 1 of the Compliance and

Reporting Guidance, State and Local Fiscal Recovery Funds” report available at www.treasury.gov.

- 2.1.6. “Federal Awarding Agency” means a Federal agency providing a Federal Award to a Recipient as described in 2 CFR 200.1.
- 2.1.7. “Grant” means the Grant to which these Federal Provisions are attached.
- 2.1.8. “Grantee” means the party or parties identified as such in the Grant to which these Federal Provisions are attached. Grantee also means Subrecipient.
- 2.1.9. “Non-Federal Entity” means a State or Territory, local government, Indian tribe, institution of higher education, or nonprofit organization that carries out a Federal Award as a Recipient or a Subrecipient.
- 2.1.10. “Nonprofit Organization” means any corporation, trust, association, cooperative, or other organization, not including institutions of higher education, that:
 - 2.1.10.1. Is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;
 - 2.1.10.2. Is not organized primarily for profit; and
 - 2.1.10.3. Uses net proceeds to maintain, improve, or expand the operations of the organization.
- 2.1.11. “OMB” means the Executive Office of the President, Office of Management and Budget.
- 2.1.12. “Pass-through Entity” means a non-Federal Entity that provides a Subaward to a Subrecipient to carry out part of a Federal program.
- 2.1.13. “Prime Recipient” means the Government of Guam or the Government of Guam agency or institution of higher education identified as the Grantor in the Grant to which these Federal Provisions are attached.
- 2.1.14. “Subaward” means an award to a Subrecipient funded in whole or in part by a Federal Award. The terms and conditions of the Federal Award flow down to the Subaward unless the terms and conditions of the Federal Award specifically indicate otherwise in accordance with 2 CFR 200.101. The term does not include payments to a Contractor or payments to an individual that is a beneficiary of a Federal program.
- 2.1.15. “Subrecipient” or “Subgrantee” means a non-Federal Entity (or a Federal agency under an Award or Subaward to a non-Federal Entity) receiving Federal funds through a Prime Recipient to support the performance of the Federal project or program for which the Federal funds were awarded. A Subrecipient is subject to the terms and conditions of the Federal Award to the Prime Recipient, including program compliance requirements. The term does not include an individual who is a beneficiary of a federal program.
- 2.1.16. “System for Award Management (SAM)” means the Federal repository into which an Entity must enter the information required under the Transparency Act, which may be found at <http://www.sam.gov>.

2.1.17. “Transparency Act” means the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282), as amended by §6202 of Public Law 110-252.

2.1.18. “Uniform Guidance” means the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The terms and conditions of the Uniform Guidance flow down to Awards to Subrecipients unless the Uniform Guidance or the terms and conditions of the Federal Award specifically indicate otherwise.

3. Compliance

3.1. GEDA shall comply with all applicable provisions of the Transparency Act and the regulations issued pursuant thereto, all applicable provisions of the Uniform Guidance, and all applicable Federal Laws and regulations required by this Federal Award. Any revisions to such provisions or regulations shall automatically become a part of these Federal Provisions, without the necessity of either party executing any further instrument. DOA, at its discretion, may provide written notification to GEDA of such revisions, but such notice shall not be a condition precedent to the effectiveness of such revisions.

3.2. Per US Treasury Final Award requirements, grantee programs or services must not include a term or conditions that undermines efforts to stop COVID-19 or discourages compliance with recommendations and CDC guidelines.

4. System for Award Management (SAM) and Unique Entity ID (UEI) Requirements

4.1. SAM. GEDA shall maintain the currency of its information in SAM until GEDA submits the final financial report required under the Award or receives final payment, whichever is later. GEDA shall review and update SAM information at least annually after the initial registration, and more frequently if required by changes in its information.

4.2. UEI. GEDA shall provide its UEI number to its Prime Recipient, and shall update GEDA’s information in SAM.gov at least annually after the initial registration, and more frequently if required by changes in GEDA’s information.

5. Reporting

5.1. If GEDA is a Subrecipient of the Award pursuant to the Transparency Act, GEDA shall report data elements to SAM and to DOA as required in this Exhibit. No direct payment shall be made to GEDA for providing any reports required under these Federal Provisions and the cost of producing such reports shall be included in the Grant price. The reporting requirements in this Exhibit are based on guidance from the OMB, and as such are subject to change at any time by OMB. Any such changes shall be automatically incorporated into this Grant and shall become part of GEDA’s obligations under this Grant.

