

INTRODUCED: June 23, 2025

AN ORDINANCE No. 2025-159

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to accept funds in the amount of \$39,158,844.00 from the United States Department of Transportation, Pipeline and Hazardous Material Safety Administration, and to amend the Fiscal Year 2025-2026 Gas Utility Budget, which appropriated the estimated receipts of the gas utility, by increasing estimated receipts and the amount appropriated for expenditures of the gas utility by \$39,158,844.00, for the purpose of providing funding for the repair, replacement, and rehabilitation of natural gas pipelines and related equipment.

Patron – Mayor Avula

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: JUL 28 2025 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Chief Administrative Officer is authorized to accept funds in the amount of \$39,158,844.00 from the United States Department of Transportation, Pipeline and Hazardous Material Safety Administration, for the purpose of providing funding for the repair, rehabilitation, and replacement of natural gas pipelines and related equipment.

AYES: _____ NOES: _____ ABSTAIN: _____

ADOPTED: _____ REJECTED: _____ STRICKEN: _____

§ 2. That Article I, Section 9 of Ordinance No. 2025-057, adopted May 12, 2025, which adopted a Gas Utility Budget for the fiscal year commencing July 1, 2025, and ending June 30, 2026, be and is hereby amended by increasing the estimated receipts of and the amount appropriated for the gas utility and the amount appropriated for expenditures of the gas utility by \$39,158,844.00, for the purpose of providing funding for the repair, replacement, and rehabilitation of natural gas pipelines and related equipment.

§ 3. This ordinance shall be in force and effect upon adoption.



City of Richmond

Intracity Correspondence

O&R TRANSMITTAL

DATE: May 28, 2025

TO: The Honorable Members of City Council

THROUGH: The Honorable Daniel Avula, Mayor

THROUGH: Sabrina Joy-Hogg, Acting Chief Administrative Officer

THROUGH: Sheila White, Director of Finance

THROUGH: Meghan Brown, Director of Budget and Strategic Planning

THROUGH: Anthony “Scott” Morris, Senior Director of Public Utilities

FROM: Daniel Rifenburgh, Director of Richmond Gas Works
John “Billy” Vaughan, Deputy Director of Public Utilities
Christian Chirico, Deputy Director of Richmond Gas Works

RE: Natural Gas Distribution Infrastructure Safety and Modernization (“NGDISM”) Grant; Richmond Gas Works Cast Iron Renewal Program

ORD. OR RES. No. _____

PURPOSE: To authorize the Chief Administrative Officer to accept funds in the amount of \$39,158,844.00 from the Pipeline and Hazardous Materials Safety Administration (“PHMSA”) through the Natural Gas Distribution Infrastructure Safety and Modernization Grant program, and to appropriate the funds received to the Fiscal Year 2025-2026 Budget by increasing revenues and the amount appropriated to the Department of Public Utilities’ Gas Utility enterprise funds for the purpose of funding the Richmond Gas Works Cast Iron Renewal Program. Richmond Gas Works has identified, and PHMSA has approved, projects that will help to accelerate the Richmond Gas Works Cast Iron Renewal Program. The renewal of these legacy cast and ductile iron pipelines and the associated service lines will help to reduce methane emissions and significantly improve the gas system’s reliability and resiliency.

BACKGROUND: The Natural Gas Distribution Infrastructure Safety and Modernization (“NGDISM”) grant program is a new grant program that helps improve public safety, protect public health, and reduce methane emissions from natural gas distribution pipelines. The NGDISM grant program, established by President Biden’s Bipartisan Infrastructure Law, provides nearly \$1 billion in funding over the course of five years to modernize municipally- and community-owned natural gas distribution pipelines, helping to keep communities across the country safe from pipeline leaks.

COMMUNITY ENGAGEMENT:

Richmond Gas Works may engage the community through various methods of customer outreach prior to and during construction which may include but not be limited to door hangers, social media posts, neighborhood association meetings and consultation with other impacted stakeholders throughout the various project sites.

STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL:

FISCAL IMPACT: By accepting this grant, Richmond Gas Works will receive \$39,158,844.00 to help offset costs associated with the Richmond Gas Works Cast Iron Renewal Program or accelerate the Richmond Gas Works Cast Iron Renewal Program.

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: June 23, 2025

CITY COUNCIL PUBLIC HEARING DATE: July 28, 2025

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Finance and Economic Development Standing Committee

AFFECTED AGENCIES: Department of Public Utilities – Richmond Gas Works, Department of Finance, Department of Budget and Strategic Planning

RELATIONSHIP TO EXISTING ORD. OR RES.: None

ATTACHMENTS: PHMSA NGDISM Grant Award Letter, PHMSA NGDISM Grant Contract

STAFF: Daniel Rifenburgh, Director – Richmond Gas Works – (804) 646 -8307

John “Billy” Vaughan, Deputy Director of DPU – (804) 646 - 5232

Christian Chirico, Deputy Director – Richmond Gas Works (804) 646 – 8770



U.S. Department
of Transportation
**Pipeline and Hazardous
Materials Safety
Administration**

1200 New Jersey Avenue, SE
Washington, DC 20590

May 9, 2024

Daniel Rifenburgh
City of Richmond, VA
400 Richmond Highway
Richmond, VA, 23224-5239

Subject: FY 2023 Grant Application Decision Letter

Dear Daniel Rifenburgh,

Thank you for applying for the Pipeline and Hazardous Materials Safety Administration's (PHMSA) fiscal year (FY) 2023 Natural Gas Distribution Infrastructure Safety and Modernization (NGDISM) Grant. The review process for grant applications received for the FY 2023 funding cycle has concluded. PHMSA is delighted to inform you that your application has been recommended for funding. Please find the summary of recommended project(s) submitted for funding attached.

Our team is here to assist you throughout the project implementation phase. In the upcoming weeks you will receive further communication regarding the next steps in the process, which is the completion of a Tier 2 Site Specific Environmental Assessment (Tier 2 SSEA). In the interim, if any contact information for the Authorized Representative or your primary Program Official has changed, please submit an update to PHMSAPipelineBILGrant@dot.gov.

Congratulations on being selected for funding; we look forward to working with you to enhance the safety of your natural gas distribution infrastructure.

Sincerely,

A handwritten signature in blue ink that reads "Shakira N. Mack".

Shakira N. Mack
Director, NGDISM Grant Program
Pipeline and Hazardous Materials Safety Administration
U.S. Department of Transportation
1200 New Jersey Avenue SE
Washington, DC 20590

documents.

Applicant: Richmond, VA, City of Project 7 of 19
Projects: 7. Nine Mile Cedar Fork Replacement 1.12 Miles
Project Costs: \$1,194,197
Rating: Highly Recommend
Recommended for funding (Y/N): Yes
Consolidated Tech Comments: The reviewers concur that this high priority project is within scope. The system meets the criteria for NGDISM funding because of the safety risk cited in the submitted documents.

Applicant: Richmond, VA, City of Project 8 of 19
Projects: 8. New Kent Rd Replacement 2.64 Miles
Project Costs: \$2,006,611
Rating: Highly Recommend
Recommended for funding (Y/N): Yes
Consolidated Tech Comments: The reviewers concur that this high priority project is within scope. The system meets the criteria for NGDISM funding because of the safety risk cited in the submitted documents.

Applicant: Richmond, VA, City of Project 9 of 19
Projects: 9. Landmark at Patterson Replacement 1.8 mile
Project Costs: \$1,690,148
Rating: Highly Recommend
Recommended for funding (Y/N): Yes
Consolidated Tech Comments: The reviewers concur that this high priority project is within scope. The system meets the criteria for NGDISM funding because of the safety risk cited in the submitted documents.

Applicant: Richmond, VA, City of Project 10 of 19
Projects: 10. Charles, City Replacement 2.92 Mile
Project Costs: \$3,795,961
Rating: Highly Recommend
Recommended for funding (Y/N): Yes
Consolidated Tech Comments: The reviewers concur that this high priority project is within scope. The system meets the criteria for NGDISM funding because of the safety risk cited in the submitted documents.

Applicant: Richmond, VA, City of Project 11 of 19
Projects: 11. Stonewall Replacement 1.4 Miles
Project Costs: \$885,128
Rating: Highly Recommend
Recommended for funding (Y/N): Yes
Consolidated Tech Comments: The reviewers concur that this high priority project is within scope. The system meets the criteria for NGDISM funding because of the safety risk cited in the submitted documents.

