



**UNITED STATES DEPARTMENT OF COMMERCE  
Economic Development Administration  
Atlanta Regional Office**

Suite 1820  
401 West Peachtree St., N.W.  
Atlanta, Georgia 30308-3510

DEC 06 2017

In reply refer to:  
Investment No. 04-01-07240

Mr. John Dix  
General Manager  
Simpson County Water District  
108 Morgantown Road  
Franklin, Kentucky 42134

Dear Mr. Dix:

I am pleased to inform you that the Department of Commerce's Economic Development Administration (EDA) has approved your application for a \$665,000 EDA investment for water system improvements to serve a new industry locating in the industrial area in the northern part of Franklin.

Enclosed are two signed copies of the Financial Assistance Award. Your agreement to the terms and conditions of the award should be indicated by the signature of your principal official on each of the signed copies of the Financial Assistance Award. One of the executed copies should be returned to H. Philip Paradise, Jr., Regional Director, Atlanta Regional Office, Economic Development Administration, 401 West Peachtree Street, N.W, Suite 1820, Atlanta, Georgia 30308-3510. If not signed and returned within 30 days of receipt, EDA may declare the Award null and void.

Please do not make any commitments in reliance on this award until you have carefully reviewed and accepted the terms and conditions. Any commitments entered into prior to obtaining the approval of EDA in accordance with its regulations and requirements will be at your own risk.

EDA's mission is to lead the federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy. EDA implements this mission by making strategic investments in the nation's most economically distressed communities that encourage private sector collaboration and creation of higher-skill, higher wage jobs. EDA investments are results driven, embracing the principles of technological innovation, entrepreneurship and regional development.

I share your expectations regarding the impact of this investment and look forward to working with you to meet the economic development needs of your community.

Sincerely,

H. Philip Paradise, Jr.  
Regional Director

Enclosures: Form CD-450 Financial Assistance Award (2)  
Exhibit A – Special Award Conditions  
Attachment No. 1 – Form ED-508 Budget  
EDA Standard Terms and Conditions for Construction Projects, dated February 12, 2016



GRANT     COOPERATIVE AGREEMENT

## FINANCIAL ASSISTANCE AWARD

FEDERAL AWARD ID NUMBER  
**04-01-07240**

RECIPIENT NAME  
**Simpson County Water District**

PERIOD OF PERFORMANCE  
**45 months after date of EDA approval**

STREET ADDRESS  
**108 Morgantown Road**

FEDERAL SHARE OF COST  
\$ **665,000**

CITY, STATE, ZIP CODE  
**Franklin, Kentucky 42134**

RECIPIENT SHARE OF COST  
\$ **665,000**

AUTHORITY  
**Public Works and Economic Development Act of 1965, as amended**

TOTAL ESTIMATED COST  
\$ **1,330,000**

CFDA NO. AND NAME  
**11.300 Public Works Program**

PROJECT TITLE  
**Water System Improvements**

This Award Document (Form CD-450) signed by the Grants Officer constitutes an obligation of Federal funding. By signing this Form CD-450, the Recipient agrees to comply with the Award provisions checked below and attached. Upon acceptance by the Recipient, the Form CD-450 must be signed by an authorized representative of the Recipient and returned to the Grants Officer. If not signed and returned without modification by the Recipient within 30 days of receipt, the Grants Officer may unilaterally withdraw this Award offer and de-obligate the funds.

