

AMENDMENT #3
for
WEATHERIZATION LOW-INCOME ASSISTANCE AGREEMENT
#EW-ESA-14-4181-02

BETWEEN

THE STATE OF ARIZONA
GOVERNOR'S OFFICE OF ENERGY POLICY

and

GILA COUNTY

WHEREAS, this contract was awarded under the authority of the Governor's Office of Energy Policy (OEP) and the OEP functions have been transferred to the Arizona Department of Administration – Office of Grants and Federal Resources (GFR). As a result, the contracts administered by OEP are transferred to GFR.

WHEREAS, A.R.S. § 41-703(7) authorizes the Director of the Arizona Department of Administration (ADOA) to execute and administer contracts.

NOW THEREFORE, pursuant to **Section XXXVIII, AMENDMENTS**, all references in the Agreement to OEP are amended to refer to GFR, and the following sections of the above referenced Weatherization Low-Income Assistance Agreement are hereby amended as follows:

Amending Section II, TERM OF AGREEMENT/EFFECTIVE DATE

This amendment provides a new contract award amount for a period of twelve months. The contract renewal period shall be effective July 1, 2015 through June 30, 2016, contingent upon final Federal funding, unless, terminated, canceled or extended as otherwise provided herein.

Amending Section III, DESCRIPTION OF SERVICES

Pursuant to Terms and Conditions, **Section D Program Specific Requirements**, subsection *Regulation Requirements*, paragraph number 2. is amended to revise the adjusted average cost per dwelling unit amount to **\$7,105**.

Deleting Section III.D Program Specific Requirements, subsection *Prior Written Approval Requirements*, paragraph number 6, "Purchase of extended warranties for installed items on client homes." is **DELETED**.

Amending Section III, DESCRIPTION OF SERVICES

Client File Requirement

4. Rental Properties

i. All single family and multifamily rental properties **must** be weatherized under the terms of this AGREEMENT. **Prior written approval is required by GFR for all rental properties of five (5) or more units.** Written permission to perform itemized services must be obtained from the owner of the rental unit or the owner's authorized agent. Said written permission is to be retained along with such other agreements between the Grantee and the rental owner/agent, as part of the job record and client job file.

Amending Section IV, REPORTING REQUIREMENTS

PROGRAMMATIC:

F. SUBMITTAL ADDRESS

All Payment Request Forms and Report Forms must be directed to:

**Arizona Department of Administration, Office of Grants and Federal Resources
100 N. 15th Avenue, Suite 202
Phoenix, Arizona 85007**

Adding:

I. Report Forms

The following forms and all other forms developed by GFR must be submitted as required.

1. Field Waiver
2. Client File Checklist
3. Calibration Verification Form
4. Client Evaluation Forms
5. Employee Certification Form
6. Field Guide Verification of Receipt
7. Health and Safety Waiver
8. Job Cost Submittal Form
9. T&TA Waiver
10. QCI Form

Amending Section V, MANNER OF FINANCING

Pursuant to Terms and Conditions, **Manner of Financing** of the above referenced contract, the GFR hereby exercises its option to amend this contract to provide up to **\$30,547** as a reimbursement ceiling for FY16, inclusive of administrative and program funds.

Amending Section XI, SINGLE AUDIT

The Grantee agrees to comply with the organizational audit requirements of 2 CFR Part 200, Subpart F-Audit Requirements and further understands and agrees that funds may be withheld, or other related requirement may be imposed, if outstanding audit issues (if any) from 2 CFR Part 200, Subpart F-Audit Requirements are not satisfactory and promptly addressed.

Single Audit: Grant sub-recipients expending \$750,000 or more of Federal funds from all sources during the organization's fiscal year, must have an annual audit conducted in accordance with 2 CFR Part 200, Subpart F-Audit Requirements.

- If your organization is subject to the requirements of the A-133 Single Audit Act, then submit one copy of your organization's most recently completed A-133 Single Audit with the Management Letter, Findings and Questioned Costs with the completed application.
- If your organization is not subject to A-133, submit one copy of the most recently completed audit of financial statements, with the Management Letter, Findings and Questioned Costs.
- If you organization does not have a recently completed audit, submit one copy of the most recently prepared financial statements including a Balance Sheet, Income Statement, and Statement of Cash Flows along with a description of the source of the documents.