Applicant: Richmond, VA, City of Project 12 of 19
Projects: 12. Jahnke Rd Replacement 4.74 Miles
Project Costs: \$4,680,037
Rating: Highly Recommend
Recommended for funding (Y/N): Yes
Consolidated Tech Comments: The reviewers concur that this high priority project is within scope. The

Applicant: Richmond, VA, City of Project 1 of 19
Projects: 1. Mechanicsville TPKE .93 Miles
Project Costs: \$1,004,386
Rating: Highly Recommend
Recommended for funding (Y/N): Yes
Consolidated Tech Comments: The reviewers concur that this high priority project is within scope. The system meets the criteria for NGDISM funding because of the safety risk cited in the submitted documents.

Applicant: Richmond, VA, City of Project 2 of 19
Projects: 2. Charles City Rd Replacement .89 Miles
Project Costs: \$2,004,606
Rating: Highly Recommend
Recommended for funding (Y/N): Yes
Consolidated Tech Comments: The reviewers concur that this high priority project is within scope. The system meets the criteria for NGDISM funding because of the safety risk cited in the submitted documents.

Applicant: Richmond, VA, City of Project 3 of 19
Projects: 3. Bloom Ln Replacement 4.62 Miles
Project Costs: \$4,692,355
Rating: Highly Recommend
Recommended for funding (Y/N): Yes
Consolidated Tech Comments: The reviewers concur that this high priority project is within scope. The system meets the criteria for NGDISM funding because of the safety risk cited in the submitted documents.

Applicant: Richmond, VA, City of Project 4 of 19
Projects: 4. Quioccasin Rd. Replacement 1.63 Miles
Project Costs: \$2,452,044
Rating: Highly Recommend
Recommended for funding (Y/N): Yes
Consolidated Tech Comments: The reviewers concur that this high priority project is within scope. The system meets the criteria for NGDISM funding because of the safety risk cited in the submitted documents.

Applicant: Richmond, VA, City of Project 5 of 19
Projects: 5. Mauldin St. Replacement .68 Miles
Project Costs: \$705,241
Rating: Highly Recommend
Recommended for funding (Y/N): Yes
Consolidated Tech Comments: The reviewers concur that this high priority project is within scope. The system meets the criteria for NGDISM funding because of the safety risk cited in the submitted documents.

Applicant: Richmond, VA, City of Project 6 of 19
Projects: 6. Nine Mile Ainsworth Replacement 1.04 Miles
Project Costs: \$1,089,897
Rating: Highly Recommend
Recommended for funding (Y/N): Yes
Consolidated Tech Comments: The reviewers concur that this high priority project is within scope. The system meets the criteria for NGDISM funding because of the safety risk cited in the submitted

Recommended for funding (Y/N): Yes

Consolidated Tech Comments: The reviewers concur that this high priority project is within scope. The system meets the criteria for NGDISM funding because of the safety risk cited in the submitted documents.

Applicant: Richmond, VA, City of Project 19 of 19

Projects: 19. Nine Mile Rd Newbridge Replacement .44 Miles

Project Costs: \$435,798

Rating: Highly Recommend

Recommended for funding (Y/N): Yes

Consolidated Tech Comments: The reviewers concur that this high priority project is within scope. The system meets the criteria for NGDISM funding because of the safety risk cited in the submitted documents.

system meets the criteria for NGDISM funding because of the safety risk cited in the submitted documents.

Applicant: Richmond, VA, City of Project 13 of 19

Projects: 13. Bellmeade Replacement 1.87 Miles

Project Costs: \$2,724,593

Rating: Highly Recommend

Recommended for funding (Y/N): Yes

Consolidated Tech Comments: The reviewers concur that this high priority project is within scope. The system meets the criteria for NGDISM funding because of the safety risk cited in the submitted documents.

Applicant: Richmond, VA, City of Project 14 of 19

Projects: 14. Roselawn Rd Replacement .73 Miles

Project Costs: \$756,340

Rating: Highly Recommend

Recommended for funding (Y/N): Yes

Consolidated Tech Comments: The reviewers concur that this high priority project is within scope. The system meets the criteria for NGDISM funding because of the safety risk cited in the submitted documents.

Applicant: Richmond, VA, City of Project 15 of 19

Projects: 15. Charles City Replacement 2.16 Miles

Project Costs: \$4,055,344.00

Rating: Highly Recommend

Recommended for funding (Y/N): Yes

Consolidated Tech Comments: The reviewers concur that this high priority project is in scope. The system meets the criteria for NGDISM funding because of the safety risk cited in the submitted documents.

Applicant: Richmond, VA, City of Project 16 of 19

Projects: 16. Bells Rd. Replacement 2.16 Miles

Project Costs: \$3,193,499

Rating: Highly Recommend

Recommended for funding (Y/N): Yes

Consolidated Tech Comments: The reviewers concur that this high priority project is within scope. The system meets the criteria for NGDISM funding because of the safety risk cited in the submitted documents.

Applicant: Richmond, VA, City of Project 17 of 19

Projects: 17. West Broad St. Replacement 1.05 Miles

Project Costs: \$1,394,500

Rating: Highly Recommend

Recommended for funding (Y/N): Yes

Consolidated Tech Comments: The reviewers concur that this high priority project is within scope. The system meets the criteria for NGDISM funding because of the safety risk cited in the submitted documents.


Applicant: Richmond, VA, City of Project 18 of 19

Projects: 18. Charles City November Ave Replacement .36 Miles

Project Costs: \$398,159

Rating: Highly Recommend

ASSISTANCE AGREEMENT

1. Award No. 693JK32540062NGDI		2. Modification No.		3. Effective Date		4. CFDA No. 20.708		
5. Awarded To RICHMOND, CITY OF Attn: RENE ALMARAZ 900 E BROAD ST STE 201 RICHMOND VA 232191907				6. Sponsoring Office PIPELINE AND HAZARDOUS MATERIALS SA Office of Pipeline Safety (PHP) 1200 New Jersey Avenue SE, East Bldg, 3rd Washington DC 20590			7. Period of Performance 04/04/2025 through 04/03/2030	
8. Type of Agreement <input checked="" type="checkbox"/> Grant <input type="checkbox"/> Cooperative Agreement <input type="checkbox"/> Other		9. Authority			10. Purchase Request or Funding Document No. PH956-25-0093			
11. Remittance Address RICHMOND, CITY OF Attn: JOHNNIE HOGUE 1108 EAST MAIN STREET, SUITE 602 RICHMOND VA 232193534				12. Total Amount Govt. Share: \$39,158,844.00 Cost Share : \$0.00 Total : \$39,158,844.00		13. Funds Obligated This action: \$39,158,844.00 Total : \$39,158,844.00		
14. Principal Investigator		15. Program Manager SHAKIRA MACK Phone: 202-366-5090			16. Administrator PIPELINE AND HAZARDOUS MATERIALS SA Acquisition Services Division 1200 New Jersey Avenue SE, East Bldg, 3rd Washington DC 20590			
17. Submit Payment Requests To				18. Paying Office PHMSA Delphi eInvoicing System https://einvoice.esc.gov		19. Submit Reports To		
20. Accounting and Appropriation Data 14021123B1.2025.PSGRT05010.50D0200000.41010.61000000.0000000000.0000000000.0000000000.0000000000								
21. Research Title and/or Description of Project City of Richmond, VA FY 2023								
For the Recipient				For the United States of America				
22. Signature of Person Authorized to Sign				25. Signature of Grants/Agreements Officer 				
23. Name and Title		24. Date Signed		26. Name of Officer DAMOND SMITH		27. Date Signed 04152025		

Approved as to form: *Sophia A. Koziol*

NAME OF OFFEROR OR CONTRACTOR
RICHMOND, CITY OF

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
00001	<p>UEI: EG4LF5GYLK81</p> <p>The purpose of this Agreement is to award a new grant under the Natural Gas Distribution Infrastructure & Safety Modernization (NGDISM) grant program to the City of Richmond, VA.</p> <p>Special term and condition #1:</p> <p>This award is conditioned upon full compliance with the National Environmental Policy Act (NEPA) prior to the commencement of any physical construction activities. The recipient shall not charge to this award costs that are incurred on physical construction activities that occurred prior to all federal environmental review requirements, including NEPA, being satisfied.</p> <p>Costs incurred for pre-construction activities will not be reimbursed under this award until the NEPA review is complete and a Finding of No Significant Impact (FONSI), Categorical Exclusion, or Record of Decision (ROD) has been issued, as applicable.</p> <p>Any deviation from this requirement may result in PHMSA imposing any remedy permitted in Article 9 of the terms and conditions of this agreement, including suspension or termination of the award. Prepay Indicate: YES</p> <p>City of Richmond, VA - Natural Gas Distribution Infrastructure Safety Modernization (NGDISM) Grant - Construction.</p> <p>Obligated Amount: \$39,158,844.00</p> <p>POINTS OF CONTACT:</p> <p>Grants Management Contact: Renee Taylor, 757.936.2300 Email: renee.taylor@dot.gov</p> <p>ESC Payment Questions: 9-amc-amz-phmsa-invoices@faa.gov</p> <p>The obligated amount of award: \$39,158,844.00. The total for this award is \$39,158,844.00.</p>				39,158,844.00