- DEPARTMENT OF COMMERCE FINANCIAL ASSISTANCE STANDARD TERMS AND CONDITIONS (31 March 2017)
- R & D AWARD
- FEDERAL-WIDE RESEARCH TERMS AND CONDITIONS, AS ADOPTED BY THE DEPT. OF COMMERCE
- SPECIAL AWARD CONDITIONS (see attached Exhibit "A")
- LINE ITEM BUDGET (see Attachment No. 1)
- 2 CFR PART 200, UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS, AS ADOPTED PURSUANT TO 2 CFR § 1327.101
- 48 CFR PART 31, CONTRACT COST PRINCIPLES AND PROCEDURES
- MULTI-YEAR AWARD. PLEASE SEE THE MULTI-YEAR SPECIAL AWARD CONDITION.
- OTHER(S): EDA Standard Terms and Conditions for Construction Projects, dated February 12, 2016

SIGNATURE OF DEPARTMENT OF COMMERCE GRANTS OFFICER

H. Philip Paradise, Jr., Director, Atlanta Regional Office

DATE

12-1-17

PRINTED NAME, PRINTED TITLE, AND SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL

John Dix, General Manager, Simpson County Water District

DATE

EXHIBIT "A"

U.S. DEPARTMENT OF COMMERCE  
Economic Development Administration (EDA)

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Public Works and Development Facilities

Investment No.: 04-01-07240

Recipient: Simpson County Water District, Kentucky

SPECIAL AWARD CONDITIONS

1. PROJECT DEVELOPMENT TIME SCHEDULE: The Recipient agrees to the following Project development time schedule:

Time allowed after Receipt of Financial Assistance Award for:

Return of Executed Financial Assistance Award..... 30 days  
Start of Construction..... 18 Months from Date of Grant Award  
Construction Period..... 24 Months

Project Closeout – All Project closeout documents including final financial information and any required program reports shall be submitted to the Government not more than 90 day after the date the Recipient accepts the completed project from the contractor(s).

The Recipient shall pursue diligently the development of the Project so as to ensure completion within this time schedule. Moreover, the Recipient shall notify the Government in writing of any event, which could delay substantially the achievement of the Project within the prescribed time limits. The Recipient further acknowledges that failure to meet the development time schedule may result in the Government's taking action to terminate the Award in accordance with the regulations set forth at 15 CFR 24.43 (53 Fed. Reg. 8048-9, 8102, March 11, 1988).

2. GOALS FOR WOMEN AND MINIORITIES IN CONSTRUCTION: Department of Labor regulations set forth in in 41 CFR 60-4 establish goals and timetables for participation of minorities and women in the construction industry. These regulations apply to all Federally assisted construction contracts in excess of \$10,000. The Recipient shall comply with these regulations and shall obtain compliance with 41 CFR 60-4 from contractors and subcontractors employed in the completion of the Project by including such notices, clauses and provisions in the Solicitations for Offers or Bids as required by 41 CFR 60-4. The goal for the participation of women in each trade area shall be as follows:

From April 1, 1981, until further notice: 6.9 percent

All changes to this goal, as published in the Federal Register in accordance with the Office of Federal Contract Compliance Programs regulations at 41 CFR 60-4.6, or any successor regulations, shall hereafter be incorporated by reference into these Special Award Conditions.

Goals for minority participation shall be as prescribed by Appendix B-80, Federal Register, Volume 45, No. 194, October 3, 1980, or subsequent publications. The Recipient shall include the "Standard Federal Equal Employment Opportunity Construction Contract Specifications" (or cause them to be included, if appropriate) in all Federally assisted contracts and subcontracts. The goals and timetables for minority and female participation may not be less than those published pursuant to 41 CFR 60-4.6.

3. REPORT ON UNLIQUIDATED OBLIGATIONS: All Recipients of an EDA grant award of more than \$100,000 whose Award has not been fully disbursed is required to submit Form SF-425, "*Financial Status Report*" to EDA semi-annually to report on the status of unreimbursed obligations. This report will provide information on the amount of allowable Project expenses that have been incurred, but not claimed for reimbursement by the Recipient. The first report shall be as of March 30 of each year and shall be submitted to EDA no later than April 30 of each year, and the second report shall be as of September 30 of each year and shall be submitted to EDA no later than October 30 of each year. The Recipient must submit a final financial report using Form SF-425 within 90 days of the expiration date of the Award (or from the date the Recipient accepts the Project from the contractor, whichever occurs earlier). Noncompliance with these requirements will result in the suspension of disbursements under this Award. Financial reports are to be submitted to the Project Officer.
  