6. Subrecipient Reporting Requirements

6.1. Subrecipient shall report as set forth below.

- 6.1.1. To SAM. A Subrecipient shall register in SAM and report the following data elements in SAM *for each* Federal Award Identification Number (FAIN) assigned by a Federal agency to a Recipient no later than the end of the month following the month in which the Subaward was made:
 - 6.1.1.1. Subrecipient Unique Entity ID;
 - 6.1.1.2. Subrecipient Unique Entity ID if more than one electronic funds transfer (EFT) account;
 - 6.1.1.3. Subrecipient parent's organization Unique Entity ID;
 - 6.1.1.4. Subrecipient's address, including: Street Address, City, State, Country, Zip + 4, and Congressional District;
 - 6.1.1.5. Subrecipient's top 5 most highly compensated Executives if the criteria in §4 above are met; and
 - 6.1.1.6. Subrecipient's Total Compensation of top 5 most highly compensated Executives if the criteria in §4 above met.
- 6.1.2. To Recipient. A Subrecipient shall report to its Recipient, upon the effective date of the Grant, the following data elements:
 - 6.1.2.1. Subrecipient's Unique Entity ID as registered in SAM.
 - 6.1.2.2. Primary Place of Performance Information, including: Street Address, City, State, Country, Zip code + 4, and Congressional District.
- 6.2. Subrecipient also agrees to comply with any reporting requirements established by the US Treasury, Governor's Office and DOA. DOA may need additional reporting requirements after this agreement is executed. If there are additional reporting requirements, DOA will provide notice of such additional reporting requirements via Exhibit D: SLFRF Reporting Modification Form.

7. PROCUREMENT STANDARDS

- 7.1 Procurement Procedures. GEDA's procurement procedures remain subject to Guam's Procurement Law, 5 GCA § 5001, *et seq.*, and the regulations thereto, 2 GAR Division 4. GEDA shall therefore use its procurement procedures, which reflect applicable Guam law and applicable regulations, and policies of the Procurement Policy Office, provided that the procurements conform to applicable Federal law and the standards identified in the Uniform Guidance, including without limitation, 2 CFR 200.318 through 200.327 thereof.
- 7.2 Domestic preference for procurements (2 CFR 200.322). As appropriate and to the extent consistent with law, the non-Federal entity should, 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 (including but not limited to iron, aluminum, steel, cement, and other

manufactured products). The requirements of this section must be included in all subawards including all agreements and purchase orders for work or products under this award.

7.3 Procurement of Recovered Materials. If a Subrecipient is a Government of Guam Agency, its Contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247, that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

7.4 Never contract with the enemy (2 CFR 200.215). Federal awarding agencies and recipients are subject to the regulations implementing “Never contract with the enemy” in 2 CFR part 183. The regulations in 2 CFR part 183 affect covered contracts, grants and cooperative agreements that are expected to exceed \$50,000 within the period of performance, are performed outside the United States and its territories, and are in support of a contingency operation in which members of the Armed Forces are actively engaged in hostilities.

7.5 Prohibition on certain telecommunications and video surveillance services or equipment (2 CFR 200.216). Subrecipient is prohibited from obligating or expending loan or grant funds on certain telecommunications and video surveillance services or equipment pursuant to 2 CFR 200.216.

8. ACCESS TO RECORDS.

8.1. A Subrecipient shall permit Recipient and its auditors to have access to Subrecipient’s records and financial statements as necessary for Recipient to meet the requirements of 2 CFR 200.332 (Requirements for pass-through entities), 2 CFR 200.300 (Statutory and national policy requirements) through 2 CFR 200.309 (Period of performance), and Subpart F-Audit Requirements of the Uniform Guidance.

9. SINGLE AUDIT REQUIREMENTS.

9.1. If a Subrecipient expends \$750,000 or more in Federal Awards during the Subrecipient’s fiscal year, the Subrecipient shall procure or arrange for a single or program-specific audit conducted for that year in accordance with the provisions of Subpart F-Audit Requirements of the Uniform Guidance, issued pursuant to the Single Audit Act Amendments of 1996, (31 U.S.C. 7501-7507). 2 CFR 200.501.

9.2. Election. A Subrecipient shall have a single audit conducted in accordance with Uniform Guidance 2 CFR 200.514 (Scope of audit), except when it elects

to have a program- specific audit conducted in accordance with 2 CFR 200.507 (Program-specific audits). The Subrecipient may elect to have a program-specific audit if Subrecipient expends Federal Awards under only one Federal program (excluding research and development) and the Federal program's statutes, regulations, or the terms and conditions of the Federal award do not require a financial statement audit of Prime Recipient. A program-specific audit may not be elected for research and development unless all of the Federal Awards expended were received from Recipient and Recipient approves in advance a program- specific audit.