PHMSA FY23 NGDISM Grant Terms and Conditions

Table of Contents

ARTICLE 1 - PURPOSE.....	4
1.1 Purpose	4
ARTICLE 2 - PHMSA ROLE	4
2.1 PHMSA Responsibilities.....	4
ARTICLE 3 - RECIPIENT ROLE	4
3.1 Statements on the Project	4
3.2 Statements on Authority and Capacity	4
3.3 PHMSA Reliance	5
3.4 Project Delivery.....	5
3.5 Rights and Powers Affecting the Project	6
ARTICLE 4 - AWARD AMOUNT, OBLIGATIONS, AND TIME PERIODS.....	6
4.1 Federal Award Amount.....	6
4.2 Budget Period.....	6
4.3 Period of Performance.....	6
ARTICLE 5 - STATEMENT OF WORK, SCHEDULE, AND BUDGET CHANGES.....	6
5.1 Notification Requirement	6
5.2 Scope and Statement of Work Changes.	6
5.3 Schedule Changes.	6
5.4 Budget Changes.....	7
5.5 PHMSA Acceptance of Changes	8
ARTICLE 6 - GENERAL REPORTING TERMS	8
6.1 Report Submission.	8
6.2 Alternative Reporting Methods.....	8
6.3 Paperwork Reduction Act Notice.....	8
ARTICLE 7 - PROGRESS AND FINANCIAL REPORTING	8
7.1 Quarterly Project Progress Reports and Recertifications.....	8
7.2 Final Progress Reports and Financial Reporting.....	8
ARTICLE 8 - PERFORMANCE MEASUREMENT	9
8.1 Site Visits and Desk Audits.....	9
8.2 Compliance with Pipeline Safety Regulations.....	9
ARTICLE 9 - NONCOMPLIANCE AND REMEDIES	9
9.1 Noncompliance Determinations.....	9
9.2 Remedies	10
9.3 Other Oversight Entities.....	10
ARTICLE 10 - AGREEMENT TERMINATION	11
10.1 PHMSA Termination	11
10.2 Closeout Termination.....	11
10.3 Post-Termination Adjustments.....	11
10.4 Non-Terminating Events	12
10.5 Other Remedies	12

PHMSA FY23 NGDISM Grant Terms and Conditions

ARTICLE 11 - MONITORING, FINANCIAL MANAGEMENT, CONTROLS, AND RECORDS	12
11.1 Recipient Monitoring and Record Retention	12
11.2 Financial Records and Audits	12
11.3 Internal Controls.....	13
11.4 PHMSA Record Access	13
ARTICLE 12 - CONTRACTING.....	13
12.1 Procurement Standards.....	13
12.2 Buy America	13
12.3 Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment	13
12.4 Government-wide Debarment and Suspension (Non-Procurement).....	14
ARTICLE 13 - COSTS, PAYMENTS, AND UNEXPENDED FUNDS.....	14
13.1 Limitation of Federal Award Amount.....	14
13.2 Project Costs.....	14
13.3 Timing of Project Costs.....	14
13.4 Recipient Recovery of Federal Funds	14
13.5 Unexpended Federal Funds.....	15
13.6 Timing of Payments to the Recipient.....	15
13.7 eInvoicing.....	15
13.8 Payments	16
13.9 Information Supporting Expenditures	18
13.10 Indirect Cost Rate.....	18
ARTICLE 14 - LIQUIDATION, ADJUSTMENTS, AND FUNDS AVAILABILITY	18
14.1 Liquidation of Recipient Obligations.....	18
14.2 Funds Cancellation.....	18
ARTICLE 15 - AGREEMENT MODIFICATIONS	19
15.1 Bilateral Modification	19
15.2 PHMSA Unilateral Modifications.....	19
15.3 Other Modifications	19
ARTICLE 16 - FEDERAL FINANCIAL ASSISTANCE, ADMINISTRATIVE, AND NATIONAL POLICY REQUIREMENTS.....	19
16.1 Uniform Administrative Requirements for Federal Awards.....	19
16.2 Federal Law and Public Policy Requirements	19
16.3 Federal Freedom of Information Act	20
16.4 History of Performance	20
16.5 Whistleblower Protection.....	20
16.6 Prohibition on Awarding to Entities that Require Certain Internal Confidentiality Agreements.....	20
16.7 Executive Orders	21
16.8 National Environmental Policy Act	21
16.9 Labor and Work	22
16.10 Critical Infrastructure Security and Resilience	22
16.11 811, Call Before You Dig Program.....	22
16.12 External Award Terms and Condition	22

PHMSA FY23 NGDISM Grant Terms and Conditions

16.13 Incorporated Certifications.....	23
ARTICLE 17 - ASSIGNMENT.....	23
17.1 Assignment Prohibited.....	23
ARTICLE 18 - WAIVER	23
18.1 Waivers.....	23
ARTICLE 19 - ADDITIONAL TERMS AND CONDITIONS	24
19.1 Disclaimer of Federal Liability	24
19.2 Relocation and Real Property Acquisition	24
19.3 Equipment Disposition.....	24
19.4 Notice of News Releases, Public Announcement, and Presentations	24
19.5 Reporting Fraud, Waste, or Abuse	25
ARTICLE 20 - MANDATORY AWARD INFORMATION	25
20.1 Information Contained In a Federal Award	25
20.2 Federal Award Identification Number.	25
20.3 Recipient’s Unique Entity Identifier.	25
ARTICLE 21 - CONSTRUCTION AND DEFINITIONS	25
21.1 Incorporation by Reference.....	25
21.2 Construction.	26
21.3 Integration.	26
21.4 Definitions.....	26
ARTICLE 22 - AGREEMENT EXECUTION AND EFFECTIVE DATE	27
22.1 Counterparts	27
22.2 Effective Date.....	27

PHMSA FY23 NGDISM Grant Terms and Conditions

GENERAL TERMS AND CONDITIONS

The Infrastructure Investment and Jobs Act, Publ. L. No. 117-58, Div. J (Nov. 15, 2021) (the “IIJA”) made funds available to the Pipeline and Hazardous Materials Safety Administration (“PHMSA”) to carry out the Natural Gas Distribution Infrastructure Safety and Modernization (“NGDISM”) Grant Program by providing Federal financial assistance to municipality-owned or community-owned utilities (not including for-profit entities) to repair, rehabilitate, or replace their natural gas distribution pipeline systems or portions thereof or to acquire equipment to (1) reduce incidents and fatalities and (2) avoid economic losses.

These General Terms and Conditions govern the rights and obligations of PHMSA, and the entity named in PHMSA’s Assistance Agreement’s, Box 5 Awarded To of (the “Recipient”) with respect to the Recipient’s Fiscal Year 2023 NGDISM award.

ARTICLE 1 - PURPOSE

1.1 Purpose. The purpose of this award is to fund an eligible Fiscal Year 2023 NGDISM project to repair, rehabilitate, or replace a municipality-owned or community-owned natural gas distribution pipeline system or portions thereof or to acquire equipment to (1) reduce incidents and fatalities and (2) avoid economic losses. The parties will accomplish that purpose by achieving the following objectives:

- (a) timely completing the Project; and
- (b) ensuring that this award does not substitute for non-Federal investment in the Project.

ARTICLE 2 - PHMSA ROLE

2.1 PHMSA Responsibilities. PHMSA will administer this agreement on behalf of the United States Department of Transportation (“USDOT”). PHMSA is responsible for the overall administration of the NGDISM program and any modifications to this agreement.

ARTICLE 3 - RECIPIENT ROLE

3.1 Statements on the Project. The Recipient represents that:

- (a) all material facts in the Recipient’s Initial Application (as defined in Section 21.4) were accurate when that application was submitted; and
- (b) if the Recipient submitted a Final Application (as defined in Section 21.4), all material facts in the Recipient’s Final Application are accurate as of the date of this agreement, and that the Final Application documents all material changes in the information contained in the Initial Application.