4. PRESERVATION OF OPEN COMPETITION AND GOVERNMENT NEUTRALITY TOWARDS GOVERNMENT CONTRACTORS LABOR RELATIONS ON FEDERAL AND FEDERALLY FUNDED CONSTRUCTION PROJECTS: Pursuant to E.O. 13202, "Preservation of Open Competition and Government Neutrality Towards Government Contractors' Labor Relations on Federal and Federal Funded Construction Projects," unless the Project is exempted under section 5(c) of the order, bid specifications, project agreements, or other controlling documents for construction contracts awarded by Recipients of grants or cooperative agreements, or those of any construction manager acting on their behalf, shall not:  
a) include any requirement or prohibition on Bidders, Offerors, Contractors, or Subcontractors about entering into or adhering to agreements with one or more labor organizations on the same or related construction Project(s); or b) otherwise discriminate against Bidders, Offerors, Contractors, or Subcontractors for becoming or refusing to become or remain signatories or otherwise to adhere to agreements with one or more labor organizations, on the same or other related construction Project(s).

5. ENGINEERING CERTIFICATE/CERTIFICATE OF TITLE: The Recipient, prior to Solicitation of bids for construction of this Project, shall furnish to the Government an acceptable Engineering Certificate showing all lands, rights-of-way and easements necessary for construction of this Project along with an acceptable Certificate of Title on said lands, rights-of-way and easements showing good and merchantable title free of mortgages or other foreclosable liens.
6. CONSTRUCTION START: If significant construction (as determined by EDA) is not commenced within two years of approval of the project or by the date estimated for start of construction in the grant award (or the expiration of any extension granted in writing by EDA), whichever is later, the EDA grant will be automatically suspended and may be terminated if EDA determines, after consultation with the grant recipient, that construction to completion cannot reasonably be expected to proceed promptly and expeditiously.
7. NONRELOCATION: In signing this award of financial assistance, Recipient(s) attests that EDA funding is not intended by the Recipient to assist its efforts to induce the relocation of existing jobs that are located outside of its jurisdiction to within its jurisdiction in competition with other jurisdictions for those same jobs. In the event that EDA determines that its assistance was used for those purposes, EDA retains the right to pursue appropriate enforcement action in accord with the Standard Terms and Conditions of the Award, including suspension of disbursements and termination of the award for convenience or cause.
8. REFUND CHECKS, INTEREST OR UNUSED FUNDS: Treasury has given the EDA two options for having payments deposited to our account with it:

The first one is Pay.Gov. This option allows the payee to pay EDA through the Internet. The payee will have the option to make a one-time payment or to set up an account to make regular payments.

The second option is Paper Check conversion. All checks must identify on their face the name of the DoC agency funding the award, award number, and no more than a two-word description to identify the reason for the refund or check. A copy of the check should be provided to the Federal Project Officer. This option allows the payee to send a check to NOAA's accounting office, who processes EDA's accounting functions at the following address: U.S. Department of Commerce, National Oceanic and Atmospheric Administration, Finance Office, AOD, EDA Grants, 20020 Century Boulevard, Germantown, MD 20874. The accounting staff will scan the checks in encrypted file to the Federal Reserve Bank, and the funds will be deposited in EDA's account. While this process will not be an issue with most payees who are corporations, it could be an issue for individuals sending EDA funds. Please make note of the following.

Notice to Customers Making Payment by Check

If you send EDA a check, it will be converted into an electronic funds transfer by copying your check and using the account information on it to electronically debit your account for the amount of the check. The debit from your account will usually occur within 24 hours and will appear on your regular account statement.

You will not receive your original check back. Your original check will be destroyed, but a copy of it will be maintained in our office. If the EFT cannot be processed for technical reasons, the copy will be processed in place of the original check. If the EFT cannot be completed because of insufficient funds, we will charge you a one-time fee of \$25.00, which will be collected by EFT.