The audit submission requirement applies to each grant award year. A copy of the Grantee's A-133 or annual audit with any findings shall be provided to the ADOA, Office of Grants and Federal Resources within thirty (30) days following the annual audit, but no later than nine (9) months following the end of the Grantee's fiscal year. If your organization does not have a current audit completed, the written correspondence requesting an extension must be attached. The correspondence must indicate the timeframe for completion and/or the requested extension date. Information on Federal Single Audits, 2 CFR Part 200, Subpart F, may be found on <http://www.ecfr.gov>.

Amending Section LII, NOTICES

All notices, demands, and communications provided for herein or made hereunder shall be delivered, or sent by certified mail, return receipt requested, addressed in each case as follows, until some other address shall have been designated in a written notice to the other party hereto given in like manner:

If to GRANTEE:

Gila County
Office of Community Services
5515 South Apache Avenue, Suite 200
Globe, AZ 85501

Contractual/Financial Contact

Malissa Buzan
Director of Community Services
PHONE 928-402-8693
FAX 928-425-9468
EMAIL mbuzan@co.gila.az.us

Program/Technical Contact

Malissa Buzan
Director of Community Services
PHONE 928-402-8693
FAX 928-425-9468
EMAIL mbuzan@co.gila.az.us

If to GFR:

ADOA – Office of Grants and Federal Resources
100 N. 15th Avenue, Suite 202
Phoenix, AZ 85007

Contractual/Financial Contact

Evelyn Billings
Grants Administrator
PHONE 602-771-1141
EMAIL evelyn.billings@azdoa.gov

Program/Technical Contact

GFR Assigned Auditor

Each notice shall be deemed to have been given or made when so delivered or mailed. Notification of change shall be delivered to the GFR and Grantee within ten (10) days of any change affecting this provision.

THE FOLLOWING U.S. DOE FLOW DOWN LANGUAGE IS BEING ADDED:

Section LIII, STATEMENT OF FEDERAL STEWARDSHIP

DOE will exercise normal Federal stewardship in overseeing the project activities performed under this award. Stewardship activities include, but are not limited to, conducting site visits; reviewing performance and financial reports; providing technical assistance and/or temporary intervention in unusual circumstances to correct deficiencies which develop during the project; assuring compliance with terms and conditions; and reviewing technical performance after project completion to ensure that the award objectives have been accomplished.

Section LIV, NATIONAL ENVIRONMENTAL POLICY ACT (NEPA) REQUIREMENTS

For this award, DOE has made a final NEPA determination for all activities under this award that are listed in the State Plan formally approved by DOE through incorporation into and attached to the award. You (Recipient) may proceed with the activities as described in the State Plan. This NEPA

determination is specific to the project as described in the State Plan formally approved by DOE through incorporation into and attached to the award.

If you later add to or modify the activities in the approved State Plan, you must contact the DOE Project Officer identified in Block 15 of the Assistance Agreement. Those additions or modifications, including projects involving ground-breaking activities, new construction, or projects involving the installation of onsite renewable energy technology that generate electricity from renewable resources, as well as other related activities, may be subject to review by the NEPA Compliance Officer and approval by the DOE Contracting Officer, and may not be authorized for federal funding until DOE provides a NEPA determination on those additions or modifications.

Restrictions include taking any action using Federal funds, which would have an adverse effect on the environment or limit the choice of reasonable alternatives prior to DOE providing a final NEPA determination. Should you move forward with activities that are not authorized for Federal funding by the DOE Contracting Officer in advance of the final NEPA determination, you are doing so at risk of not receiving Federal funding and such costs may not be recognized as allowable cost share.

You are responsible for informing DOE of any extraordinary circumstances, cumulative impacts, or connected actions that may lead to significant impacts on the environment, or any inconsistency with the "integral elements" (as contained in 10 C.F.R. Part 1021, Appendix B) as they relate to a particular Project. States shall comply with Section 106 of the National Historic Preservation Act (NHPA). If applicable, the State shall contact the State Historic Preservation Officer (SHPO) and/or the Tribal Historic Preservation Officer (THPO).

Section LV, USE OF PROGRAM INCOME – ADDITION

If you earn program income during the project period as a result of this award, you may add the program income to the funds committed to the award and use to further eligible project objectives.

Section LVI, REAL PROPERTY

Real Property shall not be acquired under this Award without express written permission of the Contracting Officer. Title, use, management and disposition of Real Property shall be governed by 10 C.F.R. §§ 600.132 (Nonprofits), 600.231 (State and Local Governments) or 600.321 (For-Profit Entities), as applicable by the Recipient's entity type.