3.2 Statements on Authority and Capacity. The Recipient represents that:

PHMSA FY23 NGDISM Grant Terms and Conditions

- (a) it has the authority to receive Federal financial assistance under this agreement;
- (b) it has the legal authority to complete the Project;
- (c) it has the ability or capacity, including institutional, managerial, and financial capacity, to comply with its obligations under this agreement;
- (d) it has sufficient funds available to ensure that infrastructure completed or improved under this agreement will be operated and maintained in compliance with this agreement, applicable Federal law, and applicable pipeline safety regulations; and
- (e) the individual executing this agreement on behalf of the Recipient has authority to enter this agreement and make the representations in this Article 3 and in section 16.13 on behalf of the Recipient.

3.3 PHMSA Reliance. The Recipient acknowledges that:

- (a) PHMSA relied on statements of fact in the Initial Application to select the Project to receive this award;
- (b) PHMSA relied on statements of fact in the Initial Application to determine that the Recipient and the Project are eligible under the terms of the NOFO and the program statute;
- (c) PHMSA relied on statements of fact in the Initial Application and/or the Final Application, and this agreement to establish the terms of this agreement; and
- (d) PHMSA's selection of the Project to receive this award prevented awards under the NOFO to other eligible applicants.

3.4 Project Delivery.

- (a) The Recipient shall complete the Project under the terms of this agreement.
- (b) The Recipient shall ensure that the Project is financed, constructed, operated, and maintained in accordance with all Federal and State laws, regulations, and policies that are applicable to PHMSA projects.

PHMSA FY23 NGDISM Grant Terms and Conditions

3.5 Rights and Powers Affecting the Project.

- (a) The Recipient shall not take or permit any action that deprives it of any rights or powers necessary to the Recipient's performance under this agreement, or any action that would affect the Recipient's eligibility for the NGDISM program, without PHMSA's prior written approval.
- (b) The Recipient shall act promptly, in a manner acceptable to PHMSA, to acquire, extinguish, or modify any outstanding rights or claims of right of others that would interfere with the Recipient's performance under this agreement.

ARTICLE 4 - AWARD AMOUNT, OBLIGATIONS, AND TIME PERIODS

- 4.1 **Federal Award Amount.** PHMSA hereby awards a NGDISM Grant to the Recipient in the amount described in PHMSA Assistance Agreement Box 12, Total Amount.
- 4.2 **Budget Period.** This award will have one budget period, which will run concurrently with the Period of Performance described in section 4.3. In this agreement, "budget period" is used as defined at 2 C.F.R. 200.1.
- 4.3 **Period of Performance.** The Period of Performance for this award begins and ends on the dates stated in PHMSA's Assistance Agreement's Box 7, Period of Performance. In this agreement, "period of performance" is used as defined at 2 C.F.R. 200.1.

ARTICLE 5 - STATEMENT OF WORK, SCHEDULE, AND BUDGET CHANGES

- 5.1 **Notification Requirement.** The Recipient shall notify PHMSA in writing within 30 calendar days of any change in circumstances or commitments that adversely affect the Recipient's plan to complete the Project. In that notification, the Recipient shall describe the change and what actions the Recipient has taken or plans to take to ensure completion of the Project. As described in sections 5.2 through 5.4, the Recipient shall request a modification of this agreement as necessary.
- 5.2 **Scope and Statement of Work Changes.** If the Project's scope or activities differ from the scope or activities described in the Recipient's Initial and/or Final Application, then the Recipient shall request a modification of this agreement to update the Recipient's Initial and/or Final Application.
- 5.3 **Schedule Changes.** If one or more of the following conditions are satisfied, then the Recipient shall request a modification of this agreement to update the Period of Performance or the project schedule in the Recipient's Initial and/or Final Application, as applicable:
 - (a) a completion date for the overall Project or a milestone of the Project is listed in the Recipient's Initial and/or Final Application, and the Recipient's estimate for

PHMSA FY23 NGDISM Grant Terms and Conditions

that milestone changes to a date that is more than six months after the date listed in the Recipient's Initial and/or Final Application; or

- (b) a schedule change would require the Period of Performance to continue after the Period of Performance listed in section 4.3.

5.4 Budget Changes.

- (a) The Recipient acknowledges that if the cost of completing the Project increases:
 - (1) that increase does not affect the Recipient's obligation under this agreement to complete the Project;
 - (2) PHMSA will not increase the amount of this award to address any funding shortfall; and
 - (3) the Recipient shall notify PHMSA, in writing, if the Recipient anticipates being unable to fully complete the Project due to the increased cost.
- (b) If there are Project Cost Savings, then the Recipient may propose to PHMSA, in writing consistent with PHMSA's requirements, to include in the Project specific additional activities that are within the scope of the Recipient's approved National Environmental Policy Act ("NEPA") document, and that the Recipient could complete with the Project Cost Savings.

In this agreement, "Project Cost Savings" means the difference between the actual allowable project costs and the Federal Award Amount listed in section 4.1, but only if the actual allowable project costs are lower than the Federal Award Amount.

- (c) If there are Project Cost Savings and either the Recipient does not make a proposal under section 5.4(b) or PHMSA does not accept the Recipient's proposal under section 5.4(b), then:
 - (1) the Recipient shall request a modification of this agreement to reduce the Federal Award Amount listed in section 4.1 by the amount of the Project Cost Savings; and
 - (2) if PHMSA had reimbursed costs exceeding the reduced Federal Award Amount, the Recipient shall refund to PHMSA the difference between the reimbursed costs and the reduced Federal Award Amount.
- (d) The Recipient acknowledges that amounts that are required to be refunded under section 5.4(c)(2) constitute a debt to the Federal Government that PHMSA may collect under 2 C.F.R. 200.346 and the Federal Claims Collection Standards (31 C.F.R. parts 900–999).

PHMSA FY23 NGDISM Grant Terms and Conditions

- 5.5 PHMSA Acceptance of Changes.** PHMSA may accept or reject modifications requested under this article 5, and in doing so may elect to consider only the interests of the NGDISM program and PHMSA. The Recipient acknowledges that requesting a modification under this article 5 does not amend, modify, or supplement this agreement unless PHMSA accepts that modification request and the parties modify this agreement under section 15.1.

ARTICLE 6 - GENERAL REPORTING TERMS

- 6.1 Report Submission.** The Recipient shall send all reports required by this agreement to PHMSA using the process required by PHMSA.
- 6.2 Alternative Reporting Methods.** PHMSA may establish processes for the Recipient to submit reports required by this agreement, including electronic submission processes. If the Recipient is notified of those processes in writing, the Recipient shall use the processes required by PHMSA.
- 6.3 Paperwork Reduction Act Notice.** Under 5 C.F.R. 1320.6, the Recipient is not required to respond to a collection of information that does not display a currently valid control number issued by the Office of Management and Budget (the “OMB”). Notwithstanding any other term of this agreement, the due date for any information collections required under this agreement, including the reporting requirements in articles 7 and 8, is the later of (1) the due date stated with the requirement and (2) the 30th day after OMB approves that information collection.

ARTICLE 7 - PROGRESS AND FINANCIAL REPORTING

- 7.1 Quarterly Project Progress Reports and Recertifications.** Recipient quarterly reports shall be submitted by the 30th calendar day after the quarterly reporting period ends (Q1 Jan 30th; Q2 April 30th; Q3 July 30th and Q4 October 30th) each calendar year quarter and until the end of the Period of Performance. The Recipient shall submit to PHMSA a Quarterly Project Progress Report in the format and with the content required by PHMSA.
- 7.2 Final Progress Reports and Financial Reporting.** No later than 120 days after the end of the Period of Performance, the Recipient shall submit:
- (a) a Final Project Progress Report in the format and with the content required by PHMSA; and
 - (b) any other information required under PHMSA’s award closeout procedures.

PHMSA FY23 NGDISM Grant Terms and Conditions

ARTICLE 8 - PERFORMANCE MEASUREMENT

- 8.1 Site Visits and Desk Audits.** There will be at least one site visit per recipient during the Period of Performance, with the option of additional site visits/desk audits if needed to address deficiencies and/or more complex issues that require face-to-face technical assistance.
- 8.2 Compliance with Pipeline Safety Regulations.** The Recipient must ensure that the Project is completed in accordance with applicable pipeline safety laws and regulations, including the notification requirements in 49 C.F.R. 191.22(c) as applicable.