- 9.3. Exemption. If a Subrecipient expends less than \$750,000 in Federal Awards during its fiscal year, the Subrecipient shall be exempt from Federal audit requirements for that year, except as noted in 2 CFR 200.503 (Relation to other audit requirements), but records shall be available for review or audit by appropriate officials of the Federal agency, the State, and the Government Accountability Office.
- 9.4. Subrecipient Compliance Responsibility. A Subrecipient shall procure or otherwise arrange for the audit required by Subpart F of the Uniform Guidance and ensure it is properly performed and submitted when due in accordance with the Uniform Guidance. Subrecipient shall prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with 2 CFR 200.510 (Financial statements) and provide the auditor with access to personnel, accounts, books, records, supporting documentation, and other information as needed for the auditor to perform the audit required by Uniform Guidance Subpart F-Audit Requirements.

10. REQUIRED PROVISIONS FOR SUBRECEPIENT WITH SUBCONTRACTORS.

- 10.1. In addition to other provisions required by the Federal Awarding Agency or the Recipient, Subrecipients shall include all of the following applicable provisions;
 - 10.1.1. For agreements with Subrecipients – Include the terms in the Grant Federal Provisions Exhibit (this exhibit)
 - 10.1.2. For contracts with Subcontractors – Include all terms required by federal law and regulations.

11. CERTIFICATIONS.

- 11.1. Unless prohibited by Federal statutes or regulations, Prime Recipient may require Subrecipient to submit certifications and representations required by Federal statutes or regulations on an annual basis. 2 CFR 200.208. Submission may be required more frequently if Subrecipient fails to meet a requirement of the Federal award. Subrecipient shall certify in writing to DOA at the end of the Award that the project or activity was completed or the level of effort was expended. 2 CFR 200.201(3). If the required level of activity or effort was not carried out, the amount of the Award must be adjusted.

12. EXEMPTIONS

- 12.1. These Federal Provisions do not apply to an individual who receives an Award as a natural person, unrelated to any business or non-profit organization he or she may own or operate in his or her name.
- 12.2. A grantee with gross income from all sources of less than \$300,000 in the previous tax year is exempt from the requirements to report Subawards and the Total Compensation of its most highly compensated Executives.

13. EVENT OF DEFAULT AND TERMINATION.

- 13.1. Failure to comply with these Federal Provisions shall constitute an event of default under the Grant and DOA may terminate the Grant upon 30 days prior written notice if the default remains uncured five calendar days following the termination of the 30-day notice period. This remedy will be in addition to any other remedy available to DOA under the Grant, at law or in equity.
- 13.2. Termination (2 CFR 200.340). The Federal Award may be terminated in whole or in part as follows:
 - 13.2.1. By the Federal Awarding Agency or Pass-through Entity, if a Non-Federal Entity fails to comply with the terms and conditions of a Federal Award;
 - 13.2.2. By the Federal awarding agency or Pass-through Entity, to the greatest extent authorized by law, if an award no longer effectuates the program goals or agency priorities;
 - 13.2.3. By the Federal awarding agency or Pass-through Entity with the consent of the Non- Federal Entity, in which case the two parties must agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated;
 - 13.2.4. By the Non-Federal Entity upon sending to the Federal Awarding Agency or Pass- through Entity written notification setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if the Federal Awarding Agency or Pass-through Entity determines in the case of partial termination that the reduced or modified portion of the Federal Award or Subaward will not accomplish the purposes for which the Federal Award was made, the Federal Awarding Agency or Pass-through Entity may terminate the Federal Award in its entirety; or
 - 13.2.5. By the Federal Awarding Agency or Pass-through Entity pursuant to termination provisions included in the Federal Award.

EXHIBIT D: SAMPLE SLFRF REPORTING MODIFICATION FORM

Grantee:		Grant Agreement No:	
Project Title:		Project No:	
Project Duration:	To:	From:	

This form serves as notification that there has been a change to the reporting requirements set forth in the original SLFRF Grant Agreement.

The following reporting requirements have been (add/remove additional rows as necessary):

Updated Reporting Requirement (Add/Delete/Modify)	Project Number	Reporting Requirement

By signing this form, the Grantee agrees to and acknowledges the changes to the reporting requirements set forth in the original SLFRF Grant Agreement. All other terms and conditions of the original SLFRF Grant Agreement, with any approved modifications, remain in full force and effect. Grantee shall submit this form to the Department of Administration within 10 business days of the date sent by that Agency.

Grantee

Date

Department of Administration

Date