Section LVII, RECIPIENT LIGHTING EFFICIENCY CERTIFICATION

By entering into this agreement, the Recipient certifies that it will, by the end of the Federal Government's fiscal year, upgrade the efficiency of its facilities by replacing any incandescent lighting of the type for which section 325 of the Energy Policy and Conservation Act (42 USC 6295) establishes a standard that does not meet or exceed the energy efficiency standard for incandescent light bulbs set forth in that section with a lamp that meets or exceeds the standards for lamps established in or pursuant to that section.

Incandescent reflector lamps shall meet or exceed the lamp efficacy standards shown in the table:

Rated lamp wattage	Lamp spectrum	Lamp diameter (inches)	Rated voltage	Minimum average lamp efficacy (lm/W)
40–205	Standard Spectrum	>2.5	≥125V	6.8*P ^{0.27}
			<125V	5.9*P ^{0.27}
		≤2.5	≥125V	5.7*P ^{0.27}

			<125V	5.0*P ^{0.27}
40-205	Modified Spectrum	>2.5	≤125V	5.8*P ^{0.27}
			<125V	5.0*P ^{0.27}
		≤2.5	≥125V	4.9*P ^{0.27}
			<125V	4.2*P ^{0.27}

Note 1: P is equal to the rated lamp wattage, in watts.

Note 2: Standard Spectrum means any incandescent reflector lamp that does not meet the definition of modified spectrum in 10 CFR 430.2.

Subject to the exemption below, the standards specified in this section shall apply to ER incandescent reflector lamps, BR incandescent reflector lamps, BPAR incandescent reflector lamps, and similar bulb shapes.

Subject to the exemption below, the standards specified in this section shall apply to incandescent reflector lamps with a diameter of more than 2.25 inches, but not more than 2.75 inches.

Exemption: The standards specified in this section shall not apply to the following types of incandescent reflector lamps:

- (A) Lamps rated at 50 watts or less that are ER30, BR30, BR40, or ER40 lamps;
- (B) Lamps rated at 65 watts that are BR30, BR40, or ER40 lamps; or
- (C) R20 incandescent reflector lamps rated 45 watts or less.

For purposes of this Certification, the following definitions apply:

(A) Facilities mean the room(s), area(s), or building(s) that are used to complete a majority of the work under the project.

(B) In excess of \$1,000,000 means the total value of the grant including all budget periods funded with Federal funds and recipient cost share is greater than \$1,000,000.

(C) Federal Government's fiscal year begins October 1st and ends September 30th.

(D) Except as provided in subparagraph (4) below, the term "incandescent lamp" means a lamp in which light is produced by a filament heated to incandescence by an electric current, including only the following:

(1) Any lamp (commonly referred to as lower wattage non-reflector general service lamps, including any tungsten-halogen lamp) that has a rated wattage between 30 and 199 watts, has an E26 medium screw base, has a rated voltage or voltage range that lies at least partially within 115 and 130 volts, and is not a reflector lamp.

(2) Any lamp (commonly referred to as a reflector lamp) which is not colored or designed for rough or vibration service applications, that contains an inner reflective coating on the outer bulb to direct the light, an R, PAR, ER, BR, BPAR, or similar bulb shapes with E26 medium screw bases, a rated voltage or voltage range that lies at least partially within 115 and 130 volts, a diameter which exceeds 2.25 inches, and has a rated wattage that is 40 watts or higher.

(3) Any general service incandescent lamp (commonly referred to as a high- or higher-wattage lamp) that has a rated wattage above 199 watts (above 205 watts for a high wattage reflector lamp).

(4) The term "incandescent lamp" does not include any lamp excluded by the Secretary, by rule, as a result of a determination that standards for such lamp would not result in significant energy savings because such lamp is designed for special applications or has special characteristics not available in reasonably substitutable lamp types.

(E) The term "base" means the portion of the lamp which connects with the socket as described in ANSI C81.61-1990.

(F) The term "bulb shape" means the shape of lamp, especially the glass bulb with designations for bulb shapes found in ANSI C79.1-1980 (R1984).

(G) The term "lamp efficacy" means the lumen output of a lamp divided by its wattage, expressed in lumens per watt (LPW).

(H) The term "lamp wattage" means the total electrical power consumed by a lamp in watts, after the initial seasoning period referenced in the appropriate IES standard test procedure and including, for fluorescent, arc watts plus cathode.

Section LVIII, REPORTING SUBAWARDS AND EXECUTIVE COMPENSATION

a. Reporting of first-tier sub-awards.

1. Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a sub-award to an entity (see definitions in paragraph e. of this award term).

2. Where and when to report.

i. You must report each obligating action described in paragraph a.1. of this award term to <https://www.fsr.gov>.

ii. For sub-award information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. What to report. You must report the information about each obligating action that the submission instructions posted at <https://www.fsr.gov> specify.

b. Reporting Total Compensation of Recipient Executives.

1. Applicability and what to report. You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if

i. The total Federal funding authorized to date under this award is \$25,000 or more;

ii. In the preceding fiscal year, you received;

(A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and

subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and sub-awards); and

(B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and sub-awards); and

iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>)

2. Where and when to report. You must report executive total compensation described in paragraph b.1. of this award term:

i. As part of your registration profile at <https://www.sam.gov>.

ii. By the end of the month following the month in which this award is made, and annually thereafter.

c. Reporting of Total Compensation of Sub-recipient Executives.

1. Applicability and what to report. Unless you are exempt as provided in paragraph d. of this award term, for each first-tier sub-recipient under this award, you shall report the names and total compensation of each of the sub-recipient's five most highly compensated executives for the sub-recipient's preceding completed fiscal year, if:

i. In the sub-recipient's preceding fiscal year, the sub-recipient received;

(A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and sub-awards); and

(B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and sub-awards); and

ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>)

2. Where and when to report. You must report sub-recipient executive total compensation described in paragraph c.1. of this award term:

i. To the recipient.

ii. By the end of the month following the month during which you make the sub-award. For example, if a sub-award is obligated on any date during the month of October of a given year (*i.e.*, between October 1 and 31), you must report any required compensation information of the sub-recipient by November 30 of that year.

d. Exemptions

If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

- i. Sub-awards and;
- ii. The total compensation of the five most highly compensated executives of any sub-recipient.

e. Definitions. For purposes of this award term:

1. Entity means all of the following, as defined in 2 CFR Part 25:

- i. A Governmental organization, which is a State, local government, or Indian tribe;
- ii. A foreign public entity;
- iii. A domestic or foreign nonprofit organization;
- iv. A domestic or foreign for-profit organization;
- v. A Federal agency, but only as a sub-recipient under an award or sub-award to a non-Federal entity.

2. Executive means officers, managing partners, or any other employees in management positions.

3. Sub-award:

- i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible sub-recipient.
- ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. __ .210 of the attachment to OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations).
- iii. A sub-award may be provided through any legal agreement, including an agreement that you or a sub-recipient considers a contract.

4. Sub-recipient means an entity that:

- i. Receives a sub-award from you (the recipient) under this award; and
- ii. Is accountable to you for the use of the Federal funds provided by the sub-award.

5. Total compensation means the cash and noncash dollar value earned by the executive during the recipient's or sub-recipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

- i. Salary and bonus.
- ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount

recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.

iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.

v. Above-market earnings on deferred compensation which is not tax-qualified.

vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

Section LIX, CONFERENCE SPENDING

The recipient shall not expend any funds on a conference not directly and programmatically related to the purpose for which the grant or cooperative agreement was awarded that would defray the cost to the United States Government of a conference held by any Executive branch department, agency, board, commission, or office for which the cost to the United States Government would otherwise exceed \$20,000, thereby circumventing the required notification by the head of any such Executive Branch department, agency, board, commission, or office to the Inspector General (or senior ethics official for any entity without an Inspector General), of the date, location, and number of employees attending such conference.

Section LX, NONDISCLOSURE AND CONFIDENTIALITY AGREEMENTS ASSURANCES

By entering into this agreement, the Recipient/Subrecipient attests it does not require its employees or contractors seeking to report fraud, waste, or abuse to sign internal nondisclosure or confidentiality agreements or statements prohibiting or otherwise restricting such employees or contractors from lawfully reporting such waste, fraud, or abuse to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information.

Except as specifically stated herein, all other terms and conditions of this Weatherization Low-Income Assistance Agreement remain unchanged.

In Witness Whereof, the parties hereto agree to execute this Amendment.

GILA COUNTY

**OFFICE OF GRANTS AND
FEDERAL RESOURCES**

Michael A. Pastor, Chairman Date
Gila County Board of Supervisors

Matthew Hanson Date
Statewide Grants Administrator

Jefferson R. Dalton Date
Deputy Gila County Attorney, Civil Bureau Chief

Marian E. Sheppard Date
Clerk of the Board