9. SCOPE OF WORK: Recipient(s) agrees to undertake, prosecute and complete the Scope of Work (SOW) for this Project funded by this Award which SOW is approved and agreed to by the Government as subsequently amended in mutually agreed upon written change order(s) and/or SOW amendment(s), if any. The SOW shall be as set forth and described in a.) the application submitted by Recipient(s) and/or Recipient's authorized representative(s) to the Government for this Award together with b.) all enclosures, materials, documents and other submittals accompanying and supporting the application, c.) all additional materials, documents and/or correspondence requested by the Government and submitted by Recipient(s) and/or Recipient's authorized representative(s) in support and furtherance of the application and d.) such change(s) and/or SOW amendments, if any, requested in writing by the Recipient(s) and/or Recipient's authorized representative subsequent to the date of this Award and approved and agreed to in writing by the Government. To the extent such additional materials, documents and/or correspondence amends and/or clarifies the application, such amendment or clarification shall be controlling. It is agreed that the Recipient(s) and Government intend that the SOW describes a discrete, detailed and specific project that is funded and authorized by this Award and to that end the application and the above described additional information shall be fairly construed to and shall describe the SOW. The scope of work for this project is further described below:

*This project will construct 4,500 LF of 12-inch and 11,000 LF of 8-inch PVC water line, 300 LF of 18-inch steel casing with 12-inch DIP under Interstate 65, a new 200 gpm pump station, one control valve, and two master meters.*

10. CONSTRUCTION PERMITS: Prior to the first disbursement of funds under this Award, the Recipient shall obtain the permits described in item 3 of the Certificate of Engineer, Part One of the above referenced CERTIFICATE AS TO PROJECT SITE, RIGHTS-OF-WAY, AND EASEMENTS.
11. REPORTING OF MATTERS RELATED TO RECIPIENT INTEGRITY AND PERFORMANCE

*A. General Reporting Requirement*

If the total value of your currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of this Federal award, then you as the recipient during that period of time must maintain the currency of information reported to the System for Award Management (SAM) that is made available in the designated integrity and

performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)) about civil, criminal, or administrative proceedings described in paragraph B of this award term and condition. This is a statutory requirement under section 872 of Public Law 110-417, as amended (41 U.S.C. 2313). As required by section 3010 of Public Law 111-212, all information posted in the designated integrity and performance system on or after April 15, 2011, except past performance reviews required for Federal procurement contracts, will be publicly available.

*B. Proceedings About Which You Must Report*

Submit the information required about each proceeding that:

Is in connection with the award or performance of a grant, cooperative agreement, or procurement contract from the Federal Government;

Reached its final disposition during the most recent five-year period; and

Is one of the following:

- (a) A criminal proceeding that resulted in a conviction, as defined in paragraph E of this award term and condition;
- (b) A civil proceeding that resulted in a finding of fault and liability and payment of a monetary fine, penalty, reimbursement, restitution, or damages of \$5,000 or more;
- (c) An administrative proceeding, as defined in paragraph E. of this award term and condition, that resulted in a finding of fault and liability and your payment of either a monetary fine or penalty of \$5,000 or more or reimbursement, restitution, or damages in excess of \$100,000; or
- (d) Any other criminal, civil, or administrative proceeding if:
  - (i) It could have led to an outcome described in paragraph B.3.(a), (b), or (c) of this award term and condition;
  - (ii) It had a different disposition arrived at by consent or compromise with an acknowledgment of fault on your part; and
  - (iii) The requirement in this award term and condition to disclose information about the proceeding does not conflict with applicable laws and regulations.

*C. Reporting Procedures*

Enter in the SAM Entity Management area the information that SAM requires about each proceeding described in paragraph B of this award term and condition. You do not need to submit the information a second time under assistance awards that you received if you already provided the information through SAM because you were required to do so under Federal procurement contracts that you were awarded.