ARTICLE 9 - NONCOMPLIANCE AND REMEDIES

9.1 Noncompliance Determinations.

- (a) If PHMSA determines that the Recipient may have failed to comply with the United States Constitution, Federal law, or the terms and conditions of this agreement, PHMSA may notify the Recipient of a proposed determination of noncompliance. For the notice to be effective, it must be written and PHMSA must include an explanation of the nature of the noncompliance, describe a remedy, state whether that remedy is proposed or effective at an already determined date, and describe the process through and form in which the Recipient may respond to the notice.
- (b) If PHMSA notifies the Recipient of a proposed determination of noncompliance under section 9.1(a), the Recipient may, not later than 7 calendar days after the notice, respond to that notice in the form and through the process described in that notice. In its response, the Recipient may:
- (1) accept the remedy;
 - (2) acknowledge the noncompliance, but propose an alternative remedy; or
 - (3) dispute the noncompliance.

To dispute the noncompliance, the Recipient must include in its response documentation or other information supporting the Recipient's compliance.

- (c) PHMSA may make a final determination of noncompliance only:
- (1) after considering the Recipient's response under section 9.1(b); or
 - (2) if the Recipient fails to respond under section 9.1(b), after the time for that response has passed.

PHMSA FY23 NGDISM Grant Terms and Conditions

- (d) To make a final determination of noncompliance, PHMSA must provide a notice to the Recipient that states the bases for that determination.

9.2 Remedies.

- (a) If PHMSA makes a final determination of noncompliance under section 9.1, PHMSA may impose a remedy, including:
 - (1) additional conditions on the award;
 - (2) any remedy permitted under 2 C.F.R. 200.339–200.340, including withholding of payments; disallowance of previously reimbursed costs; requiring refunds from the Recipient to PHMSA; suspension or termination of the award; or suspension and disbarment under 2 C.F.R. part 180; or
 - (3) any other remedy legally available.
- (b) To impose a remedy, PHMSA must provide a written notice to the Recipient that describes the remedy, but PHMSA may make the remedy effective before the Recipient receives that notice.
- (c) If PHMSA determines that it is in the public interest, PHMSA may impose a remedy, including all remedies described in section 9.2(a), before making a final determination of noncompliance under section 9.1. If it does so, then the notice provided under section 9.1(d) must also state whether the remedy imposed will continue, be rescinded, or modified.
- (d) In imposing a remedy under this section 9.2 or making a public interest determination under section 9.2(c), PHMSA may elect to consider the interests of only PHMSA.
- (e) The Recipient acknowledges that amounts that PHMSA requires the Recipient to refund to PHMSA due to a remedy under this section 9.2 constitute a debt to the Federal Government that PHMSA may collect under 2 C.F.R. 200.346 and the Federal Claims Collection Standards (31 C.F.R. parts 900–999).

- 9.3 Other Oversight Entities.** Nothing in this article 9 limits any party’s authority to report activity under this agreement to the USDOT Inspector General or other appropriate oversight entities.

PHMSA FY23 NGDISM Grant Terms and Conditions

ARTICLE 10 - AGREEMENT TERMINATION

10.1 PHMSA Termination.

- (a) PHMSA may terminate this agreement and all of its obligations under this agreement if any of the following occurs:
 - (1) a completion date for the Project or a component of the Project is listed in the Recipient's Initial and/or Final Application and the Recipient fails to meet that milestone by six months after the date listed in the Recipient's Initial and/or Final Application;
 - (2) the Recipient fails to comply with the terms and conditions of this agreement, including a material failure to comply with the project schedule in the Recipient's Initial and/or Final Application, even if it is beyond the reasonable control of the Recipient;
 - (3) circumstances cause changes to the Project that PHMSA determines are inconsistent with PHMSA's basis for selecting the Project to receive an NGDISM Grant; or
 - (4) PHMSA determines that termination of this agreement is in the public interest.
- (b) In terminating this agreement under this section, PHMSA may elect to consider only the interests of PHMSA.
- (c) This section 10.1 does not limit PHMSA'S ability to terminate this agreement as a remedy under section 9.2.
- (d) The Recipient may request that PHMSA terminate the agreement under this section 10.1.

10.2 Closeout Termination.

- (a) This agreement terminates on Project Closeout.
- (b) In this agreement, "Project Closeout" means the date that PHMSA notifies the Recipient that the award is closed out. Under 2 C.F.R. 200.344, Project Closeout should occur no later than one year after the end of the Period of Performance.

10.3 Post-Termination Adjustments. The Recipient acknowledges that under 2 C.F.R. 200.345–200.346, termination of the agreement does not extinguish PHMSA's authority to disallow costs, including costs that PHMSA reimbursed before termination, and recover funds from the Recipient.

PHMSA FY23 NGDISM Grant Terms and Conditions

10.4 Non-Terminating Events.

- (a) The end of the Period of Performance described under section 4.3 does not terminate this agreement or the Recipient's obligations under this agreement.
- (b) The cancellation of funds under section 14.2 does not terminate this agreement or the Recipient's obligations under this agreement.

10.5 Other Remedies. The termination authority under this article 10 supplements and does not limit PHMSA's remedial authority under article 9 or 2 C.F.R. part 200, including 2 C.F.R. 200.339–200.340.

ARTICLE 11 - MONITORING, FINANCIAL MANAGEMENT, CONTROLS, AND RECORDS

11.1 Recipient Monitoring and Record Retention.

- (a) The Recipient shall monitor activities under this award to ensure:
 - (1) that those activities comply with this agreement; and
 - (2) that funds provided under this award are not expended on costs that are not allowable under this award or not allocable to this award.
- (b) The Recipient shall retain records relevant to the award as required under 2 C.F.R. 200.334.

11.2 Financial Records and Audits.

- (a) The Recipient shall keep all project accounts and records that fully disclose the amount and disposition by the Recipient of the award funds, the total cost of the Project, and the amount or nature of that portion of the cost of the Project supplied by other sources, and any other financial records related to the project.
- (b) The Recipient shall keep accounts and records described under section 11.2(a) in accordance with a financial management system that meets the requirements of 2 C.F.R. 200.301–200.303 and 2 C.F.R. 200 subpart F, and will facilitate an effective audit in accordance with 31 U.S.C. 7501–7506.
- (c) The Recipient shall separately identify expenditures under the Fiscal Year 2023 NGDISM Program in financial records required for audits under 31 U.S.C. 7501–7506. Specifically, the Recipient shall:

PHMSA FY23 NGDISM Grant Terms and Conditions

- (1) list expenditures under that program separately on the schedule of expenditures of Federal awards required under 2 C.F.R. 200 subpart F, including “FY 2023” in the program name; and
- (2) list expenditures under that program on a separate row under Part II, Item 1 (“Federal Awards Expended During Fiscal Period”) of Form SF-SAC, including “FY 2023” in column c (“Additional Award Identification”).

11.3 Internal Controls. The Recipient shall establish and maintain internal controls as required under 2 C.F.R. 200.303.

11.4 PHMSA Record Access. PHMSA may access Recipient records related to this award under 2 C.F.R. 200.337.

ARTICLE 12 - CONTRACTING

12.1 Procurement Standards.

- (a) The Recipient agrees that it will comply with the provisions of 2 C.F.R. 200.317 through 200.327 (“Procurement Standards”) when acquiring property or services required under this award.
- (b) The Recipient agrees that prior to acquiring property or services required under this award, the Recipient shall establish documented procurement procedures consistent with the Procurement Standards.

12.2 Buy America.

- (a) The Project is subject to the domestic preference requirement in § 70914 of the Build America, Buy America Act, Pub. L. No. 117-58, div. G, tit. IX, subtit. A, 135 Stat. 429, 1298 (2021), which requires that all steel, iron, manufactured products, and construction materials used in the project be produced in the United States. The Recipient agrees to comply with this domestic preference requirement as implemented by applicable OMB, USDOT, and PHMSA guidance and regulations.
- (b) The Recipient shall include the substance of section 12.2 in all contracts and purchase orders for work or products under this award.

12.3 Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment. The Recipient acknowledges that Section 889 of Pub. L. No. 115-232 and 2 C.F.R. 200.216 prohibit the Recipient from procuring or obtaining certain telecommunications and video surveillance services or equipment under this award.

PHMSA FY23 NGDISM Grant Terms and Conditions

12.4 Government-wide Debarment and Suspension (Non-Procurement).

- (a) The Recipient must review the “list of parties excluded from federal procurement or non-procurement programs” located on the System for Award Management (SAM) website before entering into a contract. <https://www.sam.gov>. No contracts may be issued to an entity or person identified in the “list of parties excluded from federal procurement or non-procurement programs.”
- (b) 2 C.F.R. 1200 “Non-procurement Suspension and Debarment” is incorporated by reference into this award.
- (c) The Recipient must notify PHMSA, in writing, in a timely manner if the Recipient discovers it has entered into a Covered Transaction (as defined in 2 C.F.R. 180.200) with an entity or person identified in the “list of parties excluded from federal procurement or non-procurement programs.”
- (d) If the Recipient maintains a list of entities or persons with which the Recipient does not transact business, the Recipient must notify PHMSA, in writing, whenever the Recipient adds an entity or person to such list, and must describe the basis for adding such entity or person.

