

SUBRECIPIENT GRANT AGREEMENT

The Port of Pasco ("PORT") is the recipient of a grant award (Agreement No EMW-2015-PU-00175-S01) (hereinafter the "Grant Agreement") for the acquisition of various radio equipment from the U. S. Department of Homeland Security. The City of Connell is a subrecipient of a portion of the grant funds.

This instrument is intended to reflect the terms and conditions of financial assistance to the City of Connell, hereafter referred to as the "Subrecipient", to aid in financing the cost of radio equipment, as described in Attachment #1. Assistance to Subrecipient consists of a grant in the amount of \$117,023.52, which shall be matched by the City of Connell in the sum of \$ 39,007.84.

Article 1. DEFINITIONS

- a) "PORT" shall mean the Port of Pasco.
- b) "Subrecipient" shall mean the City of Connell
- c) The "Agreement" shall consist of the application, this Agreement, Attachment #1, the Obligating Document, and FY 2015 Port Security Grant Program Funding Opportunity Announcement.

- d) This Agreement shall be construed for all purposes as a contract entered into pursuant to the laws of the State of Washington

Article 2. ORGANIZATION

There shall be no separate legal entity formed for the implementation of this Agreement. The Executive Director of the PORT and the City Administrator of the City of Connell shall be responsible for the administration of this Agreement. The Subrecipient shall own the radio equipment purchased pursuant to this Agreement, provided it complies with all the terms and conditions set forth herein.

Article 3. LAWS AND REGULATIONS

The Subrecipient shall comply with all laws, ordinances, rules and regulations relating to the Agreement.

The Subrecipient shall comply with all relevant federal regulations and statutes referenced in the Agreement or referenced by the incorporated documents described hereinabove in Article 1.

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Article 4. COMPLETION OF CONTRACT ARRANGEMENTS

The Subrecipient must complete the purchases within six (6) months, or such other time designated by PORT. At its discretion, PORT may grant a written request by the Subrecipient to extend the deadline for completing contract requirements.

Article 5. DISBURSEMENT OF FUNDS

The precise terms of disbursement shall be as follows:

All payments shall be made on a reimbursement basis, only upon PORT's receipt and acceptance of documentation acceptable to PORT and a recap of expenditures providing a breakdown of funds disbursed in the previous installments, together with documentation of funds expended.

Total funds disbursed shall not exceed actual amounts required for the purchase of the equipment described in Attachment #1 or the amount of the PORT subaward, whichever is the lesser.

PORT will not recognize any requests for cost overruns. No payments will be made except as expressly provided herein.

Article 6. COMPLIANCE WITH AGREEMENT ARTICLES

Subrecipient agrees to comply in all respects with each and every condition and obligation set forth in the Grant Agreement as it relates to a subrecipient. For purposes of the application of this provision, any reference to "Recipient" shall mean "Subrecipient" as it relates to obligations that Subrecipient must comply with in order for the Port to be in compliance with the Grant Agreement. Subrecipient acknowledges it has received notice of the requirement for a unique entity identifier as required by Article XXXI.

Article 7. INDEMNIFICATION

The Subrecipient shall defend, protect, and hold harmless PORT or any PORT employee from all claims, suits, and/or actions arising from any damage caused, negligent act, or omission of the Subrecipient, or any employees or agents of Subrecipient related to this Agreement.

Article 8. DISPUTE RESOLUTION

Except as otherwise provided in this Agreement, when a bona fide dispute arises between the parties and it cannot be resolved through discussion and negotiation, either party may request a dispute hearing. The parties shall select a dispute

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resolution team to resolve the dispute. The team shall consist of a representative appointed by PORT, and a representative appointed by the Subrecipient. A mediator may be selected acceptable to both parties. The team shall attempt to resolve the dispute. The parties agree that this dispute process shall precede any action in a judicial or quasi-judicial tribunal.

Article 9. GOVERNING LAW AND VENUE

The Agreement shall be construed and enforced in accordance with, and the validity and performance hereof shall be governed by, the laws of the State of Washington. Venue of any suit between the parties arising out of this Agreement shall be the Superior Court of Franklin County, Washington.

Article 10. CONTINGENCIES

The duty of PORT to approve disbursement of funds pursuant to this Agreement is contingent upon strict compliance by the Subrecipient with the terms of this Agreement.

Article 11. TERMINATION

PORT may require strict compliance by the Subrecipient with the terms of this Agreement, including but not limited to, the requirements of the applicable statutes and regulations incorporated into this Agreement.

Upon written notice to the Subrecipient, PORT or its staff may suspend, or may terminate, the obligation to provide funding to the Subrecipient under this Agreement in the event of any breach or anticipatory failure by the Subrecipient to assure performance of any of the obligations under this Agreement. PORT may at its absolute discretion, provide a reasonable time for such defect to be cured.

In the event that any portion of the grant amount has been paid to the Subrecipient under this Agreement at the time of breach, or failure of the Subrecipient to satisfactorily perform, PORT may require that the full amount of the grant, or a portion thereof, be repaid within a period specified by PORT not less than ninety (90) days following demand.

Article 12. NONWAIVER OF PORT RIGHTS

PORT's failure to insist upon the strict performance of any provision or to exercise any right based upon a breach of this Agreement shall not constitute a waiver of any rights under this Agreement.

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Article 13. AMENDMENTS

Either party may, from time to time, request amendments to this Agreement. Any such change shall be effective only if committed to writing, signed by both parties, and incorporated into this Agreement.

Article 14. NOTICES

All notices, demands, requests, consents, approvals, and other communication which may be or are required to be given by either party to the other under this Agreement shall be in writing and shall be deemed to have been sufficiently given for all purposes when delivered or mailed by first class postage or certified mail, postage prepaid, addressed as follows:

- a) Notice to PORT of Pasco

PO Box 769
Pasco, WA 99302

- b) Notice to City of Connell

PO Box 1200
Connell WA 99326

or to such other address the Subrecipient or Port shall have furnished to the other in writing.

Article 15. RECORDING

This Agreement shall be recorded with the Franklin County auditor.

PORT OF PASCO

By: [Signature]

Title: EXEC. DIR.

Date: 10/22/15

SUBRECIPIENT

By: [Signature]

Title: MAYOR

Date: 10/19/15