*D. Reporting Frequency*

During any period of time when you are subject to the requirement in paragraph A of this award term and condition, you must report proceedings information through SAM for the most recent five-year period, either to report new information about any proceeding(s) that you have not reported previously or affirm that there is no new information to report. Recipients that have Federal contract, grant, and cooperative agreement awards with a cumulative total value greater than \$10,000,000 must disclose semiannually any information about the criminal, civil, and administrative proceedings.

*E. Definitions*

For purposes of this award term and condition:

1. Administrative proceeding means a non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability (*e.g.*, Securities and Exchange Commission Administrative proceedings, Civilian Board of Contract Appeals proceedings, and Armed Services Board of Contract Appeals proceedings). This includes proceedings at the Federal and State level but only in connection with performance of a Federal contract or grant. It does not include audits, site visits, corrective plans, or inspection of deliverables.
  2. Conviction, for purposes of this award term and condition, means a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of *nolo contendere*.
  3. Total value of currently active grants, cooperative agreements, and procurement contracts includes:
    - (a) Only the Federal share of the funding under any Federal award with a recipient cost share or match; and
    - (b) The value of all expected funding increments under a Federal award and options, even if not yet exercised.
12. PROJECT ADMINISTRATION SERVICE AGREEMENT: The Recipient, prior to invitation for bids, must submit to the Government for approval a Project Administration Service Agreement for project administration services charged against the grant award. The Recipient must also provide to the Government all documents related to the selection of the Consultant for project administration that show the selection was made competitively.
13. ARCHITECT/ENGINEER AGREEMENT: The Recipient, prior to invitation for bids, must submit to the Government for approval an Architect/Engineer agreement that meets the requirements of Section IV E of the "Summary of EDA Construction Standard, October 2007 as amended on November 28, 2007" as well as the competitive procurement standards of 2 CFR Part 200, as applicable. The fee for basic Architect/Engineer services shall be a lump sum or an agreed maximum and no part of the fees for other services shall be based upon a cost-plus-a-percentage-of-cost or a cost using a multiplier. The Recipient must also provide to the Government all documents related to the selection of the Architect/Engineer that show the selection was made competitively.

14. PLANS AND SPECIFICATIONS: Recipient agrees to and shall cause the following to be placed on the plans and specifications for the project: "In the event that human remains are encountered during project activities, all work should be immediately stopped in the area and the area cordoned off, and in accordance with KRS 72.020 the county coroner and local law enforcement must be contacted immediately. Upon confirmation that the human remains are not of forensic interest, the unanticipated discovery must be reported to the Kentucky Heritage Council.
15. ENVIRONMENTAL: Prior to advertisement for construction bids, Recipient shall provide a copy of a valid Section 404 permit from the US Army Corps of Engineers (USACE) for the proposed project and evidence satisfactory to the Government that all applicable mitigation requirements set forth by the permit have been completed. If not Section 404 permit is required for the project, Recipient shall provide a letter from USACE confirming that no Section 404 permit is required.
16. LEGAL/ACQUISITION OF EASEMENTS: Recipients acknowledge that the Government's regulations require that in construction projects title to the real estate for a financial assistance award improved with award funds must be vested in the Recipient and that Recipient must hold the necessary "crossing permits" disclosed in Recipient's application to the Government. Recipient's application discloses that the Simpson County Water Commission, one of the recipients, (Commission) is actively negotiating for the acquisition of easements with the land owners holding title to lands over which the Commission requires easements to construct and maintain the Project funded by this Award. The Commission as a condition of this Award warrants and agrees that on or before 120 days from the date the Government executes this Award (the Acquisition Date) that the Commission will a.) have obtained and recorded all easements necessary for this Project, b.) provide the Government with copies of the recorded easements c.) will provide the Government with a written opinion from the Commission's legal counsel that all easements necessary for this Project have been obtained and property recorded, that the easements are valid and sufficient for their stated purpose(s) and that the easements validly encumber the underlying fee simple title pursuant to state law and d.) provide the Government with all necessary "crossing permits" for the Project together with written confirmation from Recipient's engineer that such permits are all of the necessary "crossing Permits" for this Project. The easements shall not be encumbered by any liens (except local ad valorem real estate taxes) and the Commission's legal counsel's opinion shall confirm this fact. The Commission and the Government agree that the Acquisition Date may be extended by a mutually agreed upon written statement, including the exchange of emails. The Recipient acknowledges that if the Commission fails to comply with the foregoing condition in this Special Award Condition (SAC) on or before the Acquisition Date the Recipient, at the Government's request, will sign the appropriate documentation to terminate this Award for convenience. Recipient expressly agrees and acknowledges that until the terms and provisions of this SAC are satisfied, Recipient a.) shall not be authorized to go to bid for any items paid for from this Award and b.) shall not be entitled request and/or receive any disbursement of funds from this Award. The Recipient acknowledges and agrees that the terms and provisions of this SAC are a material inducement for the Government to make this Award and that the Government has relied on the factual accuracy of said terms and provisions in making this Award to the Recipient.