ARTICLE 13 - COSTS, PAYMENTS, AND UNEXPENDED FUNDS

13.1 Limitation of Federal Award Amount. Under this award, PHMSA shall not provide funding greater than the amount provided under section 4.1. The Recipient acknowledges that PHMSA is not liable for payments exceeding that amount, and the Recipient shall not request reimbursement of costs exceeding that amount.

13.2 Project Costs. This award is subject to the cost principles at 2 C.F.R. 200 subpart E, including provisions on determining allocable costs and determining allowable costs.

13.3 Timing of Project Costs.

- (a) The Recipient shall not charge to this award costs that are incurred after the budget period described in section 4.2.
- (b) The Recipient shall not charge to this award costs that were incurred before the date of this agreement unless the Recipient receives written approval from PHMSA, and such costs would have been allowable if incurred during the budget period described in section 4.2.

13.4 Recipient Recovery of Federal Funds. The Recipient shall make all reasonable efforts, including initiating litigation, if necessary, to recover Federal funds if PHMSA determines, after consultation with the Recipient, that those funds have been spent fraudulently, wastefully, or in violation of Federal laws, or misused in any manner under

PHMSA FY23 NGDISM Grant Terms and Conditions

this award. The Recipient shall not enter a settlement or other final position, in court or otherwise, involving the recovery of funds under this award unless approved in advance in writing by PHMSA.

13.5 Unexpended Federal Funds. Any Federal funds that are awarded at section 4.1 but not expended on allocable, allowable costs remain the property of the United States.

13.6 Timing of Payments to the Recipient.

- (a) Reimbursement is the payment method for the NGDISM Program.
- (b) The Recipient shall not request reimbursement of a cost before the Recipient has entered into a legally binding obligation for that cost.

13.7 eInvoicing. Recipients of PHMSA grants must use the USDOT Delphi eInvoicing System.

- (1) The Recipient must:
 - (a) Have internet access to register and submit payment requests through the Delphi eInvoicing system; and
 - (b) Submit payment requests electronically and receive payment electronically.
- (2) System User Requirements:
 - (a) The Recipient should contact PHMSA to sign up for the Delphi eInvoicing System. PHMSA will provide the Recipient's name and email address to the USDOT Financial Management Office. The USDOT Financial Management Office will then invite the Recipient to sign up for the system.
 - (b) USDOT will submit a User Account Application form to request system access. Once the system access email is sent out the recipient POC will have 72 hours to login to the system to activate their account

Note: Additional information, including training materials, and helpdesk support can be found on the DOT Delphi eInvoicing website (<http://www.transportation.gov/cfo/delphi-einvoicing-system.html>)

- (c) USDOT Financial Management officials may, on a case-by-case basis, waive the requirement to register, and use, the electronic payment system. Waiver request forms can be obtained on the USDOT eInvoicing website (<http://www.transportation.gov/cfo/delphi-einvoicing-system.html>) or by

PHMSA FY23 NGDISM Grant Terms and Conditions

contacting the PHMSA Agreement Officer. Recipients must explain why they are unable to use or access the internet to submit payment requests.

13.8 Payments. Reimbursement payments will be made after the electronic receipt via the USDOT eInvoicing System of either “Request for Advance or Reimbursement” (Standard Form 270 for non-construction projects) or “Outlay Report and Request for Reimbursement for Construction Programs” (Standard Form 271 for construction projects). Backup documentation including but not limited to invoices, or canceled checks substantiating funds cited on reimbursement request shall accompany SF270/SF271.

- (a) Method of Payment.
 - (1) PHMSA will make all payments under this agreement by electronic funds transfer (EFT), except as provided by section 13.8(a)(2). As used in this section 13.8, the term “EFT” refers to the funds transfer and may also include the payment information transfer.
 - (2) If PHMSA is unable to release one or more payments by EFT, the Recipient agrees either to:
 - (A) Accept payment by check or some other mutually agreeable method of payment; or
 - (B) extend the payment due date until such time as PHMSA can make payment by EFT (but see section 13.8(d)).
- (b) Recipient’s EFT information. PHMSA will make payment to the Recipient using the EFT information contained in the System for Award Management (SAM) database. If the EFT information changes, the Recipient is responsible for providing the updated information into SAM at: <https://www.sam.gov>.
- (c) Mechanisms for EFT payment. PHMSA may make payment by EFT through either the Automated Clearing House (ACH) network, subject to the rules of the National Automated Clearing House Association, or the Fedwire Transfer System. The rules governing Federal payments through the ACH are contained in 31 C.F.R. Part 210.
- (d) Suspension of payment. If the Recipient’s EFT information in the SAM database is incorrect, then PHMSA is not obligated to make payment to the Recipient under this agreement until the correct EFT information is entered into the SAM database. An invoice or agreement-financing request is not a proper invoice for the purpose of prompt payment under this agreement.
- (e) Recipient EFT arrangements. If the Recipient has identified multiple payment receiving points (i.e., more than one remittance address and/or EFT information

PHMSA FY23 NGDISM Grant Terms and Conditions

set) in the SAM database, and the Recipient has not notified PHMSA of the payment receiving point applicable to this agreement, PHMSA will make payment to the first payment receiving point (EFT information set or remittance address as applicable) listed in the SAM database.

- (f) Liability for uncompleted or erroneous transfers.
 - (1) If an uncompleted or erroneous transfer occurs because PHMSA used the Recipient's EFT information incorrectly, PHMSA remains responsible for:
 - (A) making a correct payment;
 - (B) paying any prompt payment penalty due; and
 - (C) recovering any erroneously directed funds.
 - (2) If an uncompleted or erroneous transfer occurs because the Recipient's EFT information was incorrect, or was revised within 30 days of PHMSA's release of the EFT payment transaction instruction to the Federal Reserve System, and
 - (A) if the funds are no longer under the control of the payment office, PHMSA is deemed to have made payment and the Recipient is responsible for recovery of any erroneously directed funds; or
 - (B) If the funds remain under the control of the payment office, PHMSA will not make payment, and the provisions of section 13.8(d) will apply.
- (g) EFT and prompt payment. A payment will have been made in a timely manner in accordance with the prompt payment terms of this agreement if, in the EFT payment transaction instruction released to the Federal Reserve System, the date specified for settlement of the payment is on or before the prompt payment due date, provided the specified payment date is a valid date under the rules of the Federal Reserve System.
- (h) [Reserved.]
- (i) Liability for change of EFT information by financial agent. PHMSA is not liable for errors resulting from changes to EFT information made by the Recipient's financial agent.
- (j) Payment information. The payment or disbursing office will forward to the Recipient available payment information that is suitable for transmission as of the date of release of the EFT instruction to the Federal Reserve System. PHMSA may request the Recipient to designate a desired format and method(s) for

PHMSA FY23 NGDISM Grant Terms and Conditions

delivery of payment information from a list of formats and methods the payment office is capable of executing. However, PHMSA does not guarantee that any particular format or method of delivery is available at any particular payment office and retains the latitude to use the format and delivery method most convenient to the Government. If the Government makes payment by check in accordance with section 13.8(a), the Government will mail the payment information to the remittance address contained in the SAM database.

13.9 Information Supporting Expenditures.

- (a) When requesting reimbursement of costs incurred, the Recipient shall electronically submit the SF-270 (Request for Advance or Reimbursement) or SF-271 (Outlay Report and Request for Reimbursement for Construction Programs) and shall submit supporting cost details as required by PHMSA.
- (b) If the Recipient submits a request for reimbursement that PHMSA determines does not include or is not supported by sufficient detail, PHMSA may deny the request or withhold processing the request until the Recipient provides sufficient detail.

13.10 Indirect Cost Rate.

- (a) The indirect cost rate to be charged to this award is determined according to the Recipient's Indirect Cost Rate Proposal. If the Recipient does not currently have an Indirect Cost Rate Proposal, the de minimis rate of 15% of modified total direct costs shall apply, per 2 C.F.R. 200.414(f).
- (b) For questions regarding Indirect Cost Rate Agreements, the Recipient should contact its cognizant agency for indirect costs, as defined in 2 C.F.R. 200.1. If PHMSA is the Recipient's cognizant agency for indirect costs, the Recipient may contact Cristina Keating at Cristina.Keating@dot.gov.

ARTICLE 14 - LIQUIDATION, ADJUSTMENTS, AND FUNDS AVAILABILITY

14.1 Liquidation of Recipient Obligations.

- (a) The Recipient shall liquidate all obligations of award funds under this agreement not later than 120 days after the end of the Period of Performance.
- (b) Liquidation of obligations and adjustment of costs under this agreement follow the requirements of 2 C.F.R. 200.344–200.346.

14.2 Funds Cancellation. NGDISM Program funding that is obligated for this award remains available until 120 days after the end of the Period of Performance. At its discretion, PHMSA may extend the time that funding obligated for this award remains available under this agreement by notifying the Recipient in writing.

PHMSA FY23 NGDISM Grant Terms and Conditions

ARTICLE 15 - AGREEMENT MODIFICATIONS

- 15.1 Bilateral Modification.** The parties may amend, modify, or supplement this agreement by mutual agreement in writing signed by PHMSA and the Recipient. Either party may request to amend, modify, or supplement this agreement by written notice to the other party.
- 15.2 PHMSA Unilateral Modifications.**
- (a) PHMSA may unilaterally modify this agreement to comply with Federal law, including the Program Statute.
 - (b) To unilaterally modify this agreement under this section 15.2, PHMSA must provide a notice to the Recipient that includes a description of the modification and state the date that the modification is effective.
- 15.3 Other Modifications.** The parties shall not amend, modify, or supplement this agreement except as permitted under sections 15.1 or 15.2. If an amendment, modification, or supplement is not permitted under section 15.1 and not permitted under section 15.2 it is void.

ARTICLE 16 - FEDERAL FINANCIAL ASSISTANCE, ADMINISTRATIVE, AND NATIONAL POLICY REQUIREMENTS

- 16.1 Uniform Administrative Requirements for Federal Awards.** The Recipient shall comply with the obligations on non-Federal entities under 2 C.F.R. parts 200 and 1201.
- 16.2 Federal Law and Public Policy Requirements.**
- (a) The Recipient shall ensure that Federal funding is expended in full accordance with the United States Constitution, Federal law, and statutory and public policy requirements: including but not limited to, those protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination.
 - (b) Pursuant to Executive Order 14173, Ending Illegal Discrimination and Restoring Merit-Based Opportunity, the Recipient agrees that its compliance in all respects with all applicable Federal anti-discrimination laws is material to the government's payment decisions for purposes of section 3729(b)(4) of title 31, United States Code.
 - (c) Pursuant to Executive Order 14173, Ending Illegal Discrimination and Restoring Merit-Based Opportunity, by entering into this agreement, the Recipient certifies that it does not operate any programs promoting diversity, equity, and inclusion (DEI) initiatives that violate any applicable Federal anti-discrimination laws.

PHMSA FY23 NGDISM Grant Terms and Conditions

- (d) The failure of this agreement to expressly identify Federal law applicable to the Recipient or activities under this agreement does not make that law inapplicable.

16.3 Federal Freedom of Information Act.

- (a) PHMSA is subject to the Freedom of Information Act, 5 U.S.C. 552.
- (b) The Recipient acknowledges that their Initial and/or Final Application and materials submitted to PHMSA by the Recipient related to this agreement may become PHMSA records subject to public release under 5 U.S.C. 552.

16.4 History of Performance. Under 2 C.F.R 200.206, any Federal awarding agency may consider the Recipient's performance under this agreement, when evaluating the risks of making a future Federal financial assistance award to the Recipient.

16.5 Whistleblower Protection.

- (a) The Recipient acknowledges that it is a "grantee" within the scope of 41 U.S.C. 4712, which prohibits the Recipient from taking certain actions against an employee for certain disclosures of information that the employee reasonably believes are evidence of gross mismanagement of this award, gross waste of Federal funds, or a violation of Federal law related to this award.
- (b) The Recipient shall inform its employees in writing of the rights and remedies provided under 41 U.S.C. 4712, in the predominant native language of the workforce.

16.6 Prohibition on Awarding to Entities that Require Certain Internal Confidentiality Agreements.

- (a) The Recipient shall not require employees or subcontractors seeking to report fraud, waste, or abuse to sign or comply with internal confidentiality agreements or statements prohibiting or otherwise restricting such employees or subcontractors 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.
- (b) The Recipient shall notify employees that the prohibitions and restrictions of any internal confidentiality agreements covered herein are no longer in effect to the extent that such prohibitions and restrictions are inconsistent with the prohibitions of paragraph (a).
- (c) The prohibition in paragraph (a) above does not contravene requirements applicable to Standard Form 312, Form 4414, or any other form issued by a

PHMSA FY23 NGDISM Grant Terms and Conditions

Federal department or agency governing the nondisclosure of classified information.

- (d) In accordance with section 743 of Division E, Title VII, of the Consolidated and Further Continuing Resolution Appropriations Act, 2015 (Pub. L. 113-235), use of funds appropriated (or otherwise made available) under that or any other Act may be prohibited, if the Government determines that the Recipient is not in compliance with the provisions herein. PHMSA may seek any available remedies in the event the Recipient fails to comply with the provisions herein.

16.7 Executive Orders. The Recipient certifies it will comply with the following Executive Orders in administering Federal funds under this agreement:

- Executive Order 11990 - Protection of Wetlands
- Executive Order 12372 - Intergovernmental Review of Federal Programs
- Executive Order 12549 - Debarment and Suspension
- Executive Order 14005 - Ensuring the Future is Made in All of America by All of America's Workers
- Executive Order 14025 - Worker Organizing and Empowerment
- Executive Order 14149 - Restoring Freedom of Speech and Ending Federal Censorship
- Executive Order 14154 - Unleashing American Energy
- Executive Order 14151 - Ending Radical and Wasteful Government DEI Programs and Preferencing
- Executive Order 14168 - Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government
- Executive Order 14173 - Ending Illegal Discrimination and Restoring Merit-Based Opportunity

16.8 National Environmental Policy Act.

- (a) The Recipient represents that all information that will be provided to PHMSA as part of the Environmental Review process required under the National Environmental Policy Act ("NEPA") will be current, accurate, and complete at the time it is submitted to PHMSA, to the best of the Recipient's knowledge. The Recipient acknowledges that PHMSA will rely on the information provided by the Recipient in approving the Project, and that Project approval under NEPA was a necessary precondition to this Federal award.
- (b) The Recipient shall complete any mitigation activities described in the Recipient's approved NEPA document, including the terms and conditions contained in the required permits and authorizations for the Project. The Recipient is responsible for obtaining any such permits and authorizations required by local, State, or Federal law.

PHMSA FY23 NGDISM Grant Terms and Conditions

- (e) If, at any point during the Period of Performance described in section 4.3, the scope of the PHMSA-funded Project is expanded beyond what is described in the Recipient's approved NEPA document, or if the anticipated impacts of the Project expand beyond what is described in the Recipient's approved NEPA document, then the Recipient shall coordinate with PHMSA to perform an additional Environmental Review covering the expanded Project scope or additional anticipated impacts, at PHMSA's sole discretion. The Recipient shall request a modification under section 15.1 to amend the Recipient's approved NEPA document to reflect the additional Environmental Review.

16.9 Labor and Work. In carrying out the Project, the Recipient is encouraged to make its best efforts, to the full extent possible consistent with law, to create good-paying jobs with the free and fair choice to join a union and to incorporate strong labor standards.

16.10 Critical Infrastructure Security and Resilience. Consistent with Presidential Policy Directive 21, "Critical Infrastructure Security and Resilience" (Feb. 12, 2013), and the National Security Presidential Memorandum on Improving Cybersecurity for Critical Infrastructure Control Systems (July 28, 2021), the Recipient shall consider physical and cyber security and resilience in the planning, design, and oversight of the Project.

16.11 811, Call Before You Dig Program. Damage to pipelines during excavation is a leading cause of accidents resulting in serious injuries and fatalities. 811 is designated as the national call-before-you-dig number. Every state has a one-call law requiring excavators to have underground utilities marked before digging. The recipient is encouraged to adopt the "811, Call Before You Dig" program for its employees and contractors when digging on company-owned, leased, or personally-owned property. For information on how to implement such a program please visit the 811 – Call Before You Dig section of PHMSA's website at www.phmsa.dot.gov.

16.12 External Award Terms and Condition.

- (a) In addition to this document and the contents described in article 25, this agreement includes the following additional terms as integral parts:
 - (1) Appendix A to 2 C.F.R. Part 25: System for Award Management and Universal Identifier Requirements;
 - (2) Appendix A to 2 C.F.R. Part 170: Reporting Subawards and Executive Compensation;
 - (3) 2 C.F.R. 200.113: Mandatory Disclosures;
 - (4) 2 C.F.R. 175: Award Term for Trafficking in Persons; and
 - (5) Appendix XII to 2 C.F.R. Part 200: Award Term and Condition for Recipient Integrity and Performance Matters.

PHMSA FY23 NGDISM Grant Terms and Conditions

- (b) The Recipient shall comply with:
 - (1) 49 C.F.R. Part 20: New Restrictions on Lobbying;
 - (2) Title VI of the Civil Right Act of 1964, which provides that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance.
 - (3) 49 C.F.R. Part 21: Nondiscrimination in Federally-Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964;
 - (4) 49 C.F.R. Part 27: Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance; and
 - (5) Subpart B of 49 C.F.R. Part 32: Governmentwide Requirements for Drug-free Workplace (Financial Assistance).

16.13 Incorporated Certifications. The Recipient makes the statements in the following certifications, which are incorporated by reference:

- (a) USDOT Standard Title VI/Non-Discrimination Assurances.
- (b) Appendix A to 49 C.F.R. Part 20 (Certification Regarding Lobbying).

ARTICLE 17 - ASSIGNMENT

17.1 Assignment Prohibited. The Recipient shall not transfer to any other entity any discretion granted under this agreement, any right to satisfy a condition under this agreement, any remedy under this agreement, or any obligation imposed under this agreement.

ARTICLE 18 - WAIVER

18.1 Waivers.

- (a) A waiver of a term of this agreement granted by PHMSA will not be effective unless it is in writing and signed by an authorized representative of PHMSA.
- (b) A waiver of a term of this agreement granted by PHMSA on one occasion will not operate as a waiver on other occasions.

PHMSA FY23 NGDISM Grant Terms and Conditions

- (c) If PHMSA fails to require strict performance of a term of this agreement, fails to exercise a remedy for a breach of this agreement, or fails to reject a payment during a breach of this agreement, that failure does not constitute a waiver of that term or breach.

ARTICLE 19 - ADDITIONAL TERMS AND CONDITIONS

19.1 Disclaimer of Federal Liability. PHMSA shall not be responsible or liable for any damage to property or any injury to persons that may arise from, or be incident to, performance or compliance with this agreement.

19.2 Relocation and Real Property Acquisition.

- (a) To the greatest extent practicable under State law, the Recipient shall comply with the land acquisition policies in 49 C.F.R. Part 24, Subpart B and shall pay or reimburse property owners for necessary expenses as specified in that subpart.
- (b) The Recipient shall provide a relocation assistance program offering the services described in 49 C.F.R. Part 24, Subpart C and shall provide reasonable relocation payments and assistance to displaced persons as required in 49 C.F.R. Part 24, Subparts D–E.
- (c) The Recipient shall make available to displaced persons comparable replacement dwellings in accordance with 49 C.F.R. Part 24.

19.3 Equipment Disposition.

- (a) In accordance with 2 C.F.R. 200.313 and 1201.313, if the Recipient or a subrecipient acquires equipment under this award, then when that equipment is no longer needed for the Project:
 - a. if the entity that acquired the equipment is a State, the State shall dispose of that equipment in accordance with State laws and procedures;
 - b. if the entity that acquired the equipment is an Indian Tribe, the Indian Tribe shall dispose of that equipment in accordance with tribal laws and procedures. If such laws and procedures do not exist, Indian Tribes must follow the guidance in 2 C.F.R. 200.313; and
 - c. if the entity that acquired the equipment is neither a State nor an Indian Tribe, that entity shall request disposition instructions from PHMSA.
- (b) In accordance with 2 C.F.R. 200.443(d), the distribution of the proceeds from the disposition of equipment must be made in accordance with 2 C.F.R. 200.313–200.316 and 2 C.F.R. 1201.313.

19.4 Notice of News Releases, Public Announcement, and Presentations. The Recipient must have PHMSA’s prior approval for all press releases, formal announcements, or

PHMSA FY23 NGDISM Grant Terms and Conditions

other planned written issuance containing news or information concerning this agreement before issuance.

- 19.5 Reporting Fraud, Waste, or Abuse.** The USDOT Inspector General maintains a toll-free hotline for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. Such reports are kept confidential, and callers may decline to give their names if they choose to remain anonymous. The number is: (800) 424-9071.

The mailing address is:

USDOT Inspector General
1200 New Jersey Ave SE
West Bldg., 7th Floor
Washington, DC 20590
Email: hotline@oig.dot.gov
Web: <http://www.oig.dot.gov/Hotline>

ARTICLE 20 - MANDATORY AWARD INFORMATION

- 20.1 Information Contained In a Federal Award.** For 2 C.F.R. 200.211:

- (a) the “Federal Award Date” is the date of this agreement, as defined under section 22.2;
- (b) the “Assistance Listings Number” is 20.708 and the “Assistance Listings Title” is “Natural Gas Distribution Infrastructure Safety and Modernization Grant Program”; and
- (c) this award is not for research and development.

- 20.2 Federal Award Identification Number.** The Federal Award Identification number is set forth in PHMSA’s Assistance Agreement Box 1, Award No.

- 20.3 Recipient’s Unique Entity Identifier.** The Recipient’s Unique Entity Identifier is defined in PHMSA’s Assistance Agreement.

ARTICLE 21 - CONSTRUCTION AND DEFINITIONS

- 21.1 Incorporation by Reference.** This agreement incorporates the following documents by reference:

- (1) The Recipient’s Initial Application (as defined in Section 21.4), and if a Final Application was submitted, the Recipient’s Final Application (as defined in Section 21.4);
- (2) The Recipient’s signed Standard Forms 424 and 424C pertaining to this project;

PHMSA FY23 NGDISM Grant Terms and Conditions

- (3) The Recipient's signed USDOT Standard Title VI Assurances;
- (4) The Recipient's signed Certification Regarding Lobbying;
- (5) The PHMSA-approved NEPA Document pertaining to this Project;
- (6) The Recipient's Indirect Cost Rate Proposal (if applicable); and
- (7) The "PHMSA Assistance Agreement" document.

21.2 Construction.

- (a) In these General Terms and Conditions, unless expressly specified, a reference to a section or article refers to that section or article in these General Terms and Conditions; and,
- (b) If a provision in the Recipient's Initial and/or Final Application conflicts with a provision in these General Terms and Conditions, then the provision in these General Terms and Conditions prevails.

21.3 Integration. This agreement and all documents incorporated by reference herein or included as part of this grant award package constitute the entire agreement of the parties relating to the NGDISM Program and awards under that program for the Project and supersede any previous agreements, oral or written, relating to the NGDISM Program and awards under that program for the Project.

21.4 Definitions. In this agreement, the following definitions apply:

"General Terms and Conditions" means this document, including articles 1–22.

"NGDISM Grant" means an award of funds that were made available under the Natural Gas Distribution Infrastructure Safety and Modernization NOFO.

"Initial Application" means the application submitted by the Recipient via Grants.gov prior to the close of the Fiscal Year 2023 NGDISM Notice of Funding Opportunity.

"Final Application" means the application submitted by the Recipient to PHMSA, at PHMSA's request, after the close of the Fiscal Year 2023 NGDISM Notice of Funding Opportunity.

"Program Statute" means the section titled "Natural Gas Distribution Infrastructure Safety and Modernization Grant Program" in Division J of the Infrastructure Investment and Jobs Act, Public Law 117-58.

PHMSA FY23 NGDISM Grant Terms and Conditions

“Project” means the project described in the Final Application, as modified by the negotiated provisions of this agreement.

ARTICLE 22 - AGREEMENT EXECUTION AND EFFECTIVE DATE

- 22.1 Counterparts.** This agreement may be executed in counterparts, which constitute one document. The parties intend each countersigned original to have identical legal effect.
- 22.2 Effective Date.** The agreement will become effective when all parties have signed PHMSA’s Assistance Agreement. The date of this agreement will be the date PHMSA’s Assistance Agreement is signed by the last party to sign it. This instrument constitutes an NGDISM Grant when PHMSA’s authorized representative signs PHMSA’s Assistance Agreement.

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

* APPLICANT'S ORGANIZATION

City of Richmond, VA

* PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

Prefix: Mr. * First Name: Daniel Middle Name:
* Last Name: Rifenburg Suffix:
* Title: Director of Richmond Gas Works

* SIGNATURE: Joseph W Girard

* DATE: 08/02/2023