17. PROJECT SITE /WORK IN-HOUSE/USE OF OWN STAFF:

- a) The Recipient must provide the Government with the qualifications/ability of in-house staff to perform the engineering scope of work for this Project. The qualifications/ability to perform statement shall be subject to the Government's prior written approval. If for any reason in the Government's sole discretion, the Government does not approve the qualifications/ability to perform statement, the Government may require the recipients to obtain qualified engineering support using acceptable procurement methods.
- b) The Recipient shall provide the Government with complete written project inspection schedule and necessary narrative details to satisfactorily complete the Project during the construction period provided in this Award. The inspection schedule and details shall be approved in advance in writing by the Government.
- c) The Inspector for the Project (Inspector) may be an employee of the Recipient, an employee of the Architect/Engineer firm, or a person(s) under contractual control of the Recipient(s) with the qualifications and experience to perform the inspections. The selection of the Inspector must be approved in advance in writing by the Government. Pertinent information regarding the proposed Inspector's experience, qualifications, salary plan and the scope of the Inspector's responsibilities and authorities shall be furnished in writing-to the Government for prior written review and concurrence. If for any reason in the Government's sole discretion, the Government does not approve the selection of the Inspector, the Government may require the Recipient(s) to obtain a qualified inspector using acceptable procurement methods.
- d) Notwithstanding the foregoing provisions, Recipient acknowledges and agrees that the customary Government form and procedures for requesting reimbursement of expenses for the Project shall be utilized and followed. The Recipient acknowledges and agrees that any cost savings for the Project (as measured against the costs in the attached Budget) realized by utilizing a.) in-house staff to perform the engineering scope of work and b.) the Inspector from the above groups in c.) above shall not be disbursed to the Recipient but shall be retained by the Government.

U.S. DEPARTMENT OF COMMERCE  
ECONOMIC DEVELOPMENT ADMINISTRATION

**PUBLIC WORKS PROJECT COST CLASSIFICATIONS**

**EDA Investment No. 04-01-07240**

**State: Kentucky**

**County: Simpson**

<u>Cost Classification</u>	<u>Proposed</u>	<u>Approved</u>
Administrative and legal expenses	\$ 25,000	\$ 25,000
Land, structures, and rights-of-way appraisals, etc.	5,000	5,000
Relocation expenses and payments (Cost incidental to transfer of titles)		
Architectural and engineering fees	54,000	54,000
Other architectural and engineering fees		
Project inspection fees and audit	30,000	30,000
Site Work		
Demolition and removal		
Construction	1,095,000	1,095,000
Equipment		
Miscellaneous		
Contingencies	121,000	121,000
<b>TOTAL PROJECT COSTS</b>	<b>\$ 1,330,000</b>	<b>\$ 1,330,000</b>

Remarks: